

Module: Introduction**Page: Introduction****CC0.1****Introduction**

Please give a general description and introduction to your organization.

Allied Electronics Corporation Ltd (Altron - Listed on the JSE) through its principal subsidiaries, Allied Technologies Ltd, Bytes Technology Group (Pty) Ltd and Power Technologies (Pty) Ltd, is invested in the telecommunications, multi-media, information technology and power electronics industries. (www.altron.com - www.altron.com/iar2013/ourcomp/orgview/busmodel.asp)

Altech (100% owned by Altron) is a high-technology Telecommunications, Multi-Media and Information Technology (TMT) solutions group, focused on providing value-added products, services and solutions through the convergence of TMT, driven by market demand. (www.altech.com - www.altron.com/iar2013/groupops/altech.asp)

Bytes (100% owned by Altron) provides a broad range of products, technical skills and specialised services to support enterprise-wide IT infrastructure and telecommunications across southern Africa and in the United Kingdom. (www.bytes.co.za - www.altron.com/iar2013/groupops/bytes.asp)

Powertech (100% owned by Altron) - is focused on delivering advanced technologies for the creation, management, distribution, storage and use of electricity across industries. The company's core businesses include the reliable delivery of high quality technical equipment, support and engineering expertise to support demanding client requirements across a range of specialist applications. (www.powertech.co.za - www.altron.com/iar2013/groupops/powertech.asp)

Sustainable growth is a hallmark of Altron's strategic vision and is a tangible indicator of the success of our long-term strategy. Sustainable growth differs from market-related growth because it is driven by Altron's long-term commitment to:

Continually improve internal efficiencies

Grow organically through intelligent technology partnership

Invest in our people and our businesses; and

Grow by seeking appropriate acquisitions in our chosen sectors.

Sustainable growth is underpinned by values and people and reflected in the care we take with our customers and our communities – in equal measure. This process is a continuation of the previous year's engagement process in order to help us to refine and keep up to date our four core operational themes of our sustainability strategy, that we refer to as, "Our DNA, Our Future", and points to the fact that sustainability is intimately woven into everything we do and everything we are as a business:

Financial sustainability - with the core objective of improving profitable revenue growth through expansion,

Human capital - with the core objective of investing in our biggest asset – our people,

Products and services - with the objective to lead through innovation by embracing technology and market shifts; and

External relationships - with the objective to build and maintain strategic alliances and key partnerships, addressing and anticipating client and customer needs, whilst protecting the environment and investing in the communities we operate in.

Following the conclusion of a number of substantial acquisitions, our strategic focus is to extract the anticipated synergies and returns and while we concentrate on cost-efficiencies and working capital management we will build on the solid foundation established over the prior years to ensure our future sustainability.

Altron's mission is:

to be the leading ICT group offering information technology, telecoms and power electronics products and services to the southern African region and selected international markets;

to maintain our family ownership and preserve the "familiness" culture;

to generate superior financial returns, thereby driving an increase in total shareholder returns above that of our peers and the overall market;

to remain dedicated to technological innovation through internal investment and international partnerships;

to continue our commitment to the transformation process of South Africa through broad-based black economic empowerment initiatives;

to provide a work environment that attracts and motivates and retains superior human capital.

CC0.2

Reporting Year

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

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been

offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year. Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed
Fri 01 Mar 2013 - Fri 28 Feb 2014

CC0.3

Country list configuration

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response.

Select country
Australia
Botswana
France
Germany
India
Kenya
Lesotho
Mozambique
Namibia
Portugal
South Africa
Spain
United Kingdom
Italy
China

Select country
Hong Kong
Mauritius
United Arab Emirates

CC0.4

Currency selection

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

ZAR (R)

CC0.6

Modules

As part of the request for information on behalf of investors, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors, companies in the oil and gas industry, companies in the information technology and telecommunications sectors and companies in the food, beverage and tobacco sectors should complete supplementary questions in addition to the main questionnaire.

If you are in these sectors (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will not appear below but will automatically appear in the navigation bar when you save this page. If you want to query your classification, please email respond@cdp.net.

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see <https://www.cdp.net/en-US/Programmes/Pages/More-questionnaires.aspx>.

Further Information

Please note that our Integrated Annual Report for the 2014 Financial year will only be made public within the next week or so - links in this response mostly point to the previous year's annual report.

Module: Management

CC1.1

Where is the highest level of direct responsibility for climate change within your organization?

Individual/Sub-set of the Board or other committee appointed by the Board

CC1.1a

Please identify the position of the individual or name of the committee with this responsibility

Responsibility for climate change at corporate office level falls to the Group Chief Executive and the Group Company Secretary appointed by the Board (Messrs' RE Venter & AG Johnston). This responsibility in turn is delegated to the Group Alliances Manager (Dr PW van der Walt) and the Group Sustainability Manager (Mrs JE Horn) who together through the Group Sustainability Department have responsibilities for matters relating to climate change.

The Sustainability Department attends the Altron risk management committee, and strategic planning sessions, which focus on, inter alia, sustainability concerns including all aspects of environmental concerns (inclusive of carbon emissions and climate change).

The Altron risk management committee comprises of the CEO's of the various sub-holding companies (Altech, Bytes & Powertech), as well as the Altron Chief Executive (CE), Altron Chief Financial Officer (CFO) and is chaired by the lead director of the Altron Board.

The company's response to CDP is compiled under the auspices of the Group Alliances Manager and in consultation with other disciplines within the group. It is also submitted to the Altron risk management committee and the Altron social and ethics committee of the board for consideration.

Altron has lower level responsible persons in the form of multiple environmental champions throughout the group at each of the sub-holding operations (e.g. Altech, Bytes and Powertech) who are responsible for collecting, reporting on and monitoring data for the environmental footprint of these respective operations.

CC1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

CC1.2a

Please provide further details on the incentives provided for the management of climate change issues

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator
Corporate executive team	Monetary reward	Members of the corporate executive team will receive a monetary incentive if emissions reduction targets are met as they have been included into the discretionary bonus parameters of each executive as agreed with the Altron remuneration committee. These emission reduction targets have been set as follows for 2012-2015 per year (2012 as baseline) for each sub-holding company after normalising approved targets across operations - : Scope 1 - 1.98%, Scope 2 - 2.93%, Scope 3 – 1.70% (Other aspects: Water - 1.88%, Municipal Waste - 2.28%)
Management group	Monetary reward	Members will receive a monetary incentive if emissions reduction targets are met as they have been included into the discretionary bonus parameters of each executive as agreed with the Altron remuneration committee. These emission reduction targets have been set as follows for 2012-2015 per year (2012 as baseline) for each sub-holding company after normalising approved targets across operations - : Scope 1 - 1.98%, Scope 2 - 2.93%, Scope 3 – 1.70% (Other aspects: Water - 1.88%, Municipal Waste - 2.28%)
Business unit managers	Monetary reward	Members will receive a monetary incentive if emissions reduction targets are met as they have been included into the discretionary bonus parameters of each executive as agreed with the Altron remuneration committee. These emission reduction targets have been set as follows for 2012-2015 per year (2012 as baseline) for each sub-holding company after normalising approved targets across operations - : Scope 1 - 1.98%, Scope 2 - 2.93%, Scope 3 – 1.70% (Other aspects: Water - 1.88%, Municipal Waste - 2.28%)
All employees	Recognition (non-monetary)	The Altron Environmental Award presented at the Altron Annual Awards raises awareness and drive performance in environmental management and is awarded to any employee in the group who have demonstrated a passion towards environmental awareness and protection, and practical implementation of initiatives within the group or the community.

