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**0.1****Introduction**

Please give a general description and introduction to your organization.

Reunert Limited is a leading South African company listed in the industrial goods and services (electronic and electrical equipment) sector of the JSE (ticker symbol: RLO). The group operates mainly in South Africa with minor operations situated in Australia, Lesotho, USA and Zimbabwe.

The Reunert group manages businesses in the services, electronics and electrical engineering sectors, supplying value-added products, services, solutions and systems to local and international markets. Each of these businesses will remain capable of meeting the group's objectives for sustainable growth and earnings. We will seek meaningful growth opportunities that are either compatible with our leading competencies or which are sensible, strategically aligned extensions of our existing businesses. 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 ECN , 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, mainly in the mining sector.

Our businesses strive to achieve first or second positions in their key markets. The group promotes a decentralised management style. While our goal is to retain all the positive aspects of this decentralised structure, we will strengthen it going forward by centrally synchronising group-wide values, governance standards and policies and procedures relating particularly to upholding our leading brands and effectiveness in our risk management, human resources and financial and accounting functions.

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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.**

Fri 01 Oct 2010 - Fri 30 Sep 2011

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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>
The Lesotho factories have been included in South Africa	Lesotho is managed from SA

Exclusion	Please explain why you have made the exclusion
Australian operations have not been included	The information on the minor operation in Australia has been excluded due to the insignificance and difficulty with access to data at this stage.
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 operations have not been included	The information on the minor operation in America has been excluded due to the insignificance and difficulty with access to data at this stage.

### Further Information

Furthermore, only franchises in which we hold a 51% or more shareholding were included in the data information. Other franchises are excluded. For our joint venture company CBI-electric: Aberdare ATC Telecom Cables we have captured all data at 50% of actual consumption.

For further clarity please see Reunert company structure diagram.

### Attachments

[https://www.cdproject.net/Sites/2012/98/15698/CDP Water Disclosure 2012/Shared Documents/Attachments/CDPWaterDisclosure2012/Introduction/Group Structure.JPG](https://www.cdproject.net/Sites/2012/98/15698/CDP%20Water%20Disclosure%202012/Shared%20Documents/Attachments/CDPWaterDisclosure2012/Introduction/Group%20Structure.JPG)

## Module: 2012-Water-Management

### Page: 2012-Water-1-ManagementGovernance

#### 1.1

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

No

#### 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 geographical reach	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 geographical reach	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.**

In general, Reunert is a low user of water and until now a group policy or strategy on water has not featured. Due to the diversified nature and management structure, individual companies in the group may have their own policies. The companies in the group which are ISO 14001 compliant have water management plans in place.

Currently, Ms De Klerk, assisted by Ms De Vries, reports on climate change issues directly to the chief executive officer (Mr David Rawlinson, previously Mr Nick Wentzel) and the financial director (Ms Manuela Krog, previously Mr David Rawlinson) of Reunert.

As from the 2012 financial year, climate change will be the responsibility of the Reunert board, delegated to the Reunert Social, Ethics and Transformation

Committee.

## 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 geographical reach	Category of action	Description of action and outcome
South Africa	Direct operations	During the year 80% of CBI-electric: African Cables Vereeniging plant's water was recycled, with some 816 kiloliters discharged into the Klip River. The plant rigorously monitors adherence to the 20 criteria outlined in the Klip River Water Quality Standard.
South Africa	Direct operations	During the year CBI-electric: Aberdare ATC Telecom Cables in North West Province recycled 19.3% of the water consumed in 2011. Specialists are contracted to verify the plant's water recycling and water systems on a monthly basis. A closed loop system results in no water discharge.

**Module: 2012-Water-RisksOps**

**Page: 2012-Water-2-indicators-op**

## 2.1

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

Don't know

### 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:
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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 geographical reach	Region within country	Proportion of operations located in this region (%)	Further comments
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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?

