

Our [Carbon accounting primer](#) explains the main methodologies for the measurement of financed emissions in the asset management industry. In this report, we calculate the weighted average carbon intensity (WACI) and economic emissions intensity (EEI) of our clients' combined portfolios. We also disclose the carbon emissions from our own operations.

**Terminology**

**Financed emissions**, also referred to as the absolute carbon footprint, refer to the absolute greenhouse gas (GHG) emissions "owned" or financed by an asset manager or specific portfolios under management, calculated by aggregating the attributable GHG emissions of each portfolio constituent.

**Economic emissions intensity (EEI)**, also referred to as the relative carbon footprint or financed emissions to value invested, calculates an investment portfolio's financed emissions per million US dollars (or other currency) invested. This allows for a like-for-like comparison of portfolios of different sizes.

**Weighted average carbon intensity (WACI)** aggregates the GHG emissions per million US dollars (or other currency) of revenue generated by a portfolio's constituent holdings. It can be thought of as an efficiency measure.

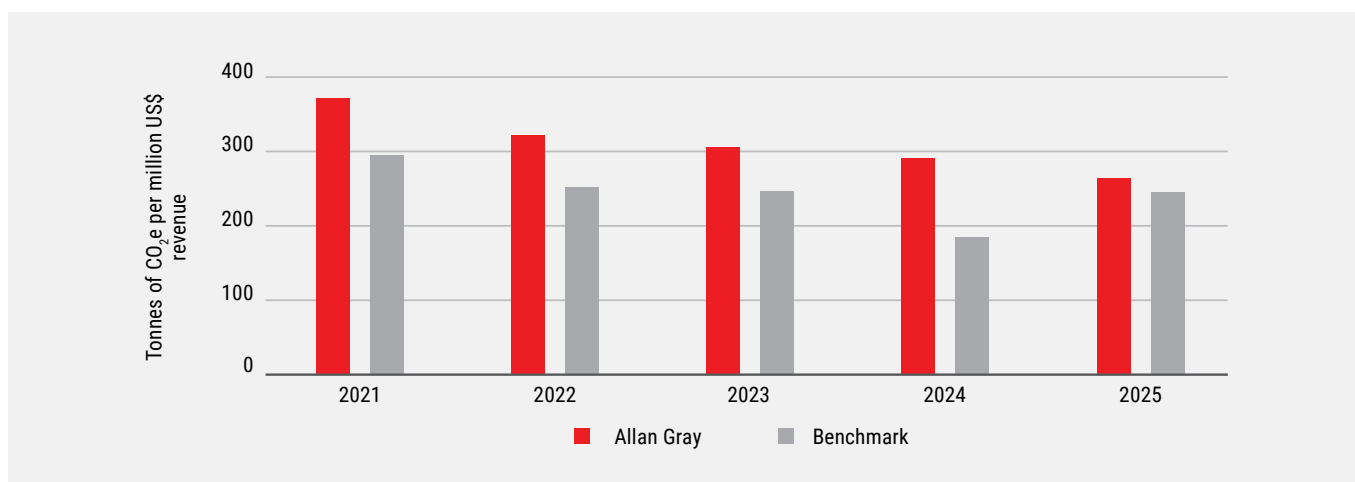
**Portfolio carbon footprint**

**Figure 1** reflects the WACI of the portfolio of local equities across all South African mandates compared to that of the benchmark<sup>1</sup> as at year end over the past five years.

In 2025, the portfolio's carbon intensity declined from the previous year, while that of the benchmark increased as rising precious metal prices lifted the weight of high emitters in the index. The portfolio remains slightly ahead of the benchmark. This outcome is consistent with our approach, which does not apply a blanket exclusion to high emitters.

We avoid divestment to achieve a low-carbon portfolio over the short term, as we do not believe that divesting from fossil fuels and other high-emitting stocks is a solution to climate change. We accompany our clients' investments in such companies with detailed analyses of the companies' historical emissions and decarbonisation strategies, among other factors, to ensure critical thinking around emission reduction. The backward-looking nature of the WACI does not capture the portfolio's exposure to companies where the environmental position is expected to improve over time.

**Figure 1: Weighted average carbon intensity<sup>2</sup>**



<sup>1</sup> For 2025, the benchmark was the FTSE/JSE Capped All Share Index. For 2021 to 2024, the benchmark was the FTSE/JSE Capped Shareholder Weighted All Share Index, which has been collapsed into the former under the JSE's index harmonisation project.

<sup>2</sup> Emissions data is sourced from Bloomberg.

As in previous years, the portfolio's WACI is driven by overweight positions in some of the more carbon-intensive businesses, as shown in **Figure 2**: Sasol, AngloGold Ashanti, Northam Platinum, South32 and African Rainbow Minerals.

Sasol makes an outsized contribution (35%). We engage management on a regular basis to discuss the responsible decarbonisation of the business and monitor progress, while recognising the technical challenges faced by the company and the critical role it plays in the South African economy.

