

Reunert - Climate Change 2019

C0. Introduction

C0.1

(C0.1) 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. Total revenue during 2018FY was ZAR10.5 billion.

The group manages a diversified portfolio of businesses in the fields of electrical engineering, information and communication technologies (ICT) and applied electronics. The group operates mainly in South Africa with minor operations situated in Australia, Lesotho, USA, Zambia and Zimbabwe.

There are three operating segments:

1. **Electrical Engineering:** manufactures a range of energy and telecom cables as well as low voltage circuit breakers. This segment contributed 48% towards Reunert group revenue. The telecommunications operation is a joint venture company (50% ownership).
2. **ICT contributed** 32% of the group's revenue: There are three business clusters being:
 1. **Office Automation:** (Nashua and PanSolutions) These operations mainly imports office products from multinational OEMs which is distributed through a franchise network. Complementary value-added services and solutions are offered to a base of 55 000 small and medium enterprise customers.
 2. **Communications:** (ECN, Nashua Communications and SkyWire (acquired in March 2018) providing fixed line communications, enterprise cloud solutions, VoIP and last mile connectivity
 3. **Finance** (Quince Capital). provides asset-based finance to customers within the ICT segment.
3. **Applied Electronics** contributed 20% towards revenue. This segment develops, manufactures and supplies high-precision electronic products for defence and commercial applications which includes secure tactical communications, mining and defence radars, fuzes, renewable energy and support services. Applied Electronics exports 50% of its sales.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	October 1 2017	September 30 2018	Yes	1 year

C0.3

(C0.3) Select the countries/regions for which you will be supplying data.

South Africa

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

ZAR

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

Financial control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	The CEO is accountable for the group's sustainability strategy. Climate change is included in the strategy under the environmental pillar. Regular updates are provided to the Social, Ethics and Transformation Committee which is a Board sub committee.

C1.1b

(C1.1b) Provide further details on the board’s oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
<p>Scheduled – some meetings</p> <p><i>Climate change is not a high priority on the board's agenda. Efficient use of energy resources and a responsible approach to water use is incorporated into the group's sustainability strategy. Renewable energy has been identified as a growth area for the group and is included in group strategy. The longer-term direct impact of climate change on the group's operations and supply have not been evaluated.</i></p>	<p>Reviewing and guiding major plans of action</p> <p>Reviewing and guiding risk management policies</p> <p>Reviewing and guiding business plans</p> <p>Setting performance objectives</p> <p>Overseeing major capital expenditures, acquisitions and divestitures</p> <p>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</p>	<p>ESG Strategy at Board level with pillars to action. Gaps identified and being addressed. KPIs set and will become part of budgets and company growth strategy within the next financial year. Scope 1 emissions are low, so no major climate change risks have been raised as an area of concern. Renewable energy has been identified as a business driver and a business that installs PV solar solutions was acquired in March 2017.</p>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Sustainability committee	Assessing climate-related risks and opportunities	Half-yearly
Chief Executive Officer (CEO)	Assessing climate-related risks and opportunities	Half-yearly
Environmental, Health, and Safety manager	Both assessing and managing climate-related risks and opportunities	As important matters arise

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The respective environmental, health and safety managers track and monitor progress and report developments to the Sustainability Manager on a monthly basis.

Unless a critical matter arises that needs urgent attention, the Sustainability Manager compiles two reports per annum for the CEO

The CEO reports this to the Sustainability Committee who may deem certain issues enough to be escalated to the Board.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Who is entitled to benefit from these incentives?

Business unit manager

Types of incentives

Monetary reward

Activity incentivized

Efficiency project

Comment

Efficiency is a strategic pillar of the group. Energy and resources management would contribute to reaching the efficiency targets. A variety of incentives are used at business unit and more specifically at energy intensive units. There is a blend of monetary and recognition rewards. The intention is to set group target levels during 2019.