Further Information

N/A

Page: CC2. Strategy

CC2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

CC2.1a

Please provide further details on your risk management procedures with regard to climate change risks and opportunities

Frequency of monitoring	To whom are results reported	Geographical areas considered	How far into the future are risks considered?	Comment
Six-monthly or more frequently	Individual/Sub-set of the Board or committee appointed by the Board	Australia Botswana France Germany India Kenya Lesotho Mozambique Namibia Nigeria Portugal Rwanda South Africa Spain Uganda United Kingdom	3 to 6 years	N/A

CC2.1b

Please describe how your risk and opportunity identification processes are applied at both company and asset level

Material risks and opportunities are guided through extensive external and internal engagement processes using three key sources, the external environment, regulatory environmental and independent bodies and external engagement. During a 6-month stakeholder engagement process, we determine the most material issues facing the company under 4 core themes – financial, human capital, products and services and external relationships. Under these core themes are the material focus areas.

Specific issues are listed under each focus area, and importance ranked according to:

- material issues: those issues that pose material risks and/or opportunities;
- priority issues: those issues that the business needs to start actively addressing;
- potential issues: those issues currently being addressed, but which do not represent major risks or opportunities; and
- controlled issues: those issues that are under control and not immediately material.

Each of these risk and opportunities is mapped onto a matrix according to their importance in the short-, medium- and long-term.

Finally, information fed directly into the formulation of Altron's business strategy, aligned to the themes.

1. Financial: improve profitable revenue growth through expansion
2. Human: invest in our biggest asset
3. Products & services: lead through innovation
4. External relations: build and maintain strategic alliances and key partnerships

The risk management committee & executive committee are kept informed on the progress and status of climate change related issues by the sustainability dept.

The chairman of the audit and risk committees, including the sustainability dept, tabulate their findings at board meetings, bringing to the attention of the Altron board all material risks and issues and highlighting the relevant remedial plans. Climate change and energy efficiency have been recognised by Altron as material

sustainability risks requiring management attention and commitment.

CC2.1c

How do you prioritize the risks and opportunities identified?

All activities related to policy are consolidated through the group sustainability department and responded to through this department. Followed-up by this department and if needed internal policies and strategies are aligned accordingly should these policies change. The Altron Sustainability department in conjunction with the executive management is responsible for formulating and implementing the climate change strategy for the group at managerial level. The department also identifies future areas of opportunities and risk influenced by regulations, market trends and legislation. E.g. product development, supply chain and renewable energy opportunities.

CC2.1d

Please explain why you do not have a process in place for assessing and managing risks and opportunities from climate change, and whether you plan to introduce such a process in future

Main reason for not having a process	Do you plan to introduce a process?	Comment
--------------------------------------	-------------------------------------	---------

CC2.2

Is climate change integrated into your business strategy?

Yes

CC2.2a

Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process

Impact on business strategy - Climate change strategy is integrated into the operational units by the continual capture and analysis of carbon data and other sustainability indicators. This information is then used in conjunction with Altron's Sustainability Manual to formulate each business unit's independent climate change strategy and provide direction for internal Sustainability Management Programs. The Manual is updated yearly to include all relevant and current information needed to provide direction for these programs. Data is captured centrally at Altron level and the analysis of this data provides the feedback for strategic climate change strategy at Group level.

The aspects of climate change that have an impact on Altron's strategy are:

- The anticipated legislative impact on the price on carbon through a carbon tax driving the need for a reduction in greenhouse gas emissions - not only in South Africa, but also looking at global trends of carbon taxation, certification of products and the impact thereof on logistics and other supply chain components where the price of carbon will have a direct impact on products and services;
- Increased extreme weather events - sourcing of components from the far-east for some of our electronic products - it is estimated that the failure or delay in delivery of a single component is approx. R200,000 per hour - not only in lost revenue but also imposes reputational and brand concerns for the customer. Given the high propensity of extreme weather events, we are now placing a lot more focus on the group's supply chain, within the context of climate change, in conjunction with the four other strategic theme areas.

- Electricity supply & pricing - Approved pricing increases by NERSA in electricity tariffs for Eskom has been identified as both a threat in terms of increased input costs, as well as an opportunity for the refinement of energy management processes within the Altron group and as a commercial opportunity for our Powertech operations. Electricity use makes up 80% of the group's total carbon emissions and it is therefore imperative to address this.

These aspects represent both a risk to Altron through increased operational costs such as carbon tax and product manufacturing and distribution costs, but also present opportunities. E.g the group has formally established the Powertech Renewables division within the Powertech group with the intention of supplying solutions such as solar photovoltaic systems, wind generation and biomass solutions. The South African Government is currently investing substantially in solutions and here we have already seen orders come through for cables and transformers for these projects totalling some R372 million. A number of other products and solutions (e.g. batteries, cabling, energy management solutions, mobility and broadband technology based applications such as video conferencing) are already available from the group.

- Awareness and Process implementation - The Altron Climate Change position paper outlines Altron's stance towards climate change and set out a road map to chart the way forward with respect to strategically addressing climate change. Following on from the position paper, Altron calculated their first carbon footprint for the 2009 fin year. The exercise not only quantified Altron's carbon footprint, but also revealed strengths and challenges in the implementation of the calculation methodology, including; definitions of organisational and operational boundaries and carbon data management and reporting. The quantification of Altron's carbon footprint remains essential to effective carbon management. The establishment of a more accurate carbon footprint baseline in 2012, allowed Altron to analyse the most significant emission sources and identify emission reduction targets. Altron has taken ownership of the carbon footprint calculation process and through a specially in-house developed self-assessment database tool, that allows the various environmental champions (approx. 60 individuals spread globally) at each of the group's companies (facilities) to capture their data as defined in the group's Sustainability Manual - for Scope 1, 2, 3, Water, Waste and Spills. From the reported data, conversion factors are applied in the relevant categories in order to calculate the group's environmental footprint, including the carbon footprint. The resultant values are compared against previous periods (monthly and annually) and reduction targets. (In addition to the monthly reporting on environmental data, comparisons are done through Health & Safety audits, identifying initiatives or projects to engage employees or suppliers on energy management, waste disposal, etc.)

- Reduction targets - During the 2012 fin year, each South African operation determined a proposed carbon emission reduction target based on their appetite for future reductions, taking into account growth or expansion, resources, changes in technology and other factors. These reduction targets were approved by the Altron executive committee and is ultimately enforced through the Altron remuneration committee. These targets form part of the executive's KPIs and makes up part of the 30% annual short-term incentive package.

Reduction targets have been averaged out across the group for the next 3 years (2012-2015) and set for Scope 1 - 1.98%, Scope 2 - 2.93%, Scope 3 - 1.70%) -

- Communication - The risk management committee, executive committee and the board are kept informed on the progress and status of climate change related issues on a regular basis. Altron proactively communicates the results of the carbon footprint and other climate change and energy savings initiatives to its own employees, through the "Altron Envirowatch" website as well as the Altron in-house magazine "Profile". Through this engagement the company understands its major risks and opportunities in this area and responds accordingly.

It should however be emphasised that the group's sustainability strategy is underpinned by the 4 strategic themes as stated below and it is through this lens that we look at the impact of climate change amongst other influences: "Our DNA, Our Future", and points to the fact that sustainability is intimately woven into everything we do and everything we are as a business:

- Financial sustainability - with the core objective of improving profitable revenue growth through expansion,
- Human capital - the core objective of investing in our biggest asset – our people,
- Products and services - our objective is to lead through innovation by embracing technology and market shifts; and
- External relationships - does not only include our environment, but indicates all our external relationships. The objective of which is to build and maintain strategic alliances and key partnerships, addressing and anticipating client and customer needs, whilst protecting the environment and investing in the communities we operate in.