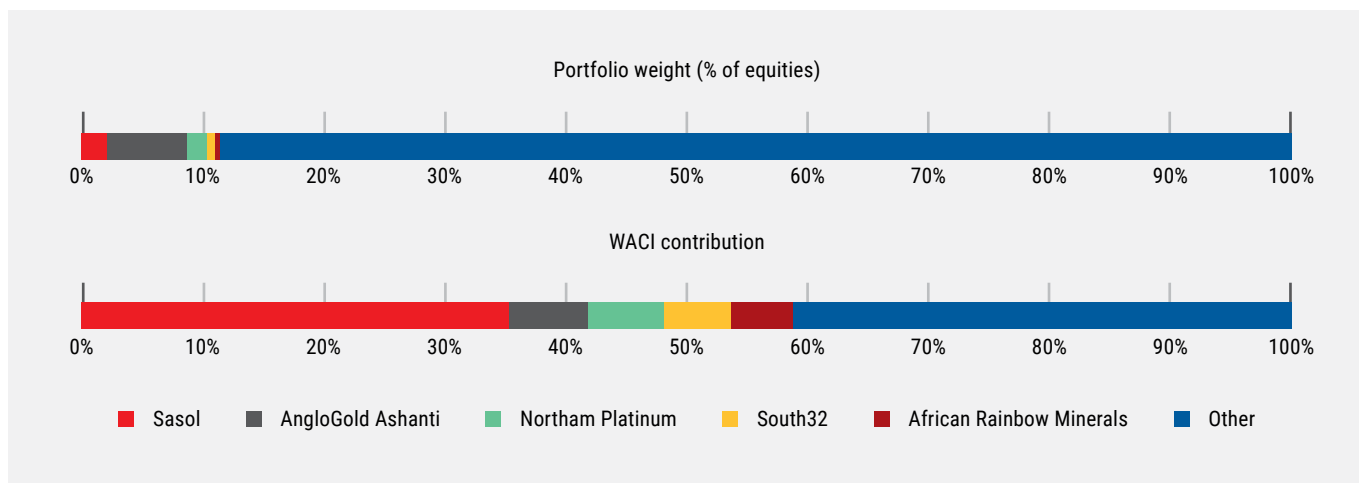
Gold mining companies, such as AngloGold Ashanti, are emissions-intensive due to the energy demands of deep-level mining and processing. However, its contribution to the portfolio's WACI illustrates a structural limitation of carbon intensity metrics: A sharp increase in the gold price, which drove a 240% rise in the share price over the year, materially increased the company's portfolio weight, while revenue and emissions data used lag. This timing mismatch

amplifies the company's measured contribution to the portfolio's WACI, despite no material increase in the number of shares held over the past year.

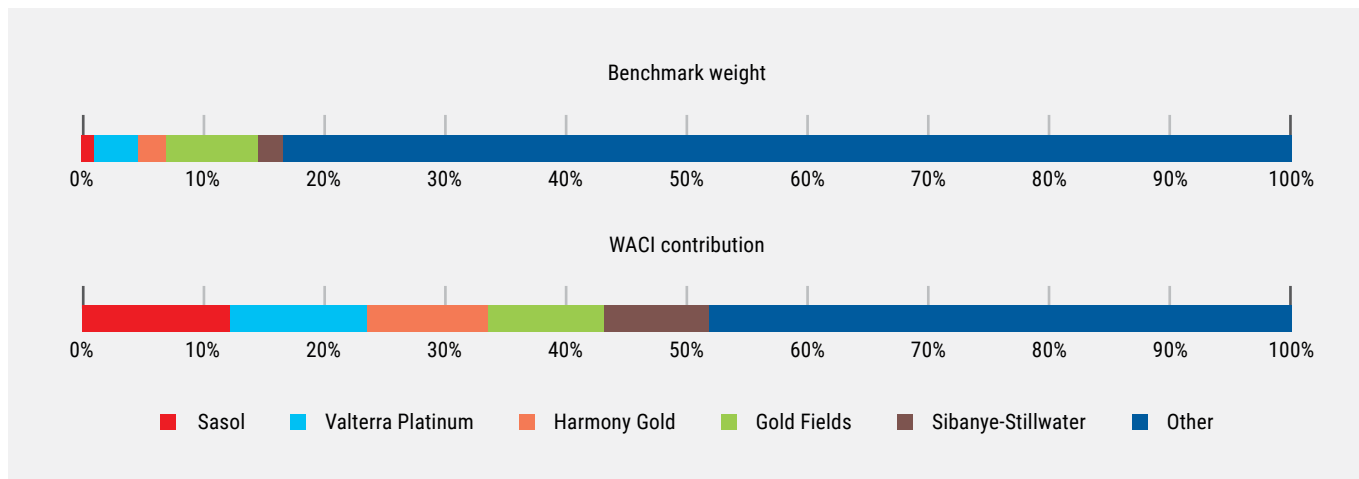
The environmental impact of platinum group metal (PGM) companies, such as Northam Platinum and African Rainbow Minerals, is significant, but should be weighed against the important role that PGMs play in reducing airborne pollutants from internal combustion engines and that they are essential in the development of a hydrogen economy. Similarly, many of the commodities in South32's portfolio will play a critical role in the transition to a low-carbon economy.

