



Orbis Portfolio Management (Europe) LLP

Task Force on Climate-Related
Financial Disclosures Entity Report

June 2025



Introduction and Compliance Statement

Orbis' management of climate-related risks and opportunities forms part of its responsible investing strategy.

As an asset manager, Orbis' climate related risks and opportunities come predominantly from the investment portfolios we manage on behalf of our clients. As such our reporting is focused mainly on these investment risks with some additional information on operational risks.

Orbis Portfolio Management (Europe) LLP (OPME) is incorporated in England and Wales and is authorised and regulated by the Financial Conduct Authority (FCA). Under the rules set out in Chapter 2 of the FCA's Environmental, Social and Governance Sourcebook (the ESG Sourcebook) on the disclosure of climate related financial disclosures, OPME is required to publish an annual "TCFD entity report" containing climate-related disclosures on its in-scope portfolio management activities consistent with the Task Force on Climate-Related Financial Disclosures (TCFD) Recommendations and Recommended Disclosures.

OPME forms part of the Orbis group of companies (Orbis). Orbis seeks to adopt a consistent approach in its governance, strategy, risk management and portfolio management activities across all Orbis group companies, including with respect to climate risks and opportunities. Accordingly, and where appropriate, certain disclosures required under the ESG Sourcebook apply and have been provided on an Orbis group-wide basis.

The data included in this report is stated as of 31 December 2024, with a reporting period of 1 January 2024 to 31 December 2024. Additional information on how Orbis applies its approach to Responsible Investing in practice, including examples and case studies, can be found in Orbis' [Stewardship Report 2024](#).

We confirm that this TCFD entity report complies with Chapter 2 of the ESG Sourcebook and provides the disclosures required under the applicable rules in the ESG Sourcebook. This compliance statement is underpinned by Orbis' internal control and governance procedures.



Simon Skinner

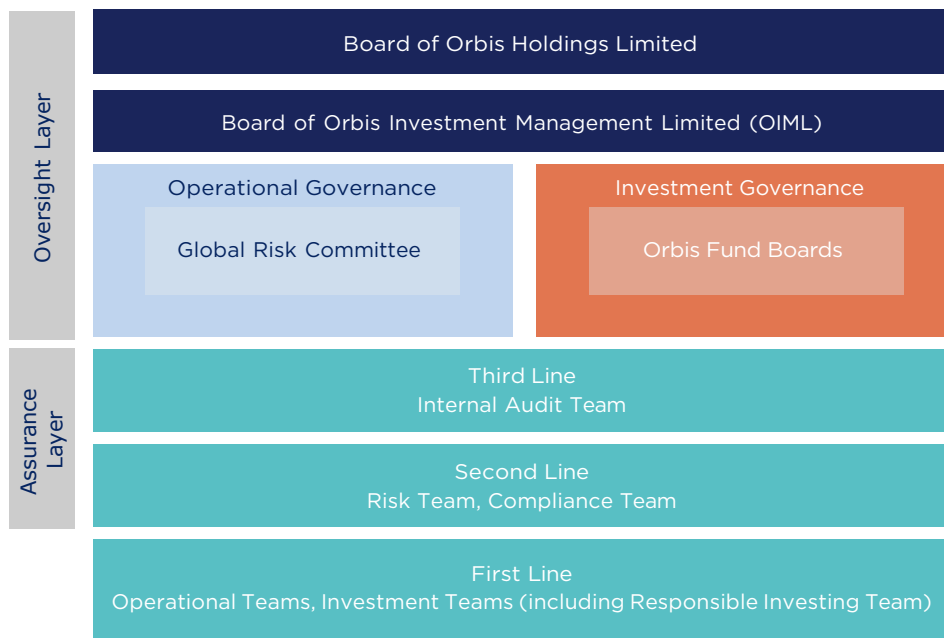
Director of Orbis Managing Partner (Europe) Limited,
Managing Member of Orbis Portfolio Management (Europe) LLP



Task Force on Climate-Related Financial Disclosures

1. Governance

The Orbis Group’s governance structure provides oversight and control of (among other things) Orbis’ responsible investing strategy.



Board oversight

The Board of Directors of Orbis Holdings Limited (OHL) sets the strategic direction for the Orbis Group and is ultimately responsible for its responsible investing approach and product offering. The OHL Board typically meets at least four times a year.

