

Investec group

Sustainability positioning and key messages

November 2021

If you want to discuss anything on sustainability, please contact:

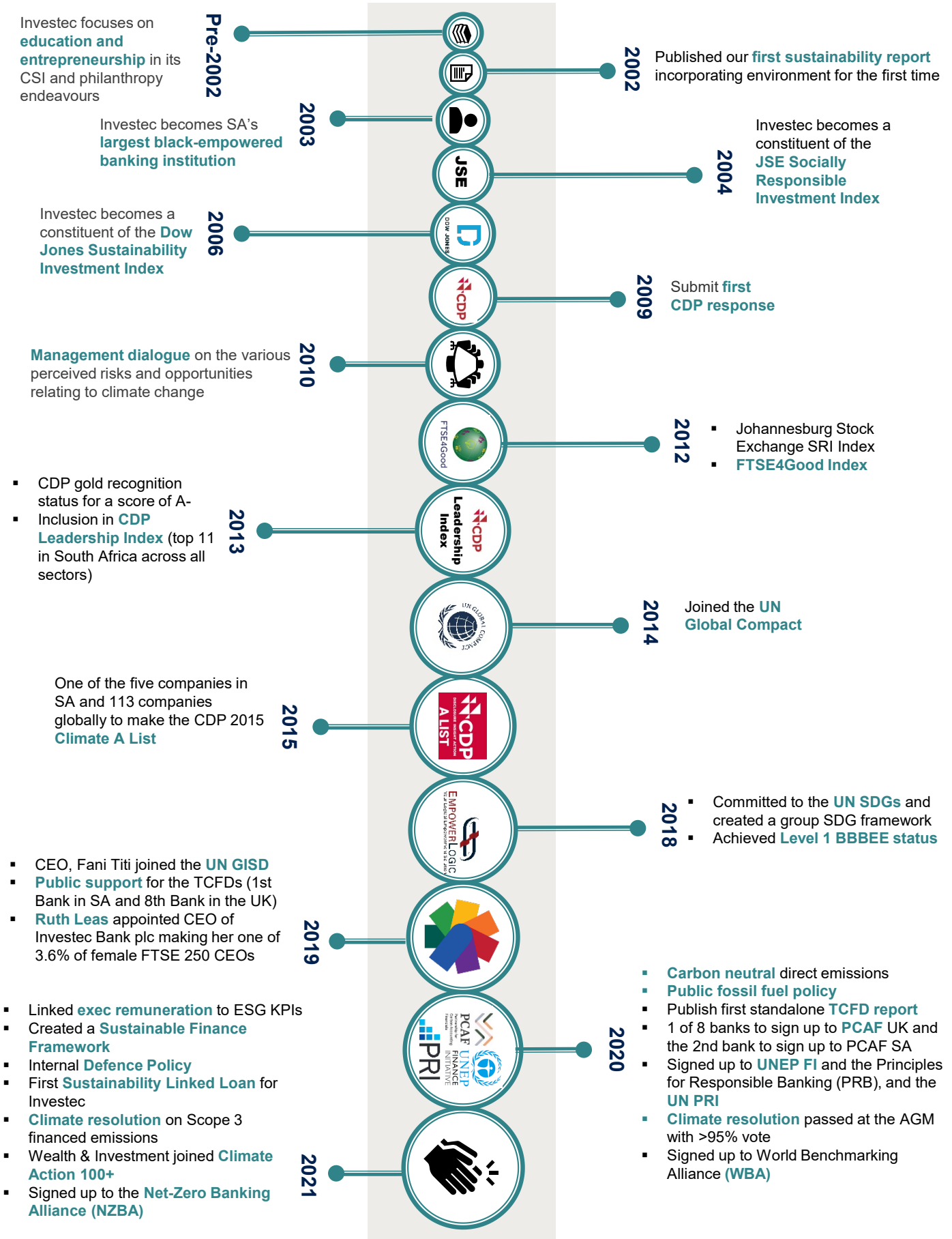
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Strong track record



Our positioning

Our success as a business depends on how we address inequality and climate change

Sustainability principles

- 1 Creating **enduring worth** for all our **stakeholders**: profit and purpose
- 2 **Do no harm** through ethical conduct and ESG screening; committed to the ten principles of the UN Global Compact
- 3 **Committed to net-zero emissions**: achieving carbon neutral in our operations and aiming for net-zero in financed emissions
- 4 Providing **profitable, impactful and sustainable products and services** and launch innovative sustainability-linked offerings
- 5 Maximising impact through a focus on the SDGs

Our sustainability framework is based on the UN SDGs

Two core SDG priorities

Equality

- DLC Board: 36% women & 43% ethnicity
- IBP: Female bank chief executive
- IBL: Level 1 BBBEE
- 4th in the 2021 Universum employer of choice survey by students in South Africa



Climate action

- **Net-zero in our direct operations and committed to publicly disclose our Scope 3 financed emissions**
- **Minimal exposure to fossil fuels**
- **Specialist skills in renewables, clean energy, water, infrastructure solutions and green properties**