C2. Risks and opportunities

C2.1

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	1	3	Current up to three years
Medium-term	3	6	In general between three and six years
Long-term	6	20	Between six and 20 years

C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2a

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Six-monthly or more frequently	1 to 3 years	Integrated into the group's risk management framework and processes. The risk management processes is based on the ISO31000 framework.

(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

Reunert has a well-established and separate Risk Committee, ensuring a focused review of risk identification and management processes. The risk management processes are aligned to the ISO 31000 framework.

Risk appetite measures are in place for each major risk category and is approved by the Risk Committee. Risk reporting follows risk reviews and is considered by the Risk Committee twice a year.

The risk appetite measures are reported at each Risk Committee meeting. There were no material breaches, undue, unexpected or unusual risks outside of risk appetite levels during 2018 FY.

Key risk classes:

1. **Governance and reputation:** the risk that adverse publicity regarding Reunert's business practices, associations and market conduct, whether accurate or not, will cause a loss of confidence.
2. **Strategy and planning:** the risk that the strategy is inappropriate or not implemented.
3. **Operations/infrastructure:** the risk that there is a loss because of inadequate or failed internal processes, people, systems or external events.
4. **Compliance:** the risk of not complying with laws, regulations and rules including core values and code of conduct.
5. **Reporting:** the risk that effective reporting does not take place including reporting errors or omissions in the annual financial statements or integrated report.

The potential impact of climate change on our businesses are assessed at the various business units in accordance with the Board approved risk tolerance levels.

Processes followed:

1. Risks are categorised and scored in a range from rare to almost certain.
2. Internal controls and management interventions are recorded and assessed for each identified risk.
3. A control effectiveness rating is assigned to each risk ranging from very effective to ineffective.
4. 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.
5. A residual risk management strategy is then decided upon, being treat, terminate, transfer, tolerate, avoid or exploit (opportunities).

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

The Reunert segment heads, Chief Financial Officer and senior operational management attend operational risk management meetings. Internal audit attends all business unit risk meetings and helps to facilitate the process. Risks are scored in a range from rare to almost certain and the likelihood of the risk taking place.

In addition, external environmental audits are undertaken at selected business operations that have a higher likelihood of environmental impact risks. Outcomes from these assessments are included in the Reunert Group risk process and a high-level overview is presented to the Social, Ethics and Transformation Committee as part of the Sustainability Strategy.

C2.2c

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Any fuel/energy taxes and regulations is likely to have a direct impact on business as it is passed on through the supply chain. The carbon tax, effective in January 2019 will tax at source for certain emissions sources (e.g. liquid fuels) and therefore the tax could be built in with the fuel levy. This tax is payable at the end of February 2020.
Emerging regulation	Relevant, always included	The SA Government implemented carbon tax in January 2019. Relevant to Reunert, the tax will cover fossil fuel combustion. Treasury intends to tax liquid fuels at source, therefore these taxes will be incorporated into the fuel levy (refer fuel/energy taxes and regulations). Direct costs of carbon tax will be minimal. Pass through costs could be more substantial. A SA Draft Climate Change Bill was published for comments by 8 August 2018 on 8 June 2018. The Bill sets the stage for actioning South Africa's National Climate Change Response Policy and international commitments under the 2016 Paris Agreement on Climate Change. In the Bill provision is made for Greenhouse Gas emissions and removals: The Minister shall determine a binding national GHG emissions trajectory which specifies a national GHG emission reduction objective. The Minister shall further determine, every five years, sectoral emission targets (SETs) for GHG-emitting sectors and sub-sectors.
Technology	Relevant, not included	New technologies might change production processes. If our operations do not remain competitive against the rest of the world it could have an impact on profitability. No technology changes have been identified holding a significant risk.
Legal	Relevant, always included	Compliance – the risk of not complying with laws, regulations and rules including core values and code of conduct Monitoring is enhanced with larger business units with a high environmental footprint expected to receive ISO14001 verification or similar.
Market	Relevant, sometimes included	No major shifts in supply and demand for commodities, products, and services used in the groups have been identified
Reputation	Relevant, always included	Governance and reputation – the risk that adverse publicity regarding Reunert's business practices, associations and market conduct, whether accurate or not, will cause a loss of confidence in the company reputation is regarded a high priority. No material risks linked to reputation have been identified.
Acute physical	Not relevant, explanation provided	Event-driven risks, including increased severity of extreme weather events, such as cyclones, hurricanes, or floods are deemed a low risk and not currently included. The diversified portfolio of businesses and facilities is partly mitigating risks to one major event.
Chronic physical	Not evaluated	The longer-term effects of climate change on Reunert or its supply chain has not been assessed
Upstream	Relevant, sometimes included	In Zambia power supplies are reliant on hydro power. Severe drought could lead to importing power at high electricity costs . Shortages in the supply chain due to severe weather events are mitigated through dual supply strategies
Downstream	Relevant, sometimes included	Regarded as a low risk in the short to medium term