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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 geographical reach	Region within country	Risk Indicator	Proportion of operations located in this region (%)	Further comments

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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 geographical reach	Region within country	Risk Indicator	Proportion of operations located in this region (%)	Further comments
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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 geographical reach	Region within country	Risk Indicator	Proportion of operations located in this region (%)	Further comments
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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.

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.

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.

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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
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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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## Further Information

Currently, physical risks have not been considered in any depth as they appear to pose no substantial risk to Reunert in the short to medium term. We believe risks in this category are not relevant due to the nature of our business, which is managing businesses in the services, electronics and electrical engineering sectors and supplying value-added products, services, solutions and systems to local and international markets.

We do provide services globally but are based in South Africa. South Africa's climate is expected to see some quite substantial increases in temperatures and possibly higher rainfall in the eastern parts with a drying pattern appearing in the western regions of the country. These changes are expected to occur during and over the next 90 years and, according to the Intergovernmental Panel on Climate Change (IPCC) and some local climate experts, South Africa may see increases in temperature of twice the global average increase. However, these current predictions remain an insignificant risk over the short to medium term. As mentioned above, we have not considered in depth the timescale of these risks and believe these will need to be monitored over time but suggest no immediate (five year horizon) risk to Reunert. Physical risks from climate change that are highlighted as potential risks will be added to our risk management strategy when they reach a stage of being potentially substantive and requiring mitigation / adaptive action.

Our products and services are not directly impacted by climate variability and, although we are obviously not immune to extreme weather impacts, we believe our vulnerability to these impacts is, therefore, very low. Our business is based mainly on services and technology which can be delivered under relatively extreme changes in climate. We are not overly reliant on natural resources, transportation or climate in order to maintain profitability and deliver our goods and services. Clearly, uncertainty of physical impacts could be considered a risk but with the variability of climate impacts it is extremely difficult to say for certain that a physical risk (such as flooding or drought) might impact one area of our business more than another – or even at all. Conceivably, severe weather events may cause disruption to the supply of our products being shipped but, again, this has not been quantified as it is unlikely to occur in the short term and is not a substantive physical risk at this stage. The diversity of Reunert's products and services also serves to some extent as mitigation to isolated occurrences where our value chain might be affected by natural or climate disasters.

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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.

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.**

Until now, this issue has not been considered. It will be placed on the agenda to evaluate if it is meaningful to report on.

[Page: 2012-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 geographical reach	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 high level risk assessment is integrated into a multi-disciplinary company wide risk management process.

### 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.

### 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),	Business unit

Risk methodology	Country or geographical scale
incorporating climate change risks where appropriate, and are adopted throughout the group.	

## Further Information

The scope of risks and opportunities (or rewards) considered fall into (or across) the following five main risk management methodology categories, with climate change-related issues being covered under each where appropriate:

- Strategic
- Business
- Process
- Operational
- Financial and Compliance related risks.

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.

### ii) Company level

At a company level risks and opportunities, including climate change, are assessed in the following ways:

- Risks are assessed based on their potential impact on the business in accordance with board approved risk tolerance levels ranging from insignificant to catastrophic.
- Risks are further assessed based on the likelihood of them occurring assuming that there are no controls in place.
- Risks are scored in a range from rare to almost certain.
- Internal controls and management interventions are recorded and assessed for each identified risk.
- A control effectiveness rating is assigned to each risk ranging from very effective to ineffective.
- Residual risks are classified as high, medium and low based on their impact and likelihood of occurring, after taking into account the effectiveness of the internal controls in place.
- A residual risk management strategy is then decided upon, being treat, terminate, transfer, tolerate, avoid or exploit (opportunities).

### iii) Asset level

Any climate change risks at an asset level would be assessed in the same way as at company level:

- Risks are assessed based on their potential impact on the business in accordance with board approved risk tolerance levels ranging from insignificant to catastrophic.
- Risks are further assessed based on the likelihood of them occurring assuming that there are no controls in place (for example, flooding of key sites).
- Risks are scored in a range from rare to almost certain.
- Internal controls and management interventions are recorded and assessed for each identified risk.
- A control effectiveness rating is assigned to each risk ranging from very effective to ineffective.
- Residual risks are classified as high, medium and low based on their impact and likelihood of occurring, after taking into account the effectiveness of the internal controls in place.
- A residual risk management strategy is then decided upon, being treat, terminate, transfer, tolerate, avoid or exploit (opportunities).

