

**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 ("UTIMCO" or the "Corporation") convened in Open Session on **March 12, 2024**, 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, Jodie L. Jiles ("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:

Jodie L. Jiles, Chair
Howard Berk
James B. Milliken

thus constituting a majority and quorum of the Committee. Director Graham did not attend the meeting. Chair Jiles called the meeting to order at 9:07 a.m. Because Chair Jiles was experiencing technical difficulties, Mr. Hall led the remainder of the meeting. Employees of the Corporation attending the meeting were Richard Hall, President, CEO and CIO; 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 Jerry Kyle of Orrick, Herrington & Sutcliffe LLP; Jonathan Pruitt, Roger Starkey, Eric Polonski, and Allen Hah of The University of Texas System ("UT System") Administration; and Robert Cowley and Trinh Huyen Tran of Deloitte & Touche LLP. 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 November 30, 2023. Upon motion duly made and seconded, the following resolution was unanimously approved by the Committee:

RESOLVED, that the minutes of the Meeting of the Audit and Ethics Committee of the Board of Directors held on November 30, 2023 be, and are hereby, approved.

Audit Results and Communications and Audited Financial Statements for the Corporation

Mr. Hall asked Mr. Robert Cowley, engagement partner from the independent accounting firm of Deloitte & Touche LLP, to present the audit results and communications for the August 31, 2023 and 2022 audits of the Corporation's Financial Statements. Mr. Cowley confirmed the completion of the audits and reviewed with the Committee the Audit Results and Communications Letter covering required communications. Mr. Cowley confirmed that Deloitte & Touche LLP issued a clean, unqualified report on the Financial Statements, and that accounting principles utilized by management are of good quality and are acceptable. Mr. Cowley noted that there was one new change to accounting policies this year called Government Auditing Standards Board (GASB) Statement No. 96, Subscription-Based Information Technology Arrangements. He also stated they

had no uncorrected misstatements or material corrected misstatements to report. On behalf of Chair Jiles, Mr. Hall called for approval of the audit results and communications on the Corporation for the fiscal year ended August 31, 2023, and the audited financial statements and audit report for the Corporation for the fiscal years ended August 31, 2023 and 2022. Upon motion duly made and seconded, the following resolutions were unanimously approved by the Committee:

RESOLVED, that Deloitte & Touche LLP's Financial Statement Audit Results and Communications Letter on the Corporation for the year ended August 31, 2023, be, and is hereby approved in the form as presented to the Audit and Ethics Committee, subject to approval by the Corporation's Board.

And

RESOLVED, that the annual financial statements and audit report for the Corporation for the years ended August 31, 2023, and 2022 be, and are hereby approved in the form as presented to the Audit and Ethics Committee, subject to approval by the Corporation's Board.

Update on Compliance, Reporting and Audit Matters

Mr. Hall asked Ms. de Onís to provide an update on compliance and reporting matters. Ms. de Onís noted that Fund Compliance reporting will be moved to a quarterly calendar reporting cadence, so the Fund Compliance Report contained four months of reporting (fiscal quarter ended November 30, 2023 plus the month of December 2023). Reporting on ethics activity will be from December 1, 2023 through the date of the Committee meeting. Ms. de Onís reported that the annual financial disclosures and compliance certifications from Directors and employees are due no later than April 30, 2024. She went on to report that every year external managers subject to agency agreements are required to certify that they are in compliance with the investment guidelines in their agency agreements. All compliance statements were received in a timely manner. Ms. de Onís then presented the report on existing contracts, leases, or other commercial arrangements of \$250,000 or more for the reporting period November 14, 2023 through February 20, 2024. Ms. de Onís noted that the Delegation of Authority Policy requires Board approval of contracts with a total obligation more than \$1 million during the contract term. UTIMCO is planning to renew its contract with MSCI Barra, with a total obligation for a three-year contract term over \$1 million. Ms. de Onís reported that there were two minor personal trading violations for the calendar quarter ended December 31, 2023, and both violations have been addressed and remedied. She also launched the revised Enterprise Risk Management ("ERM") Program with a report for the calendar quarter ended December 31, 2023. Ms. de Onís discussed the ERM risk frameworks, rating scales, individual risk reports, reporting cadence and Committee reporting moving forward. Mr. Hall and Ms. de Onís then answered the Committee Members' questions.

Presentation of Unaudited Financial Statements

Mr. Hall 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 quarter ended November 30, 2023. Mr. Hill provided highlights of the statements, with no new items or significant changes to report. Ms. Moeller then discussed the Corporation's unaudited financial statements for the four months ended December 31, 2023. She reviewed actual versus budget expenses as well as capital budget versus actual.

Adjourn

There being no further business to come before the Committee, the meeting was adjourned at approximately 10:01 a.m.

Secretary: Joan Moeller
Joan Moeller

Approved: Jodie L. Jiles Date: 6/20/24
Jodie L. Jiles, Chair
Audit and Ethics Committee of the Board of Directors of
The University of Texas/Texas A&M Investment Management Company