Orbis Investment Management Limited (OIML) has been appointed as the investment manager of the Orbis Funds and segregated mandates.¹ The Board of Directors of OIML, which typically meets four times a year, is responsible for overseeing and controlling the implementation of Orbis’ approach to responsible investing in the investment management process and adherence to associated policies and commitments.²

As part of performing this oversight role, the OIML Board receives relevant management reporting from the Risk team and Responsible Investing team. In addition, the OIML Board periodically reviews and, where appropriate, approves material changes to responsible investing policies and/or procedures, reviews new and updated statements outlining Orbis’ views on, or commitments related to, responsible investing topics and membership of related industry initiatives. The OIML Board may escalate to the OHL Board any matters of broader strategic importance.

¹ Please note that this excludes the Orbis Institutional U.S. Equity L.P. Fund, for which Orbis Investment Management (U.S.) L.P. acts as the investment manager.

² This includes Orbis’ climate commitments as set out in Appendix A.



The Global Risk Committee (GRC) is a committee of the Board of Directors of each of the principal regulated operating companies within the Orbis Group (including OIML). The GRC, which meets at least quarterly, is constituted in terms of the requirement for sound corporate governance practices and operates as a means to enable the Boards to discharge those governance duties which pertain to operational risk management, risk and compliance monitoring, and incident evaluation. The Risk, Compliance, and Internal Audit teams escalate and report to the GRC any material issues related to operational matters, including those arising from the implementation of Orbis' approach to responsible investing.

Management's role and responsibilities

We believe that responsible investing matters related to investee companies are best considered at the individual company level. This includes integrating responsible investing considerations (such as a company's business conduct and environmental, social and governance risks, events or conditions) into investment decisions, engaging with investee companies and voting at meetings of their shareholders.

Consistent with the principle of individual accountability that underlies our investment process, our investment decision-makers are responsible for implementing Orbis' approach to responsible investing in the investment management process. Our Responsible Investing (RI) team provides specialist input to help our investment decision-makers evaluate companies from a responsible investing perspective.

The head of the investment team, who is a member of the OHL Board and President of OIML, is the senior executive ultimately accountable for Orbis' investment process, including implementing its responsible investing approach, policies and processes. A senior member of the investment team is responsible for overseeing the implementation of these responsible investing matters and is empowered to escalate matters to the head of the investment team, the OHL Board or the Boards of other Orbis Group companies, as appropriate.

The head of the RI team sets that team's research priorities and is responsible for recommending and implementing changes to Orbis' responsible investing policies, processes and tools. They also oversee the efforts led by the RI team, to report to clients on responsible investing matters and to the United Nations supported Principles for Responsible Investment (PRI). The RI team provides the OIML Board and, where relevant, the OHL Board with material responsible investing updates and periodic management information on adherence to Orbis' responsible investing approach, policies and commitments.

The Responsible Investing Working Group meets regularly to allow members of different teams involved in the implementation of Orbis' responsible investing approach to share information and perspectives, as well as to monitor day-to-day compliance with associated policies and regulations.

Potential risk-related impacts to Orbis' operational processes, including those related to its responsible investing approach, are identified, assessed, monitored and managed through the core components of Orbis' enterprise wide-risk framework, as described in more detail on page 7. The Risk team is responsible for managing and monitoring these risks and will escalate any material concerns to the GRC.



2. Strategy

In its 2023 report, the Intergovernmental Panel on Climate Change (IPCC) stated that³:

- Human activities, principally through emissions of greenhouse gases, have caused the global average temperature to increase faster since 1970 than in any other 50-year period over at least the last 2,000 years.
- Continued greenhouse gas emissions will lead to increasing global warming and intensify hazards like a rise in sea level and more frequent extreme weather events, such as heatwaves and droughts (physical changes).
- Stopping further warming, or even slowing it down, requires society to make changes that reduce the level of greenhouse gas emissions (transitional changes).

These physical and transitional changes present risks and opportunities—at different times and to different extents—for many investee companies.

Identifying and addressing climate-related risks and opportunities

As an asset manager, the most material climate-related risks and opportunities we face concern our ability to deliver superior risk-adjusted investment returns for our clients over the long term while earning and retaining their trust and confidence. Long-term thinking is central to both our investment and organisational philosophies, and it shapes how we assess and respond to the potential impact of these risks and opportunities on our firm.

Delivering superior investment performance

Our mission is to transform lives by investing over the long term to enhance our clients' savings and wealth. We pursue this mission by applying a fundamental, long-term and independent-minded investment philosophy that reflects our investment beliefs. The greatest risk to this mission is the permanent loss of client capital resulting from our investment decisions.

