

### Module: Introduction

#### Page: Introduction

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#### 0.1

##### Introduction

Please give a general description and introduction to your organization.

Reunert Limited is a South African company listed in the industrial goods and services (electronic and electrical equipment) sector of the JSE.

The group manages a diversified portfolio of businesses in the fields of electrical engineering, information and communication technologies as well as defence and allied technologies. The group operates mainly in South Africa with minor operations situated in Australia, Lesotho, USA and Zimbabwe.

We believe that each of these businesses is capable of meeting the group's objectives for sustainable growth and earnings.

Reunert currently manages three main operating segments:

- **CBI-electric:** (African Cables, Telecom Cables and Low and Medium Voltage)
- **Nashua:** (Nashua Office Automation, Nashua Mobile, Nashua Communications, PanSolutions, and the asset financing business, Quince Capital)
- **Reutech:** (Fuchs Electronics, Reutech Communications, Reutech Radar Systems, Reutech Solutions and RC&C Manufacturing.) Historically, Reutech represented the defence division of Reunert, but over the past few years has successfully launched commercial products, targeting the mining and renewable energy sectors.

*Please note:*

*For the purposes of this response:*

- o Only Nashua franchises in which we hold a 51% or more shareholding were included. The other franchises with a shareholding below 51% have been excluded.
- o For our joint venture company CBI-electric: Aberdare ATC Telecom Cables we have captured all data at 50% of actual consumption.

o Our Cafca operation in Zimbabwe has not been included as it is not consolidated in our financial reporting as the directors believe there is a lack of control as defined in IAS 27 consolidated and separate Financial Statements. The amounts involved are not material to the group.

• For further clarity please see Reunert company structure diagram attached.

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**0.2**

**Reporting Year**

Please state the start and end date of the year for which you are reporting data.

**Enter the period that will be disclosed.**

Sat 01 Oct 2011 - Sun 30 Sep 2012

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**0.3**

**Reporting Boundary**

Please indicate the category that describes the reporting boundary for companies, entities, or groups for which water-related impacts are reported.

Companies, entities or groups over which financial control is exercised

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**0.4**

**Exclusions**

Are there any geographies, facilities or types of water inputs/outputs within this boundary which are not included in your disclosure?

Yes

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**0.4a****List of Exclusions**

Please describe any exclusion(s) in the following table.

<b>Exclusion</b>	<b>Please explain why you have made the exclusion</b>
Lesotho	The Lesotho factory information has been included under SA.
Australia	Water usage information on the minor operation in Australia has been excluded due to the insignificance.
Cafca operation in Zimbabwe has not been included	Cafca was not consolidated in this reporting period and no relevant information on this minor operation is available
USA	Water usage information on the minor sales office in America has been excluded due to the insignificance.

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**Further Information**

Reunert group structure

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**Attachments**

[https://www.cdproject.net/sites/2013/98/15698/CDP Water Disclosure 2013/Shared Documents/Attachments/CDPWaterDisclosure2013/Introduction/Reunert group.JPG](https://www.cdproject.net/sites/2013/98/15698/CDP%20Water%20Disclosure%202013/Shared%20Documents/Attachments/CDPWaterDisclosure2013/Introduction/Reunert%20group.JPG)

**Module: Water-Governance**

**Page: Water-1-ManagementGovernance**

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**1.1**

**Does your company have a water policy, strategy or management plan?**

No

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**1.1a**

Please describe your policy, strategy or plan, including the highest level of responsibility for it within your company and its geographical reach.

Country or region	Description of policy, strategy or plan	Position of responsible person
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**1.1b**

Does the water policy, strategy or plan specify water-related targets or goals?

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**1.1c**

Please describe these water-related targets or goals and the progress your company has made against them.

