

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

The Board of Directors (the "Board") of The University of Texas/Texas A&M Investment Management Company (the "Corporation") convened in an open meeting on **December 9, 2021**, in person and by means of video and telephone conference enabling all persons participating in the meeting to hear each other, at the offices of the Corporation located at 210 West 7th Street, Suite 1700 in Austin, said meeting having been called by the Chairman, Jeffery D. Hildebrand ("Chairman"), with notice provided to each member in accordance with the 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 Board:

Jeffery D. Hildebrand
Ray Rothrock
Robert Gauntt
Janet Handley
Jodie L. Jiles
Janiece Longoria
Ray Nixon
Clifton L. Thomas, Jr.

thus constituting a majority and quorum of the Board. Director James C. "Rad" Weaver was not in attendance. Employees of the Corporation attending the meeting were Britt Harris, President, CEO and Chief Investment Officer; Rich Hall, Deputy Chief Investment Officer; Joan Moeller, Secretary and Treasurer; Carolina de Onís, General Counsel and Chief Compliance Officer; Ken Standley, Senior Director – Strategic Partnerships; Gary Hill, Managing Director – Operations, Accounting and Reporting; Kim Bauer, Senior Director – Corporate Accounting; Mike Sjolander, Chief Technology Officer ("CTO"); and other team members. Other attendees were James B. Milliken, Chancellor of The University of Texas ("UT System") System; Jerry Kyle of Orrick, Herrington, & Sutcliffe LLP; Robert Cowley and Aaron Dickson of Deloitte & Touche LLP; and Keith Brown of the McCombs School of Business at UT Austin. Chairman Hildebrand called the meeting to order at 9:08 a.m. Copies of materials supporting the Board meeting agenda were previously furnished to each member of the Board.

Minutes

The first item to come before the Board was approval of the Minutes of the Board of Directors Meeting held on September 16, 2021. Upon motion duly made and seconded, the following resolution was unanimously adopted by the Board:

RESOLVED, that the minutes of the Meeting of the Board of Directors held on September 16, 2021, be, and are hereby, approved.

Election of Corporate Officer and Amendment to Delegation of Authority Policy

Chairman Hildebrand asked Britt Harris to present a recommendation for the appointment of Rich Hall to the office of Chief Investment Officer of the Corporation. Mr. Harris also presented a change to the Delegation of Authority Policy. Upon motion duly made and seconded, the following resolutions were unanimously adopted by the Board:

RESOLVED, that Richard Hall is appointed to the office of Chief Investment Officer of the Corporation, effective January 1, 2022, to serve until the next Annual Meeting of the Corporation or until his resignation or removal.

FUTHER RESOLVED, that the Amendments to the Delegation of Authority Policy, as recommended, be and hereby is approved in the form submitted to the Corporation's Board of Directors.

Performance and Market Update

Chairman Hildebrand asked Rich Hall to present the Corporation's performance and market update. Mr. Hall reported that as of September 30, 2021, the Corporation had just shy of \$67 billion of assets under management, specifically: \$31.7 billion in the Permanent University Fund ("PUF"), \$20.1 billion in the Long Term Fund ("LTF"), \$1.6 billion in the Permanent Health Fund ("PHF"); \$10.3 billion in the Intermediate Term Fund ("ITF"), \$2.9 billion in the Short Term Fund ("STF"), and \$0.2 billion in Other funds. He discussed the diversification framework as well as returns and alpha followed by a performance comparison to our Trust Universe Comparison Service ("TUCS") peers, noting that we are in the lowest 10 percent in terms of risk and the top 20 percent in terms of returns. Mr. Hall then provided a detailed overview of economic indicators. Next, he discussed the market dashboard and S&P P/E ratio, concentration, and valuation dispersion. He discussed asset allocation returns and reflections on 2021, touching on Special Purpose Acquisition Company IPO activity and inflation. Mr. Hall also provided a Federal Reserve update and an update on China's technology sector and concluded his presentation with a 2022 outlook. He then answered questions from the Board.

Strategic Partnerships Presentation

Chairman Hildebrand asked Ken Standley to present an update on the Strategic Partnerships. Mr. Standley began with an Executive Summary, noting that we are well on our way to target exposures with JP Morgan and BlackRock and our strategic partners are delivering great performance and value-add. He reported that as of September 30, 2021, returns have been nearly 30 percent and exceeding the benchmark by almost 500 basis points. He shared other major accomplishments being the launch of Holistic Tactical Asset Allocation ("HTAA") and two successful summits and gave a brief introduction to the team. He continued with a discussion on performance and attribution and followed with a review of historical strategic partner tactical positioning. He provided a knowledge sharing update and concluded his presentation with a progress summary. He then answered questions from the Board.

