Out of the Ordinary since 1974

CLIMATE AND NATURE-RELATED FINANCIAL DISCLOSURES 2024

Reporting in accordance with the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures)

REASONABLY ASSURED INFORMATION
Denotes selected information that has been externally reasonably assured. Refer to the EY assurance report, in the Investec Group 2024 sustainability report for details on the scope of the assurance

PAGE REFERENCES
Refers readers to information elsewhere in this report

WEBSITE
Indicates that additional information is available on the Internet. Click on links in the report

REPORTING STANDARD
Denotes our consideration of a reporting standard

BASIS OF REPORTING
Indicates information on basis of reporting is available on our website

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For queries regarding information in this document Group Sustainability

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www.investec.com/corporatesustainability

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About
Investec

A distinctive banking and wealth management business creating sustainable, long-term value for our stakeholders.

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Our Group climate and nature-related report highlights Investec's climate and nature-related matters over the period 1 April 2023 to 31 March 2024.

We incorporate material information from the main geographies in which we operate.

This report is intended to serve the information needs of the stakeholder groups most affected by our business – clients, employees, investors, shareholders, sustainability rating agencies, government, regulatory bodies and environmental, sustainability analysts who will use the content for an analysis of our climate and nature-related performance. It also focuses on the most material aspects of our business in relation to our climate and nature-related strategy. This report has been prepared in accordance with the recommendations of the TCFD (Task Force on Climate-related Financial Disclosures).

EY has provided reasonable or limited assurance over selected environmental performance indicators. The assurance statement can be found in the 2024 Group sustainability report on pages 128 to 129.

Our operational structure

During July 2002, Investec Group Limited (since renamed Investec Limited) implemented a dual listed companies (DLC) structure and listed its offshore business on the London Stock Exchange (LSE).

In terms of our DLC structure, Investec Limited is the holding company of our businesses in Southern Africa, and Investec plc is the holding company of our non-Southern African businesses. Investec Limited is listed on the Johannesburg Stock Exchange Limited (JSE) South Africa (since 1986) and Investec plc on the London Stock Exchange (LSE) (since 2002).

A circular on the establishment of our DLC structure was issued on 20 June 2002 and is available on our website

Non-Southern African
Investec plc

LSE primary listing
JSE secondary listing
A2X secondary listing

SHARING AGREEMENT

Southern African
Investec Limited

JSE primary listing
BSE secondary listing
NSX secondary listing
A2X secondary listing

Investec Bank plc
41.25% economic interest
Rathbones Group plc*

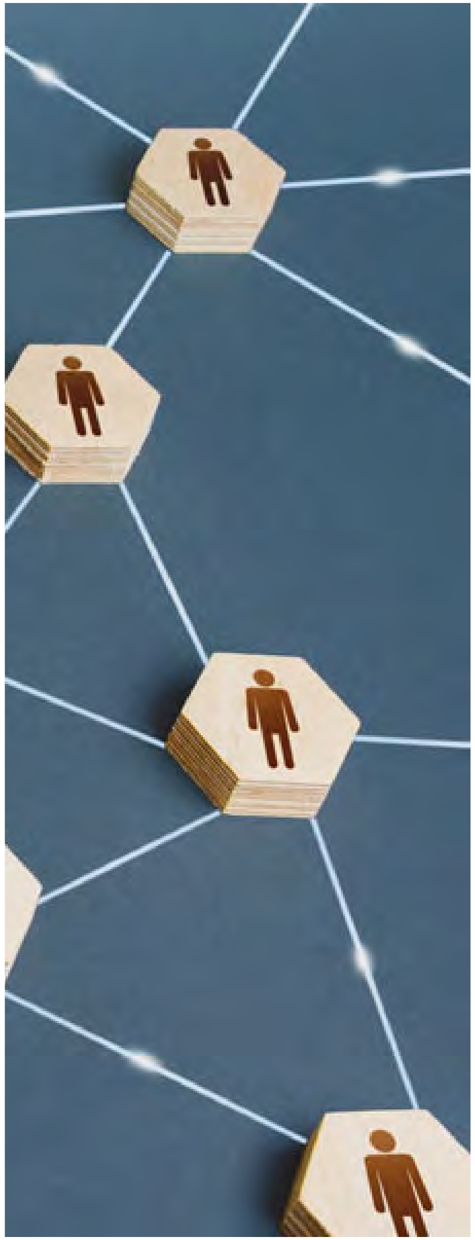
Investec Bank Limited

Investec Wealth & Investment International Group

All shareholdings in the ordinary share capital of the subsidiaries and associates shown are 100% unless otherwise stated.
* See page 13 in the Investec Group's 2024 integrated and strategic annual report for further information on the Combination.

Salient features of the DLC structure

Investec plc and Investec Limited are separate legal entities and listings, but are bound together by contractual agreements and mechanisms
Investec operates as if it is a single unified economic enterprise
Shareholders have common economic and voting interests as if Investec plc and Investec Limited were a single company
Creditors, however, are ring-fenced to either Investec plc or Investec Limited as there are no cross-guarantees between the companies.



Our purpose

is to create enduring worth.

Our mission	Investec is a distinctive bank and wealth manager, driven by commitment to our purpose, values, core philosophies and culture. We deliver exceptional service to our clients in the areas of banking and wealth management, striving to create long-term value for all of our stakeholders and contributing meaningfully to our people, communities and the planet.
Our distinction	The Investec distinction is embodied in our entrepreneurial culture, supported by a strong risk management discipline, client-centric approach and an ability to be nimble, flexible and innovative. We do not seek to be all things to all people. Our aim is to build well defined, value-adding businesses focused on serving the needs of select market niches where we can compete effectively and build scale and relevance. Our unique positioning is reflected in our iconic brand, our high-touch and high-tech approach and our positive contribution to society, macro-economic stability and the environment. Ours is a culture that values purposeful thinking and stimulates extraordinary performance. We take pride in the strength of our leadership team and our people are empowered and committed to our values and culture.
Our philosophies	Single organisation
	Meritocracy
	Focused businesses
	Differentiated, yet integrated
	Material employee ownership
	Creating an environment that stimulates extraordinary performance.
Our values	Deep client relationships, built on trust and *Out of the Ordinary* service, are the bedrock of our business
	We uphold cast-iron integrity in all our dealings, consistently displaying moral strength
	We seek creative, talented people with passion, energy and stamina, who collaborate unselfishly
	We thrive on change and challenge the status quo with courage, constantly innovating and adapting to an ever-changing world
	We believe in open and honest dialogue to test decisions, seek consensus and accept responsibility
	We pursue diversity and strive to create an environment in which everyone can bring their whole selves
	We show care for people, support our colleagues and respect the dignity and worth of the individual
	We are committed to living in society, not off it, contributing meaningfully to the communities in which we operate
	We embrace our responsibility to the environment and the wellbeing of our planet
	We trust our people to exercise their judgement, promoting entrepreneurial flair and freedom to operate with risk consciousness and unwavering adherence to our values.

Our strategy defines the **strategic choices we make in** pursuit of our purpose of **creating enduring worth**.

We have formulated our strategy with a balanced consideration of our stakeholders' needs and priorities.

Our stakeholders

Clients | People | Communities | Planet | Shareholders |

further integrating sustainability into our business strategy by:

- Positively contributing to the SDGs and in aligning with our chosen SDGs
- Operating responsibly and ethically
- Partnering with our clients and philanthropy partners to maximise positive impact
- Providing profitable, impactful and sustainable products and services
- Actively advocating for industry alignment and best practice

Our growth objectives

- **Continued execution with discipline to drive optimisation of returns**
- **Accelerate and scale growth initiatives**
- **Further develop connected client ecosystems across business units and geographies**

Underpinned by

- **Deepening our entrepreneurial culture** (Out of the ordinary: speed of execution & client experience)
- **Continuous digitalisation**
- **Strategic use of data**

A note from the Chief Executive

At Investec, sustainability is not a choice but an imperative where our efforts focus not only on reducing adverse effects but also on creating positive impact. We are working harder than ever toward a sustainable and equitable world.

Marc Kahn, Chief Strategy and Sustainability Officer

In the financial year ended 31 March 2024, Investec continued to fortify its commitment to creating enduring worth.

Central to this organisational purpose is that sustainability is integral to our business. The time has passed for organisations that make returns without considering the impact this may have on broader society and our planet. Our commercial strategies work with a multiple stakeholder perspective from inception and we are conscious about the impact they make in the world.

Guided by the United Nations Sustainable Development Goals (SDGs), we've focused on two key areas where we are best placed to make a lasting impact: climate action (SDG 13) and reducing inequalities (SDG 10). This report offers a transparent and unvarnished account of the strides we have made regarding climate action (SDG 13), celebrating noteworthy achievements while highlighting areas where further progress is needed.

Our leadership team continues to devise strategies that generate sustainable value for our clients, our people, our communities and the environment, and holds itself accountable to these outcomes. Investec executives attended various learning programmes and events during the year that ensure we are at the forefront of the sustainability challenges we need to appreciate to keep the company relevant, competitive and conscious in a fast changing landscape.

We have also developed a foundational sustainability learning module designed to give all employees an understanding of how sustainability impacts our operations, and we plan to evolve this over the coming years. This module was rolled out in the UK during May 2024 and in South Africa during June 2024. By continuing to weave sustainability into our culture we are working to ensure an enduring future for our business. I am encouraged and inspired by the enthusiasm with which this has been embraced by colleagues. Their dedication on this score has been instrumental in Investec being recognised as an industry leader in the sustainability space (see page 92).

13 CLIMATE ACTION

Climate action

As a member of the Net-Zero Banking Alliance, we have embraced specific and measurable targets that challenge us to direct financial flows toward positive outcomes for our planet and society. I'm proud to note that Investec remained carbon neutral within our Scope 1, Scope 2, and operational Scope 3 emissions for the sixth year.

Our ambition to achieve net zero by 2050 is underpinned by a three-pronged strategy:

1. Meeting our fossil fuel exposure commitments
2. Driving sustainable and transition finance activities
3. Influencing our clients and suppliers to effectively pursue decarbonisation.

We have committed to achieving zero coal exposure in our Investec plc loan book by 31 March 2027, and zero thermal coal exposure across the Group by 31 March 2030. As of 31 March 2023, we ceased all limited recourse project financing to new thermal coal mines, regardless of jurisdiction. Additionally, we will no longer finance any new oil and gas extraction, exploration, or production from 1 January 2035. Our fossil fuel exposure as a percentage of our loan book was 1.98% (2023: 1.84%).

In the year under review, we introduced an enhanced Sustainable and Transition Finance Classification Framework to guide our decision-making processes as we actively pursue our 2050 net-zero ambition. We have established Sustainable Business Forums in both the UK and South Africa that develop and integrate sustainability strategies into our business processes, commercial plays, and incentive frameworks, addressing our own aspirations as well as the expectations of our stakeholders.

Efforts to influence our client ecosystem have focused on improving the quality and accuracy of our Scope 3 financed emissions rather than expanding the scope of asset classes included in these calculations. While we acknowledge that this is just the beginning, we recognise the importance of active client engagement and advocating for better data quality and sustainability practices. We remain committed to driving positive change, enhancing our environmental impact, and promoting sustainable practices within our industry and various high-emitting sectors where we may extend financing.

We are developing and rigorously testing targets across these three channels of impact, to be released by the end of March 2025 and integrated with Executive key performance indicators (KPIs), ensuring that leaders are held accountable for achieving our sustainability ambitions.

Achieving a just and equitable transition to net zero emissions requires the cooperation of diverse stakeholders. Our collaborative efforts extend to industry initiatives such as Climate Action 100+ and the African Natural Capital Alliance (ANCA). We are also piloting reporting against the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations, coordinated by Financial Sector Deepening (FSD) Africa.

Governance

Governance at Investec transcends regulatory mandates. We remain committed to upholding the Ten Principles of the United Nations Global Compact, which encompass human rights, labour, environment, and anti-corruption. We actively support the international agenda to eradicate human trafficking, slavery, forced labour, and child labour. In compliance with section 54 of the UK Modern Slavery Act 2015, we have published annual modern slavery statements, which are available on our website.

We have considered the recommendations from the South African Prudential Authority, published in 2023, which include two guidance notes on climate risk disclosures and climate-related risk practices for banks.

We also considered the recommendations for sustainability-related disclosures from IFRS S1 and IFRS S2 and have incorporated the double materiality requirements as guided by the Corporate Sustainability Reporting Directive (CSRD).

Our annual Principles for Responsible Investment (PRI) report submissions document our proactive approach to responsible investment and corporate integrity. The report for the year ended 31 March 2023 was our final submission as a co-signatory with the UK Wealth & Investment franchise, following the completion of the Rathbones combination in September 2023.

Stakeholder engagement

This year we conducted a double materiality assessment to identify and evaluate our most significant sustainability-related impacts, opportunities and risks. In the interests of a balanced and transparent evaluation, we engaged a third party to conduct the assessment and gather feedback from our stakeholders. The outcome of this exercise was a comprehensive understanding and deeper insights into the sustainability topics that are material to Investec and our impact on society and the environment. This assessment informs our sustainability strategy, ensuring we focus on material topics and drive impactful action. This work also meant that we stayed abreast of new regulations, particularly the European Union (EU) CSRD.

Concluding thoughts

In summary, our commitment to sustainability, purpose, inclusivity, and community engagement has positioned us as a company that drives positive change and sees sustainability as part of its core commercial strategy. We will continue to pursue this agenda with energy and passion as we seek out more opportunities to create enduring worth in the world.

Marc Kahn

Chief Strategy and Sustainability Officer

Our positioning:
Addressing climate change and protecting nature

We acknowledge the intricacy and immediacy of climate change and take into account the potential dangers and advantages it brings to the worldwide economy. Furthermore, climate change is also becoming increasingly influential in the deterioration of biodiversity and the natural environment, which are fundamental to the sustainability of our planet. We support the objectives of the Paris Agreement, which aim to limit the rise in global average temperature to significantly below 2°C compared to pre-industrial levels and strive towards achieving a limit of 1.5°C.

02

In this chapter

Climate and nature-related commitments and ambitions

Climate

100%
of Scope 2 energy sourced from **renewables** from renewable sources using green tariffs and renewable electricity certificates where feasible

Carbon neutral
within our **own operations** for the past six financial years

Net zero by 2050
as part of our commitment to the **Net-Zero Banking Alliance**

Refreshed our net-zero
climate impact roadmap

55.99%
of renewables within our **energy lending** portfolio globally

March 2023: 50.90%^

Zero thermal coal exposure in our loan book by 31 March 2030

1.98%*
lending to fossil fuels as a % of gross core loans and advances globally (£617mn)

March 2023: 1.84% (£564mn)

0.08%
lending to coal as a % of gross core loans and advances globally (£24mn)

March 2023: 0.11%^ (£35mn)

Zero appetite
for limited recourse project financing to new thermal coal mines, regardless of jurisdiction

Nature

Remained supportive of the Partnership for Biodiversity Accounting Financials **(PBAF)** to assess and disclose our impact and **dependencies on biodiversity** within our loans and investments

Founding member
of the **African Natural Capital Alliance (ANCA)**

Released a **public statement** on Investec Group's **commitment** to biodiversity

Piloting reporting against the TNFD recommendations, coordinated by
FSD Africa

Scope 3 financed emissions

2.52mn tCO_2e
for the Group
March 2022: 3.25mn** tCO_2e)

Six asset classes
measured in terms of climate emissions and climate alignment pathways:

- Real estate
- Mortgages
- Motor vehicles
- Aviation
- Power generation
- Listed investments

For more information on our financed emissions, refer to page 64

* Over the past year, we have seen an increase in our total fossil fuel exposures, particularly in our natural gas and oil exposures. While we recognise the negative impact of all fossil fuels, we understand the importance of balancing the transition to renewable energy with the practical considerations of our clients' operating environments. Refer to page for 60 more details.
** Rebased
^ Restated

Our journey:
Addressing climate change and protecting nature

2002
Published our first sustainability report, including environmental considerations

2004
Investec becomes a constituent of the JSE Socially Responsible Investment Index

2006
Investec becomes a constituent of the Dow Jones Sustainability Investment Index

2009
Submitted our first CDP response

2012
- Included in the Johannesburg Stock Exchange SRI Index
- Included in the FTSE4Good Index

2013
- CDP gold recognition status for a score of A-
- Inclusion in CDP Leadership Index (top 11 in South Africa across all sectors)

2014
Joined the UN Global Compact

2015
One of the five companies in South Africa and 113 companies globally to make the CDP 2015 Climate A List

2018
Committed to the UN SDGs and created a Group SDG framework

2019
- CE, Fani Titi joined the UN GISD
- Public support the TCFD recommendations
- Sourced100% renewable energy for Scope 2 emissions globally through the purchase of renewable energy certificates
- Carbon neutral within our operations

2020
- Public fossil fuel policy drafted
- Published our first standalone TCFD report
- Joined PCAF in the UK and South Africa
- Signed up to UNEP FI, the UN PRB and the UN PRI
- Climate resolution passed at the AGM with >95% vote

2021
- Linked Executive remuneration to sustainability KPIs
- First sustainability-linked loan for Investec
- Climate resolution on Scope 3 financed emissions passed with 99.9% vote at AGM
- Signed up to the Net-Zero Banking Alliance

2022
- W&I publishes their first standalone sustainability report
- W&I signed up as a CDP signatory and joined the non-disclosure campaign
- W&I became a founding member of Blue Accelerator programme
- Joined the UN PRB Academy committee
- Founding member of the African Natural Capital Alliance (ANCA)

2023
- Signed up to PBAF
- Rated one of the top 100 most sustainable companies globally as per the Corporate Knights ranking
- Improved our CDP score to an A- from a B (industry average B-)
- Investec Group commits to zero thermal coal in their loan book by 31 March 2030

2024
- Maintained a CDP rating of A- against an industry average of B
- Published an enhanced Sustainable and Transition Finance Classification Framework with the aim of setting targets by the end of March 2025
- Remained in the top 100 most sustainable companies globally
- Automated our Scope 3 financed emissions calculations

1st
sustainability report published in 2002

1st
to report according to the TCFD recommendations in 2020

16 years
reporting to the CDP

Our positioning on climate change and nature preservation

Climate change

TCFD

7 AFFORDABLE AND CLEAN ENERGY

13 CLIMATE ACTION

One of the greatest socio-economic and environmental impacts we can have is to partner with our clients and stakeholders to accelerate a cleaner, more resilient and inclusive world. Our environmental policy considers the risks and opportunities that climate change presents to the global economy. We support the transition to a net-zero carbon economy while realising that this might take time due to socio-economic constraints.

We embrace our responsibility to understand and manage our own carbon footprint and maintain carbon neutrality within our direct operations and commit to net-zero emissions within our financing activities by 2050.

We support the Paris Agreement's aim of limiting the increase in the global average temperature to well below 2°C compared to pre-industrial levels and pursuing efforts towards limiting it to 1.5°C.

We have an important role to play in terms of advocacy and collaboration.

Within our specialist banking business

We acknowledge that one of the most impactful influences we can have is to manage and reduce our carbon emissions in the business we conduct and more specifically in our lending and investment portfolios (Scope 3 financed emissions). We are using the methodologies of the Partnership for Carbon Accounting Financials (PCAF) to measure our financed emissions. Over the past year we have made substantial progress in improving the quality of our data inputs and dedicated significant resources to automate the financed emissions calculations. Our ambition to achieve net zero by 2050 is underpinned by a three-pronged strategy:

- Meeting our fossil fuel exposure commitments
- Driving sustainable and transition finance activities
- Influencing our clients and suppliers to effectively pursue decarbonisation.

Environmental considerations are incorporated when making lending and investment decisions.

Within our wealth and investment business

Investec Wealth & Investment International (IW&II) has made a commitment to uphold the UN-supported Principles for Responsible Investment (PRI).

To guide IW&II in the implementation of responsible investment and meet the requirements of the PRI, a principles-based framework has been established. Unlike rigid rules, principles provide guidance to work towards a common goal while allowing for independent decision-making.

The purpose of this framework is to assist IW&II in creating lasting value while fulfilling its commitment to the PRI. This involves adhering to the principles outlined by the PRI and the Code for Responsible Investing in South Africa (CRISA), integrating responsible investment and stewardship into the investment process, and ultimately delivering enduring value to IW&II clients.

Nature and biodiversity

TNFD

10 REDUCED INEQUALITIES

13 CLIMATE ACTION

Nature and biodiversity serve as the fundamental basis for sustaining our world and society. The presence of healthy, diverse, and resilient ecosystems is crucial in preventing disruptions to society and the markets in which our businesses operate. Additionally, these ecosystems play a significant role in reducing the severity of climate change. We acknowledge the importance of conserving biodiversity within its natural habitats and recognise the direct correlation between climate change and the loss of biodiversity. Furthermore, we are aware of the various risks associated with biodiversity that our business, operational activities, and portfolio may be exposed to.

We recognise the need to conserve biodiversity, ecosystems and living organisms, and as such adopt a precautionary approach for sustainable management of biodiversity in all decision-making processes.

Within our specialist banking business

We play an important role in funding a sustainable economy that is cognisant of the world's limited natural resources. We aim to align our objectives and approach to biodiversity with:

- The National Environmental Management: Biodiversity Act, 2004 in South Africa
- The Environmental Bill 2021, in the UK
- PBAF standard

In addition, we are founding members of the ANCA, a collaborative forum for mobilising the financial community's response to the risk of nature loss in Africa. We are currently testing the reporting of our activities in line with the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), which is being coordinated by FSD Africa.

Within our wealth and investment business

Our research team incorporates sustainability factors into its investment analysis across all asset classes and for direct equities this is strengthened using Sustainalytics, a global leader in ESG research and risk metrics. Sustainalytics measures land use and biodiversity where it is material to a company which would impact their headline score. In addition to direct equities, alignment to the SDGs, including SDG 14 (life below water) and SDG 15 (life on land), is assessed using the third party data provider Institutional Shareholder Services (ISS).

Our climate change and nature-aligned framework

Our climate change and nature-aligned framework follows the recommendations set out by the TCFD and TNFD using the four pillars of governance, strategy, risk management and, metrics and targets.

Governance

Board of Directors

At the highest governance level, the Board has the ultimate accountability to monitor how well the Group is operating as a responsible organisation. This includes considerations around climate and nature-related risks and opportunities when reviewing the Group strategy.

Board-appointed committees

The Board is supported by various Board-appointed committees with each committee contributing in their specialised capacity to climate-, nature- and environmental-related risks and opportunities. These include:

- DLC Social and Ethics Committee (DLC SEC)
- DLC Board Risk and Capital Committee (DLC BRCC)
- DLC Audit Committee
- DLC Remuneration Committee.

Executive accountability

For climate-, nature-, and environmental-related risks and opportunities, the Group Chief Executive (CE), Fani Titi, takes ultimate executive accountability

The CE is supported by the:

- Group ESG Executive Committee and the Group Executive Risk Committee (ERC) that reports relevant sustainability matters to the DLC SEC
- Chief Strategy and Sustainability Officer
- Executive responsibility within the Specialist Banks
- Executive responsibility within Investec Wealth & Investment International.

Management responsibility

- Sustainable business forums in both South Africa and the UK
- Wealth & Investment International Responsible Investment Committee.

Publicly available policies and statements

Refer to page 103

Strategy

Business opportunities and risks from climate-change and nature is incorporated within our strategy by:

- Acknowledging the urgency of climate change and by ensuring our approach is aligned to the Paris Agreement
- Acknowledging the clear link between climate change and biodiversity loss, and our impact through our activities on healthy, biodiverse, and resilient ecosystems
- Minimising our direct negative carbon impacts and committing to ongoing carbon neutrality
- Investing in products, services and businesses that help accelerate the transition
- Supporting our clients in minimising their adverse impact on climate and nature
- Engaging with stakeholders to inform our climate and nature strategy as it evolves
- Actively participating in industry discussions to ensure an aligned and comprehensive approach.

Risk management

Our approach to managing the risks relating to climate and nature-related matters is continually evolving as we improve our understanding of this complex and interconnected risk. We are aware of the enormity of the challenge which is exacerbated by changes in regulations and methodologies.

Compliance and screening

- We identify climate and nature-related risks by integrating sustainability considerations into our day-to-day operations
- We assess climate and nature risks and whether they are being prevented, managed or mitigated 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), or the risk from climate change breaches of underlying legal frameworks (litigation risk).

Environmental management

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

Business opportunities

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

Metrics and targets

- We have committed to ongoing carbon neutrality in our direct operations
- We follow the recommendations set out by the TCFD and TNFD and the regulatory guidance in our two core jurisdictions
- We disclose our full energy lending portfolio including fossil fuel exposures across the Group
- We disclose our financed emissions in our most material asset classes
- We include non-financial and sustainability-related targets within Executive remuneration.

TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

TNFD Taskforce on Nature-related Financial Disclosures

Governance

03

Strong corporate governance is ingrained in our values, culture, operations, functions, and organisational framework. Our values demand that directors and employees act with honesty and uphold unwavering moral principles to foster and preserve trust.

In this chapter

	TCFD reference
Climate and nature-related matters through an integrated approach	
Responsibility of the Board	1a
Responsibility of Board-appointed Committees and executive members • DLC SEC • DLC BRCC • DLC Audit Committee • DLC Remuneration Committee • Chief Executive responsibility • Group ESG Executive Committee • Executive responsibility within the Specialist Bank • Executive responsibility within Investec Wealth & Investment International	1a
Executive remuneration	
Management role	1b

Climate and nature-related matters through an integrated approach

Our approach to climate change and preventing nature loss is integrated across our Board, executives, management and businesses

We are guided by our climate change and biodiversity statements and policies on environmental and social risk. Climate and nature-related risk considerations are integrated into a multidisciplinary, company-wide management process throughout the Group. The various Investec executive forums and Boards actively engage on numerous sustainability activities and opportunities.

<table>
<tr><td rowspan="3">Board-level governance</td><td colspan="5">DLC Board (Investec plc and Investec Limited)</td></tr>
<tr><td rowspan="2">DLC Social and Ethics Committee (DLC SEC)</td><td colspan="2">DLC Board Risk and Capital Committee (DLC BRCC)</td><td rowspan="2">DLC Audit Committee</td><td rowspan="2">DLC Remuneration Committee</td></tr>
<tr><td>Investec Bank plc (IBP) BRCC</td><td>Investec Bank Limited (IBL) BRCC</td></tr>
</table>

<table>
<tr><td rowspan="4">Executive-level governance</td><td colspan="5">Group Executive</td></tr>
<tr><td rowspan="2">Group ESG Executive Committee</td><td colspan="2">Group Executive Risk Committee (ERC)</td><td rowspan="2">Executive responsibility within the Specialist Bank</td><td rowspan="2">Executive responsibility within IW&II</td></tr>
<tr><td>IBP ERC</td><td>IBL ERC</td></tr>
<tr><td colspan="5">Chief Strategy and Sustainability Officer</td></tr>
</table>

Management-level* governance	**Investec Limited Sustainable Business Forum**	**Investec plc Sustainable Business Forum**	**IW&II Responsible Investment Committee**

<table>
<tr><td rowspan="2">Business and employees</td><td colspan="2">Investec Group sustainability team</td><td rowspan="2">IW&II sustainability team</td></tr>
<tr><td>Investec Limited sustainability team</td><td>Investec plc sustainability team</td></tr>
</table>

* Management refers to those positions in senior management, and are separate from executives or the Board

1a Responsibility of the Board

Ten Board members with sustainability experience

- Zarina Bassa
- Henrietta Baldock
- Stephen Koseff
- Nicola Newton-King
- Jasandra Nyker
- Vanessa Olver
- Philisiwe Sibiya
- Brian Stevenson
- Fani Titi
- Nishlan Samujh

83%
of Board members have sustainability-related experience

Main responsibilities

At the highest governance level, the Board establishes the purpose of the Group, incorporates sustainability, climate and nature-related matters when reviewing and guiding strategy and strategic objectives, and monitors progress against sustainability-related targets and ambitions. Furthermore, they track the progress of goals and targets, including overseeing major capital expenditures, acquisitions, and divestitures.

In addition, the Board is responsible for overseeing Investec's response to climate change and the prevention of nature loss. They receive support from Group executive forums and management teams in managing climate and nature-related risks and identifying opportunities.

Board meetings

The composition of the Board has been designed to ensure that we have the appropriate mix of knowledge, skills, experience, independence and diversity. The Board considers the collective skills, knowledge and experience of the directors when assessing the overall composition and suitability of the Board. In addition to a range of skills, the Board also values the innate difference in approach and thinking styles, which results from the varied backgrounds and experiences of our directors.The skills and experience of the members of the Board are detailed on pages 146 to 149 of the Investec Group's 2024 integrated and strategic annual report.

All members have a strong awareness of climate-related and sustainability matters. The Board met six times during which climate-related and sustainability matters were presented.

Information and escalation channels

The DLC SEC Chair, Nicola Newton-King, reports to the Board after each meeting on the nature and content of the discussions at the DLC SEC, including recommendations, and action to be taken, and makes recommendations to the Board when appropriate on any area within its remit where action or improvement is needed.

In addition, climate-related and sustainability matters are escalated to the Board through the DLC BRCC and the Group ESG Executive Committee, with documented feedback provided at every meeting.

Monitoring and oversight

Our climate-related goals and targets are set at an operational level with the overarching commitment to remain carbon neutral within our operations (Scope 1, Scope 2 and operational Scope 3). This has resulted in us being carbon neutral for the sixth consecutive year.

Additionally, the Board has reviewed and approved our enhanced climate impact roadmap, which outlines our strategy for sustainable and transition finance and our pathway to achieving net-zero carbon emissions by 2050. We will establish sustainable finance targets by the end of March 2025 that will be overseen by the Board.

The Board has received regular updates throughout the financial year, both written and verbal on climate-related matters.

Key achievements for the year ending 31 March 2024

- The concept of double materiality, in which we understand the impacts of climate change and biodiversity loss on our business, and the impact of our activities on the natural environment/biodiversity and climate change has been a key focus for the Board
- The Board approved the enhanced Sustainable and Transition Finance Classification framework
- The Board approved the results from our Scope 3 financed emissions
- The Board noted the emerging sustainability disclosure regulations, specifically the ISSBs IFRS S1 and IFRS S2 recommendations, the recommendations published by the Prudential Authority in South Africa and the CSRD
- The Board was upskilled in climate-related matters, and in specific sustainable and transition finance.

Focus areas for the year ending 31 March 2025

- Oversee progress of establishing sustainable finance targets for the Group by the end of March 2025
- Monitor sustainable and transition finance initiatives across the Group
- Oversee the developments regarding the inclusion of additional asset classes in the calculations of our Scope 3 financed emissions
- Further enhancements of skills in climate and sustainability-related matters.

1a Responsibility of Board-appointed committees and executive members

DLC Social and Ethics Committee (DLC SEC)

The principal objective of the DLC SEC is to assist the Board in ensuring that the Group remains a committed, socially responsible corporate citizen in the context of the economy, society, and environment in which the Group operates.

For more information on the committee's terms of reference, click here

Main responsibilities

The DLC SEC is a Board-appointed committee with a direct reporting line to the DLC Board. The DLC SEC takes responsibility for monitoring the non-financial elements of sustainability and monitors the Group's performance in terms of sustainability, climate and nature-related matters. Furthermore, it is responsible for monitoring the Group's activities with regard to any relevant legislation, other legal requirements, or prevailing codes of best practice.

The responsibilities of the DLC SEC are documented on page 101 of the 2024 Group risk and governance report.

Board meetings

The DLC SEC consists of three independent Non-Executive Directors and the Group Chief Executive. The Committee met four times during the year ended 31 March 2024 where climate and sustainability-related matters were discussed in every meeting.

The committee is confident that they have a strong and diverse team of directors who will continue to oversee the interests of the Group's stakeholders and the sustainability of the Group's business.
See page 16 for more details.

Information and escalation channels

The DLC SEC receives feedback on the latest climate and nature-related matters through a standing agenda item.

The Chief Strategy and Sustainability Officer escalates any sustainability-related matters raised by the Group ESG Executive Committee either verbally or in written format to the DLC SEC. During FY2024, the DLC SEC climate-related discussion points for the Group included:

- An update on the business initiatives designed to support our clients in their participation in the transition to net zero by 2050
- A discussion on our enhanced Sustainable and Transition Finance Classification Framework and the linkage of a sustainable finance target to Executive remuneration.

Monitoring and oversight

The DLC SEC monitors and oversees progress against climate and sustainability-related goals and targets through ongoing communication to the Committee through a standing agenda item.

Key points that are overseen and monitored include:

- Sustainability strategy, framework and policies
- Alternatives to link sustainability-related metrics and KPIs to Executive Directors' compensation
- Scope 3 financed emissions
- Sustainability transactions that are deemed of high concern
- Sustainability ratings and rankings.

Key achievements for the year ending 31 March 2024

- A review of our progress following the commitment made to achieving net-zero carbon emissions by 2050 and processes to enhance our Scope 3 financed emissions calculations with refined assumptions and systems automation
- Approval of the enhanced Sustainable and Transition Finance Classification Framework
- Noted our reporting readiness with the increased sustainability reporting developments internationally
- Acknowledgement of the outcomes of the double materiality assessment disclosed in the Investec Group's 2024 integrated and strategic annual report.

Focus areas for the year ending 31 March 2025

- Contribute to the setting of a sustainable finance target for the Group and monitoring performance against the set target by the end of March 2025
- Monitor the response to the double materiality assessment completed in 2024
- Monitor the progress in managing the Group's Scope 3 financed emissions from their lending and investing activities.

DLC Social and Ethics Committee (DLC SEC) continued

Members	Designation	Group Committee representation	ESG skills
Nicky Newton-King (Chair)	Independent Non-Executive Director of Investec Limited and Investec plc Board	Member of the DLC SEC Member of the DLC BRCC	Nicky, former CE of the JSE, championed the importance of business as a socially responsible participant in post-apartheid South Africa, in particular by promoting the idea that business should acknowledge and act on what she terms a 'social license' to operate. She drove the JSE's key role in the UN's launch of the global Sustainable Stock Exchange (SSE) initiative and the JSE's Socially Responsible Investment Index
Morris Mthombeni	Independent Non-Executive Director of Investec Bank Limited Board	Member of the DLC SEC	Board Member of the UN Global Compact (UNGC) South Africa and a member for the UN Principles of Responsible Management Education (PRME) Global Chapter Council. An advisory Board member of the UN PRME (i5) Program: Learning in Leadership Education, an initiative of the UNGC and the LEGO Foundation, and the Dean at GIBS, lecturing and speaking globally on strategy, leadership and corporate governance
Jasandra Nyker	Independent Non-Executive Director of Investec Limited and Investec plc Board	Member of the DLC SEC Member of the DLC BRCC	Formerly the CE of BioTherm Energy, an African Independent Power Producer that grew rapidly under her leadership and became a market leader, building a number of the first wind and solar energy projects in South Africa. At 31 March 2024, the CE of Nala Renewables, a global renewable energy and storage platform
Fani Titi	Group Chief Executive	Member of the DLC SEC Member of the DLC BRCC	Board member of the UN Global Compact network in South Africa and former Chair of the DLC SEC
Khumo Shuenyane Khumo Shuenyane stepped down as the Chair on 03 August 2023.	Khumo Shuenyane stepped down from the Board on 3 August 2023	Khumo Shuenyane stepped down from the Board on 3 August 2023	Fellow member of the Africa Leadership Initiative whose objective is to develop the next generation of values-based African leaders. Also a member of the Aspen Institute's Global Leadership Network who aim to address the foremost societal challenges of our time. A trustee of the Constitution Hill Trust which promotes respect for the South African Constitution, human rights and democracy

Three of the members of the DLC SEC are also members of the DLC BRCC

Refer to page 17 for more information on the DLC BRCC

DLC Board Risk and Capital Committee (DLC BRCC)

The role of the Committee is to provide independent oversight over the range of risks (including non-financial risks) facing the business. It performs this function by considering the risk reports presented and questions whether actions taken by management are appropriate.

For more information on the Committee's terms of reference, click here

Main responsibilities

The role of the Committee is to provide independent challenge and oversight of the Group's risk and capital frameworks, management and governance structures. They ensure that effective risk and capital frameworks, plans, policies, processes and systems are in place to ensure current and emerging risks are adequately assessed and appropriately addressed within a reasonable timeframe.

The DLC BRCC oversees and signs off on the Group's risk management policies. The Committee is also responsible for managing the principal risks of the Group, of which climate-related risk is explicitly listed.

Committee meetings

The Committee comprises Executive and Non-Executive members, with the composition designed to provide the breadth of risk expertise and commercial acumen to fulfil their responsibilities.

All the members have a strong awareness of climate and sustainability-related matters.

The Committee met five times during the financial year ended 31 March 2024 where members were informed of climate and sustainability-related matters on an ad-hoc basis.

Information and escalation channels

The DLC BRCC receives feedback through Committee meetings and interactions with the Group Chief Risk Officer, the IBP Chief Risk Officer, the IBL Chief Risk Officer (whom are all members of the DLC ESG Executive Committee) and Heads of Risk of the various subsidiaries.

Furthermore, the DLC BRCC receives feedback from the IBL BRCC and IBP BRCC where the risks of the banks are addressed, which includes risks relating to sustainability-related matters.

Monitoring and oversight

The Group's exposure to fossil fuels was considered.

The Committee was kept updated of the improvement actions being taken from a sustainability and climate risk perspective. These included assessing core loans and advances as well as reviewing the risk classifications per the International Finance Corporation (IFC) guidelines.

The Committee received confirmation from management that credit decisions considered financial risks from climate change and that these decisions were being documented

In addition, the committee reviewed that suppliers were undergoing the necessary due-diligence.

Key achievements for the year ending 31 March 2024

- The DLC SEC and the Committee reviewed all the sustainability related policies
- The Group also conducted a double materiality assessment the findings of which are included in the Investec Group's 2024 integrated and strategic annual report.

Focus areas for the year ending 31 March 2025

- Stronger focus on climate, nature and energysecurity
- Monitor our fossil fuel exposures and our exposure to high-emitting industries
- Increase engagement on climate and nature-related goals and targets
- Regular feedback from the various sustainability committees on climate and nature-related goals and targets
- Development and upskilling of DLC BRCC members on climate and nature-related matters.

1a Responsibility of Board-appointed committees and executive members continued

DLC Audit Committee

The Committee provides independent challenge and oversight across the Group's financial reporting and internal control procedures. The DLC Audit Committee oversees and considers the Group's audit-related matters.

For more information on the Committee's terms of reference, click here

Main responsibilities

The role of the Committee is to consider the appropriateness of financial and non-financial disclosures and provide oversight on compliance to climate-related reporting regulations.

The Committee also considers the level of assurance provided by external audit on sustainability and climate disclosures made in the annual report.

Committee meetings

The Audit Committee met eleven times during the financial year ended 31 March 2024, where regulations, specifically the BIS Pillar 3 requirements and the ISSB's disclosure guidance on IFRS S1 and IFRS S2, were discussed at some of these meetings.

Information and escalation channels

The Committee receives updates from Group Sustainability, Group Finance and from External Audit on the latest regulatory and disclosure requirements.

Significant judgments and estimates were discussed, including the inherent risks posed by climate-related matters.

Key achievements for the year ending 31 March 2024

The DLC Audit Committee reviewed the assurance provided for KPIs relating:

- Fossil fuel exposure
- Carbon footprint
- Limited assurance on the mortgage asset class with regards to Scope 3 financed emissions
- Appropriateness and completeness of the sustainability and climate disclosures provided in the Investec Group's 2024 integrated and strategic annual report.

Focus areas for the year ending 31 March 2025

- Development and upskilling of members on climate and nature-related matters
- The implications of sustainability risk in measuring the sustainability and societal impact of our loans and investments in a company or business, together with sustainability-related accounting disclosures and assurance processes.

DLC Remuneration (REM) Committee

This Committee is mandated to provide effective oversight over the Group's remuneration processes and arrangements. The Committee reports directly to the Board.

Main responsibilities

The DLC REM Committee establishes performance-related targets against sustainability measures, which incorporate climate-related aspects.

Committee meetings

The DLC REM Committee met eight times during the financial year ended 31 March 2024 and considered climate-related matters at three of those meetings.

Information and escalation channels

The DLC REM Committee gets informed on climate-related targets when the Executive remuneration framework is reviewed. The DLC REM Committee will then assess the performance of the Executive against these targets.

Refer to page 21 for executive remuneration.

Key achievements for the year ending 31 March 2024

- Extensive time spent on the development of new sustainability-related performance measures to be incorporated in the new Directors' remuneration policy.

Focus areas for the year ending 31 March 2025

- Continue to develop and enhance our sustainability-related framework linked to KPIs
- Implement further alignment of the remuneration structure of senior employees throughout the organisation with the executive directors remuneration.

1a Responsibility of Board-appointed committees and executive members continued

Chief Executive (CE) accountability

Main responsibilities

The CE, Fani Titi, takes ultimate executive accountability for all sustainability, climate and nature-related matters. He is also on the board of the UN Global Compact network in South Africa.

Information and escalation channels

The CE is informed of sustainability, climate and nature-related risks and opportunities through the Chief Strategy and Sustainability Officer, the Group ESG Executive Committee and the DLC SEC, of which he is also a member. He also receives written feedback through the Board reports.

Monitoring and oversight

The CE is part of the DLC SEC and DLC BRCC, which monitor and oversee sustainability and climate-related goals and targets.

Key achievements for the year ending 31 March 2024

- Approved the enhanced Sustainable and Transition Finance Classification Framework
- Endorsed the double materiality assessment conducted according to the guidelines provided by the CSRD
- Received recognition for the second year in a row by Corporate Knights as one of the top 100 most sustainable companies in the world.

Focus areas for the year ending 31 March 2025

- Monitor progress on setting a sustainable finance target and incorporating this target into Executive remuneration
- Advocate industry participation, in particular engagement with the UN Global Compact network in South Africa
- Monitor progress on the Group's net-zero ambitions
- Inform the strategic direction for climate and nature initiatives and alignment with the Group strategy.

