

**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 ("UTIMCO" or the "Corporation") convened in an open meeting on **September 28, 2023**, 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 7<sup>th</sup> Street, Suite 1700, Austin, Texas, said meeting having been called by the Chairman, James C. "Rad" Weaver ("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 Board:

James C. "Rad" Weaver  
Ray Rothrock  
James B. Milliken  
Howard Berk  
Jay Graham  
Janet Handley  
Jodie L. Jiles  
Janiece Longoria  
Ray Nixon

thus constituting a majority and quorum of the Board. Chairman Weaver called the meeting to order at 9:00 a.m. Employees of the Corporation attending the meeting were Rich Hall, President, CEO and CIO; Joan Moeller, Secretary and Treasurer; Carolina de Onís, General Counsel and Chief Compliance Officer; Russ Kampfe, Managing Director – Fixed Income; Uzi Yoeli, Managing Director – Risk Management; Tim Jones, Senior Director – Risk Management; Gus Deering, Managing Director and Chief Technology Officer; David Gahagan – Senior Director and CISO; Kim Bauer, Senior Director - Corporate Accounting; Yvette Cowell, Senior Director – Operations, Accounting and Reporting; Justin Holm, Director – Operational Due Diligence; and other UTIMCO employees. Other attendees included Jerry Kyle of Orrick, Herrington, & Sutcliffe LLP; and Keith Brown of the McCombs School of Business at UT Austin. 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 June 15, 2023. Upon motion duly made and seconded, the following resolution was unanimously approved by the Board:

RESOLVED, that the minutes of the Meeting of the Board of Directors held on June 15, 2023, be, and are hereby, approved.

## **Corporate Resolutions**

### **Election of Corporate Officers**

Chairman Weaver recommended that Craig Thomas be appointed an officer of the Corporation. Managing Directors are considered officers of the Corporation. Mr. Thomas was appointed Managing Director – Private Equity, effective September 1, 2023. Employees that are designated as Officers by the Board meet the definition of Key Employees in the Corporation’s Code of Ethics. Upon motion duly made and seconded, the following resolution was unanimously approved:

RESOLVED, that Craig Thomas is hereby appointed to the office of Managing Director of the Corporation to serve until the next Annual Meeting of the Corporation or until his resignation or removal.

### **Executive Session**

Chairman Weaver 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 receive an update on computer security assessments related to information resources technology pursuant to *Texas Government Code* Sections 551.076 and 551.089. The date is September 28, 2023, and the time is now 9:03 a.m.” With the exception of Mr. Hall, Ms. Moeller, Ms. de Onís, Mr. Deering, Mr. Gahagan, Mr. Mack, Ms. Sims, Mr. Sahu, and Mr. Kyle, and Mr. Brown, all other meeting participants left the meeting at this time.

### **Reconvene in Open Session**

The Board reconvened in Open Session and Chairman Weaver 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 September 28, 2023, and the time is now 9:55 a.m. During the Executive Session, the Board received an update on computer security assessments related to information resources technology, but no action was taken, nor decisions made, and no vote was called for or had by the Board in Executive Session.”

### **Report from Cyber Risk Committee**

Chairman Weaver asked Director Rothrock to provide a report from the Cyber Risk Committee. Director Rothrock reported that the Cyber Risk Committee met via teleconference on September 21, 2023. All members of the Committee attended the meeting. At the meeting, the Committee considered one action item: the minutes of its June 14, 2023 meeting, which were approved as drafted. The Committee also met in Executive Session to receive a report from Gus Deering, David Gahagan, and Justin Holm on the Corporation’s cyber risk program.

## **UTIMCO and Market Update**

Chairman Weaver asked Mr. Hall to present the UTIMCO and market update. Mr. Hall focused his discussion on three main topics – a UTIMCO Business update, a market overview, and an update on the Corporation's assets under management and performance results as of June 30, 2023. Mr. Hall began by noting that UTIMCO is continuing to drive performance and restore alpha, and that returns on an absolute basis are positive. UTIMCO has initiated the transition into the newly approved Strategic Asset Allocation policy portfolio, has worked to enhance the public equity portfolio, and is launching a new Enterprise Risk Management program. Mr. Hall also highlighted the development of a new Strategic Plan for FY25-29. Mr. Hall continued by discussing UTIMCO brand development, including the launch of UTIMCO Mission Advocate, the selection of a new CHRO to join the team in November, and the continued retention and attraction of talent for vacant and new positions. The Board was then shown a new video highlighting UTIMCO's mission. Mr. Hall then presented the FY23 Budget versus Actual (estimated) as of August 31, 2023. He discussed portfolio positioning including market value by country, percent of risk and percent of market value by country, and endowment portfolio composition by industry. Mr. Hall also discussed recession and inflation metrics, as well as market projections. Mr. Hall provided a detailed review of returns and alpha, estimated dollar value added through June 30, 2023, the Q2 TUCS results, and UTIMCO's performance relative to peers. Mr. Hall then answered questions from the Board.

## **Fixed Income Presentation**

Chairman Weaver asked Russ Kampfe to provide an update on Fixed Income. Mr. Kampfe began by providing the Board an update on the Fixed Income objectives and strategies, as well as an update on liquidity, performance and priorities. Currently the team is running three strategies – an actively managed Investment Grade Fixed Income ("IGFI") strategy, an actively managed Long Treasuries strategy, and one passively managed TIPS strategy. UTIMCO's total Fixed Income portfolio is approximately \$5 billion and represents approximately 7% of the total assets across the endowments and operating funds. Mr. Kampfe introduced the team and then discussed market performance for the 1-year period ended June 30, 2023, noting that the IGFI portfolio generated positive alpha for the past year and remains above the 3-year target, but that the new Long Treasuries portfolio underperformed by approximately -0.6% over the trailing 12 months. Mr. Kampfe concluded with a review of market conditions and recession indicators.