Six complementary SDGs



We are aligned to the UN SDGs receiving a 5-star rating from Support the Goals



Sustainability commitment and credentials

Commitment through our various sustainability memberships



Well-positioned in international ESG rankings and ratings



🏦 Lending and investing responsibly

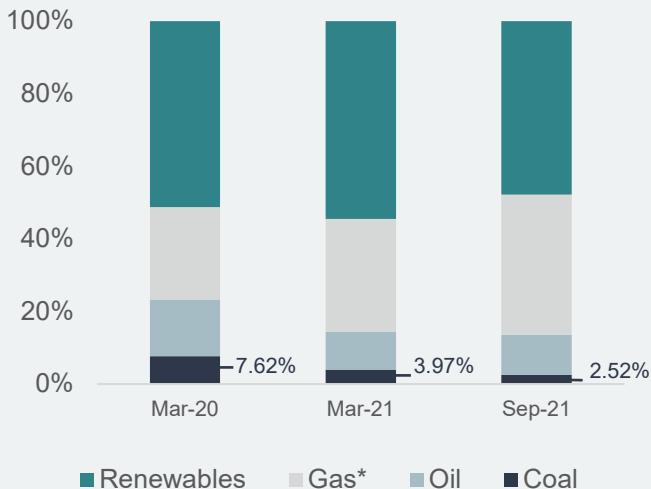
Ensuring that we do no harm

0.11%

Coal exposure as a percentage of core loans and advances (Mar-21: 0.17%)

Our approach to climate change is aligned to the Paris Goals and supports an urgent transition to a cleaner, more energy efficient and sustainable global economy that is conscious of its use of limited natural resources in a fair and equitable way.

Group energy exposure



We are:

- **carbon neutral in our direct operations** and have been for the past three financial years
- **committed to net-zero in our Scope 3 financed emissions** and will disclose our strategy and plan in our 2022 reporting
- **a limited financier of fossil fuels**
- **well-positioned with specialist skills** in renewable and clean energy, water and sanitation, infrastructure solutions and green property developments
- helping to drive the clean energy transition and achieve the Paris Agreement by **working with our clients** and through our voting influence.

🏦 Sustainable finance having a positive impact

\$600mn

Investec Bank Limited sustainability-linked term loan facility (2.5x oversubscribed)

1st

Investec Property Fund launched the first REIT sustainability-linked ESG bond in Africa

\$30.6mn

(as at 31-Sept 2021)

Raised by Investec Wealth & Investment through the launch of a Global Sustainable Equity Fund

Some examples of how we supported the SDGs since April 2021



R3.8bn

Funding for student accommodation



€90mn

Long-term partnership for UK renewable energy or carbon reduction projects



R2.5bn

Debt package for fibre roll-out primarily into underserved businesses and homes



R1.65bn

To secure South Africa's water resources through Trans-Caledon Tunnel Authority



£10.83mn

Facility to fund the development of a modular student scheme




















€215mn

Arranged finance for two major hospital projects in Ghana







Investec strongly positioned relative to peers

Banking peers











| UK and International | | S&P CSA | Dow Jones SI | MSCI | Sustainalytics | CDP* | B-Corp |
|------------------------|---|---------------------|----------------------|--------------------------|-------------------------|-----------------------|------------------|
| Notes | | Score is out of 100 | N means not included | AAA is the highest score | A lower score is better | Industry average is B | >80 to be B-Corp |
| Investec |  | 65 | Y | AAA | 16.6 | B | N |
| Close Brothers |  | 39 | N | AAA | 27.6 | B- | N |
| Julius Baer |  | 51 | N | A | 20.9 | B | N |
| Brewin Dolphin |  | 15 | N | n/a | 25.0 | C | N |
| Quilter |  | 39 | N | BBB | 23.3 | C | N |
| Rathbone Brothers |  | 25 | N | n/a | 20.3 | B | N |
| Virgin Money UK |  | 52 | N | BBB | 25.7 | B | N |
| HSBC |  | 45 | N | AA | 23.0 | A- | N |
| Lloyds |  | 43 | N | AA | 22.6 | A- | N |
| Barclays |  | 77 | N | A | 24.3 | B | N |
| NatWest |  | 41 | N | AA | 17.0 | A- | N |
| Standard Chartered |  | 68 | N | AA | 26.8 | C | N |
| TBC Bank Group |  | n/a | N | A | 14.0 | D- | N |
| Hargreaves Lansdowne |  | 40 | N | BB | 21.2 | C | N |
| Man Group |  | 25 | N | BBB | 24.1 | B- | N |
| Schroders |  | 29 | N | AAA | 19.0 | A- | N |
| Standard Life Aberdeen |  | 74 | Y | AA | 17.3 | B | N |