Country or region	Category of target or goal type	Description of target or goal	Progress against target or goal
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**1.1d**

**You may explain here why your company does not have a water policy, strategy or plan and if you intend to put one in place.**

At this time Reunert does not have a group wide water policy or a management plan. The reasons therefore are twofold:

1. Reunert operates on a decentralised, federal model. As such, each operation reviews and monitors its own risks, including access to, and management of its water resources.
2. The group is not a water intensive operation overall. The group's manufacturing operations are cognisant of their water needs and supply risk and, at this stage, continuity of supply has not been identified as a key risk area.

The two most water intensive operations, being CBI-electric: African cables and CBI Telecom have water management treatment processes in place which includes the recycling of water.

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## 1.2

**Do you wish to report any actions outside your water policy, strategy or management plan that your company has taken to manage water resources or engage stakeholders in water-related issues?**

Country or region	Category of action	Description of action and outcome
South Africa	Supply chain	Continued water supply has been actively discussed with the municipality and plans have been agreed to for the upgrade of infrastructure for the factory needs.

## Module: Water-RisksOpps

### Page: Water-2-indicators-op

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## 2.1

**Are any of your operations located in water-stressed regions?**

Yes

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**2.1a**

Please specify the method(s) you use to characterize water-stressed regions (you may choose more than one method).

Method used to define water stress	Please add any comments here:
Regional government assessments or databases WRI water scarcity definition	SA Risk and Vulnerability Atlas

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**2.1b**

Please list the water-stressed regions where you have operations and the proportion of your total operations in that area.

Country or region	River basin	Proportion of operations located in this region (%)	Further comments
South Africa	Other: Western Cape	1 – 10	Reutech Radar Systems is based in Stellenbosch. Long term risk assessment indicates that the Western Cape is likely to become more water stressed. This operation is not reliant on water for production facilities.

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**2.1a**

Please specify the method(s) you use to characterize water-stressed regions.

Method used to define water stress	Please add any comments here:
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2.1c

You may explain here why you are not able to identify which of your operations are located in regions subject to water stress and whether you have plans to investigate this in the future.

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2.2

**Are there other indicators (besides water stress) which you wish to report that help you to identify which of your operations are located in regions subject to water-related risk?**

Yes

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2.2

Are there other indicators (besides water stress) which you wish to report that help you to identify which of your operations are located in regions subject to water-related risk?

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2.2

Are there other indicators (besides water stress) which you wish to report which help you to identify which of your operations are located in regions subject to water-related risk?

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2.2a

**Please list the regions at risk where you have operations, the relevant risk indicator and proportion of your total operations in that area.**

Country or region	River basin	Risk Indicator	Proportion of operations located in this region (%)	Further comments
South Africa	Orange	Inadequate water infrastructure	21-30	In certain municipal areas infrastructure are under strain. This could potentially have an impact on continuous water supply, which could impact on continuous production processes.
South Africa	Orange	Inadequate access to water and sanitation	81-90	Even though this risk does not have a direct impact on the business operations some of the poorer communities in south Africa does not have access to clean water which could potential have an impact on employees and their extended families.

2.2a

Please list the regions at risk where you have operations, the relevant risk indicator and proportion of your total operations in that area.

Country or region	River basin	Risk Indicator	Proportion of operations located in this region (%)	Further comments

2.2a

Please list the regions at risk where you have operations, the relevant risk indicator and proportion of your total operations in that area.

Country or region	River basin	Risk Indicator	Proportion of operations located in this region (%)	Further comments

2.2b

You may explain here why you do not wish to report or why you do not use other indicators to identify which of your operations are located in regions subject to water-related risk.

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2.2b

You may explain here why you do not use or wish to report other indicators to identify which of your operations are located in regions subject to water-related risk.

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2.2b

You may explain here why you do not use or wish to report other indicators to identify which of your operations are located in regions subject to water-related risk.

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2.3

**Please specify the total proportion of your operations that are located in the regions at risk which you identified in questions 2.1 and/or 2.2.**

25%

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2.3

Please specify the total proportion of your operations that are located in the regions at risk which you identified in questions 2.1 and/or 2.2.

