



**INTRODUCTION**

To fully understand the exposure of the UCT Foundation to fossil fuels and any other potentially undesirable industries, S&A (Sukha and Associates) has collected the exposure of all the appointed investment managers of the UCT Foundation to Fossil Fuels – direct and indirect and Renewable Energy/Green Technology – direct and indirect.

These exposure measures can be subjective and asset managers have supplied this information directly without any verification by S&A. The reporting template has been drafted by UPRI (University Panel Responsible Investment) and was approved by the JIC (Joint Investment Committee) in 2024.

Direct exposure to fossil fuels refers to assets held that relate directly to the extraction, production, or refining of fossil fuels. Indirect exposure refers to assets (e.g. holdings in financial institutions) that themselves are not directly engaged in the extraction, production or refining of fossil fuels, but which themselves finance such activities. Direct vs indirect exposure to renewable energy and the green economy can be similarly defined.

**UCT FOUNDATION EXPOSURE OVER TIME**

The metrics shown below are for the UCT Foundation at the end of December each year and exclude the Shari’ah portfolio and the UCT Account:

| Exposure | Sector                    | 2022 | 2023 | 2024 | 2025 |
|----------|---------------------------|------|------|------|------|
| Direct   | Fossil Fuels              | 4.2% | 3.3% | 2.5% | 2.5% |
|          | Renewable / Green Economy | 0.1% | 1.2% | 4.0% | 4.1% |
| Indirect | Fossil Fuels              | 1.4% | 0.8% | 0.7% | 0.5% |
|          | Renewable / Green Economy | 2.2% | 3.3% | 2.1% | 1.4% |
| Total    | Fossil Fuels              | 5.6% | 4.1% | 3.2% | 3.0% |
|          | Renewable / Green Economy | 2.3% | 4.6% | 6.1% | 5.5% |

**Observations:**

- Since 2022 there has been a steady decrease in the total fossil fuel exposure of the UCT Foundation, from 5.6% in 2022 to 3% by 2025. At the same time, exposure to renewable energy and the green economy has increased from 2.3% in 2022 to 5.5% by 2025.
- The direct exposure to fossil fuels across local and offshore assets has not changed and has remained at 2.5% from 2024 to 2025. The direct exposure to the green economy increased slightly from 4.0% to 4.1%.
- The indirect exposure to fossil fuels was 0.7% in 2024 and this has dropped to 0.5% in 2025. The indirect exposure to the green economy was 2.1% in 2024 but this has dropped slightly to 1.4% in 2025.
- The total direct and indirect exposure to fossil fuels across local and offshore assets was 3.2% at the end of December 2024 and this has dropped to 3.0% at the end of December 2025.



- The total direct and indirect exposure to the green economy across local and offshore assets was 6.1% at the end of December 2024. This has decreased slightly to 5.5% at the end of December 2025.
- A large portion of the green economy investments are unlisted investments. When listed markets rally significantly, as they did in 2025, the unlisted investments as a percentage of the UCT Foundation can decrease.

**EXPOSURE BY ASSET CLASS**

The asset managers of the UCT Foundation have utilised the UPRI template to track exposure by local versus offshore, bonds versus equities and direct versus indirect. Below sets out the detailed exposure as at December 2024 and December 2025.

Fossil fuel and green economy metrics - December 2024

| Exposure | Sector                    | Domestic |       | Offshore |       | Other | Total |
|----------|---------------------------|----------|-------|----------|-------|-------|-------|
|          |                           | Equities | Bonds | Equities | Bonds |       |       |
| Direct   | Fossil Fuels              | 1.0%     | 0.0%  | 1.5%     | 0.0%  | 0.0%  | 2.5%  |
|          | Renewable / Green Economy | 0.9%     | 0.0%  | 3.1%     | 0.0%  | 0.0%  | 4.0%  |
| Indirect | Fossil Fuels              | 0.2%     | 0.0%  | 0.5%     | 0.0%  | 0.0%  | 0.7%  |
|          | Renewable / Green Economy | 0.3%     | 0.5%  | 0.9%     | 0.0%  | 0.5%  | 2.1%  |
| Total    | Fossil Fuels              | 1.2%     | 0.0%  | 2.0%     | 0.0%  | 0.0%  | 3.2%  |
|          | Renewable / Green Economy | 1.1%     | 0.5%  | 4.0%     | 0.0%  | 0.5%  | 6.1%  |

Fossil fuel and green economy metrics - December 2025

| Exposure | Sector                    | Domestic |       | Offshore |       | Other | Total |
|----------|---------------------------|----------|-------|----------|-------|-------|-------|
|          |                           | Equities | Bonds | Equities | Bonds |       |       |
| Direct   | Fossil Fuels              | 1.5%     | 0.0%  | 1.0%     | 0.0%  | 0.0%  | 2.5%  |
|          | Renewable / Green Economy | 0.9%     | 0.1%  | 3.1%     | 0.0%  | 0.0%  | 4.1%  |
| Indirect | Fossil Fuels              | 0.2%     | 0.0%  | 0.4%     | 0.0%  | 0.0%  | 0.5%  |
|          | Renewable / Green Economy | 0.2%     | 0.1%  | 0.7%     | 0.0%  | 0.4%  | 1.4%  |
| Total    | Fossil Fuels              | 1.6%     | 0.0%  | 1.4%     | 0.0%  | 0.0%  | 3.0%  |
|          | Renewable / Green Economy | 1.2%     | 0.2%  | 3.7%     | 0.0%  | 0.4%  | 5.5%  |