

PERMANENT UNIVERSITY FUND
Report on Certain Specified Data
as Required by Texas Government Code Ch. 2101 Subchapter D
December 31, 2022

This report is available on the UTIMCO website at www.utimco.org

PERMANENT UNIVERSITY FUND

Beneficiaries of the Fund

The Permanent University Fund (PUF) is a public endowment contributing to the support of institutions of The University of Texas System (UT System) and the Texas A&M University System (A&M System). The Constitution of 1876 established the PUF through the appropriation of land grants previously given to The University of Texas plus one million acres. Additional land grants to the PUF were completed in 1883 with the contribution of another one million acres. Today the PUF contains 2.1 million acres located in 24 counties primarily in West Texas.

Responsibility and Management of the Fund

The State Constitution vests fiduciary responsibility for the PUF with the Board of Regents of The University of Texas System. The Board has entered into a contract with a nonprofit corporation, The University of Texas/Texas A&M Investment Management Company (UTIMCO), for UTIMCO to invest funds under the control and management of the Board. UTIMCO may not engage in any business other than investing funds designated by the Board under the contract. Specific investment decisions are handled by the investment staff as well as unaffiliated investment managers who are employed from time to time.

Investment Objectives

The primary investment objective of the PUF shall be to maximize investment returns within the risk parameters specified in its investment policy statement without regard to the distribution rate. Investment returns are expressed net of all investment-related expenses.

Market Value and Book Value of the PUF

On December 31, 2022 the market value and book value of the PUF was \$31.5 billion and \$28.3 billion, respectively, exclusive of land acreage.

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Investment Performance of the Ten Largest Stock Holdings – January 1, 2022 through December 31, 2022.

Name	Market Value	Total Return	Percentage of Fund December 31, 2022
TAIWAN SEMICONDUCTOR MANUFACTU	49,568,197.38	-32.88%	0.16%
MICROSOFT CORP	33,808,014.01	-28.02%	0.11%
NOVO NORDISK A/S	29,502,956.64	22.65%	0.09%
UNITEDHEALTH GROUP INC	28,562,954.22	6.95%	0.09%
CHARLES SCHWAB CORP/THE	27,106,083.29	0.10 %	0.09%
HDFC BANK LTD	26,236,140.00	6.20%	0.08%
ASHLAND INC	24,473,219.38	1.15%	0.08%
EXXON MOBIL CORP	23,391,393.08	87.36%	0.07%
ASTRAZENECA PLC	22,367,451.03	19.22%	0.07%
AMAZON.COM INC	22,342,394.97	-49.62%	0.07%

Asset Allocation

Asset allocation is the primary determinant in the volatility of the PUF's performance, subject to the asset allocation range as specified by its investment policy statement, and is the responsibility of UTIMCO. The following represents asset allocation at December 31, 2022.

Asset Class	12/31/2022
Global Equity:	
Developed Public Equity	20.9%
Emerging Markets Public Equity	7.0%
<i>Total Public Equity</i>	27.9%
Directional Hedge Funds	6.0%
Private Equity	27.4%
Total Global Equity	61.3%
Stable Value:	
Investment Grade Fixed Income	3.1%
Long Treasuries	1.8%
Credit-Related Fixed Income	0.1%
<i>Total Fixed Income</i>	5.0%
Cash	2.1%
Stable Value Hedge Funds	9.3%
Total Stable Value	16.4%
Real Return:	
Inflation Linked Bonds	2.0%
Commodities	0.0%
Natural Resources	4.6%
Infrastructure	3.2%
Real Estate	8.0%
Total Real Return	17.8%
Strategic Partnerships	4.5%
Innovation & Disruption	0.0%
Total All Asset Classes	100.0%

Economically Targeted Investments

The PUF invests in various private equity funds which are considered economically targeted investments. Economically targeted investments means an investment in which at least 50% of the total investment is allocated to economic development within the state of Texas or investment in businesses or entities located within the state of Texas. These private equity investments are made through internally created investment pools.

The following is the market value of PUF's proportionate share of these investments:

<u>Investment Name</u>	<u>Market Value</u>
AUSTIN VENTURES IX LP	\$ 838,887
AUSTIN VENTURES X LP	1,659,499
DIRECT INVESTMENT #1	6,565,000
DIRECT INVESTMENT #2	13,193,933
DIRECT INVESTMENT #3	10,994,804
EQT INFRASTRUCTURE IV CO-INVESTMENT A SCSP	20,992,920
ESCALATE CAPITAL I LP	243,320
PBC AUSTIN 2021 EQUITY I LP	10,149,060
PENNYBACKER III LP	1,895,363
PENNYBACKER IV LP	16,297,267
PTV SCIENCES II LP	175,624
ROX II MED CENTER LP	3,945,827
SANTÉ HEALTH VENTURES II LP	11,700,283
SCF-IX LP	35,493,151
SCF-VII (A) LP	728,530
SCF-VII LP	6,656,377
SCF-VIII LP	21,492,816
SERVE OPPORTUNITIES FUND I LP	107,604,488
TEAKWOOD CAPITAL III (CO-INVESTMENT) LP	8,865,957
TEAKWOOD CAPITAL III LP	17,921,871
VISTA EQUITY ENDEAVOR FUND II LP	30,627,170
VISTA EQUITY PARTNERS FUND VII LP	126,573,404
	<u>\$ 454,615,551</u>