



## Orbis Portfolio Management (Europe) LLP MIFIDPRU 8 Disclosure

### 1. Introduction

#### a) Regulatory context

The Investment Firms Prudential Regime (“IFPR”) came into effect on the 1 January 2022 as a new prudential regime for UK firms authorised under the Markets in Financial Instruments Directive (“MiFID”). The IFPR was implemented by the Financial Conduct Authority (“the FCA”) to streamline and simplify the prudential requirements for investment firms in the UK. IFPR refocuses prudential requirements and expectations away from risks the firm faces, to also consider and look to mitigate the potential for harm the firm can pose to consumers and markets. The FCA’s view is that public disclosures are a core part of market discipline, providing important information and transparency to enable markets to work well.

This document is designed to meet Orbis Portfolio Management (Europe) LLP’s (“OPME” or “the Firm”) obligations under MIFIDPRU 8.

There are no significant changes to the information disclosed, when compared to the previous MIFIDPRU 8 disclosure.

#### b) Frequency and reference date

The Firm’s Accounting Reference Date (“ARD”) is 31 December. The reference date of this disclosure document is **31 December 2024**. The Firm will review and update this disclosure annually.

#### c) The Firm and proportionality

The Firm is authorised and regulated by the FCA (Firm Reference Number: 485836). For the purposes of this disclosure, the Firm is categorised as a non ‘small and non-interconnected’ MIFIDPRU firm (“non-SNI”) by reference to a series of regulatory permission-based and quantitative thresholds. The Firm is a solo regulated entity.

OPME and Orbis Investment Management Limited (“OIML”) are entities within the Orbis group of companies (the “Group”). OIML is regulated by the Bermuda Monetary Authority. During the year ended 31 December 2024 OPME provided to OIML: (i) investment advisory services in respect of equity investment research and currency research; (ii) sub-portfolio management services in respect of currencies relating to certain Funds within the Orbis Global Strategy; (iii) investment support services; and (iv) operational services (including, where relevant, marketing and distribution). The Firm has no other clients. The Firm therefore has a simple business strategy and operating model.

In line with the FCA’s expectations, we believe the disclosures in this document are appropriate to the Firm’s size and internal organisation and the nature, scope, and complexity of the Firm’s activities.

#### d) Verification

The information contained in this document has not been audited by the Firm’s external auditors and does not constitute any form of financial statement and must not be relied upon in making any judgement on the Group.

#### e) Materiality

The Firm regards information as material in disclosures if its omission or misstatement could change or influence the assessment or decision of a user relying on that information for the purpose of making economic decisions. If the Firm deems



a certain disclosure to be immaterial, it may be omitted from this disclosure document.

f) Confidentiality

The Firm regards information as proprietary if sharing that information with the public would undermine its competitive position. Proprietary information may include information on products or systems which, if shared with competitors, would render the Firm's investments therein less valuable. Further, the Firm must regard information as confidential if there are obligations to clients or other counterparty relationships binding the Firm to confidentiality. In the event that any such information is omitted, we shall disclose such and explain the grounds why it has not been disclosed.

## 2. Governance and Risk Management Arrangements

a) Risk Management Objective

The Firm's general risk management objective is to develop governance structures and systems and controls to mitigate material potential harms to within its risk appetite.

b) Governance Framework

OPME is a partnership, it has two members: Orbis Managing Partner (Europe) Limited ("OMPEL"), which acts as the Managing Member and Orbis Holdings (UK) Limited ("OHUKL"), which acts as the Capital Member.

OMPEL is registered with the FCA as a Senior Manager Function of the Firm under the Senior Managers and Certification Regime ("SMCR") holding the "Partner Function" (SMF27).

OMPEL's Board of Directors serves as the Governing Body of the Firm and meets at least quarterly and has specific agenda items including regular updates from business units such as Finance, Compliance, Investment Teams, Client Teams, Legal and Risk. As at 31 December 2024, the Board was composed of the following:

- Dan Brocklebank;
- David Gasperow;
- Neha Aggarwal;
- Rob Connell; and
- Simon Skinner.

As at 31 December 2024, none of the Board members held any other executive or non-executive directorships in organisations, outside of Orbis, that pursue predominantly commercial objectives. The Board members may from time to time hold other directorships within the Group.