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2.3

Please specify the total proportion of your operations that are located in the regions at risk which you identified in questions 2.1 and /or 2.2.

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2.4

Please specify the basis you use to calculate the proportions used for questions 2.1 and/or 2.2.

Basis used to determine proportions	Please add any comments here
Revenue	The majority of Reunert's operations are based in South Africa with more than 90% of the operations located within 150 km radius of Johannesburg in the Vaaldam catchment area, which is sub-basin of the Orange River basin.

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2.4

Please specify the basis you use to calculate the proportions used for questions 2.1 and/or 2.2.

Basis used to determine proportions	Please add any comments here
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2.4

Please specify the basis you use to calculate the proportions used for questions 2.1 and/or 2.2

Basis used to determine proportions	Please add any comments here
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2.5

**Do any of your key inputs or raw materials (excluding water) come from regions subject to water-related risk?**

Don't know

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2.5a

Please state or estimate the proportion of your key inputs or raw materials that come from regions subject to water-related risk.

Country or region	River basin	Input or material	Proportion of key input or raw material that comes from region at risk (%)	Unit used for calculating percentage	Further comments
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2.5b

**You may explain here why you are not able to identify if any of your key inputs or raw materials come from regions subject to water-related risk and whether you have plans to explore this issue in the future.**

The majority of our products are not water-intensive to produce. No immediate risks were identified in our bi-annual risk assessments within the various business units to indicate that this type of risk might have an impact on our business operations.

To date a specific analysis on the exposure of our supply chain to water-related risks have not been conducted yet, but to be addressed in the medium term.

**Page: water-3-riskassess-op**

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3.1

**Is your company exposed to water-related risks (current or future) that have the potential to generate a substantive change in your business operation, revenue or expenditure?**

No

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3.1a

Please describe (i) the current and/or future risks to your operations, (ii) the ways in which these risks affect or could affect your operations before taking action, (iii) the estimated timescale of these risks, and (iv) your current or proposed strategies for managing them.

Country or region	River basin	Risk type	Potential business impact	Estimated timescale (years)	Risk management strategies
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3.1b

**Please explain why you do not consider your company to be exposed to any water-related risks that have the potential to generate a substantive change in your business operation, revenue or expenditure.**

The company and its operations are subject to detailed corporate governance and oversight, which includes detailed risk reviews performed on a six-monthly basis.

The scope of these reviews is broad and deals with the full range of activities and supplies that each operation is dependent on. At the current time, water supply is not considered to be a significant threat to the business. As these reviews are performed regularly we believe that changes in this regard would be noted and responded to in a timely manner.

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3.1c

Please explain why you do not know if your company is exposed to any water-related risks that have the potential to generate a substantive change in your business operation, revenue or expenditure, and if you have plans to assess this risk in the future.

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3.2

**What methodology and what geographical scale (e.g. country, region, watershed, business unit, facility) do you use to analyze water-related risk across your operations?**

Risk methodology	Country or geographical scale
Our risk management process is in accordance with the requirements included in ISO31000 (Risk Management Standard), incorporating climate change risks where appropriate, and are adopted throughout the group.	Business unit

**Page: water-riskassess-sc**

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3.3

**Do you require your key suppliers to report on their water use, risks and management?**

No

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3.4

**Is your supply chain exposed to water-related risks (current or future) that have the potential to generate a substantive change in your business operation, revenue or expenditure?**

Don't know

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3.4a

Please describe (i) the current and/or future risks to your supply chain, (ii) the ways in which these risks affect or could affect your operations before taking action, (iii) the estimated timescale of these risks and, (iv) your current or proposed strategies for managing them.

Country or region	River basin	Risk type (to supplier)	Potential business impact (to responding company)	Estimate timescale (years)	Risk management strategies (by responding company)
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3.4b

Please explain why you do not consider your supply chain to be exposed to any water-related risks that have the potential to generate a substantive change in your business operation, revenue or expenditure.

