



Investec's group environmental policy and climate change statement

Introduction

Investec's purpose is to create and manage wealth for all our 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 and wealth & investment 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 more resilient and inclusive world.

Climate change statement

We recognise the complexity and urgency of climate change. Investec's environmental policy considers the risks and opportunities that climate change presents to the global economy. As a specialised financial services organisation, we have the opportunity to make a meaningful impact in addressing climate change. We acknowledge the science behind climate change and support the Paris Agreement's aim of holding the increase in the global average temperature to well below 2°C above pre-industrial levels, and of pursuing efforts towards limiting it to 1.5°C.

As such, we support the transition to a low-carbon economy whilst realising that this might take time due to socio-economic constraints. We have a global business and operate in both the developed and developing world with varying economic, social and environmental contexts. Our businesses use their specialist skills in advisory, lending

and investing to support clients and stakeholders to move as quickly and smoothly as possible towards a low-carbon economy. We need to find a balance between the need for increasing energy access and economic growth, particularly in our South Africa business, and the urgency to reduce carbon emissions across all areas of operation. Consequently, we will be cautious and orderly in our approach to this transition, which is not solely focused on the next decade but rather 20, 30 and 40 years ahead. Therefore when assessing our participation in all fossil fuel activities, we will ensure we consider a variety of financial, socioeconomic and environmental factors relevant to a local context, such as poverty, growth, unemployment and carbon impact. The transition cannot be made in isolation from the realities of the communities in which we, and our clients, operate, and we welcome the voice of all stakeholders as we make the move together to a cleaner, low-carbon world that is most responsible for all participants.

We also have an important role to play in terms of advocacy and collaboration and participate in a number of workshops and taskforce groups internationally which share learnings and promote a cohesive approach for the financial sector. Our CEO, Fani Titi, is one of 30 CEOs from around the world participating in the UN Global Investors for Sustainable Development (GISD) Alliance.

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. We see climate change as both a business opportunity and a risk. Therefore, our strategy is based on the following:

- Support the Paris Climate Agreement and acknowledge the urgency of climate change
- Minimise our direct negative carbon impacts and commit to ongoing carbon neutrality
- Invest in products, services and businesses that help accelerate the transition
- Support our clients as they transition their business operations and offering
- Engage with stakeholders to inform our climate strategy as it evolves
- Actively participate in industry discussions to ensure an aligned and comprehensive approach
- Disclose in line with the TCFD's, CDP and other climate-related reporting regimes.

Governance

Board of directors

- At the highest governance level, the board has the ultimate responsibility to monitor that the group is operating as a responsible organization
- This includes considerations around climate related risks and opportunities when reviewing the group strategy
- The board is supported by the DLC SEC who are responsible for monitoring all the non-financial elements of sustainability.

Senior leadership

- We have a newly constituted Group Executive ESG Committee which reports to the board and the DLC SEC and global executive on various ESG and climate-specific matters.

Related publicly available policies and statements

- Group fossil fuel policy
- Operational resilience statement

Management

Compliance and screening

- We identify climate risks by integrating ESG considerations into our day-to-day operations
- We assess climate risks and follow the 'do no harm' principle through screening to ensure responsible lending and investing.

Risk management

- We see climate risk as a material risk associated with rapidly changing weather events (physical risk) or market shifts as a result of regulatory and policy changes (transitional risk).

Environmental management (direct impact)

- We have an environmental management system to manage and limit our direct carbon impact
- We ensure responsible sourcing of natural resources and encourage behaviour that supports our carbon neutral focus.

Business opportunities (indirect impact)

- We use our specialist skills in advisory, lending and investing to support clients' sustainability ambitions
- We have a deliberate focus on financing infrastructure solutions that promote renewable and clean energy
- We partner with clients to finance water solutions
- Through our approach to the SDGs, we can accelerate sustainable finance that supports a low-carbon transition.

Measurement and reporting

- We have set emission reduction targets
- We have committed to an ongoing net-zero direct carbon footprint
- We disclose our full energy lending portfolio including fossil fuel exposures across the group
- We include nonfinancial and ESG related targets within executive remuneration with a total weighting of 20% of short-term incentives and 25% of long-term incentives
- We report in terms of the recommendations set out by the TCFDs. This report is available on our website.

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.

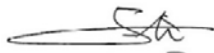
Our UK head office's Environment Management System (EMS) covering the operational aspects of our building, and the Energy Management System (EnMS), covering energy management in 23 of our UK, Channel Island and Ireland buildings, retained certification to the international environmental standards ISO 14001 and the international energy standard ISO 50001 respectively.

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
- 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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