Group ESG Executive Committee

Main responsibilities

The Group CE is supported by the Group ESG Executive Committee to help align and coordinate the sustainability strategy and governance efforts across geographies and businesses.

The Group ESG Executive Committee, mandated by the Group's Executive Directors, reports relevant sustainability, climate and nature-related matters to the DLC SEC.

Information and escalation channels

Key sustainability, climate and nature-related matters raised by the business and forums mentioned below are escalated to the Chief Strategy and Sustainability Officer who presents these matters verbally and in written format at each Group ESG Executive Committee meeting.

Information is escalated to this committee through the following functions:

- The Group sustainability team
- The Investec Limited Sustainable Business Forum
- The Investec plc Sustainable Business Forum
- The W&I Responsible Investment Committee
- Group ERC
- IBL ERC
- IBP ERC.

Monitoring and oversight

Receives updates on sustainability, climate and nature-related matters at each meeting in a verbal or written format.

Reviews Investec Group's sustainability ratings (in particular Sustainalytics, MSCI, CDP, CSA Dow Jones and ISS), and assess and engage on suggested actions to improve ratings and performance of climate and nature-related goals and targets.

Discusses and approves actions towards carbon neutrality to meet our net-zero ambitions.

The committee met six times during the financial year ended 31 March 2024 where sustainability, climate and nature-related matters were discussed at every meeting.

Key achievements for the year ending 31 March 2024

- Initiated a collaborative process to enhance the Sustainable and Transition Finance Classification Framework, which will serve as the foundation for establishing sustainable finance targets
- Endorsed the automation of the Scope 3 financed emissions, aiming to enhance accuracy and efficiency
- Reviewed and discussed the emerging sustainability regulations from the Prudential Authority, the ISSB's recommendations specifically relating to IFRS S1 and IFRS S2, and the CSRD
- Reviewed the double materiality assessment conducted in accordance with the requirements of the CSRD
- Reviewed the sustainability strategy of the Group, with a particular focus on our net-zero pathway
- Provided capacity building for frontline staff on the application of sustainable finance in commercial activities.

Focus areas for the year ending 31 March 2025

- Engage actively in the process of establishing sustainable finance targets for the Group by the end of March 2025
- Track sustainable and transition finance initiatives across the Group
- Review decarbonisation efforts
- Monitor the developments regarding the inclusion of additional asset classes in the calculations of our Scope 3 financed emissions
- Monitor new product offerings, with a strict focus on identifying greenwashing practices and staying informed about emerging anti-greenwashing regulations
- Oversee the development of sustainability competencies across all global business units.

Executive responsibility within the Specialist Bank

The Board assigned executive responsibility to Marc Kahn (Chief Strategy and Sustainability Officer) to drive the sustainability agenda across the Group. Mark Currie, our Group Chief Risk Officer as well as Kevin McKenna, our UK Chief Risk Officer are members of the Group ESG Executive Committee. Kevin McKenna is also the Senior Management Function (SMF) for climate risk for Investec Bank plc.

Executive responsibility within Wealth & Investment

Joubert Hay as the Chief Executive Officer of Investec Wealth & Investment International has executive responsibility for sustainability and climate-related matters. The implementation has been assigned to key members of the Wealth & Investment Responsible Investment Committee who coordinate the integration of the sustainability, climate and nature-related matters in our Wealth & Investment business.

Executive remuneration

The Executive Directors of Investec Group are firmly committed to driving sustainability and climate-related matters.

Our membership to various UN and other initiatives like Climate Action 100+ demonstrates this leadership commitment. Accordingly, our current executive remuneration framework considers a comprehensive approach across all areas of sustainability. This remuneration framework is based on five sustainability ratings (as illustrated in the diagram below) that show a broader impact across all three areas of environment, social and governance.

A proposal for new sustainability-related KPIs will be presented at our next AGM in August 2024, where a proposal for specific sustainability and climate-related targets will be presented.

Measures	Threshold	Target	Stretch	Rating achieved	Score
Sustainalytics rating (Overall indicator of sustainability)	>20 (medium risk)	15 – 20 (low risk)	10 – 15 (negligible risk)	16	**Target met**
CSA Dow Jones rating (Overall indicator of sustainability)	<64	between 64 and 68	>68	57*	**Threshold met**
CDP rating (Indicator of environmental performance including climate-change and biodiversity commitments)	<B	B-A	A+	A-	**Target met**
ISS rating (Indicator of governance performance)	<C	C-C+	B-A	C	**Target met**
Financial Sector Charter targets (Indicator of social performance, relating to transformation in South Africa)	Under level 1	Maintain level 1	Top of level 1	Level 1	**Target met**

* The CSA Dow Jones rating methodology has increased the robustness of rating companies with stringent requirements in terms of public disclosures that are now required. We remained however within the top 4% of global diversified financial services.

1b Management role

We actively integrate sustainability, climate and nature considerations into our company-wide management process, ensuring that they are a fundamental part of our decision-making. We view management as proactive participants in addressing and managing risks and opportunities related to climate and nature.

Reporting into the Chief Executive

Chief Strategy and Sustainability Officer

The Chief Strategy and Sustainability Officer, has a direct reporting line to the Group CE, Fani Titi. Any sustainability, climate and nature-related matters are reported to the CE verbally as and when they arise.

The Chief Strategy and Sustainability Officer is the Chair of the Group ESG Executive Committee and collaborates with a range of directors, executives and senior leaders on sustainability matters. The sustainability teams within each of our jurisdictions report directly to the Chief Strategy and Sustainability Officer.

Investec Group sustainability team

Investec Limited sustainability team | **Investec plc sustainability team**

Responsibilities

- Assess and report on climate and nature-related matters
- Escalate climate and nature-related matters to the risk teams to manage and monitor exposures
- Support the risk teams in identifying environmental, climate and nature-related risks that may impact the Group
- Define sectoral policies aimed at limiting the climate, nature and sustainability-related risks to which the Group may be exposed to
- Review and assess alignment with regulatory disclosure requirements
- Work with business on sustainability products and services
- Engage with stakeholders
- Engage across businesses and geographies to ensure a cohesive and aligned sustainability approach for the Group

Function

The Chief Strategy and Sustainability Officer receives feedback from the sustainability teams, the Sustainable Business Forums in the UK and South Africa and the W&I Responsible Investment Committee. Sustainability, climate and nature-related matters are escalated to the Board, the DLC SEC, the Group ESG Executive Committee and the Chief Executive.

Refer to pages 14 to 20 for more detail on these forums.

1b Management responsibility within the Specialist Bank

We are committed to leveraging our expertise in advisory, lending, and investing to support our clients and stakeholders in transitioning towards a net-zero carbon economy. This focus aligns with our core business objectives and addresses two impact Sustainable Development Goals (SDGs): climate action (SDG 13) and reduced inequalities (SDG 10). These SDGs are globally aligned and locally relevant to our core geographies. By prioritising these goals, we aim to contribute to a stable and sustainable economy. Additionally, we place a strong emphasis on financing entrepreneurs who play a crucial role in driving job creation and supporting long-term economic growth.

Our enhanced Sustainable and Transition Finance Classification Framework serves as the guiding principles for our decision-making processes as we actively pursue our net-zero ambition by 2050. Through our Sustainable Business Forums in the UK and South Africa, we develop and integrate sustainability strategies into our business processes, commercial plays, and incentive frameworks. This approach not only aligns with our own aspirations but also addresses the expectations of our stakeholders.

This includes management support for various sustainable finance and investment initiatives, of which some of these are listed below:

€110mn

Financing as a sole Mandated Lead Arranger and Bookrunner for a solar photovoltaic (PV) portfolio

€132mn

Green loan to support a German electric vehicle charging network tender

R1bn

Partnered in a sustainability-linked working capital facility

R4.5bn

Partnered in a sustainability-linked loan facility for a retailer linked to reducing food waste and greenhouse gas emissions.

1b Management responsibility within Investec Wealth & Investment International (IW&II)

We have made a commitment to uphold the UN-supported Principles for Responsible Investment (PRI). To guide our implementation of responsible investment practices and meeting the requirements of the PRI, a principles-based framework has been established. The purpose of this framework is to assist IW&II in creating lasting value while fulfilling its commitment to the PRI.

This involves adhering to the principles outlined by the PRI and the Code for Responsible Investing in South Africa (CRISA), integrating responsible investment and stewardship into the investment process, and ultimately delivering enduring value to our clients. By following this framework, we aim to align our investment practices with responsible and sustainable principles, ensuring that investments contribute to positive environmental, social, and governance outcomes.

The IW&II Responsible Investment Forum co-ordinates the integration of sustainability, climate and nature-related matters in the W&I business.

Our achievements include:

$56.6mn

Raised by IW&II at 31 March 2024 through our Global Sustainable Equity Fund

UN PRI

Submitted our annual PRI report for the year ended 31 March 2023. The 2024 submission will take place by July 2024

> Humankind has not woven the web of life. We are but one thread within it. Whatever we do to the web, we do to ourselves. All things are bound together … all things connect.

Chief Seattle, Leader of the Suquamish and Duwamish native American tribes

TCFD disclosure guidance (incorporating high level guidance from the TNFD)

In this chapter

Strategy

04

Our sustainability strategy

Addressing climate change and inequality is critical to the success of our business. Two United Nations Sustainable Development Goals (SDGs) are fundamental to Investec – climate action (SDG 13) and reduced inequalities (SDG 10) – with a further six SDGs core to our sustainability strategy. These eight priority SDGs are globally aligned yet locally relevant to our core geographies and also reflect our growth strategy to fund a stable and sustainable economy. Our approach coordinates, assesses and reports on the Group's progress in terms of our contribution to our priority SDGs.

Our sustainability priorities
Where we focus our resources and activities

1	2	3	4	5
Positively contribute and align to the SDGs	**Operate responsibly and ethically**	**Partner with our clients and philanthropy partners to maximise positive impact**	**Provide profitable, impactful and sustainable products and services**	**Actively advocate for industry alignment and best practice**

Our pillars
How we structure our reporting and measure our progress

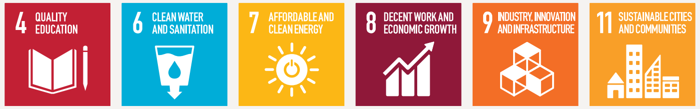
Sustainable and transition finance	Environment and climate change	Our people	Our communities	Responsible business and governance
Commitments • Driving sustainable and transition finance activities • Supporting infrastructure solutions that promote renewable and clean energy • Managing, monitoring and tracking our Scope 3 financed emissions towards net zero by 2050 • Influencing our clients and suppliers to effectively pursue decarbonisation • Actively participating in industry initiatives and memberships.	**Commitments** • Transition to a net-zero carbon economy by 2050 • Committed to carbon neutrality within our direct operations • Sourcing 100% of our Scope 2 energy from renewables through the purchase of renewable energy certificates • Meeting our fossil fuel exposure commitments • Supporting the Paris Agreement's aim of pursuing efforts towards limiting it to a 1.5°C temperature rise compared to pre-industrial levels.	**Commitments** • Talent attraction, development and retention • Employee engagement • Employee wellbeing • Learning and development • Recognising and rewarding our people • Belonging, inclusion and diversity • Job creation and learning opportunities.	**Commitments** • Creating education and learnership* opportunities within our communities • Creating jobs for young people through quality work experience placements • Living sustainably with cognisance of climate and nature-related challenges • Supporting and encouraging staff participation through volunteering initiatives within our communities.	**Commitments** • Sound corporate governance is deeply ingrained in our values, culture, processes, functions and organisational structure • Upholding integrity at all levels, consistently demonstrating uncompromising moral strength • Steadfast dedication to ethical behaviour fostering and maintaining trust among out stakeholders.

Impact SDGs
The two SDGs most fundamental to our business

10.1 Reduced income inequalities
10.3 Ensure equal opportunities and end discrimination

13.2 Integrate climate change measures into policies and planning
13.3 Build knowledge and capacity to meet climate change

Core SDGs
The six SDGs core to our sustainability strategy



* Learnerships are vocational education and training programmes in South Africa to facilitate the linkage between structured learning and work experience to obtain a registered qualification.

How we apply our priorities across our business lines

1	2	3	4	5
Positively contribute and align to the SDGs	**Operate responsibly and ethically**	**Partner with our clients and philanthropy partners to maximise positive impact**	**Provide profitable, impactful and sustainable products and services**	**Actively advocate for industry alignment and best practice**
to make a lasting impact by reducing inequalities (SDG 10) and climate action (SDG 13).	within our operations, through our policies, processes, risk practices and reporting.	by offering advice and sustainability products and services that positively contribute to the SDGs, particularly in water, renewables, infrastructure, job creation, clean cities and education.	within our business through our Sustainable and Transition Finance Classification Framework.	through active participation in a number of memberships and industry alliances.

Specialist Banking

Our Specialist Banking businesses use their skills in advisory, lending and investing to support our clients and stakeholders to achieve our joint sustainability ambitions. We also have a strong focus on financing entrepreneurs who are critical in accelerating job creation and supporting sustained economic growth.

Wealth & Investment

We have a responsibility to preserve and grow the wealth that is entrusted to us over the long term. Sustainability is core to our fundamental investment approach. We aim to invest in companies that are able to deliver cost of capital beating returns on a sustainable basis in the long term, while retaining a commitment to all relevant stakeholders.

2a Risks and opportunities identified over the short, medium and long term

At Investec, sustainability is an integral part of our core strategy. We strongly believe in striking a balance between economic and financial considerations, societal needs, and their collective impact on the environment. Our climate strategy is built upon our approach to effectively managing climate-related risks. Within Investec's risk management framework, climate risk is classified as a principle risk.

Time horizons

Our time horizons are defined alongside according to the average maturity of our portfolio:

Short term (0 – 1 year)

Medium term (1 – 5 years)

Long term (5 – 40 years)

Climate and nature-related opportunities

Climate and nature-related opportunities arise from the interconnectedness of our business, economy, environment, and society. We play a vital role in funding a sustainable economy that recognises the world's limited resources. The UN SDGs provide a solid framework for assessing, aligning, and prioritising our activities. We collaborate with our clients, investors, and stakeholders to maximise impact and support the delivery of the SDGs, building a resilient and inclusive world.

We embrace the Group Sustainable and Transition Finance Classification Framework, which aligns with the SDGs. This framework guides our sustainable financing practices, classifying and managing sustainable and transition financing activities and instruments within our businesses. Investec focuses on reducing inequality (SDG 10) and climate action (SDG 13) as these areas leverage our skills and expertise to make the most impact. Our strategy revolves around these two SDGs, providing a framework for assessing, aligning, and prioritising our activities.

Climate-related risks

Climate risk encompasses both physical and transition risks, which can manifest in various ways. Physical risks are associated with rapidly changing weather events, such as rising sea levels, while transition risks stem from regulatory and policy changes, leading to market shifts. These risks can impact Investec over different time horizons. Although most of our lending is short to medium term, we maintain long-term client relationships, necessitating ongoing assessment of longer-term climate-related risks.

Climate change can act as both a primary and secondary driver of physical and transitional risks across all time horizons. Extreme weather events and changing climate patterns can render certain operations in various industries impossible (primary driver), while climate change can also reduce profitability in sectors such as coastal housing due to rising sea levels (secondary driver).

Physical risk

Climate-related physical risks resulting from climate change can be event-driven (acute) such as extreme weather events, or longer-term shifts (chronic) such as changes in climate patterns that may have financial implications for our business.

Transition risk

Climate-related transition risk can arise from market shifts towards a low-carbon economy due to regulatory and policy changes, disruptive technologies, and new business models. These shifts may lead to adjustments in the value of our assets or investments.

Transitioning to a zero-carbon economy requires significant changes in policy, law, technology, and markets to address climate change mitigation and adaptation. The speed, nature, and focus of these changes can result in varying levels of financial and reputational risk associated with transition risks.

For our principle risks, refer to our 2024 Risk and governance report page 12 on our website

Nature-related risks

Nature-related risks are defined as the potential threats posed to an organisation linked to its and wider society's dependencies on nature and nature impacts. These can derive from physical, transition and systemic risks. Over a longer period these risks may have an impact on Investec.

Physical risk

Physical risks occur when natural systems are compromised due to climatic events (e.g. droughts), geologic events (e.g. earthquakes), or changes in ecosystem equilibria (e.g. soil quality or marine ecology). These factors can impact the ecosystem services we rely on. As methodologies develop, we will evaluate our physical risks related to nature.

Transition risk

Nature-related transition risks are risks that result from a misalignment between our strategy and our investors, and the changing regulatory, policy or societal landscape in which we operate. We will assess our nature-related transition risks in the future as the methodologies mature.

Systemic risk

Nature-related systemic risks result from small tipping points that combine to cause significant failures. These failures create a chain reaction of physical and transition risks, preventing systems from recovering their balance after a shock. Over the next 2-3 years, we will analyse the probability, extent, and impact of this risk.

2a Risks and opportunities identified over the short, medium, and long term continued

Climate-related risks

	Risks	Drivers	Potential impacts	Expected time horizon	Mitigation actions
Transition risk	**Policy and legal risk**	• Efforts to remain carbon neutral • Carbon taxes • Climate and nature-related reporting regulations • Litigation actions	• Potential write off's due to early retirement of assets • Changes in asset valuations • Increased operating costs	• Short term • Medium term • Long term	• Apply a balanced approach towards meeting stakeholder demands through active stakeholder engagement • Participating in industry initiatives to test and develop climate and nature-related reporting • Influencing our clients and suppliers to effectively pursue decarbonisation
	Technology risk	• New technologies favoured due to lower carbon footprint • Investment in new technologies	• Costs associated with the substitution of technology to cleaner alternatives • Write off or early retirement of technology assets • Research and development expenses towards newer and greener technologies		• Reduce environmental footprint through operational efficiencies • Adoption of cloud services and reduction on the reliance of on-premise data centres • Research on new and innovative technologies to reduce costs
	Market risk	• Competitor entrance with innovative sustainable finance product offerings • Change in consumer behaviour toward low carbon products • Increased costs and volatility in prices for carbon heavy products	• Scaling costs associated with implementing sustainable finance product offerings • Research and development costs for new product offerings and increased client engagements • Operational costs associated with carbon heavy products		• Proactively develop new sustainable finance offerings in line with client and market demand • Manage exposures to high emitting industries (e.g. fossil fuels) • Reduce carbon heavy products where appropriate
	Reputational risk	• Risk of greenwashing in product offerings and disclosures • Increased stakeholder concern and pressure on emission reduction strategies	• Increased costs relating to penalties associated with greenwashing • Potential increase in costs relating to additional transitional requirements		• Transparent disclosures in product offerings • Targeted stakeholder engagement

	Risks	Drivers	Potential impacts	Expected time horizon	Mitigation actions
Physical risk	**Acute risk**	Damage to fixed assets, infrastructure and supply chain due to extreme climate events	• Supply chain disruption due to impacted production capacity • Disruption in operations due to extreme climate events • Costs associated with geospatial analysis of assets • Increased impairments for assets that are impacted severely by acute climate events • Forgone returns from riskier property assets	• Short term • Medium term • Long term	• Evaluate our supply chain for potential exposure to physical climate risks • Ensure resiliency of operations to acute climate events (business continuity) • Ensure resilience through acute physical risk scenario analysis • Identification and assessment of assets impacted by climate-related physical risks within our loan book • Given the (relative) short-term nature of our loan book, we may be able to realign our loan book relatively frequently to pivot away from assets that may be at risk for acute physical events
	Chronic risk	• Change in average temperature and precipitation patterns • Increase in sea level rise	• Cost associated with geospatial analysis of physical assets • Cost associated relating to adaptation measures within our own buildings • Impact on supply chains	• Medium term • Long term	• Evaluate asset classes that may be exposed to chronic physical risks • Ensure resilience through chronic physical risk scenario analysis • Evaluate risk in supply chain that might be exposed to chronic physical risks

Nature-related risks

Nature-related systemic risks

Nature-related systemic risks are characterised by modest tipping points combining indirectly to produce large failures and cascading interactions of physical and transition risks, one loss triggers a chain of others and stops systems from recovering their equilibrium after a shock. We will be analysing the probability, scope and impact of this risk over the next two to three years.

Our current agricultural sector exposure is only 0.3% of our core loan book, however, we acknowledge that the nature-related risks the sector is exposed to may have secondary effects on other industries. We are piloting reporting against the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations, coordinated by FSD Africa.

0.3%

Agriculture exposure as a % of our core loans and advances

AFRICAN NATURAL CAPITAL ALLIANCE

TNFD pilot in partnership with FSD Africa

The African Natural Capital Alliance (ANCA), actively engages its members and stakeholders through a range of tailored initiatives to influence Africa's nature agenda. These initiatives include working groups, roadshows, webinars, publications, and newsletters.

In 2023, Investec joined ANCA to collaborate with other African businesses in adopting the Task Force on Nature-related Financial Disclosures (TNFD). The discussions within ANCA primarily focus on reporting on the TNFD, implementing the LEAP (Locate, Evaluate, Assess and Prepare) approach, and quantifying biodiversity impacts and dependencies. To ensure effective participation, two to three members of Investec's Group Sustainability team attend the monthly working group meetings with various financial institutions and other businesses.

Additionally, ANCA offers capacity building for its members through the TNFD pilot, partnering with FSD Africa to help enhance the capacity of ANCA members.

PBAF Partnership for Biodiversity Accounting Financials

Partnership for Biodiversity Accounting Financials (PBAF)

Investec has actively participated in the PBAF working group, along with other global financial services organisations. PBAF focuses on highlighting the importance of biodiversity in relation to finances and how it can impact economic growth.

As part of this engagement, Investec attended various PBAF webinars, including one that discussed biodiversity credits and their implementation. In June 2023, PBAF released a standard for financial institutions to measure the impact of loans and investments on biodiversity. This standard aligns with the Global Biodiversity Framework (GBF), ensuring that when target setting is reached, it is in line with global frameworks and standards.

Investec actively contributed to PBAF's efforts by participating in a questionnaire and interview, assisting in identifying gaps in assessing biodiversity impacts and dependencies within the financial services sector.

Climate-related opportunities

Climate and nature-related opportunities are realised through the interconnected nature of our business, the economy, the environment and society, where we play a critical role in funding a sustainable economy that is cognisant of the world's limited resources. The UN SDGs provide a solid framework for us to assess, align and prioritise our activities. We harness the expertise in our various businesses and identify opportunities to maximise impact by partnering with our clients, investors and various stakeholders to support delivery of the SDGs and build a more resilient and inclusive world.

Refer to page 31 for sustainable finance activities over the past financial year

Resource efficiency

We manage our own carbon footprint through reducing energy consumption, water usage, waste, single-use plastic, while increasing waste recycling rates, and promoting sustainable travel and sustainable procurement.

- Limit and minimise our direct carbon impact and create awareness to encourage positive sustainable behaviour
- Focus on financing infrastructure solutions that promote renewable and clean energy
- Support global efforts to the transition to a net-zero carbon economy and play an active role in industry initiatives and forums

Energy source

We recognise the need to move as quickly and smoothly as possible towards a zero-carbon economy while always being mindful of the socio-economic consequences of this transition.

- Source our Scope 2 energy usage from renewable energy, through the purchase of renewable energy certificates
- Explore new technologies to maintain low carbon energy source usage within all our operations

Products and services

Investec has a vital role to play in leveraging its capital to finance the transition to a net-zero carbon economy. We recognise the need to innovate and develop new sustainability offerings for our clients.

- Invest in clean energy generation whilst taking socio-economic needs into account
- Launch new products and services in line with our enhanced Sustainable and Transition Finance Classification Framework

Markets

We continue to pro-actively seek opportunities to enable us to have a greater impact on climate change, thereby increasing revenues and increasing asset diversification.

- Engage with our Sustainable Business Forums in South Africa and the UK to capitalise on new market opportunities

Resilience

We continue to play a significant role in building resilient infrastructure and promoting sustainable development.

- Embedded our new climate-related value within all our activities
- Monitor our Scope 3 financed emissions and work with our clients on decarbonisation
- Use the strength of our brand to educate and promote sustainable thinking

Sustainable and Transition Finance Classification Framework

Our enhanced Sustainable and Transition Finance Classification Framework outlines the methodology and supporting policies and procedures to support sustainable and transition financing opportunities within the Investec Group. This framework describes our approach for classifying sustainable and transition financing activities aligned to global best practice.

The framework enables the classification of environmentally-sustainable finance, transition finance, and social sustainable finance activities. The framework is based on a combination of best practice guidelines and taxonomies, including the harmonised framework for impact reporting released by the International Capital Market Association (ICMA), the Net-Zero Banking Alliance (NZBA) transition finance guidance, the Loan Market Association (LMA) principles, the South African Green Finance Taxonomy, and the EU Taxonomy for sustainable finance activities.

The framework is underpinned by addressing reduced inequalities (SDG 10) and climate action (SDG 13), being fundamental to the success of our business. The following categories are addressed as part of this framework.

Environmental	Social
Energy	Access to essential services
Energy efficiency	Socioeconomic advancement and empowerment
Water, waste management and pollution control	Employment generation
Transport and supporting infrastructure	Food security and sustainable food systems
Real estate/ construction	Affordable basic infrastructure
Living natural resources and land use	Affordable/ social housing

For the environmental pillar, a traffic light system has been adopted to classify activities into three categories: green (environmentally sustainable finance), amber (transition finance), and red (activities which do not qualify as sustainable or transition finance under this framework).

The green category focuses on activities that contribute to the delivery of the SDGs, a low-carbon economy, and financial stability. It considers key performance indicators (KPIs) for environmental and social finance and incorporates principles such as 'do no significant harm' (DNSH) and minimum social safeguards (MSS) criteria.

The amber category is relevant for transitioning existing infrastructure and activities (transition finance) that may not align with a 1.5°C trajectory. It focuses on reducing emissions in hard-to-abate sectors or enabling activities that are important for emission reduction in other sectors and incorporates principles such as DNSH and MSS criteria.

The red category identifies activities that do not qualify as sustainable or transition finance under this framework and will fall outside of the scope of aggregating towards our sustainable and transition finance target(s).

Sustainable finance activities during the past financial year

Within our business, we actively contribute to climate action and the protection of nature through our financing activities. We address critical environmental concerns, reduce greenhouse gas emissions, and promote resilient communities to support climate action. Our investments promote a sustainable future where we mitigate the impacts of climate change and biodiversity loss, ensure accessible clean energy for all, and create environmentally friendly and adaptable cities.

For more information refer to pages 84 to 98 of the 2024 Group sustainability report

7 AFFORDABLE AND CLEAN ENERGY

Financing renewable energy projects not only helps to decarbonise the energy sector but also contributes to energy access, security and affordability, especially in underserved communities. In addition, these financing activities can accelerate the transition towards a low-carbon economy and foster climate resilience.

Participated in
£0.96bn
of renewable energy projects globally (2023: £1.38bn)

R2bn
debt funding for a 150MW project
SOLA Scorpius

€110mn
arranged a multicurrency, green loan facility
Recurrent Energy

$125mn
three-year facility to a North American renewable infrastructure fund
Excelsior's Fund I

$242mn
project financing for a large scale food waste-to-RNG facility
Project Linden

Senior debt secured
facility to a UK-based renewable energy developer focused on solar PV, battery storage and onshore wind technologies
AGR

£28mn
debt facility to fund the construction of a clean heat production facility consisting of biomass boilers coupled with an electric boiler
AMP Energy

€170mn
financing package to fund the next phase of growth of a Swedish data centre (DC) company (using 100% renewable power)
EcoDC

Sustainable solutions
offering for Private Banking Clients in South Africa
Funding for solar and storage solutions

6 CLEAN WATER AND SANITATION

Financing water projects that enhance water infrastructure, promote water conservation, and improve sanitation systems. Through these projects we contribute to mitigating the adverse effects of climate change and building resilient communities.

Provided safe drinking water through co-arranging
€178mn
Water for All priority programme for Côte d'Ivoire

R1.65bn
Provided a term facility for Trans-Caledon Tunnel Authority over 15 years to support water infrastructure

11 SUSTAINABLE CITIES AND COMMUNITIES

Financing projects that enhance urban planning, promote green infrastructure, and invest in public transportation systems contribute to reducing carbon emissions from transportation and buildings. By building sustainable cities that prioritise energy efficiency, renewable energy integration, and resilient infrastructure, we address the risks posed by climate change and promote sustainable development.

€132mn
financing package, structured as a Green Loan, in favour of the German EV charging infrastructure company (Eliso)

Supported accelerated EV charging network
£110mn
Senior debt facility for InstaVolt

Process used to determine climate-related issues that could have a material financial impact

During the 2024 financial year, we conducted a double materiality assessment to identify and assess our most significant sustainability-related impacts, opportunities and risks as a business.

Through this assessment we gained a comprehensive understanding and deeper insights into the sustainability topics that are material to Investec, our impact on society, the environment and governance-related topics.

Defining our materiality threshold

A materiality threshold is required by the European Sustainability Reporting Standards (ESRS) disclosure regulations in order to determine which topics are material for reporting purposes. The threshold indicates topics which are currently impactful, although we also consider emerging topics.

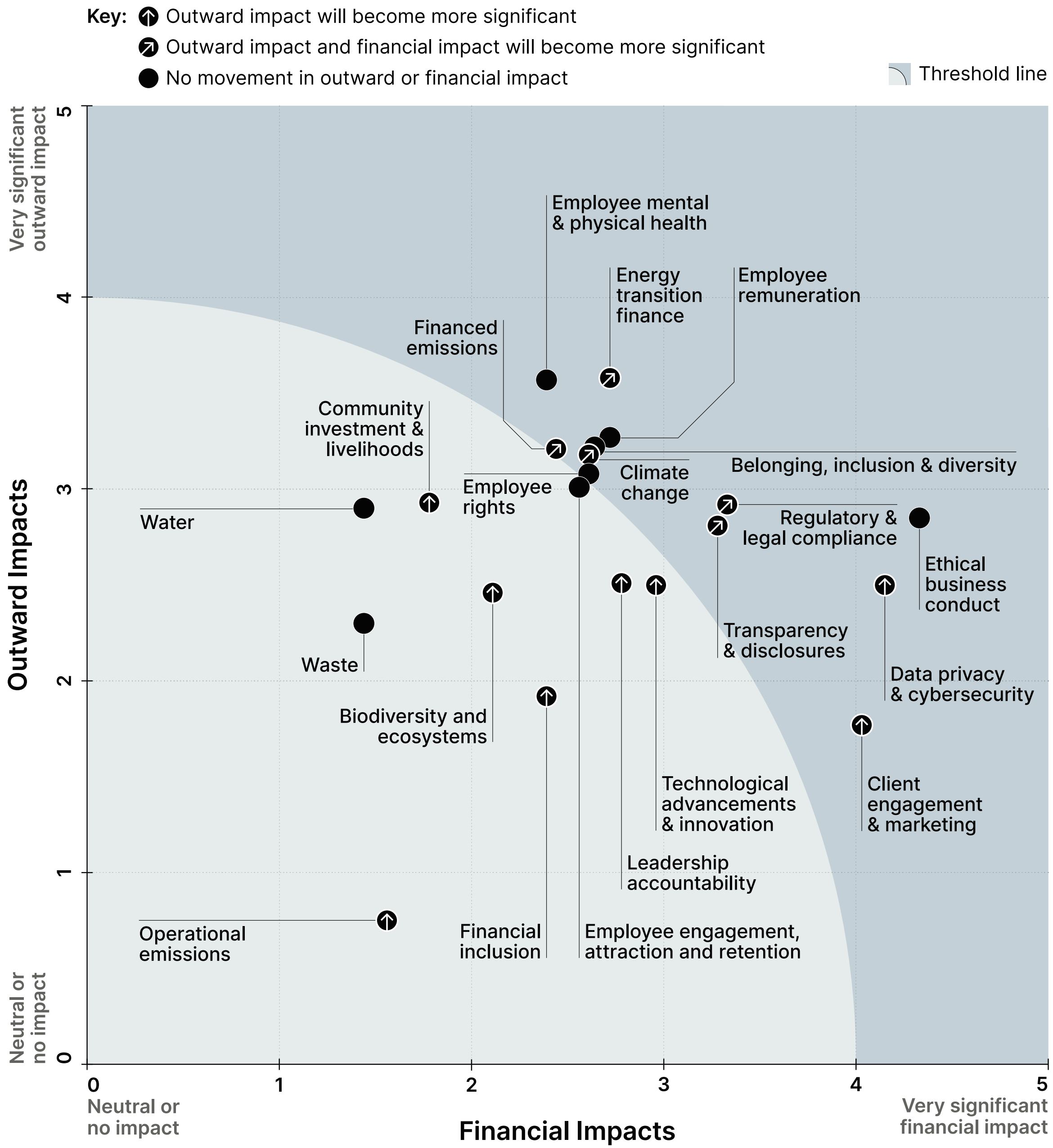
We have set the threshold for the outward and financial impacts at four, which results in 12 material topics for Investec. This is a half-point higher than a 'moderate impact' to allow for an appropriate number of topics in the context of the high scores recorded across all inputs. Three of the 12 material topics relate to climate and nature.

Regional differences

Some regional differences were observed between the UK and South Africa. These regional differences included:

- Water was identified as a material topic for South Africa, driven by continued water scarcity and water distribution challenges
- Financing the Just Energy Transition was seen as a necessity in South Africa, driven by the continued energy shortages in the country.

Refer to the Group integrated and strategic report on our website for more detail on our double materiality assessment



Process used to determine climate-related issues that could have a material financial impact *continued*

The link to principal risks has been considered using quantitative and qualitative factors that may influence the management and mitigation or risk appetite of each principal risk.

Topics above threshold	Sub-topics	Definition	Link to principal risks	Reference to more information
Climate change	Climate change adaptation, climate change mitigation, climate-related risks and opportunities, climate change policies, climate-related governance, climate-related strategy, climate-related metrics and targets	The effects of climate change across Investec's value chain, including the impact of these effects on the company's strategy, business and performance.	• Credit and counterparty risk • Concentration risk • Sustainability risk (including climate and ESG) • Investment risk • Reputational risk • Operational risk: Business disruption and operational resilience risk • Operational risk: Regulatory compliance risk • Operational risk: Third party risk	Refer to the 2024 Climate and nature-related report on our website
Energy transition finance	Climate finance, transition finance, adaptation finance, green bonds, sustainability-linked loans, responsible investing, investing in renewable energy, divesting from fossil fuel projects, sustainable partnerships and collaboration, just transition, access to renewable energy	The financing and investment of a transition to a fair, clean, and energy efficient world. How Investec partners with clients, stakeholders and wider communities to facilitate this transition funding.	• Credit and counterparty risk • Concentration risk • Sustainability risk (including climate and ESG) • Investment risk • Reputational risk	Refer to pages 60 to 62
Financed emissions	Scope 3 financed emissions, investing and financing high carbon businesses (oil and gas and coal power plants), Scope 3 emission monitoring, management, targets and reporting, financing fossil fuels	The greenhouse gas emissions linked to Investec's lending, investment portfolio and other financing activities.	• Credit and counterparty risk • Concentration risk • Sustainability risk (including climate and ESG) • Investment risk • Reputational risk • Operational risk: Regulatory compliance risk	Refer to pages 64 to 81

Review and next steps

The double materiality assessment has provided us with a comprehensive and balanced view of the most relevant sustainability topics for Investec, considering both our outward impacts and financial risks and opportunities. It has assisted us to identify the main drivers and implications of these topics and their potential impacts, and to prioritise them according to their level of materiality. Based on the results of our assessment, we endeavour to focus on:

- Integrating the most material topics into our strategy, objectives and targets, and allocating sufficient resources and responsibilities to address them
- Monitoring and reporting on the performance and progress of the most material topics, and communicating this progress and performance to our stakeholders
- Engaging with our stakeholders on a regular basis, to understand their expectations and feedback, and to collaborate on the solutions and opportunities related to the most material topics
- Reviewing and updating our policies, procedures and practices, where required, to ensure that they reflect and support our commitment and actions on the most material topics
- Conducting a periodic review and update of our double materiality assessment, at least every two years, to capture any changes within the internal and external context. This will ensure that our sustainability topics remain relevant and aligned with our strategy and stakeholder needs.

Process used to determine climate-related issues that could have a material financial impact *continued*

What our stakeholders care about

We acknowledge the double materiality that climate change presents. As mentioned earlier, the double materiality assessment performed during the 2024 financial year identified three climate-related material matters being:

- Climate change
- Energy transition
- Financed emissions.

Risk monitoring and mitigation activities

Sustainability risks (including climate risk) are managed as a principal risk. This risk is defined as the risk that our lending and investment activities give rise to unintended climate, environmental, social and economic consequences.

- Investec has a holistic approach to sustainability, and support the precautionary approach to sustainability management, guided by international best practices regarding the responsibilities of the financial sector in financing and investing transactions
- This approach runs beyond recognising the Group's own footprint on the environment and is based on a broader responsibility to the environment and society
- We recognise the complexity and urgency of climate change. We are committed to supporting the transition to a clean and energy efficient world while preserving our planet and the wellbeing of our people
- The Group ESG Executive Committee mandated by the Group's executive directors reports relevant sustainability-related matters to the DLC SEC and Group ERC. The main objectives of the committee are to coordinate sustainability-related efforts across geographies and businesses
- Accordingly, sustainability risk considerations are considered by the relevant credit committee or investment committee when making lending or investment decisions
- We continue to improve our due diligence processes around supplier screening. Critical third parties are monitored 24/7 to ensure compliance with agreed Service Level Agreements (SLAs)
- Investec's climate change position statement stems from the belief that one of the greatest socio-economic impacts we can have is to partner with our clients and stakeholders to accelerate a cleaner, more resilient and inclusive world
- Our environmental policy considers the risks and opportunities that climate change and nature degradation present to the global economy
- We have linked sustainability-related metrics and KPIs to Executive Directors compensation.

We continue to progress in entrenching sustainability across all aspects of our business. Our commitment to human rights and support for internationally recognised principles, guidelines and voluntary sustainability standards is tightly integrated into our credit decision-making process and considers the important aspects of each geography we operate in.

Risk appetite and tolerance metric

It is important to consider potential financial risk that could result from unmanaged sustainability-related risks. We are continually monitoring best practice in this area and will continue to develop and enhance our approach over time. We take a cautious approach with respect to industries falling in our high-risk ESG categories that are known to have negative environmental (including climate) and societal consequences. Our targets around fossil fuel activities can be found in our published fossil fuel policy on our website.

Further detail around our zero tolerance activities can be found on page 51

Positioning as of 31 March 2024

With reference to the above risk appetite and tolerance metric, we maintained this risk tolerance level throughout the year.

A combination of regulatory guidance, industry engagement, peer research and expert judgment was used to establish which climate-related risks we might be most vulnerable to. We follow the recent developments of the shared visions published by the ISSB regarding IFRS S1 and IFRS S2 disclosures.

Scope 3 financed emissions for Investec are disclosed on page 64 for our most material asset classes. These emissions are calculated one year in arrears as this allows time for adequate review and emissions data maturity. These emissions were calculated using the PCAF methodology, focusing on power generation, commercial and residential real estate, mortgages, private client motor vehicle finance, motor vehicle fleet finance, aviation finance and listed equities.

2b Impact of climate- and nature-related risks and opportunities on our businesses, strategy and financial planning

Products and services

- Climate and nature-related risk has led to an enhanced sustainability screening process, with transactions that fall within high-risk industries subject to even further due diligence. More detail on our sustainability screening criteria is shown on page 50
- We manage our exposures to fossil fuel industries and have committed to zero thermal coal exposures within our loan book by 31 March 2030
- Nature-related risks are screened according to our biodiversity statement
- There are numerous opportunities presented by climate change to move towards lower carbon product offerings, which are detailed on page 30.

Supply chain

Our Investec Group procurement statement acknowledges the potential for our procurement and supply chain practices to be agents of change, for different aspects of sustainability. As such, where possible, we commit to local sourcing in South Africa. Our supply chain statement incorporates standards on human rights, labour rights and environmental and anti-corruption principles, as set out in the UN Global Compact. All suppliers undergo a rigorous online screening and sustainability due-diligence process before they are onboarded. With regards to environment- and climate-related conditions, we aim to only engage with suppliers who:

- Operate in compliance with all applicable environmental laws and regulations of the countries in which they operate, manufacture or conduct business
- Maintain an effective environmental policy and/or environmental management system that supports environmental protection.

Adaptation and mitigation activities

To date our activities largely focused on financing mitigation activities. These include:

- Offering various sustainability-linked loans
- Financing renewable energy solutions
- Financing water infrastructure (adaptation)
- Launching a sustainable solutions offering for our Private Banking clients in South Africa that focuses on solar solutions

Refer to page 31 for more climate-related financing activities we have participated in.

Investment in research and development

We have invested in research and development through the following:

- Co-chairing the production of International Chamber of Commerce (ICC) Export Finance Sustainability White Paper: Global Trade Review (GTR), a leading publication in the trade and export finance market
- Member in a network to transform industry ESG practices: Investec is part of a membership network, Sustainable Trading, that launched a non-profit membership to transform ESG practices within the financial markets trading industry.

Operations

- Within our operations, we manage our own carbon footprint and source 100% of our Scope 2 energy from renewables, through the purchase of renewable energy certificates. Refer to page 56 for renewable energy certificates and carbon offsets purchased
- Our Sandton and Cape Town office have a 5-star GBCSA certification
- Investec Mauritius relocated to their new offices in August 2023. The office building, known as The Strand, has been awarded an EDGE certification
- In the UK, Investec's Corporate Estate Facilities Management upheld its commitment to environmental stewardship and energy efficiency by maintaining the certification of our integrated Environmental and Energy Management Systems. This system adheres to the internationally recognised ISO 14001 standard, a testament to our dedication since its initial attainment in 2012 and is implemented across nine of our offices in the UK and the Channel Islands. We continued to meet the rigorous requirements of the ISO 50001 standard, which was first achieved in 2018, across ten of our UK, Ireland and Channel Island locations.