Sasol remains the single largest contributor to the benchmark's WACI as well, as shown in **Figure 3**. High-emitting miners Valterra Platinum, Harmony Gold, Gold Fields and Sibanye-Stillwater all make disproportionate contributions to the benchmark's carbon intensity in relation to their respective benchmark weights.

**Figure 2: Contributors to portfolio carbon intensity**



**Figure 3: Contributors to benchmark carbon intensity**



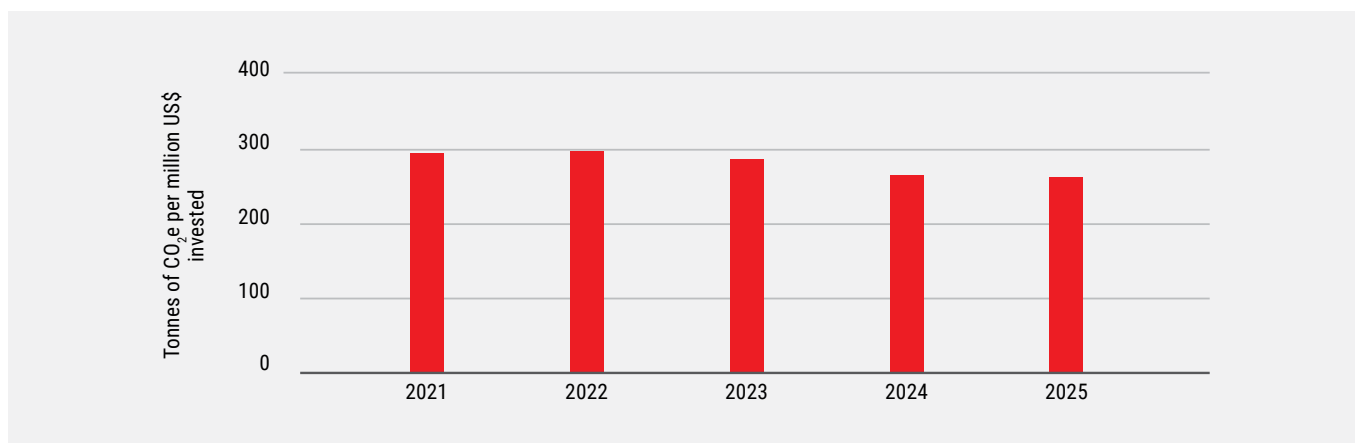
The carbon footprint of the portfolio of local equities and corporate bonds held across all South African mandates, as measured by the EEl prescribed by the Partnership for Carbon Accounting Financials, is shown in **Figure 4**. A gradual decline was observed over the past four years. We report on the portfolio’s carbon footprint per million US dollars invested, which ensures like-for-like comparability with a wider range of managers. This highlights another challenge of carbon reporting: Many asset managers report in their local currencies, hindering comparability.

**Operational emissions**

**Table 1** shows the Scope 1, 2 and 3 emissions of our own operations, based on the GHG Protocol classifications, for the

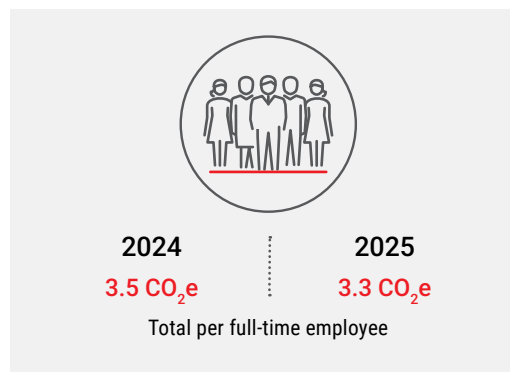
past two calendar years. Scope 1 and 2 emissions reflect fossil fuel combustion and electricity use in our offices, while Scope 3 emissions are limited to those from business-related air travel only – our largest upstream Scope 3 category. The reduction in emissions reflects a combination of more deliberate business travel decisions, reduced loadshedding leading to less generator usage, as well as improvements in electricity-related emissions arising from ongoing efficiency measures and increased reliance on renewable energy sources. While our emissions are relatively small as a result of the nature of our business and thoughtful design of our facilities, we remain mindful of our impact on the environment and are always looking for ways to minimise our business’s ecological footprint.

**Figure 4: Portfolio economic emissions intensity<sup>3</sup>**



**Table 1: Greenhouse gas emissions<sup>4</sup>**

	2024	2025
	Tonnes of CO <sub>2</sub> e	Tonnes of CO <sub>2</sub> e
Scope 1	89	44
Scope 2	3 767	3 681
<b>Scope 1 and 2</b>	<b>3 856</b>	<b>3 725</b>
Scope 3	1 017	765
<b>Total</b>	<b>4 873</b>	<b>4 490</b>



<sup>3</sup> Previously reported figures have been updated to reflect restatements and delayed emissions disclosure. Emissions data is sourced from Bloomberg.  
<sup>4</sup> Operational emissions are based on our own calculations and are not externally assured. The 2024 figures have been restated to reflect the availability of more accurate data.

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