Under SMCR, the above individuals all hold the Partner Function (SMF27). The allocation of senior management responsibilities has been designed to ensure a clear segregation between business and assurance functions. Each member of the Board keeps abreast of developments within their areas of responsibility as SMF27s.

In addition, Chirag Patel holds two Senior Manager Functions, the "Compliance Oversight Function" (SMF16) and "Money Laundering Reporting Function" (SMF17) on behalf of the Firm.

The capital member OHUKL provided initial capital to OPME, it does not engage in any oversight activities.

The Board bears responsibility for the direction, management and oversight of operations of OPME. Management is the last line of defence, sets the 'tone at the top' and ensures that the risk management and compliance framework is



implemented in line with Orbis' values and that any residual risk exposure is aligned with the OPME's desired risk profile.

Orbis has established a Global Risk Committee ("GRC") which is a key vehicle through which the Board discharges its governance, risk and compliance duties, which includes representation from the governing bodies of each of the principal regulated operating entities within the Group, including OPME.

The primary objectives of the GRC are to ensure that:

- an appropriate risk management and compliance framework is in place;
- business is conducted in adherence with this framework; and
- each Board provides proper oversight of risk and compliance issues.

The GRC assists the Board in assessing, controlling and periodically reviewing the adequacy and effectiveness of the risk management framework. The Orbis Risk team is responsible for enterprise-wide risk management; coordinating and facilitating the identification, measurement, monitoring, reporting and mitigation of enterprise-wide risk. This team, in conjunction with other assurance teams, reports to the GRC on a quarterly basis.

The FCA's requirement to have separate Risk, Remuneration and Nomination Committees does not apply to the Firm.

#### c) Risk Management Framework

- The Firm has a limited risk appetite for financial risk (which includes credit, concentration, market and liquidity risk) and operational risk. Given the Firm's core business, OPME's business risk appetite is moderate. The Board reviews the Firm's risk appetite statement at least annually as part of its Internal Capital and Risk Assessment ("ICARA") process review. The Firm is expected to operate within its risk appetite at all times.
- The Firm has identified and assessed its material risks and recorded them in a "Risk Register".
- The Risk Register and the controls designed to mitigate any material potential harms is reviewed at least annually as a part of the ICARA process review or more frequently if the Firm's business model or risk profile were to change. As part of this process, the Firm also considers if additional controls or additional Own Funds and/or Liquid Assets are required to mitigate potential harms identified.
- The Firm has undertaken scenario analysis and stress tests on the most significant risks identified. This informs the Firm how risks are likely to manifest themselves and what, if any, impact there is likely to be to the Firm's balance sheet.
- The Firm has in place an internal control framework to govern its processes and procedures and to mitigate any risks.
- The Firm adheres to an event data collection procedure to ensure that all significant risk events, be they actual losses or near misses, are captured.

The Firm relies on existing processes (e.g. risk-based independent assurance reviews, periodic reviews of risk registers, Orbis's risk incident and error reporting process) and existing reporting to relevant governing bodies, to undertake a review of the effectiveness of its risk management processes. This review is conducted as part of the Firm's ICARA process review.

#### d) Integrity of the Firm's accounting framework and controls

Orbis operates a layered lines of defence control environment, with people at all organisational levels required to own their part of the risk of doing business. These layered lines of defence consist of (i) business units; (ii) risk management and compliance; (iii) internal audit; and (iv) governing bodies and the Global Risk



Committee. Orbis has also structured its business to ensure appropriate segregation of duties with maker/checker controls for key operational processes. On an annual basis, Orbis issues an internal controls report prepared under both the International Standard on Assurance Engagements 3402 (ISAE 3402) Type 2 standards, as well as the US System and Organization Controls 1 (SOC 1) standards issued by the American Institute of Certified Public Accountants (AICPA).

Orbis engages PwC as the financial auditors of operating companies within the Orbis Group, with annual audits being completed and results supporting the effective controls Orbis has in place.

OPME has adopted the Orbis conflicts of interest framework.

e) Diversity on the management body

Consistent with Orbis' view that culture is a key variable underpinning our organisation, and in line with our Core Values, we continue to value diversity and inclusion and seek to foster a purposeful and fulfilling work environment.

While we have not set specific diversity targets for our management body, every appointment is underpinned by Orbis' Mission, Core Values and North Star.