CC2.2b

Please explain why climate change is not integrated into your business strategy

CC2.3

Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)

Direct engagement with policy makers
Trade associations

CC2.3a

On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Carbon tax	Neutral	At this stage we have been following the debate around the introduction of the proposed new Carbon Tax as presented by South Africa's National Treasury and await feedback from National Treasury with regards to implementation. Altron's sustainability department engages on a regular basis with the NBI through attending workshops and conferences to keep up to date with the latest carbon tax developments and other environmental issues.	At this stage no firm solution is on the table; but the fact that a number of taxation (direct or indirect) methodologies are already in place through for example fuel levies creates a concern of over or double taxation. This will ultimately increase input costs into the manufacturing of products and ultimately lead to an increase in tax margins that will be passed onto the consumer.

CC2.3b

Are you on the Board of any trade associations or provide funding beyond membership?

No

CC2.3c

Please enter the details of those trade associations that are likely to take a position on climate change legislation

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you, or are you attempting to, influence the position?

CC2.3d

Do you publically disclose a list of all the research organizations that you fund?

CC2.3e

Do you fund any research organizations to produce or disseminate public work on climate change?

CC2.3f

Please describe the work and how it aligns with your own strategy on climate change

CC2.3g

Please provide details of the other engagement activities that you undertake

CC2.3h

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?

All activities related to policy are consolidated through the group sustainability department and responded to through this department. Followed-up by this department and if needed internal policies and strategies are aligned accordingly should these policies change. The Altron Sustainability department in conjunction with the executive management is responsible for formulating and implementing the climate change strategy for the group at managerial level. The department also identifies future areas of opportunities and risk influenced by regulations, market trends and legislation. E.g. product development, supply chain and renewable energy opportunities.

CC2.3i

Please explain why you do not engage with policy makers

Further Information

•Altron's Position on Climate Change 2012/13 - please see document attached.

Attachments

Page: CC3. Targets and Initiatives

CC3.1

Did you have an emissions reduction target that was active (ongoing or reached completion) in the reporting year?

Absolute target

CC3.1a

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment
Abs1	Scope 1	100%	0%	2012	14900	2015	2014 reported Scope 1: 18 696 = 20.3% increase from the base year (2012). The reduction targets set in the % reduction from base year relates to the normalised target across the entire Altron group - i.e. an average of all the targets agreed upon with the management of each operation. In some cases the target could be as low as 0% or as high as 3% per annum - depending on the measure and taking into account future expansion and growth or even consolidation of companies.
Abs2	Scope 2	100%	2.2%	2012	134223	2015	2014 reported Scope 2: 131 921 = 1.72% reduction from the base year The reduction targets set in the % reduction from base year relates to the normalised target across the entire Altron group - i.e. an average of all the targets agreed upon with the management of each operation. In some cases the target could be as low as 0% or as high as 3% per annum - depending on the measure and taking

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions (metric tonnes CO2e)	Target year	Comment
							into account future expansion and growth or even consolidation of companies.
Abs3	Other: Business Travel & Paper consumption & Vehicle Rentals	100%	0%	2012	13228	2014	2014 reported Scope 3: 14 647= 1.41% increase from base year The reduction targets set in the % reduction from base year relates to the normalised target across the entire Altron group - i.e. an average of all the targets agreed upon with the management of each operation. In some cases the target could be as low as 0% or as high as 3% per annum - depending on the measure and taking into account future expansion and growth or even consolidation of companies.

CC3.1b

Please provide details of your intensity target

ID	Scope	% of emissions in scope	% reduction from base year	Metric	Base year	Normalized base year emissions	Target year	Comment
----	-------	-------------------------	----------------------------	--------	-----------	--------------------------------	-------------	---------

CC3.1c

Please also indicate what change in absolute emissions this intensity target reflects

ID	Direction of change anticipated in absolute Scope 1+2 emissions at target completion?	% change anticipated in absolute Scope 1+2 emissions	Direction of change anticipated in absolute Scope 3 emissions at target completion?	% change anticipated in absolute Scope 3 emissions	Comment
----	---	--	---	--	---------

CC3.1d

For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions)	Comment
Abs1	66%	33%	Scope 1 - Reduction targets have been set for a period of 3 years (2012-2015) and it is therefore likely that certain companies will be able to achieve their full reduction targets within the first or second year or even only in the third year - depending on investments or resources required in order to change business processes, technology availability, etc. However, changes in company growth and expansion may have an additional impact on achieving set targets.
Abs2	66%	33%	Scope 2 - Reduction targets have been set for a period of 3 years (2012-2015) and it is therefore likely that certain companies will be able to achieve their full reduction targets within the first or second year or even only in the third year - depending on investments or resources required in order to change business processes, technology availability, etc. However, changes in company growth and expansion may have an additional impact on achieving set targets.
Abs3	66%	33%	Scope 3 - Reduction targets have been set for a period of 3 years (2012-2015) and it is therefore likely that certain companies will be able to achieve their full reduction targets within the first or second year or even only in the third year - depending on investments or resources required in order to change business processes, technology availability, etc. However, changes in company growth and expansion may have an additional impact on achieving set targets.

CC3.1e

Please explain (i) why you do not have a target; and (ii) forecast how your emissions will change over the next five years

CC3.2

Does the use of your goods and/or services directly enable GHG emissions to be avoided by a third party?

Yes

CC3.2a

Please provide details of how the use of your goods and/or services directly enable GHG emissions to be avoided by a third party

Across the Altron group, there is a variety of products and services that may have a direct or indirect impact on carbon emissions by a third party once implemented;

Altron is assisting in reducing the impact of other sectors through de-materialisation, where high carbon or physical products are replaced with electronic solutions (for example, heat pump technology, photovoltaic solutions, teleconferencing and cellular technology). Altron provides, through its Powertech subsidiary, solutions that can be used in the place of traditional solutions when it comes to the generation of electricity. Examples include hydrogen fuels cells, solar or wind alternatives for generators and the effective use of energy-monitoring devices to enable customers to monitor current usage patterns. Within the Bytes group, a number of document lifecycle solutions are available within that assist clients in the lowering of GHG emissions. Examples include the use of recycled paper, sourced exclusively from FSC (Forest Stewardship Council) certified sources for print/copier usage, scanning and digitising solutions, teleconference solutions and mobility solutions. Altech provide a number of mobility solutions that allow customers to access business systems from home and thus lower the impact on travel. In addition, there are fleet management solutions available to assess driver behaviour as well as carbon emissions from fleet vehicles.

The following projects are examples of emission avoidance initiatives through the use of our products and services:

Project Currently running in 2013/2014:

1. Sibanye(GoldFields): heat pumps at industrial changes houses at the hostels at Driefontein mine
 - 37 heat pumps at 34 x change houses
 - 998kW avg saving ; estimated saving: 8,725,000 kWh per year
 - Eskom IDM funding was used for this project
 - Heat pump installations were started in April - Heat pumps work extremely efficiently, because they simply transfer heat, rather than burn fuel to create it and therefore uses much less kWh's.