Impact of climate- and nature-related matters on our financial performance, planning and positioning

The impact of climate and nature-related matters on our business across various sectors can have implications for financial performance, planning, and positioning. As the effects of climate change become increasingly apparent, we may face the challenges of adapting to a rapidly changing environment. Disruptions in supply chains, increased operational costs, and damage to physical infrastructure can result from extreme weather events, rising sea levels, and resource scarcity. These factors pose risks to financial performance and require strategic planning to mitigate potential losses. Additionally, stakeholders such as investors and consumers are demanding greater transparency and accountability in environmental sustainability. Embracing environmentally responsible practices and adopting clean technologies can enhance our reputation, attract investors, and tap into emerging markets driven by eco-conscious consumers.

As methodologies mature, we will evaluate the impact of nature-related factors on our financial performance, planning, and positioning.

Financial performance

Revenue

To date, transition and physical risks have not negatively impacted our revenues. On the contrary, we may see an increase in revenues due to increased demand for Investec's sustainability solutions and advisory services that help clients reach their net-zero ambitions.

Expenditure

- We have contributed R6 863 549/ £286 454 (2023: R4 465 539/ £218 073) towards carbon offsets and renewable energy certificates. Our carbon tax is immaterial being R3 016/ £128 (2023: R3 295/ £161). We utilised climate-consulting services to help guide us towards our net-zero ambitions
- Our IW&II business has engaged the services of third-party providers (Clarity AI, ISS & Sustainalytics), which allows us to review various climate risk metrics in our managed and third party investments
- We have also had additional expenditure relating to climate-related education in both the UK and South Africa.

Financial planning

We will be including, as part of our divisional budget process, sustainability and climate-related matters and opportunities. This review process provides an opportunity to discuss and debate innovation and changes in client demand.

Financial positioning

Assets

To date, the valuation of our assets has not been affected by transition and physical risks. We have conducted an evaluation of our exposure within our real estate portfolio to these risks, which can be found on pages 46, and 83 to 89 . Moving forward, we will utilise these evaluations to guide any necessary realignment of our portfolios, if required.

Assets under management

The Global Sustainable Equity Fund by IW&II aims to invest in companies that contribute on a net-positive basis towards the 17 SDGs. The fund aims to provide attractive investment returns over the long term. Since inception, the fund has raised $56.6mn at 31 March 2024.

Liabilities

To date, the opportunities from climate change have increased liabilities as seen in the two fund-raising initiatives described below:

- In 2021, Investec Bank plc closed a $600mn sustainability-linked syndicated loan
- In 2022, Investec Bank Limited issued a Green Bond raising R1bn under our DMTN bond programme, (3.8 times) oversubscribed.

2c Resilience of our climate strategy

Within Investec Limited

The South African Reserve Bank (SARB) conducts a common scenario stress test (CSST) every two years to assess the banking system. This test covers banks designated as systemically important financial institutions. The purpose of the test is to estimate potential losses and capital shortfalls in the banking sector under severe and plausible scenarios over a three-year period.

The most recent CSST exercise was conducted in 2023 and results indicated that banks are adequately capitalised and able to withstand the protracted economic disruptions contained in the adverse scenarios.

Within Investec Bank Limited we continue to make progress in quantifying the impact of climate related stresses. The current focus includes estimation of Probability of Defaults (PDs) and Loss Given Defaults (LGDs) based on climate specific economic scenarios, as well as a specific analysis of the property portfolio's sensitivity to climate related risks. The Financial Stability Department of the South African Reserve Bank is performing an industry wide climate-related stress test during 2024. In addition, the Prudential Authority (PA) released their observations from their flavour of the year discussions on climate-related risk during May 2024, along with Guidance Notes G2/2024 and G3/2024 which aims to strengthen and improve climate-related risk management and disclosures practices across the industry.

Investec Limited has sufficient capital and liquidity to continue as a going concern and meet regulatory minimum capital and liquidity requirements. This may be affected by a climate event, depending on the nature of the event.

https://www.resbank.co.za/en/home/publications/publication-detail-pages/reviews/finstab-review/2023/second-edition-2023-financial-stability-review

Within Investec plc

Climate change-related financial risks are becoming increasingly significant for firms and the financial system. During April 2024, the Bank of England released their expectations for Banks regarding climate change. This included an expectation for banks to further advance and demonstrate the development and integration of processes to identify, measure, manage, and mitigate climate-related financial risks, based on our previous feedback. In addition, banks should also consider incorporating relevant and ambitious stress scenarios to enhance their assessment of the impact of climate change on their business resilience. Furthermore, they have started to initiate work to update the supervisory statement SS3/19, which will include effective practices and developments in broader regulatory thinking.

Within Investec Bank plc we performed climate scenario analysis and risk assessments in line with the requirements stipulated by Supervisory Statement SS3/19 'Enhancing banks' and insurers' approaches to managing the financial risks from climate change', on a proportionate basis for the size and complexity of the firm. The Bank of England's '2021 Climate Biennial Exploratory Scenario' has been used as the framework for scenario analysis.

Short-term transition and physical risk is low and Investec plc has sufficient capital and liquidity to continue as a going concern and meet regulatory capital and liquidity requirements. This may be affected by a climate event, depending on the nature of the event.

https://www.bankofengland.co.uk/-/media/boe/files/prudential-regulation/letter/2024/uk-deposit-takers-2024-priorities.pdf

Steering our portfolio towards net-zero pathways

Our scenario analysis provides insights into transition and physical risks in our loan portfolio, enabling informed risk-conscious decisions as we move towards a net-zero world. To enhance our future decision-making capabilities, we have implemented forward-looking strategies for our most material asset classes. To calculate emissions financed by our loans and establish science-based targets aligned with the Paris Agreement, we used the PCAF methodology for our asset classes in Investec Limited and Investec plc. Within our asset classes we have used the:

- Net Zero Emissions by 2050 Scenario (NZE2050) for our power generation portfolio. This scenario shows a pathway for the global energy sector to achieve net zero CO_2 emissions by 2050, with advanced economies reaching net zero emissions in advance of others with an ambitious target of limiting global warming to 1.5°C above pre-industrial levels
- Science Based Targets initiative's (SBTi's) 1.5C methodology for residential and commercial real estate, and mortgage portfolios. This methodology uses benchmark divergence models at the individual company level, to set targets. These models create normative benchmarks based on forward-looking climate scenarios and compare projected company performance against them, helping us assess deviations from targets or benchmarks.

It is important to note that our climate risk strategy remains cautious due to challenges in data availability. This leads to the use of assumptions and estimates that may change over time, particularly considering the long timeframes used in climate analytics. This can result in fluctuations in reported emissions as data availability improves or methodologies change. Additionally, caution should be exercised when comparing institutions, as different datasets, assumptions, and methodologies may be used.

Refer to pages 69, 72 and 74 for our scenarios in our most material asset classes.

Impact of climate- and nature-related risks and opportunities on business, strategy, and financial planning

We acknowledge that climate change is material and poses significant risks and opportunities, including its ability to generate value for stakeholders over time. We recognise and support the aims of the Paris Agreement goals.

We are committed to achieving net-zero emissions by 2050, taking into account complexities of the business in relation to climate change. In addition, we acknowledge the clear link between climate change and ecosystem loss, and our impact through our activities on healthy and resilient ecosystems.

Channels of impact

Investec's ambition to achieve net zero by 2050, in line with our commitment to the Net-Zero Banking Alliance, is following a strategic approach through **three channels of impact**

1 Meeting our fossil fuel exposure commitments

Aligned to the double materiality matter identified - climate change

2 Driving sustainable and transition finance activities

Aligned to the double materiality matter identified - energy transition finance

3 Influencing and advocating for our clients and suppliers to effectively pursue decarbonisation

Aligned to the double material matter identified - scope 3 financed emissions

As members of the

Net-Zero Banking Alliance (NZBA)

we are committed to reach net zero by 2050

Investec is a member of an international coalition of banks dedicated to aligning their lending and investment portfolios with net-zero emissions by 2050. This collaborative effort combines short-term actions with accountability, as participating banks commit to setting an intermediate target for 2030 or earlier.

Milestones:

23 May 2024	31 March 2025	31 March 2027	31 March 2030	1 January 2035	Net zero by 2050
Published our Sustainable and Transition Finance Classification Framework	Set sustainable and transition finance targets and incorporate this into Executive remuneration	Zero coal exposures for Investec plc	Zero thermal coal exposure in the loan book for Investec Limited and Investec Group	Cease direct financing of new oil and gas exploration, extraction or production projects	

Impact of climate- and nature-related risks and opportunities on business, strategy, and financial planning *continued*

Within our operations

As a specialised financial services organisation with a small physical presence, the direct environmental and social impacts of Investec's daily operations are limited. We embrace our responsibility to understand and manage our own carbon footprint. We have been carbon neutral in our direct operations for the past six years.

Our priority is to avoid, then limit and minimise our direct carbon impact from day-to-day operations as well as create awareness to encourage positive sustainable behaviour among our stakeholders. This may include procuring energy from renewable sources or acquiring renewable energy certificates. Only then will we offset our remaining unavoidable carbon emissions to ensure a net-zero direct carbon impact. We also continue to reduce our historic carbon impact through our various voluntary community initiatives.

Refer to page 59 for our carbon footprint.

Within our business

Meeting our fossil fuel commitments

When evaluating our involvement in fossil fuel activities, we take into account various financial, socio-economic, and environmental factors that are relevant to the local context, such as poverty, economic growth, unemployment, and carbon impact. One of our impact SDGs focuses on climate change (SDG 13), and therefore, we carefully screen all transactions related to high-risk industries. For fossil fuels we ensure compliance with our fossil fuel policy. Our exposure to fossil fuels may vary from year to year, particularly in Africa, where there is a significant lack of access to clean and renewable energy. We review our appetite for this sector annually through our risk appetite.

Our approach to coal takes cognisance of the unique socio-economic nuances we face in our two core geographies of the UK and South Africa and the role that each country plays in the global energy transition. At March 2024, our Group exposure to thermal coal as a percentage of total core loans and advances was 0.08% (March 2023: 0.11%). We have set a target to have zero thermal coal exposures in our loan book by 31 March 2030.

Oil and gas remain important energy sources and are therefore still essential to the global energy supply, but it needs to be produced with the best possible practice in order to limit associated greenhouse gas (GHG) emissions and other potential adverse impacts. Given the complexities of supporting this industry, we will consider a range of carbon intensities of particular projects relative to industry standards to guide us in our due diligence. For example, we see liquefied natural gas (LNG) as assisting the transition towards net-zero, particularly in economies that are trying to reduce their reliance on coal. We have made a commitment to cease financing new oil and gas exploration, extraction or production projects directly, regardless of jurisdiction, from 1 January 2035.

Refer to our fossil fuel policy on our website here.

Driving sustainable and transition finance activities

Our approach places a strong emphasis on financing infrastructure solutions that support renewable and clean energy, stimulate economic growth, and provide access to essential services. However, we understand that achieving a net-zero carbon economy requires taking into account the realities faced by the communities in which we and our clients operate. We believe that our enhanced Sustainable and Transition Finance Classification Framework will help our businesses identify sustainable long-term commercial opportunities for both society and the environment. Furthermore, we are working on setting targets for sustainable and transition finance activities to be released by 31 March 2025, which will be incorporated into executive remuneration.=

Refer to our Sustainable and Transition Finance Classification Framework on our website here

Influencing and advocating for our clients and suppliers to effectively pursue decarbonisation

- Calculating our Scope 3 financed emissions: We believe that our lending and investing activities have the most significant impact on the environment and climate change. As such, we have calculated our Scope 3 financed emissions in our most material asset classes using the PCAF methodology. Throughout the year, we have made significant progress in enhancing the quality of our data inputs, aiming to reduce the number of assumptions required to estimate our Scope 3 financed emissions. Simultaneously, we have made progress in the automation of the process while laying the groundwork for incorporating new sectors into our calculations. Our coverage for calculating Scope 3 financed emissions is 78% of our loan book.

Refer to page 64 for our Scope 3 financed emissions

- Active engagement with our client ecosystem to promote sustainability agendas: We believe that the widest and most positive influence we can have is for our businesses to use their specialist 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. Influencing and advocating for our clients and suppliers to effectively pursue decarbonisation.

Our progress and future plans

Climate (TCFD) and nature-related financial disclosures (TNFD)

We have incorporated a high-level approach according to the recommendations of the TNFD within our TCFD report. As our knowledge and the recommended guidance on TNFD matures, we aim to enhance these disclosures over time. The table below illustrates a summary of progress in terms of the recommendations according to the TCFD and TNFD.

	Governance	Strategy	Risk management	Measurement
Achievements in prior years	• Established a Group ESG Executive Committee to align and monitor the Group's climate action • Engaged with stakeholders on our disclosures to get feedback on how we can improve our governance and oversight • Became a member of the NZBA • W&I joined Climate Action 100+.	• Acknowledged the Paris Agreement's aim of holding the increase in the global average temperature to well below 2°C compared to pre-industrial levels and of pursuing efforts towards limiting it to 1.5°C • Supported the Partnership for Biodiversity Accounting Financials (PBAF) • Performed a Pro-Climate assessment to identify gaps within our strategy • Launched a number of sustainability products and services.	• Strengthened our climate focus across the Investec Group with risk appetite assessments resulting in a net-zero aligned target set towards zero coal exposure by 31 March 2027 for IBP and Investec plc and by 31 March 2030 for IBL and Investec Limited • Reviewed and updated our fossil fuel policy with the primary change being managing our thermal coal exposure to zero by 31 March 2030 for the Group.	• Achieved carbon neutrality across our direct operational activities • Joined PCAF and measured our Scope 3 financed emissions within our lending and investing activities • Assessed net-zero pathways according to Science Based Targets initiative (SBTi) guidance.
Achievements for the financial year end March 2024	• External sustainability training completed by four members of the Group Executive Team including our Group CE • Activated a focused learning pathway for management and staff, targeted towards their unique requirements within their respective areas • IW&I released their first public PRI report • Listened to and engaged with our stakeholders through conducting a double materiality assessment • Established sustainable business forums in both South Africa and the UK	• Enhanced our sustainable finance framework to include transition and social finance • Established a sustainable solutions offering in South Africa • Investec plc incorporated climate risks and opportunities in their financial planning through the annual budget process.	• Reviewed developments with regards to climate-related disclosure guidance, specifically the recommendations relating to IFRS S1 and IFRS S2 • Updated our fossil fuel policy with a target of no new financing for oil and gas exploration, extraction or production projects directly, regardless of jurisdiction, from 1 January 2035 • Identified and disclosed material sustainability-related matters as a result of our double materiality assessment.	• Automated our Scope 3 financed emissions calculations and continued to refine our assumptions • Engaged with SBTi on their recommendations for financial institutions with the aim of setting verified climate-related targets.
Looking forward	• Link Executive remuneration to various sustainability-related KPIs including a climate focused KPI • Stronger focus on sustainability (including climate and nature-related) matters in the DLC BRCC and DLC Audit Committee • Continue to strengthen the Group's climate-related and sustainability disclosures.	• Promote sustainable products and solutions within our client ecosystem where applicable • Support transition finance within our high-emitting client ecosystem • Participate in the TNFD pilot through FSD Africa • Active engagement within our client ecosystem promoting sustainability agendas • Review and assess the integration of climate-related matters into business strategy.	• Implement automated sustainability screening, measurement and reporting within our South African operations • Enhance screening on biodiversity and nature-related risks according to the TNFD recommendations • Embed monitoring and managing of Scope 3 financed emissions within the risk management process across our business.	• Set a sustainable finance target • Track clients who publicly disclosure their net-zero pathways to achieve a clear aggregated downward trend of emissions towards net-zero by 2050.

Climate and nature-related education

Throughout the year, we have dedicated a significant amount of time to educate our Directors, executives, management and front-line staff on sustainable and transition finance, as well as the commercial aspects involved in driving these activities as part of our net zero by 2050 commitment.

Within the Specialist Bank

We have introduced a mandatory training module in both our UK and South African business that focuses on sustainability. This module provides an introduction to the principles and practices of sustainability within our organisation.

Throughout the year, we have dedicated a significant amount of time to educate our Directors, executives, and front-line staff on sustainable and transition finance, as well as the commercial aspects involved in driving these activities.

Furthermore, we hosted webinars that were well attended by our employees, one of which covered climate mitigation and adaptation finance. This webinar was conducted as part of our technical assistance received through our loan agreement with Proparco.

Investec once again assisted the UN PRB by representing them on the Responsible Banking Academy (RBA) Curriculum Committee.

Within Wealth & Investment

Three representatives participated in the UN PRI conference held in Japan

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individuals are enrolled in the PRI academy and are attending the following courses*:

- 14 individuals: Understanding responsible investment (RI)
- 27 individuals: Applied RI
- 10 individuals: Advanced RI
- 7 individuals: Alternative investments

* Some individuals are doing more than one course

Two delegates completed the UN Global Compact Human Rights Accelerator.

Three members passed the pilot examinations for the CFA Impact certificates.

37 members of our Research, Investment Management and Leadership teams attended a responsible investing onsite the result of which led to various streams of work focusing on evolving the deepening of sustainability integration, evolution of our governance and policies as well as our stewardship and engagement activities. This aligns to our responsibility and commitment to the UN PRI.

Advocacy

We actively advocate for industry alignment and best practices, which is why we are proud members of several industry initiatives that support a wide range of sustainability-related topics.

Within the Specialist Bank

- **We are a member of the NZBA** an alliance that brings together banks worldwide that are committed to aligning their lending and investment portfolios with net-zero emissions by 2050. We actively participate in various working groups including the sector track, implementation track and the outreach and recruitment track
- **We are members of PCAF** and actively engage in their UK and Africa working groups
- Our collaborative efforts extend to industry initiatives such as **ANCA**. We are piloting reporting against the TNFD recommendations, coordinated by **FSD Africa**
- **We participated in the UN Responsible Banking Academy** to develop an online learning academy to support implementation of the Principles for Responsible Banking.

Within Wealth & Investment

- **We joined the Climate action 100+** which is an investor-led initiative to ensure the world's largest corporate GHG emitters take necessary action on climate change
- **We are a CDP signatory and joined the non-disclosure campaign.** The objective of the campaign is to drive further corporate transparency around climate change, deforestation and water security, by encouraging companies to respond to CDP's disclosure request
- **We are a signatory of the UN PRI,** a world-leading proponent of responsible investment. The objective is to understand the investment implications of sustainability matters. It also supports an international network of investor signatories in incorporating these matters into their investment and ownership decisions.

For more information on our industry participation refer to pages 93 to 100

Risk management

05

We take a cautious approach to industries known to damage the environment. We consider double materiality as a critical factor to inform our decisions. Our approach is a work-in-progress that will be continually enhanced.

TCFD disclosure guidance (incorporating high level guidance from the TNFD)

In this chapter

3a Our process for identifying and assessing climate and nature-related risks

Investec supports international best practices regarding the responsibility of the financial sector in financing and investing in transactions. Social, environmental, and ethical risk considerations are implicit in our values, culture and code of conduct, and are applied as part of our risk framework.

Our approach to managing the risks associated with climate change is constantly evolving as we improve our understanding of this complex and interconnected issue. We are also aware of the immense challenge of navigating through constantly changing methodologies.

We consider double materiality* to be a crucial factor in shaping our decisions. We adopt a cautious approach towards industries that have a known adverse impact on the environment, biodiversity, and climate.

The Board holds ultimate accountability for ensuring that the Group operates as a responsible corporate entity. Through its various subcommittees, the Board conducts a thorough assessment to identify primary and emerging risks. Regular reporting of these risks is provided to senior management, executives, and the Board at the DLC BRCC. We evaluate extreme events and consider mitigation actions within Investec's risk appetite frameworks.

* Double materiality refers to how our business is affected by sustainability issues (outside in) and how our activities impact society and the environment (inside out)

Refer to pages 13 to 22 in our governance section.

Our purpose is to create enduring worth. This speaks to our determination to minimise and prevent lending, investing, or dealing with counterparties where potentially unmitigated environmental, climate and nature-related degradation might occur. Environmental, nature, climate-related and broader sustainability considerations are implicit in our values, culture and code of conduct and are applied as part of our environmental, nature and climate-related risk frameworks. We assess sustainability risks as part of the credit committee or investment committee's evaluation of lending or investment decisions. This includes additional due diligence for transactions that fall into the high-risk ESG category (as defined by the IFC), which involves a comprehensive review by the Group sustainability team. This review identifies any potential risks relating to:

- environmental impacts (including climate, nature degradation and animal welfare) to support SDG 13
- social injustice (including human rights, diversity, inclusion and modern slavery, community displacement and health and safety risks) to support SDG 10
- governance matters (including corruption, fraud and controversies)
- macro-economic impacts (including poverty, growth, and unemployment) to support SDG 13 and SDG10.

We continuously support and adhere to international best practices regarding the responsibilities of the financial sector in financing and investing in transactions. We adopt a precautionary approach to environmental, nature, climate-related, and broader sustainability matters. These risk considerations are integrated into multidisciplinary, company-wide management processes throughout the Group and are effectively managed within our lending and investment portfolios. We have established an environmental policy, climate change statement, biodiversity statement, and a fossil fuel policy.

We conduct screening to identify possible adverse climate and nature-related impacts in both our lending and investment activities, as well as in our deposit-taking activities. We have a strict policy of not onboarding clients who do not comply with our Group environmental policy, climate change statement, biodiversity statement, or fossil fuel policy.

We perform supplier due diligence and screening for environmental and social aspects before onboarding. Critical third parties are monitored 24/7 to ensure compliance with agreed Service Level Agreements (SLAs).

Regular training is provided to business units to identify any potential high-risk transactions as classified by the IFC.

High risk transactions are escalated to the Group sustainability team who will conduct screening and additional due-diligence. In the case where the Group sustainability team flag a transaction as high concern, the transaction will be escalated to IBL, IBP, or Group ERC before any credit or investment decision is made. Additionally, the ESG Executive Committee and the DLC SEC are informed at every meeting regarding the number of transactions screened, high risk transactions identified, and high concern transactions escalated.

For more information on our Group environmental policy and climate change statement, click here

3a Our process for identifying and assessing climate and nature-related risks continued

Identifying and assessing the size and scope of transition risk

Investec has taken the approach to identify lending exposures within our portfolios that might be exposed to high transitional risk. Sectors sensitive to transition risk include property, utilities, fossil fuel activities, manufacturing, mining and transport. This is because policy actions, technology, market changes aimed at emission reductions, energy efficiency, subsidies or taxes, or other constraints and incentives are more likely to have a direct effect on these industries.

We have operations in emerging as well as in developed economies. The timescale for transition risk is considered different for developed and emerging economies, with the latter assumed to be delayed without intervention or international funding. It is also imperative that this transition is done in a just and equitable way.

We have categorised climate risks into short-, medium- and long-term risks.

Short-term risk
Sectors already experiencing credit implications as a result of transition risks (0 – 1 years)

Medium-term risk
Sectors with exposure to transition risk that is broadly manageable, or that could be impacted by credit quality immediately (1 – 5 years)

Long-term risk
Modest sector-wide exposure to transition risk or where the consequences are not likely to be material to credit quality (>5 years)

Refer to page 46

Identifying and assessing the size and scope of physical risk

Our operational risk management framework enables us to respond to climate-related risks. We have comprehensive policies and processes to identify, assess, measure, and monitor operational risks, including climate-related physical risks. We manage these risks within acceptable levels as part of our day-to-day operations. We continuously evaluate and implement controls and mitigation strategies for significant climate-related physical risks that could impact our business's sustainability and resilience.

We recognise the uncertainty surrounding climate change's physical risks. To quantify these risks, we have assessed the impact of climate-related consequences, such as precipitation pattern changes and rising maximum temperatures, on our real estate portfolio in the Investec Limited and Investec plc loan book.

With a global footprint encompassing operations in South Africa and the UK, and a workforce of 7,231 permanent employees, we recognise the need to understand potential business disruptions caused by climate change. This understanding allows us to adapt and enhance our resilience where necessary.

We prioritise resilience by anticipating, preparing for, responding to, and adapting to changes and disruptions. To achieve this, we have clear operational procedures and adequate resources in place. Our resilience strategies address all types of disruptions and include relocating operations, using high availability technology solutions, and ensuring physical solutions for critical infrastructure components.

It should be noted that this analysis was performed in 2022, and as climate change mostly manifests over the medium to long term and with the relevant short maturity profile of our loan book, we endeavour to refresh the analysis every three years.

Refer to pages 82 to 89

Shared Socio-economic Pathways (SSPs)

To assess our physical risks within our operations and within our real estate portfolio we have used SSPs which are scenarios that project socio-economic global changes up to 2100. They are used to derive GHG emissions scenarios with different climate policies.

These scenarios are:

- **SSP1: Sustainability (taking the green road):** For this scenario we have used SSP1 – 2.6: this scenario involves low GHG emissions and CO_2 emissions cut to net-zero around 2075. This SSP1-2.6 scenario approximately corresponds to the previous scenario generation, Representative Concentration Pathway RCP-2.6 scenario.
- **SSP2: Middle of the road:** For this scenario we have used SSP2 – 4.5: this scenario involves intermediate GHG emissions and CO_2 emissions around current levels until 2050, then falling but not reaching net zero by 2100.
- **SSP3: Regional rivalry (a rocky road):** For this scenario we have used SSP3 – 7.0: this scenario involves high GHG emissions and CO_2 emissions double by 2100. This scenario approximately corresponds to the RCP-7.0 scenario.

Regulatory environment

We have observed a significant increase in regulatory requirements related to climate and nature. We carefully consider both existing and emerging regulations concerning climate change and strive to comply with the highest standards in each jurisdiction where we operate.

Our independent compliance functions in each core operating jurisdiction ensure that the Group adheres to the necessary processes, practices, and policies to meet relevant regulations and legislation.

To stay proactive in addressing emerging and existing climate-related regulatory requirements, our compliance, legal, and governance teams work alongside the Group sustainability team. They inform the sustainability team of any new or emerging regulatory climate and nature-related requirements.

The Group sustainability team performs gap analyses against these regulations and presents the findings to the Group ESG Executive Committee as required. Any identified gaps are communicated, and measures are implemented to address them.

We are specifically guided by the developments within the core geographies in which we operate, being South Africa and the UK. At the time of publication of this document we were guided by the following regulations, policies, frameworks and commitments.

Most noteworthy developments in the jurisdictions we operate in are:

In the UK:

- **UK Green Taxonomy:** We are closely monitoring the progress of the UK Green Taxonomy, which is anticipated to expand upon existing frameworks such as the EU taxonomy, with a particular emphasis on achieving net-zero goals within the UK's unique context. The UK will work with international partners to maximise interoperability and harmonisation, and will consider endorsing International Sustainability Standards Board (ISSB) standards. The UK government has committed to mandating Taxonomy-related disclosures, but recognises potential usability challenges, and will therefore have a test period of voluntary disclosures for at least two years before introducing any mandatory obligations
- **Sustainability Disclosure Requirements (SDR):** The UK SDR introduces a set of sustainability-related product labels, product- and entity-level disclosures, an anti-greenwashing rule and additional rules regarding sustainable investing for the UK. The current UK SDR is only applicable to UK-domiciled funds. However, guidance on overseas funds, such as undertaking for collective investment in transferable securities funds domiciled in the European Union, is expected in 2024
- **Financial Conduct Authority (FCA):** The FCA introduced four new sustainability labels for investment products based on the nature of the product's investment objective and how it promotes positive sustainability outcomes. In addition, the FCA introduced anti-greenwashing rules to ensure that sustainability claims are clear, fair and not misleading.

In South Africa:

- **Prudential Authority:** In May 2024, the Prudential Authority released their final guidance notes on governance and risk practices for banks. These notes provide guidance to banks on integrating climate-related risks into their governance and risk management frameworks, including guidance on banks' internal capital adequacy assessment process (ICAAPs)
- **JSE Guidelines**: In June 2022, the JSE released its Sustainability and Climate Disclosure Guidance that aims to promote transparency and good governance, and guide listed companies on best practice in environmental, social and governance (ESG) disclosure
- **Green Finance Taxonomy**: In April 2022, the South African Green Finance Taxonomy was published. The taxonomy aims to unlock access to sustainable finance and stimulate the allocation of capital to support a development-focused and climate-resilient economy.

Globally:

- **International Sustainability Standards Board (ISSB):** The ISSB released two guidance notes
  - **IFRS S1:** General sustainability-related disclosures which provides requirements designed to enable companies to communicate to investors about the sustainability-related risks and opportunities they face over the short, medium and long term
  - **IFRS S2:** Guidance on climate-related risks and opportunities which requires an entity to disclose information about climate-related risks and opportunities that could reasonably be expected to affect the entity's cash flows.
- **Corporate Sustainability Reporting Directive (CSRD):** Requires a double materiality assessment and for companies to report on sustainability issues that affect their business and how their operations impact the environment and society
- **The Bank for International Settlements (BIS):** The BIS Pillar 3 sustainability requirements aim to promote transparency and disclosure of sustainability-related information by banks and financial institutions.

Internal policies

We are also guided by our Group policies and position statement being:

- The Group environmental policy and climate change statement
- The Group fossil fuel policy
- The Group Sustainable and Transition Finance Classification Framework
- The Group biodiversity statement
- The Group operational resilience statement
- The way we do business policy

These policies are available on our website here

Assessing climate-related transition risk within our operations

After six years of carbon neutrality in Scope 1, Scope 2 and operational Scope 3 emissions, we remain committed to ongoing carbon neutrality within our direct operations:

Scope 1: We continue to assess our Scope 1 emissions and implement initiatives to reduce this further where possible. Once efforts to reduce these emissions are exhausted, we will offset the remaining unavoidable residual emissions through high-quality carbon offsets.

Scope 2: We have implemented energy reduction initiatives throughout all our buildings and are sourcing 100% of our Scope 2 energy requirements through renewables by purchasing renewable energy certificates.

Scope 3 operational: We have reduced these emissions to a level where further reduction is minimal. We have achieved this through reduced paper consumption and managing emissions from car, rail and air travel through online meetings. We offset the remaining unavoidable residual emissions by purchasing high-quality carbon credits.

Refer to page 59 for our carbon footprint

Assessing climate-related transition and physical risk (scope and size) within our business

A high-level calculation on climate sensitive sectors where we may experience transition and physical risk is shown below, however this is based on our current portfolio with no mitigation applied. Within our core loans, the following sectors may be exposed to transition and physical risks.

	Physical risk	Transition risk	Investec Group** (£'mn)		Investec plc* (£'mn)		Investec Limited (£'mn)		Investec Limited (R'mn)	
			Mar-24	Mar-23	Mar-24	Mar-23	Mar-24	Mar-23	Mar-24	Mar-23
Lending collateralised by property	■	■	4 985	5 070	2 521	2 396	2 463	2 674	59 007	59 650
Agriculture	■		102	116	19	17	83	99	1 994	2 175
Electricity, gas and water (utility services)	■	■	1 241	974	790	513	451	461	10 812	10 137
Retailers and wholesalers	■		688	663	246	293	443	370	10 607	8 110
Manufacturing and commerce	■	■	1 426	1 374	860	803	566	571	13 561	12 515
Construction	■	■	210	200	143	139	67	61	1 608	1 350
Corporate commercial real estate	■	■	267	276	120	119	147	276	3 523	3 438
Mining and resources	■	■	147	196	36	136	111	60	2 661	1 332
Leisure, entertainment and tourism	■		139	142	87	76	52	66	1 254	1 422
Transport	■	■	1 163	928	811	645	352	283	8 432	6 211
Motor finance		■	1 122	959	1 122	959	—	—	—	—
Communication	■		970	829	518	330	452	499	10 833	10 951
Total of core loans exposed to transition and physical risk			**12 460**	**11 727^**	**7 273**	**6 426^**	**5 187**	**5 420^**	**124 292**	**117 291^**
Total core loans			31 204	30 677^	16 744	15 709^	14 460	14 968^	346 451	328 416^
% of core loans and advances exposed to physical risks			36 %	35 %	37 %	35 %	36 %	36 %	36 %	36 %
% of core loans and advances exposed to transition risks			34 %	33 %	38 %	36 %	29 %	29 %	29 %	29 %

Notes:
* Refer to the 2024 Investec plc annual financial statements pages 178 to 179
** Refer to the 2024 Investec risk and governance report pages 50 to 51
^ Restated

Definitions of risk terminology used

Investec is using categories of transition and physical risks according to the TCFD framework as defined below:

Transition risk

Transitioning to a lower-carbon economy may entail extensive policy, legal, technology, and market changes to address mitigation and adaptation requirements related to climate change. Depending on the nature, speed, and focus of these changes, transition risks may pose varying levels of financial and reputational risk to our organisation.

Policy risks

Policy actions around climate change continue to evolve. Their objectives generally fall into two categories. Policy actions that attempt to constrain actions that contribute to the adverse effects of climate change, or policy actions that seek to promote adaptation to climate change.

Technology risk

Technological improvements or innovations that support the transition to a lower-carbon, energy efficient economic system may have a significant impact on our organisation.

Litigation or legal risk

Litigation includes the failure of our organisation to mitigate impacts of climate change, failure to adapt to climate change, and the insufficiency of disclosure around material financial risks. As the value of loss and damage arising from climate change grows, litigation risk is also likely to increase.

Market risk

Shifts in supply and demand for certain commodities, products, and services as climate-related risks and opportunities are increasingly considered.

Reputational risk

Risk tied to changing customer or community perceptions of our organisation's contribution to, or detraction from, the transition to a low-carbon economy.

Physical risk

Physical risks resulting from climate change can be event driven (acute) or longer-term shifts (chronic) in climate patterns. Physical risks may have financial implications for our organisation, such as direct damage to assets and indirect impacts from supply chain disruption. Our financial performance may also be affected by changes in water availability, sourcing, and quality; food security; and extreme temperature changes affecting organisations' premises, operations, supply chain, transport needs, and employee safety.

Acute risk

Acute physical risks refer to those that are event-driven, including increased severity of extreme weather events, such as cyclones, hurricanes, or floods.

Chronic risk

Chronic physical risks refer to longer-term shifts in climate patterns (e.g. sustained higher temperatures) that may cause sea level rise or chronic heat waves.

3a Our process for identifying and assessing climate and nature-related risks continued

We have adapted the Basel Committee on Banking Supervision's guidance on the drivers of climate-related risk and their transmission channels to determine how physical and transition climate risk may affect our financial risks through micro- and macro-economic transmission channels.

Physical risks

Acute
- Wildfires
- Heat waves
- Floods
- Storms

Chronic
- Droughts
- Landslides
- Sea level rise
- Variability of precipitation

Transition risks

Government policy
- Net-zero policies

Technology change
- Low carbon technologies

Sentiment
- Investor: ESG investment
- Consumer: Air travel

Transmission channels

Micro-economic

How climate risk drivers impact particular households, corporates (including banks) and particular sovereigns as well as issuer-specific financial assets

- Individual sovereigns or sub-national institutions
- Corporates (including banks and financial institutions)
- Households
- Property
- Corporate credit
- Equities

Macro-economic

How climate risk drivers impact on an economy overall and sovereigns in general as well as macro-economic variables

- Sovereigns or sub-national institutions
- Corporates (including banks and financial institutions)
- Households
- Government bonds
- Forex rates
- Commodities

Sources of variability

Geographical heterogeneity

Location and jurisdictional dependencies
- Risk drivers
- Economies
- Financial systems

Amplifiers

Factors that increase the impact of climate risk drivers
- Risk driver interactions
- Financial amplifiers
- Transmission channel interactions

Mitigants

Factors that reduce the financial impact of climate risk drivers in banks
- Bank behaviours and business models
- Availability and pricing of insurance
- Depth and maturity of capital markets
- Hedging opportunities

Financial risks

Credit

Credit risk increases if climate risk drivers reduce borrowers' ability to repay and service debt (income effect) or banks' ability to fully recover the value of a loan in the event of default (wealth effect).

Investec could face:
- Stranded assets in GHG-intensive industries
- Increased probability of defaults (PDs) due to lower earnings resulting from a decrease in demand for GHG intensive products causing higher capital expenditure due to adaptation costs and/or higher operational expenditure due to fines, taxes, etc.
- Products may become obsolete; loss of market capitalisation; higher cost of doing business
- Higher loss given defaults (LGDs) as underlying collateral values decrease for high carbon emission assets
- Increased concentration risk in GHG-intensive sectors should be carefully monitored as all banks aim to divest from these exposures
- Higher LGDs due to less demand for certain assets leading to a negative impact on collateral value.

Market

Shifts in supply and demand for certain commodities, products, and services as climate-related risks and opportunities are increasingly taken into account.

Investec could face:
- Increased volatility and costs, sourcing restrictions for carbon heavy raw materials
- Change in consumer behaviours including deliberate moves to lower carbon intensive products and transition to greener alternatives
- Competitor changes – new entrants focused on green credentials
- A possible impact on equities, bonds and derivatives if a company is not transitioning in line with market expectations.

Liquidity

Banks' access to stable sources of funding could be reduced as market conditions change. Climate risk drivers may cause banks' counterparties to draw down deposits and credit lines.

Investec could face:
- The inability to obtain the necessary funding from retail and corporate clients, or at substantially higher costs, if we are seen as not transitioning in line with market expectations.

Operational

Increasing legal and regulatory compliance risk associated with climate-sensitive investments and businesses. Risk associated with disruptive incidents which can impact premises, staff, equipment, systems, and key business processes.

Investec could face:
- Increased likelihood, and impact of business disruption events due to physical climate risks.

Reputational

Increasing reputational risk to banks based on changing market or consumer sentiment.

Investec could face:
- Reputational risk due to association with clients who are deemed to be affected by either of these risks and viewed negatively by the market
- Risks of changing customer or community perceptions of an organisation's contribution to or detraction from the transition to a lower-carbon economy
- Risks based on changing market or consumer sentiment.

Regulatory and compliance

The risks of changing legislation, regulation, policies, voluntary codes of practice and their interpretation in the markets in which we operate can have a significant impact on the Group's operations, business prospects, costs, liquidity and capital requirements.

Investec could face:
- The risks of changing legislation, regulation, policies, voluntary codes of practice and their interpretation in the markets in which we operate
- Increasing legal and regulatory compliance risk associated with climate-sensitive investments and businesses
- Additional cost implications through own operations if carbon neutral status is not maintained
- Increased claims in the form of environmental liability exposures
- Increased GHG emissions pricing and carbon tax
- Fines due to non-adherence to new requirements
- Potential for litigation as a lever to drive an agenda of increased climate change mitigation activity across a range of sectors.

3b How we are managing climate and nature-related risks

Climate change is seen as both a business opportunity and a risk. Therefore, our strategy is informed by the following climate change considerations:

01

Support the Paris Agreement goals and acknowledge the urgency of climate change

02

Support our clients as they transition their business operations and offerings

03

Minimise our direct negative carbon impacts and commit to ongoing carbon neutrality

04

Engage with stakeholders to inform our climate strategy as it evolves

05

Invest in products, services and businesses that accelerate the transition

06

Actively participate in industry discussions to ensure an aligned and comprehensive approach

3b How we are managing climate and nature-related risks continued

Business and employees

Our employees

During the past year we have built sustainability skills throughout the organisation by rolling out a mandatory sustainability fundamentals training module to all employees. Furthermore, we provide in-person development to teams where required on climate and nature-related and sustainability risks and opportunities through our credit college.

We also have an ESG guideline handbook that is available to assist all staff in assessing nature, climate-related and sustainability risks. We believe that when our employees have the adequate knowledge and skills within our various business units, they can act as the first line of defence in identifying climate-related risks. During the financial year ending March 2024, our employees were given the opportunity to join in various training sessions and presentations relating to climate and nature-related matters.

ESG systems integration

We continue to enhance our screening process across all our business activities. The identification of high-risk industries has been automated within Investec plc, and this automation will be adopted within Investec Limited. Transactions are classified according to the World Bank IFC guidelines into high, medium and low risk.

High risk: Proposed funding or investment is likely to have significant adverse social or environmental impacts that are diverse, irreversible, or unprecedented without mitigation.

Medium risk: Proposed funding or investment is likely to have limited adverse social or environmental impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures.

Low risk: Proposed funding or investment is likely to have minimal or no social or environmental impacts. This largely relates to services, consulting, training and education, trading, retail sales, etc.

Group sustainability team

Once a transaction has been identified as being in a high-risk industry, these activities go through a comprehensive due diligence process performed by the Group sustainability team.

In-depth analysis is done by the team to:
- Assess the alignment of the transaction with our sustainability policies
- Ensure there is no contravention of our ESG screening requirements or zero-tolerance activities (refer to page 51)
- Assess the client's ambitions towards net-zero pathways
- Assess ESG ratings by globally accredited bodies (e.g. CDP, Sustainalytics)
- Assess public reporting on sustainability matters and impacts
- Assess disclosures in line with the GRI and TCFD
- Assess alignment with the UN SDGs
- Assess any other publicly available information around their contribution to, and positive/negative impact on ESG aspects
- Investigate any media controversies or reputational issues facing the client involved.

For each high-risk transaction, an ESG opinion is provided by the Group sustainability team for consideration by our credit committees.

Management level

Group credit and investment committees

All high-risk transactions require an ESG opinion. Based on the findings in the ESG opinion, discussions around the risk and risk mitigation measurements are taken into account.
- **Risk mitigation:** Any risks will be assessed against the clients' policies and appropriate mitigation actions that have been put in place

- **Risk appetite:** We take a cautious approach to industries known to have adverse biodiversity, environmental and climate change impacts. We have a Board-approved risk appetite framework where significant exposures to industries are monitored and limited. During the financial year ending March 2024, we reviewed and approved the Investec plc, Investec Bank plc , Investec Limited and Investec Bank Limited risk appetite statement which included a stronger view on climate-related risk appetite with an ambition of zero coal exposures in our loan book by 31 March 2027 for our Investec plc and Investec Bank plc, and 31 March 2030 for the Group.
- At 31 March 2024 we have maintained our risk tolerance level. In addition, our biodiversity statement, environmental policy and climate change statement, fossil fuel policy and climate risk statement is approved by the Board annually.