C2.2d

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

The potential impact of climate change on our businesses are assessed at the various business units in accordance with the Board approved risk tolerance levels.

Processes followed:

1. Risks are categorised and scored in a range from rare to almost certain.
2. Internal controls and management interventions are recorded and assessed for each identified risk.
3. A control effectiveness rating is assigned to each risk ranging from very effective to ineffective.
4. 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.
5. A residual risk management strategy is then decided upon, being treat, terminate, transfer, tolerate, avoid or exploit (opportunities).

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

The Reunert segment heads,, Chief Financial Officer and senior operational management attend operational risk management meetings. Internal audit attends all business unit risk meetings and helps to facilitate the process. Risks are scored in a range from rare to almost certain and the likelihood of the risk taking place.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

No

C2.3b

(C2.3b) Why do you not consider your organization to be exposed to climate-related risks with the potential to have a substantive financial or strategic impact on your business?

	Primary reason	Please explain
Row 1	Risks exist, but none with potential to have a substantive financial or strategic impact on business	Climate change has not been identified as a high risk or an immediate priority. Reunert is a diversified business with a range of different products, operations, markets and customers. The diversification of the Group protects it to some extent to risks in a specific sector or market.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Customer

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Type of financial impact

Increased revenue through demand for lower emissions products and services

Company-specific description

Reunert acquired a 51% share in Terra Firma Solutions which supplies - Turnkey energy engineering solutions, - Solar Photovoltaic (PV) EPC solutions, - Energy & water monitoring and management software, - Carbon management and environmental policy and strategy development, and - Specialised green career training (Terra Firma Academy). During 2017 the contribution was not significant due to being in the group for only 6 months. Future prospects over the medium term remains good. From 2017 to 2018, the Applied Electronics segment contribution to Group revenue increased from 17% to 20%.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Please select

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Information not disclosed due to competitive nature

Strategy to realize opportunity

Acquisition of company operating in renewable energy market Capital invested to expand the company Identification of further growth opportunities by adding additional value added services to current business model

Cost to realize opportunity

Comment

Information not disclosed due to competitive nature

C2.5

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

	Impact	Description
Products and services	Impacted for some suppliers, facilities, or product lines	Becoming a player in the renewable energy space. Reunert acquired Terra Firma Solutions, an energy efficiency and solar energy company in March 2017. New electronic meters for application in the solar industry was developed by CBI-electric: Low Voltage.
Supply chain and/or value chain	Impacted for some suppliers, facilities, or product lines	The consolidation of distribution centers in the ICT segment has reduced costs and energy usage.
Adaptation and mitigation activities	Not yet impacted	Due to the low to no risk evaluation of climate change related issues a minimum of adaptation and mitigation activities are in place that are directly related to climate change and we have not been impacted yet.
Investment in R&D	Impacted for some suppliers, facilities, or product lines	Some R&D is invested into product development for products used in RE space i.e. solar panels, a direct current (DC) product range of circuit breakers and mining surveillance radars.
Operations	Impacted for some suppliers, facilities, or product lines	Efficiency improvements on existing product lines and in production and manufacturing facilities Reunert's strategic drive to enhance efficiencies include improved energy efficient processes, upgrading production lines with more efficient equipment when it has to be replace or upgraded, etc. Progress has been made, but the process continues.
Other, please specify	Not evaluated	

C2.6

(C2.6) Describe where and how the identified risks and opportunities have been factored into your financial planning process.