Projects planned for 2014 (To be implemented):

1. Sibanye(GoldFields) Kloof hostels:
 - 18 x 55kW heat pumps
 - 380 kW avg saving – approx. 2,000,000kWh saving planned for
 - Eskom IDM funding applied for

CC3.3

Did you have emissions reduction initiatives that were active within the reporting year (this can include those in the planning and implementation phases)

Yes

CC3.3a

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	10	4950
To be implemented*	1	0
Implementation commenced*	1	50
Implemented*	6	235000
Not to be implemented	0	0

CC3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative, years	Comment
Behavioral change	Voluntary, In place, On-going - During the last 3 years we have implemented a number of awareness campaign through our Envirowatch initiative and based on feedback from employees we estimate that the savings per employee through behaviour change - Initiatives include switching off lights, air conditioners, etc., therefore reducing our Scope 2 emissions.	230000	200000	20000	<1 year	Continuous improvements - ongoing	
Other	Mandatory, In place, On-going - As part of the monthly reporting process each facility within an operation is required to complete the monthly reporting requirements as outlined in the group's sustainability manual. The manual guides the companies in what to report, where to find the detail/data (e.g. statements, invoices, etc.) and a description/definition of the items to be reported on. It is our aim to get all our facilities to report on a monthly basis and this year 145 facilities - up from last year's 139 reported on their environmental footprint. Through this we are able to drive more user friendly behaviour on the reporting side and to form a more comprehensive picture on the environmental footprint of the group. Scope - 1, 2 & 3	0	0	0	<1 year	Continuous improvements - ongoing	
Energy efficiency: Building services	Mandatory, In place, On-going – implementation of electricity metering solution across the group to ensure effective electricity usage (monitoring and reporting) – this will drive additional initiatives/projects for electricity savings. This initiative will reduce scope 2 emissions. Scope - 2	99	10000	30000	1-3 years	Continuous improvements - ongoing	
Transportation: use	Voluntary, In place, Ongoing – Usage of teleconferencing facilities, Skype or Webex instead of air/land travel. Relocation of Business Development Manager to Johannesburg. Scope - 1 & 3	100	50000	200000	1-3 years	Continuous improvements - ongoing	

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative, years	Comment
Energy efficiency: Building services	Mandatory, In place, Ongoing – Consolidation of office premises/data centres – reduction in number of generators used for backup power (Scope 1), reduction in electricity consumption (scope 2) and reduced travel (Scope 3) Scope - 1, 2 & 3	5200	100000	50000	1-3 years	Continuous improvements - ongoing	
Energy efficiency: Processes	Voluntary, In place, Ongoing - To improve the energy efficiency of lighting in warehouses and offices of the group. 50 units of the current tri-phosphor fluorescent technology 58W and 24W lamp ballast will be replaced by more efficient 20W LED technology. This initiative will reduce scope 2 emissions Scope - 2	6	16000	50000	1-3 years	Continuous improvements - ongoing	
Behavioral change	Voluntary, In place, Ongoing - the use of screen savers across the organisation to display key messages on pc and laptop screens assist in getting the message on energy saving, waste recycling and other environmentally friendly messages across. Scope - 1, 2 & 3	10	20000	20000	1-3 years	Continuous improvements - ongoing	
Other	Mandatory, In place, On-going - participation in Earth hour - as part of our Envirowatch campaign and to ensure that lights are switched off on 31 March, between 20:30 and 21:30 - this year we have spread the initiative over two days as the 31st falls on a Saturday.	1000	0	0	1-3 years	Continuous improvements - ongoing	

CC3.3c

What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Internal finance mechanisms	The Altron executive committee with the necessary input from the Group sustainability department approves environmental reduction targets. These targets form part of the Altron group's indicators of performance and is included in each executive's key performance indicators. The target performance of these indicators which includes greenhouse gas emissions and energy efficiency is monitored and reported bi-annually. The Altron remuneration committee awards the appropriate bonus parameters against reduction targets achieved.
Employee engagement	Employees are engaged through various means of internal communication. Altron's drive climate change strategy and employee behavioural change internally through the "Altron Envirowatch" website which incorporates Carbon Footprint/Powersave initiatives and which resides on the Altron information exchange intranet "Alix". A specially developed Carbon Footprint brand is used on all internal communication material.
Internal incentives/recognition programs	Employees are recognised through the Altron Environmental Award that is presented at the Annual Altron Awards ceremony for any initiative shown in addressing environmental aspects.
Employee engagement	Over and above the intranet (Alix) other media such as screen-savers where environmental tips are displayed are used to continually create awareness on environmental issues.
Employee engagement	The sustainability department holds an annual environmental workshop where current progress against set reduction targets are discussed and where disclosure requirements are explained and discussed. This workshop is opened by the Altron Chief Executive and a key note speaker is invited to address the audience. Approximately 60 environmental champions across the group attends this workshop.

CC3.3d

If you do not have any emissions reduction initiatives, please explain why not

Further Information

See attached press coverage on key initiatives by the group to reduce GHG emissions

Attachments

[https://www.cdp.net/sites/2014/97/597/Investor CDP 2014/Shared Documents/Attachments/InvestorCDP2014/CC3.TargetsandInitiatives/Environmental responsibility pays off for Bytes Managed Solutions _ ITWeb.pdf](https://www.cdp.net/sites/2014/97/597/Investor%20CDP%202014/Shared%20Documents/Attachments/InvestorCDP2014/CC3.TargetsandInitiatives/Environmental%20responsibility%20pays%20off%20for%20Bytes%20Managed%20Solutions%20_%20ITWeb.pdf)
[https://www.cdp.net/sites/2014/97/597/Investor CDP 2014/Shared Documents/Attachments/InvestorCDP2014/CC3.TargetsandInitiatives/Xerox Global Services at University of Pretoria wins Environmental Award.pdf](https://www.cdp.net/sites/2014/97/597/Investor%20CDP%202014/Shared%20Documents/Attachments/InvestorCDP2014/CC3.TargetsandInitiatives/Xerox%20Global%20Services%20at%20University%20of%20Pretoria%20wins%20Environmental%20Award.pdf)
[https://www.cdp.net/sites/2014/97/597/Investor CDP 2014/Shared Documents/Attachments/InvestorCDP2014/CC3.TargetsandInitiatives/SA's tech firms back Earth Hour _ ITWeb.pdf](https://www.cdp.net/sites/2014/97/597/Investor%20CDP%202014/Shared%20Documents/Attachments/InvestorCDP2014/CC3.TargetsandInitiatives/SA's%20tech%20firms%20back%20Earth%20Hour%20_%20ITWeb.pdf)
[https://www.cdp.net/sites/2014/97/597/Investor CDP 2014/Shared Documents/Attachments/InvestorCDP2014/CC3.TargetsandInitiatives/Altech implements Huawei telepresence solution _ Huawei.pdf](https://www.cdp.net/sites/2014/97/597/Investor%20CDP%202014/Shared%20Documents/Attachments/InvestorCDP2014/CC3.TargetsandInitiatives/Altech%20implements%20Huawei%20telepresence%20solution%20_%20Huawei.pdf)

Page: CC4. Communication

CC4.1

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	Page/Section reference	Attach the document
In mainstream financial reports (underway) – previous year attached	External Relationships: Environment	https://www.cdp.net/sites/2014/97/597/Investor CDP 2014/Shared Documents/Attachments/CC4.1/integrated_annual_report_2013.pdf
In voluntary communications (complete)	Entire document	https://www.cdp.net/sites/2014/97/597/Investor CDP 2014/Shared Documents/Attachments/CC4.1/SA's tech firms back Earth Hour _ ITWeb.pdf
In voluntary communications (complete)	Entire document	https://www.cdp.net/sites/2014/97/597/Investor CDP 2014/Shared Documents/Attachments/CC4.1/Altech implements Huawei telepresence solution _ Huawei.pdf
In voluntary communications (complete)	Entire document	https://www.cdp.net/sites/2014/97/597/Investor CDP 2014/Shared Documents/Attachments/CC4.1/Xerox Global Services at University of Pretoria wins Environmental Award.pdf

Further Information

N/A

Module: Risks and Opportunities

Page: CC5. Climate Change Risks

CC5.1

Have you identified any climate change risks that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

Risks driven by changes in regulation
Risks driven by changes in physical climate parameters
Risks driven by changes in other climate-related developments