Wealth & investment

Wealth & Investment International is represented on the Group ESG Executive Committee. Nature, climate and sustainability matters identified in this Committee are communicated by the representatives to the Wealth & Investment Responsible Investment Forum. This committee coordinates the integration of the climate and nature-related and sustainability matters across IW&II.

It ensures collaboration and promotes consistency in our approach to our biodiversity and climate-related activities i.e. stewardship, measurement and education. An Equity Corporate Governance Committee in the UK provides recommendations on voting and engagement and this is coordinated with our stewardship activities in South Africa and Switzerland.

Executive level

There is also oversight by the DLC ESG Executive Committee and the DLC SEC on climate and nature-related and sustainability matters. The Group ESG Executive Committee, mandated by the Group's Executive Directors reports relevant climate and nature-related and sustainability matters to the DLC SEC and Group ERC. The main objectives of the committee are to coordinate these efforts across geographies and businesses.

Engaging with clients

We believe that our most significant impact on the environment and climate change is through our lending and investment activities. We use our specialist skills in the advisory, lending and investing businesses to support clients and stakeholders to move as quickly and smoothly as possible towards a net-zero carbon economy. Our enhanced Sustainable and Transition Finance Classification Framework supports our sustainable and transition financing practices. The framework outlines the approach for classifying and managing sustainable financing activities and instruments.

For more information refer to page 86 in the 2024 Group sustainability report

We engage with our clients on sustainability issues to minimise the risks and require clients to meet appropriate technical, governance, transparency, social and environmental standards.

For example:
- as part of our client onboarding process, we assess potential clients for various risk profiles, including responsible business behaviour and their activities
- climate and nature-related and sustainability risks are identified and assessed as part of transaction due diligence processes
- our operational activities are assessed for compliance with relevant environmental, health and safety, and labour rights regulations
- we regularly review sensitive sectors and activities prone to bearing environmental and social risks.

Engaging with our supply chain

Our procurement statement incorporates standards on human rights, labour rights, environmental and anti-corruption principles as set out in the UN Global Compact. We encourage our employees to promote responsible and inclusive procurement practices and to manage the related environmental, social and ethical impacts. Currently, all our suppliers go through an onboarding process. This onboarding process uses a screening platform that calculates the risk level for each supplier which will determine the level of due diligence required. This includes cybersecurity, business continuity, operational resilience, screening for climate and nature-related and sustainability and ethical policies. This onboarding process was rolled out to all suppliers over the past year.

Climate and nature-related risk management within the Specialist Bank

Any transaction that falls within a high-risk sector as defined by the IFC, goes through a rigorous ESG screening process. This screening process considers risk avoidance, mitigation, acceptance and risk control and reporting.

Risk avoidance

We fully apply the key provisions of the Equator Principles (EP). We are not currently a signatory due to the low number of transactions that Investec has in non-designated countries. All transactions done in non-designated countries are EP monitored and compliant.

Refer to page 90 for our disclosure on Equator Principles

With regards to environmental and climate risk, **we will not engage in activities:**

	Climate change	Nature
Within our Investec plc business that involves any kind of coal. Our current exposures will be managed with the aim to have zero coal exposure in our loan book by 31 March 2027	✓	✓
Within our Investec Limited business that involves the export of thermal coal. Our current exposures will be managed with the aim to have zero thermal coal exposure in loan book by 31 March 2030	✓	
That negatively impact high conservation value areas and UNESCO world heritage sites (for example any national park)	✓	✓
That involve projects in environmentally high-risk areas, for example but not exclusively related to, tar sands exploitation, Arctic drilling, and deforestation or drilling in the Amazon rain forest	✓	✓
Where environmental and social risks are not being managed, including but not exclusively: water use, wastewater management, air emissions, solid waste, spill response/clean-up operations, site restoration and community/stakeholder management	✓	✓
That are in contravention of any international and/ or local laws and conventions of the countries where Investec or our counterparties operate	✓	✓
That involve illegal wildlife trade or wildlife products regulated under CITES		✓
That do not respect human rights, and do not respect the rights of local communities and indigenous peoples where it impacts our natural assets	✓	✓
That do not include a site rehabilitation plan where relevant to restore land to a usable state	✓	✓
That use driftnet fishing in the marine environment, with nets longer than 2.5km in length		✓
In addition, we have limited appetite for activities relating to the production, use of/trade in pharmaceuticals, pesticides/ herbicides, chemicals, ozone-depleting substances and other hazardous substances, that are subject to international phase-outs or bans.		

Risk mitigation

We acknowledge that the financial risks from climate change present unique challenges and require a strategic approach to financial risk management.

Within our climate risk mitigation approach, we will:

- Assess that appropriate risk mitigation policies are put in place by our clients
- Consider and discuss climate and nature-related aspects as part of the risk appetite annual review process.

Risk acceptance

Our risk assessment takes into account the significance of various industries, including the energy sector, for the global economy. With our global operations in both developed and developing countries, we operate in diverse economic, social, and environmental contexts. We strive to strike a balance between the need for increased energy access and economic growth, particularly in our South African business, and the urgency to reduce carbon emissions across all aspects of our operations. Therefore, we approach this transition cautiously and methodically, focusing not only on the next decade but also on the next 20, 30, and 40 years. When evaluating our involvement in fossil fuel activities, we consider a range of financial, socio-economic, and environmental factors that are relevant to the local context, such as poverty, growth, unemployment, and carbon impact. We understand that this transition cannot be achieved in isolation from the realities of the communities in which we and our clients operate. We welcome the input of all stakeholders as we collectively move towards a cleaner, net-zero carbon economy in a manner that is responsible for all participants.

Process for prioritising climate-related risks

We acknowledge that our approach to prioritising climate and nature-related risks is still a work-in-progress.

As part of our sustainability screening process, we flag and assess any climate and nature-related risks to ensure adequate and appropriate mitigation measures are in place.

Currently, these risks are evaluated on a case-by-case basis during the credit process and are included in the overall credit discussion.

Climate and nature-related risk management within Investec Wealth & Investment International

The various investment teams and related committees are focused on the disclosure, measurement and educational elements with respect to the management of climate risks within IW&II.

Disclosure

The focus on the disclosure element is driven through our stewardship (voting and engagement) process. We have dedicated stewardship resources and we utilise the services of ISS who advise us on our voting, including climate-related resolutions. We are a CDP investor signatory, a signatory to Climate Action 100+. We are actively involved in engaging with these organisations.

Measurement

We have engaged the services of third-party providers who provide us with the ability to review various climate risk metrics in our managed and third-party investments. We are able to measure various carbon metrics as well as assess the temperature alignment of our funds and portfolios on a look-through basis. We measure the net contributions corporates make to the 17 SDGs. We assess the risk management of environmental risk by the various corporate management teams.

Education

We conduct educational campaigns to ensure our staff are able to understand climate risk, incorporate it into their investment decision making and comfortably direct discussions with our clients and investors.

Refer to page 41 for more information on education.

3c How our processes for identifying, assessing and managing climate and nature-related risks are integrated into our overall risk management

Investec's approach to integrating climate and nature-related risks within our risk management structures is continuously evolving as our understanding of this subject deepens.

In 2018, the Board and senior management recognised climate risk as a principal risk that could impact the safety and soundness of individual financial institutions and have broader financial stability implications for the banking system.

Over the past seven years, we have been on a journey to integrate and embed climate-related risks into our risk management processes, taking into account the complexities, uncertainties, interconnected consequences, and the magnitude of this critical component.

Regarding biodiversity, we have published our Group biodiversity statement, acknowledging that our activities expose us to various types of biodiversity-related risks. We understand the clear link between climate change and biodiversity loss and recognise that achieving the UN SDGs requires addressing both issues simultaneously.

We acknowledge the importance of healthy, biodiverse, and resilient ecosystems in mitigating the impacts of climate change and preventing disruption to society and the markets in which our businesses operate. We are committed to conserving natural ecosystems and adopt a precautionary approach to sustainable biodiversity management in all decision-making processes.

With regards to our approach on the integration of **climate-related** risks we have:

- Included climate-related risks within our risk appetite framework
- Participated in climate-related stress testing exercises within the UK and South African regulatory environments
- Monitored the impact of fast-moving climate-related regulations within our various geographies
- Engaged with Executives and our Boards on various climate-related topics
- Incorporated sustainability-related KPIs within our executive remuneration policies.

With regards to our approach on the integration of **nature-related** risks we have:

- Mirrored our governance, strategy and risk management processes to follow the recommendations of the TNFD
- Acknowledged that this is a fast evolving topic and where possible we need to be transparent in our disclosures when methodologies are put into practice
- Acknowledged that we still need to familiarise ourselves with this complicated topic to disclose meaningful information to our stakeholders.

Refer to page 13 in our governance section for our integration between committees and forums

Social, environmental and ethical risk considerations are implicit in our values, culture and code of conduct and are applied as part of our sustainability risk framework

The Group supports the precautionary approach to sustainability and strives to minimise and prevent investing in projects or dealing with counterparties where potential and unmitigated environmental degradation might occur. The Group recognises that identifying and quantifying environmental risk should be part of the normal process of risk assessment and management within businesses. We engage with our clients on climate, nature, and sustainability-related matters to minimise the risks and require clients to meet appropriate sustainability-related technical and reporting standards.

For example

- As part of our client on-boarding process, we assess, where appropriate, potential clients for various types of risks including whether they are behaving responsibly in their business activities
- Sustainability-related risks are identified and assessed as part of the transaction due diligence processes which includes screening for negative environmental and/or biodiversity impacts and social matters
- Operational activities are assessed for compliance with relevant environmental, health and safety, and labour rights regulations
- We regularly review sensitive sectors and activities prone to bearing environmental and social risks.

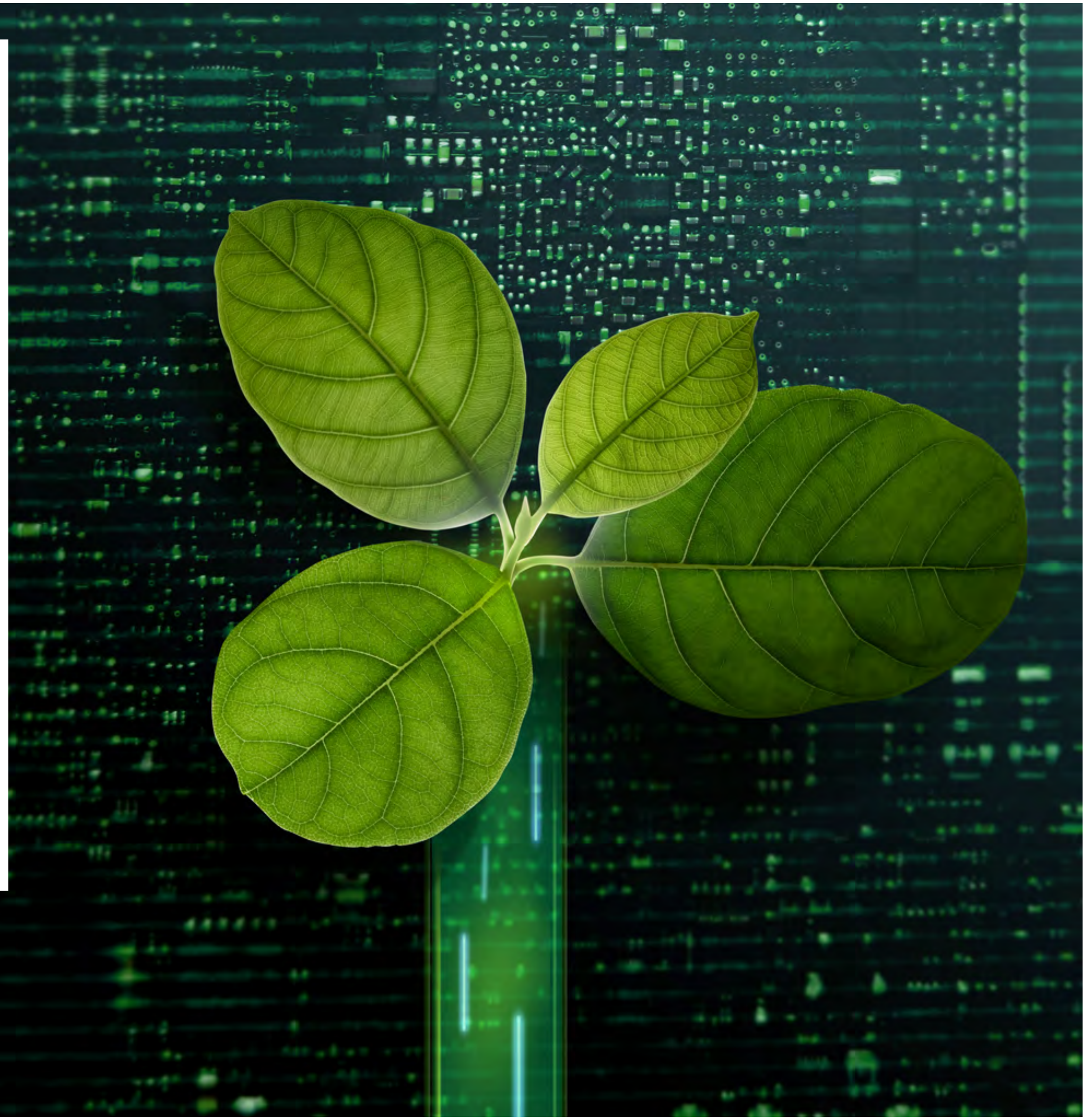
06 Metrics *and targets*

Our metrics and targets guide us in our journey with an aspiration to become net zero by 2050. These metrics and targets relate to our carbon emissions, renewable energy sourced for our operations, exposure of our balance sheet to climate transition and physical risks, and help us navigate the progress we make against our sustainability strategy and our commitment to the Paris Agreement goals.

In this chapter

4a Metrics used to assess climate-related risks and opportunities

We have assessed our sectors that are exposed to transition risk	Refer to page 46 for more information.
We have assessed our physical risks in our operations in Investec plc and Investec Limited and focused on precipitation and maximum temperatures	Refer to pages 83 to 86 for more information.
We have assessed our physical risks in our real estate book in Investec plc and Investec Limited and focused on precipitation and maximum temperatures	Refer to pages 87 to 89 for more information.
We have calculated our operational footprint	Refer to pages 58 and 59 for more information.
We have calculated our fossil fuel exposures	Refer to pages 60 to 62 for more information.
We have calculated our loan book in terms of high, medium and low risk	Refer to page 63 for more information.
We have disclosed our transactions that fall within the Equator principles	Refer to page 90 for more information.
We have calculated our financed emissions within our material asset classes	Refer to page 64 for more information.



Our internal carbon price

Internal carbon pricing is a powerful tool the private sector can employ to reduce carbon emissions. It allows companies to assess the financial implications of their carbon emissions and encourage increased energy efficiency. Aligned with our net-zero commitment, we acknowledge that carbon impact is a reality we need to assess and price.

There is no international standard that can be followed to set an internal price on carbon. We have therefore chosen to use a shadow cost price to calculate a theoretical or assumed cost per ton of carbon emissions. This shadow price amounts to R200 per tonne of CO_2. This cost is carried centrally and then distributed and recovered from the wider business.

Our approach to carbon neutrality

Investec's strategy towards carbon neutrality is first to avoid operational emissions, then reduce and minimise our operational impact and only then do we consider offsetting the remaining unavoidable residual emissions.

We make use of high-quality, ethical carbon credits, that not only have carbon removal merits, but that have direct impact on the Sustainable Development Goals.

Within our operations we source 100% of our Scope 2 energy usage from renewables through the purchase of renewable energy certificates. These certificates include:

South African Renewable Energy Certificates (zaRecs) for
17 705MWh
(16 314 tCO_2e)
2023: 21 910MWh, 22 708tCO_2e

International Renewable Energy Certificates - India (I-RECs) for
262MWh
(184 tCO_2e)
2023: 151MWh, 108tCO_2e

Renewable Energy Guarantee of Origin – UK (REGOs) for
1129
(239 tCO_2e)
2023: 4 317MWh, 847tCO2e

Renewable Energy Certificates RECs – US for
89MWh
(19 tCO_2e)
2023: 88MWh, 17tCO_2e

Guarantee of Origins (GoOs) – Switzerland for
69MWh
(2 tCO_2e)
2023: 78MWh, 2tCO_2e

The remaining unavoidable residual emissions were offset through the purchase of VCS certified carbon credits, to the value of 21 022 tCO_2e. These carbon credits were sourced from Wonderbag and AgriCarbon, initiatives that are contributing positively towards the SDGs.

As a result, we were able to achieve carbon neutrality within our Scope 1, Scope 2 and operational Scope 3 emissions.

4b Metrics and targets within our own operations

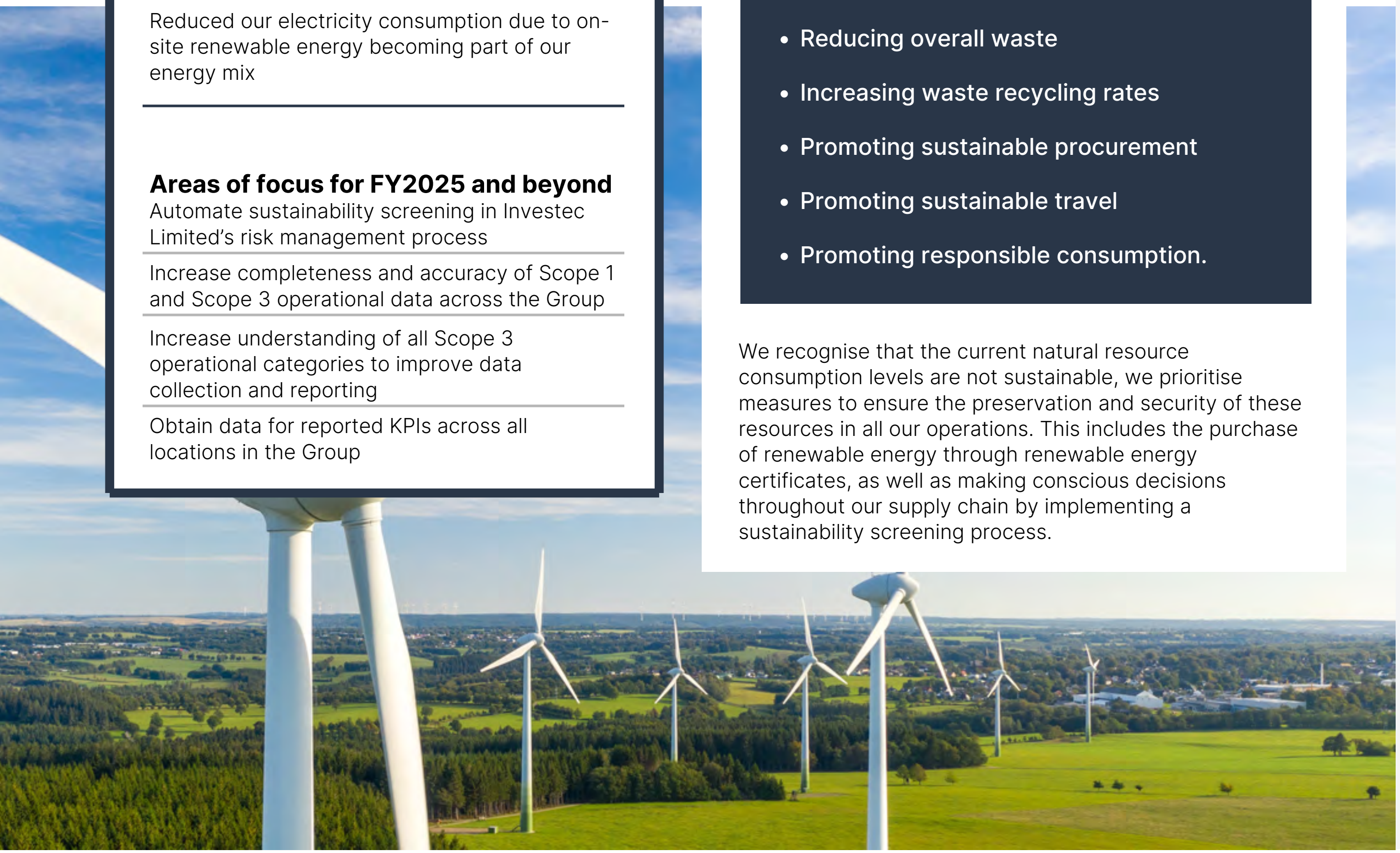
We embrace our responsibility to understand and manage our own carbon footprint. We recognise that effective environmental management is an essential part of managing our carbon impact and are committed to operating an effective Environmental Management System (EMS) compliant with King IV™ in South Africa and ISO 14001 in our UK head office. Further to this, our EMS reporting tool allows us to track and manage our direct operational impact.

Metrics category	Description	Target	Target date	Commentary	Status
Governance metrics	Number of Board/Committee meetings per year in which climate-related issues have been a substantive agenda item (indication of incorporation of climate risk into governance)	Address climate-related issues at more than half of all our Board meetings	March 2024	For the financial year ended 31 March 2024, climate risk has been communicated in written format in all meetings. Refer to page 14.	Achieved
	Number of events held per year to train Board members and management on climate-related issues (indication of level of understanding of climate change issues and at what level of seniority within the company)	100% of Board members attend climate-related training	March 2024	All Board members underwent capacity building on climate-related matters. In addition, concepts of sustainable and transition finance were introduced as a result of our enhanced Sustainable and Transition Finance Classification Framework published in May 2024.	Achieved
	Incorporate climate-related issues into Executive remuneration (identifies use and alignment of financial incentives to improve company level resilience to climate change)	Incorporate climate-related metrics in executive remuneration	March 2021 – ongoing	Sustainability-related KPIs are linked to Executive remuneration. Refer to page 21.	Achieved
Strategy metrics	Participation in UN memberships/ external bodies/ organisations/ initiatives pursuing climate-related policy and/or advocacy initiatives (indicating engagement with policymakers on broader market risk)	Advocate and engage on climate-related issues	March 2021 – ongoing	We continue to participate in many environmental and climate-related initiatives and is a member of the NZBA. In addition, IW&I is a member of Climate Action 100+. Refer to pages 93 to 100 for more information.	Achieved
	Analyse financed emissions within three out of six asset classes according to the PCAF methodologies (indicating the amount of emissions we finance within our lending and investment portfolio)	Calculate financed emissions	March 2023	We have calculated our financed emissions within our power generation, real estate,mortgages, private client motor finance, motor fleet finance, aviation finance, and listed equity portfolios (six asset classes). Refer to page 64 for more information.	Achieved
	Results of scenario analysis/ stress testing expressed in terms of earnings or value-at-risk (indication that financial implications of climate-related risk/opportunity are understood)	Calculate value at risk	March 2024	We have analysed our value at risk relating to physical climate risk events within our real estate portfolio within Investec Limited and Investec plc. Refer to pages 87 to 89.	Partially achieved
Emission-related metrics	Reducing our own impact on the environment and remain carbon neutral in our direct operations (Scope 1, Scope2, and operational Scope 3)	Source 100% of Scope 2 energy from renewable sources and achieving carbon neutral status in our direct operations	April 2019 – ongoing	We have sourced 100% of our Scope 2 energy usage from renewables through the purchase of renewable energy certificates. We have maintained carbon neutral status within our operations for the sixth financial year. Refer to page 59 for more information.	Achieved

Achieved | Partially achieved | Not achieved

Managing and mitigating climate change within our operations (direct impact)

We embrace our responsibility to understand and manage our own carbon footprint.



Key achievements in FY2024

- Maintained carbon neutrality in our direct emissions for the sixth financial year as part of our commitment to ongoing carbon neutrality in our Scope 1, Scope 2 and operational Scope 3
- Became a member of RE100
- Reduced our electricity consumption due to on-site renewable energy becoming part of our energy mix

Areas of focus for FY2025 and beyond

- Automate sustainability screening in Investec Limited's risk management process
- Increase completeness and accuracy of Scope 1 and Scope 3 operational data across the Group
- Increase understanding of all Scope 3 operational categories to improve data collection and reporting
- Obtain data for reported KPIs across all locations in the Group

The key focus areas to reduce our operational carbon footprint include:

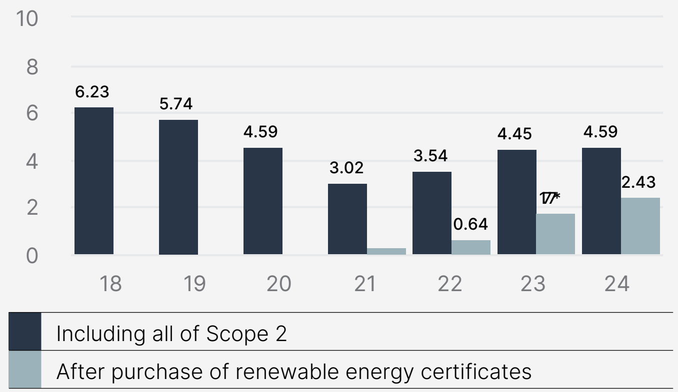
- Reducing energy consumption
- Reducing water usage
- Reducing overall waste
- Increasing waste recycling rates
- Promoting sustainable procurement
- Promoting sustainable travel
- Promoting responsible consumption.

We recognise that the current natural resource consumption levels are not sustainable, we prioritise measures to ensure the preservation and security of these resources in all our operations. This includes the purchase of renewable energy through renewable energy certificates, as well as making conscious decisions throughout our supply chain by implementing a sustainability screening process.

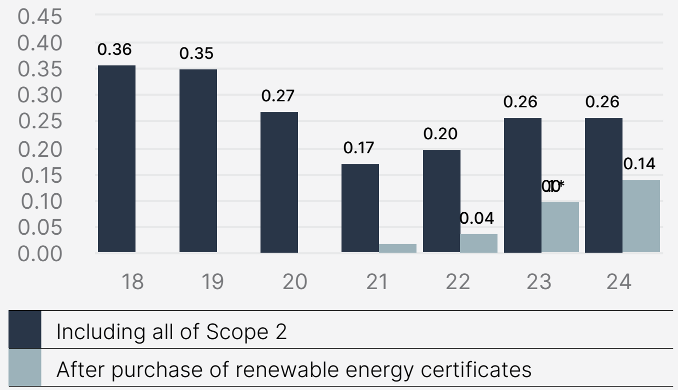
Breakdown of Group emissions

Over the past seven years, our intensity indicators have reduced. While our intensity increased this year, it was expected, due to the reduction in our headcount following the W&I UK and Rathbones Combination in September 2023, as well as some locations being double-counted due to changes in locations. We continue to find ways to reduce our environmental impact and offset unavoidable residual emissions with credible and high-quality carbon credits.

Emissions per average headcount for the Group
(tCO_2e)



Emissions per m² office space for the Group
(tCO_2e)



* Numbers restated from previous year due to review of the calculation approach specific to UK

Group carbon footprint BoR

Our respective carbon footprints have been calculated according to the international Greenhouse Gas (GHG) Protocol's Corporate Accounting and Reporting Standard (revised edition). Our environmental data collection system allows us to track and manage 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.

Every year, we endeavour to improve the accuracy and completeness of our data collection processes. Within each geography, the environmental manager is responsible for monitoring the GHG emissions. There has been a reduction in our carbon footprint, and while we endeavour to continue to make reductions and increase efficiencies, some of these reductions in the past financial year are due to reduced headcount following the integration of W&I UK with Rathbones in September 2023.

Carbon footprint for the Group*

			31 March 2024		31 March 2023*			
		Units	**Consumption in units of measure**	**Tonnes of CO_2 equivalent**	**Consumption in units of measure**	**Tonnes of CO_2 equivalent**	**Variance in tonnes CO_2 equivalent**	**Notes**
Scope 1				**3 101**		**2 736**	**13%**	
Energy	Natural gas	kWh	207 713	38	240 944	44	(14%)	
	LPG stationary	l	28 737	45	29 394	46	(2%)	
	CO_2 purchased	kg	147	–	58	–	>100%	
	Diesel	l	873 131	2 197	982 289	2 513	(13%)	
Refrigerant	Refrigerant	kg	296	678	35	111	>100%	1
Company vehicles	Vehicle fleet	km	871 912	143	130 361	22	>100%	1
Scope 2				**17 250**		**23 682**	**(27%)**	**2, 4**
Location-based	**Total Electrical energy consumption**	kWh	**21 625 718**	**17 250**			(27%)	
Market-based	**Total Electrical energy consumption**	kWh	**21 625 718**	**–**			—%	
	Unspecified Energy consumption	kWh	19 254 135	16 757			—%	
	Green-energy consumption	kWh	2 371 583	–			—%	
	Renewable Energy Certificates	kWh	19 254 135	(16 757)	26 544 542	(23 515)	(29%)	2, 4, 8
Scope 3 upstream				**16 249**		**12 283**	**32%**	**2**
Paper	Paper consumption	t	33	30	65	60	(50%)	
Waste	General waste	t	213	106	329	139	(24%)	2
Employee travel	Rail travel	km	147 499	3	376 883	12	(74%)	
	Road business travel	km	1 282 177	214	1 127 587	192	11%	
	Taxi	km	97 651	17	57 134	10	62%	
	Commercial airlines	km	39 067 324	14 777	33 392 273	9 137	62%	2
	Rail travel (spend-based approach)	£	315 232	195	473 292	385	(49%)	6
	Commercial airlines (spend-based approach)	£	192 028	242	442 417	736	(67%)	6
	Road business travel (spend-based approach)	£	361 926	181	480 152	390	(54%)	6
Work-from-home emissions	Electrical energy consumption	kWh	283 309	59	730 451	402	(85%)	5
	Natural gas	kWh	2 325 947	425	3 960 597	723	(41%)	2, 5
	LPG stationary	l	–	–	62 403	97	(100%)	5
Total operational emissions				**36 600**		**38 701**	**(5%)**	
	location-based			36 600		38 701	(5%)	
	market-based			19 350		15 019	29%	
No scope								
Water	Water consumption	kl	95 603		83 008		15%	
Recycled waste	Recycled waste	t	406		156		>100%	
Intensity								
Emissions per average headcount				4.59		4.45	3%	2
Emissions per m^2 office space				0.26		0.26	—%	2
Emissions per revenue ($)				0.001%		0.002%	(50) %	
Water consumption per average headcount				11.99		9.77	23%	
Intensity after purchase of renewable energy certificates								
Emissions per average headcount				2.43		1.77	37%	2
Emissions per m^2 office space				0.14		0.10	40%	2
Climate change mitigation								
Scope 2 Renewables certificates		MWh	**19 254**	**16 757**	26 544	23 682	(29%)	4, 8
Carbon credits				21 022		14 299	47%	3, 7
Total operational emissions after mitigation				–		–		

* Reasonable assurance obtained from EY for select metrics. Please refer to EY's assurance report in our 2024 Group sustainability report page 128 for detail

Assessment parameters

Coverage
- Refer to BoR for coverage.

Independent assurance
- Reasonable assurance provided by EY for the year ended 31 March 2023 and 31 March 2024.

Consolidation approach
- Operational control.

Emission factor data source
- DEFRA (2023), International Energy Agency (IEA), eGRID (for New York electricity) and Eskom (for South Africa electricity).

Intensity ratio
- Emissions per average headcount
- Emissions per office space m^2
- Emissions per revenue ($).

Notes:
1 As our data collection improves we are continuously adding additional locations.
2 We have restated 2023 as an error was corrected.
3 Additional carbon credits purchased to maintain 2023 carbon neutrality.
4 We maintained 100% renewable energy in 2023 due to the purchase of additional RECS.
5 We have not included work-from-home emissions for Investec Limited as we have returned to a five-day office week since 2022.
6 Our spend-based approach in 2023 changed from $ to $ to £.
7 We are pre-purchasing 5 321 carbon removal credits that will be issued and retired in Q4 of 2024.
8 We have contracted for 19 254MWh of renewable energy certificates that will be issued and retired by 30 June 2024.

* Restated, the information in this report includes estimates or other information that are subject to uncertainties, which may include the methodology, collection and verification of data, various estimates and assumptions, and/or underlying data that is obtained from third parties. As a result, we expect that certain disclosures in this report may be amended, updated, recalculated and restated in the future as the quality and completeness of our data and methodologies continue to improve.

4b Metrics and targets within our business

Fossil fuel exposures

The transition to a net-zero carbon world cannot be done in isolation from the realities of the communities in which we, and our clients, operate. When assessing our participation in fossil fuel activities, we consider a variety of financial, socio-economic and environmental factors relevant to a local context (for example poverty, growth, unemployment and carbon impact).

We apply prudent due diligence to all fossil fuel activities (including extraction, power generation, infrastructure, distribution and utilities) which go through a rigorous process and require senior decision-making approval. Investec's appetite for this sector is reviewed annually at the Executive Risk Appetite Forum and the DLC SEC.

Target:
Within Investec Group, we have committed to achieve

zero thermal coal exposures

in our loan book by 31 March 2030

Energy lending portfolio for Investec Group BoR

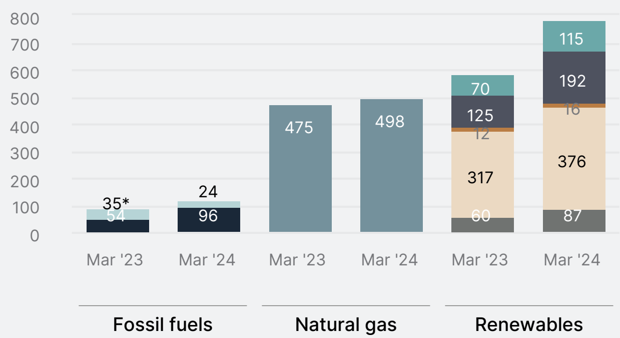
Our approach deliberately focuses on financing infrastructure solutions that promote renewable and clean energy, stimulate economic growth, and provide access to essential services. We recognise the need for a just and orderly transition away from fossil fuels, while also considering the socio-economic factors, particularly in the developing economies where we have a presence.

We focus on climate resilience as a priority for our businesses, including the communities where we operate in. Over the past year, we screened all potential fossil fuel transactions and upheld our criteria as set out in our fossil fuel policy.

We remain committed to have zero thermal coal exposure in our loan book by 31 March 2030 for the Group. Over the past year, we have seen an increase in our total fossil fuel exposures, particularly in our natural gas and oil exposures. While we recognise the negative impact of all fossil fuels, we understand the importance of balancing the transition to renewable energy with the practical considerations of our clients' operating environments. These exposures are managed through a full due diligence process and adherence to our fossil fuel policy.

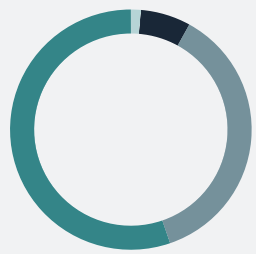
We are conscious that we operate on the African continent which severely lacks access to clean and renewable energy, in addition to a myriad of socio-economic needs. We are therefore aware that we may face fluctuations in our fossil fuel exposures from one year to the next as we navigate through this transition. We acknowledge the many opportunities within sustainable climate action and have strong expertise in this sector, especially in renewable infrastructure, and we will act on these opportunities where possible.

Energy lending portfolio for Investec Group (£'mn)



Oil	Coal
Natural gas	Wind energy
Solar energy	Biomass energy
Energy from waste	Other and storage

Energy lending portfolio for Investec Group (%)



	Mar '23	Mar '24
Coal	3.02%*	**1.69%**
Oil	4.74%*	**6.85%**
Natural gas	41.34%*	**35.47%**
Renewables	50.90%*	**55.99%**

Coal as a % core loans and advances
0.08% (2023: 0.11%*)

Fossil fuels as a % of core loans and advances
1.98% (2023: 1.84%)

Coal exposure as a % of total energy lending portfolio
1.69% (2023: 3.02%*)

Renewables exposure as a % of total energy lending portfolio
55.99% (2023: 50.90%*)

*Restated

Target: Within Investec plc we have a commitment to zero coal exposures in our loan book by 31 March 2027

Energy lending portfolio for Investec plc

The mix of the energy portfolio in our Investec plc banking book reflects the trajectory of the energy transition in developed countries. We have a global energy and infrastructure business operating across the UK, Europe and the United States, with a deliberate focus on financing solutions that promote renewable and clean energy.

The UK government has implemented a comprehensive framework for green financing, providing guidelines for both investors and companies involved in financing green projects. As part of this framework, the UK government has issued green gilts and green savings bonds, such as the Green Gilt and National Savings & Investments (NS&I's) Green Savings Bonds, to raise funds specifically for green projects.

Additionally, the UK Green Financing Programme has been established to raise financing for these projects, with over £31bn already raised through the sale of green gilts and over £1bn from NS&I's Green Savings Bonds.

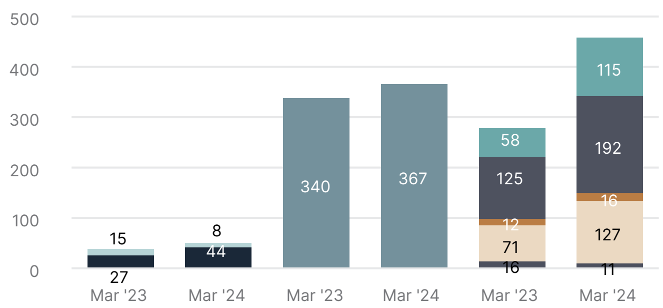
To further support the transition to a net-zero economy, the UK government has published a Green Finance Strategy, which aims to mobilise green investment. Furthermore, a Transition Plan Taskforce has been set up to develop a framework for companies to publish their transition plans and disclose their progress towards achieving net-zero emissions. Lastly, the UK government is developing a green taxonomy, which will provide investors with clear definitions of economic activities that can be labeled as green.

We are following the developments in the UK with Investec plc committing to zero coal exposure in their loan book by 31 March 2027. Over the past year, we have seen an increase in oil and gas exposure, specifically in the United States portfolio, as we transition away from coal.

The increase in oil exposure relates to new facilities that have been provided to existing clients in the midstream oil and gas industry that were drawn in the period to March 2024. We have seen natural gas increase in line with the transition pathways towards net zero within our jurisdictions.

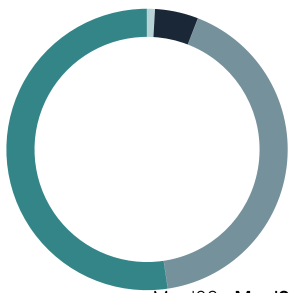
We manage existing fossil fuel exposures in accordance with our fossil fuel policy. As we recognise the role of natural gas in the transition to a cleaner economy, there may be an increase in these exposures as we navigate towards a zero-carbon economy. However, we will seize opportunities to finance infrastructure solutions that promote renewable and clean energy, leveraging our international expertise in this sector.

Energy lending portfolio for Investec plc (£'mn)



Oil	Coal
Natural gas	Wind energy
Solar energy	Biomass energy
Energy from waste	Other and storage

2024 Breakdown of Investec plc energy portfolio (%)



	Mar '23	**Mar '24**
Coal	2.26%	**0.90%**
Oil	4.07%	**5.00%**
Natural gas	51.20%	**41.75%**
Renewables	42.47%	**52.35%**

Coal as a % core loans and advances

0.05%

(2023: 0.10%)

Coal exposure as a % of total energy lending portfolio

0.90%

(2023: 2.26%)

Fossil fuels as a % of core loans and advances

2.50%

(2023: 2.43%)

Renewables exposure as a % of total energy lending portfolio

52.35%

(2023: 42.47%)

Target: Within Investec Limited we have a commitment to zero thermal coal exposures by 31 March 2030

Energy lending portfolio for Investec Limited

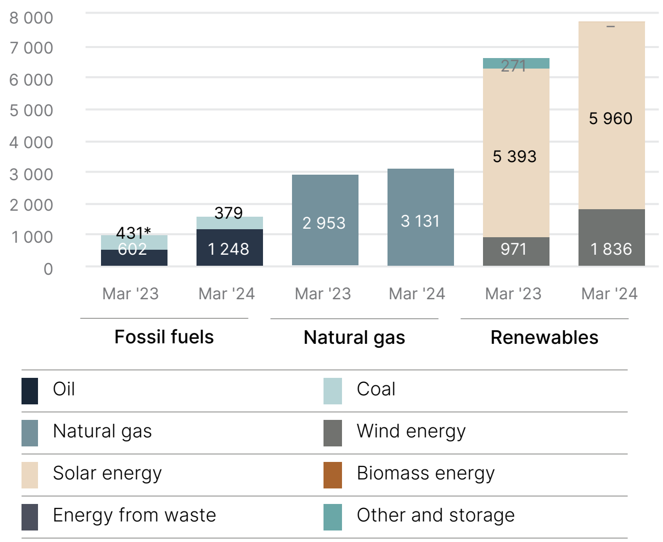
The Eskom Just Energy Transition Project (EJETP), a $497mn initiative, aims to transition South Africa's public energy utility, Eskom, from coal to renewable energy sources in order to reduce greenhouse gas emissions. The Just Energy Transition Partnership (JETP) is a decarbonisation program focused on replacing South Africa's aging coal-fired power stations with green alternatives and promoting green industrialisation. As part of this transition, the Komati power station, the oldest coal plant in the country, has been converted for solar energy production, albeit at a lower output. Additionally, an experimental enterprise for containerised mini-grid solar production and a training facility have been established.

South Africa is also piloting a green hydrogen industry and supporting the development of electric vehicles to further the green transition. The government is investing in capacity development in municipalities to strengthen their support for the green transition. A key principle of the South African government's approach is ensuring a just transition, which prioritises fairness and equity for all stakeholders, including workers and communities. In addition, South Africa is receiving international support for its green transition from partners such as the European Union, Germany, France, the UK, and the US.