B-Corp is a solicited rating. We have a self-assessed rating of 121.3

Notes:
S&P CSA: Score is out of 100; **MSCI:** AAA is the highest score;
Sustainalytics: A lower score is better; **CDP:** Industry average is B; **Dow Jones Sustainability Index:** Y means included. This is driven off the information from the S&P CSA rating

| SA | | S&P CSA | Dow Jones SI | MSCI | Sustainalytics | CDP | B-Corp | JSE RII |
|---------------|---|---------|--------------|------|----------------|-----|--------|---------|
| Investec |  | 65 | Y | AAA | 16.6 | B | N | Y |
| ABSA Group |  | 61 | N | AA | 28.0 | C | N | Y |
| FirstRand |  | 29 | N | A | 25.5 | A- | N | Y |
| Nedbank |  | 72 | Y | AA | 17.4 | A | N | Y |
| Standard Bank |  | 60 | N | AA | 24.4 | C | N | N |
| Capitec |  | 24 | N | BBB | 31.6 | F | N | N |

Wealth & Investment peers

| UK and International | | S&P CSA | MSCI | Sustainalytics | CDP* | Dow Jones SI | B-Corp |
|----------------------|---|---------------------|--------------------------|-------------------------|-----------------------|----------------------|------------------------------|
| Notes | | Score is out of 100 | AAA is the highest score | A lower score is better | Industry average is B | N means not included | B-Corp is a solicited rating |
| Investec |  | 65 | AAA | 16.6 | B | Y | N |
| Vestra Wealth |  | n/a | n/a | n/a | n/a | N | N |
| Coutts |  | n/a | n/a | n/a | n/a | N | 83.2 |
| Brewin Dolphin |  | 15 | n/a | 25.0 | C | N | N |
| St James Place |  | n/a | n/a | n/a | n/a | N | N |
| Rathbone Brothers |  | 25 | n/a | 20.3 | B | N | N |
| Citadel Capital |  | n/a | n/a | n/a | n/a | N | N |
| Stonehage Flemming |  | n/a | n/a | n/a | n/a | N | N |
| Anchor capital |  | n/a | n/a | n/a | n/a | N | N |
| Ashburton |  | n/a | n/a | n/a | n/a | N | N |
| Sanlam |  | 44 | A | 22.5 | A- | N | N |
| PSG |  | n/a | n/a | 15.4 | F | N | N |

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Ratings are as at 29 October 2021. These ratings are updated quarterly.

*Formerly known as the Carbon Disclosure Project

Investec ESG offering for clients

Best-practice sustainability strategy, reporting, ratings and finance

Strategy and target setting

- Assessing an existing sustainability strategy or creating a new sustainability strategy
- Understanding ESG and climate considerations for your sector
- Setting targets and ambitions

Reporting

- Choosing the best reporting standard for your industry
- Plan for implementing best-practice reporting
- Review of reporting and recommendations

ESG ratings

- Recommendations on how to improve your ESG rating/s
- Advising on relevant solicited ESG ratings for your industry and type of business
- Review and recommendations around policies and processes required ESG ratings

Sustainable finance

- Supporting your sustainability aspiration through sustainable finance
- Determining which type of sustainable finance best suits your business needs
- Assessing and setting relevant ESG KPIs

Carbon emissions and offsets

- Advising on your net-zero ambition and strategy
- Assessing your carbon emissions profile and recommendations on how to reduce your emissions
- Advising when to use carbon offsets and sourcing suitable carbon offset projects

WHY INVESTEC

We published our first sustainability report in 2002: Our Journey to Sustainability

- We have in-depth knowledge of the UN Sustainable Development Goals (Global Head of Sustainability sits on the advisory board of the UN Global Compact in South Africa and is a co-lead in the UN Global Investors for Sustainable Development working group)
- We have been incorporating climate considerations into our business since 2002
- First in SA to sign up to the TCFDs and 8th in the UK in our sector

WSJ Wall Street Journal
100 Most Sustainable Companies

We have reported in terms of GRI for >15 years. We also report in terms of the following:



We are well-positioned in international ESG rankings and ratings with consistent ESG performance

- Top 2% scoring AAA in the financial services sector in the MSCI Global Sustainability Index
- Best rating for Sustainalytics of SA and UK peers
- 1 of only 2 banks included as a constituent of the Dow Jones Sustainable Investment Index (in since 2006)



South Africa

- \$600mn IBL sustainability-linked loan (2.5x oversubscribed)
- Launched an Energy Fund focused on operating renewable energy projects in sub-Saharan Africa
- Investec Property Fund launched first REIT sustainability-linked ESG bond in Africa
- Best Investment Bank for Sustainable Finance in Africa in the 2020 Global Finance Awards

UK

- \$450mn sustainability-linked loan for the bank which was 3x oversubscribed
- Launched one of the first European mid-market ESG-linked subscription lines for Invest Industrial
- Launched the UK's first retail ESG-linked deposit plan
- Launched a sustainable energy finance business

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We have committed to net-zero in all our emissions, including Scope 3 financed emissions

We have been carbon neutral in our Scope 1, 2 and operational Scope 3 emissions for the past three financial years

We understand how carbon credits and renewable energy certificates can be used to reduce your carbon impact

Our ambitious climate-strategy includes working with our clients to help align their net-zero ambitions to the Paris Agreement