To embed these principles, we use clear indicators to monitor, track, and evaluate our progress, helping us identify where to focus our efforts.

Key progress areas in diversity and inclusion to date include:

- Updating our recruitment processes to seek a more diverse talent pipeline and interrupt bias in candidate selection,
- Introducing mentorship programmes,
- Increasing transparency of internal opportunities, and
- Measuring diversity and inclusion aspects through our regular employee engagement survey.

We are also embedding accountability by incorporating progress on our 'Inclusion and Orbis' Culture' commitments into leadership performance assessments.

Taken together, these measures reinforce Orbis' Mission, which is to transform lives by investing over the long-term to enhance our clients' savings and wealth, while fostering an inclusive work environment.

### 3. Own Funds and Own Funds Requirements

a) Own Funds

In line with MIFIDPRU 8.4.2, the Firm is required to utilise the FCA's templates below to disclose the information required in this section, however the Firm is able to adjust the template to reflect the legal personality of the Firm.

The tables below are based on the Firm's Audited Financial Statements as at 31 December 2024.



<b>Table 1: Composition of regulatory Own Funds</b>			
	<b>Item</b>	<b>Amount (£000's)</b>	<b>Source based on reference numbers/ letters of the balance sheet in the audited financial statements</b>
<b>1</b>	<b>OWN FUNDS</b>	<b>25,288</b>	
<b>2</b>	<b>TIER 1 CAPITAL</b>	<b>25,288</b>	
<b>3</b>	<b>COMMON EQUITY TIER 1 CAPITAL</b>	<b>25,288</b>	
4	Members' capital <sup>1</sup>	1,550	Members' capital
5	Share premium		
6	Other reserves	28,400	Other reserves
7	Accumulated other comprehensive income		
8	Other reserves		
9	Adjustments to CET1 due to prudential filters		
10	Other funds		
11	(-)TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1	(4,662)	
19	CET1: Other capital elements, deductions and adjustments	(4,662) <sup>2</sup>	n/a
<b>20</b>	<b>ADDITIONAL TIER 1 CAPITAL</b>		
21	Fully paid up, directly issued capital instruments		
22	Share premium		
23	(-) TOTAL DEDUCTIONS FROM ADDITIONAL TIER 1		
24	Additional Tier 1: Other capital elements, deductions and adjustments		
<b>25</b>	<b>TIER 2 CAPITAL</b>		
26	Fully paid up, directly issued capital instruments		
27	Share premium		
28	(-) TOTAL DEDUCTIONS FROM TIER 2		
29	Tier 2: Other capital elements, deductions and adjustments		
<p><sup>1</sup> This is the whole of the value of the partnership capital account and consists of the Partners' contribution to the partnership (OMPEL: £100,001 and OHUKL: £1,449,999). This is treated as instruments as per MIFIDPRU 3.3.17.</p> <p><sup>2</sup> We have adjusted for dividends paid or foreseeable at the time this report was prepared. These relate to dividends expected after the verified period end (i.e. after 31 December 2024) and within the 12-month period to 31 December 2025.</p>			



<b>Table 2: Own Funds: reconciliation of regulatory own funds to balance sheet in the audited financial statements</b>			
		<b>Balance sheet as in audited financial statements (£000's)</b>	<b>Cross-reference to Table 1</b>
		<b>As at period end</b>	
<b>Assets - Breakdown by asset classes according to the balance sheet in the audited financial statements</b>			
1	Tangible assets	120	
2	Debtors: Amounts falling due after more than one year	27,260	
3	Debtors; Amounts falling due within one year	5,326	
4	Current asset investments	45,758	
5	Cash at bank	11,894	
	<b>Total Assets</b>	<b>90,358</b>	
<b>Liabilities - Breakdown by liability classes according to the balance sheet in the audited financial statements</b>			
1	Amounts falling due within one year	(14,921)	
2	Other provisions	(45,487)	
	<b>Total Liabilities</b>	<b>(60,408)</b>	
	<b>Net assets attributable to members</b>	<b>29,950</b>	
<b>Members' interests</b>			
1	Loans and other debts due to members	0	
2	Members' capital	1,550	Item 4
3	Other reserves	28,400	Item 6
	<b>Total Members' interest</b>	<b>29,950</b>	

