

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 - the latest integrated annual report www.altron.com/iar2016/)

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 and www.altrontmt.com)

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)

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)

Altron's vision - Our vision is to leverage emerging market dynamics and integrate technology solutions in order to enable sustainable growth.

Altron's mission - Our mission is to make technology accessible to our customers through our heritage, our people, our innovative products and services, our partnerships and our commitment to ethical business practices in order to ensure sustainable growth and financial return.

In practice this means focusing on customer-centric solutions rather than just selling products. It means taking pride in our long-standing South African history and the longevity of our business. It means showing appreciation for the talented people whose loyalty and efforts drive our business. It means continually investing in innovation and adaptation to provide innovative products and services. It means staying at the forefront of technology by partnering with some of the best companies in the world. If we accomplish all of this with ethics and integrity, we believe sustainable growth and financial return will follow, delivering value to our key stakeholders.

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

Sun 01 Mar 2015 - Mon 29 Feb 2016

CC0.3

Country list configuration

Please select the countries for which you will be supplying data. If you are responding to the Electric Utilities module, this selection will be carried forward to assist you in completing your response.

Select country
South Africa
Australia
Botswana
France
Germany
Hong Kong
India
Italy
Kenya
Lesotho
Mauritius
Mozambique
Namibia
Portugal
Spain
United Arab Emirates
United Kingdom

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 sub-industries, companies in the oil and gas sub-industries, companies in the information technology and telecommunications sectors and companies in the food, beverage and tobacco industry group should complete supplementary questions in addition to the main questionnaire.

If you are in the correct groupings (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

Module: Management

Page: CC1. Governance

CC1.1

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

Board or 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 Information Integration & Sustainability Manager (Dr PW van der Walt) who through the Group Sustainability Department have responsibility for matters relating to climate change.

The Sustainability Department attends the Altron risk management committee, Altron social and ethics 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 Information Integration 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	Comment
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Who is entitled to benefit from these incentives? Frequency of monitoring	The type of incentives To whom are results reported?	Incentivized performance indicator	Comment How far into the future are risks considered?
Corporate executive team	Monetary reward	Emissions reduction target	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.
Management group	Monetary reward	Emissions reduction target	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.
Business unit managers	Monetary reward	Emissions reduction target	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.
All employees	Recognition (non-monetary)	Emissions reduction target Energy reduction project Efficiency project Behaviour change related indicator	The Altron Environmental Award presented at the Altron Annual Awards raises awareness and drive performance in environmental management and is awarded to any employee, team or group company 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

Attached the group's Governance report and Remuneration report

Attachments

<https://www.cdp.net/sites/2016/97/597/Climate Change 2016/Shared Documents/Attachments/ClimateChange2016/CC1.Governance/2016 Altron Governance Report.pdf>
<https://www.cdp.net/sites/2016/97/597/Climate Change 2016/Shared Documents/Attachments/ClimateChange2016/CC1.Governance/2016 Altron Remuneration Report.pdf>

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	Board or individual subset of the Board or committee appointed by the Board	South Africa, Australia, Botswana, Canada, Germany, Hong Kong, India, Italy, Kenya, Lesotho, Mauritius, Mozambique, Namibia, Portugal, Spain, United Arab Emirates, United Kingdom	3 to 5 years	Our board performs its governance responsibilities within a framework of policies and controls, which manage our economic, environmental and social performance and provides for effective risk assessment.

CC2.1b

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

Recent global and local developments have highlighted the need for a robust, integrated risk management approach across businesses. During the course of the past year the Altron group reviewed its risk management methodology and is engaged in a process of implementing a new risk reporting structure and strategy. The implementation of this new process will increase the accountability of operations and management of the risks at all levels. This in turn will assist the organisation to increase its ability to make well-informed decisions and react rapidly to risks and opportunities both in the short and long term. Risk management at Altron is carried out within the governance structures of the group. Altron's risk governance process is a top-down approach with the board overseeing and approving all risk management processes and activities. Although the board plays a critical role in how we manage our risks, operational risk identification, management and reporting are achieved via a bottom-up approach. Altron is also currently engaging on the implementation of a top-down strategic risk management structure that assists the board to ensure that operations are focusing on the key strategies.

CC2.1c

How do you prioritize the risks and opportunities identified?

