

**MINUTES OF THE JOINT MEETING
OF THE POLICY AND RISK COMMITTEES OF
THE UNIVERSITY OF TEXAS/TEXAS A&M INVESTMENT MANAGEMENT COMPANY**

A joint meeting of the Policy and the Risk Committees (the "Committees") of The University of Texas/Texas A&M Investment Management Company (the "Corporation") convened in open session on **June 17, 2021**, 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 Risk Committee Chair ("Risk Chairman"), Robert Gauntt, 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 Committees:

Robert Gauntt, Chair, Risk Committee
Janet Handley
Janiece Longoria
Ray Nixon
Ray Rothrock
Clifton L. Thomas, Jr.
James C. "Rad" Weaver

thus constituting a majority and quorum of the Committees and the Board. Employees of the Corporation attending the meeting were Britt Harris, President, CEO and Chief Investment Officer; Rich Hall, Deputy Chief Investment Officer; Joan Moeller, Secretary and Treasurer; Carolina de Onis, General Counsel and Chief Compliance Officer; Uzi Yoeli, Managing Director – Risk Management; Tim Jones, Director – Risk Management, and other employees. Other attendees were Ben Morse of Orrick, Harrington & Sutcliffe LLP; Keith Brown of UT Austin, McCombs School of Business; and Director Jodie Jiles. Chairman Gauntt called the meeting to order at 1:01 p.m. Copies of materials supporting the Joint Committee meeting agenda were previously furnished to each Committee member.

Proposed Amendments to the Investment Policy Statements

Chairman Gauntt asked Mr. Harris to review recommendations regarding changes to the Investment Policies. Mr. Harris, Mr. Hall, Dr. Yoeli and Mr. Standley reviewed the Strategic Asset Allocation presentation with the Committees and recommended changes to the Investment Policy Statements for the Permanent University Fund ("PUF"), General Endowment Fund ("GEF"), Permanent Health Fund ("PHF"), Long Term Fund ("LTF"), and Intermediate Term Fund ("ITF") effective September 1, 2021. Recommended changes to the long-term strategic asset allocation included increasing the Global Equity allocation by 2% and decreasing the Stable Value allocation by 2%. With respect to the Global Equity regime, there was a discussion regarding collapsing the U.S. Public Equity, Non-U.S. Developed Public Equity and Global Developed Public Equity categories into a new comprehensive category called Developed Public Equity, and benchmarking performance of that comprehensive category against the MSCI World Index. With respect to the Stable Value regime in the new long-term strategic asset allocation, there was a discussion of reducing the Investment Grade Fixed Income allocation from 7% to zero and adding a new allocation of 5% to Long Treasuries over the next several years. Revised Investment Policy Statements were provided that reflected these changes and transition to these long-term targets.

With respect to the ITF, the proposed changes to the long-term strategic asset allocation included reducing the Stable Value allocation by 4%, reducing the Global Equity allocation by 6%, and creating a new allocation of 10% to Real Return. It was discussed that the Real Return allocation, if approved, would be divided among Public REITS, TIPS and Commodities. Within the Stable Value regime, the ITF would reduce exposure to Investment Grade Fixed Income by 29%, increase exposure to Long Treasuries by 7%, and increase the allocation to Stable Value Hedge Funds by 18% over the next several years. Other minor changes to the endowments and the ITF were discussed, followed by a discussion regarding the implementation of the proposed changes and transition to these long-term targets.

Exhibits A of the PUF, GEF, and ITF, and Exhibits B of the PHF and LTF Investment Policy Statements were amended to reflect the proposed changes to the asset allocation framework and set forth revised Asset Class targets and ranges effective September 1, 2021. There were no recommended amendments to any other investment policies. Mr. Harris, Mr. Hall, Dr. Yoeli and Mr. Standley answered questions from the Committees. Director Longoria requested further discussion on some of the proposed changes; therefore, no action was taken, or decisions made related to the Investment Policies.

Adjourn

There being no further business to come before the Committees, the joint meeting was adjourned at 2:14 p.m.

Secretary: Joan Moeller
Joan Moeller

Approved: Robert Gauntt
Robert Gauntt, Chair
Policy Committee of the Board of Directors of
The University of Texas/Texas A&M Investment
Management Company

7/19/2022

Date: _____

Approved: James C. "Rad" Weaver
James C. "Rad" Weaver, Chair
Risk Committee of the Board of Directors of
The University of Texas/Texas A&M Investment
Management Company

Date: July 19, 2022