b) Own Funds Requirement

<b>Table 3: Own Funds Requirement based on the 31 December 2024 Audited Financial Statements</b>		
	<b>Item</b>	<b>Amount (£000's)</b>
1	Permanent Minimum Capital <sup>1</sup>	75
2	Total K-Factor requirement <sup>2</sup>	5,890
3	Fixed Overheads Requirement <sup>3</sup>	7,113
	<b>Own Funds Requirement (higher of 1, 2 or 3)</b>	<b>7,113</b>
<p><sup>1</sup> Permanent minimum capital requirement is dependent on the Firm's regulated activities.</p> <p><sup>2</sup> The K-factor capital requirements are a mixture of activity- and exposure-based requirements set by the FCA. Given the Firm's regulated activities, only the K-AUM requirement is applicable to the Firm.</p> <p><sup>3</sup> One quarter of the Firm's relevant expenditure (broadly speaking, fixed costs). In line with the FCA's requirements, the Firm will use projected relevant expenditure where there is a material increase in expenditure expected.</p>		



The Firm assesses the adequacy of its Own Funds to ensure it remains compliant with the FCA’s overall financial adequacy rule<sup>1</sup> (“OFAR”), using the following mechanisms:

- At least an annual assessment of its Own Funds as part of the ICARA process review, which considers the Firm’s capital requirements under ‘business as usual’ and a variety of severe yet plausible stressed scenarios. The Firm would also undertake an ICARA process review where there are material changes to the Firm’s business and/or risk profile; and
- Monthly monitoring of its capital requirements and resources, with internally set ‘warning’ indicators designed to alert the Board of risk of a potential breach of the OFAR and require the Board to take action.

#### 4. Remuneration Policy and Practices

As a MIFIDPRU investment firm, the Firm is required to disclose qualitative disclosures i) relating to its approach to remuneration; ii) the objective of its financial incentives; and iii) the decision-making procedures and governance surrounding the development of the remuneration policies and practices the Firm is required to adopt in accordance with the MIFIDPRU Remuneration Code. The Firm’s Remuneration Policy, which is available on the Firm’s website: [www.Orbis.com](http://www.Orbis.com), includes the necessary details.

The requirement to have a separate Remuneration Committee does not apply to the Firm and the Firm relies on the Board to review and assess the appropriateness of its remuneration practices. This includes the appropriate determination of Material Risk Takers (MRTs”), being those staff whose professional activities have a material impact on the Firm’s risk profile or the assets the Firm manages. Under SMCR, responsibility for staff incentive schemes has been allocated to a member of the Board.

During 2024, the Firm had 18 MRTs. The types of staff the Firm has identified as MRTs includes:

- members of the management body in its management function (i.e. the Board);
- members of senior management;
- those with managerial responsibilities for the activities of a control function (e.g. compliance); and
- those individuals whose roles mean they have a material impact on the risk profile of the firm, or of the assets it manages, and so have the greatest potential for causing harm to the firm, its customers, and/or financial markets.

The Firm is also required to make the following quantitative disclosures:

<b>Table 4: Quantitative remuneration disclosures for the year ended 31 December 2024</b>			
<b>£000’s</b>			
	<b>Senior Management</b>	<b>Other MRTs</b>	<b>Other staff<sup>1</sup></b>
<b>Total remuneration awarded</b>	<b>9,392</b>	<b>7,939</b>	<b>13,758</b>
Fixed remuneration awarded	2,744	2,884	8,847
Variable remuneration awarded	6,649	5,055	4,911
<b>Additional disclosures required by MIFIDPRU 8.6.8 (5); £000’s:</b>			
Guaranteed variable remuneration awarded (and number of staff awarded to)	0	0	

<sup>1</sup> MIFIDPRU 7.4.7 requires that the Firm, at all times, holds Own Funds and Liquid Assets which are adequate, both as to their amount and their quality, to ensure that:  
 (a) the Firm is able to remain financially viable throughout the economic cycle, with the ability to address any material potential harm that may result from its ongoing activities; and  
 (b) the Firm’s business can be wound down in an orderly manner, minimising harm to consumers or to other market participants.



Severance payments awarded (and number of staff awarded to) <sup>2</sup>	0	0	
<sup>1</sup> Boxes are greyed out where there is no disclosure requirement. <sup>2</sup> The amount of highest severance payment awarded to an individual Material Risk Taker was £nil.			