Climate-related risks and opportunities may materially affect our ability to assess the intrinsic value of investee companies - and, by extension, our ability to generate superior risk-adjusted returns for clients. It is therefore essential that our investment team can effectively identify, assess and manage climate-related risks and opportunities that may influence investment outcomes.

We have enhanced our internal capabilities in response to these challenges. This includes establishing a dedicated Responsible Investing team to help to provide specialist input on climate-related matters, incorporating emissions data from external providers into an internal report that helps analysts to identify potentially material climate-related risks and opportunities early in the investment process, and preparing a semi-annual report that includes information on the most material climate-related risks in the Orbis Global Equity portfolio.

³ The AR6 Synthesis Report published in 2023, at the end of the IPCC'S sixth assessment cycle, made the specific statements above with high confidence.



Earning and retaining the trust and confidence of clients

Climate change is an important topic for many of our current and prospective clients. If our approach to managing climate-related risks and opportunities within the investment process can earn their trust and confidence, it may encourage them to entrust their capital to us. Conversely, if we fail to communicate our approach clearly, or if it does not align with their objectives or expectations, we risk losing that trust and confidence, resulting in them leaving us in the short, medium or long term.

To mitigate this risk, we have devoted significant time and resources to improving how we communicate our thinking on climate-related matters.

Our annual Stewardship Report includes:

- An explanation of how we apply our responsible investing principles to climate change, helping clients understand how we integrate climate-related risks and opportunities into investment decisions and exercise our responsibilities as active owners.
- A summary of our progress toward fulfilling a series of climate commitments we made in 2022, in recognition of the important stewardship role that we play.
- Examples of how climate-related risks and opportunities have influenced investment decisions.
- Our assessment of climate-related risks facing companies held in Orbis Global Equity, including how selected companies are managing these risks.

Building resilience by managing risks and pursuing opportunities

Our responsible investing principles - integrate thoughtfully, engage proactively, and reject judiciously guide how we identify, assess and manage climate-related risks and opportunities in a way that is consistent with our investment philosophy.

That philosophy does not impose style, benchmark or market constraints on our investment decisions. This flexibility allows us to allocate client capital to the most attractive risk-adjusted opportunities within our investment universe. When executed well, it gives us a structural advantage in our efforts to deliver superior long-term investment performance for clients.

Our client managers maintain direct relationships with clients and are responsible for understanding whether our approach to managing climate-related risks and opportunities aligns with their evolving needs. Where they consider it necessary, client managers escalate client concerns to our firm's leaders.

Our performance fees and remuneration structures intentionally align the interests of our firm and our people with those of our clients. While this does not guarantee success, it creates a strong incentive to manage climate-related risks, and to pursue opportunities, in a way that supports our long-term mission.

As outlined in the Risk Management section of this report, we have concluded that off-the-shelf climate scenario analysis tools offer limited incremental value in managing the risk of permanent capital loss. We do not anticipate material changes to our strategy under different climate change scenarios, although we continue to monitor the evolving needs of clients and regulators.



3. Risk Management

Group-wide framework

We are committed to managing risk on a group-wide basis through our Enterprise-wide Risk Management (ERM) framework which comprises four broad pillars:

- Risk governance structure (consisting of layered lines of defence: day-to-day business unit risk management, independent risk and compliance teams, and an internal audit team, each with clear roles and responsibilities, subject to overall Board oversight);
- Risk identification and assessment;
- Risk response; and
- Risk monitoring and reporting.

This framework aims to incorporate all significant risks to which the Orbis Group is or may be exposed. This includes climate-related risks impacting both the investments we manage and our operations.

The firm's operational carbon footprint is small relative to those of the portfolios we manage: those "owned" by Orbis Global Equity are around 230 times higher than those of the firm. This is why our primary focus is on managing climate-related investment risks.

Identifying and assessing investment risks

Given the concentrated nature of the portfolios we manage, the climate-related risks and opportunities that affect those portfolios are very company specific. Potential climate-related risks at the individual stock level include stranded assets, changes in regulation, and physical climate risk, while the transition to a low-carbon economy can present risks as well as opportunities for companies that can deliver solutions.