Level 1, risks are identified & managed at operational level and reported to the executive committees. The business risk department performs quarterly reviews pertaining to risk management documents compiled at operational level. Top risks are consolidated and reported to relevant executive committees. Internal audit department performs reviews at operational levels and findings are reported to relevant executive committees.

Level 2 includes reporting of risks to subholding group companies' financial review and risk committees. Major risks are elevated to the chief executive through the executive committee; social and ethics committee (risks relating to non-financial aspects of the business); risk management committee (for all risks, financial & non-financial); and audit committee. These committees also ensure that mitigation and management of the risks identified are effective, efficient and adequate.

Level 3 includes overall evaluation and management of risks by the board. In addition, the role of internal audit is to provide assurance to board that appropriate controls are in place. The board is ultimately responsible to ensure that risk governance processes and risk management processes remain adequate and effective in identifying the group's risks and opportunities and that a system of efficient and effective monitoring, mitigation and management is in place.

Our range of risks is aligned with our four strategic value drivers: financial sustainability, human capital, products and services, and external relationships.

Management assesses residual risk exposure to determine whether risks should be treated, tolerated, transferred or terminated. If management considers a risk to be significant, an action plan is developed to mitigate and/or reduce the risk to a more acceptable level. The action plan stipulates who is responsible for taking action, kind of action needs to be taken and it includes a time frame within which a risk needs to be reduced or mitigated.

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

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. 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. R250,000 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 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. 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 past 3 years (2012-2015) and were set for Scope 1 - 1.98%, Scope 2 - 2.93%, Scope 3 - 1.70%) - The new reduction targets developed for the period 2015-2018 were released during the 2nd half of 2015. However, with the discontinuation and/or disposal of the remaining manufacturing businesses over the coming year, we expect our carbon emissions to reduce substantially in the coming year. This will necessitate a review of our reduction targets going forward. .

•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 in-house magazine Perspective. 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 - build and maintain strategic alliances and key partnerships - 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.

CC2.2c Focus of legislation Does your company use an internal price of carbon?	Corporate Position	Details of engagement	Proposed legislative solution
		No, and we currently don't anticipate doing so in the next 2 years	

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
- Other

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.
Energy efficiency	Support	Certain of our group companies have been participating in the PSEE (Private Sector Energy Efficiency) initiative driven by the NBI (National Business Initiative) in order to embark on energy efficiency interventions.	Although much of energy efficiency aspects are addressed through aspects such as building regulations, etc. more input and incentives should be provided either through tax deductions for revival of older infrastructure that needs to be addressed.

CC2.3b
Are you on the Board of any trade associations or provide funding beyond membership?

No

CC2.3e
Please provide details of the other engagement activities that you undertake

The Group's Sustainability department participates in discussions, workshops and networking engagements with the NBI (National Business Initiative).

Leading up to the UN Climate Change Conference in Paris (COP 21) Altron committed to report on climate change initiatives and impacts in its mainstream reports as part of its fiduciary duty. Furthermore, we also committed to responsible corporate engagement in climate policy, as part of the We Mean Business coalition (See: <http://www.wemeanbusinesscoalition.org/take-action>)

CC2.3f
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?

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. Eg. product development, supply chain and renewable energy opportunities

Further Information

Attachments

<https://www.cdp.net/sites/2016/97/597/Climate Change 2016/Shared Documents/Attachments/ClimateChange2016/CC2.Strategy/Altron Climate Change Framework 2015.pdf>

Page: CC3. Targets and Initiatives

CC3.1
Did you have an emissions reduction or renewable energy consumption or production 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 covered by target (metric tonnes CO2e)	Target year	Is this a science-based target?	Comment
Abs1	Scope 1	100%	1.9%	2015	12117	2018	No, but we anticipate setting one in the next 2 years	This is Altron's second reduction target window that will run from 2015 - 2018
Abs2	Scope 2 (location-based)	100%	1.87%	2015	119682	2018	No, but we anticipate setting one in the next 2 years	This is Altron's second reduction target window that will run from 2015 - 2018

CC3.1e
For all of your targets, please provide details on the progress made in the reporting year

ID	% complete (time)	% complete (emissions or renewable energy)	Comment
Abs1	33%	0%	This is Altron's second reduction target window that will run from 2015 - 2018. 2016 is the first year of a three year reduction target to be achieved.
Abs2	33%	0%	This is Altron's second reduction target window that will run from 2015 - 2018. 2016 is the first year of a three year reduction target to be achieved.