CC5.1a

Please describe your risks driven by changes in regulation

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Carbon taxes	South Africa is proposing implementing a domestic carbon tax from 2016. A policy discussion document was released in May, 2013 and is currently in the process of being updated based on	Increased operational cost	3 to 6 years	Direct	Virtually certain	Medium	R6 mil increasing 10% per annum.	Carbon Reduction Initiatives Participation in Carbon Registration Projects and the Carbon Market through renewable business development. Energy Efficiency	Uncertain. Difficult to assess at this time.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>public comments and further analysis. - Rate of tax: the tax will be levied at R120 per tonne of CO2e and will increase by 10% a year. It is expected that a company's direct carbon tax liability will be limited to its Scope 1 and Scope 2. However, the electricity sector will also be covered by the tax, and is very likely to pass the cost through fully to the consumer. Basic free allowances: businesses across all sectors will be given free allowances to the amount of 60% of their annual Scope 1 emissions i.e. those resulting from their activities on site. These free allowances will accrue to industry until 2020, after which the tax free threshold will be gradually reduced. Additional free allowances based on trade exposure: Some sectors may be</p>							<p>Initiatives such as more energy efficient lighting and heating, the installation of heat pumps and solar panels for electricity generation as well as the heating of water. Energy audits for production sites and Energy efficient process redesigning. Consolidation of facilities into single office space. IT Shared services will lead to consolidation of UPS and generator infrastructure and subsequent savings in GHG emissions.</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>able to claim for further 10% additional free allowances based on their exposure to international trade, in an attempt to ensure that the carbon tax does not erode South Africa's trade competitiveness. The following elements are yet to be decided and clarified: -The increased cost of electricity due to carbon tax imposed on Eskom and passed through to final consumers although it is expected to be in the region of R0.35 per kWh, still to be determined by government - The use of offsets to potentially lower the total cost of compliance by 5-10% (the type of offsets that can be used still to be determined by government). - The impact of expenditure on carbon tax on the income tax payable by companies. Once this is made clearer in</p>								

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	2015, Altron will have a better understanding of the overall impacts of a carbon tax on business. Based on our current year's Scope 1 & 2 emissions we anticipate a potential carbon tax in excess of R6m in 2016. This obviously raises questions with regards to the passing on of input costs and other costs related or within the supply chain.								
Fuel/energy taxes and regulations	Eskom grid electricity price hike. The National Energy Regulator of South Africa (Nersa) has approved a nominal Eskom power tariff increase of 8% in 2013. This regulation will have an effect on running costs for the Altron sites and facilities throughout South Africa.	Increased operational cost	3 to 6 years	Direct	Virtually certain	Medium-high	Annual increase in electricity tariffs of 8% or at least at inflation rate.	Energy Efficiency Initiatives such as more energy efficient lighting and heating, the installation of heat pumps and solar panels for electricity generation as well as the heating of water. Energy audits for production sites and Energy efficient process redesigning.	R200 000 per annum
General environmental regulations,	The National Climate Change Response White Paper, released	Increased operational cost	3 to 6 years	Direct	More likely than not	Low-medium	Uncertain	Altron has a Carbon Reporting Program where facilities	Uncertain

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
including planning	<p>towards the end of 2011, identifies the importance of a National GHG emissions inventory that will ensure an effective response to Climate Change. In order to achieve this, the DEA will prepare a GHG Emissions Inventory annually. It will conform to the IPCC's 2006 or later guidelines and will be periodically reviewed. Under this framework, reporting of emissions data will be made mandatory for entities that emit more than 100,000tCO₂e annually, or consume electricity which results in more than 100,000tCO₂e from the electricity sector. Qualifying entities will also be obliged to report energy use by energy carrier. Altron will therefore be required to report GHG emissions data because GHG emissions from</p>							<p>directly report their carbon footprint onto an online measurement and monitoring system. This system has been in use for 5 years. Carbon footprint data assured by an external auditor for a selected number of facilities. Annual internal sustainability audits where carbon footprint data is analyzed.</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>purchased electricity (Scope 2) exceeds 100,000 tCO2e. Altron has a mature emission reporting system and the emissions footprint has been disclosed in the public domain via the CDP report. We have also voluntarily been participating in the CDP since 2009. The risk is that companies that are required to annually report emissions may be subject to stricter controls/efficiency targets and these will therefore increase costs of the business.</p>								
General environmental regulations, including planning	<p>Emerging countries where Altron operates, including Nigeria, Lesotho and Kenya, amongst others, appear to be increasing legislation with respect to environmental impact and liability. Similarly, in markets where the group exports products and services to, the group has to adhere to</p>	Increased operational cost	3 to 6 years	Direct	Very likely	Medium	Uncertain	Environmental legal compliance register and implementation of international facilities. Carbon footprint measurement and reporting of international facilities to Altron Sustainability department.	Uncertain

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	or comply with certification - for example within the EU Zone - FCC compliance, etc.								

CC5.1b

Please describe your risks that are driven by change in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Uncertainty of physical risks	The risk is increased incidence of coastal flooding, high winds during storms and increased incidence of lightning strikes. For example, flooding during a hurricane in China affected the supply of materials for manufacturing hindering supply of manufactured goods to Altron. Delays in delivery of components could lead to a cost of approximately R200 000	Reduction/disruption in production capacity	3 to 6 years	Indirect (Supply chain)	Likely	Medium-high	R 200 000 loss per hour delay.	Altron is currently investigating specific insurance methods in this regard and is keeping up to date with research on the impact of climate change on insurance premiums.	Uncertain at this stage

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	per hour at one of electronics factories.								
Other physical climate drivers	The risk is weather related disruptions to energy supplies. This may be at source (production/manufacturing of energy source) or in the supply of that energy source to site (delivery). Downtime due to a lack of electricity supply could potentially have R200 000 per hour loss at one of our electronics factories.	Reduction/disruption in production capacity	1 to 3 years	Indirect (Supply chain)	Likely	Medium-high	R200 000 loss per hour delay.	Implementation of alternative independent energy sources as backup such as electricity supplied from renewable sources (wind and solar energy) as well as backup fuel generators.	Uncertain at this stage
Induced changes in natural resources	The risk is an increased mean surface temperature. The risk and associated financial costs will be greater for data centres than for other infrastructure due to the required optimal operating temperatures of the equipment used at these sites. The increased costs are particularly around increasing energy costs for cooling.	Increased operational cost	>6 years	Direct	More likely than not	Medium	Uncertain	Implementation of alternative independent energy sources as backup such as electricity supplied from renewable sources (wind and solar energy) as well as backup fuel generators.	Uncertain at this stage

Please describe your risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated Financial Implications	Management method	Cost of management
Reputation	Reputational risks associated with not responding to the issue of climate change, i.e the effect this will have on our businesses. Although Altron's overall environmental impact may be medium in nature, we are building on our sustainable approach being a good corporate citizen, as the right thing to do.	Reduced demand for goods/services	1 to 3 years	Direct	More likely than not	Medium	Can be anything from R10 mil to R 500 mil.	Altron has a Sustainability Management Program which includes sustainability reporting as part of integrated reporting and continual stakeholder engagement.	R5m (Cost of sustainability reporting – inclusive of annual reporting, salaries, resources, etc.)
Changing consumer behaviour	Potential risk of increased costs should consumers demand additional certification requirements (ISO 14001, FCC, CE, Energy Star, for example)	Increased operational cost	Unknown	Direct	More likely than not	Medium-high	Uncertain	Currently various facilities and business units within the Altron Group are ISO certified and there is a continual investigation of further certification of facilities and products from a customer demand perspective.	Uncertain at this stage

Please explain why you do not consider your company to be exposed to risks driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC5.1e

Please explain why you do not consider your company to be exposed to risks driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC5.1f

Please explain why you do not consider your company to be exposed to risks driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Further Information