	Relevance	Description
Revenues	Impacted for some suppliers, facilities, or product lines	Contribution from green products during the reporting period was less than 5% of total group revenue. The contribution is expected to grow as this is deemed a growth market.
Operating costs	Impacted for some suppliers, facilities, or product lines	The ICT segment has improved operating profit margin by 25% in FY18 due to organic growth, a stronger exchange rate and an improvement in operating efficiencies.
Capital expenditures / capital allocation	Impacted for some suppliers, facilities, or product lines	New equipment are generally more energy efficient. Detailed analysis on the proportion contribution is not available due to a limitation in current consolidation systems. As we upgrade and develop our systems to a new platform this could be included.
Acquisitions and divestments	Impacted for some suppliers, facilities, or product lines	In March 2017, Reunert acquired a 51% stake in Terra Firma Solutions, a leading turnkey energy engineering solutions provider. Terra Firma specialises in providing turnkey energy engineering solutions, predominantly to the industrial and commercial sectors in South Africa. The firm, which was founded in 2012, has installed numerous large rooftop photovoltaic (solar) energy systems. Terra Firma also has over 900 sites under remote energy and water management through its in-house developed smart software. Its Training Academy provides accredited skills development courses in green careers. Terra Firma has a strong order book and firm relationships with major property and industrial groups.
Access to capital	Not yet impacted	Reunert has an ungeared balance sheet and had no requirement for access to capital. Further enhancement of TFS acquisition could change the requirement to access to green capital.
Assets	Impacted for some suppliers, facilities, or product lines	As facilities are upgraded and improved energy efficiency is considered.
Liabilities	Not evaluated	
Other	Not evaluated	

C3. Business Strategy

C3.1

(C3.1) Are climate-related issues integrated into your business strategy?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

No, but we anticipate doing so in the next two years

C3.1c

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

Reunert Strategy

The Reunert strategy consists of 6 pillars: Customers, people, diversification, efficiency, innovation and transformation

The diversification and efficiency pillars underpins climate related issues:

Diversification and introducing earlier life cycle businesses form a core element of Reunert's growth strategy.

Renewable energy has been identified as a growth driver and is complementary to our activities and product offering in infrastructure development. We are providing energy cables, circuit breakers and solar PV plants that are used in renewable energy applications worldwide.

Efficiency is another strategy pillar. Improved energy efficiency projects have been identified and are being implemented as part of continuous improvement programmes at a number of our operations.

Sustainability strategy

The Group **Sustainability Strategy** was approved in May 2018 by the Board. The strategy is a dual framework focusing on responsibility and offering shared-value solutions. It consists of two material objectives with five sustainability pillars:

Operate responsible businesses

1. Build trust and accountability

2. Nurture and grow people

3. Manage our environmental impact:

Focus areas under the environmental pillar includes

- Environmental management systems;
- Efficient water, energy and material usage; and
- Climate change risks and opportunities

Pursue shared-value solutions

4. Embrace inclusive growth

5. Seek transformative solutions (innovation and creating share value with key stakeholders)

C3.1g

(C3.1g) Why does your organization not use climate-related scenario analysis to inform your business strategy?

- Climate change risks are currently not regarded as a material risk to the group.
- Other higher priorities are included in the Reunert Group strategy
- Climate-related scenario analysis is a relative new approach. Limited expertise is available within the Group and due to it not being regarded as a high risk area is not ranked as priority.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

No target

C4.1c

(C4.1c) Explain why you do not have emissions target and forecast how your emissions will change over the next five years.

	Primary reason	Five-year forecast	Please explain
Row 1	We are planning to introduce a target in the next two years		Targets will be set in 2019 and we would not like to make a commitment on a five year forecast at this time.