## **Risk Management Presentation**

Chairman Weaver asked Uzi Yoeli to lead the presentation on Risk Management. Dr. Yoeli began by sharing the team's philosophy, key responsibilities, key accomplishments over the past year, and introduced the members of the team. Dr. Yoeli then turned the presentation over to Tim Jones to discuss the MSCI Barra risk system. Dr. Jones highlighted the accomplishments, lessons learned, and ongoing goals following the first year of deployment, noting that the system helps create a common risk language across the firm, provides a best-in-class risk modeling system for private markets, and delivers a unified factor model. Dr. Jones also shared Private Equity and Real Return team feedback on the impact of the new system as well as sample reports generated by the system. Dr. Yoeli concluded the presentation by providing a detailed update on liquidity monitoring, metrics, and classification, including Private Investment calls and distributions and a contingency plan for a 50% market decline.

## **Operations Presentation**

Chairman Weaver invited Yvette Cowell and Justin Holm to provide an update on the Operations, Accounting and Reporting ("OAR") team. Ms. Cowell began with an introduction of the OAR team, highlighting the team's consistent delivery of clean audits, accurate and timely disbursements of over \$2.1 billion to the UT System and A&M System institutions, and the team's continued use of enhanced AI and Machine Learning tools and technologies to handle data complexities. Ms. Cowell shared that the OAR team works across a multitude of teams and external parties to account for all assets managed by UTIMCO. Ms. Cowell detailed the team's commitment to excellent customer service, including visits to the UT System Institutions to provide training and education related to the Long Term Fund, overview of endowments, and modernization of web applications. Finally, Ms. Cowell highlighted the efforts of the Document Management team, who retrieve, rename, and categorize over 33,000 documents for over 800 investment funds per year. Ms. Cowell then turned the presentation over to Justin Holm to discuss UTIMCO's Data Program. Mr. Holm detailed the collaboration of the OAR and Information Services and Security teams within the UTIMCO Data Program, highlighting the cooperation and teamwork across records retention, information classification, data governance, and data architecture. Mr. Holm also discussed the changes to the UTIMCO Operational Due Diligence ("ODD") program. The team has focused on taking a partnership approach with external investment managers, working to provide insights and recommendations to develop and maintain best-in-class practices and to deepen long term relationships. Mr. Holm concluded by reaffirming that the ODD team's main focus continues to be the safekeeping and protection of UTIMCO's assets, before turning the presentation over to Ms. Bauer to provide an update on the Corporate Accounting team.

Ms. Bauer reviewed the team's responsibility for, and management of, corporate financial reporting and audits, annual budgets, corporate fixed assets, preparation and filing of the Form 990 tax return, corporate insurance renewals, and employee payroll and benefits administration. Ms. Bauer also noted that the team works closely with the HR department on the Mercer compensation study, annual open enrolment, and administering the employee health and welfare plans. Ms. Bauer then reviewed the 2023 priorities and accomplishments, highlighting the use of innovative technology tools to improve and automate systems and workflows. Ms. Cowell, Mr. Holm and Ms. Bauer then answered questions from the Board.

## **Report from Audit and Ethics Committee**

Chairman Weaver asked Director Jiles to provide a report on behalf of the Audit and Ethics Committee. Director Jiles began by thanking Director Handley for her service as the previous Chair of the Audit & Ethics Committee. Director Jiles also welcomed Director Berk and Director Graham as new Committee members. Director Jiles reported that the Committee met via teleconference on September 21, 2023. All Committee members attended the meeting. At the meeting, the Committee considered one action item: the minutes of the June 8, 2023 meeting, which were approved as drafted. Routine matters of the Committee included a report on compliance matters for the quarter ended May 31, 2023. The unaudited financial statements without footnotes for the Funds were presented for the nine months ended May 31, 2023. The unaudited financial statements with footnotes for the Corporation were presented for the ten months ended June 30, 2023, as well as the actual versus budget expenses.

## **Report from Investment Risk Committee**

Chairman Weaver asked Director Longoria to provide report from the Investment Risk Committee. Director Longoria reported that the Investment Risk Committee met via teleconference on September 21, 2023. All

members of the Committee attended the meeting. At the meeting, the Committee considered one action item: the minutes of the Meeting of the Investment Risk Committee and the Joint Meeting of the Policy and Investment Risk Committees held on June 8, 2023, which were approved as drafted. Routine business included a report on compliance matters for the quarter ended May 31, 2023. The Committee also received a market and portfolio risk update.

**Report on 2024 Meeting Dates**

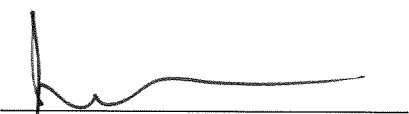
Chairman Weaver presented the 2024 UTIMCO Board Meetings schedule and Committee Meetings schedule.

Prior to adjourning the meeting, Chairman Weaver expressed his appreciation for the Human Resources team and their diligence and effort over the previous year despite being down a team member. Chairman Weaver also recognized the Information Classification working group for their hard work implementing the program.

**Adjourn**

There being no further business to come before the Board, the meeting was adjourned at approximately 11:49 a.m.

Secretary:   
Joan Moeller

Approved:  Date: 3/20/24  
James C. "Rad" Weaver,  
Chairman, Board of Directors of  
The University of Texas/Texas A&M Investment Management Company