



Investec's group environmental policy and climate change statement

Introduction

Investec's purpose is to create and manage wealth for all stakeholders. Guided by our vision to create and preserve sustained long-term wealth, we seek to build resilient profitable businesses that support our clients to grow their businesses while contributing in a positive and responsible way to the health of our economy, our people, our communities and the environment to ensure a prosperous future for all.

Scope

Investec, comprising Investec plc and Investec Limited, partners with private, institutional and corporate clients to offer international banking, investments and wealth management services in two principal markets: South Africa and the United Kingdom, as well as certain other countries.

Commitment to sustainability

Our commitment to sustainability recognises the interconnected nature of our business, the economy, the environment and society. We live in society, not off it. Part of this commitment involves integrating ESG (environmental, social and governance) considerations into our day-to-day operations to ensure sustainable management with a long-term vision. This extends to our businesses where we play a critical role in funding a sustainable economy that is cognisant of the world's limited natural resources. We can make the greatest socio-economic and environmental contribution by partnering with our clients and stakeholders to have a tangible impact on reducing inequality. As a result, we have committed to support the delivery of the Sustainable Development Goals (SDGs) and finding opportunities within our businesses to build a cleaner, more resilient and inclusive world.

Climate change statement

Investec's environmental policy takes into account the challenges that climate change presents to the global economy. We believe that as a niched specialised financial services organisation, and given our positioning in the developed and emerging worlds, we can make a meaningful impact in addressing climate change.

While we recognise the importance of various industries, including the energy sector, for the global economy, we need to reduce the role of coal as part of the long-term energy mix. As a general principle, Investec will not fund new coal-fired power projects and will only consider funding under very strict acceptance criteria with a commitment to disclose all exposures. We also acknowledge the various risks, including transition risk, physical risk and policy risk that climate change presents and embrace the opportunities that these risks present.

We need to be cautious and orderly in our approach to this transition and ensure we assess a variety of socio-economic and environmental factors relevant to a local context (for example poverty, growth, unemployment and carbon impact). It cannot be done in isolation from the realities of the communities in which we, and our clients, operate. We welcome the voice of all stakeholders as we make this transition together to a cleaner low-carbon world in a way that is most responsible for all participants.

Strategy

As a niched financial services organisation with a small physical presence, the direct environmental and social impacts of Investec's daily operations are limited.

Our strategy is as follows:

- We will consider any meaningful activity that reduces the negative impact, or prolongs life, on our planet
- We will avoid exposures to any transaction that involved undue damage to high conservation and/or protected areas
- Internally, we embrace our responsibility to understand and manage our own carbon footprint. Our approach is to limit and minimise our direct carbon impact and create awareness to encourage positive sustainable behaviour. We will explore various opportunities as we work towards our ultimate goal of becoming carbon neutral in our operations
- Externally, we believe that the widest and most positive influence we can have is for our businesses to use their specialised skills in advisory, lending and investing to support our clients and stakeholders to move as quickly and smoothly as possible towards a low-carbon economy
- We regularly review the group's exposure to sensitive sectors and activities prone to bearing environmental and social risks
- Where appropriate, we will share resources and intelligence to support global efforts to combat illegal wildlife trade. We are signatories to the United for Wildlife Financial Taskforce which leverages the existing global financial crime architecture to support efforts to combat illegal wildlife trade.

Clients and counterparties

We expect our counterparties to operate and behave in a socially and environmentally appropriate and responsible manner with the same high standards as ourselves. We engage with clients and suppliers to understand their processes and policies and to explore how any environmental and social risks may be mitigated.

As a result, identifying and quantifying environmental and social risk is part of the normal process of risk assessment and management within our businesses. As part of our client onboarding process, we would assess potential clients for various types of risks including whether they are behaving responsibly in their business activities. Our transaction due diligence processes include the identification and assessment of relevant environmental and social risks.

Environmental management system

Investec recognises that effective environmental management is an essential part of embedding this philosophy into the organisation and is therefore committed to operating an effective environmental management system (EMS) to minimise our direct operational impact. Our EMS reporting tool tracks and manages our direct operational impact. This tool imports data from various sources, consolidates the information and calculates our carbon footprint. The implementation of this tool allows us to produce reliable emissions data, accurately build a history of our carbon footprint and assists in setting targets for future emissions.

Commitment in terms of our direct impact

All areas within the above EMS are assessed to determine how they impact on the environment and necessary objectives and operational controls are implemented to ensure continual improvement in environmental performance and to prevent pollution. Specifically, Investec is committed to:

- complying with all the applicable environmental legislation and relevant compliance obligations
- ensuring the security of natural resources in all operations
- reducing overall energy consumption and considering viable solutions to draw energy from renewable sources
- reducing emissions arising from energy and transport use
- minimising water usage and ensuring water is responsibly sourced
- ensuring that employees have access to the basic services of water, health care and education wherever possible and, where no other facilities are available, adequate housing
- limiting the quantities of waste generated and increasing the proportion that is reused or recycled (and gradually eliminating single-use plastic where possible)
- implementing all feasible possibilities to avoid, reduce, reuse and recycle waste and using raw materials and utilities as efficiently as possible
- preventing and reducing pollution in and around our buildings and minimising any direct activities from polluting the local environment
- using raw materials and utilities as efficiently as possible
- encouraging and embedding sustainable procurement practices
- benchmarking our group environmental footprint and continually finding ways to reduce our direct environmental impact
- looking for products and services to reduce our carbon impact and considering technologies to improve our carbon footprint
- increasing staff awareness so they may personally contribute to Investec's goals
- monitoring Investec's environmental performance on a regular basis
- reporting the company's environmental performance on a regular basis
- engaging with stakeholders on environmental issues on a regular basis.

To ensure these commitments and objectives are achieved, Investec will ensure that its workforce, and those working for or on behalf of the organisation, are kept aware of this policy and their individual responsibilities within it, and appropriate training given where required.



Fani Titi
Joint CEO of Investec Group
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