C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

Target

Other, please specify (Scope 1 emissions)

KPI – Metric numerator

Maintain scope 1 emissions below 10MW tCO2e

KPI – Metric denominator (intensity targets only)

Base year

2014

Start year

2017

Target year

2020

KPI in baseline year

6099.97

KPI in target year

9999

% achieved in reporting year

100

Target Status

Achieved

Please explain

Scope 1 emissions above 10MW attract a carbon tax

Part of emissions target

Yes

Is this target part of an overarching initiative?

No, it's not part of an overarching initiative

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*	1	100
Implementation commenced*	1	70
Implemented*	1	8000
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative type

Low-carbon energy installation

Description of initiative

Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)

8000

Scope

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

70000

Investment required (unit currency – as specified in C0.4)

0

Payback period

16-20 years

Estimated lifetime of the initiative

21-30 years

Comment

A 297KW rooftop solar PV system has been installed at one of Reunert's properties in Midrand, Gauteng. The total expected annual production for the Reunert Park site is 480 MWh, with the potential emissions reductions if 456 tCO2e.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Lower return on investment (ROI) specification	

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Product

Description of product/Group of products

Renewable energy (solar PV) sold at Reunert Park resulting in avoided Scope 2 emissions for occupiers.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify (0 kgCO₂e / kWh emission factor)

% revenue from low carbon product(s) in the reporting year

Comment

Terra Firma Solutions is a solar EPC that designs and implements solar PV plants from start-to-finish, and has installed over 25 MW of solar PV. Terra Firma built, owns and operates a solar PV system at Reunert Park which generates approximately 17% of the property's energy requirements. We have not disclosed the % revenue by business unit as we believe it holds competitive information.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

October 1 2014

Base year end

September 30 2015

Base year emissions (metric tons CO₂e)

6099.97

Comment

Fuel emissions from Zamefa in Zambia had been excluded until 2018

Scope 2 (location-based)

Base year start

October 1 2014

Base year end

September 30 2015

Base year emissions (metric tons CO₂e)

44015.99

Comment

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO₂e)

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

6913

Start date

October 1 2017

End date

September 30 2018

Comment

Comprises 66% stationary consumption and 34% mobile consumption

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

6662

Start date

October 1 2016

End date

September 30 2017

Comment

Zamefa in Zambia, that had previously been omitted, was included in 2018

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

Comment

Scope 1 comprises 3% emissions We have no operations where we are able to access electricity supplier emission factors or residual emission factors, and are unable to report a Scope 2, market-based figure

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

46570

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

October 1 2017

End date

September 30 2018

Comment

Scope 2 comprises 18% of emissions

Past year 1

Scope 2, location-based

56287

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

October 1 2016

End date

September 30 2017

Comment

For year-on-year comparison, 2017 emissions for electricity purchased from Zambia were recalculated using a more comprehensive emission factor. Previous scope 2 excluding Zambia was 40 15.83

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Scope 1 fugitive emissions from HVAC

Relevance of Scope 1 emissions from this source

Emissions are not evaluated

Relevance of location-based Scope 2 emissions from this source

Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)

Emissions are not relevant

Explain why this source is excluded

Emissions are excluded due to immateriality and lack of available data

C6.5

(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

187352

Emissions calculation methodology

Includes 'cradle to gate' emissions in consumption of procured materials, supply of municipal water and outsourced warehousing services. Mass of materials such as paper, copper, aluminium, steel, galvanised steel, PVC, brass and nickel were recorded in kilograms and converted to tonnes to apply the relevant emission factor from DEFRA 2018 emission factors. Material use conversion factors are based on their origin i.e. comprised of primary material or recycled materials. For primary materials these factors cover the extraction, primary processing, manufacture and transportation of materials to the point of sale. For secondary materials, the factors cover sorting, processing, manufacture and transportation to the point of sale. Primary material conversion factors were used as all materials were identified as primary materials. Municipal water supply sourced from municipal accounts was recorded in kilolitres and an emission factor from DEFRA 2018 emission factors was applied. Outsourced warehousing services emissions were calculated using the purchased electricity in kWh used within the warehouse site. Grid emissions factor applied is sourced from Eskom Annual Integrated Report 2018.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Explanation