As part of their bottom-up research, every analyst independently considers whether climate-related risks are material to their assessment of a company's intrinsic value. In doing so, they take a broad view that considers the wider industry context and supply chain. Considerations that might bring climate-related risks to an analyst's attention include the nature of the industry and material issues noted by the company or its peers in accounts or regulatory filings. A report containing carbon emissions and carbon pricing data (among other company-level information on responsible investing matters) is available to help analysts identify potentially material climate-related risks at an early stage of the research process. Above all, analysts must consider which, if any, climate-related risks may be material to the intrinsic value of investee companies either today or over the long term.

Analysts integrate their analysis of such issues into their bottom-up research. As a result, they may incorporate climate-related risks into their forecasts for a company's long-term fundamentals or the valuation multiple they assume at the end of the investment horizon in recognition of the fact that such risks extend much further into the future. In these ways, such considerations can influence an analyst's view of a security's prospective risk-adjusted return—and with it our investment decisions.



Before investing, a Policy Group Meeting provides the opportunity for rigorous peer review of investment ideas. All Phase Three Reports submitted to a Policy Group Meeting include a section on responsible investing considerations that may be material to a security's intrinsic value. When submitting a Phase Three Report, the analyst must confirm that they have considered whether climate-related risks are material and/or relevant to the intrinsic value of the security. Participants can submit questions for discussion in a Policy Group Meeting, including on any climate-related risks and opportunities that are potentially material to intrinsic value and which the analyst has not yet identified.

Managing and monitoring investment risks

Climate-related risks may cause us to reject an investment idea, but we may invest in companies with material climate-related risks when investor expectations are low, especially if we believe they are managing those risks effectively. Paying a low price relative to intrinsic value plays a key role in managing the risk of permanent capital loss. The transition to a low-carbon economy may present opportunities for companies, and we may buy stocks if we feel their valuations do not reflect this potential. We apply our best judgement in forming a view on climate-related matters, while recognising that these are complex, nuanced issues, and that we may be proven wrong.

Our RI team provides specialist input to help investment decision makers to manage climate-related risks, including monitoring carbon emissions and intensity at the portfolio level, reporting this information to our investment analysts, and assessing the efforts of high-emitting investee companies to reduce emissions. The RI team also monitors adherence to the firm's responsible investing policies and climate commitments.

Our Risk team monitors climate-related risks in our investment portfolios and assesses this information against documented monitoring thresholds. The Risk team generates onward risk reporting for the boards of selected Orbis Funds and management companies within the Orbis Group. This includes quarterly reporting to the OIML Board of climate risk metrics for the various strategies (including Orbis Global Equity) and incorporating regular updates and reporting from the RI team on adherence to the firm's responsible investing policies and climate commitments. The Risk team can escalate any material concerns relating to climate-related investment risks to the head of the investment team and the OIML Board.

We have considered whether climate scenario analysis tools from external providers could help our investment team to monitor and manage climate-related risks that may result in permanent capital loss—our definition of risk. We concluded that it is best to assess such risks through bottom-up, company-level analysis. Climate scenarios can inform such analysis, but they are inherently complex, involve a high degree of uncertainty, and rely on emissions data that varies in quality. Furthermore, while off-the-shelf models may identify high-emitting companies as those with the highest potential exposure to climate-related risks, they do not reflect the willingness or ability of companies to respond to those risks, and nor do they consider whether share prices already discount them. For these reasons we feel they would be of limited incremental use in managing climate-related risks at the portfolio level.



Managing risks through active ownership

When we believe that an investee company has a material financial exposure to climate-related risks, we aim to meet with company management to form a view on how effectively they are responding to these risks and to share any concerns we have in that regard. This is consistent with our view that engagement is a more constructive path to change than divestment or exclusion. Indeed, we believe that, in most cases, engagement is likely to be more effective than divestment in encouraging companies to manage climate-related risks proactively.

Our initial objective when engaging is to improve our understanding of the company's perspective, as well as the needs of the society in which it operates, while also sharing any material financial concerns we may have. This enables us to develop a better-informed view of whether the company is responding adequately to climate-related risks. When we engage with companies to encourage change, we aim to share ideas that our analysts believe will further our clients' interests by enhancing or preserving their risk-adjusted returns. When this is not the case, we will not engage. We may also collaborate with other investors where appropriate and aligned with our clients' interests.

If our concerns persist, we will consider escalating our engagement efforts and may also use our votes at shareholder meetings to express our view that change is needed. If we ultimately conclude that climate-related considerations make an investment's prospective risk-adjusted returns less attractive than other ideas or believe that walking away is the most responsible thing to do, we will look to sell the position.

