

UC Investments' "Fossil Free" Methodology

Definition:

UC Investments defines "fossil free" as free of companies that own "proved and probable" reserves of thermal (not metallurgical) coal, oil or gas.



Rules-Based Approach:

if a company has any amount of "proved and probable" fossil fuel (thermal coal, oil and/or gas) reserves, UC Investments excludes that company from its portfolio.

Scope:

UCRP, GEP, TRIP. All internally and externally managed funds, except for commingled funds.

Implementation:

We follow the MSCI All Country World Index ("ACWI") Investable Market Index ("IMI") ex Tobacco ex Fossil Fuel Index ("the Index"), which excludes over 300 fossil fuel reserve owning companies.

For more information, see: <https://www.msci.com/our-solutions/indexes/index-categories/esg-indexes/global-fossil-fuels-exclusion-indexes>

Compliance:

We monitor investments regularly to ensure that the companies excluded from the Index do not appear in our portfolio.

We conduct quarterly third party assurance reviews of the portfolio as well.