1.Reputation 1.Altron believes there are reputational risks associated with not responding to the issue of climate change. Climate change is felt to be an investment issue by the private sector and can be a risk to the company if not managed adequately. Altron believes that as the world moves to a low carbon economy, consumers are increasingly making choices based on the environmental impact of products and services. Altron recognises the increase in consumer demands on environmental performance expectations other than carbon and thus expects consumers to demand the same of the group's greenhouse gas emissions. As a group Altron has been actively driving this process internally through the recently launched sustainability strategy and thereby influencing the group's views on climate change (amongst others). 2.Altron has been admitted to the JSE's Socially Responsible Investment Index (SRI) and is committed to understanding and reporting on its GHG emissions and responding to the CDP survey annually. 3.The costs of these actions have not yet been fully quantified, but given that most of the internal activities are performed through the Group sustainability department and internal budget of approx. R5 million per annum is set aside for building on and rolling out of the group's sustainability strategy. 2.Changing consumer behaviour 1.The financial impacts of this risk have not been fully quantified, but it is known that non-compliance to certain product certifications, such as FCC, CE, Energy Star, etc. will lead to non-acceptance of our products in certain markets. It is therefore

imperative for Altron's operations where these product certifications are required to comply - this is where the cost impact of these product certifications is estimated to be well in excess of R100 000 per product per annum. 2.The Altron risk management committee conducts regular appraisals with relevant parties, providing a link between the operational management and board responsibility for sustainability issues and ensuring that steps are implemented to identify, evaluate the financial implications of and mitigate the risks associated with these issues. 3.The cost of these actions have not been fully quantified

Page: CC6. Climate Change Opportunities

CC6.1

Have you identified any climate change opportunities that have the potential to generate a substantive change in your business operations, revenue or expenditure? Tick all that apply

- Opportunities driven by changes in regulation
- Opportunities driven by changes in physical climate parameters
- Opportunities driven by changes in other climate-related developments

CC6.1a

Please describe your opportunities that are driven by changes in regulation

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
General environmental regulations, including planning	Altron Participated in government's Renewable Energy Independent Power Producer Procurement programme (where companies are	Increased demand for existing products/services	Up to 1 year	Direct	Virtually certain	Medium-high	Increased revenues by approximately R500 mil.	No change as this would be business as usual where there is a continued investigation into the participation in renewable energy projects	Included in cost of sales.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>given the opportunity to bid for renewable energy projects and may be viable to receive funding for these projects through this initiative) Aberdare Cables, Powertech QuadPro and Powertech Transformers collectively secured R269m of orders in the first and R103m of orders in the second round of tenders. This is for projects to provide turnkey substations, transformers and cabling. Powertech QuadPro has also invested in new markets to</p>							through new business development and research	

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	drive revenue in new markets. It developed substations for the REIPP programme wind farm projects in the Western and Eastern Cape provinces. Powertech Quadpro has also invested in new markets to drive revenue in new markets. It developed substations for the REIPPPP wind farm projects in the Western and Eastern Cape provinces. .								

CC6.1b

Please describe the opportunities that are driven by changes in physical climate parameters

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Other physical climate opportunities	Floods, fires, cyclones, heat waves that create a disturbance and barrier for transport as usual. This will lead to a greater reliance on electronic communication methods and therefore an increase in sales of CERTAIN Altron products in this respect	Other: Disruption of travel and transportation, and therefore a greater reliance on electronic communication services.	3 to 6 years	Direct	Likely	Low-medium	Uncertain at this stage	The continued production and advertisement of communication specific devices.	Included in cost of sales.

CC6.1c

Please describe the opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Other drivers	Climate change and the perceptions of customers - Perceptions of customers will change because of the impact of climate change and customers will	Increased demand for existing products/services	3 to 6 years	Direct	Likely	Low-medium	Uncertain at this stage	The continued implementation and communication of sustainability at all levels of company operation. Possible advertising angle	Included in cost of sales.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	demand “greener” products from companies with proven sustainable operations, and a reputation of taking sustainability serious.							for “greener” products.	

CC6.1d

Please explain why you do not consider your company to be exposed to opportunities driven by changes in regulation that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC6.1e

Please explain why you do not consider your company to be exposed to opportunities driven by physical climate parameters that have the potential to generate a substantive change in your business operations, revenue or expenditure

CC6.1f

Please explain why you do not consider your company to be exposed to opportunities driven by changes in other climate-related developments that have the potential to generate a substantive change in your business operations, revenue or expenditure

Further Information

N/A

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: CC7. Emissions Methodology

CC7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

Base year	Scope 1 Base year emissions (metric tonnes CO2e)	Scope 2 Base year emissions (metric tonnes CO2e)
Tue 01 Mar 2011 - Wed 29 Feb 2012	14900	134223

CC7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use

IPCC Guidelines for National Greenhouse Gas Inventories, 2006
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
Defra Voluntary Reporting Guidelines
Other

CC7.2a

If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

For the calculation of vehicle emissions we have begun to use localised data entries from the National Association of Automobile Manufacturers of South Africa (NAAMSA) in order to calculate the CO₂e emission for generic vehicle types within the South African market. Please see www.naamsa.co.za

Four typical vehicles (petrol and diesel) have been selected from the NAAMSA list of vehicle manufacturers and the kilometres and CO₂e emissions per kilometre has been used to develop a generic conversion factor for converting either kilometres travelled or litres of fuel used into kg CO₂e by vehicle fuel type.

CC7.3

Please give the source for the global warming potentials you have used

Gas	Reference
CO ₂	IPCC Second Assessment Report (SAR - 100 year)
CH ₄	IPCC Second Assessment Report (SAR - 100 year)
N ₂ O	IPCC Second Assessment Report (SAR - 100 year)

CC7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

Fuel/Material/Energy	Emission Factor	Unit	Reference
			See attached Excel sheet

Further Information

Attached spreadsheet with emission factors applied in our calculations

Attachments

[https://www.cdp.net/sites/2014/97/597/Investor CDP 2014/Shared Documents/Attachments/InvestorCDP2014/CC7.EmissionsMethodology/Altron - worksheet-to-input-of-EF.xlsx](https://www.cdp.net/sites/2014/97/597/Investor%20CDP%202014/Shared%20Documents/Attachments/InvestorCDP2014/CC7.EmissionsMethodology/Altron%20-%20worksheet-to-input-of-EF.xlsx)

Page: CC8. Emissions Data - (1 Mar 2013 - 28 Feb 2014)

CC8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

CC8.2

Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e

18696

CC8.3

Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

131921

CC8.4

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

CC8.4a

Please 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	Relevance of Scope 1 emissions from this source	Relevance of Scope 2 emissions excluded from this source	Explain why the source is excluded
Facilities under control of the parent located outside of South Africa	Emissions are not relevant	Emissions are not relevant	Data was not available for certain overseas facilities during 2013/2014. These facilities are however, not material to the Altron carbon footprint due to the fact that at some of these facilities the headcount is below 10 and the primary function is administrative in nature.

CC8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope 1 emissions: Uncertainty range	Scope 1 emissions: Main sources of uncertainty	Scope 1 emissions: Please expand on the uncertainty in your data	Scope 2 emissions: Uncertainty range	Scope 2 emissions: Main sources of uncertainty	Scope 2 emissions: Please expand on the uncertainty in your data
More than 5% but less than or equal to 10%	Data Gaps Assumptions Extrapolation Metering/ Measurement Constraints Data Management	Uncertainty analysis was not performed. The estimated uncertainty of the data must include uncertainty associated with assumptions in the data. That is, the assumption that all those included in the data collection process have gone about their job in the correct manner. The estimated uncertainty of the data must include uncertainty associated with published emissions factors. These include IPCC Guidelines/GHG Protocol emissions factors and uncertainty thereof. Altron is putting systems in place to ensure the quality of data collection improves annually and is also	More than 2% but less than or equal to 5%	Data Gaps Assumptions Extrapolation Metering/ Measurement Constraints Data Management	The dependence on estimates from utility providers remains an area of concern as these do not always accurately reflect usage or consumption during a set period. Readings of electricity may only take place three or even once per annum and then estimates are provided to the company - which does not cater for seasonality, electricity savings, etc. We have instructed group companies to report on their electricity meter readings where they are in place and as primary source of information for electricity consumption. Comparisons to electricity invoices are

Scope 1 emissions: Uncertainty range	Scope 1 emissions: Main sources of uncertainty	Scope 1 emissions: Please expand on the uncertainty in your data	Scope 2 emissions: Uncertainty range	Scope 2 emissions: Main sources of uncertainty	Scope 2 emissions: Please expand on the uncertainty in your data
		aimed at incorrect user input, comparisons with previous entries and followed-up with assurance audits.			made to ensure at least some comparability to highlight potential over charging of services.

