



Climate risk shareholder resolutions timeline:

Investec Limited

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October 2022



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2022

On 30 June 2022, Investec published its third standalone Task Force on Climate-related Financial Disclosures (TCFD) report. Investec reports that its fossil fuels exposure has increased by 7% from the 2021 financial year to the 2022 financial year, while its renewables exposure has increased by 18% over the same time period.

In accordance with the resolution tabled by Investec in 2021, Investec has made progress in disclosing its baseline scope 3 financed emissions. However, it has not set adequate short-, medium- and long-term Paris-aligned targets or strategies to reach net-zero emissions by 2050.

In its 2022 TCFD Report, Investec has set targets only in respect of phasing out its exposure to coal. For Investec Plc, there is a strong target of phasing out coal in the next 3-5 years. However, for Investec Ltd, the bank adopts South Africa's currently high dependency on coal as an excuse for not setting a clear stance on phasing out this fossil fuel, committing only to zero export thermal coal.

2021

In June 2021, Investec published its 2021 TCFD report. It reports its exposure to fossil fuels at R5,4 bn.

With support from Just Share, and ahead of its 5 August AGM, Investec tabled the most significant climate change shareholder resolution for a JSE-listed company to date.

Rather than asking shareholders to vote on the bank's climate risk-related disclosure, Investec's resolution explicitly requires the company to take action to address its "financed emissions", or the GHG emissions associated with its lending and investment portfolio.

Investec's resolution asked shareholders to "*authorise and direct the Investec Group and its directors to commit to disclose:*

- *A baseline of the Investec Group's scope 3 financed emissions;*
- *Its strategy to reduce scope 3 emissions; and*
- *Its short, medium and long term targets to reach net-zero emissions and align with the Paris goals, based on a geographic approach that is guided by (but not limited to) the net-zero trajectories of our two core jurisdictions, being South Africa and the UK"*

The resolution is the first in South Africa explicitly to require alignment with the goals of the Paris Agreement. While the resolution took the form of a non-binding advisory vote, the fact that it received 99.97% of shareholder support demonstrates how important this information is for shareholders.



The emissions, strategy and targets will be reported for the financial year ending 31 March 2022. Nedbank is the only major South African bank so far to have set short-, medium-, and long-term targets for reducing its exposure to fossil fuels. Nedbank's [energy policy](#) commits to the bank having "zero exposure to all activities related to fossil fuels [except when required to back up renewable power] by 2045".

[Read about this in more detail.](#)

2020

In April 2020, Investec became the first South African bank to publicly disclose a [group fossil fuel policy](#), covering coal-fired power generation, coal mining, and oil and gas. This policy does not exclude financing for coal-fired power or coal mining, but does contain other exclusions; including for projects:

- that exploit high conservation value areas and UNESCO world heritage sites;
- in environmentally high-risk areas;
- that are in non-compliance with human rights (especially regarding the rights of local communities and indigenous peoples);
- that are in non-compliance with minimum standards for occupational health and safety and relevant local legislation;
- that use child labour, forced labour, modern slavery or human trafficking;
- that do not include a site rehabilitation plan to restore land to a usable state; and
- where environmental and social risks are not being managed.

At the same time, the bank committed to disclosing its fossil fuel exposures when it released its annual reports, and to publishing its first separate report aligned with the recommendations of the TCFD.

In June 2020, Investec was the first South African bank to release a [separate report](#) aligned with the TCFD Recommendations. Investec reports its exposure to fossil fuels at just under R8,1 bn.

[Read about this in more detail.](#)

Investec was the fifth South African bank to table a climate risk-related shareholder resolution. Investec voluntarily tabled a resolution in its [2020 Notice of AGM](#) which required Investec to:

"...continue the Group's commitment to carbon neutrality with respect to the Scope 1 and 2 emissions of our direct operations"; and "report annually on progress made on the Investec Group's climate-related exposures. This includes full disclosure of our group's own-risk exposure to fossil fuels and to high risk industries from a climate perspective."

The resolution, which needed more than 50% of shareholder votes to pass, **received 99% support.**

[Read about this in more detail.](#)