Operational risks

Orbis' approach to operational climate-related risk is guided by the principle of proportionality, taking into account the materiality of the inherent climate-related risk associated with its operational activities.

Potential risk-related impacts to our operational processes are identified, assessed, monitored and managed through the core components of Orbis' ERM framework. This includes impacts that may arise from climate-related risks, where relevant. Importantly, these are incorporated within Orbis' Business Continuity Management framework which explicitly considers the risks related to operating in certain jurisdictions, such as those arising from climate-related disasters.

We have committed to measuring, monitoring, and reporting our operational carbon footprint.

The Risk team will escalate any material concerns relating to operational climate-related risk to the Global Risk Committee.



4. Metrics and Targets

Assessing climate-related risks facing companies held in Orbis Global Equity⁴

Just as we need to understand how investee companies are exposed to climate-related risks and how management teams are managing them, we recognise that our clients also need to understand both the climate-related exposures of their portfolios and how their investment managers assess such risks. We believe the most effective way to support this understanding is by explaining how we think about these risks at the individual company level.

To support that objective, in our annual [Stewardship Report](#), we use two methods to identify companies held in Orbis Global Equity that may face material climate-related risks. First, we highlight companies that are leading contributors to the portfolio's owned emissions and weighted average carbon intensity (WACI). Second, we consider stocks in sectors classified as High Carbon Impact sectors where the majority of global emissions are concentrated.⁵

While these approaches help flag holdings with potentially elevated climate-related risks, we are cautious of placing undue emphasis on current emissions. Many high-emitting and hard-to-abate sectors produce goods that are essential to society and low-carbon alternatives remain underdeveloped. Moreover, these metrics do not consider counterfactuals, such as the potential impact on global emissions if a company were to cease operations.

In recognition of the growing need from clients and regulators for investment managers to measure and report on climate-related exposures of our portfolios, in the following section we examine the portfolio-level emissions of Orbis Global Equity using WACI and owned emissions. These metrics are the output of our bottom-up decisions and are not something we actively manage.

The Greenhouse Gas (GHG) Protocol provides a way of examining GHG emissions on a standardised basis by breaking down a company's emissions into three scopes, all of which are measured as carbon dioxide equivalent (CO₂e) emissions.

- Scope 1 emissions are direct emissions from sources owned or controlled by the company. Examples include emissions from combusting natural gas in a boiler on the company's premises, from its vehicle fleet or from the manufacturing processes in its factories.
- Scope 2 emissions are indirect emissions from the generation of purchased electricity, steam, heating, or cooling consumed by the company. Examples include emissions from the generation of electricity purchased from the national grid.
- Scope 3 emissions are all other indirect emissions throughout the company's value chain, both upstream and downstream. Examples include emissions from transporting materials and finished goods, from employee commuting and business travel, and from the end use of sold products. These emissions are complex to calculate and are not widely reported currently.

Since Scope 2 and Scope 3 emissions are indirect, one company's Scope 2 and Scope 3 emissions will be another company's Scope 1 emissions, resulting in double counting.

⁴ Data in this section is for a representative account for the Orbis Global Equity Strategy.

⁵ High Carbon Impact stocks are those companies that fall into one of the Transition Pathway Initiative's (TPI's) high impact sectors, all companies in the Banks and Real Estate GICS sectors, and any other Climate Action 100+ focus company. The definition aligns with that used by the Net Zero Investment Framework.



Weighted average carbon intensity (WACI)

All else being equal, a large company with \$100bn of revenue will have higher GHG emissions than a smaller peer with \$1bn of revenue. The TCFD therefore recommended the disclosure of GHG emissions per unit of output to adjust for a company's size. For asset managers, the TCFD identifies WACI as a metric which allows for a more meaningful comparison between companies and investment strategies. WACI has several limitations but can play a useful role in identifying which stocks may have a higher exposure to climate-related risks.

WACI is calculated as the weighted average of the carbon intensity (the sum of Scope 1 and Scope 2 emissions divided by revenue) of each company held in the portfolio. Each company is weighted by its proportion of the portfolio's net asset value. A benefit of WACI is that it is applicable across asset classes and can be used for comparison across companies, sectors and portfolios of different sizes. But also has some obvious shortcomings, including:

- Carbon intensity can vary significantly over time if revenue is subject to cyclicality.
- It may favour (or penalise) companies where revenue is structurally high (or low) relative to the activity that generates Scope 1 and 2 emissions.
- Similarly, within industries it may favour companies with high pricing levels relative to peers.
- It excludes Scope 3 emissions.