### iv) Frequency of monitoring

- The risk committee meets at least twice a year.

- Furthermore, all group companies conduct formal risk assessments and operational risk management meetings twice a year.
- The Reunert chief executive, financial director and senior management attend operational risk management meetings.
- Internal audit attends all group risk meetings and facilitates the process.
- In addition to formal risk management meetings, key risks are discussed on a monthly basis at all group company management meetings.
- Prior to 2011 the management of risks was dealt with by the audit and risk committee. The board decided, due to the critical importance of effective risk management, to separate the audit and risk committees.
- The risk committee met once in the period under review, whilst the audit committee met three times.

v) Determining materiality/priorities

- Risk mitigation strategies and action plans are developed in line with board approved risk tolerance levels. These strategies would include climate-related risks where appropriate.
- Tolerance levels are established in order to determine the materiality/priorities of risks and opportunities.
- Tolerance levels give an accurate indication of materiality under Reunert's risk management methodology.

vi) Reporting results

Risk reporting, which would include any appropriate climate-related risks, follows the risk reviews, and is considered by the risk committee twice a year.

- The day-to-day responsibility for risk management and communication of policies lies with the executives of Reunert and the executives of each operation in the group.
- The board acknowledges its responsibility for the risk management process as a whole, as well as forming an opinion on the effectiveness of this process.
- Management is accountable and reports to the board for designing, implementing and monitoring the process of risk management, as well as integrating it into day-to-day business activities.
- The risk committee includes at least three non-executive directors and the chairman of the audit committee is an ex-officio member. The chief executive and financial director are executive members of the risk committee.

3.3

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

No

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 geographical reach	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.**

It has not been assessed

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.

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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?

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**Page: 2012-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 geographical reach	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.**

Water-related issues have not been identified as playing a significant role in the business operations.

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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.**

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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: 2012-Water-Account**

**Page: 2012-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 geographical reach	Withdrawal type	Quantity (megaliters/year)	Proportion of data that has been verified (%)	Comments

**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 geographical reach	Quantity (megaliters/year)	Proportion of data that has been verified (%)	Comments
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7.2a

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

Country or geographical reach	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.**

During the 2011 year the following water consumption was reported:

CBI -electric 209 601 Kilolitre

Nashua 77 138 Kiloliter

Reutech 57 727 Kilolitre

Other 4 449 Kilolitre

Total water consumed 348 965 Kilolitres of which 3 268 Kilolitres was ground water, the remainder being municipal.

The municipal water usage is reflected on invoices and the groundwater extracted is based on own measurements using meters.

CBI-electric: African Cables recycled 80% of the plants water during the year, 816 kilolitres was discharged into the Klip River.

CBI-electric: Aberdare ATC telecom Cables recycled 19.3% of water consumed in 2011. A closed loop system results in 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?**

Don't know

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7.4a

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

Country or geographical reach	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.

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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.**

The impact of the water usage by the Reunert group has not been analysed to determine if it has a significant impact on any water resources. The water usage in general is minimal.

8.1

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

No

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**8.1a**

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

The majority of the water discharged is treated by municipalities as sewerage.

At the two factories that are water intensive, systems are in place to monitor water discharge. At CBI-electric: African Cables the water discharge is rigorously monitored and the plant adheres to the 20 criteria outlined in the Klip River Water Quality Standard.

At CBI-electric: Aberdare ATC Telecom Cables, no water is discharged as they operate a closed-loop system.

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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 geographical reach	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 geographical reach	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.**

All our operations have indicated that the discharge of water does not impact on any water bodies or related habitats due to our activities.

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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.

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

Country or geographical region	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	Revenue	Water use in operations	SAR	31.3	Revenue of R10 922,7 million/348,965 megalitres

## 9.2

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

Country or geographical region	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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