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UCT statement on RMF and investments in Lonmin

The University of Cape Town notes the demands made by the Rhodes Must Fall (RMF) movement on campus today and we will respond in due course. Meanwhile, here are the facts about investments by the UCT Retirement Fund and the UCT Foundation in the mining sector and Lonmin in particular.

The UCT Retirement Fund (UCTRF) invests staff contributions on their behalf and according to their instructions, so these investments are **not** connected to UCT. UCTRF holds investments in the mining sector worth more than R201 million out of a total investment of R3.5 billion, according to the UCTRF report for the year ending 30 June 2014 – the most recent reporting period. These investments include shares in Lonmin worth R9,582,722.

UCTRF trustees are required by law to act independently of the University Council; they appoint an investment manager and do not prescribe what shares may or may not be purchased.

The UCT Foundation holds permanent endowments, which are often made to the Foundation and not directly to UCT. The UCT Foundation is an independent trust and its trustees make decisions independently of the UCT Council. The financial records of the Foundation are subject to independent audit. The trustees oversee the investment strategy and review the investment performance of the UCT Foundation. They appoint a Joint (as in University and Foundation) Investment Committee (JIC) which is mandated to develop, implement and monitor the Foundation's investment performance and strategies.

Lonmin shares totalling R3.9 million were acquired through the UCT Foundation's global equity fund since 2013, while R1.3 million were disposed of. The Foundation's total exposure to Lonmin shares expressed as a percentage of the Foundation's total assets (market value of these shares at 30 June 2015 divided by total Foundation assets) was approximately 0.13% as at 30 June 2015.

Justice Ian Farlam is not and has never been a trustee of the UCTRF or the UCT Foundation, nor has he ever been a member of the JIC.

As we stated previously, UCT encourages staff and students to attend the events on campus this week to commemorate Marikana and to engage in thoughtful debate, campaigns for

greater accountability, analysis of the conditions that continue to deprive mineworkers and their families of appropriate living conditions, the new labour and trade union environment – while all along offering respect to those whose lives were lost. The use of vandalism is an irresponsible and inappropriate method of protest that shows no respect for the students and staff of the UCT community. While the university encourages and supports the responsible exercise of freedom of expression, we do not condone defacing buildings and memorials.

For UCT events on Marikana, visit <http://www.uct.ac.za/dailynews/?id=9304>.

ENDS

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