CC3.2
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?

No

CC3.3 Stage of development Number of projects Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
 Did you have emissions reduction initiatives that were active within the reporting year (this can include those at the planning and/or implementation phases)

Yes	Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	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	Comment
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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	0	0
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	2	1500
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)	Scope	Voluntary/ Mandatory	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	Comment
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Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	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	Comment
Transportation: use	During the year under review, the number of international business flights (Scope 3 GHG emissions) decreased compared to the previous reporting period, primarily due to less travel into Africa, and more emphasis being placed on the use of video conferencing technology instead of travelling to meetings. The enforcement of Altron's travel policy further helped to curtail unnecessary and costly travel.	700	Scope 1 Scope 3	Voluntary Mandatory	0	0	1-3 years	Ongoing	During the year under review, the number of international business flights (Scope 3 GHG emissions) decreased compared to the previous reporting period, primarily due to less travel into Africa, and more emphasis being placed on the use of video conferencing technology instead of travelling to meetings. The enforcement of Altron's travel policy further helped to curtail unnecessary and costly travel.

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	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	Comment
Other	ISO 50001 certification - Aberdare Cables was one of 155 Eastern Cape companies to take part in a UK-backed Private Sector Energy Efficiency (PSEE) project that assist companies in limiting their reliance on the national electricity grid.	0	Scope 1 Scope 2 (location-based) Scope 2 (market-based)	Voluntary	0	0	1-3 years	Ongoing	Aberdare Cables scored high in the Strategic Energy Management (SEM) audit held last month. The ISO 50001 certification was achieved by successfully implementing and working with an Energy Management System (EnMS) at the Port Elizabeth, Stanford Road Site. Through this, the site has identified its Significant Energy Users (SEU's) and is now able to work more strategically at attaining its targeted 10% energy reduction. Energy saving has always been a key focus point within the Aberdare Cables group, not only to cut costs but to reduce its carbon impact, 91% of which is electrical energy based. It now becomes the latest of 10 South African companies boasting the certification.

Method		Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	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	Comment
Activity type	Description of activity								
Energy efficiency: Building services	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.	1000	Scope 1 Scope 2 (location-based) Scope 2 (market-based) Scope 3	Mandatory	0	0	1-3 years	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.

CC3.3c

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

Method	Comment
Internal incentives/recognition programs	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 environmental tips and initiatives and which resides on the Altron information exchange intranet "Alix".
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.

Method Publication	Status	Page/Section reference	Comment Attach the document	Comment
Compliance with regulatory requirements/standards				Aberdare Cables was one of 155 Eastern Cape companies to take part in a UK-backed Private Sector Energy Efficiency (PSEE) project that assist companies in limiting their reliance on the national electricity grid. Aberdare Cables scored high in the Strategic Energy Management (SEM) audit held last month. The ISO 50001 certification was achieved by successfully implementing and working with an Energy Management System (EnMS) at the Port Elizabeth, Stanford Road Site. Through this, the site has identified its Significant Energy Users (SEU's) and is now able to work more strategically at attaining its targeted 10% energy reduction. Energy saving has always been a key focus point within the Aberdare Cables group, not only to cut costs but to reduce its carbon impact, 91% of which is electrical energy based. It now becomes the latest of 10 South African companies boasting the certification. See attachment to this page or on the web at http://www.engineeringnews.co.za/article/sa-firm-comes-out-tops-with-uk-sponsored-energy-audit-2015-12-10/rep_id:4136