CC8.6

Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

Third party verification or assurance complete

CC8.6a

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported Scope 1 emissions verified (%)
Moderate assurance	https://www.cdp.net/sites/2014/97/597/Investor CDP 2014/Shared Documents/Attachments/CC8.6a/Altron - 2014 IAR Assurance Statement - 26 May 2014 - MHR - v1.pdf	Entire document	AA1000AS	30

CC8.6b

Please provide further details of the regulatory regime to which you are complying that specifies the use of Continuous Emissions Monitoring Systems (CEMS)

Regulation	% of emissions covered by the system	Compliance period	Evidence of submission
------------	--------------------------------------	-------------------	------------------------

CC8.7

Please indicate the verification/assurance status that applies to your reported Scope 2 emissions

Third party verification or assurance complete

CC8.7a

Please provide further details of the verification/assurance undertaken for your Scope 2 emissions, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of Scope 2 emissions verified (%)
Moderate assurance	https://www.cdp.net/sites/2014/97/597/Investor CDP 2014/Shared Documents/Attachments/CC8.7a/Altron - 2014 IAR Assurance Statement - 26 May 2014 - MHR - v1.pdf	Entire document	AA1000AS	30

CC8.8

Please identify if any data points other than emissions figures have been verified as part of the third party verification work undertaken

Additional data points verified	Comment
Other: Hours worked	In addition to GHG numbers, reasonability comparisons are made against hours worked, production numbers, health and safety statistics and training statistics. Subsequently GHG intensity analysis is done to determine reasonable reporting of numbers.

CC8.9

Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

CC8.9a

Please provide the emissions from biologically sequestered carbon relevant to your organization in metric tonnes CO2

Further Information

N/A

Page: CC9. Scope 1 Emissions Breakdown - (1 Mar 2013 - 28 Feb 2014)

CC9.1

Do you have Scope 1 emissions sources in more than one country?

Yes

CC9.1a

Please break down your total gross global Scope 1 emissions by country/region

Country/Region	Scope 1 metric tonnes CO2e
Botswana	17
France	0
Kenya	0
Namibia	0
Australia	0
Portugal	3
Spain	124
China	0
United Kingdom	7
South Africa	18545
Germany	0
Hong Kong	0
India	0
Lesotho	0
Mauritius	0
Mozambique	0
United Arab Emirates	0

CC9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By business division
By activity

CC9.2a

Please break down your total gross global Scope 1 emissions by business division

Business division	Scope 1 emissions (metric tonnes CO2e)
Altech	1692
Bytes	1932
Powertech	15055
Altron Corporate	16

CC9.2b

Please break down your total gross global Scope 1 emissions by facility

Facility	Scope 1 emissions (metric tonnes CO2e)	Latitude	Longitude
-----------------	---	-----------------	------------------

CC9.2c

Please break down your total gross global Scope 1 emissions by GHG type

GHG type	Scope 1 emissions (metric tonnes CO2e)
----------	--

CC9.2d

Please break down your total gross global Scope 1 emissions by activity

Activity	Scope 1 emissions (metric tonnes CO2e)
Onsite Emissions	13831
Vehicles Owned	4865

CC9.2e

Please break down your total gross global Scope 1 emissions by legal structure

Legal structure	Scope 1 emissions (metric tonnes CO2e)
-----------------	--

Further Information

Page: CC10. Scope 2 Emissions Breakdown - (1 Mar 2013 - 28 Feb 2014)

CC10.1

Do you have Scope 2 emissions sources in more than one country?

Yes

CC10.1a

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2 metric tonnes CO2e	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low carbon electricity, heat, steam or cooling accounted for CC8.3 (MWh)
Botswana	497	241	0
France	1	11	0
Germany	18	43	0
Kenya	0	0	0
Namibia	13	57	0
Australia	145	169	0
Portugal	1183	3212	0
Spain	1983	6636	0
Hong Kong	0	0	0
United Kingdom	209	465	0
South Africa	127540	128828	0
Mozambique	0.02	34	0
India	160	168	0
Italy	0	0	0
Lesotho	172	348	0
Mauritius	0	0	0
United Arab Emirates	0	0	0

CC10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By business division

By activity

CC10.2a

Please break down your total gross global Scope 2 emissions by business division

Business division	Scope 2 emissions (metric tonnes CO2e)
Altech	13164
Bytes	15755
Powertech	102364
Altron Corporate	637

CC10.2b

Please break down your total gross global Scope 2 emissions by facility

Facility	Scope 2 emissions (metric tonnes CO2e)
----------	--

CC10.2c

Please break down your total gross global Scope 2 emissions by activity

Activity	Scope 2 emissions (metric tonnes CO2e)
Electricity Purchased	131921

CC10.2d

Please break down your total gross global Scope 2 emissions by legal structure

Legal structure	Scope 2 emissions (metric tonnes CO2e)
-----------------	--

Further Information

N/A

Page: CC11. Energy

CC11.1

What percentage of your total operational spend in the reporting year was on energy?

More than 30% but less than or equal to 35%

CC11.2

Please state how much fuel, electricity, heat, steam, and cooling in MWh your organization has purchased and consumed during the reporting year

Energy type	MWh
Fuel	23016
Electricity	140
Heat	26514
Steam	0
Cooling	0

CC11.3

Please complete the table by breaking down the total "Fuel" figure entered above by fuel type

Fuels	MWh
Diesel/Gas oil	21766
Motor gasoline	1250

CC11.4

Please provide details of the electricity, heat, steam or cooling amounts that were accounted at a low carbon emission factor in the Scope 2 figure reported in CC8.3

Basis for applying a low carbon emission factor	MWh associated with low carbon electricity, heat, steam or cooling	Comment
No purchases or generation of low carbon electricity, heat, steam or cooling accounted with a low carbon emissions factor	0	Not applicable

Further Information

N/A

Page: CC12. Emissions Performance

CC12.1

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

Increased

CC12.1a

Please 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

Reason	Emissions value (percentage)	Direction of change	Comment
Emissions reduction activities	2	Increase	The increase in Emissions can mainly be ascribed to the increase in production activities and therefore a heavier reliance on the use of electricity. There has also been a significant improvement of the reporting of Scope 1 data from various facilities and this lead to an increase in the amount of reported Scope 1 Emissions for the group.
Divestment	5	Decrease	A number of entities within our Altech, Bytes and Powertech group have been disposed of or have been made part of a joint venture where we now longer have management or financial control and therefore falls out of the scope & boundaries of our carbon footprint.
Acquisitions	2	Increase	No major or material activities with regards to acquisitions took place, however where an increase in headcount has been experienced the carbon footprint in Scope 2 have gone up marginally due to additional staff.
Mergers	0	No change	No activity in this area for the reporting year

Reason	Emissions value (percentage)	Direction of change	Comment
Change in output	0	No change	No activity in this area for the reporting year
Change in methodology	0	No change	No activity in this area for the reporting year
Change in boundary	2	Decrease	A number of entities within our Altech, Bytes and Powertech group have been disposed of or have been made part of a joint venture where we now longer have management or financial control and therefore falls out of the scope & boundaries of our carbon footprint.
Change in physical operating conditions	1	Increase	Increased production by Powertech. Increase in the use of electricity used in production and hence an increase in Scope 2 Emissions.
Unidentified	0	No change	No activity in this area for the reporting year
Other	5	Increase	Improved data collection and additional facilities reporting - the quality and integrity of data for environmental footprint purposes remains a critical focus area for us. With the updating of our Sustainability Manual we continue to provide guidance and clarity around certain units of measure, definitions in terms used, etc. a Total of 145 facilities reported on their environmental footprint this year, compared to last year's 149 facilities. This decrease in reporting facilities is due to the fact that some of the previous separate business units are now combined under one facility due to the Group restructuring that took place. There has however been an increase in the amount of Scope 1 data being reported by business units.