Operations Presentation

Chairman Hildebrand invited Gary Hill and Kim Bauer to provide an overview of the Operations teams and their responsibilities. Mr. Hill began with an introduction of the Operations, Accounting and Reporting (“OAR”) team and complimented their talent and capabilities. He shared that the OAR team works across a multitude of teams and external parties to account for all assets managed by UTIMCO. The team also reports net asset value and performance information as well as Investment Fund reporting. The OAR team also manages reporting for Individual Endowment Accounts and maintains master securities files. Mr. Hill also discussed the efforts of the Operational Due Diligence team as well as Document Management, who he noted manages over 32,000 documents tagged and stored in the Data Repository per year. He concluded by recognizing the talent and efforts of the team before turning the presentation over to Ms. Bauer. Ms. Bauer began with an introduction to the four-member Corporate Accounting team and highlighted some of the responsibilities related to corporate business. She reviewed the teams’ management of general ledger accounting, budget and strategic planning, financial and tax reporting, corporate travel coordination, corporate insurance management as well as employee payroll and benefits. Ms. Bauer concluded by reporting on clean audits and taking questions from the Board.

Information Services & Security Presentation

Chairman Hildebrand invited Mike Sjolander to provide an overview of the Information Services & Security teams and their responsibilities. Mr. Sjolander began with an executive summary consisting of transforming the ISS team, talent management, a focus on customer service, and delivering on agreements. Next, he introduced the Information Services and Security team and highlighted organizational changes and additions that have contributed to team functional alignment. Mr. Sjolander also discussed roles and projects within the team as well as strategic imperatives. He also provided an overview of major accomplishments in 2021 as well as upcoming projects. He asked Mr. Hill to give an introduction of the Modernization Legacy Applications (“MLA”) which is a project covering 41 applications that require core code rewrite and will add minor feature enhancements, modern user interface and updated security. Mr. Sjolander followed with a detailed description of one of the MLAs, the Endowment Reporting application, reviewing the new design and enhancements. He then answered questions from the Board.

Legal and Compliance Presentation

Chairman Hildebrand asked Carolina de Onís to provide an update on Legal and Compliance. Mrs. de Onís began with a background of the previous team setup and the current cultural reorientation. She discussed the increased collaboration, communication, and cross-training under “One Team” and discussed the compliance redesign to focus on material risks, clarity and simplicity in monitoring and reporting. Next, she discussed the teams’ incorporation of servant leadership principles into their practice. She introduced the team and their roles within the organization, noting a majority of their work is done in-house. Mrs. de Onís concluded her presentation with the strategic priorities in place for 2022.

Report from Audit and Ethics Committee

Chairman Hildebrand asked Director Handley to provide a report on behalf of the Audit and Ethics Committee. Director Handley reported that the Committee met via teleconference on December 2, 2021. At the meeting, the Committee considered three action items: the minutes of its September 8, 2021 meeting were approved as drafted; Deloitte & Touche LLP's Audit Results and Communications for the PUF, The University of Texas General Endowment Fund ("GEF"), PHF, LTF, ITF (collectively, the "Investment Funds") for the fiscal year ended August 31, 2021, were approved; the audit reports for the Investment Funds and the Statement of Investment Performance Statistics for the fiscal year ended August 31, 2021 were approved.

Director Handley asked Mr. Robert Cowley of Deloitte & Touche LLP to provide a brief report to the Board on the audits of the Investment Funds. After Mr. Cowley's presentation, Director Handley reported that the Committee also received an update on UTIMCO's compliance, reporting and audit matters, a report on new contracts, and the annual report of all contracts over \$250,000. She requested approval, on behalf of the Audit and Ethics Committee, of a resolution related to the audits of the Investment Funds for Fiscal Year 2021. Upon motion duly made and seconded, the following resolutions were unanimously adopted by the Board:

RESOLVED, that Deloitte & Touche LLP's Financial Statement Audit Results and Communication Letter on the Investment Funds Under Fiduciary Responsibility of The University of Texas System Board of Regents for the year ended August 31, 2021, be, and is hereby approved in the form as presented to the Board; and

FURTHER RESOLVED, that the separate annual financial statements and audit reports for the Permanent University Fund, the Permanent Health Fund, The University of Texas System Long Term Fund, The University of Texas System General Endowment Fund, and The University of Texas System Intermediate Term Fund each for the fiscal years ended August 31, 2021, and August 31, 2020, and the Statement of Investment Performance Statistics for the year ended August 31, 2021, be, and are hereby approved in the form as presented to the Board.

Report from Investment Risk Committee

Chairman Hildebrand asked Director Handley to provide a report from the Investment Risk Committee. Director Handley reported that the Investment Risk Committee met via teleconference on December 2, 2021. The Committee approved the minutes of its September 8, 2021 meeting. The Committee also received a report on compliance matters for the quarter ended August 31, 2021, and a market and portfolio risk update.

Report from Cyber Risk Committee

Chairman Hildebrand asked Director Rothrock to provide a report from the Cyber Risk Committee. Director Rothrock reported that the Cyber Risk Committee met via teleconference on December 2, 2021. The

Committee approved the minutes of its September 8, 2021 meeting. The Committee also met in Executive Session to receive an update on computer security assessments related to information resources technology.