Capital goods

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Metric tonnes CO2e

231

Emissions calculation methodology

Outsourced warehousing emissions have increased in 2018 since electricity consumption data or warehousing in 2017 was not available

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Transportation and distribution emission were excluded in 2018 due to data collection barriers. The amount of 319 542 tCo2e in 2017 was excluded as it skewed year-on-year comparisons.

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO2e

707

Emissions calculation methodology

Includes waste disposal emissions of end of life disposal of different materials using a variety of different disposal methods, and treatment of municipal water. Various waste types are recorded in kilograms and converted to tonnes to apply the relevant emission factor. Waste emission factors were sourced from the DEFRA 2018 emission factors, and applied according to open loop recycling, closed loop recycling or landfill waste disposal method. Municipal water effluent sourced from municipal accounts was recorded in kilolitres and an emission factor from DEFRA 2018 emission factors was applied.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

2986

Emissions calculation methodology

Business Travel includes emissions from rental vehicles, air travel and reimbursed land travel in employee vehicles. Rental vehicle emissions were calculated using the information provided by the car rental agency, which included total kilometers travelled in rental vehicles (rental vehicles used only petrol as a fuel source). Emission factor for average size engine petrol vehicle was applied since no size of engine for rental vehicles was provided, and this emission factor sourced from DEFRA 2018 emission factors. Air travel activity was provided by the travel agency as passenger miles/kilometers flown. Mileage travelled was grouped by length (domestic, short haul and long haul) and class to apply the appropriate kg CO2e per pkm emission factor, sourced from the UK Government conversion factors for Company Reporting, v1.0, 2017. The emission factors apply an 8% uplift factor. The factors applied exclude the influence of non-CO₂ climate change effects of aviation. Reimbursed land travel in employee vehicles data covered litres of fuel used (by fuel type). Emissions from volume of fuel were calculated using the appropriate kg CO2e per kg fuel, sourced from DEFRA 2018 emission factors.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Explanation

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO2e

15099

Emissions calculation methodology

Employee commuting covers emissions from employee travel to work. Employee commuting data was sourced from employee commute surveys which were sent out to all employees of the company, capturing distance travelled to work in kms and the type of vehicle used by each employee. Received data was grouped per vehicle type, and then extrapolated to account for missing responses. Emissions from different vehicle types used to commute to work were calculated using the total distance in kms for a specific vehicle type and appropriate emission factors, sourced from DEFRA 2018 emission factors.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Employee commute survey was conducted within the Reunert group for the first time. Information for missing data was extrapolated.

Upstream leased assets

Evaluation status

Relevant, calculated

Metric tonnes CO2e

6353

Emissions calculation methodology

Includes fuel usage in leased assets and vehicles and purchased electricity in leased sites. Fuel use emissions calculated from litres of fuel consumed, using the appropriate emission factor sourced from DEFRA 2018 emission factors. Purchased electricity emissions calculated from kwh purchased electricity. South African grid emission factor sourced from Eskom's Annual Integrated Report, 2018. The South African grid emission factor has been applied to Lesotho. Australian grid emission factor sourced from Australian Government National greenhouse accounts, July 2017. US grid emission factor sourced from EPA Emission Factors for Greenhouse Gas Inventories, November 2015. Sweden grid emission factor sourced from DEFRA 2015 emission factors

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Explanation

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Processing of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Use of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Downstream leased assets

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Franchises

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Investments

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Other (upstream)

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Other (downstream)

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

C6.7

(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

4.95

Metric numerator (Gross global combined Scope 1 and 2 emissions)

Metric denominator

unit total revenue

Metric denominator: Unit total

10795

Scope 2 figure used

Location-based

% change from previous year

25

Direction of change

Decreased

Reason for change

Major driver of the overall decrease of 17% in scope 2 emissions us a 16% decrease in the purchased electricity (location based).