CC12.2

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0.000005423	metric tonnes CO2e	unit total revenue	0.1	Decrease	Total Revenue: R27 772 000 000 Total Scope 1 & 2: 150 616 tCO2e for every 1 ZAR only 0.000005423 tCO2e is produced. 14% increase in revenue from R24 464m to R27 772m This is a negligible change in our overall emissions per unit of revenue.

CC12.3

Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per full time equivalent (FTE) employee

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
11.67	metric tonnes CO2e	FTE employee	2.36	Increase	Increase in Scope 1 & 2 Emissions and slight increase in FTE.

CC12.4

Please provide an additional intensity (normalized) metric that is appropriate to your business operations

Intensity figure	Metric numerator	Metric denominator	% change from previous year	Direction of change from previous year	Reason for change
0	metric tonnes CO2e	Other: N/A			At this stage there is no other appropriate metric that we use as the business overall does not lend itself to any specific measures such as unit of production or hours for services rendered, etc.

Further Information

N/A

Page: CC13. Emissions Trading

CC13.1

Do you participate in any emissions trading schemes?

No, but we anticipate doing so in the next 2 years

CC13.1a

Please complete the following table for each of the emission trading schemes in which you participate

Scheme name	Period for which data is supplied	Allowances allocated	Allowances purchased	Verified emissions in metric tonnes CO2e	Details of ownership

CC13.1b

What is your strategy for complying with the schemes in which you participate or anticipate participating?

Altron will follow the prescribed legal processes for applying for CDM projects and the associated carbon offsets through the designated authority and through the appropriate verification process by an appointed external verifier for each of its planned carbon trading projects. The strategy that Altron will apply in the investigation of all carbon offset projects will be based on a cost benefit analysis according to the current market price of carbon offsets in conjunction with the payback period for energy saving and the initial capital investment cost amongst other variables, as well as the direction that the SA Government will follow with regards to CDM and Carbon offsets - as published in the recent draft Carbon Offsets Paper published by the Dept. of Treasury in April, 2014

CC13.2

Has your organization originated any project-based carbon credits or purchased any within the reporting period?

No

CC13.2a

Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits cancelled	Purpose, e.g. compliance
---------------------------------------	--------------	------------------------	----------------------------	---	--	-------------------	--------------------------

Further Information

N/A

Page: CC14. Scope 3 Emissions

CC14.1

Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using primary data	Explanation
Purchased goods and services	Relevant, calculated	669	GHG emissions by paper type is calculated by kilograms of paper consumed for internal usage only - e.g. photocopy paper, internal magazines, etc.	5.00%	Savings in paper use is part of the group's reduction initiatives
Capital goods	Not evaluated	0	N/A	0.00%	N/A
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Not evaluated	0	N/A	0.00%	N/A
Upstream transportation and distribution	Not evaluated	0	N/A	0.00%	N/A
Waste generated in operations	Relevant, not yet calculated	0	N/A	0.00%	The waste management strategy for the group is currently being developed and may include future GHG emissions data capturing.
Business travel	Relevant, calculated	13978	Scope 3 - Vehicles rented - calculated based on Fuel emissions (Diesel or Petrol) per kilometre travelled or per volume of fuel consumed. Scope 3 - Air travel - calculated according to Cabin Class, Number of Pax, distance between airports (km) of the route taken and if the route is domestic or international	95.00%	Calculation of business travel is measured in order to identify potential alternative modes of business travel OR to use alternative technologies when meetings have to take place - i.e. video conferencing
Employee commuting	Not evaluated	0	N/A	0.00%	N/A
Upstream leased assets	Not evaluated	0	N/A	0.00%	N/A
Downstream transportation and distribution	Not evaluated	0	N/A	0.00%	N/A

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using primary data	Explanation
Processing of sold products	Not evaluated	0	N/A	0.00%	N/A
Use of sold products	Not evaluated	0	N/A	0.00%	N/A
End of life treatment of sold products	Not evaluated	0	N/A	0.00%	N/A
Downstream leased assets	Not evaluated	0	N/A	0.00%	N/A
Franchises	Not evaluated	0	N/A	0.00%	N/A
Investments	Not evaluated	0	N/A	0.00%	N/A
Other (upstream)	Not evaluated	0	N/A	0.00%	N/A
Other (downstream)	Not evaluated	0	N/A	0.00%	N/A

CC14.2

Please indicate the verification/assurance status that applies to your reported Scope 3 emissions

Third party verification or assurance complete

CC14.2a

Please provide further details of the verification/assurance undertaken, and attach the relevant statements

Type of verification or assurance	Attach the statement	Page/Section reference	Relevant standard	Proportion of Scope 3 emissions verified (%)
Moderate assurance	https://www.cdp.net/sites/2014/97/597/Investor_CDP_2014/Shared Documents/Attachments/CC14.2a/Altron - 2014 IAR Assurance Statement - 26 May 2014 - MHR - v1.pdf	Entire document	AA1000AS	30

CC14.3

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

CC14.3a

Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Business travel	Other: Increase in travel	23	Increase	Increase in market scope as well as the group's strategy to follow customers into Africa or other parts of the world.

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Purchased goods & services	Other: Increase in headcount	2	Decrease	As part of the group's environmental footprint focus and awareness campaign reduction in paper consumption.

CC14.4

Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

Yes, our suppliers

Yes, our customers

CC14.4a

Please give details of methods of engagement, your strategy for prioritizing engagements and measures of success

Suppliers - are identified based on their materiality/reliance on by the group (for non-strategic procurement) - location, logistics, empowerment, service, delivery, UN Global Compact elements, etc.

Suppliers - that are technology partners or strategic partners are managed under agreements for longer terms

Customers - customers request from time to time details on the group's environmental footprint, for tender purposes or in terms of their supplier agreements.

Customers - also engage with the group in their own technology enhancing or emissions avoidance projects when looking at products from our group.

CC14.4b

To give a sense of scale of this engagement, please give the number of suppliers with whom you are engaging and the proportion of your total spend that they represent

Number of suppliers	% of total spend	Comment
30	80%	Altron focuses on it's top 20 suppliers from a spend perspective as well as its technology partners and other strategic suppliers that are key to the group.

CC14.4c

If you have data on your suppliers' GHG emissions and climate change strategies, please explain how you make use of that data

How you make use of the data	Please give details
Use in supplier scorecards	Altron is in the process of compiling supplier scorecards that can be used for future discussions on energy costs, emissions reductions and supplier development where appropriate. This will also form part of the group's risk management profile specifically related to supply chain sustainability.

CC14.4d

Please explain why you do not engage with any elements of your value chain on GHG emissions and climate change strategies, and any plans you have to develop an engagement strategy in the future

Further Information

Attachments

[https://www.cdp.net/sites/2014/97/597/Investor CDP 2014/Shared Documents/Attachments/InvestorCDP2014/CC14.Scope3Emissions/Introducing a multifunction printer software solution that helps businesses reduce costs and be kinder to the environment.pdf](https://www.cdp.net/sites/2014/97/597/Investor%20CDP%202014/Shared%20Documents/Attachments/InvestorCDP2014/CC14.Scope3Emissions/Introducing%20a%20multifunction%20printer%20software%20solution%20that%20helps%20businesses%20reduce%20costs%20and%20be%20kinder%20to%20the%20environment.pdf)

Module: Sign Off

Page: CC15. Sign Off

CC15.1

Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
Dr PW van der Walt	Group Alliances Manager	Business unit manager

Further Information

N/A

CDP 2014 Investor CDP 2014 Information Request