

## Nigel Beck

Head of Sustainable Finance and ESG Advisory at Rand Merchant Bank



The route I have followed to become the Head of RMB's Sustainable Finance and ESG Advisory business was undoubtedly an unconventional one – falconer, personal assistant, game ranger, banker. But one that originated from a life-long passion for society and conservation. A passion I have followed long before sustainability was at the forefront of everyone's mind.

While at school I was a member of the Gaia Society and at university I studied a master's in environmental technology. But the first step in my sustainability journey began in high school with birds - where I was trained as a falconer and began rehabilitating injured raptors. Falconry taught me to understand ecosystems and the fine balance of nature, but it also opened new experiences and opportunities. In the late 1990's while I was based in the UK working for the UK Government as a Consultant leading on Sustainability Appraisal and Strategic Environmental Assessment, I came across an opportunity at the British School of Falconry in Scotland. I jumped at the opportunity and moved in 1999 to GlenEagles, Scotland, to become the Head of the British School of Falconry.

But when finally trying to get into the “real” workforce after achieving my MSc from Imperial College in the UK, I landed up taking a job as a personal assistant just to get into Environmental Consulting.

After that I worked for the Countryside Agency in the UK and contributed to the development and implementation of the National Park policy. I was also part of the team that designated the New Forest as a National Park in the UK.

In 2001, I moved back to

South Africa and started to work more with the amazing wildlife and people we have on the continent. I became a Contract Ecologist in the Kalahari, on the private game reserve Tsawalu. I was responsible for modelling wildlife populations, looking at the optimum mix for financial and ecological viability.

I had some incredible experiences in the Kalahari that have shaped who I am. We would track black rhino on foot, resulting in the occasional charge by the rhino, and we would have to run for the nearest tree (very scarce in the Kalahari) and often land up in a bush not much taller than the rhino itself. We also captured game for relocation to other reserves, which was a real logistical challenge. At the time I lived in a small house more than 50km from any other sign of civilisation, so I got to know myself very well. During that stage of my journey I soon realised that to get traction and make a real impact, I needed to add the financial overlay to my qualification. This inspired me to do my MBA in 2007 to develop and mainstream the financial aspect of ESG.

I have questioned my career decisions many times over the years. ESG was not popular prior to 2015, and it was always a challenge to convince companies and society of its relevance. Once I was in the Financial Services sector, I pushed hard to establish an ESG capability in 2008, but it was only in 2015, after the Paris Agreement, that ESG entered mainstream corporate conversation, which justified my career path to that point.

It's been tough swimming upstream for most of my life, but I stuck with it, even when those close to me were achieving success in their chosen fields while I was still chasing animals around the Kalahari! But my passion will always be in sustainability and it is satisfying that I can now see the tide turning in the right direction globally.

All of this experience has equipped me for my current role as Head of RMB's Sustainable Finance and ESG Advisory business. My team and I, partner with clients to advise on sustainable products and services solving for access to financial capital, to provide support on developing a sustainability funding strategy, identifying strategic opportunities and to keep clients abreast of the latest developments in the local and offshore sustainable financial markets.

I have a reputation for building strategic business partnerships that maximise emerging market opportunities in the ESG space. This includes in-

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novating award-winning sustainable growth and green product solutions that align with internationally recognised standards, corporate due diligence and client requirements.

Over the years I have pioneered the development of sustainable finance on the continent, executing several innovative and award-winning products including:

- the first Sustainability Linked Loans in Africa (bi-lateral and syndicated),
- the first Green Bond in East Africa,
- the first Green Bond in South Africa,
- the first Social Bond in South Africa,
- the first Sustainability Linked Bond in Africa,
- the first Green Infrastructure Bond issued by a corporate in Nigeria, and
- Africa's Largest Offshore Green Bond.

Within the last six months I have concluded a sustainability-linked bond for Rand Water (the first for a state-owned entity), and the first syndicated sustainability-linked loan in Africa for Mediclinic.

My passion for sustainability has led me to many professional bodies. I am a Member of the Institute of Environmental Management and Assessment (MIEMA) and a Chartered Environmentalist (UK). I was previously the lead at the International Chamber of Commerce (Sustainable Trade Finance) and member of the Impact Investing National Task Force. I have held the longest Chairmanship of the Global Equator Principles steering committee.

My education included a BSc from the University of Cape Town, a BSc (Hons) from the University of Pretoria, MSc & DIC (Environmental Technology) from Imperial College, London, an MBA (Finance) from Wits Business School and Executive Leadership Programme from Duke Fuqua School of Business.

Prior to working at RMB, I was the Global Managing Director of Sustainable Finance & ESG Advisory at Standard Bank, and before that, I was a consultant on large and small infrastructure and resource transactions and worked within the British Public sector.

My experience has shown me that there are a few primary challenges we need to overcome to accelerate ESG in this country:

#### **Lack of awareness**

There is a lack of awareness of sustainable finance opportunities in Africa. Corporates are not aware of all the products like Green Bonds, Sustainability-linked bonds and loans amongst others. Sup-

porting funding of corporate transition strategies by committing companies to work towards attaining various ESG benchmarks. It's a great opportunity, but not many treasurers are up to speed yet. That's where ESG Advisory comes in – we are working hard to educate our clients. We can show a client all the options they have at their disposal, based on their business and transition strategy, sector and available investor interest in the market.

#### **Lack of technical understanding**

In South Africa we have a skill deficit when it comes to technical expertise in structuring Sustainable Finance transactions. We spend a lot of time guiding our clients, providing advisory services through the structuring of these deals around strategies aimed at reaching Net Zero. For example, if a client is exploring a green bond, we can provide support in asset mapping, developing the framework and facilitating the independent verification.

#### **It's often difficult to reconcile the costs**

Independent ESG rating agencies are based in Europe, the UK and US this results in additional costs in rand terms, which can be difficult to justify. We can overcome this challenge in the longer term by creating local capacity and capability to undertake ESG ratings and verification, so that the costs are more aligned to the local market.

In closing, there is massive opportunity for sustainable finance in South Africa. However, we are tracking behind the global market. We have raised significant awareness over the past two years and are seeing increasing interest from investors. If we can collaborate as a private and public sector to address the challenges above and seize the opportunity, we can make a significant impact in the years to come. ●

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