Owned emissions

Another way to assess which holdings may have the highest exposure to climate-related risks is to examine the absolute level of emissions essentially "owned" by the portfolio. For instance, if the portfolio holds 1% of a company, it owns 1% of its Scope 1 and 2 emissions. It is absolute emissions that need to fall to have a real-world impact on climate change, and this approach (defined below) allows us to identify where the portfolio's owned emissions are concentrated. Incorporating this additional perspective also helps to overcome some of the limitations of WACI discussed above.

Owned Emissions is calculated by taking the value of the portfolio's holding in each company as a proportion of its enterprise value including cash (EVIC) and multiplying it by that company's total Scope 1 and 2 emissions to give the proportion of that company's emissions "owned" by the portfolio. A potential shortcoming of this metric is that changes in each investee company's share price and capital structure can result in changes in the portfolio's owned emissions.

Portfolio-level emissions

Orbis Global Equity holds a highly concentrated portfolio of stocks. Scope 1 and 2 emissions are not distributed evenly among companies in its investible universe. As a result, changes in the portfolio's exposure to a small number of high-emitting companies can drive large movements in portfolio-level emissions that will therefore fluctuate with changes in the investment opportunity set.

We have not set formal emissions reductions targets at the portfolio level as we do not believe it is in the interests of clients. With 2050 being so far in the future, interim targets (e.g. for 2030) are important in creating some accountability among company management for reducing emissions in their own operations and supply chain. But we believe a highly concentrated portfolio of listed equities

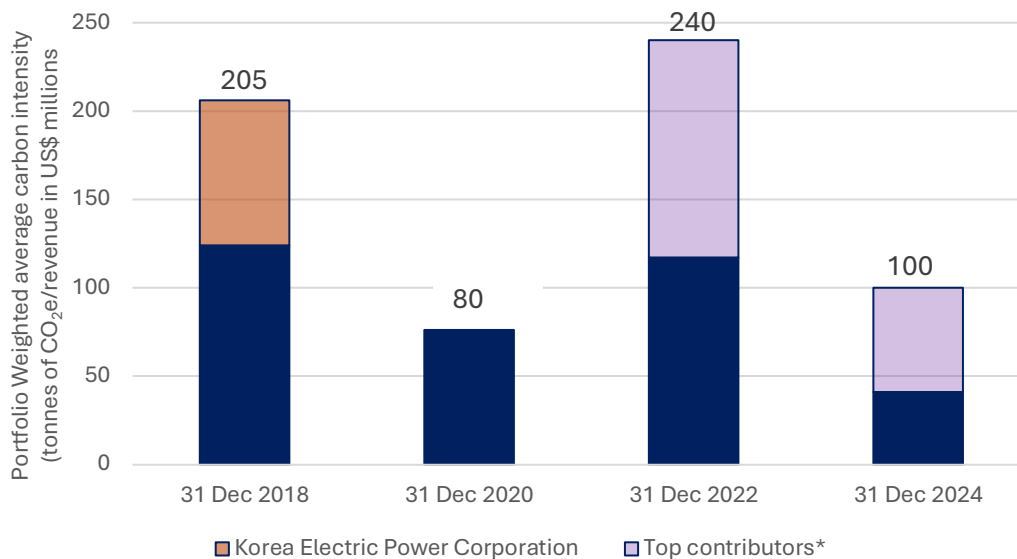


is different from an operating company. Interim targets may force the managers of such portfolios to sell shares in companies that have relatively high carbon emissions regardless of their valuation—and even if they are taking actions to manage climate-related risks effectively, including reducing their emissions in a responsible manner. Setting targets for portfolio-level emissions could also prevent us from investing in a high-emitting company whose shares trade below our assessment of intrinsic value and then engaging to encourage faster progress on emissions reduction.

For these reasons, our focus remains at the individual company level, where we continue to look for opportunities to develop the knowledge and tools to help us fulfil the climate commitments set out in Appendix A.

Orbis Global Equity: WACI

The following chart showing the WACI for Orbis Global Equity over time illustrates how changes at the individual stock level can cause significant volatility in WACI at the portfolio level.



Data source: ©2025 S&P Trucost Limited (“Trucost”), an affiliate of S&P Global Market Intelligence. Data above includes Scope 1 and 2 emissions, and includes estimated and reported emissions data. Excludes holdings which do not have any available data and the portfolio’s net current assets (for example, cash and receivables), which means that WACI may be over or understated. The Fund does not have a WACI target. Where available, we use emissions data and revenue for the financial year end closest to the report date. Where this is not yet available, we use the most recently available date.