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3.4c

**Please explain why you do not know if your supply chain is exposed to any water-related risks that have the potential to generate a substantive change in your business operation, revenue or expenditure, and if you have plans to assess this risk in the future.**

In the main, Reunert has a strategy of multiple suppliers for its products, often from various geographic locations. As such, the risk is mitigated and the residual risk is not significant at this stage.

**Page: Water-4-Impacts**

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4.1

**Has your business experienced any detrimental impacts related to water in the past five years?**

No

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4.1a

Please describe these detrimental impacts including (i) their financial impacts and (ii) whether they have resulted in any changes to company practices.

Country	Impact indicator	Description of impact	Response strategy
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4.1b

Please explain why you do not know whether your business has experienced any detrimental impacts related to water in the past five years and if you have any plans to explore this in the future?

### Page: Water-5-Opportunities

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5.1

**Do water-related issues present opportunities (current or future) that have the potential to generate a substantive change in your business operation, revenue or expenditure?**

No

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5.1a

Please describe (i) the current and/or future opportunities, (ii) the ways in which these opportunities affect or could affect your operations (iii) the estimated timescale and (iv) your current or proposed strategies for exploiting them.

Country or region	Opportunity type	Potential business impact	Estimated timescale	Strategy to exploit opportunity
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5.1b

**Please explain why you do not consider water-related issues to present opportunities to your company that have the potential to generate a substantive change in your business operation, revenue or expenditure or supply chain.**

Minor opportunities in water treatment sector have been identified, but will not have a significant impact on the different business models employed throughout the group at this stage.

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5.1c

Please explain why you do not know whether water-related issues present opportunities to your company that have the potential to generate a substantive change in your business operation, revenue or expenditure.

**Page: Water-6-tradeoffs**

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6.1

**Has your company identified any linkages or trade-offs between water and carbon emissions in its operations or supply chain?**

No

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6.1a

Please describe the linkages or trade-offs and the related management policy or action.

Linkage or trade-off	Policy or action
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**Module: Water-Accounting**

**Page: Water-7-Withdrawals**

**7.1**

**Are you able to provide data, whether measured or estimated, on water withdrawals within your operations?**

Yes

**7.1a**

**Please report the water withdrawals within your operations for the reporting year.**

Country or region	River basin	Withdrawal type	Quantity (megaliters/year)	Proportion of data that has been verified (%)	Comments
South Africa	Orange	Municipal water	302	76-100	The majority of water used within the group is supplied by Rand Water which is extracted from the Vaal Dam.
South Africa	Orange	Groundwater	8	76-100	Borehole water extracted

**7.1b**

**Please explain why you are not able to provide data for water withdrawals.**

**7.2**

**Are you able to provide data, whether measured or estimated, on water recycling/reuse within your operations?**

Yes

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7.2

Are you able to provide data, whether measured or estimated, on water recycling/reuse within your operations?

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7.2a

Please report the water recycling/reuse within your operations for the reporting year.

Country or region	River basin	Quantity (megaliters/year)	Proportion of data that has been verified (%)	Comments
South Africa	Orange	99	76-100	Two of our factories, CBI-electric: African cables and CBI Telecoms, use closed-loop cooling systems where specialists manage the water quality.

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7.2a

Please report the water recycling/reuse within your operations for the reporting year.

Country or region	River basin	Quantity (megaliters/year)	Proportion of data that has been verified (%)	Comments
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7.2b

Please explain why you are not able to provide data for water recycling/reuse within your operations.

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7.2b

Please explain why you are not able to provide data for water recycling/reuse within your operations.

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7.3

**Please use this space to describe the methodologies used for questions 7.1 and 7.2 or to report withdrawals or recycling/reuse in a different format to that set out above.**

Two of our factories, CBI-electric: African cables and CBI Telecoms, use closed-loop cooling systems where specialists manage the water quality.