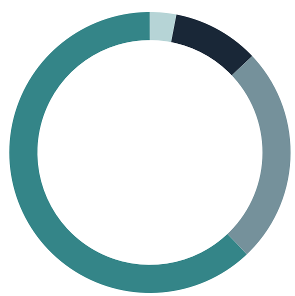
The slight increase in oil exposure is due to facilities provided to existing clients in the midstream oil and gas industry, drawn in the period up to March 2024. We have observed a corresponding rise in natural gas exposure as it aligns with the transition pathways towards net zero in our jurisdictions[1]. We approach this cautiously, considering the needs and dependency of developing economies on fossil fuels. We also take into account the energy security in South Africa and the role of gas as a transition fuel. We actively seek opportunities to finance infrastructure solutions that promote renewable and clean energy, leveraging our international expertise in this sector.

1 https://www.nbi.org.za/wp-content/uploads/2023/02/NBI-Press-Release-15-Feb-22-The-role-of-gas-FINAL.pdf

Energy lending portfolio for Investec Limited (R'mn)



2024 Breakdown of Investec Limited energy portfolio (%)



	Mar '23	Mar '24
Coal	4.06%*	**3.02%**
Oil	5.67%*	**9.94%**
Natural gas	27.80%*	**24.94%**
Renewables	62.47%*	**62.10%**

Coal as a % core loans and advances
0.11%
(2023: 0.13%*)

Coal exposure as a % of total energy lending portfolio
3.02%
(2023: 4.06%*)

Fossil fuels as a % of core loans and advances
1.37%
(2023: 1.21%*)

Renewables exposure as a % of total energy lending portfolio
62.10%
(2023: 62.47%)**

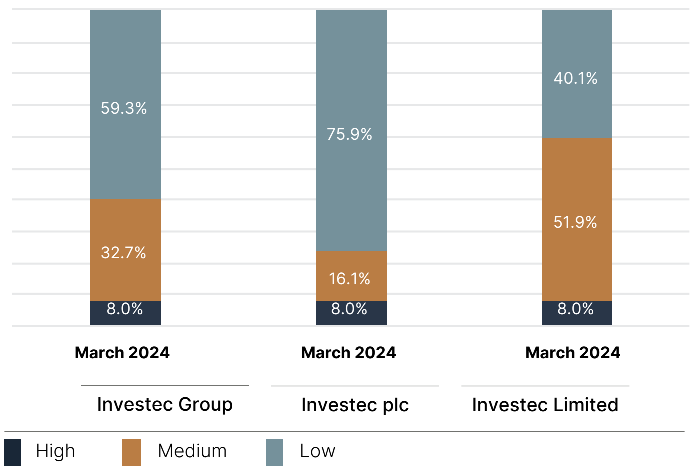
Exposure to Eskom has been excluded from these numbers due to the critical importance of Eskom as an energy provider to the country. Our exposure to Eskom, predominantly fossil fuels, was R50mn as of Mar'24. Additionally, exposure to petrol stations of R4.2bn (2023: R3.2bn) is excluded from these numbers.

* Restated.
** Restated. Additionally, FY2023 Renewable exposure includes a reclassification of R271mn to storage from Biomass energy.

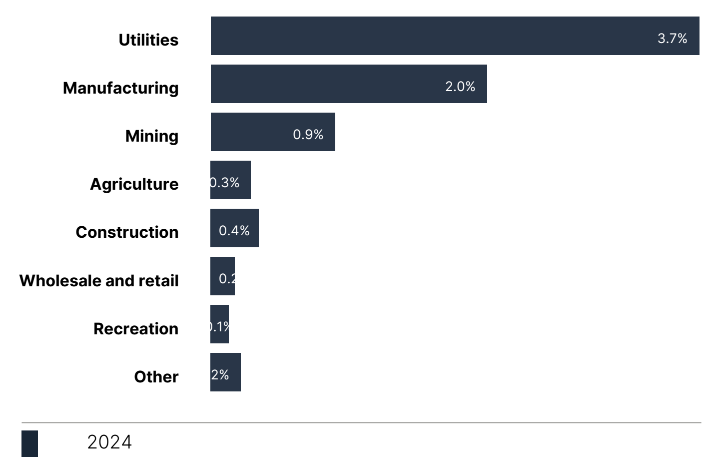
4b ESG breakdown of our loan book

We have assessed our core loans and advances portfolio and 92.0% of the exposures are in low or medium-risk industries. Within the higher risk industries, we have analysed our exposures on a transactional level, which shows that a maximum of 8.0% would fall into high-risk* classification according to the IFC guidelines.

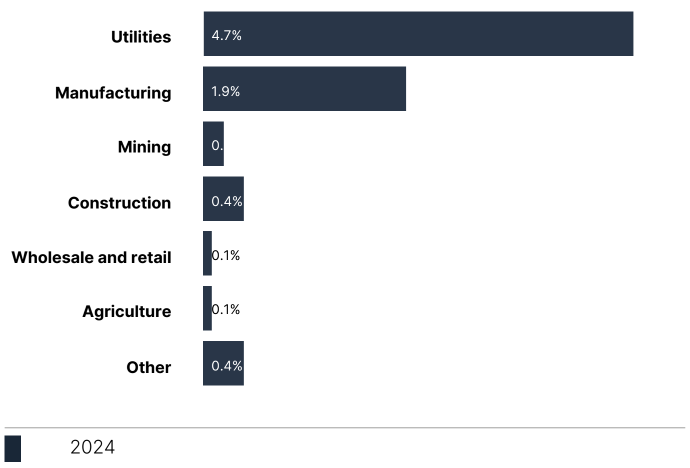
ESG risk breakdown for Investec Group (%)



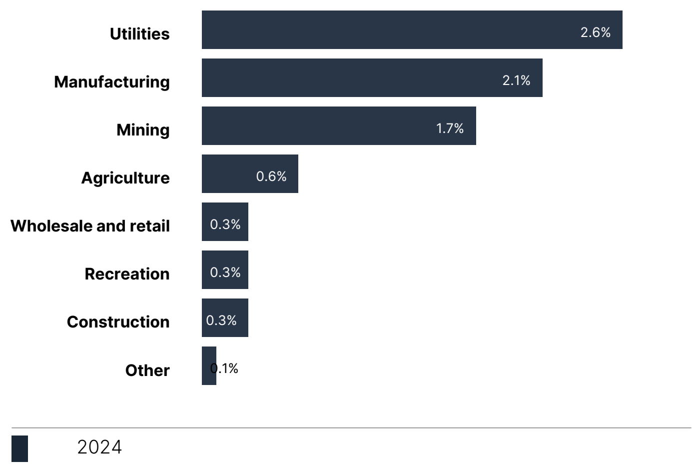
High-risk* industry breakdown for Investec Group (%)



High-risk* industry breakdown for Investec plc (%)



High-risk* industry breakdown for Investec Limited (%)



* As defined by the International Finance Corporation (IFC)

Only
8.0%
of our loan book is within high-risk* industries

Sustainability risk assessment

We continue to enhance our screening process across all our business activities. Transactions are classified according to the World Bank IFC guidelines into high, medium and low risk.

High risk: Proposed funding or investment is likely to have significant adverse social or environmental impacts that are diverse, irreversible, or unprecedented if not addressed through mitigation.

Medium risk: Proposed funding or investment is likely to have potential limited adverse social or environmental impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures.

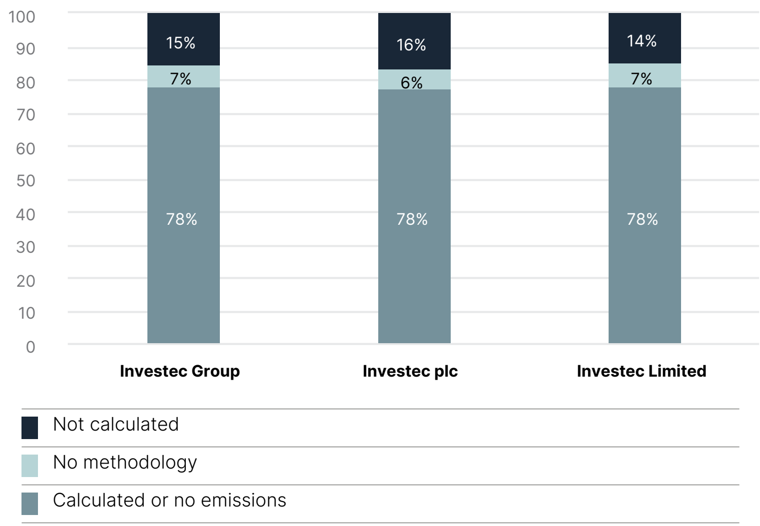
Low risk: Proposed funding or investment is likely to have minimal or no social or environmental impacts. This category primarily relates to services, consulting, training and education, trading, retail sales, etc.

Once a transaction has been identified as being in a high-risk industry, these activities go through a comprehensive due diligence process performed by the Group sustainability team.

4b Our Scope 3 financed emissions coverage

The table on page 66 provides a concise overview of the emissions calculated from our lending and investing activities, presenting a year-on-year comparative view. For more detailed information regarding the calculation methodology, rebased emissions, and underlying assumptions, please refer to the subsequent sections.

Financed emissions coverage** (%)



We have calculated our Scope 3 financed emissions within six asset classes. These emissions amount to 2.52mn tCO_2e (2022: 3.25mn* tCO_2e). Our ambition to achieve net zero by 2050 is underpinned by a three-pronged strategy:

- Meeting our fossil fuel exposure commitments
- Driving sustainable and transition finance activities
- Influencing our clients and suppliers to effectively pursue decarbonisation.

We continue to find innovative ways to decrease our Scope 3 financed emissions and are dedicated to advocate climate action. We take a collaborative approach, balancing our own ambitions with regional regulation and transition plans, rather than solely relying on the decarbonisation strategies of the jurisdictions where we operate. It is important to note that this reduction may not necessarily occur from year to year, but rather over a period of time as our business evolves, and each country and sector adjusts and implements their respective net-zero strategies.

The need to address climate change and limit global warming within a 1.5°C temperature rise has become increasingly urgent, as emphasised by the Paris Agreement and the recent IPCC 6th Assessment Report. In line with this, our focus this year was on improving the process to calculate our financed emissions, while concurrently working on the foundations of new sectors to be included.

We have:

- made substantial progress in improving the quality of our data inputs. This involved implementing rigorous data collection processes to ensure that the data we use are accurate, reliable, and up-to-date
- collaborated with our business partners and stakeholders in obtaining the necessary data points and validating their accuracy to ensure the reliability of data inputs
- dedicated significant resources to automate the financed emissions calculations using the PCAF methodology which improved alignment across our jurisdictions and improved the consistency of applied methodologies
- enhanced the process and thereby increasing our data governance and data integrity.

Transparency and accountability are fundamental to our approach. In line with this, we are committed to communicating any modifications to our methodologies or data inputs that have a significant impact on our reporting.

We rely on PCAF for emission factors as an input into the emission calculation for certain sectors. In September 2023 PCAF released an updated emissions factor database, which included an updated motor vehicle dataset and the introduction of the Global Building Dataset. An impact analysis was performed on all affected sectors, and where the impact was deemed material the decision was made by the ESG Executive Committee to rebase the 2022 emissions and targets. This was done to enable comparability to 2023 emissions and to ensure our transition pathway baseline is in line with current calculation methodologies.

We have clearly indicated any necessary adjustments or rebases in the detailed sections and provided thorough explanations to ensure a clear understanding of the changes made.

In alignment with the SBTi's 1.5°C-aligned scenario, we have reported scenarios for mortgages, and commercial real estate in line with the 1.5°C scenario. For power generation we have reported against the Net Zero Emissions by 2050 (NZE2050) scenario, which is a 1.5°C-aligned scenario.

When comparing institutions, it is crucial to exercise caution due to potential variations in datasets, assumptions, and methodologies used. Different institutions may employ different approaches to calculating emissions, which can result in discrepancies in reported figures. It is important to consider these variations and exercise prudence when drawing comparisons between institutions.

These efforts align with our commitment to sustainable and responsible business practices. We are dedicated to continuously improving our data inputs to enhance our PCAF data quality score. We will also actively seek opportunities to further enhance our methodologies and processes, ensuring that we remain at the forefront of best practices in addressing climate change.

Financed emissions - summary

The table provided below contains a summary of our financed emission key metrics and should be read in conjunction with the detailed sections that explains any year on year variances.

Investec plc

Asset class	Sector	2023					2022*				
		% of book covered	Scope 1 and 2 (tCO_2e)	Physical emissions intensity	Economic emissions intensity (tCO_2e/£mn)	Weighted average data quality score	% of book covered	Scope 1 and 2 (tCO_2e)	Physical emissions intensity	Economic emissions intensity (tCO_2e/£mn)	Weighted average data quality score
Property	Commercial real estate	100%	26 382	59 kgCO2e/m2	20.7	4.0	100%	28 617	59 kgCO_2e/m^2	20.2	4.0
	Residential real estate	100%	2 298	28 kgCO2e/m2	5.0	4.0	100%	2 167	28 kgCO_2e/m^2	4.7	4.0
	Mortgages	100%	15 407	34 kgCO2e/m2	3.3	3.2	100%	13 132	38 kgCO_2e/m^2	3.6	3.3
Transport	Fleet finance: motor vehicles	100%	68 848	103 gCO2e/km	71.8	2.4	100%	64 221	105 gCO_2e/km	87.4	2.6
	Aviation	88%	685 530	—	2 409.7	2.0	82%	1 518 967	—	5 292.2	2.0
Energy	Power generation	100%	623 573	361 kgCO2e/MWh	3 105.4	2.4	74%	596 627	313 kgCO_2e/MWh	1 952.4	3.0
Equity	Listed equity	99%	261	—	1.5	1.0	99%	232	—	0.6	1.0

Investec Limited

Asset class	Sector	2023					2022*				
		% of book covered	Scope 1 and 2 (tCO_2e)	Physical emissions intensity	Economic emissions intensity (tCO_2e/Rmn)	Weighted average data quality score	% of book covered	Scope 1 and 2 (tCO_2e)	Physical emissions intensity	Economic emissions intensity (tCO_2e/Rmn)	Weighted average data quality score
Property	Commercial real estate	97%	353 237	56 kgCO2e/m2	4.4	4.0	93%	335 985	55 kgCO_2e/m^2	4.5	4.0
	Residential real estate	100%	40 870	30 kgCO2e/m2	3.3	4.0	92%	37 747	30 kgCO_2e/m^2	3.6	4.0
	Mortgages	99%	214 944	30 kgCO2e/m2	2.4	4.0	99%	206 578	30 kgCO_2e/m^2	2.4	4.0
Transport	Motor vehicle finance	100%	42 552	127 gCO2e/km	7.7	2.3	100%	27 875	125 gCO_2e/km	8.0	2.4
	Fleet finance: motor vehicles	100%	20 518	246 gCO2e/km	22.2	3.4	100%	16 117	247 gCO_2e/km	22.9	3.5
	Fleet finance: yellow equipment	100%	13 243	—	10.1	4.0	100%	14 149	—	10.2	4.0
	Aviation	79%	182 152	—	55.6	2.0	66%	157 475	—	65.2	2.0
Energy	Power generation	100%	218 715	233 kgCO2e/MWh	26.6	3.0	100%	231 284	250 kgCO_2e/MWh	36.1	3.0
Equity	Listed equity	63%	11 110	n/a	19.1	1.2	90%	740	n/a	0.1	1.0

* Rebased values where applicable, refer to the page 66 for more information on the individual sectors affected

Consolidated financed emissions

The table below provides an overview of our financed emissions. We have clearly indicated the sectors that was rebased and have noted the reasons for the rebase in the relevant detailed sections.

The updated PCAF database mainly affected the Investec Limited emissions, while the rebase within Investec plc being due to the refinement of our understanding of the PCAF methodology.

	Investec Group			Investec plc			Investec Limited		
tCO_2e	**Mar-23**	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported
Commercial real estate	379 619	364 602*	1 803 140	26 382	28 617*	33 495	353 237	335 985*	1 769 645
Residential real estate	43 168	39 914*	180 211	2 298	2 167*	5 778	40 870	37 747*	174 433
Total lending collateralised by property	**422 787**	**404 516**	**1 983 351**	**28 680**	**30 784**	**39 273**	**394 107**	**373 732**	**1 944 078**
Mortgages	230 351	219 710*	667 593	15 407	13 132	13 132	214 944	206 578*	654 461
High net worth motor vehicle finance	42 552	27 875*	40 419	–	–	–	42 552	27 875*	40 419
Total high net worth mortgages and motor vehicle finance	**272 903**	**247 585**	**708 012**	**15 407**	**13 132**	**13 132**	**257 496**	**234 453**	**694 880**
Small ticket asset finance	102 609	94 487	94 487	68 848	64 221	64 221	33 761	30 266	30 266
Motor vehicles	89 366	80 338**	69 811	68 848	64 221	64 221	20 518	16 117**	5 590
Yellow equipment	13 243	14 149**	24 676	–	–	–	13 243	14 149**	24 676
Aviation finance	867 682	1 676 442	1 676 442	685 530	1 518 967	1 518 967	182 152	157 475	157 475
Power generation	842 288	827 911	827 911	623 573	596 627	596 627	218 715	231 284	231 284
Total corporate and other lending	**1 812 579**	**2 598 840**	**2 598 840**	**1 377 951**	**2 179 815**	**2 179 815**	**434 628**	**419 025**	**419 025**
Total emissions in lending activities	**2 508 269**	**3 250 941**	**5 290 203**	**1 422 038**	**2 223 731**	**2 232 220**	**1 086 231**	**1 027 210**	**3 057 983**
Emissions in listed investments	11 371	972	972	261	232	232	11 110	740	740
Total emissions	**2 519 640**	**3 251 913**	**5 291 175**	**1 422 299**	**2 223 963**	**2 232 452**	**1 097 341**	**1 027 950**	**3 058 723**
Year on year (decrease)/increase	(23)%	(39)%		(36)%	0%		7%	(66)%	

* Rebased
** Reclassification between categories (no impact on emissions)

Financed emissions within our lending activities

Translating portfolio alignment and decarbonisation into active portfolio management steering is a three-step process:

1. **Calculate financed emissions:** We have calculated our proportion of financed emissions within our material asset classes for the year ended 31 March 2023 (the reporting period is one year in arrears as this allows time for adequate review and emissions data maturity). These emissions are closely monitored and tracked against the decarbonisation pathways to assess progress and ensure alignment with our

2. **Calculate how financed emissions should decrease over time to align to the goals set out by the Paris Agreement:** We have calculated a decarbonisation pathway given a benchmark scenario. The benchmarking that was used is explained on pages 68 to 81 of this report. To determine the baseline for the targets, we have used our portfolio exposures for the year ended 31 March 2021 to calculate the baseline within our power generation portfolio and Investec plc mortgage portfolio. For sectors where we rebased our emissions we used the rebased emissions for the year ended 31 March 2022 as the baseline, reflecting a more accurate assessment of the emissions associated with these sectors. Sectors rebased are clearly stated in the detailed sector pages. We follow the guidelines set by the NZBA to base our targets on sector-specific physical emissions intensity.

3. **Implement decarbonisation strategies and management actions for portfolio alignment:** We have integrated the necessary decarbonisation strategies and actions into our portfolios to drive alignment with the decarbonisation targets outlined on pages 69, 72 and 74 of this report.

This section serves as a comprehensive analysis of the calculated financed emissions, representing the first two steps of our process. It provides a detailed overview of the methodology employed, the specific portfolio exclusions applied, calculation assumptions, enhancements, rebasement information, and a year-on-year comparative view in relation to step one.

Within this section, we aim to ensure transparency and clarity by outlining the precise approaches utilised in calculating the financed emissions. We provide insights into the methodology's intricacies, including any adjustments or enhancements made to improve accuracy. Additionally, we present any rebase made to address discrepancies and provide a clear understanding of the emission trends over time.

The objective is to offer stakeholders a robust understanding of our emissions performance, enabling them to evaluate our progress towards our decarbonisation objectives. By providing a comprehensive breakdown of the approach we followed to calculate financed emissions, we enhance transparency and facilitate informed decision-making regarding our environmental impact.

Financed emissions within our power generation portfolio

We used the PCAF methodology to calculate financed emissions within our power generation portfolio.

We will continue to invest in improving the data used for this calculation to further enhance the accuracy.

A PCAF data quality Score 3 (option 2b) was selected where reported emissions were not available. Data required for this quality score are:

Plant production capacity:
The plant-specific production was sourced directly from clients and reputable online sources.

Capacity factors:
Where available, capacity factors were sourced directly from our clients. Alternatively, region-specific plant capacity factors were obtained from reputable sources. For the USA and UK, the capacity factors were sourced from Statista. For Australia,Ghana, Mozambique, Namibia and Senegal the capacity factors were sourced from the International Renewable Energy Agency (IRENA). For South Africa, the capacity factors were sourced from the Council for Scientific and Industrial Research.

Emissions intensity:
The plant-specific emissions factors were obtained from the National Renewable Energy Laboratory In the absence of project stage information, the lifecycle emission factors were used. However, it is acknowledged that further enhancements can be made in the future to refine the calculations by incorporating project-stage considerations.

	Investec Group		Investec plc		Investec Limited	
Power generation	**Mar-23**	Mar-22	**Mar-23**	Mar-22	**Mar-23**	Mar-22
Gross core loan exposure	£575mn	£639mn	£201mn	£306mn	R8 215mn	R6 405mn
% of book covered	100%	88%	100%	74%	100%	100%
Excluded exposures	In the calculation of emissions and targets for the power generation portfolio, it is important to note that waste to energy plants were excluded, refer to the page 69 for more details. Further exclusions were from energy lending activities relating to associated infrastructure, distribution, extraction and other activities not related to power generation. Additionally, fund managers engaged in power generation were also excluded from the calculation. **Within Investec plc**, 100% of power generating plants (excluding waste to energy) was included in the calculation comprising 30% of total energy lending. **Within Investec Limited**, 100% of power generating plants (excluding waste to energy) was included in the calculation comprising 78% of total energy lending.					
Calculation enhancements	Within **Investec plc** improvement in the accuracy of capacity factors sourced from clients resulted in more precise emission estimates. Within **Invested Limited** no improvements were made to the calculation process.					

	Investec Group		Investec plc		Investec Limited	
	Mar-23	Mar-22	**Mar-23**	Mar-22	**Mar-23**	Mar-22
Absolute financed emissions	842 288 tCO_2e	827 911 tCO_2e	623 573 tCO_2e	596 627 tCO_2e	218 715 tCO_2e	231 284 tCO_2e
Emissions intensity - total	n/a	n/a	361 $kgCO_2e/MWh$	313 $kgCO_2e/MWh$	233 $kgCO_2e/MWh$	250 $kgCO_2e/MWh$
Emissions intensity - renewables	n/a	n/a	30 $kgCO_2e/MWh$	29 $kgCO_2e/MWh$	28 $kgCO_2e/MWh$	28 $kgCO_2e/MWh$
Emissions intensity - fossil fuels	n/a	n/a	449 $kgCO_2e/MWh$	508 $kgCO_2e/MWh$	432 $kgCO_2e/MWh$	486 $kgCO_2e/MWh$
Explanation of year-on-year emissions change	**Within Investec plc**, the 5% increase in absolute emissions can be attributed to the corresponding increase in exposure particularly for gas fuelled plants, resulting in a 15% increase in emissions intensity. The increase in exposure to gas can be attributed to its role as a transition fuel as expected during the transition to a low carbon emissions economy. **Within Investec Limited**, the 5% decrease in absolute emissions can be attributed to updated capacity factors for gas fuelled plants in Senegal and Mozambique, the updated capacity factors were sourced from IRENA. Of the R1.8bn increase in exposure, 89% relates to the funding of renewable power plants.					
PCAF data quality score	**Within Investec plc**, a PCAF data quality score of Score 2 (option 1b) was assigned to 63% of the portfolio, where actual project emissions data was available and used. In the case of the remaining 37% of the portfolio, where project emissions data was not available, Score 3 (option 2b) was assigned using primary physical activity data for the project's production. **Within Investec Limited** a PCAF data quality score of Score 2 (option 1b) was assigned to 4% of the portfolio for a shared loan between the two jurisdictions. For the remaining 96% of the portfolio, Score 3 (option 2b) was assigned using primary physical activity data for the project's production.					

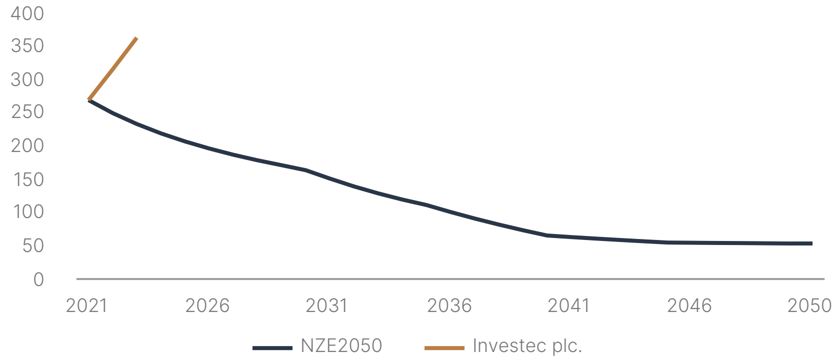
Steering our power generation portfolio

Using the NZE2050 scenario aligns with our ambitious target of limiting global warming to 1.5°C above pre-industrial levels reflecting our dedication to address climate change. In the calculation of targets for the power generation portfolio, it is important to note that waste to energy plants were excluded. Unlike the power generation plants that are currently included in the power generation financed emissions, the primary purpose of waste to energy plants is waste management. Waste management requires specialised steering and strategies for waste management opportunities and these differ from conventional power generation sources. A bespoke methodology is currently being developed to estimate financed emissions for waste to energy plants.

Investec plc

	Emission intensity $kgCO_2e/MWh$		
	NZE2050 target	Investec plc	Investec plc vs. target
2021	**267.3**	**267.3**	–
2022	247.8	313.4	26 %
2023	231.4	360.6	56 %
2025	205.2	—	—
2030	162.0	—	—
2035	109.7	—	—
2040	63.9	—	—
2045	53.3	—	—
2050	51.9	—	—

Emission intensity
$kgCO_2e/MWh$



These targets are a combination of targets set separately for power plants located in the United Kingdom, Europe and United States.

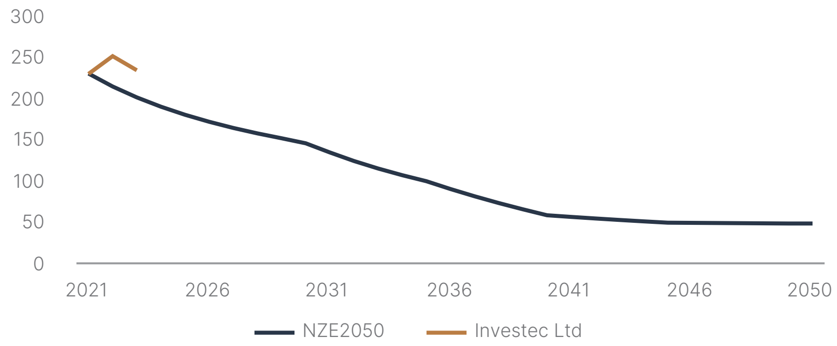
It is noted that the emissions intensity of Investec plc's power generation portfolio exceed the levels set by the NZE2050 1.5C scenario by 56%.

The deviation of emissions tracking above the target can be attributed to the higher level of gas exposure within the portfolio. Gas remains prevalent in the UK and United States energy systems, serving as a reliable and accessible fuel source for power generation and heating. While the transition to renewable energy sources is a priority, the significant reliance on gas and the existing infrastructure make it challenging to completely exit gas from the energy mixes. As we continue to support these countries in their just transition to a net-zero carbon economy we expect the emissions associated with gas to increase over the medium term as the gradual reduction of gas emissions and the integration of cleaner alternatives are implemented. This commitment is rooted in our recognition of the need to address the environmental challenges posed by gas consumption while simultaneously exploring and adopting sustainable alternatives. While acknowledging the complexities and challenges involved in completely phasing out gas, we remain steadfast in our commitment to reducing greenhouse gas emissions and mitigating the impacts of climate change. Our fossil fuel policy commits Investec to no longer finance any new oil and gas extraction, exploration or production from 1 January 2035.

Investec Limited

	Emission intensity $kgCO_2e/MWh$		
	NZE2050 target	Investec Limited	Investec Limited vs. target
2021	**229.0**	**229.0**	–
2022	213.3	250.1	17 %
2023	200.1	232.9	16 %
2025	179.0	—	—
2030	144.4	—	—
2035	98.4	—	—
2040	57.1	—	—
2045	48.1	—	—
2050	47.1	—	—

Emission intensity
$kgCO_2e/MWh$



These targets are a combination of targets set separately for power plants located in South Africa and power plants located outside of South Africa.

It is noted that the emissions intensity of Investec Limited's power generation portfolio exceed the levels set by the NZE2050 1.5C scenario by 16%.

While the emissions intensity decreased over the past year as a result of continued investment in renewable energy power generation, the deviation of emissions intensity tracking above the target can be attributed to the level of gas exposure within the portfolio. Our gas portfolio consists of power plants located in both developed (United States) and developing countries (Africa). Natural gas as a transition fuel is critical in South Africa's journey to decarbonisation, initially growing as an enabler to the integration of renewables into the power system at scale, gas will then be gradually replaced by other technologies to reach net-zero emissions. Given its importance in the country's energy landscape, a complete exit from gas requires careful consideration and strategic planning. Transitioning to more sustainable and renewable energy sources is a long-term goal, and it is essential to balance the need for energy security, affordability, and environmental sustainability. Therefore, a gradual and well-planned approach is necessary to ensure a smooth transition while minimising disruptions to the energy sector and maintaining reliable power supply. Our fossil fuel policy commits Investec to no longer finance any new oil and gas extraction, exploration or production from 1 January 2035.

Source: https://www.nbi.org.za/focus-areas/environmental-sustainability/climate-pathways-and-a-just-transition-for-south-africa/#explore

Financed emissions within our commercial and residential real estate portfolios

We used the PCAF methodology to calculate financed emissions within our residential and commercial real estate portfolios. The table presented in this section displays our exposure to these portfolios, along with the corresponding calculated absolute emissions and emissions intensity. We have clearly indicated the impact of the rebased 2022 emissions with detailed explanations included.

	Investec Group			Investec plc			Investec Limited		
Commercial real estate	**Mar-23**	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported
Gross core loan exposure	£4 913mn	£5 331mn	£6 130mn	£1 273mn	£1 419mn	£1 787mn	R79 861mn	R75 251mn	R83 533mn
% of book covered	98%	95%	95%	100%	100%	99%	97%	93%	93%
Excluded exposures	Both **Investec plc** and **Investec Limited** excluded exposure from vacant land properties as these properties do not generate any building-related emissions. Properties in development were excluded, as the PCAF methodology applies to completed buildings. We have expanded our inclusion criteria for Investec Limited to clients from the Mauritius bank, whereas they were previously excluded. Loans to Real Estate Investment Trusts (REITs) are excluded from the calculation and treated as corporate loans due to the nature of the security.								
Calculation enhancements	**Within Investec plc,** off balance sheet exposures have been excluded to align with the PCAF guidance provided. Previously these exposures were included, resulting in an overestimation of emissions. **Within Investec Limited**, we have refined our treatment of cross-collateralised assets and the allocation of associated building emissions. Our previous method was a more general approach, which resulted in an overstatement of emissions figures. We sourced our emission factors from PCAF, whereas previously the emission factor as reported by our energy supplier was used as an approximation.								
Emission rebase	**Within Investec plc** the decrease in emissions was the result of the calculation enhancements. Based on the material impact of the changes, the emissions and targets reported in the 2022 climate report have been rebased for both **Investec Limited** and **Investec plc** to provide a more accurate and consistent representation of the emissions associated with our portfolio. **Within Investec Limited** the updated emissions factor was the main driver for the decrease in emissions. The updated PCAF database released in September 2023 included emission factors for commercial real estate buildings in South Africa that replaced the Eskom emissions factor used previously. The PCAF emission factors for South Africa were significantly lower than the previous estimates. The reduction in exposure value is attributed to the enhanced handling of assets that are cross-collateralised and the exclusion of development exposures. Despite the decrease in exposure, the coverage remained stable because the aggregate exposure value for this sector also decreased following the aforementioned adjustments.								

	Investec Group			Investec plc			Investec Limited		
	Mar-23	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported
Absolute financed emissions	379 619 tCO_2e	364 602 tCO_2e	1 803 140 tCO_2e	26 382 tCO_2e	28 617 tCO_2e	33 495 tCO_2e	353 237 tCO_2e	335 985 tCO_2e	1 769 645 tCO_2e
Emissions intensity	n/a	n/a	n/a	59 $kgCO_2e/m^2$	59 $kgCO_2e/m^2$	54 $kgCO_2e/m^2$	56 $kgCO_2e/m^2$	55 $kgCO_2e/m^2$	158 $kgCO_2e/m^2$
Explanation of year-on-year emissions change	**Within Investec plc**, the 8% decrease in absolute emissions can be attributed to the corresponding decline in the number of assets resulting from loan balances settled. Consequently emissions intensity remained constant. **Within Investec Limited**, the 5% increase in absolute emissions can be attributed to the corresponding increase in exposure. The slight deterioration in emissions intensity is a result of financing buildings with higher associated emissions.								
PCAF data quality score	**Within Investec plc**, Score 4 (option 2b): Estimated building energy consumption per floor area. **Within Investec Limited**, Score 4 (option 2b): Estimated building energy consumption per floor area. We are committed to enhancing the quality of our data by diligently collecting precise building information, including comprehensive details on energy consumption, floor area, and emissions. Our ongoing efforts aim to ensure accurate and reliable data for our analysis and reporting processes.								

	Investec Group			Investec plc			Investec Limited		
Residential real estate	**Mar-23**	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported
Gross core loan exposure	£1 016mn	£1 008mn	£2 001mn	£458mn	£458mn	£1 005mn	R12 254mn	R10 578mn	R19 158mn
% of book covered	100%	99%	98%	100%	100%	97%	100%	92%	100%
Excluded exposures	Both **Investec plc** and **Investec Limited** excluded exposure from vacant land properties as these properties do not generate any building-related emissions. Properties in development were excluded, as the PCAF methodology applies to completed buildings. We have expanded our inclusion criteria for Investec Limited to encompass clients from the Mauritius bank, whereas they were previously excluded. Loans to REITS are excluded from the calculation and treated as corporate loans due to the nature of the security.								
Calculation enhancements	**Within Investec plc,** off balance sheet exposures have been excluded to align with the PCAF guidance provided. Previously these exposures were included, resulting in an overestimation of emissions. **Within Investec Limited**, we have refined our treatment of cross-collateralised assets and the allocation of associated building emissions. Our previous method was a more general approach, which resulted in an overstatement of emissions figures.								
Emission rebase	**Within Investec plc** the decrease in emissions was the result of the calculation enhancements and updated exclusion criteria. Based on the material impact of the changes, the emissions and targets reported in the 2022 climate report have been rebased for both **Investec Limited** and **Investec plc** to provide a more accurate and consistent representation of the emissions associated with our portfolio. **Within Investec Limited,** the updated emissions factor was the main driver for the decrease in emissions. The emission factor for residential buildings in South Africa in the updated PCAF database released in September 2023 was significantly lower than the previous estimates. This was a result of the Global Building Dataset now incorporating country specific data in the calculation of the South African emission factor, replacing the simplified non country-specific approach. The reduction in exposure value is attributed to the enhanced handling of assets that are cross-collateralised and the exclusion of development exposures. Despite the decrease in exposure, the coverage remained stable because the aggregate exposure value for this sector also decreased following the aforementioned adjustments.								

	Investec Group			Investec plc			Investec Limited		
	Mar-23	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported
Absolute financed emissions	43 168 tCO_2e	39 914 tCO_2e	180 211 tCO_2e	2 298 tCO_2e	2 167 tCO_2e	5 778 tCO_2e	40 870 tCO_2e	37 747 tCO_2e	174 433 tCO_2e
Emissions intensity	n/a	n/a	n/a	28 $kgCO_2e/m^2$	28 $kgCO_2e/m^2$	30 $kgCO_2e/m^2$	30 $kgCO_2e/m^2$	30 $kgCO_2e/m^2$	93 $kgCO_2e/m^2$
Explanation of year-on-year emissions change	**Within Investec plc**, the 6% increase in absolute emissions can be attributed to the corresponding increase in exposure, as well as an increase in floor area as a result of improved data granularity of floor area information used. Consequently emissions intensity remained constant. **Within Investec Limited**, the 8% increase in absolute emissions can be attributed to the corresponding increase in exposure. Consequently emissions intensity remained constant.								
PCAF data quality score	**Within Investec plc**, Score 4 (option 2b): Estimated building energy consumption per floor area. **Within Investec Limited**, Score 4 (option 2b): Estimated building energy consumption per floor area. We are committed to enhancing the quality of our data by diligently collecting precise building information, including comprehensive details on energy consumption, floor area, and emissions. Our ongoing efforts aim to ensure accurate and reliable data for our analysis and reporting processes.								

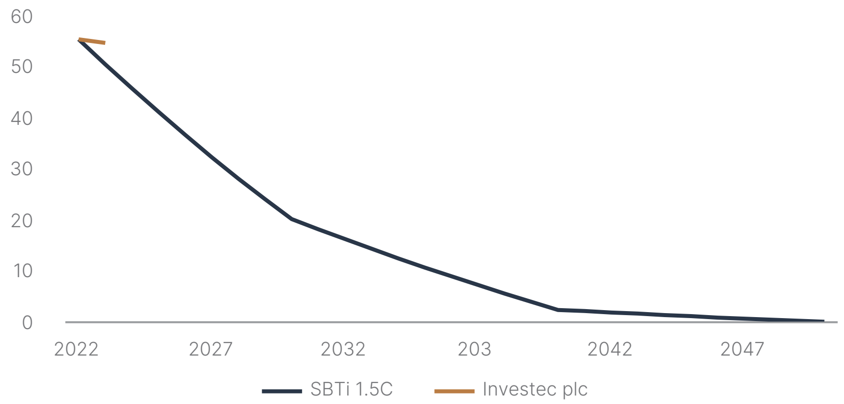
Steering our real estate portfolio

The results of our real estate portfolio within Investec plc and Investec Limited using the SBTi pathway is shown below. One target is derived for Commercial Real Estate (CRE) and Residential Real Estate (RRE) portfolio's as a unified portfolio.

Investec plc

	Emission intensity $kgCO_2e/m^2$		
	SBTi 1.5C target	Investec Limited	Investec plc vs. target
2022	**55.2**	**55.2**	–
2023	50.3	54.5	8 %
2025	41.0	—	—
2030	20.0	—	—
2035	10.5	—	—
2040	2.2	—	—
2045	1.0	—	—
2050	0.0	—	—

Emission intensity
$kgCO_2e/m^2$



It is noted that the emissions intensity of Investec plc's real estate portfolio exceed the levels set by the SBTi 1.5C scenario. The emissions intensity levels are 8% above the 1.5C scenario.

We expect our emissions intensity to decrease as a result of data quality improvement and a shift in business focus due to the new regulations. The UK Government has introduced several regulations to improve energy efficiency in buildings, including the Minimum Energy Efficiency Standards (MEES), Energy Efficiency Regulations, Net Zero Strategy, and Carbon Budgets. These regulations aim to achieve significant emission reductions by 2030 and 2050, and require buildings to meet minimum energy efficiency standards. We continue to identify opportunities to assist our clients in this transition.

Investec Limited

	Emission intensity $kgCO_2e/m^2$		
	SBTi 1.5C target	Investec Limited	Investec Limited vs. target
2022	**51.0**	**51.0**	–
2023	48.1	51.1	6 %
2025	39.2	—	—
2030	19.0	—	—
2035	10.0	—	—
2040	2.1	—	—
2045	0.9	—	—
2050	0.0	—	—

Emission intensity
$kgCO_2e/m^2$

It is noted that emissions intensity of Investec Limited's real estate portfolio exceed the levels set by the SBTi 1.5C scenario. The emissions intensity levels are 6% above the 1.5C scenario.

Our emissions intensity do not reflect the growing trend of South African businesses adopting renewable energy, specifically solar power, in response to frequent power outages, and has contributed to the emissions intensity surpassing the target. The shift towards greener energy sources and anticipated zero emissions building standards are expected to lead to a natural reduction in emissions over time, aligning with Investec's sustainability objectives, and contributing to an overall reduction in the portfolio's carbon footprint. Within Investec Limited we offer Private Banking clients various funding solutions to install solar panels and battery storage systems in their commercial properties, providing a power solution in South Africa, a country currently affected by regular electricity outages and increasing utility costs. Our emission calculations do not currently include the use of solar power which will reduce our emissions when we incorporate this over the next year.

https://methodrecycling.com/world/journal/the-future-of-commercial-real-estate-in-the-uk

Financed emissions within our mortgage portfolio

We used the PCAF methodology to calculate financed emissions within our mortgage portfolios. The table presented in this section displays our exposure to these portfolios, along with the corresponding calculated absolute emissions and emissions intensity. We have clearly indicated the impact of the rebased 2022 emissions with detailed explanations included.

	Investec Group			**Investec plc**			**Investec Limited**		
Mortgage portfolio	**Mar-23**	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported
Gross core loan exposure	£8 851mn	£8 188mn	£8 820mn	£4 706mn	n/a	£3 677mn	R90 954mn	R86 756mn	R98 921mn
% of book covered	100%	99%	98%	100%	n/a	100%	99%	99%	97%
Excluded exposures	Both **Investec plc** and **Investec Limited** excluded exposure from vacant land properties as these properties do not generate any building-related emissions. Properties in development were excluded, as the PCAF methodology applies to completed buildings only. We have expanded our inclusion criteria for Investec Limited to encompass clients from the Mauritius bank, whereas they were previously excluded.								
Calculation enhancements	**Within Investec plc**, there were no modifications made to the calculation. **Within Investec Limited**, we have refined our treatment of cross-collateralised assets and the allocation of associated building emissions. Our previous method was a more general approach, which resulted in an overstatement of emissions figures.								
Emission rebase	**Within Investec plc**, no rebase was required. **Within Investec Limited,** the updated emissions factor was the main driver for the decrease in emissions. The emission factor for residential buildings in South Africa in the updated PCAF database released in September 2023 were significantly lower than the previous estimates. This was a result of the Global Building Dataset now incorporating country specific data in the calculation of the South African emission factor, replacing the simplified non country-specific approach. The reduction in exposure value is attributed to the enhanced handling of assets that are cross-collateralised and the exclusion of development exposures. Despite the decrease in exposure, the coverage remained stable because the aggregate exposure value for this sector also decreased following the aforementioned adjustments. Based on the material impact of the changes, the emissions and targets reported in the 2022 climate report have been rebased for **Investec Limited** to provide a more accurate and consistent representation of the emissions associated with our portfolio.								