** Includes the following companies not owned at 31 December 2018 or 31 December 2020 that we identified as top contributors at 31 December 2022 and 31 December 2024: AES, Kinder Morgan and Shell.*

Orbis Global Equity’s WACI fell from 2018 to 2020 due primarily to our decision to reduce and eventually eliminate the position in Korea Electric Power Corporation, a generator and distributor of electricity which contributed 40% to the portfolio’s WACI at 31 December 2018. The subsequent uptick in the WACI to the end of 2022 was largely driven by our decision to establish a position in AES. The recent decline in WACI has been driven by a ~60% reduction in AES’s WACI, largely due to halving the position size in the company. We have also sold out of other leading contributors, including Constellation Energy and Inpex.

One way to remove the influence of changes in portfolio holdings is to examine recent trends in carbon intensity for the companies held in the portfolio at 31 December 2024. As shown in the table below, the



“constant-weight WACI” for Orbis Global Equity has declined by 38% over the last four reporting periods. The biggest driver of this decline was a 40% reduction in AES’s carbon intensity, reflecting both lower emissions and higher revenue. **Kinder Morgan** and **Peyto Exploration & Development** also reported notable decreases in carbon intensity, although in these cases the reductions were primarily due to revenue growth – one of the limitations of WACI and a trend that could reverse in future.

Constant-weight WACI: Scope 1 and 2 emissions for the 31 December 2024 portfolio, as reported				
	Three years prior	Two years prior	One year prior	Most recently
Orbis Global Equity	160	130	110	100
Cumulative change		-19%	-31%	-38%

Data source: ©2024 S&P Trucost Limited (“Trucost”), an affiliate of S&P Global Market Intelligence. WACI is measured in tonnes of CO₂e per US\$ million of revenue. Constant-weight WACI is calculated by taking the position sizes in the portfolio at 31 December 2024 and then using the carbon intensity reported by each company for the past three years.

Orbis Global Equity: owned emissions

As at 31 December 2024, Orbis Global Equity’s owned emissions (Scope 1 and 2) were around 50,000 tonnes of CO₂-equivalent emissions, or 30 tonnes per US\$1m invested in this representative account. That compares with 60 tonnes per US\$1m invested a year earlier. AES was the main driver of this decline: not only did the company’s Scope 1 and 2 emissions decline, but the portfolio ended the year with a smaller ownership share of those emissions. We also exited positions in Constellation Energy and Inpex, both of which were leading contributors to owned emissions at the end of 2023.

Orbis Global Equity: investee companies with science-based targets⁶

As at 31 December 2024, 19 of the 67 companies held in Orbis Global Equity (30% of the total) had science-based targets. These companies made up 25% of the portfolio’s net asset value at that date. We consider a company to have a science-based target if it has a near-term or long-term target validated by SBTi. These figures are based on data available as of January 2025.

Data limitations

We source investee company emissions data for use in portfolio analysis from S&P Trucost. Although it is becoming more common for companies to disclose emissions data, many have yet to do so. We must therefore rely on estimates from S&P Trucost to fill gaps. These estimates can differ materially from actual emissions, reducing the accuracy of the metrics we report. If S&P Trucost does not provide reported or estimated emissions data for a company, we exclude it from our analysis. Since company reporting of emissions can significantly lag their reporting of financial information, the emissions data included in our analysis may not be for the latest financial year.

There is currently no requirement for companies to follow a particular GHG framework when measuring emissions, although guidance is available. This can lead to inconsistency in how companies measure emissions and what is included in the calculation. For example, there are differing approaches to determining the organisational boundaries that outline the emissions a company has direct control over. Differences in the quality of reported data will impact the accuracy of our reported metrics.

⁶The Science Based Targets initiative (SBTi) defines science-based targets as those that reduce greenhouse gas emissions in line with limiting global warming to 1.5°C above pre-industrial levels, in line with the Paris Agreement.



Carbon footprint of our operations

The table below shows the Scope 1, 2 and 3 emissions of our operations, calculated according to the GHG Protocol standards, for the last two years and 2019 (the first year for which we calculated this information). Scope 1 and 2 emissions are linked to fossil fuel combustion and electricity use in our offices, while Scope 3 are those from business-related air travel only.