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	2333	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	3.41	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	20.78	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
South Africa	6566.75
Zambia	345.4

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

By facility

By activity

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Electrical Engineering	5868.73
ICT	384.84
Applied Electronics	639.55
Other	19.02

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
Manufacturing / assembly	6368.55		
Office/ admin	476.84		
Warehousing / storage	6656		
Residential	0.2		

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Stationary fuel combustion	4306.14
Stationary fuel non energy	252.59
Mobile fuel combustion	2353.42

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
South Africa	33800.9	0	35579899	
Zambia	12768.63	0	21939983	

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

By facility

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Electrical Engineering	39284.72	
ICT	763.65	
Applied Electronics	5483.07	
Other	678.09	

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2 location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Manufacturing / assembly	45293.43	
Office / admin	1225.44	
Warehousing / storage	50.67	

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	243.17	Decreased	0.45	This decrease came from installation of Solar PV system in one of the sites.
Other emissions reduction activities		<Not Applicable>		
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)		11938.13	11938.13
Consumption of purchased or acquired electricity	<Not Applicable>		64442.1	64442.1
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	248.13	<Not Applicable>	248.13
Total energy consumption	<Not Applicable>	248.13	76380.23	76628.36

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	No
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Petrol

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

4294.33

MWh fuel consumed for self-generation of electricity

4294.33

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Diesel

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

6725.95

MWh fuel consumed for self-generation of electricity

6725.95

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Liquefied Petroleum Gas (LPG)

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

101.73

MWh fuel consumed for self-generation of electricity

101.73

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

Fuels (excluding feedstocks)

Fuel Oil Number 1

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

816.22

MWh fuel consumed for self-generation of electricity

816.22

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

<Not Applicable>

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

C8.2d

(C8.2d) List the average emission factors of the fuels reported in C8.2c.

Diesel

Emission factor

2.68779

Unit

kg CO2e per liter

Emission factor source

DEFRA 2018

Comment

100% mineral petrol

Fuel Oil Number 1

Emission factor

3.17799

Unit

kg CO2e per liter

Emission factor source

DEFRA 2018

Comment

Liquefied Petroleum Gas (LPG)

Emission factor

2937.32

Unit

kg CO2e per metric ton

Emission factor source

DEFRA 2018

Comment

Petrol

Emission factor

2.30531

Unit

kg CO2e per liter

Emission factor source

DEFRA 2018

Comment

100% mineral diesel

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	24813	24813	24813	24813
Heat				
Steam				
Cooling				

C8.2f

(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, but we are actively considering verifying within the next two years

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

South Africa carbon tax

C11.1c

(C11.1c) Complete the following table for each of the tax systems in which you participate.

South Africa carbon tax

Period start date

July 1 2019

Period end date

February 28 2020

% of emissions covered by tax

3

Total cost of tax paid

Comment

C11.1d

(C11.1d) What is your strategy for complying with the systems in which you participate or anticipate participating?

First commencing with accurate measurement and then third party verification

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

No, we do not engage

C12.1d

(C12.1d) Why do you not engage with any elements of your value chain on climate-related issues, and what are your plans to do so in the future?

Engagement might happen but limited engagement details are currently available to report.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Other

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

By assisting customers in preparing documentation for engagement with policy makers

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

A sustainability strategy was approved by the Board in May 2018. Roll-out of the strategy is ongoing, during which these processes will be addressed.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Complete

Attach the document

2018 Integrated Report.pdf

Page/Section reference

Sustainability Review pages 58 - 64

Content elements

Please select

Comment

C14. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C14.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Investor Relations and Communications Manager	Chief Sustainability Officer (CSO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	Public or Non-Public Submission	I am submitting to
I am submitting my response	Public	Investors

Please confirm below

I have read and accept the applicable Terms