	Investec Group			**Investec plc**			**Investec Limited**		
	Mar-23	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported
Absolute financed emissions	230 351 tCO_2e	219 710 tCO_2e	667 593 tCO_2e	15 407 tCO_2e	n/a	13 132 tCO_2e	214 944 tCO_2e	206 578 tCO_2e	654 461 tCO_2e
Emissions intensity	n/a	n/a	n/a	34 $kgCO_2e/m^2$	n/a	38 $kgCO_2e/m^2$	30 $kgCO_2e/m^2$	30 $kgCO_2e/m^2$	93 $kgCO_2e/m^2$
Explanation of year-on-year emissions change	**Within Investec plc**, the 17% increase in absolute emissions can be attributed to the corresponding increase in number of assets resulting from the financing of new homes. As Investec expanded its portfolio by providing financial support to these newly acquired assets, the associated emissions naturally increased. **Within Investec Limited**, the 4% increase in absolute emissions can be attributed to the corresponding increase in number of assets resulting from the financing of new homes. As Investec expanded its portfolio by providing financial support to these newly acquired assets, the associated emissions naturally increased.								
PCAF data quality score	**Within Investec plc**, a PCAF data quality score of Score 3 (option 2a) was assigned to 79% of the portfolio, where building emissions data for Energy Performance Certificates (EPCs) were available and used directly. In the case of the remaining 21% of the portfolio, where building emissions data was not available, property emissions were calculated using estimated building energy consumption per floor area, Score 4 (option 2b). This approach allowed for a comprehensive estimation of emissions across the entire portfolio, ensuring that emissions calculations were conducted even in instances where direct data was not accessible. **Within Investec Limited**, Score 4 (option 2b): Estimated building energy consumption per floor area.								

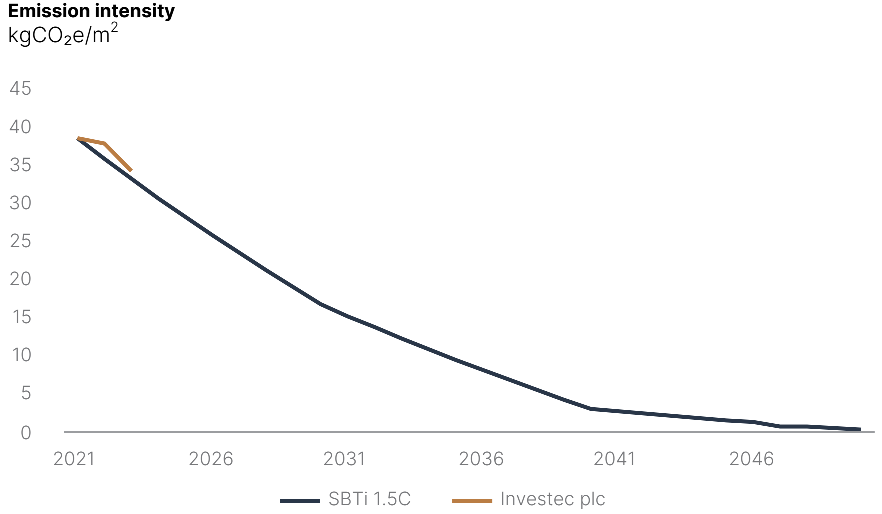
4b Our Scope 3 financed emissions continued

Steering our mortgage portfolio

The results of our mortgage portfolio within Investec plc and Investec Limited using the SBTi pathway is shown below.

Investec plc

	Emission intensity $kgCO_2e/m^2$		
	SBTi 1.5C target	Investec plc	Investec plc vs. target
2021	38.3	38.3	
2022	35.6	37.6	6 %
2023	33.0	34.0	3 %
2025	28.0	—	—
2030	16.6	—	—
2035	9.3	—	—
2040	2.9	—	—
2045	1.4	—	—
2050	0.2	—	—



Although the emissions intensity of Investec plc's mortgages portfolio has decreased, it is noted that this exceeds the levels set by the SBTi 1.5C scenario.The emissions intensity levels are 3% above the 1.5C scenario.

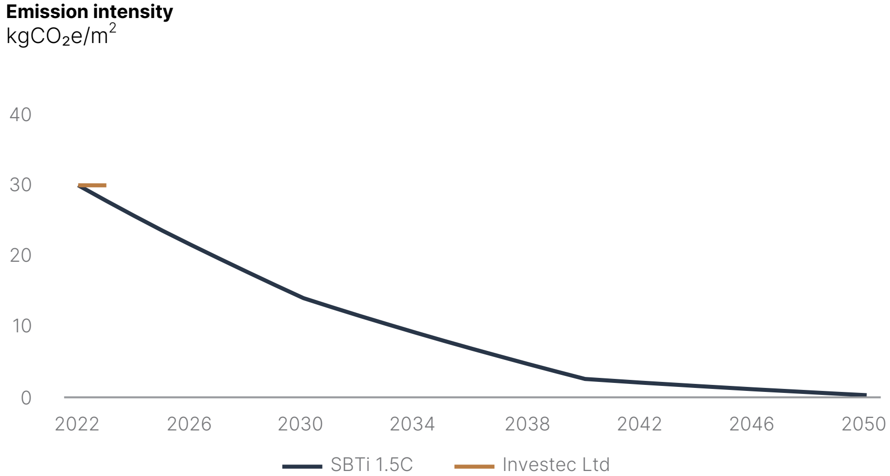
The emissions intensity decrease is inline with our expectation as our data quality improves and the UK efforts to decarbonise homes take effect. The UK's effort to decarbonise homes are ongoing, with a focus on reducing greenhouse gas emissions and transitioning to renewable energy sources.

While the country has made progress in reducing carbon emissions, it still has a significant way to go to meet its climate goals. Key initiatives include the Minimum Energy Efficiency Standard Regulations, and the upgrade to privately rented homes to EPC rating C by 2030.We continue to assist our clients in their efforts to improve homes and obtain higher energy efficiency.

https://www.gov.uk/guidance/domestic-private-rented-property-minimum-energy-efficiency-standard-landlord-guidance

Investec Limited

	Emission intensity $kgCO_2e/m^2$		
	SBTi 1.5C target	Investec Limited	Investec Limited vs. target
2022	29.8	29.8	–
2023	27.6	29.8	8 %
2025	23.4	—	—
2030	13.9	—	—
2035	7.8	—	—
2040	2.5	—	—
2045	1.2	—	—
2050	0.2	—	—



It is noted that the emissions intensity of Investec Limited's mortgage portfolio exceed the levels set by the SBTi 1.5C scenario. The emissions intensity levels are 8% above the 1.5C scenario.

The current measurement of our emissions intensity does not yet account for the growing trend of renewable energy adoption in South African homes, particularly solar power, as a response to frequent load shedding. However, as the shift towards greener energy sources progresses, including the adoption of a more renewable energy-focused grid, we can expect a natural decline in the emissions linked to mortgages. We are dedicated to ensuring that our carbon footprint calculations are refined in the future to include the impact of renewable energy solutions. Within Investec Limited we offer Private Banking clients various funding solutions to install solar panels and battery storage systems in their homes, businesses and practices, providing a power solution in South Africa a country currently affected by regular electricity outages and increasing utility costs.

Technical notes on overall emission calculation methods used and rationale within Investec Limited's and Investec plc's real estate portfolios

The PCAF methodology was used for calculating the financed emissions for the commercial real estate, residential real estate and mortgage asset classes.

Challenges in data and methodologies within Investec Limited and Investec plc

In South Africa, a key challenge in the real estate portfolio remains the lack of actual energy consumption data and floor area data availability for each asset.

To ensure maximum coverage for our real estate portfolio emissions, we leveraged industry recognised property databases for real market information in order to more accurately estimate floor areas where actual information was not available. In instances where there was a lack of data availability for the floor area of buildings, we developed a robust methodology to derive floor areas based on internal information available that is representative of our portfolio. This was done to ensure maximum coverage of our real estate portfolios.

The addition of the PCAF Global database has been invaluable in our efforts to accurately calculate our real estate emissions.

We recognise that we can further enhance the quality of our data by continuing to source accurate data on our building footprint as well as identifying the extent of our client's adoption to renewable energy solutions, and will continue to explore ways to gather all relevant information with the highest degree of accuracy.

In the UK, similarly, there are key challenges around data availability. The best data to calculate the financed emissions using the PCAF methodology requires the actual energy consumption of buildings and specific supplier emission factors. This information is not currently available, as such we relied on estimating these using statistical data. One of the key recommendations of PCAF is to use EPC data for the real estate book where available. We have made great progress in gathering this information, specifically in our mortgage portfolio, and intend to increase our coverage to the rest of the real estate portfolio going forward.

In instances where there was a lack of data availability for the floor area of buildings, we developed a robust methodology to derive floor areas based on internal information available that is representative of our portfolio. This was done to ensure maximum coverage of our real estate portfolios.

For residential real estate specifically, the floor area was sourced from a reliable UK real estate source determined to be the best estimate for actual floor area data available.

Although PCAF has been extremely valuable in providing guidance and access to the European building emission factor database, we can benefit from building a stronger coalition throughout the UK banking sector to discuss challenges and solutions and provide industry best practice.

PCAF will continue to enhance their data quality by including additional data from country or sector specific as it becomes available. We expect to see these updates regularly as the methodology matures.

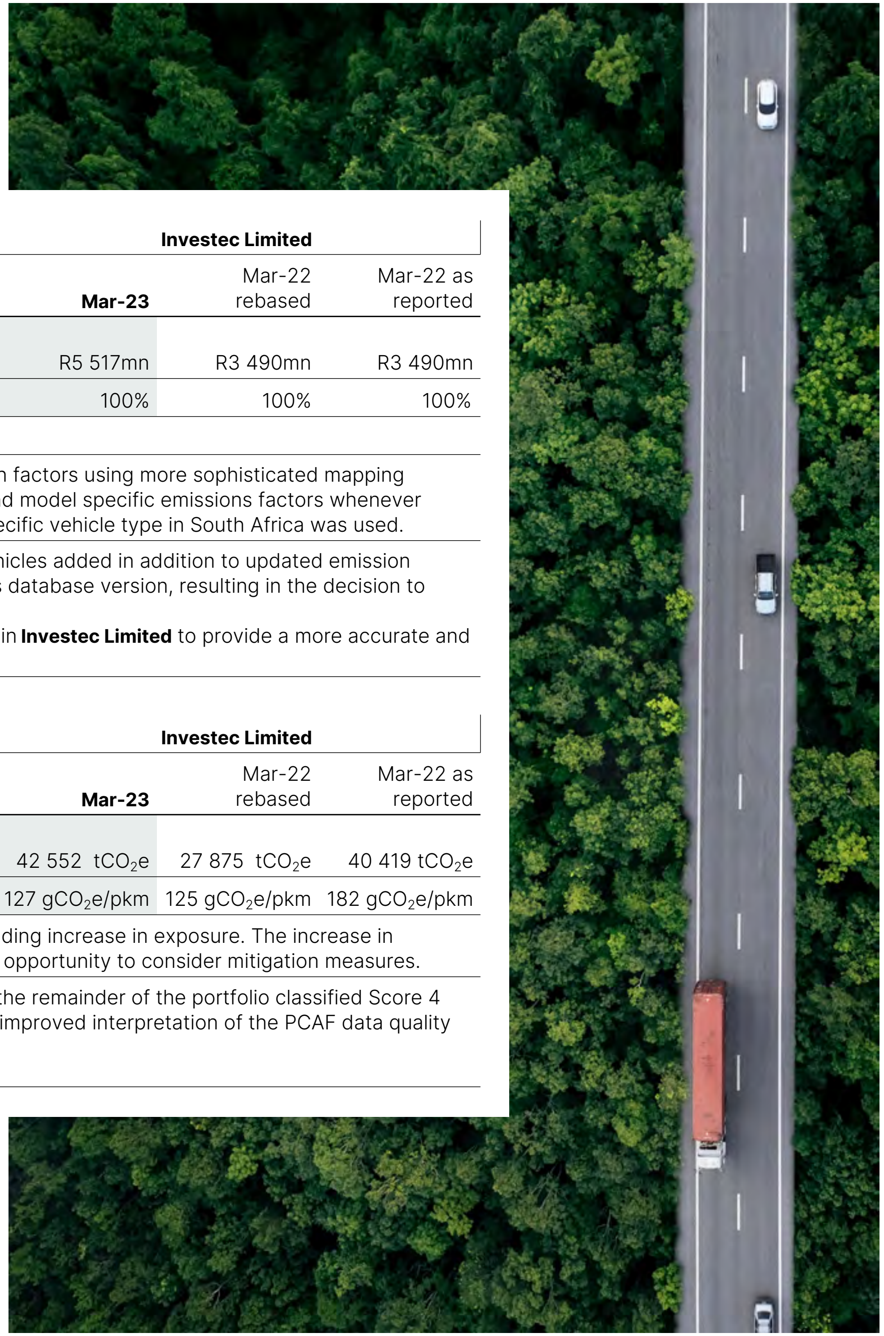
4b Our Scope 3 financed emissions continued

Financed emissions within asset finance – motor vehicle portfolio

We used the PCAF methodology to calculate financed emissions within our motor vehicle portfolio.

	Investec Group			Investec plc			Investec Limited		
Motor vehicle finance	**Mar-23**	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported
Gross core loan exposure	£251mn	£181mn	£181mn	n/a	n/a	n/a	R5 517mn	R3 490mn	R3 490mn
% of book covered	100%	100%	100%	n/a	n/a	n/a	100%	100%	100%
Excluded exposures	No exposures were excluded.								
Calculation enhancements	**Within Investec Limited**, we have improved the mapping of our data to the PCAF database emission factors using more sophisticated mapping methods of vehicle make and model. The emissions calculations were based on the PCAF make and model specific emissions factors whenever available. In cases where such data was not available, the average PCAF emissions factor for a specific vehicle type in South Africa was used.								
Emission rebase	**Within Investec Limited**, PCAF released an updated database in September 2023 with additional vehicles added in addition to updated emission factors. The emission factors for vehicles in South Africa were significantly lower than the previous database version, resulting in the decision to rebase the 2022 numbers to enable comparability year-on-year. As a result of the enhancements, the emissions in the 2022 climate report have been rebased within **Investec Limited** to provide a more accurate and consistent representation of the emissions associated with our portfolio.								

	Investec Group			Investec plc			Investec Limited		
	Mar-23	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported
Absolute financed emissions	42 552 tCO_2e	27 875 tCO_2e	40 419 tCO_2e	n/a	n/a	n/a	42 552 tCO_2e	27 875 tCO_2e	40 419 tCO_2e
Emissions intensity	n/a	n/a	n/a	n/a	n/a	n/a	127 gCO_2e/pkm	125 gCO_2e/pkm	182 gCO_2e/pkm
Explanation of year-on-year emissions change	**Within Investec Limited**, the 53% increase in absolute emissions can be attributed to the corresponding increase in exposure. The increase in emissions intensity reflects the higher emissions intensity of new vehicles financed, suggesting an opportunity to consider mitigation measures.								
PCAF data quality score	**Within Investec Limited** PCAF data quality Score 2 (option 2a) applies to 84% of the portfolio, with the remainder of the portfolio classified Score 4 (option 3a). The PCAF data quality score was improved due to the calculation enhancements, and improved interpretation of the PCAF data quality scores with regards to locality of travel distance assumptions.								



Financed emissions within asset finance – motor vehicle fleet portfolio

We used the PCAF methodology to calculate financed emissions within our motor vehicle fleet portfolios.

	Investec Group			Investec plc			Investec Limited		
Fleet finance	**Mar-23**	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported
Gross core loan exposure-motor vehicles	£1 001mn	£771mn	£584mn	£959mn	£734mn	£570mn	R924mn	R704mn	R270mn
Gross core loan exposure-yellow equipment	£60mn	£72mn	£95mn	n/a	n/a	n/a	R1 307mn	R1 394mn	R1 828mn
% of book covered	100%	100%	95%	100%	100%	100%	100%	100%	69%
Excluded exposures	**Investec Limited** excluded vehicles classified as AOD (Automobiles Other than Cars), trailers, or those with no classification. These vehicle categories may have distinct characteristics or usage patterns that are not applicable or relevant to the calculations being performed. Therefore, to ensure accuracy and consistency in the calculations, it is necessary to exclude these vehicle types from the analysis.								
Calculation enhancements	Improved mapping to the PCAF database emission factors using more sophisticated mapping methods of vehicle make and model for **Investec plc** and **Investec Limited.** Within **Investec Limited** we improved the accuracy of our coverage metric by excluding assets not classified as fleet from the calculation.								
Emission rebase	**Within Investec plc** the exposure value for 2022 was updated to reflect the associated exposure value used in the emission calculation. The emission intensity was updated to accurately reflect the distance travelled for the portfolio, leading to an increase in emission intensity. **Within Investec Limited** the portfolio segmentation was aligned to PCAF guidelines, and emission intensity was updated to reflect the improved portfolio segmentation for motor vehicles to include heavy vehicles.								

	Investec Group			Investec plc			Investec Limited		
	Mar-23	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported	**Mar-23**	Mar-22 rebased	Mar-22 as reported
Absolute financed emissions- motor vehicles	102 609 tCO_2e	94 487 tCO_2e	94 487 tCO_2e	68 848 tCO_2e	64 221 tCO_2e	64 221 tCO_2e	20 518 tCO_2e	16 117 tCO_2e	5 590 tCO_2e
Absolute financed emissions- yellow equipment	n/a	n/a	n/a	n/a	n/a	n/a	13 243 tCO_2e	14 149 tCO_2e	24 676 tCO_2e
Emissions intensity - motor vehicles	The emissions calculations were based on the published PCAF make and model specific emissions factors (in $kgCO_2/km$) whenever available. In cases where such data was not available, the average PCAF emissions factor for a specific vehicle type in the relevant country was used.								
	n/a	n/a	n/a	103 gCO_2e/pkm	105 gCO_2e/pkm	89 gCO_2e/pkm	246 gCO_2e/pkm	247 gCO_2e/pkm	148 gCO_2e/pkm
Explanation of year-on-year emissions change	**Within Investec plc**, the 7% increase in absolute emissions can be attributed to the corresponding increase in exposure resulting from the financing of new assets. The improvement in emissions intensity is a result of more fuel efficient vehicles financed. **Within Investec Limited**, the 12% increase in absolute emissions can be attributed to the corresponding increase in exposure resulting from the financing of new assets, specifically passenger vehicles and heavy commercial trucks. The emissions intensity improved slightly as a result of the portfolio composition changes, and yellow equipment as a percentage of the total portfolio decreased from 66% to 59%. The emissions intensity calculation was specifically focused on motor vehicles and did not include yellow equipment and tractors, as their emission intensity cannot be accurately determined based on distance driven, as is the case with motor vehicles. The emissions intensity of motor vehicles (CO_2e/pkm- expressed in distance driven) and yellow equipment and tractors ($CO_2e/hours$- expressed in operating hours) could not be combined. This distinction is particularly relevant for **Investec Limited.**								
PCAF data quality score	Within both **Investec plc** and **Investec Limited** the PCAF data quality score improved due to the calculation enhancements, and an improved interpretation of the PCAF data quality scores with regards to locality of travel distance assumptions. **Within Investec plc**, the PCAF data quality score was improved for 80% of the portfolio to Score 2 (option 2a). The remaining 20% used the average emission factors for relevant vehicle type, resulting in Score 4 (option 3a). **Within Investec Limited**, the PCAF data quality score was improved for 30% of the portfolio to Score 2 (option 2a). The remaining 70% used the average emission factors for the relevant vehicle type, resulting in Score 4 (option 3a).								

Steering our motor vehicle portfolio

Investec plc

The UK has the most ambitious regulatory framework for the switch to electric vehicles. The UK has enacted the zero emission vehicle (ZEV) mandate, which requires 80% of new cars and 70% of new vans sold in Great Britain to be zero emission by 2030, and 100% by 2035.

The government has invested over £2bn to expand charging infrastructure and incentivise ZEVs, and has also secured trade rules with the EU to lower costs. The mandate provides certainty for manufacturers, who have announced billions of pounds of investment in EV production and gigafactories in the UK.

The ZEV mandate is the largest carbon saving measure in the government's net zero strategy, and will help the UK meet its climate commitments. The mandate will also help households make the switch to electric, by lowering the upfront and running costs of EVs, and increasing the availability of charging points and second-hand EVs.

Within Investec plc we continue to look for opportunities in the financing of electric vehicle infrastructure. We closed a €132mn financing package, structured as a Green Loan, in favour of the German EV charging infrastructure company Eliso. Eliso is part of the Vinci group, a world leader in concessions, energy and construction.

Investec Limited

South Africa's strategy for transitioning to a low-emissions vehicle sector encompasses a comprehensive approach that includes policy reforms, financial incentives, and a reallocation of funds to encourage EV adoption and reduce greenhouse gas emissions. The plan aims to steer the automotive industry towards a dual-platform model that emphasises electric vehicles, green hydrogen, and renewable energy sources.

In 2024, the cabinet allocated R964mn to support the shift to electric vehicles, aligning with the New Energy Vehicles White Paper endorsed by the Cabinet in 2023.

The prevalence of EVs in South Africa is projected to rise significantly from 2040 onwards, following the decarbonisation of the power system. Challenges such as high EV costs, limited charging infrastructure, and power supply constraints are being addressed through expanding renewable energy capacity and clear policy targets for EV sales and infrastructure.

Within Investec Limited, we continue to look for opportunities in sustainable and green transport.

Challenges in data and methodologies within Investec plc and Investec Limited

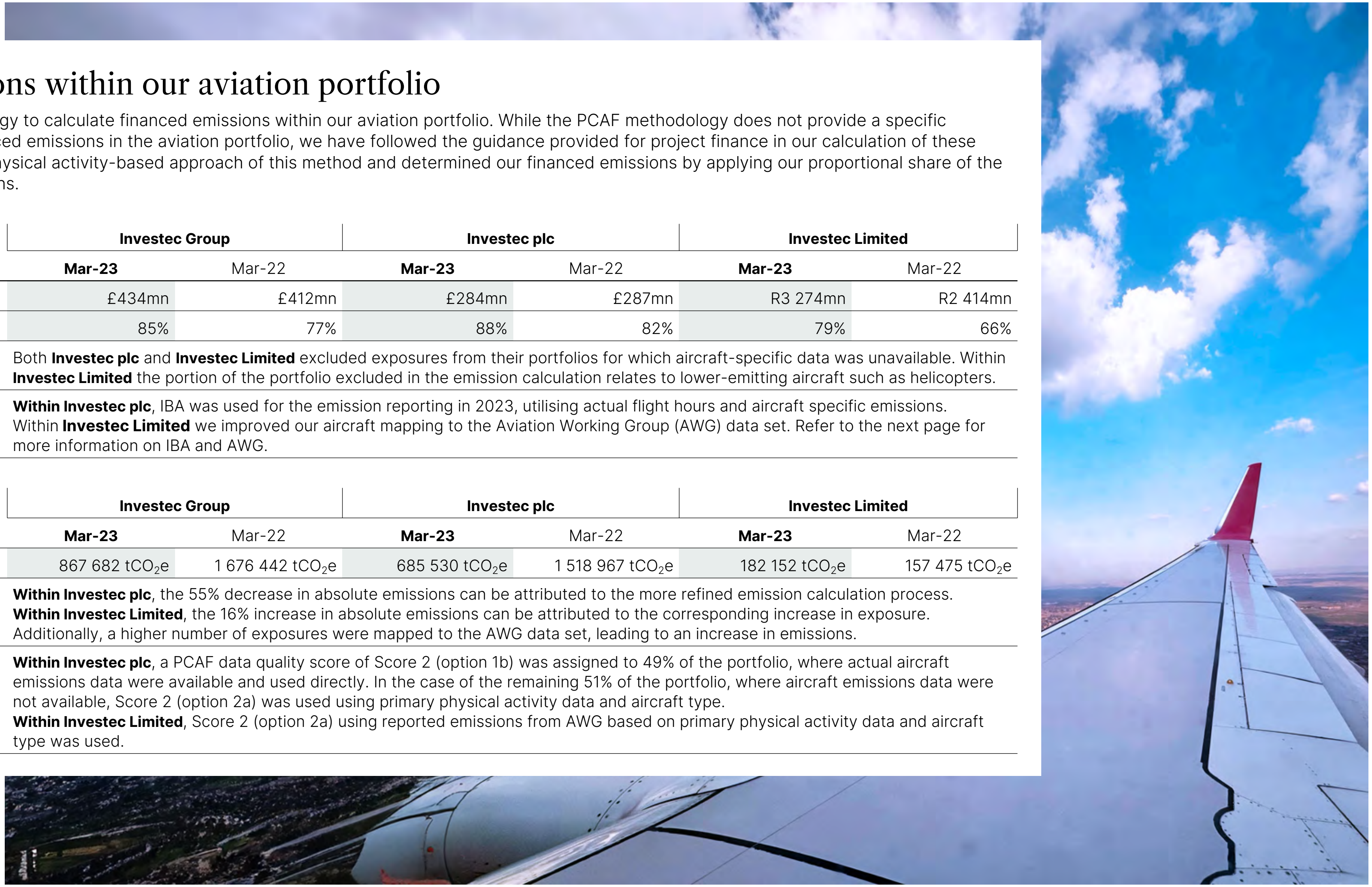
Some of the key challenges experienced in calculating our motor vehicle emissions was the unavailability of known vehicle characteristics such as vehicle efficiency, fuel type and actual distance travelled by the vehicle. This was overcome with estimates sourced from published sectoral guidelines and local statistical data.

Within Investec Limited, the estimated average annual distance travelled per passenger vehicle and buses was obtained from the International Association of Public Transport and African Association of Public transport. The average car occupancy of 1.5 persons per vehicle was sourced from the University of Michigan's published statistics on personal transportation.

Within Investec plc, the estimated average car occupancy rate, which is 1.5 persons per vehicle, was sourced from the National Travel Survey (NTS0905) statistical data sets published by the UK government. The estimated average distance travelled per vehicle year was sourced from the National Travel Survey (NTS0901) statistical data sets published by the UK government.

Science Based Targets initiative (SBTi)

SBTi has released an updated version of its Land Transport Guidance in March 2024, which includes a new methodology for setting 1.5°C emission reduction targets in the transport industry. Transport emissions account for a quarter of global CO_2 emissions, and land transportation is responsible for around three quarters of these. Therefore, it is our intention to establish targets for our motor vehicle finance portfolios that enables us to align our efforts in reducing emissions with the overarching global objective of mitigating climate change.



Financed emissions within our aviation portfolio

We used the PCAF methodology to calculate financed emissions within our aviation portfolio. While the PCAF methodology does not provide a specific standard for calculating financed emissions in the aviation portfolio, we have followed the guidance provided for project finance in our calculation of these emissions. We followed the physical activity-based approach of this method and determined our financed emissions by applying our proportional share of the lending to the aircraft emissions.

	Investec Group		Investec plc		Investec Limited	
Aviation finance	**Mar-23**	Mar-22	**Mar-23**	Mar-22	**Mar-23**	Mar-22
Gross core loan exposure	£434mn	£412mn	£284mn	£287mn	R3 274mn	R2 414mn
% of book covered	85%	77%	88%	82%	79%	66%
Excluded exposures	Both **Investec plc** and **Investec Limited** excluded exposures from their portfolios for which aircraft-specific data was unavailable. Within **Investec Limited** the portion of the portfolio excluded in the emission calculation relates to lower-emitting aircraft such as helicopters.					
Calculation enhancements	**Within Investec plc**, IBA was used for the emission reporting in 2023, utilising actual flight hours and aircraft specific emissions. Within **Investec Limited** we improved our aircraft mapping to the Aviation Working Group (AWG) data set. Refer to the next page for more information on IBA and AWG.					

	Investec Group		Investec plc		Investec Limited	
	Mar-23	Mar-22	**Mar-23**	Mar-22	**Mar-23**	Mar-22
Absolute financed emissions	867 682 tCO_2e	1 676 442 tCO_2e	685 530 tCO_2e	1 518 967 tCO_2e	182 152 tCO_2e	157 475 tCO_2e
Explanation of year-on-year emissions change	**Within Investec plc**, the 55% decrease in absolute emissions can be attributed to the more refined emission calculation process. **Within Investec Limited**, the 16% increase in absolute emissions can be attributed to the corresponding increase in exposure. Additionally, a higher number of exposures were mapped to the AWG data set, leading to an increase in emissions.					
PCAF data quality score	**Within Investec plc**, a PCAF data quality score of Score 2 (option 1b) was assigned to 49% of the portfolio, where actual aircraft emissions data were available and used directly. In the case of the remaining 51% of the portfolio, where aircraft emissions data were not available, Score 2 (option 2a) was used using primary physical activity data and aircraft type. **Within Investec Limited**, Score 2 (option 2a) using reported emissions from AWG based on primary physical activity data and aircraft type was used.					

Technical notes on overall emission calculation methods used and rationale within Investec plc's and Investec Limited's aviation portfolio

Science Based Targets initiative (SBTi)

SBTi is actively working on developing a target setting method for the aviation industry. While the method is still under development, a preliminary version of the tool has been released. Target setting for aviation finance will be integrated and published in the future. By establishing targets for the aviation portfolios, we will have a structured framework that enables us to align our efforts in reducing emissions with the overarching global objective of mitigating climate change.

Investec plc

The UK aviation industry's decarbonisation focuses on developing Sustainable Aviation Fuels (SAF), electric and hybrid-electric aircraft, and carbon capture technologies. Efforts also include enhancing air traffic management and green airport operations to meet the UK's net-zero targets. Our transparency commitment involves disclosing our support for these initiatives to foster sustainable aviation practices.

For our aviation aircraft emissions, we engaged the services of IBA Insights, an award-winning aviation market intelligence and consulting firm renowned for its industry expertise. Utilising the IBA NetZero (Powered by IBA Insight) tool, we accurately determined our aviation financed emissions. This advanced flight carbon emissions calculator profiles every commercial flight and integrates exceptional aviation fleet data to provide the most precise fuel burn calculations available. Our collaboration with IBA has markedly enhanced the quality of our data, thereby elevating the accuracy of our emissions reporting.

Investec Limited

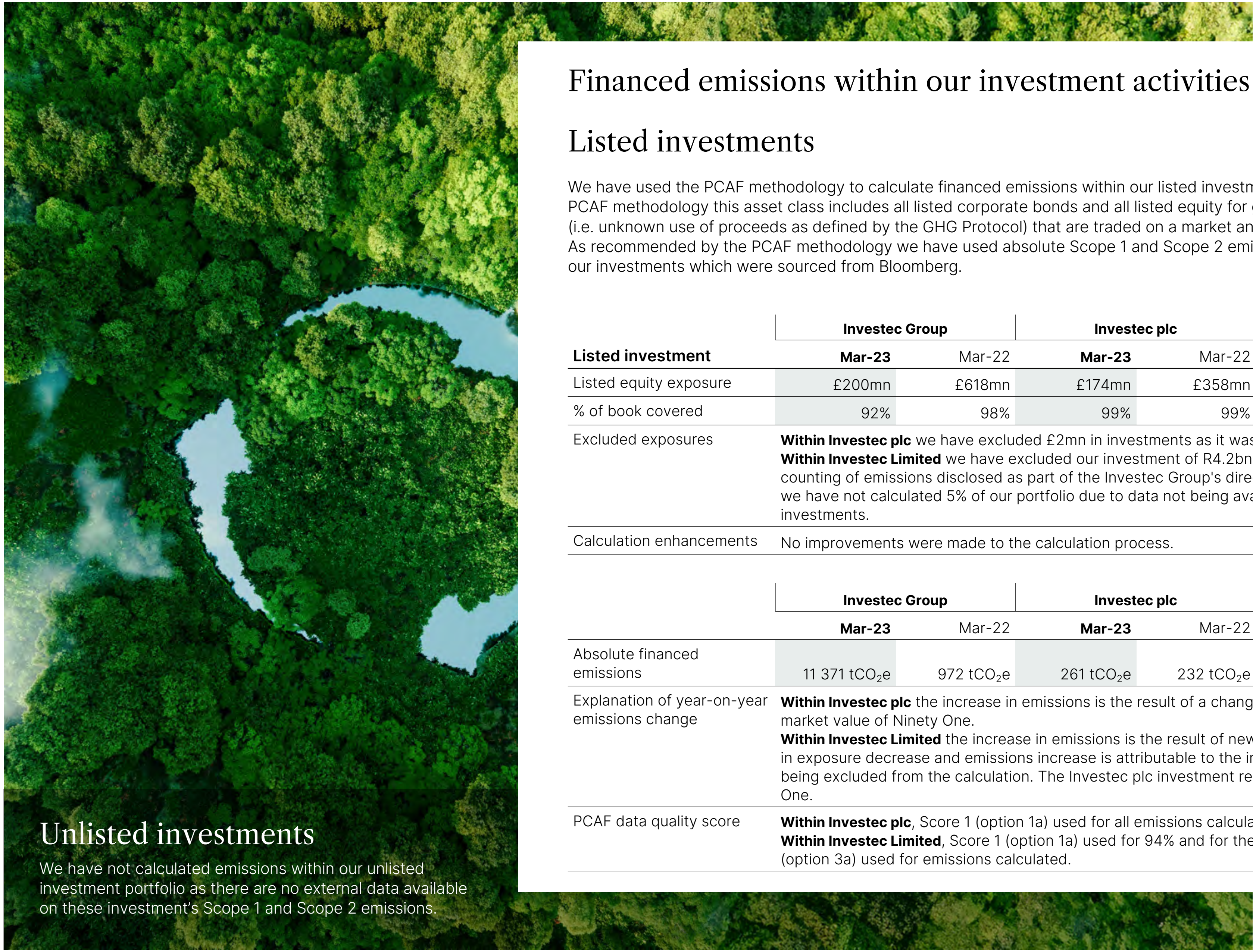
South Africa's aviation decarbonisation focuses on local SAFs, aviation biofuels from biomass, electric aircraft development, airport solar power, and carbon offset programs for renewable energy projects. The client-centric approach aligns with client expectations and promotes environmental stewardship, aiming to inspire industry-wide sustainable action.

We utilised the AWG tool for estimating our aircraft emissions. The AWG is a not-for-profit entity composed of key players in the aviation industry, including manufacturers, leasing companies, and financial institutions, dedicated to shaping advanced international aviation financing and leasing through policy, law, and regulation development. A significant hurdle in calculating our aviation portfolio emissions was the lack of specific flight data for each aircraft, such as annual flight hours and cycles.

The AWG carbon calculator offers default utilisation figures for aircraft from original equipment manufacturers (OEMs). However, the challenge persists for smaller, non-commercial, and non-OEM aircraft, which the AWG platform does not cover, as well as OEM aircraft models for which the AWG is still developing methodologies. We addressed this by employing sector-specific guidelines and expertise to make practical and informed estimations for calculating the emissions of the relevant aircraft.

Navigating our aviation portfolio in Investec plc and Investec Limited

Our team is dedicated to guiding our clients through the intricate world of aircraft financing. With our vast expertise in banking, airline management, leasing, aeronautical engineering, law, and accountancy, coupled with our robust connections across the local and international aviation sectors, we are well-equipped to support our clients. We remain vigilant in tracking the aviation industry's strides towards decarbonisation and are eager to assist and collaborate with our clients as they transition towards a more sustainable, low-carbon economy.



Financed emissions within our investment activities

Listed investments

We have used the PCAF methodology to calculate financed emissions within our listed investment portfolios. As per the PCAF methodology this asset class includes all listed corporate bonds and all listed equity for general corporate purposes (i.e. unknown use of proceeds as defined by the GHG Protocol) that are traded on a market and are on our balance sheet. As recommended by the PCAF methodology we have used absolute Scope 1 and Scope 2 emissions across all sectors for our investments which were sourced from Bloomberg.

	Investec Group		**Investec plc**		**Investec Limited**	
Listed investment	**Mar-23**	Mar-22	**Mar-23**	Mar-22	**Mar-23**	Mar-22
Listed equity exposure	£200mn	£618mn	£174mn	£358mn	R581mn	R5 008mn
% of book covered	92%	98%	99%	99%	63%	90%
Excluded exposures	**Within Investec plc** we have excluded £2mn in investments as it was seen as immaterial. **Within Investec Limited** we have excluded our investment of R4.2bn in Investec plc to avoid double counting of emissions disclosed as part of the Investec Group's direct carbon footprint. Additionally, we have not calculated 5% of our portfolio due to data not being available for these listed investments.					
Calculation enhancements	No improvements were made to the calculation process.					

	Investec Group		**Investec plc**		**Investec Limited**	
	Mar-23	Mar-22	**Mar-23**	Mar-22	**Mar-23**	Mar-22
Absolute financed emissions	11 371 tCO_2e	972 tCO_2e	261 tCO_2e	232 tCO_2e	11 110 tCO_2e	740 tCO_2e
Explanation of year-on-year emissions change	**Within Investec plc** the increase in emissions is the result of a change in percentage holding in, and market value of Ninety One. **Within Investec Limited** the increase in emissions is the result of new investments made. The disparity in exposure decrease and emissions increase is attributable to the investment in Investec plc shares being excluded from the calculation. The Investec plc investment replaced our investment in Ninety One.					
PCAF data quality score	**Within Investec plc**, Score 1 (option 1a) used for all emissions calculated. **Within Investec Limited**, Score 1 (option 1a) used for 94% and for the remaining portfolio Score 4 (option 3a) used for emissions calculated.					

Unlisted investments

We have not calculated emissions within our unlisted investment portfolio as there are no external data available on these investment's Scope 1 and Scope 2 emissions.

Identifying and assessing the significance of climate change risk in terms of size and scope

In assessing the significance of climate change risk, due consideration is given to both the potential impact from climate change and the responses to climate change. The complexities around climate change modeling potentially, including the role of adaptation and mitigation responses is profound. In doing so, a different thought process should be applied to the sectoral and regional boundaries and the links between physical and socio-economic drivers of the risks. Climate risk can arise through physical or transition risks, which can translate into risks described in the strategy section on pages 27 to 28.

Material asset class assessment within our loan book

Material climate-related risk considerations are integrated into multidisciplinary, company-wide management processes throughout the Group and are managed within our credit and investment portfolios. Ultimately the DLC SEC and the Group ESG Executive Committee take responsibility for monitoring climate-related and sustainability matters. We have a Board-approved risk appetite framework where significant exposures to industries that could be considered to have a higher climate or sustainability risk are monitored and limited.

To assess the significance of the climate-related risk posed to the Group, we have calculated a baseline for emissions we finance. To do so, we considered the size of our various portfolios on balance sheet as a percentage of core loans and advances, as shown alongside.

	Investec Group		UK and other		South Africa	
	31 March 2024	31 March 2023	**31 March 2024**	31 March 2023	**31 March 2024**	31 March 2023
Commercial real estate	12%	13%	10%	10%	15%	16%
Residential real estate	4%	3%	5%	5%	2%	2%
Total lending collateralised by property	**16%**	**17%**	**15%**	**15%**	**17%**	**18%**
Mortgages	29%	29%	30%	30%	28%	28%
High net worth and specialised lending	14%	14%	5%	6%	23%	23%
Total high net worth and other private client lending	**43%**	**43%**	**35%**	**36%**	**51%**	**51%**
Corporate and acquisition finance	18%	18%	14%	14%	22%	22%
Asset-based lending	1%	1%	2%	2%	–%	–%
Fund finance	6%	7%	8%	9%	4%	4%
Other corporate and financial institutions and governments	2%	2%	4%	3%	1%	1%
Asset finance	**6%**	**8%**	**17%**	**15%**	**1%**	**1%**
Small ticket asset finance	6%	5%	10%	9%	1%	1%
Motor finance	4%	3%	7%	6%	—%	–%
Aviation finance	1%	1%	1%	2%	2%	1%
Energy and infrastructure finance	3%	3%	4%	3%	2%	2%
Total corporate and other lending	**41%**	**40%**	**50%**	**49%**	**32%**	**31%**
Total core loans	**100%**	**100 %**	**100%**	**100 %**	**100%**	**100 %**

Refer to Investec risk and governance report pages 37 to 45.

Physical risks within our operations and business

The physical risk assessment was done during 2022, and as climate change mostly manifests over the medium to long term and with the relevant short maturity profile of our loan book, we endeavour to refresh the analysis every three years.

Physical risks within our South African operations
Geolocations were used to map the Investec offices. Precipitation was analysed according to the pathways shown below.

Precipitation

Prediction in scenario's SSP1-2.6, SSP2-4.5 and SSP3-7.0 show that temperatures will increase across South Africa on different levels. The total annual precipitation will decline into the mid-21st century and could possibly return to more or less current levels towards 2100 if emissions of greenhouse gasses are reduced.

SSP3-7.0 predicts generally declining precipitation across South Africa, however it also models increases to the average maximum precipitation for most of South Africa, up to 15% increase in certain places. This may be an indication of more frequent extreme precipitation events.

Coupled Model Intercomparison Project 6 (CMIP6) models and SSP scenarios indicate that properties located in areas of Gauteng and Kwazulu-Natal such as Durban may be subject to increased extreme precipitation events, since the country is expected to become drier on average. This is in line with the climate change predictions of the IPCC and the Department of Forestry, Fisheries and Environment.