	Greenhouse gas emissions (tonnes CO ₂ e)			% change in 2024 vs	
	2019	2023	2024	2023	2019
Scope 1	163	100	101	1%	-38%
Scope 2	725	449 [^]	384	-14%	-47%
Scope 1 and 2	888	549	485	-12%	-45%
Scope 3*	2,872	2,460	2,437	-1%	-15%
Total	3,760	3,009	2,922	-3%	-22%
Total per full-time employee	8.6	6.7	6.6	-3%	-24%

*Air travel only. [^]Restated to reflect amended figures due to a reporting error.

The most significant change in emissions over the past year was a 14% reduction in Scope 2 emissions, primarily due to the installation of a new uninterruptible power supply system and upgraded air conditioning units at our Bermuda office, as part of a broader renovation. In addition, our US office relocated to a smaller space, resulting in lower resource consumption.

The decline in Scope 1 and 2 emissions since 2019 has been driven by office refurbishments and improved energy efficiency, including increased use of renewable energy across our global offices. A reduction in total distance flown, along with the proportion of long-haul flights taken in business class, have been the main drivers of the decrease in Scope 3 emissions from air travel



Appendix A: Climate Commitments

The table below outlines the commitments we made in May 2022, the progress we have made to date, and our priorities for 2025.

Commitment	Progress to the end of December	Priorities for 2025
<p>1 Engage with investee companies that do not publicly disclose Scope 1-2 emissions if potentially material (and relevant Scope 3 for companies in High Carbon Impact sectors) to explain why we would find this information useful.*</p>	<p>Contacted non-disclosers of Scope 1-2 emissions held in Orbis Global Equity at 31 Dec 21, 31 Dec 22 and 31 Dec 23, and in other Orbis Strategies with external investors at 30 Jun 23 and 31 Dec 23.</p>	<p>Contact companies held in the Orbis Funds at 31 Dec 2024 that do not disclose potentially material Scope 1-2 emissions. Start to contact non-disclosers of relevant Scope 3 emissions, focusing on Orbis Global Equity.</p>
<p>2 Monitor changes in emissions for investee companies.</p>	<p>Monitored emissions changes for high emitters in the Orbis Equity strategies and the aggregate portfolio for Orbis Global Equity.</p>	<p>Continue existing monitoring efforts.</p>
<p>3 Develop and use a framework to assess how high-emitting investee companies are managing climate-related risks, including efforts to reduce emissions.</p>	<p>Used our framework to assess 30 and 27 high-emitting companies held in the Orbis Strategies at 31 Dec 22 and 31 Dec 23, respectively, and identify those requiring closer scrutiny.</p>	<p>Use our framework to assess high-emitting companies held in the Orbis Strategies at 31 Dec 24.</p>
<p>4 Engage with high emitters that do not appear to be on the right path to understand their perspective and share any concerns we have.</p>	<p>Met with selected investee companies to deepen our understanding of how they manage climate-related risks and to raise any concerns or suggestions based on the assessments above.</p>	<p>Consider meeting companies following the analysis above.</p>
<p>5 When material concerns persist, take additional action that we believe will further our clients' interests by enhancing or preserving their risk-adjusted returns.</p>	<p>We currently have no material concerns, although some engagements are ongoing.</p>	<p>Assess whether any additional action is needed following the meetings above.</p>
<p>6 Evaluate joining industry initiatives that may allow us to further our clients' interests.</p>	<p>Evaluated the Net Zero Asset Managers initiative and Climate Action 100+, and chose not to join either, as we believe we can better serve our clients' interests by implementing our own climate commitments.</p>	<p>Focus on implementing the commitments we made in 2022, while continuing to monitor the needs of our clients.</p>
<p>7 Disclose the following:</p> <ul style="list-style-type: none"> • Examples of when climate-related risks and opportunities influenced investment decisions • Portfolio-level metrics • Assessment of high emitters using our emissions reduction framework • Climate-related engagements and voting • Emissions of our own operations over time and our efforts to reduce them 	<p>Disclosed in our Stewardship Reports for 2022 and 2023, and in the TCFD Entity Report published in June 2024 by Orbis Portfolio Management (Europe) LLP.</p>	<p>Continue to disclose this information while streamlining our climate reporting to remove duplication between our Stewardship Report and TCFD Entity Report.</p>

*We now apply a materiality lens before contacting these companies, as it may not be in shareholders' interests for a business with limited climate risk to incur the cost of preparing detailed emissions disclosures where it is not required by regulation



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