

## Sustainable environment



Limiting our impacts on the environment and health and using scarce natural resources efficiently



### Why environmental stewardship matters

For many years, Imperial has been conscious of its environmental impact; however, it is over the past two years that greater emphasis has been placed on ensuring that this consciousness is more deeply embedded across the group. Care for the environment is nested in our business strategy as part of the ESG pillar; it is directly referenced in our ESG approach to create value that supports the environment and in our ESG aspiration to strive for zero harm to the environment. These commitments ensure that we address the significant scope for improvement that exists in our environmental performance.

Our business activities - particularly the logistics business which stores and transports goods between manufacturing facilities, warehouses and depots, and client facilities - contribute to environmental threats such as air pollution, climate change and resource depletion. Our strategic investment in ESG practices is directed towards integrating sustainable environmental practices into our everyday operations and increasingly includes advanced digital technology to support sustainable consumption of resources and achieve improvements in our environmental impacts. Society increasingly expects organisations - including Imperial and our clients, principals and customers (collectively referred to as clients) - to participate in a circular economy that uses resources efficiently to minimise waste and in doing so limit environmental and climate change impacts.

In January 2021, Beira in central Mozambique was hit with a level three cyclone (Eloise), causing damage to the roof and walls of one of our properties, as well as the stock stored in the building. The total value of the damage and stock loss was MZN2,8 million (c. R640 000).

The massive impact of COVID-19 on economies and livelihoods has made it clear that addressing climate change in a manner that earnestly decouples economic growth from pollution is an immediate necessity. The world must re-engineer economies to fix the damage done to the environment. All organisations will be profoundly affected by the transition to a net zero economy. We are starting to investigate what it would mean for Imperial to be net carbon zero; what this would mean for our operating model and stakeholders in the value chain as well as the constraints we would face within our African operations. We proactively pilot new trucking technologies across various geographies, and are involved in technical work informing policy advances to define an optimal path to transition South Africa's transport sector. During the year, we conducted a gap analysis of our reporting against the Task Force on Climate-related Financial Disclosures (TCFD) and improved our climate change disclosure to meet some of the framework's requirements. As we progress our ESG strategy we expect to improve our TCFD reporting.

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