

**MINUTES OF MEETING OF THE
AUDIT AND ETHICS COMMITTEE OF THE
BOARD OF DIRECTORS OF
THE UNIVERSITY OF TEXAS /TEXAS A&M INVESTMENT MANAGEMENT COMPANY**

A meeting of the Audit and Ethics Committee (the "Committee") of The University of Texas/Texas A&M Investment Management Company (the "Corporation") convened in open session on **September 8, 2021**, by means of video and telephone conference enabling all persons participating in the meeting to hear each other, at the offices of the Corporation, Suite 1700, 210 West 7th Street, Austin, Texas, said meeting having been called by the Committee Chair, Janet Handley ("Chairman"), with notice provided to each member in accordance with the Corporation's Bylaws. The audio portion of the meeting was electronically recorded and broadcast over the internet. Participating in the meeting were the following members of the Committee:

Janet Handley, Chair
Jodie L. Jiles
Clifton L. Thomas, Jr.
James C. "Rad" Weaver

thus constituting a majority and quorum of the Committee. Chairman Handley called the meeting to order at 9:00 a.m. Employees of the Corporation attending the meeting were Britt Harris, President, CEO and Chief Investment Officer; Rich Hall, Deputy Chief Investment Officer; Joan Moeller, Treasurer and Secretary; Carolina de Onís, General Counsel and Chief Compliance Officer; Gary Hill, Managing Director - Operations, Accounting and Reporting; and other employees. Other attendees were Ben Morse of Orrick, Herrington & Sutcliffe LLP, and J. Michael Peppers of The University of Texas System ("UT System") Administration. Copies of materials supporting the Committee meeting agenda were previously furnished to each Committee member.

Approval of Minutes

The first matter to come before the Committee was the approval of the minutes of the Audit and Ethics Committee meeting held on June 17, 2021. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Committee:

RESOLVED, that the minutes of the Meeting of the Audit and Ethics Committee of the Board of Directors held on June 17, 2021 be, and are hereby, approved.

Amendments to the Charter of the Audit and Ethics Committee

Chairman Handley asked Mrs. de Onís to present management's recommended changes to the Charter of the Audit and Ethics Committee. Mrs. de Onís stated that, consistent with several observations noted in the UT System audit of UTIMCO's Compliance Program, changes were made to streamline and eliminate duplicative reporting to various Board committees. Several other minor editorial changes were also made, including language regarding the reporting line for the Chief Compliance Officer to the CEO. Upon motion duly made and seconded, the following resolution was unanimously adopted:

RESOLVED, that the amendments to the Charter of the Audit and Ethics Committee as recommended be, and are hereby approved, in the form submitted to the Committee, subject to approval by the Corporation's Board of Directors.

Update on Compliance, Reporting and Audit Matters

Chairman Handley asked Mrs. de Onis to provide an update on compliance and reporting matters. Mrs. de Onis reported that an overview of UTIMCO's Compliance program was presented to UT System Executive Compliance Committee in July, and a copy of that presentation was provided to the Committee. She introduced Kim Davis to the Committee as the new Senior Director and Head of Compliance. Next, Mrs. de Onis reported that a top to bottom review of Compliance policies, procedures, monitoring, and testing remains ongoing. Mrs. de Onis reported that in regard to routine compliance reports, all high-risk areas continued to be monitored and remain well controlled with the exception of personal trading, which will be discussed in Executive Session. Finally, as required by the Delegation of Authority Policy, Mrs. de Onis reported there were no new contracts, leases or other commercial arrangements of \$250,000 or more for the period beginning June 5, 2021, through August 27, 2021. Mrs. de Onis concluded her report and answered the Committee Members' questions.

Unaudited Financial Statement Reports

Chairman Handley asked Ms. Moeller to present the Unaudited Financial Statements for the Permanent University Fund ("PUF"), General Endowment Fund ("GEF"), Permanent Health Fund ("PHF"), Long Term Fund ("LTF"), and the Intermediate Term Fund ("ITF"), each for the quarter ended May 31, 2021. Ms. Moeller introduced Gary Hill as a new Managing Director for Operations, Accounting and Reporting and turned the presentation over to Mr. Hill to discuss the Investment Funds. Mr. Hill reported no new items or significant changes to the Investment Funds but noted significantly higher numbers for 2021. Mr. Hill concluded with an update on Deloitte's interim work and the teams' closing progress before answering the Committee Members' questions.

Executive Session

Chairman Handley announced that, "The Audit and Ethics Committee of the Board of Directors of The University of Texas/Texas A&M Investment Management Company having been duly convened in Open Session and notice of this meeting having been duly given, I hereby announce the convening of a closed meeting as an Executive Session of the Committee to consult with Legal Counsel and to deliberate individual personnel matters. This Executive Session meeting of the Committee is authorized by *Texas Government Code* Sections 551.071 and 551.074. The date is September 8, 2021, and the time is now 9:15 a.m." With the exception of Mr. Harris, Mr. Hall, Ms. Moeller, Mrs. de Onis, and Mr. Morse, all other meeting participants left the meeting at this time.

Open Session

The Committee reconvened in open session and Chairman Handley announced that, "The Open Session of the Audit and Ethics Committee of the Board of Directors of The University of Texas/Texas A&M Investment Management Company is now reconvened. The date is September 8, 2021, and the time is now 9:47 a.m.

During the Executive Session, the Committee consulted with Legal Counsel and deliberated individual personnel matters, but no action was taken, nor decisions made and no vote was called for or had by the Committee in Executive Session."

Adjourn

There being no further business to come before the Committee, the meeting was adjourned at approximately 9:47 a.m.

Secretary: 
Joan Moeller

Approved: 
Janet Handley, Chair
Audit and Ethics Committee of the Board of Directors of
The University of Texas/Texas A&M Investment Management Company

Date: Dec. 9, 2021