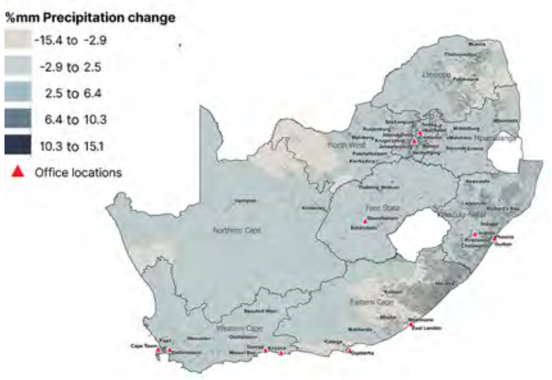
More granular geographic locations were added to the projections which identifies areas for risk impact assessment.

The maps below show that, under SSP1-2.6, the precipitation generally decreases or increases only slightly over time. However, the change over time is markedly different under SSP2-4.5. In this scenario the Western Cape region becomes drier over time, whereas the northern provinces generally become wetter. The Gauteng Investec offices can expect an increase in rainfall over time under this scenario. The projections for the SSP3-7.0 scenario also shows the Western Cape becoming drier over time, but with Gauteng remaining relatively more stable.

Our office in KwaZulu-Natal can expect the highest increase in rainfall under the SSP3-7.0 scenario which may impact the safety and wellbeing of our employees who are at work or live in the surrounding area. This risk is managed within our operational resilience strategies and business continuity plans which incorporates emergency response procedures.

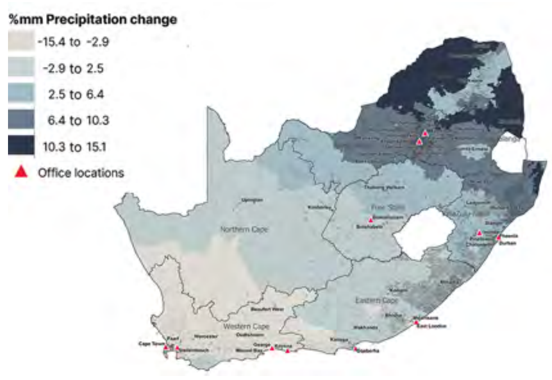
PRECIPITATION

SSP1-2.6: Taking the green road



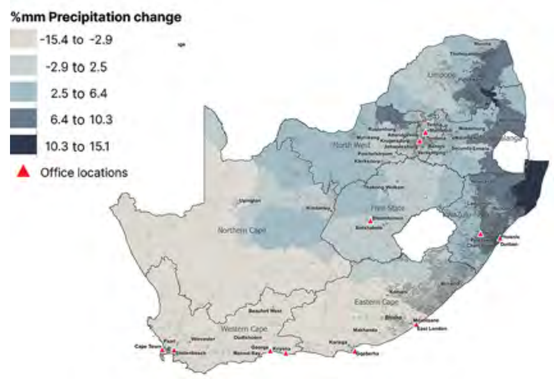
Offices and highest maximum average precipitation percentage change – SSP1-2.6 from 2021-2040 to 2081-2100

SSP2-4.5: Taking the middle road



Offices and highest maximum average precipitation percentage change – SSP2-4.5 from 2021-2040 to 2081-2100

SSP3-7.0: Taking the rocky road



Offices and highest maximum average precipitation percentage change – SSP3-7.0 from 2021-2040 to 2081-2100

Physical risks within our South African operations continued
Geolocations were used to map the Investec offices. Maximum temperatures were analysed according to the pathways shown below.

Maximum temperatures

The maps that follow show geospatially the locations of predicted average monthly maximum temperatures. Darker colours indicate higher average monthly temperatures. Coastal areas are predicted to have smaller temperature increases, relative to 1850-1900 levels, mostly due to proximity to oceanic water. Overall a warmer climate is forecast over all three scenario as expected but the level of change differs across the three scenarios. Only our Bloemfontein office lies in an area showing a significant increase in maximum temperatures for the SSP1-2.6 scenario.

For SSP2-4.5, a larger part of the country experiences significantly high temperatures and in this scenario, the Bloemfontein, Johannesburg and Pretoria offices are expected to experience relatively high temperatures.

The most extreme changes occur for the SSP3-7.0 scenario. Here, the Bloemfontein, Johannesburg and Pretoria offices experience extremely high temperatures, while the Western Cape and Durban offices are expected to experience high temperatures as well.

These extreme temperatures may impact the health and wellbeing of our employees who work or live around our high risk office locations. The risk of the impact on our employees is managed and mitigated through our robust operational resilience strategies and business continuity plans which incorporates emergency response procedures.

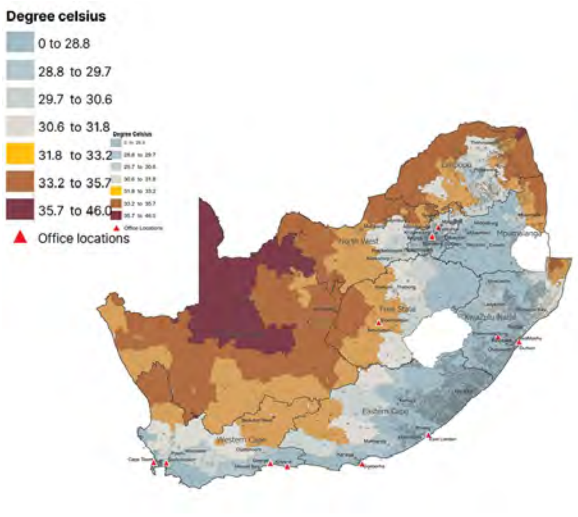
SSP1-2.6: Taking the green road

SSP2-4.5: Taking the middle road

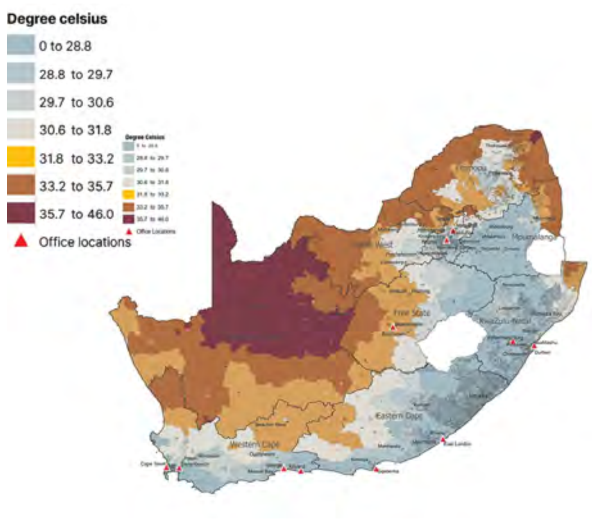
SSP3-7.0: Taking the rocky road

The maps below show that a warmer climate is expected over all three scenarios but that the level of change differs across the three scenarios.

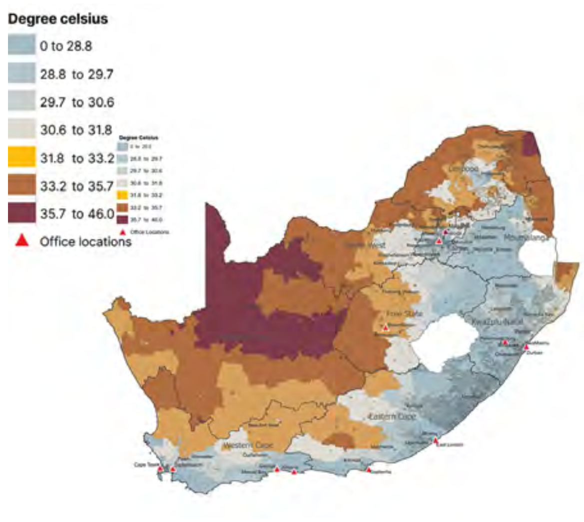
MAXIMUM TEMPERATURE



Offices and average monthly maximum temperatures – SSP1-2.6 for 2021-2040



Offices and average monthly maximum temperatures – SSP2-4.5 for 2021-2040



Offices and average monthly maximum temperatures – SSP3-7.0 for 2021-2040

Physical risks within our operations and business continued

Physical risks within our UK operations
Geolocations were used to map the Investec offices. Precipitation was analysed according to the pathways below.

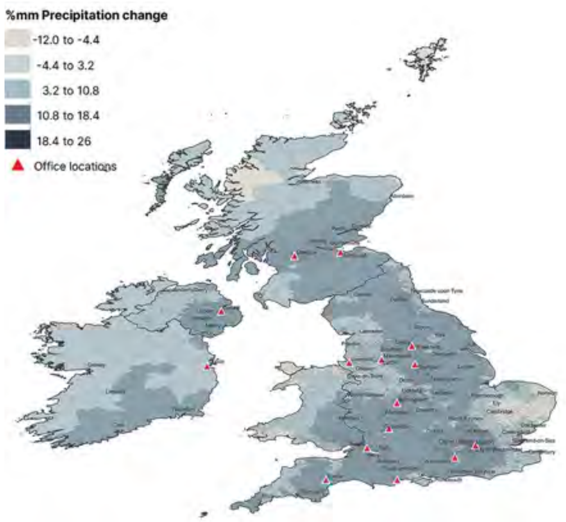
Precipitation

The outlook for the UK is on average drier summers and wetter winters, with differences across the country both by scenario and region. Under all selected scenarios the likelihood of extreme events are higher, but the precipitation increases expected in England are relatively modest compared with some other parts of the globe. Under SSP1-2.6 most offices are exposed to mild increases in precipitation. Wales, Ireland and Scotland generally are expected to face a higher risk of large precipitation increases, while Dublin, Liverpool and Manchester have a slightly lower risk of increases. Under SSP2-4.5 the risk of increased precipitation rises for most offices, with those in central and southern parts at elevated risk. Under SSP3-7.0 a more material increase is expected, with offices across the country exposed to a higher risk of increased precipitation. However, the offices in the central and south western parts of England may experience a slightly less pronounced increase.

This risk is managed within our operational resilience strategies and business continuity plans which incorporates emergency response procedures.

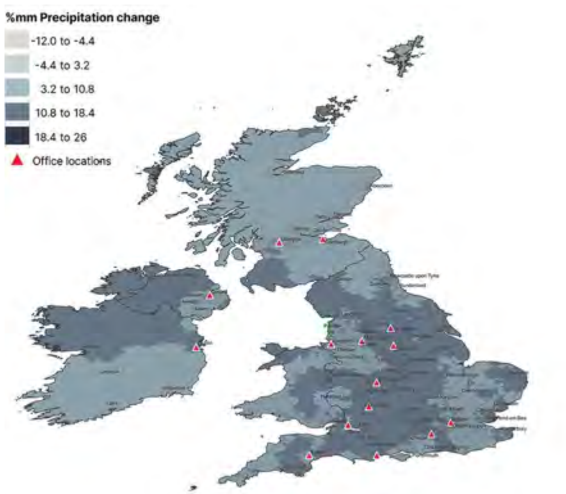
PRECIPITATION

SSP1-2.6: Taking the green road



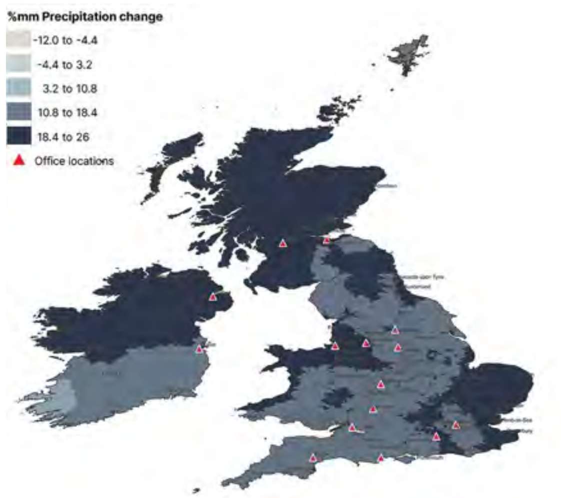
Offices and highest maximum average precipitation percentage change – SSP1-2.6 from 2021-2040 to 2081-2100

SSP2-4.5: Taking the middle road



Offices and Highest Maximum Average Precipitation Percentage change – SSP2-4.5 from 2021-2040 to 2081-2100

SSP3-7.0: Taking the rocky road



Offices and Highest Maximum Average Precipitation Percentage change – SSP3-7.0 from 2021-2040 to 2081-2100

Physical risks within our UK operations continued
Geolocations were used to map the Investec offices. Precipitation was analysed according to the pathways below.

Maximum temperatures

Over the period 2021-2040, the south eastern and central-southern parts of England are likely to experience the highest risk of above 25.5°C average monthly maximum temperatures under SSP1-2.6, but with only the London offices at risk of the highest temperate level. Most offices in England face the risk of average monthly maximum temperature as high as or higher than 35 degrees in the long term (out to 2100) under both SSP3-7.0 and SSP2-4.5 (not shown in the maps below). The risk of very high temperatures in Scotland remains much lower than the rest of the country across all scenarios and time periods. Ireland also has less risk of very hot maximum temperatures under SSP1-2.6 and SSP2-4.5 even in the longer term.

These extreme temperatures may impact the health and wellbeing of our employees who work or live around our high risk office locations. The risk of the impact on our employees is managed and mitigated through our robust operational resilience strategies and business continuity plans which incorporates emergency response procedures.

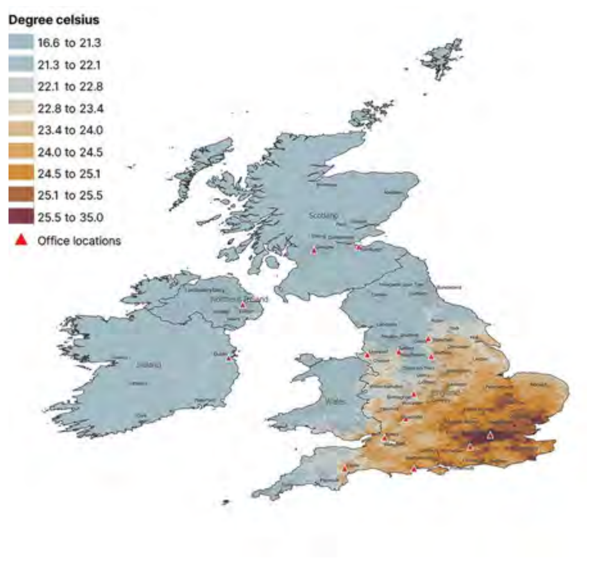
SSP1-2.6: Taking the green road

SSP2-4.5: Taking the middle road

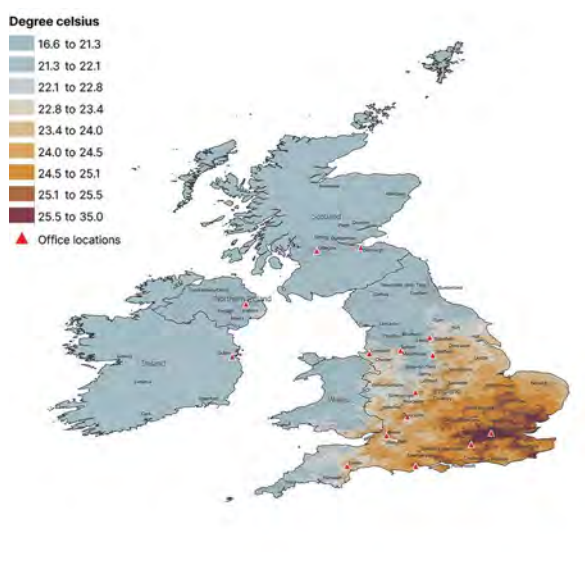
SSP3-7.0: Taking the rocky road

The maps below show that a warmer climate is expected over all three scenarios but that the level of change differs across the three scenarios.

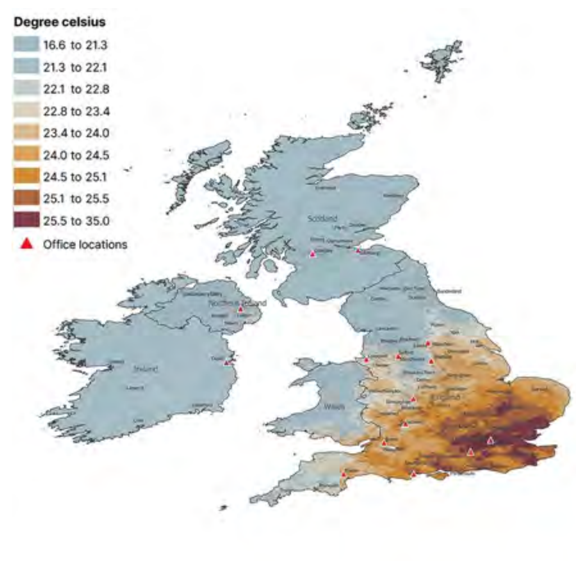
MAXIMUM TEMPERATURES



Offices and average monthly maximum temperatures – SSP1-2.6 for 2021-2040



Offices and average monthly maximum temperatures – SSP2-4.5 for 2021-2040



Offices and average monthly maximum temperatures – SSP3-7.0 for 2021-2040

Images: Copyright RiskScape

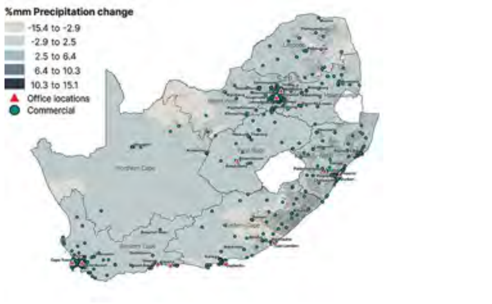
Physical risks within our operations and business continued

Assessing climate-related physical risk within our South African business
The below maps shows our exposure to physical climate-related risks within our residential and commercial real estate, in South Africa. The analysis across the three SSP scenarios show that extreme changes in precipitation or monthly average maximum temperatures pose a very low risk to our residential and commercial properties. A project has kicked-off to quantify the climate-related risks to property collateral.

Commercial and residential real estate

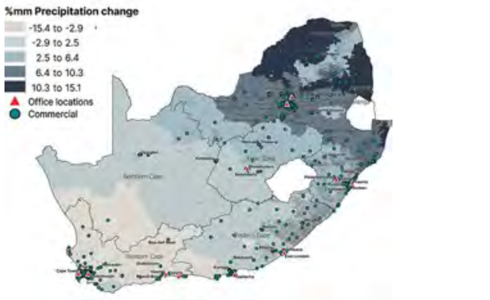
PRECIPITATION

SSP1-2.6: Taking the green road



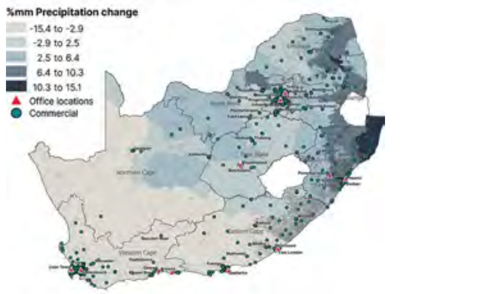
Residential and commercial properties highest maximum average precipitation percentage change – SSP1-2.6 from 2021-2040 to 2081-2100

SSP2-4.5: Taking the middle road



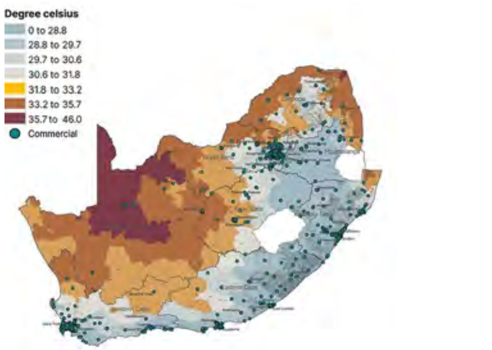
Residential and commercial properties highest maximum average precipitation percentage change – SSP2-4.5 from 2021-2040 to 2081-2100

SSP3-7.0: Taking the rocky road

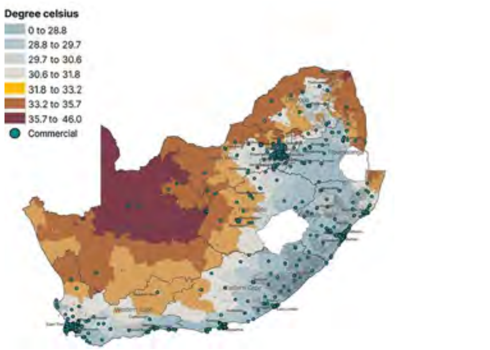


Residential and commercial properties highest maximum average precipitation percentage change – SSP3-7.0 from 2021-2040 to 2081-2100

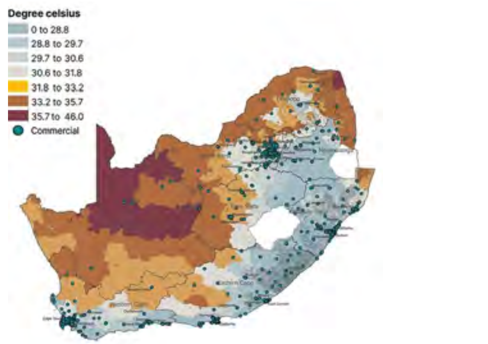
MAXIMUM TEMPERATURES



Residential and commercial properties average monthly maximum temperatures – SSP1-2.6 for 2021-2040



Residential and commercial properties average monthly maximum temperatures – SSP2-4.5 for 2021-2040



Residential and commercial properties average monthly maximum temperatures – SSP3-7.0 for 2021-2040

<5%

of Investec Limited's commercial and residential portfolio is exposed to extreme precipitation or temperature changes

Predicted changes in precipitation was used to analyse the physical risk of our residential and commercial properties to flood ponding. In addition, properties located close to coastlines were analysed for exposure to ocean water hazards and storm hazards.

Regions where we have properties that have the highest exposure to flood risk in extreme events are located in Johannesburg, the area around the eastern side of Table Mountain in Cape Town, Umhlanga and Everton. In summary the analysis showed that less than 5% of our properties may be exposed to floods and ocean hazards in the extreme scenario.

Predicted change in maximum temperature was used to analyse the physical risk of our residential and commercial properties to extreme heat, fire risk and thatch flammability.

Regions where we have properties that have the highest exposure to extreme heat, fire and thatch flammability in Gauteng are in Pretoria and the northern part of Johannesburg. Pinelands has the highest concentration of risk in Cape Town. Everton and the northern part of Durban have the highest concentration of thatch flammability risk in KwaZulu-Natal. In summary the analysis showed that less than 5% of our properties may be exposed to extreme heat and fire risk.

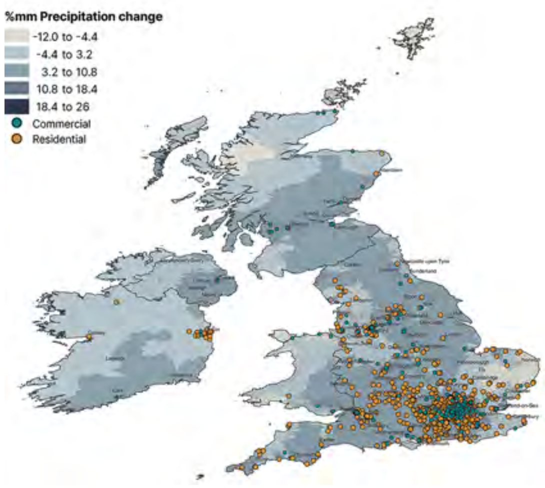
Physical risks within our operations and business continued

Assessing climate-related physical risk within our UK business
The below maps show our exposure to physical climate risks within the residential and commercial real estate portfolios, in the UK and Ireland. The vast majority of the portfolio is concentrated in England, with some exposures in Wales, Ireland, and Scotland. The analysis across the three SSP scenarios show that England may experience both increases in extreme high temperatures, as well as increases in national precipitation. Overall, the scenarios show modest trends, and less pronounced sensitivities to marginal decreases in global carbon emissions.

Commercial and residential real estate

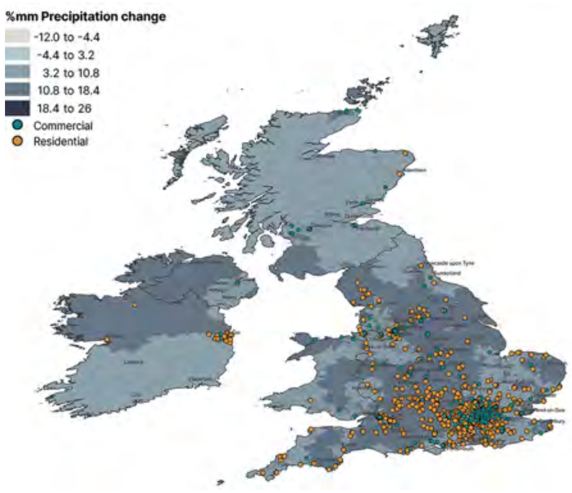
PRECIPITATION

SSP1-2.6: Taking the green road



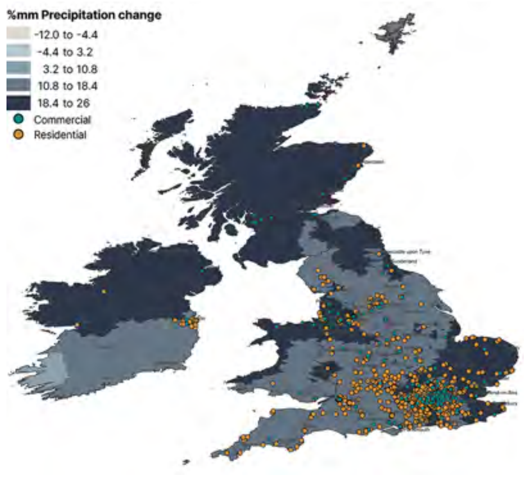
Residential and commercial properties highest maximum average precipitation percentage change – SSP1-2.6 from 2021-2040 to 2081-2100

SSP2-4.5: Taking the middle road



Residential and commercial properties highest maximum average precipitation percentage change – SSP1-2.6 from 2021-2040 to 2081-2100

SSP3-7.0: Taking the rocky road



Residential and commercial properties highest maximum average precipitation percentage change – SSP1-2.6 from 2021-2040 to 2081-2100

Generally under all three selected scenarios precipitation (and associated risks such as floods and coastline related risks) is expected to increase for vast parts of the UK, by between 3% and 20%. The mildest increase is expected under SSP1-2.6 with a less than 10% increase, affecting the interior of England north to south, as well as the southern part of Scotland and Ireland, and the eastern part of northern Ireland. These changes are arguably not significant enough to cause a material change in physical risk. Under SSP3-7.0 however, material increases are expected, with the majority of Scotland, Ireland, the south eastern areas of England, and smaller areas in Wales and northern England expected to see changes of more than 18% increase in precipitation. Under this more extreme scenario, 15.1% of properties stand to be affected, of which just over 2% (of all properties) are commercial real estate. Offices located in these areas are in Glasgow, Edinburgh, Belfast, Liverpool and Manchester. A negligible percentage of properties face increased coastline exposure in these areas.

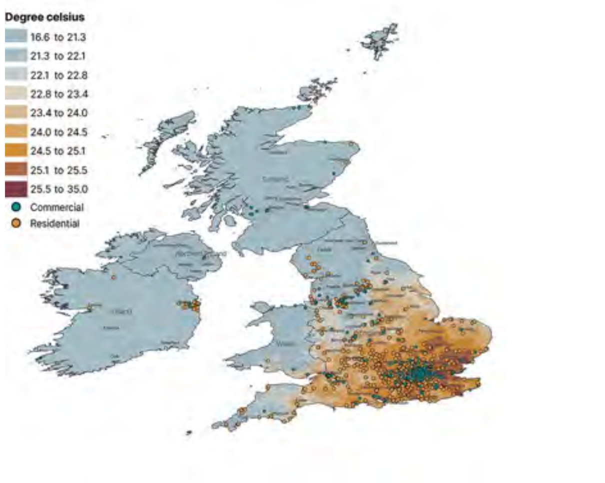
Assessing climate-related physical risk within our UK business

Significantly higher temperatures are expected to be seen for large parts of the UK under all selected scenarios, affecting a notable percentage (around 75%, of which around 8% is commercial real estate) of properties in the portfolio in the near-term on the highest temperature scenario – SSP3-7.0. Most properties are affected in the long term until 2100. Possible impacts include fire risk, as well as secondary risks such as impacts on property values over the longer term. The area affected is, as expected, larger for the higher temperature scenarios, with mostly the central southern and south eastern parts of England affected under SSP1-2.6. However, nearly all of England, all of Wales and the eastern parts of Ireland are affected under SSP3-7.0 (around 99% of properties, of which 7% are commercial real estate) in the longer term.

Commercial and residential real estate

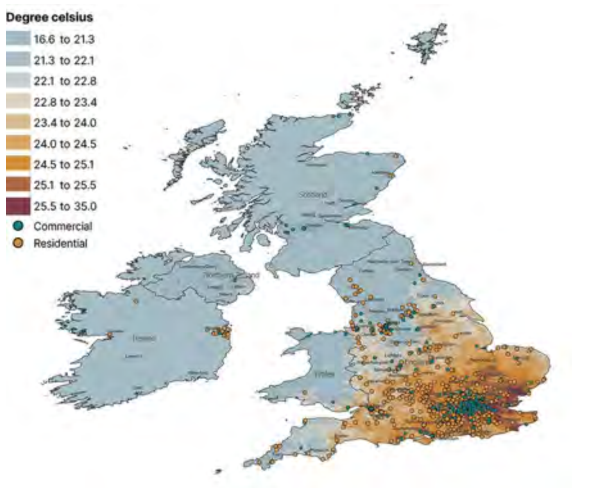
MAXIMUM TEMPERATURES

SSP1-2.6: Taking the green road



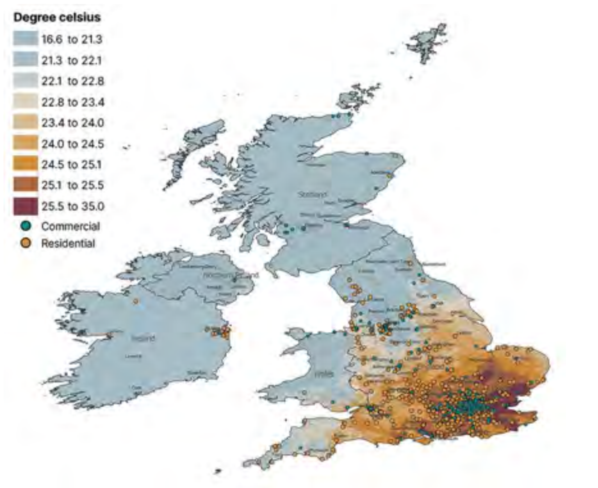
Residential properties and average monthly maximum temperatures – SSP1-2.6 for 2021-2040

SSP2-4.5: Taking the middle road



Residential properties and average monthly maximum temperatures – SSP2-4.5 for 2021-2040

SSP3-7.0: Taking the rocky road



Residential properties and average monthly maximum temperatures – SSP3-7.0 for 2021-2040

Images: Copyright RiskScape

Equator Principles

We support the key provisions of the Equator Principles (EP), however we are currently not a signatory to EP for the following reasons:

- In the case of a number of large infrastructure and energy projects, there is potential conflict between larger, nationwide development imperatives (e.g. additional power generation or road transportation) to enhance the socio-economic welfare of the region, and locally affected parties whose quality of life stands to be adversely affected by relocation or job loss
- These trade-offs are a matter for local parties and their representatives. While we should remain aware of them, it is not our responsibility to pass judgement on such trade-offs. Key to this, however, is that we target transactions in countries with established laws that comply with World Bank standards and that have due processes that are applied reasonably and effectively. If not, sponsors and suppliers are obliged to give undertakings that they comply with such standards
- Our current internal framework is robust and, on a project-by-project basis, in accordance with World Bank standards as well as the standards of the legal and environmental frameworks of the countries in which the projects are undertaken. Furthermore, we have enhanced procedures to evaluate and actively avoid, manage and mitigate the potential social and environmental impacts of the projects we support.

Equator Principles disclosures: power and infrastructure portfolio for Investec Group – number of transactions

	31 March 2024				31 March 2023				31 March 2022			
	Category A	Category B	Category C	Total	Category A	Category B	Category C	Total	Category A	Category B	Category C	Total
Sector												
Mining	–	–	–	**–**	–	–	–	–	–	–	–	–
Infrastructure	–	–	4	**4**	–	–	1	1	–	–	–	–
Oil and gas	–	9	–	**9**	–	3	–	3	–	–	–	–
Power	–	–	12	**12**	–	1	9	10	–	9	1	10
Others	–	–	4	**4**	–	–	15	15	–	2	1	3
Total	**–**	**9**	**20**	**29**	–	4	25	29	–	11	2	13
Region												
Americas	–	8	8	**16**	–	3	14	17	–	7	1	8
EMEA	–	1	12	**13**	–	–	11	11	–	3	1	4
Asia Pacific	–	–	–	**–**	–	–	1	1	–	1	–	1
Total	**–**	**9**	**20**	**29**	–	3	26	29	–	11	2	13
Country designation												
Designated	–	9	20	**29**	–	3	21	24	–	11	1	12
Non-designated	–	–	–	**–**	–	–	5	5	–	–	1	1
Total	**–**	**9**	**20**	**29**	–	3	26	29	–	11	2	13

6

transactions in the past three years in non-designated countries which complied with the Equator Principles

Category A: Projects with potential significant adverse environmental and social risks and/or impacts that are diverse, irreversible or unprecedented.

Category B: Projects with potential limited adverse environmental and social risks and/or impacts that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures.

Category C: Projects with minimal or no adverse environmental and social risks and/or impacts.

Although we are not driven by awards and recognition, Investec participates and has maintained its inclusion in select world-leading indices. These indices have been designed objectively to measure the performance of companies that meet globally recognised corporate responsibility standards.

07 Rankings, ratings *and industry participation*

In this chapter

We are proud to continue to be included in a number of world-leading indices.

GLOBAL100 2024

Remained in the top 100 global sustainable companies in the world as rated by Corporate Knights. Improving our position from 76 to 52

FTSE4Good

Included in the FTSE4Good Index

JSE

Top 30 in the FTSE/JSE Responsible Investment Index

MSCI ESG RATINGS – AAA

Top 2% scoring AAA in the financial services sector in the MSCI Global Sustainability Index

CDP – Disclosure Insight Action

Strengthened our rating to an A- from a B against an industry average of B

Sustainalytics – Rated

Top 14% of diversified banks and included in the Global Sustainability Leader Index

Corporate ESG Performance – Prime – Rated by ISS ESG

Rated Prime – best in class

S&P Global

Top 4% in the global diversified financial services sector (inclusion since 2006)

These ratings may fluctuate from year-to-year as methodologies change

Certifications

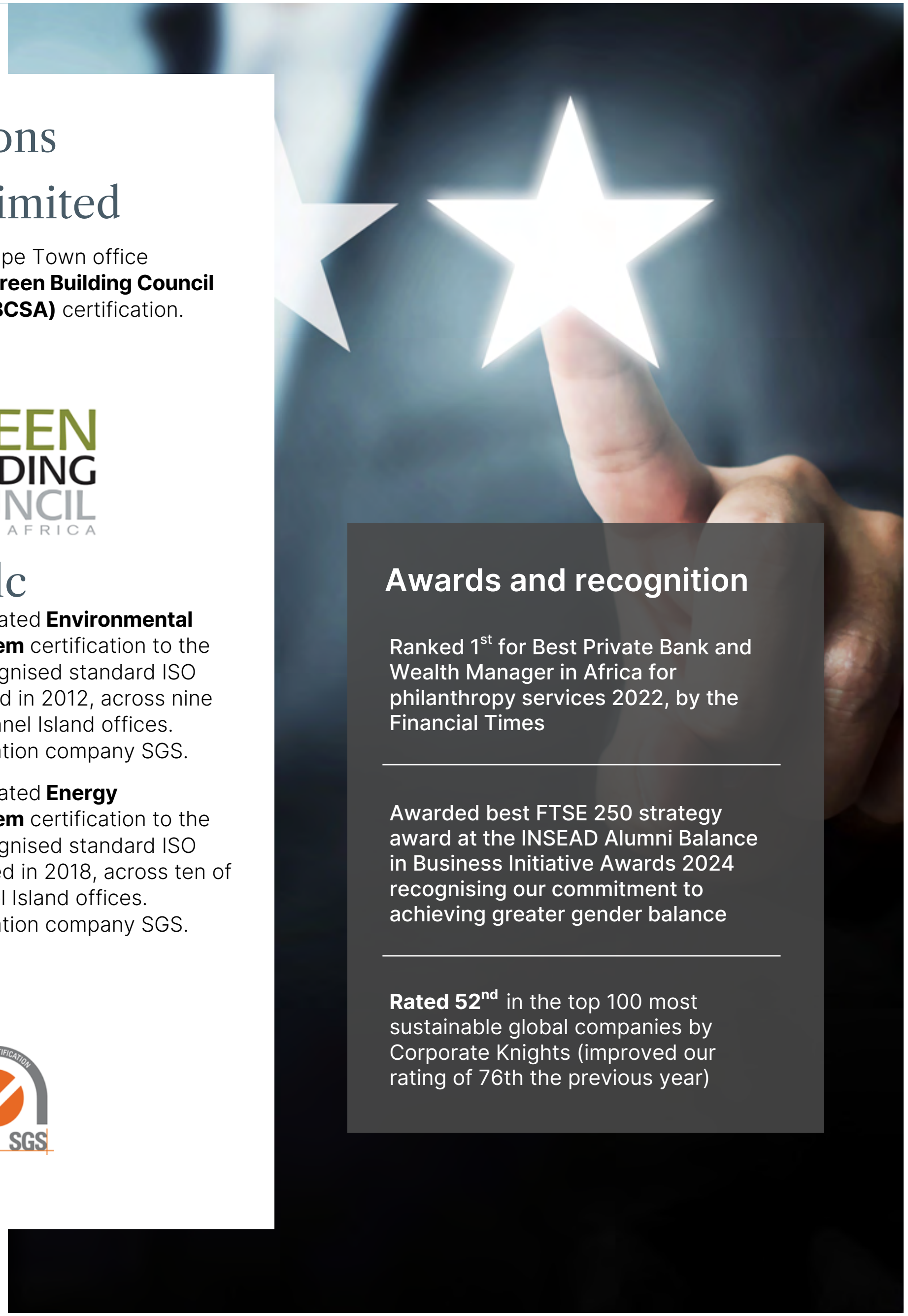
Investec Limited

- Our Sandon and Cape Town office received a 5-star **Green Building Council of South Africa (GBCSA)** certification.

Green Building Council South Africa

Investec plc

- Retained our integrated **Environmental Management System** certification to the internationally recognised standard ISO 14001, first achieved in 2012, across nine of our UK and Channel Island offices. Accredited certification company SGS.
- Retained our integrated **Energy Management System** certification to the internationally recognised standard ISO 50001, first achieved in 2018, across ten of our UK and Channel Island offices. Accredited certification company SGS.