At African Cables this water is recycled up to 10 times a day and at CBI-electric: Telecom Cables up to seven times a day. The water is treated with rust inhibitors, biocides and other chemicals to make it suitable for process water that comes into contact with machine components, product and employees. It is not suitable for drinking although the standard is above the minimum requirements imposed by the local councils.

African Cables improved recycled water usage by 10% after a water-oil separator was placed at the impregnating plant. This separator used to pump to the sewer but is now recycling water back to the closed cooling water system. Recycled water comprises 2% of total water usage.

The CBI Telecoms plant in Brits plant recycled 18% of water consumed in 2012. Specialists are contracted to verify water recycling and water systems monthly. A closed-loop system ensures that there is no water discharge.

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7.3

Please use this space to describe the methodologies used for questions 7.1 and 7.2 or to report withdrawals or recycling/reuse in a different format to that set out above.

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7.4

**Are any water sources significantly affected by your company's withdrawal of water?**

No

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7.4a

Please list any water sources significantly affected by your company's withdrawal of water.

Country or geographical reach	River basin	Water source	Impact	Company action and outcomes
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7.4b

**You may explain here why your company's withdrawal of water does not significantly affect any water sources.**

Reunert does not use significant amounts of water at any of its production facilities.

All our units use potable water provided by local municipalities and none of our water is drawn from any recognised Ramsar wetland or nature reserves in South Africa.

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7.4c

Please explain why you do not know if any water sources are significantly affected by your company's withdrawal of water.

**Page: Water-8-Discharges**

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8.1

**Are you able to identify discharges of water from your operations by destination, by treatment method and by quantity and quality using standard effluent parameters?**

Yes

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8.1a

Please explain why you are not able to identify discharges from your operations by destination, treatment method , quantity and quality, and whether you have any plans to put in place systems that would enable you to do so.

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8.2

**Did your company pay any penalties or fines for significant breaches of discharge agreements or regulations in the reporting period?**

No

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8.2a

Please describe the location and impact of the discharge that was the subject of the significant breach(es), the associated fines and any actions taken to minimise the risk of future non-compliance.

Country or region	River basin	Impact	Fines and penalties	Company action and outcomes
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8.3

**Are any water bodies and related habitats significantly affected by discharges of water or runoff from your operations?**

No

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8.3a

Please list any water bodies and associated habitats which are significantly affected by discharge of water or runoff from your operations.

Country or region	River basin	Water body	Impact	Company action and outcomes
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8.3b

**You may explain here why your company's discharge of water does not significantly affect any water bodies or associated habitats.**

The majority of our operations are office bound where water discharge is returned to municipal sewage systems.

Where we have manufacturing plants, and water is used in manufacturing processes the water is treated and monitored on a regular basis. We continually strive to improve our environmental management, including surface water control.

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8.3c

Please explain why you do not know if any water bodies and associated habitats are significantly affected by discharge of water or runoff from your operations.

**Page: Water-9-Intensity**

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9.1

Please provide any available financial intensity values for your company's water use across its operations.

Country or region	River basin	Financial metric	Water use type (megaliters)	Currency	Financial intensity (Currency/mega-liter)	Please provide any contextual details that you consider relevant to understand the units or figures you have provided.
South Africa	Orange	Revenue	Water use in operations	ZAR (R)	37571293.42	The majority of business units are within the Vaaldam catchment area. The other areas are insignificant and is therefore not reported separately.

## 9.2

Please provide any available water intensity values for your company's products or services across its operations.

Country or region	River basin	Product	Product unit	Water unit	Water intensity (Water unit/product unit)	Water use type	Please provide any contextual details that you consider relevant to understand the units or figures you have provided.
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**Module: Sign Off**

**Page: Sign Off**

Please enter the name of the individual that has signed off (approved) the response and their job title

Carina de Klerk  
Investor Relations and Communications Manager