

**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 9, 2022**, by means of video and telephone conference enabling all persons participating in the meeting to hear each other, at the offices of the Corporation, 210 West 7th Street, Suite 1700, Austin, Texas, said meeting having been called by the Committee Chair, Janet Handley ("Chair"), with notice provided to each member in accordance with the Corporation's Bylaws. The audio portion of the meeting was electronically recorded. An internet broadcast was attempted but was not successful due to an error accessing the broadcasting equipment. 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. Chair Handley called the meeting to order at 10:06 a.m. Employees of the Corporation attending the meeting were Britt Harris, CEO and President; Rich Hall, Chief Investment Officer; Joan Moeller, Secretary and Treasurer; Carolina de Onís, General Counsel and Chief Compliance Officer; Gary Hill, Managing Director - Operations, Accounting and Reporting; and other UTIMCO employees. Other attendees included J. Michael Peppers, Chief Audit Executive and Steve Sizemore, IT Audit Program Manager of the UT System Audit Office. Jerry Kyle of Orrick, Herrington & Sutcliffe LLP was also in attendance. 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 2, 2022. 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 2, 2022 be, and are hereby, approved.

Update on Compliance, Reporting and Audit Matters

Chair Handley asked Ms. de Onís to provide an update on compliance, reporting, and audit matters. Ms. de Onís began by providing an update on accomplishments and priorities, including the outsourcing of fund compliance to BNY Mellon as it relates to compliance with investment policy statements as well as investment guidelines with external managers with agency agreements. Ms. de Onís also provided an update on the public sources review of all financial disclosures from Directors and Key Employees. Ms. de Onís discussed the Compliance Report for the quarter ended May 31, 2022, and ethics activity for the period from May 31, 2022 to current, noting four minor personal trading disclosure violations as well as one minor violation by an

external manager that inadvertently acquired a short position. The position was remedied the next day with no loss to UTIMCO. Ms. de Onís reported there were no new contracts of \$250,000 or more for the prior reporting end of date May 25, 2022, through August 26, 2022. She then answered the Committee Members' questions.

Presentation of Unaudited Financial Statements

Chair Handley asked Mr. Hill 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 nine months ended May 31, 2022. Mr. Hill provided highlights of the statements, with no new items or significant changes reported. Mr. Hill noted that this was a record year in mineral receipts from West Texas Lands of \$2.1 billion, approximately \$1 billion more than received previously in the history of the Permanent University Fund. Ms. Moeller reviewed the UTIMCO Corporate Financial Statements and actual versus budget expenses as well as capital budget versus actual for the ten months ended June 30, 2022. Mr. Hill and Ms. Moeller then answered 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, for the purpose of receiving an update on computer security assessments and audits related to information resources technology. This Executive Session meeting of the Committee is authorized by *Texas Government Code* Sections 551.076 and 551.089. The date is September 9, 2022, and the time is now 10:24 a.m." With the exception of Mr. Harris, Mr. Hall, Ms. Moeller, Ms. de Onís, Mr. Peppers, Mr. Sizemore, and Mr. Kyle, all other 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 9, 2022, and the time is now 10:33 a.m. During the Executive Session, the Committee received an update on computer security assessments and audits related to information resources technology, 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 10:33 a.m.

Secretary: Joan Moeller
Joan Moeller

Approved: Janet Handley
Janet Handley, Chair

Date: 12/9/2022

Audit and Ethics Committee of the Board of Directors of
The University of Texas/Texas A&M Investment Management Company