Awards and recognition

Ranked 1st for Best Private Bank and Wealth Manager in Africa for philanthropy services 2022, by the Financial Times

Awarded best FTSE 250 strategy award at the INSEAD Alumni Balance in Business Initiative Awards 2024 recognising our commitment to achieving greater gender balance

Rated 52nd in the top 100 most sustainable global companies by Corporate Knights (improved our rating of 76th the previous year)

Industry participation

Investec Group

Initiative/membership/reporting	Objective	How we engage and participate	Investec's financial contribution
UN Global Compact	Aim to mobilise a global movement of sustainable companies and stakeholders to create the world we want. **UN Global Compact supports companies to:** • Do business responsibly by aligning their strategies and operations with the Ten Principles on human rights, labour, environment and anti-corruption, and • Take strategic actions to advance broader societal goals, such as the UN SDGs, with an emphasis on collaboration and innovation.	Investec has been a participant since 2012 and we annually report our commitment through the Global Compact Communication of Progress (COP).	R315 000
GISD Global Investors for Sustainable Development Alliance	An alliance of 30 CEs across the world's investment and business community that are committed to increase their contribution to the achievement of the SDGs. The members of the UN Global Investors for Sustainable Development (GISD) Alliance work together, harnessing their insights as private sector leaders, to advise on removing impediments and implementing solutions for scaling up long-term investment for sustainable development.	Our Investec plc CE, Ruth Leas, has personally committed as one of 30 CEOs from financial institutions around the world who was invited to join the UN GISD Alliance. **We actively participate in the working groups and commit to:** • Do business responsibly by aligning strategies and operations with the Ten Principles on human rights, labour, environment and anti-corruption, and • Take strategic actions to advance broader societal goals, such as the UN SDGs, with an emphasis on collaboration and innovation.	No financial contribution
Sustainable Development Goals – 17 Goals to Transform Our World	The Sustainable Development Goals (SDGs), also known as the Global Goals, were adopted by the United Nations in 2015 as a universal call to action to end poverty, protect the planet, and ensure that by 2030 all people enjoy peace and prosperity.	We support the SDGs and annually report on our progress against our two impact SDGs being SDG 13 (climate action) and SDG 10 (reduced inequalities). **These impact SDGs are supported by our six core SDGs:** • SDG 4: Quality education • SDG 6: Clean water and sanitation • SDG 7: Affordable and clean energy • SDG 8: Decent work and economic growth • SDG 9: Industry, innovation and infrastructure • SDG 11: Sustainable cities and communities.	£350

Industry participation continued

Initiative/membership/reporting	Objective	How we engage and participate	Investec's financial contribution
PCAF Partnership for Carbon Accounting Financials	The objective of the Partnership for Carbon Accounting Financials (PCAF) is to form a global partnership of financial institutions that work together to develop and implement a harmonised approach to assess and disclose the greenhouse gas emissions associated with their loans and investments.	We actively engage in PCAF's UK and Africa working groups on methodologies for financed emissions specific to financial institutions.	Investec Limited: $5 000 Investec plc: $10 000
PBAF Partnership for Biodiversity Accounting Financials	The Partnership for Biodiversity Accounting Financials (PBAF) develops the 'PBAF Standard'. The PBAF Standard enables financial institutions to assess and disclose impact and dependencies on biodiversity of loans and investments. PBAF provides practical guidance to financial institutions on biodiversity impact and dependency assessment and defines what is needed in order for these assessments (either or not conducted by data providers) to deliver the right information to financial institutions.	We joined the Partnership for Biodiversity Accounting Financials in May 2023. We participated in various webinars organised by PBAF throughout the year. In June 2023, PBAF introduced a standard for financial institutions to measure the impact of their loans and investments on biodiversity. This standard is in line with the Global Biodiversity Framework (GBF), ensuring that our target-setting stage aligns with global frameworks and standards. We collaborated with PBAF by completing a questionnaire and participating in an interview to help identify the gaps in assessing biodiversity impacts and dependencies within the financial services sector.	No financial contribution
UNEP FINANCE INITIATIVE	The United Nations Environment Programme Finance Initiative (UNEP FI) is a partnership between UNEP and the global financial sector to mobilise private sector finance for sustainable development. UNEP FI works with more than 400 banks, insurers, and investors and over 100 supporting institutions to help create a financial sector that serves people and the planet, while delivering positive impacts.	We are a signatory to the UNEP FI.	$23 670
UNEP FINANCE INITIATIVE | PRINCIPLES FOR RESPONSIBLE BANKING	The UN Principles for Responsible Banking (UN PRB) created a unique framework for ensuring that signatory banks' strategy and practice align with the vision of the society has set out for its future in the SDGs and the Paris Climate Agreement. The framework consists of six principles designed to bring purpose, vision and ambition to sustainable finance. The **UN PRB Academy** have developed an online learning academy to support implementation of the Principles for Responsible Banking.	We have submitted our fourth report according to the UN PRB principles. We have actively contributed to the curriculum and implementation around a training strategy through the development and delivery of online learning courses. This curriculum cover the key areas of knowledge and understanding relating to sustainability required by staff in financial institutions, for existing and aspiring signatories of the UN PRB.	No financial contribution

Industry participation continued

Initiative/membership/reporting	Objective	How we engage and participate	Investec's financial contribution
CDP DISCLOSURE INSIGHT ACTION	CDP's (formerly known as the Carbon Disclosure Project) climate change programme aims to reduce companies' greenhouse gas emissions and mitigate climate change risk. CDP requests information on climate risks and low carbon opportunities from the world's largest companies on behalf of over 800 institutional investor signatories with a combined $100tn in assets.	We have been reporting to the CDP climate change response since 2009 • In 2013 we received CDP gold recognition status for a score of A- and were included in the CDP Leadership Index (top 11 in South Africa across all sectors) • This year we have maintained our core of an A- against an industry average of B.	CDP submission: $6 950
World Benchmarking Alliance	The objective of the World Benchmarking Alliance (WBA) is to build a movement to measure and incentivise business impact towards a sustainable future that works for everyone. The WBA has set out to develop transformative benchmarks that will compare companies' performance on the SDGs.	We are a member of the WBA and participated in various stakeholder consultation.	No financial contribution
CLIMATE GROUP RE100	Climate Group, RE100 is the global corporate renewable energy initiative bringing together hundreds of large and ambitious businesses committed to 100% renewable electricity.	We were the first company in South Africa to sign up to the Climate Group, RE100. We have been members since July 2023.	£4 750
ICC INTERNATIONAL CHAMBER OF COMMERCE The world business organization	The International Chamber of Commerce (ICC) set up a Global Export Finance Committee Sustainability Working Group (ICC-SWG) in 2018, with the objective to grow the share of sustainable export finance and showcase how the industry can contribute to global challenges. The ICC Sustainability in Export Finance whitepaper is an important output of the working group. **This white paper has two important objectives:** • To provide a baseline of the industry's current practices and priorities in regards sustainable export finance • To provide policy and product recommendations that, if implemented, will help grow the flow of sustainable export finance.	Chris Mitman (Head of Investec plc Export and Agency Finance), is a founding member of the ICC Export Finance Committee which was established to represent the global export finance banking industry in its engagement with the Berne Union, regulators, and the OECD. He is also co-chair of the ICC Sustainability Working Group focused on growing the sustainable funding activities of the export credit market.	No financial contribution
united for wildlife	The United for Wildlife (UfW) Taskforce have been working to facilitate collaboration between the transport sector, finance sector and law enforcement to prevent wildlife trafficking across the world. The UfW Taskforce has grown from 12 private sector companies in 2016 to over 250 global partnerships, representing large proportions of the shipping, airline, and financial industries.	We are a signatory to UfW's Financial Taskforce to combat illegal wildlife trade (part of the Royal Foundation) and a participant in UfW's Taskforce for Financial Services on illegal wildlife trafficking (IWT).	No financial contribution

Industry participation continued

Initiative/membership/reporting	Objective	How we engage and participate	Investec's financial contribution
UN-Convened, Industry-led Net-Zero Banking Alliance	The Net-Zero Banking Alliance (NZBA) is an alliance that brings together banks worldwide that are committed to aligning their lending and investment portfolios with net-zero emissions by 2050.	We are members of the NZBA and actively participate in various working groups including the: • Sector track • Implementation track.	No financial contribution
FORCE FOR GOOD	The Force for Good initiative was launched with the idea that capital can be a catalyst that changes the world for good and that an increasing number of leading financial institutions are leveraging their organisation's capital to do good in a myriad of ways. The Force for Good initiative sought to assess, establish and encourage the holders of capital to be a force for good.	Investec participated in the initial launch and continues to support the initiative.	No financial contribution

Investec Limited and Investec plc

Initiative/membership/reporting	Objective	How we engage and participate	Investec's financial contribution
THE BANKING ASSOCIATION SOUTH AFRICA (Investec Limited)	The Banking Association South Africa (BASA) advances the interests of the industry with its regulators, legislators, and stakeholders to make banking sustainable, profitable and better able contribute to the social and economic development and transformation of the country. The Sustainable Finance Forum members comply with the BASA principles for managing environmental and social risk.	We participate in various forums and committees including: • Climate Risk Committee • Sustainable Finance Committee • Climate Risk Scenario Task Group.	No financial contribution
JSE JSE Sustainability and Climate change disclosure guidance (Investec Limited)	The Johannesburg Stock Exchange (JSE) Sustainability and Climate Change Disclosure Guidance is aligned with, and draws on, the most influential global initiatives on sustainability and climate change disclosure – including the GRI Sustainability Reporting Standards, the Taskforce on Climate-related Financial Disclosures (TCFD) recommendations, and the IIRC's International <IR> Framework – as well as an extensive range of other frameworks and standards, and the sustainability/ ESG guidance of various peer exchanges.	Within South Africa we have participated in providing input towards the sustainability and climate change disclosure guidance published by the JSE, South Africa Green Finance Taxonomy and the Just Transition Framework.	No financial contribution
UN GLOBAL COMPACT (Investec Limited)	The aim of the UN Global Compact (UNGC) South Africa is to mobilise a global movement of sustainable companies and stakeholders to create the world we want. UN Global Compact supports companies to: • Do business responsibly by aligning their strategies and operations with Ten Principles on human rights, labour, environment and anti-corruption, and • Take strategic actions to advance broader societal goals, such as the SDGs, with an emphasis on collaboration and innovation.	Our Group CE, Fani Titi and Morris Mthombeni, a Director of the Investec IBL Board are both board members of the UN Global Compact South Africa network.. Investec has been a participant since 2012 and we annually report our commitment through the Global Compact Communication of Progress (COP). We actively engage in two distinct workstreams: • Corporates: To drive advocacy and awareness among corporates regarding the UNGC • Mid-market segment: To educate and create awareness among the mid-market segment regarding the ten principles of the UNGC.	R315 000

Industry participation continued

Initiative/membership/reporting	Objective	How we engage and participate	Investec's financial contribution
AFRICAN NATURAL CAPITAL ALLIANCE (Investec Limited)	The African Natural Capital Alliance (ANCA) is a collaborative forum for mobilising the financial community's response to the risk of nature loss in Africa. They bring together a core group of financial institutions, governmental organisations, intergovernmental partners, and civil society representatives.	We joined the African Natural Capital Alliance as a founding member with the formal launch at the end of May 2022. We see this as an opportunity to learn and increase our understanding of the link between finance and biodiversity while at the same time contributing to ensure alignment across the financial sector. The sustainability team attends monthly working group meetings with various financial institutions and other businesses. Additionally, ANCA provides capacity building opportunities for its members through the TNFD pilot. ANCA is collaborating with FSD Africa to enhance the capacity of ANCA members, and Investec is taking part in this initiative.	No financial contribution
UK FINANCE (Investec plc)	UK Finance is the collective voice for the banking and finance industry. UK Finance is a trade association for the UK banking and financial services sector, formed on 1 July 2017. It represents over 300 firms in the UK providing credit, banking, markets and payment-related services.	Ruth Leas, Investec plc's CE is a Board member of UK Finance.	£172 000

Investec Wealth & Investment International

Initiative/membership/reporting	Objective	How we engage and participate	Investec's financial contribution
PRI Principles for Responsible Investment	The UN Principles of Responsible Investment (UN PRI) is a UN-supported international network of investors working together to implement its six aspirational principles – a voluntary set of investment principles for incorporating ESG issues into investment practice. The principles were developed by investors, for investors, and by implementing them, signatories contribute to developing a more sustainable global financial system.	• In January 2021, IW&II became an official signatory of the UN PRI. Our membership commits IW&II to the UN PRI • W&I submitted its annual UN PRI report for the year ended 31 March 2023. This marks the final submission of the report as a co-signatory with the UK Wealth & Investment franchise following the completion of the Rathbones Combination. The next submission for the year 2024 for IW&II is scheduled to take place by July 2024.	£13 020
Climate Action 100+ Global Investors Driving Business Transition	Climate Action 100+ is an investor-led initiative to ensure the world's largest corporate greenhouse gas emitters take necessary action on climate change.	Campbell Parry, Investec global resources analyst at IW&II is the Investec representative on the Climate Action 100+ forum.	No financial contribution
CDP™ INVESTOR SIGNATORY	The objective of the CDP investor signatory membership is to promote industrial-scale environmental disclosure and engagement, aligned with the TCFD.	• In 2021, IW&II became a formal CDP signatory • IW&II joined the CDP Non-Disclosure Campaign giving us the opportunity to actively engage companies that have received the CDP disclosure request on behalf of investors but have not yet provided a response.	$2 640
CRISA CODE FOR RESPONSIBLE INVESTING IN SOUTH AFRICA	The Code for Responsible Investing in South Africa (CRISA) formally encourages institutional investors to integrate into their investment decisions sustainability issues such as ESG.	IW&II is a subscriber to CRISA and actively incorporates responsible investment practices, as well as advances sustainability integration and stewardship capabilities in ten key areas of focus over the next six to nine months.	No financial contribution

Global Reporting Frameworks

Initiative/membership/reporting	Objective	How we engage and participate	Investec's financial contribution
TCFD TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES	The Financial Stability Board (FSB) established the Task Force on Climate-related Financial Disclosures (TCFD) to develop recommendations for more effective climate-related disclosures that could promote more informed investment, credit, and insurance underwriting decisions and in turn, 'would enable stakeholders to understand better the concentrations of carbon-related assets in the financial sector and the financial system's exposures to climate-related risks'.	We have been a signatory since 2019. We were the first bank in South Africa and the eighth bank in the UK to sign up to the TCFD. We have disclosed our Scope 3 financed emissions to establish a baseline to guide us in setting a robust strategy towards the transformation of a low-carbon economy, including short-medium and long-term targets. This year we have released our fifth TCFD report.	No financial contribution
GRI Empowering Sustainable Decisions	Global Reporting Initiative (GRI) is the independent, international organisation that helps businesses and other organisations take responsibility for their impacts, by providing them with the global common language to communicate those impacts. We provide the world's most widely used standards for sustainability reporting – the GRI Standards.	We have been reporting according to the GRI since 2010.	No financial contribution
SASB Sustainability Accounting Standards Board	The Sustainability Accounting Standards Board (SASB) guides the disclosure of financially material sustainability information by companies to their investors. Available for 77 industries, the Standards identify the subset of environmental, social, and governance (ESG) issues most relevant to financial performance in each industry.	We have released our fourth report according to the SASB guidelines.	No financial contribution
UNEP FINANCE INITIATIVE PRINCIPLES FOR RESPONSIBLE BANKING	The UN PRB is a reporting framework for ensuring that signatory banks' strategy and practice align with the vision society has set out for its future in the SDGs and the Paris Climate Agreement.	We have released our fourth report according to the UN PRB guidelines with EY providing limited assurance on selected indicators.	No financial contribution
PRI Principles for Responsible Investment	The UN PRI is a UN-supported international network of investors working together to implement its six aspirational principles – a voluntary set of investment principles for incorporating ESG issues into investment practice.	W&I submitted its annual UN PRI report for the year ended 31 March 2023. This marks the final submission of the report as a co-signatory with the UK Wealth & Investment franchise following the completion of the Rathbones Combination. The next submission for the year 2024 for IW&II is scheduled to take place by July 2024.	£13 020
EQUATOR PRINCIPLES	The Equator Principles (EP) are intended to serve as a common baseline and risk management framework for financial institutions to identify, assess and manage environmental and social risks when financing projects.	Although not a signatory to the EP, we support their requirements and include our EP disclosures in our sustainability report.	No financial contribution

Appendix

08

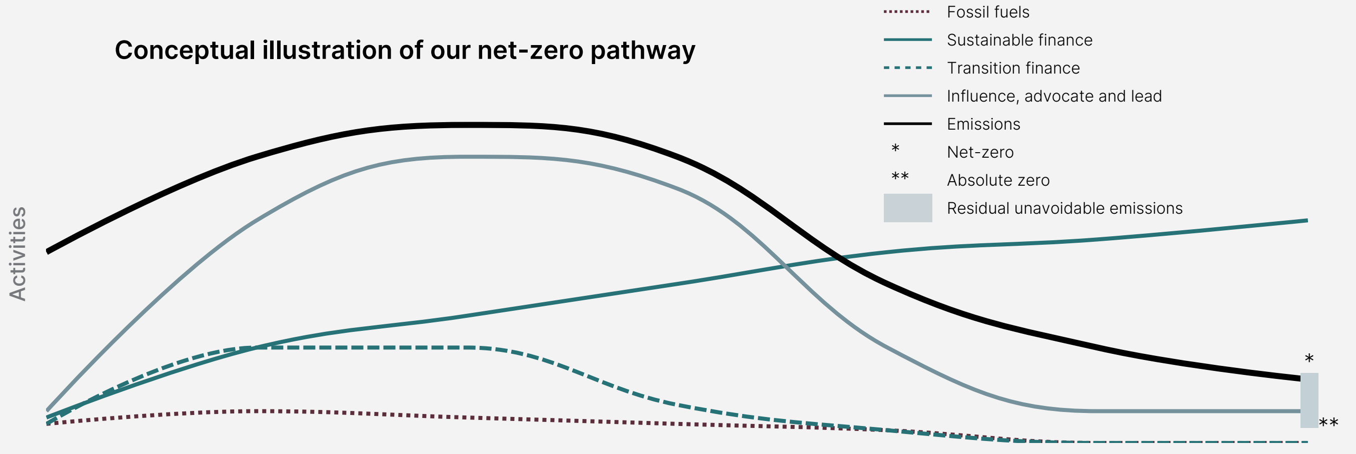
Net-zero climate impact roadmap

The Investec Group acknowledges that climate change is material and poses significant risks and opportunities, including its ability to generate value for stakeholders over time. The Investec Group recognises and supports the aims of the Paris Agreement goals. We are committed to achieving net-zero emissions by 2050, taking into account complexities of the business in relation to climate change. In addition, we acknowledge the clear link between climate change and ecosystem loss, and our impact through our activities on healthy and resilient ecosystems.

Emissions at 31 March 2024 (tCO_2e)

Scope 1:	**3 101**
Scope 2:	**17 250**
Scope 3 (operational):	**16 249**
Total operational:	**36 600**
Total offsets:	**(37 779)**
Total operational after offsets:	–
Scope 3 (financed emissions):	**2 519 640**

Conceptual illustration of our net-zero pathway



Channels of impact

Investec's ambition to achieve net zero by 2050, in line with our commitment to the Net Zero Banking Alliance, is following a strategic approach through ***three channels of impact***

Short term (0 – 1 year) — **2024**

Medium term (1 – 5 years) — **2027**

Long term (5 – 40 years) — **2030**, **2035**, **2040**, **2045**, **2050**

1 Meeting our fossil fuel exposure commitments

- 2024 – **Investec Group:** maintain carbon neutrality in our operations
- 2027 – **Investec plc:** zero coal exposure in the loan book
- 2030 – **Investec Group:** zero thermal coal exposure in the loan book
- 2035 – **Investec Group:** no new oil and gas deals

2 Increasing sustainable and transition finance

Publish enhanced Sustainable and Transition Finance Classification Framework in May 2024 and targets by the end of March 2025

Increase the provision of sustainable and transition finance over time, guided by our targets

3 Influencing, advocating and leading

Active engagement with client ecosystem, promoting increased data quality for Scope 3 emission calculations and sustainability agendas

UN-Convened, Industry-led Net-Zero Banking Alliance | PCAF Partnership for Carbon Accounting Financials | GISD Global Investors for Sustainable Development Alliance | UNEP Finance Initiative | PRI Principles for Responsible Investment | Climate Action 100+

Net zero by 2050

Policies

We support the precautionary approach to environmental management. We strive to minimise and prevent investing in projects or dealing with counterparties where potential and unmitigated environmental degradation might result. Identifying and quantifying environmental risk is embedded within business risk assessments and management processes.

Group public policies and statement

- Sustainable and Transition Finance Classification Framework
- Environmental policy and climate change statement
- Biodiversity statement
- Procurement statement
- Operational resilience statement
- Fossil fuel policy
- The way we do business policy.

Investec Wealth & Investment International policies

- IW&II integrated responsible investment policy
- IW&II principle based framework for responsible investment
- IW&II proxy voting guidelines.

Abbreviations

A2X	Secondary South African Stock exchange
AGM	Annual General Meeting
ANCA	African Natural Capital Alliance
AOD	Automobiles Other than Cars
AWG	Aviation Working Group
BASA	Banking Association South Africa
BIS	The Bank for International Settlements
BRCC	Board Risk and Capital Committee
BSE	Botswana Stock Exchange
CDP	Formerly known as the Carbon Disclosure Project
CE	Chief Executive
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CMIP6	Coupled Model Intercomparison Project Phase 6
CO_2	Carbon dioxide
CO_2e	CO_2 equivalent
CRE	Commercial real estate
CRISA	Code for Responsible Investing in South Africa
CSRD	Corporate Sustainability Reporting Directive
CSST	Common Scenario Stress Test
DLC	Dual listed company
DLC BRCC	DLC Board Risk and Capital Committee
DLC SEC	DLC Social and Ethics Committee
DNSH	Do No Significant Harm
Egrid	Emissions & Generation Resource Integrated Database
EJETP	Eskom Just Energy Transition Project
EMEA	Europe, the Middle East, and Africa
EMS	Environmental Management System
EP	Equator Principles

EPC	Energy Performance Certificate
ERC	Executive Risk Committee
ESG	Environmental, social and governance
ESRS	European Sustainability Reporting Standards
EU	European Union
EV	Electric vehicle
EY	Ernst & Young
FCA	Financial Conduct Authority
FRC	Financial Reporting Council
FSB	Financial Stability Board
FSD Africa	Financial Sector Deepening Africa
FTSE	Financial Times Stock Exchange Group
gCO_2e	Grams carbon dioxide equivalent
GBCSA	Green Building Council of South Africa
GBF	Global Biodiversity Framework
GHG	Greenhouse gas
GISD	Global Investors for Sustainable Development
GoOs	Guarantee of Origins
GRI	Global Reporting Initiative
GTR	Global Trade Review
GW	Gigawatt
IBL	Investec Bank Limited
IBP	Investec Bank plc
ICAAP	Internal Capital Adequacy Assessment Process
ICC	International Chamber of Commerce
ICC-SWG	International Chamber of Commerce Sustainability Working Group
ICMA	International Capital Market Association
IEA	International Energy Agency
IFC	International Finance Corporation

Abbreviations continued

IIRC	International Integrated Reporting Framework
IPCC	Intergovernmental Panel on Climate Change
IR	Integrated Reporting
I-RECs	International Renewable Energy Certificates - India
IRENA	International Renewable Energy Agency
ISAE	International Standards on Assurance Engagements
ISAE3000	International Standards on Assurance Engagements other than audits or review of historical financial information
ISAE3410	International Standards on Assurance Engagements on greenhouse gas statements
ISO	International Organization for Standardization
ISO 14001	International Standard that specifies requirements for an effective environmental management system
ISO 50001	Voluntary standard for designing, implementing and maintaining an energy management system
ISS	Institutional Shareholder Services
ISSB	International Sustainability Standards Board
IW&II	Investec Wealth & Investment International
IWT	Illegal wildlife trade
JETP	Just Energy Transition Partnership
JSE	Johannesburg Stock Exchange
kg	kilogram
kgCO_2e	Kilograms carbon dioxide equivalent
King IVTM	King Code of Governance Principles for South Africa
kl	kilolitre
km	kilometer
KPI	Key performance indicator
kWh	Kilowatt-hour
l	litre
LGD	Loss Given Default
LMA	Loan Market Association

LNG	Liquefied Natural Gas
LPG	Liquefied petroleum gas
LSE	London Stock Exchange
m2	Square meter
MEES	Minimum Energy Efficiency Standards
mn	Million
MSS	Minimum Social Safeguards
MW	Megawatt
MWh	Megawatt-hour
NBI	National Business Initiative
NS&I	National Savings & Investments
NSX	Namibian Stock Exchange
NZE2050	The Net Zero Emissions by 2050 Scenario
NZBA	Net-Zero Banking Alliance
OECD	Organisation for Economic Cooperation and Development
OEMs	Original equipment manufacturers
PA	Prudential Authority
PBAF	Partnership for Biodiversity Accounting Financials
PCAF	Partnership for Carbon Accounting Financials
PD	Probability of default
pkm	Passenger kilometres
PRI	Principles for Responsible Investment
PRME	Principles of Responsible Management Education
PV	Photovoltaic
RBA	Responsible Banking Academy
RCP	Representative Concentration Pathway
REC	Renewable energy certificates
REGO	Renewable Energy Guarantee of Origin
REITs	Real Estate Investment Trusts
REM	Remuneration

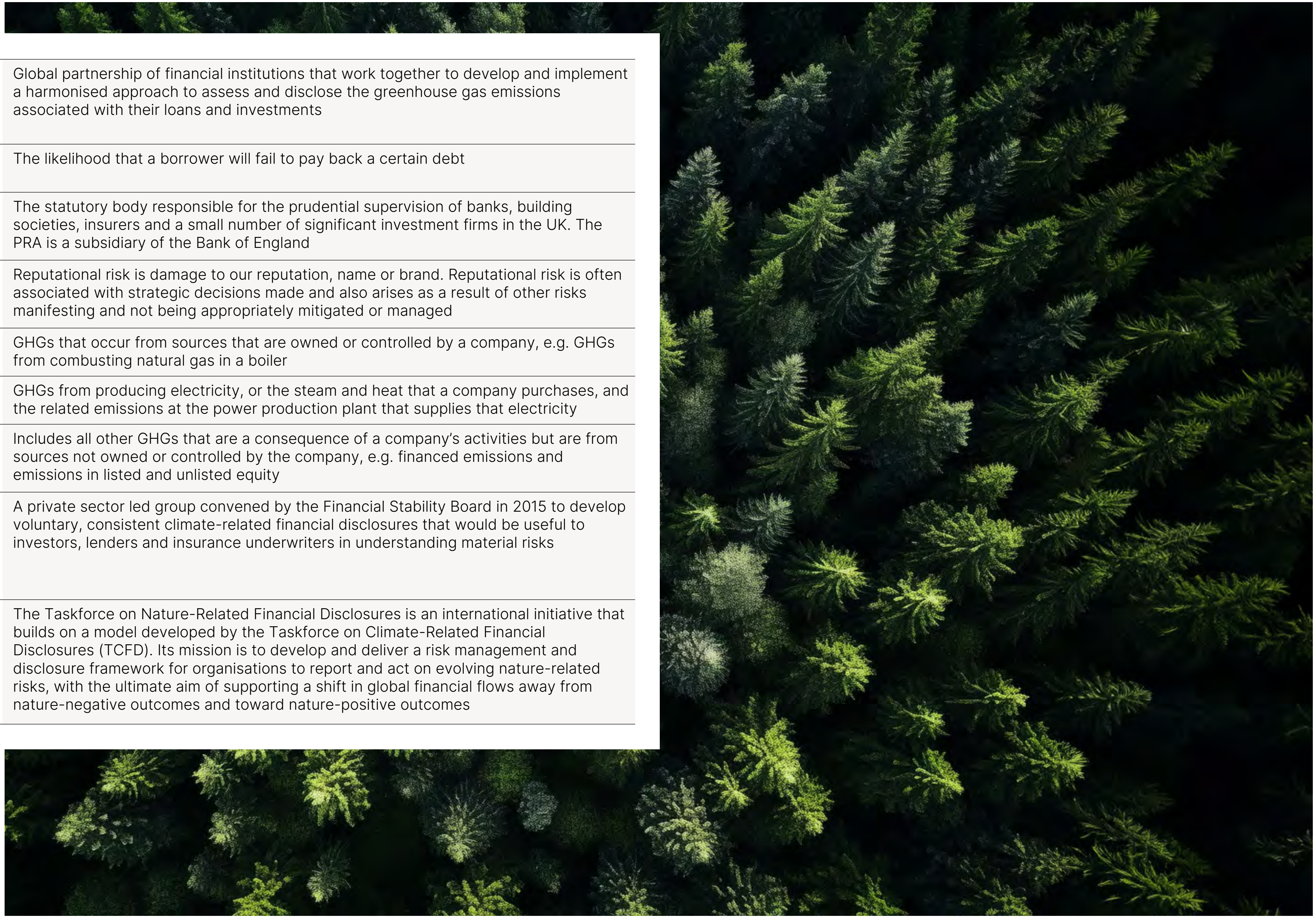
Abbreviations continued

rePowerEU	European Commission plan to rapidly reduce dependence on Russian fossil fuels and fast forward the green transition
RI	Responsible Investment
RRE	Residential real estate
SA	South Africa
SAF	Sustainable Aviation Fuel
SARB	South African Reserve Bank
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Targets initiative
SDGs	Sustainable Development Goals
SDR	Sustainability Disclosure Requirements
SEC	Social and Ethics Committee
SMF	Senior Management Function
SRI	Socially Responsible Investment
SSE	Sustainable Stock Exchange
SSPs	Shared Socio-economic Pathways
t	Tonnes
TCFD	Taskforce on Climate-related Financial Disclosures
tCO2e	Tonnes carbon dioxide equivalent
TFSC	Transforming Financial Systems for Climate
tn	Trillion
TNFD	Taskforce for Nature Related Financial Disclosures
UfW	United for Wildlife
UK	United Kingdom
UN	United Nations
UN PRB	United Nations Principles for Responsible Banking
UN PRI	United Nations Principles for Responsible Investment
UNEP FI	United Nations Environment Programme Finance Initiative
UNESCO	United Nations Educational, Scientific and Cultural Organisation
UNGC	UN Global Compact
USA	United States of America
VCS	Verified Carbon Standard
W&I	Wealth & Investment
WBA	World Benchmarking Alliance
zaRecs	South African Renewable Energy Certificates
zaREGO	South African Renewable Energy Guarantee of Origin
ZEV	Zero Emission Vehicle

Table of definitions

Carbon neutral	Covers Scope 1, Scope 2, and operational Scope 3. After avoiding, and reducing Scope 1, Scope 2, and operational Scope 3 we offset the remaining unavoidable residual emissions within Scope 1 and operational Scope 3 through the purchase of high-quality carbon offsets to achieve carbon neutrality. We purchase renewable energy certificates for Scope 2 emissions
Climate change	The change of climate which is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and which is in addition to natural climate variability observed over comparable time periods
Climate, nature and biodiversity risk	The risk that our lending and investment activities give rise to unintended biodiversity and/or physical climate deterioration through not managing transition risk in alignment with the Paris goals
Credit and counterparty risk	Credit and counterparty risk is defined as the risk arising from an obligor's (typically a client or counterparty) failure to meet the terms of any agreement thereby resulting in a loss to the Group, arising when funds are extended, committed, invested, or otherwise exposed through contractual agreements, whether reflected on- or off-balance sheet
Environmental, social and governance (ESG)	A framework designed to be embedded into an organisation's strategy or an investment approach that considers the needs and ways in which to generate value for all organisational stakeholders
Environmental, social and governance (ESG) risk	The risk that our lending and investment activities give rise to unintended environmental, social and economic consequences
Greenhouse gas (GHG) emissions	GHGs are atmospheric gases that absorb and emit radiation within the thermal infrared range and that contribute to the greenhouse effect and global climate change. Many different GHGs are produced as a result of human activities. The seven gases mandated under the Kyoto Protocol and to be included in national inventories under the United Nations Framework Convention on Climate Change (UNFCCC) – carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulphur hexafluoride (SF), and nitrogen trifluoride (NF3)
Investment risk	Investment risk arises where the Group invests in unlisted companies and select property investments, as well as certain listed investments (predominantly relating to Ninety One) with risk taken directly on the Group's balance sheet
Liquidity risk	Liquidity risk refers to the possibility that, despite being solvent, we have insufficient capacity to fund increases in assets or are unable to meet our payment obligations as they fall due, in normal and stressed conditions. This includes repaying depositors or maturing wholesale debt. This risk arises from mismatches in the timing of cash flows, and is inherent in all banking operations and can be impacted by a range of institution-specific and market-wide events
Loss given default (LGD)	Loss given default is the percentage loss experienced in the event of default
Market risk in the trading book	Traded market risk is the risk of potential value changes in the trading book as a result of changes in market factors such as interest rates, equity prices, commodity prices, exchange rates, credit spreads and the underlying volatilities where derivatives are traded. The trading book is defined as positions in financial instruments and commodities, including derivative products and other off-balance sheet instruments that are held within the trading businesses
Net zero	Covers Scopes 1, 2 and 3. Achieving net zero requires a company to involve all areas of the business in order to understand Scope 3 emission sources and plan alternative processes to avoid emissions or to neutralise where emissions cannot be avoided
Network for Greening the Financial System (NGFS)	The Network for Greening the Financial System is a network of 114 central banks and financial supervisors that aims to accelerate the scaling up of green finance and develop recommendations for central banks' role for climate change. The NGFS was created in 2017 and its secretariat is hosted by the Banque de France
Operational risk	Operational risk is defined as the potential or actual impact to the Group as a result of failures relating to internal processes, people, systems or from external events. The impact can be financial as well as non-financial such as customer detriment, reputational or regulatory consequences

Table of definitions continued



Partnership for Carbon Accounting Financials (PCAF)	Global partnership of financial institutions that work together to develop and implement a harmonised approach to assess and disclose the greenhouse gas emissions associated with their loans and investments
Probability of default (PD)	The likelihood that a borrower will fail to pay back a certain debt
Prudential Regulation Authority (PRA)	The statutory body responsible for the prudential supervision of banks, building societies, insurers and a small number of significant investment firms in the UK. The PRA is a subsidiary of the Bank of England
Reputational risk	Reputational risk is damage to our reputation, name or brand. Reputational risk is often associated with strategic decisions made and also arises as a result of other risks manifesting and not being appropriately mitigated or managed
Scope 1 emissions	GHGs that occur from sources that are owned or controlled by a company, e.g. GHGs from combusting natural gas in a boiler
Scope 2 emissions	GHGs from producing electricity, or the steam and heat that a company purchases, and the related emissions at the power production plant that supplies that electricity
Scope 3 emissions	Includes all other GHGs that are a consequence of a company's activities but are from sources not owned or controlled by the company, e.g. financed emissions and emissions in listed and unlisted equity
Task Force on Climate-Related Financial Disclosures (TCFD)	A private sector led group convened by the Financial Stability Board in 2015 to develop voluntary, consistent climate-related financial disclosures that would be useful to investors, lenders and insurance underwriters in understanding material risks
Task Force on Nature Related Disclosures (TNFD)	The Taskforce on Nature-Related Financial Disclosures is an international initiative that builds on a model developed by the Taskforce on Climate-Related Financial Disclosures (TCFD). Its mission is to develop and deliver a risk management and disclosure framework for organisations to report and act on evolving nature-related risks, with the ultimate aim of supporting a shift in global financial flows away from nature-negative outcomes and toward nature-positive outcomes

Proviso

Please note that matters discussed in this document may contain forward looking statements which are subject to various risks and uncertainties and other factors including, but not limited to:

- changes in the political and/or economic environment that would materially affect the Investec Group
- changes in the economic environment due to global inflationary pressure, rising global interest rates, and global supply chain issues
- changes in the global economy and financial markets from the potential impacts of geo-political conflict
- changes in legislation or regulation impacting the Investec Group's operations or its accounting policies
- changes in business conditions that will have a significant impact on the Investec Group's operations
- changes in exchange rates and/or tax rates from the prevailing rates at 31 March 2024
- changes in the structure of the markets, client demand or the competitive environment.

A number of these factors are beyond the Investec Group's control. These factors may cause the Investec Group's actual future results, performance or achievements in markets in which it operates to differ from those expressed or implied. Any forward looking statements made are based on knowledge of the Investec Group at 30 June 2024. Forward-looking statements have not been reviewed and reported on by the Group's auditors.

TCFD *recommendations*

09

Climate-related disclosures overview

Investec publicly committed to support the Financial Stability Board's TCFD recommendations in 2019 and released our first stand-alone TCFD report in 2019. During the year ended 31 March 2024, we have made progress in our disclosures on all four pillars of the TCFD recommendations.

Governance
Disclose the organisation's governance around climate-related risks and opportunities.

	Reference	Page number
a) Describe the Board's oversight of climate-related risks and opportunities. In describing the Board's oversight of climate-related issues, organisations should consider including a discussion of the following:		
Processes and frequency by which the Board and/or Board Committees (e.g., audit, risk, or other committees) are informed about climate-related issues.	1a	14 to 21
Whether the Board and/or Board Committees consider climate-related issues when reviewing and guiding strategy, major plans of action, risk management policies, annual budgets, and business plans as well as setting the organisation's performance objectives, monitoring implementation and performance, and overseeing major capital expenditures, acquisitions, and divestitures.	1a	14 to 21
How the Board monitors and oversees progress against goals and targets for addressing climate-related issues.	1a	14 to 21
b) Describe management's role in assessing and managing climate-related risks and opportunities. In describing management's role related to the assessment and management of climate-related issues, organisations should consider including the following information:		
Whether the organisation has assigned climate-related responsibilities to management-level positions or committees; and, if so, whether such management positions or committees report to the Board or a Committee of the Board and whether those responsibilities include assessing and/or managing climate-related issues.	1b	22 and 23
A description of the associated organisational structure(s).	1b	13
Processes by which management is informed about climate-related issues.	1b	22 and 23
How management (through specific positions and/or management committees) monitors climate-related issues.	1b	22 and 23

Strategy Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material as well as additional requirements for Banks.	**Reference**	**Page number**
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.		
A description of what they consider to be the relevant short-, medium-, and long-term time horizons, taking into consideration the useful life of the organisation's assets or infrastructure and the fact that climate-related issues often manifest themselves over the medium and longer terms.	2a	27
A description of the specific climate-related issues potentially arising in each time horizon (short-, medium-, and long-term) that could have a material financial impact on the organisation.	2a	27 to 31
A description of the process(es) used to determine which risks and opportunities could have a material financial impact on the organisation.	2a	32 to 34
Banks should describe significant concentrations of credit exposure to carbon-related assets. These assets include the non-financial groups: energy; materials and buildings; transportation; and agriculture, food, and forest Products. Additionally, banks should consider disclosing their climate-related risks (transition and physical) in their lending and other financial intermediary business activities.	2a	28
b) Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.		
• Building on recommended disclosure (a), organisations should discuss how identified climate-related issues have affected their businesses, strategy, and financial planning.	2b	35 to 36
• Organisations should consider including the impact on their businesses, strategy, and financial planning in the following areas: – Products and services – Supply chain and/or value chain – Adaptation and mitigation activities – Investment in research and development – Operations (including types of operations and location of facilities) – Acquisitions or divestments – Access to capital	2b	35 to 36
Organisations should describe how climate-related issues serve as an input to their financial planning process, the time period(s) used, and how these risks and opportunities are prioritised. Organisation's disclosures should reflect a holistic picture of the interdependencies among the factors that affect their ability to create value over time.	2b	35 to 36
Organisations should describe the impact of climate-related issues on their financial performance (e.g., revenues, costs) and financial position (e.g., assets, liabilities). If climate-related scenarios were used to inform the organisation's strategy and financial planning, such scenarios should be described.	2b	35 to 36
Organisations that have made GHG emissions reduction commitments, operate in jurisdictions that have made such commitments, or have agreed to meet investor expectations regarding GHG emissions reductions should describe their plans for transitioning to a low-carbon economy, which could include GHG emissions targets and specific activities intended to reduce GHG emissions in their operations and value chain or to otherwise support the transition.	2b	38

TCFD recommendations continued

c) Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.		
Organisations should consider discussing: – where they believe their strategies may be affected by climate-related risks and opportunities; – how their strategies might change to address such potential risks and opportunities; – the potential impact of climate-related issues on financial performance (e.g., revenues, costs) and financial position (e.g., assets, liabilities); and – the climate-related scenarios and associated time horizon(s) considered.	2c	36 to 37

Risk management
Disclose how the organisation identifies, assesses, and manages climate-related risks, as well as additional requirements for Banks.

	Reference	Page number
a) Describe the organisation's processes for identifying and assessing climate-related risks.		
Organisations should describe their risk management processes for identifying and assessing climate-related risks. An important aspect of this description is how organisations determine the relative significance of climate-related risks in relation to other risks.	3a	43 and 44
Organisations should describe whether they consider existing and emerging regulatory requirements related to climate change (e.g., limits on emissions) as well as other relevant factors considered.	3a	45
Organisations should also consider disclosing the following: – processes for assessing the potential size and scope of identified climate-related risks and – definitions of risk terminology used or references to existing risk classification frameworks used.	3a	44, and 46 to 47
Banks should consider characterising their climate-related risks in the context of traditional banking industry risk categories such as credit risk, market risk, liquidity risk, and operational risk.	3a	48
b) Describe the organisation's processes for managing climate-related risks.		
• Organisations should describe their processes for managing climate-related risks, including how they make decisions to mitigate, transfer, accept, or control those risks. • In addition, organisations should describe their processes for prioritising climate-related risks, including how materiality determinations are made within their organisations.	3b	49 to 52
c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.		
Organisations should describe how their processes for identifying, assessing, and managing climate-related risks are integrated into their overall risk management.	3b	53

TCFD recommendations continued

Metrics and targets
Disclose the metrics and targets, including those specifically for Banks, used to assess and manage relevant climate-related risks and opportunities where such information is material.

	Reference	Page number
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.		
• Organisations should provide the key metrics used to measure and manage climate-related risks and opportunities, as well as metrics consistent with the cross-industry, climate-related metric categories for current, historical, and future periods, where appropriate. • Organisations should consider including metrics on climate-related risks associated with water, energy, land use, and waste management where relevant and applicable.	4a	57 to 90
Where climate-related issues are material, organisations should consider describing whether and how related performance metrics are incorporated into remuneration policies.	4a	21
Where relevant, organisations should provide their internal carbon prices as well as climate-related opportunity metrics such as revenue from products and services designed for a low-carbon economy.	4a	56
• Metrics should be provided for current, historical, and future periods to allow for trend analysis. Where appropriate, organisations should consider providing forward-looking metrics for the cross-industry, climate-related metric categories, consistent with their business or strategic planning time horizons. In addition, where not apparent, organisations should provide a description of the methodologies used to calculate or estimate climate-related metrics.	4a	58 to 81
– Banks should provide the metrics used to assess the impact of (transition and physical) climate-related risks on bank's lending and other financial intermediary business activities in the short, medium, and long term. Metrics provided may relate to credit exposure, equity and debt holdings, or trading positions, broken down by: industry, geography, credit quality (e.g., investment grade or non-investment grade, internal rating system), average tenor – Banks should provide the amount and percentage of carbon-related assets relative to total assets as well as the amount of lending and other financing connected with climate-related opportunities. – Disclosure of the extent to which the bank's lending and other financial intermediary business activities, where relevant, are aligned with a well below 2°C scenario, using whichever approach or metrics best suit their organisational context or capabilities. Banks should indicate which financial intermediary business activities are included	4a	46, and 87 to 89
b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, in lending and other financial intermediary business activities, and the related risks.		
• Organisations should provide their Scope 1 and Scope 2 GHG emissions independent of a materiality assessment, and, if appropriate and subject to materiality, disclosure of Scope 3 GHG emissions and the related risks. • All organisations are encouraged to disclose Scope 3 GHG emissions and for banks those from their lending and other financial intermediary business activities, where data and methodologies allow.	4b 4b	58 to 59 64 to 66
GHG emissions should be calculated in line with the Global GHG Accounting and Reporting Standard for the Financial Industry developed by the PCAF standard or a comparable methodology.	4b	64 to 81
GHG emissions and associated metrics should be provided for historical periods to allow for trend analysis. In addition, where not apparent, organisations should provide a description of the methodologies used to calculate or estimate the metrics.	4b	58 to 81
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.		
Organisations should describe their key climate-related targets such as those related to GHG emissions, water usage, energy usage, etc., in line with the cross-industry, climate-related metric categories, where relevant, and in line with anticipated regulatory requirements or market constraints or other goals. Other goals may include efficiency or financial goals, financial loss tolerances, avoided GHG emissions through the entire product life cycle, or net revenue goals for products and services designed for a low-carbon economy.	4c	60 to 62, 69, 72 and 74
Organisations disclosing medium-term or long-term targets should also disclose associated interim targets in aggregate or by business line, where available.	4c	69, 72 and 74