

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

A meeting of the Compensation Committee (the "Committee") of The University of Texas/Texas A&M Investment Management Company (the "Corporation") convened in open session on **December 9, 2022**, 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, Suite 1700, 210 West 7th Street, Austin, Texas, said meeting having been called by the Committee Chair, Ray Nixon ("Chair"), 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:

Ray Nixon, Chair
Robert Gauntt
Janet Handley
Ray Rothrock

thus constituting a majority and quorum of the Committee. Directors Janiece Longoria, James B. Milliken and Clifton L. Thomas, Jr. also attended the meeting, thus constituting a majority and quorum of the Board. Chair Nixon called the meeting to order at 8:30 a.m. Employees of the Corporation attending the meeting were Britt Harris, CEO and President; Rich Hall, Chief Investment Officer; Joan Moeller, Treasurer and Secretary; Carolina de Onís, General Counsel and Chief Compliance Officer; Susan Chen, Senior Managing Director – Public Equity; and other UTIMCO employees. Other attendees were Jerry Kyle of Orrick, Herrington, & Sutcliffe LLP; and Keith Brown of the McCombs School of Business at UT Austin. 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 Compensation Committee meeting held on December 1, 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 Compensation Committee of the Board of Directors held on December 1, 2022, be, and are hereby, approved.

Executive Session

Prior to going into Executive Session, Chair Nixon announced that, "The Compensation 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 deliberating individual personnel compensation and evaluation matters including performance awards for UTIMCO

Compensation Program participants for the performance period ended June 30, 2022. This Executive Session meeting of the Committee is authorized by *Texas Government Code* Section 551.074 (Personnel Matters). The date is December 9, 2022, and the time is now 8:32 a.m." With the exception of Mr. Harris, Mr. Hall, Ms. Moeller, Ms. de Onís, Ms. Chen, and Mr. Kyle, all others left the meeting at this time.

Open Session

The Committee reconvened in Open Session and Chair Nixon announced that, "The Open Session of the Compensation Committee of the Board of Directors of The University of Texas/Texas A&M Investment Management Company is now reconvened. The date is December 9, 2022, and the time is now 9:01 a.m. During the Executive Session, the Committee deliberated individual personnel compensation matters but no action was taken, nor decisions made, and no vote was called for or had by the Committee in Executive Session."

Performance Awards for UTIMCO Compensation Program Participants

Chair Nixon asked the Committee to approve two resolutions related to the Performance Awards for the UTIMCO Compensation Program ("Plan") Participants for the Performance Period ended June 30, 2022, subject to further approval by the Board. The first resolution related to the Committee's recommendation of the Performance Award for the CEO. The second resolution related to the Performance Awards for all other Plan Participants. Upon motion duly made and seconded, the following resolutions were unanimously adopted:

WHEREAS, Section 5.5.(d) of the UTIMCO Compensation Program (the "Plan") provides that, at the end of each "Performance Period," the Board will determine the level of achievement of the CEO relative to the CEO's "Performance Standards" for such Performance Period; and

WHEREAS, the Committee has reviewed the actual performance of the CEO during the Performance Period and has compared such actual performance relative to each Performance Standard category for the CEO against his corresponding Performance Standard for such Performance Period and recommends that the Board review the same; 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 each 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 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 Committee has reviewed the calculation of the Performance Award for the CEO of the Corporation, approves such calculation, and recommends that the Board approve the CEO's Performance Award.

NOW, THEREFORE, be it:

RESOLVED, that the CEO's Performance Award for the Performance Period ended June 30, 2022, in the total amount of \$3,105,226 is hereby approved, subject to further approval of the UTIMCO Board.

And,

WHEREAS, Section 2.0 of the Plan specifies that an objective of the UTIMCO Compensation Program (the "Plan") is to motivate key investment employees to focus on maximizing real, long-term returns for all funds managed by UTIMCO while assuming appropriate levels of risk; and

WHEREAS, Section 5.8(a)(1)(a)(iv) provides that quantitative performance is measured relative to the appropriate benchmark based on three-year historical performance; Section 5.8(a)(2)(c) provides that peer group performance is measured based on three-year historical performance; and Section 5.8(b)(2) provides that qualitative performance is measured as part of each Participant's annual performance appraisal; and

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

WHEREAS, in accordance with Section 5.5.(d) of the Plan, the Committee has determined the level of achievement of each Participant in the Plan during the Performance Period ended June 30, 2022, of his or her Performance Standards; 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, a Performance Award will be calculated for such Participant in accordance with the calculation methodology set forth in Appendix A of the Plan; and

WHEREAS, Sections 5.6 and 5.7 of the Plan provide that approved Performance Awards will vest and be paid out to Participants over a period of two years (the "Ordinary Deferrals") as a talent retention mechanism; and

WHEREAS, Section 5.12 of the Plan provides that, subject to certain limited exceptions, if the net returns during the Performance Period for which the

Performance Awards are being determined are negative at the end of the Performance Period, Participants will not become entitled to payment of the Performance Award until the end of the following year's Performance Period (the "Extraordinary Deferrals"); and

WHEREAS, Section 5.5.(f) of the Plan provides that the 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 Committee has reviewed the Performance Awards for all Participants who have met or exceeded their three-year quantitative Performance Standards and their one-year qualitative Performance Standards for the Performance Period ended June 30, 2022, made changes it deemed appropriate, approved such Performance Awards, and recommends that the Board approve the same.

NOW, THEREFORE, be it:

RESOLVED, that the Performance Awards for all Participants (excluding the CEO) for the Performance Period ended June 30, 2022, in the total aggregate amount of \$17,278,907 is hereby approved, subject to further approval of the UTIMCO Board, and be it

FURTHER RESOLVED, that of the Performance Awards for all Participants (excluding the CEO) subject to a Deferred Award for the Performance Period ended June 30, 2022, 76% (\$13,133,670) will be deferred pursuant to the Plan. The deferred amount includes \$5,014,801 in Ordinary Deferrals, which are applied to each Performance Period as a talent retention mechanism. The remaining deferred amount of \$8,118,869 are Extraordinary Deferrals, which are required by the Plan when three-year performance benchmarks are met or exceeded, but net returns at the end of a Performance Period are negative.

Adjourn

There being no further business to come before the Committee, the meeting was adjourned at 9:04 a.m.

Secretary: 
Joan Moeller

Approved:  Date: 6/20/2023
Ray Nixon, Chair
Compensation Committee of the Board of Directors of
The University of Texas/Texas A&M Investment Management Company