Executive Session

Prior to going into executive session, Chairman Hildebrand announced that, "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 to deliberate individual personnel compensation matters, including the CEO and Chief Investment Officer pursuant to *Texas Government Code* Section 551.074. The date is December 9, 2021, and the time is now 11:20 a.m."

Reconvene in Open Session

The Board reconvened in open session and Chairman Hildebrand announced that, "The Open Session of the Board of Directors of The University of Texas/Texas A&M Investment Management Company is now reconvened. The date is December 9, 2021, and the time is now 11:36 a.m. During the Executive Session, the Board deliberated individual compensation matters, including the CEO and Chief Investment Officer, but no action was taken, nor decisions made, and no vote was called for or had by the Board in Executive Session."

Report from Compensation Committee

Chairman Hildebrand asked Director Nixon to provide a report from the Compensation Committee. Director Nixon stated that the Compensation Committee (the "Committee") met on December 2, 2021 and December 9, 2021. At its meetings on December 2, 2021, the Committee approved the minutes of its September 8, 2021 meeting. The Committee also met in executive session to discuss performance awards for the CEO and other UTIMCO Compensation Program ("Plan") Participants for the Performance Period ended June 30, 2021, but no action was taken at that meeting.

At its December 9, 2021 meeting, the Committee approved the minutes of its December 2, 2021 meeting, convened in executive session to discuss the Performance Awards for Plan Participants, including the CEO, for the Performance Period ended June 30, 2021, and approved these Performance Awards, subject to approval by the Board.

Director Nixon recommended two resolutions for approval by the Board. The first resolution related to the Performance Award for the CEO for the Performance Period ended June 30, 2021, and the second resolution related to the Performance Awards for all other Plan Participants for the Performance Period ended June 30, 2021. Upon motion duly made and seconded, the following resolutions were unanimously adopted by the Board:

WHEREAS, Section 5.5.(d) of the UTIMCO Compensation Program (the "Plan") provides that, at the end of each Performance Period, the Board will approve the Performance Award of the CEO based upon a determination of the level of

achievement of the CEO with respect to his or her Performance Standards for such Performance Period; and

WHEREAS, the Compensation Committee has reviewed and approved the CEO's Performance Award for the Performance Period ended June 30, 2021, and submitted its recommendation to the Board for approval; and

WHEREAS, the Board has reviewed the Compensation Committee's recommendation of the CEO's Performance Award for the Performance Period ended June 30, 2021.

NOW, THEREFORE, be it:

RESOLVED, that the Board approves the CEO's Performance Award for the Performance Period ended June 30, 2021, in the amount of \$3,062,772.

And,

WHEREAS, Section 5.5.(d) of the UTIMCO Compensation Program (the "Plan") provides that, at the end of each Performance Period, the Compensation Committee will approve, subject to further approval of the UTIMCO Board, the Performance Award of each Participant based upon a determination of the level of achievement of such Participant against his or her Performance Standards for such Performance Period; and

WHEREAS, in accordance with Section 5.5.(d) of the Plan, the Compensation Committee has determined the level of achievement by each Participant in the Plan during the Performance Period ended June 30, 2021, of his or her Performance Standards for such Performance Period; and

WHEREAS, Sections 5.5.(e) and 5.5.(f) of the Plan provide that, based on the percentage achieved of each Participant's Performance Standards for a Performance Period, a Performance Award will be calculated for such Participant for such Performance Period in accordance with the calculation methodology set forth in Appendix A of the Plan; and

WHEREAS, Section 5.5.(f) of the Plan provides that the Compensation Committee will review all calculations of Performance Awards, make any changes it deems appropriate, and submit its recommendation to the Board for approval; and

WHEREAS, the Compensation Committee has reviewed the Performance Awards for all Participants who have met or exceeded their performance benchmarks for the Performance Period ended June 30, 2021, made changes it deemed appropriate, approved such Performance Awards, and recommended that the Board approve the same.

NOW, THEREFORE, be it:

RESOLVED, that the Board approves the Performance Awards for all Participants (excluding the CEO) for the Performance Period ended June 30, 2021, in the total aggregate amount of \$16,263,379 and be it

FURTHER RESOLVED, that of the Performance Awards for all Participants (excluding the CEO) for the Performance Period ended June 30, 2020, 28.9% (\$4,697,804) will be deferred pursuant to the Plan.

Concluding Remarks

Chancellor Milliken expressed his appreciation for the Board and the UTIMCO Team for all they do on behalf of UT System and congratulated UTIMCO on a successful year.

Adjourn

There being no further business to come before the Board, the meeting was adjourned at approximately 11:40 a.m.

Secretary: Joan Moeller
Joan Moeller

Approved: Jeffery D. Hildebrand Date: 3/28/22
Jeffery D. Hildebrand
Chairman, Board of Directors of
The University of Texas/Texas A&M Investment Management Company