Further Information

Attachments

https://www.cdp.net/sites/2016/97/597/Climate_Change_2016/Shared_Documents/Attachments/ClimateChange2016/CC3.TargetsandInitiatives/58040_energy_audit_.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	Status	Page/Section reference	Attach the document	Comment
In mainstream reports (including an integrated report) but have not used the CDSB Framework	Complete	55-57	https://www.cdp.net/sites/2016/97/597/Climate_Change_2016/Shared_Documents/Attachments/CC4.1/2016_Altron_Integrated_Annual_Report.pdf	The primary source of Altron's environmental impact – particularly with regard to electricity, water and waste – is from our manufacturing operations within Altron Power. Improving these impacts is important to the group, not only to “do the right thing” as a good corporate citizen, but also because more efficient use of natural resources can be a significant source of cost savings and risk mitigation.
In mainstream reports (including an integrated report) but have not used the CDSB Framework	Complete	Entire Document	https://www.cdp.net/sites/2016/97/597/Climate_Change_2016/Shared_Documents/Attachments/CC4.1/2016_Altron_G4_Core.pdf	GRI G4 Core submission

Risk Publication	Status	Page/Section Reference	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
In mainstream reports (including an integrated report) but have not used the CDSB Framework	Complete	7								
			https://www.cdp.net/sites/2016/97/597/Climate_Change_2016/Shared Documents/Attachments/CC4.1/2016_Altron_Social_Ethics_Report.pdf					Social and Ethics Committee report		

Further Information

Module: Risks and Opportunities

Page: CC5. Climate Change Risks

CC5.1

Have you identified any inherent 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 inherent risks that are 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
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Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Carbon taxes	<p>South Africa is proposing implementing a domestic carbon tax from 2017. A policy discussion document was released in May, 2013 and is currently in the process of being updated based on 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 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. 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</p>	Increased operational cost	1 to 3 years	Direct	Virtually certain	Medium	R6 mil increasing 10% per annum.	<p>Carbon Reduction Initiatives Participation in Carbon Registration Projects and the Carbon Market through renewable business development. 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. Consolidation of facilities into single office space. IT Shared services will lead to consolidation of UPS and generator infrastructure and subsequent</p>	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
Fuel/energy taxes and regulations	of input costs and other costs related or within the supply chain. Eskom grid electricity price hike. On May 8, Eskom made an urgent application to Nersa to increase the electricity tariff by 25.3% for the 2015-16 financial year, including the 12.69% price increase that has already been approved. This regulation will have an effect on running costs for the Altron sites and facilities throughout South Africa.	Increased operational cost	Up to 1 year	Direct	Virtually certain	Medium-high	Annual increase in electricity tariffs of 25.3%.	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

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
General environmental regulations, including planning	The National Climate Change Response White Paper, released 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 100,000tCO ₂ e annually, or consume electricity which results in more than 100,000tCO ₂ e 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 purchased electricity (Scope 2) exceeds 100,000 tCO ₂ e. 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.	Increased operational cost	3 to 6 years	Direct	More likely than not	Low-medium	Uncertain	Altron has a Carbon Reporting Program where facilities 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.	Uncertain
General environmental regulations, including planning	Emerging countries where Altron operates, including 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 or comply with certification - for example within the EU Zone - FCC compliance, etc.	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

CC5.1b Please describe your inherent 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 R250 000 per hour at one of electronics factories.	Reduction/disruption in production capacity	3 to 6 years	Indirect (Supply chain)	Likely	Medium-high	R 250 000 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	
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 R250 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	R250 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	

CC5.1c Please describe your inherent risks that are driven by changes in other parts of the 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 14 001 certified and there is a continual investigation of further certification of facilities and products from a customer demand perspective.	Uncertain at this stage	

Further Information

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

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
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- 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 inherent 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 participates in government's Renewable Energy Independent Power Producer Procurement programme (where companies are 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 more than R300m of orders in the first and second round of tenders. This is for projects to provide turnkey substations, transformers and cabling. Powertech QuadPro has also invested in new markets to 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. .	Reduced capital costs	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 through new business development and research.	Included in cost of sales.

CC6.1b

Please describe the inherent 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
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Opportunity driver	Description	Base year	Base year emissions (metric tonnes CO2e)	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			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 inherent 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 demand "greener" products from companies with proven sustainable operations, and a reputation of taking sustainability serious.	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 for "greener" products.	Included in cost of sales.

Further Information

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)

Scope	Base year	Base year emissions (metric tonnes CO2e)
Scope 1	Sat 01 Mar 2014 - Sat 28 Feb 2015	12213
Scope 2 (location-based)	Sat 01 Mar 2014 - Sat 28 Feb 2015	130978
Scope 2 (market-based)	Sat 01 Mar 2014 - Sat 28 Feb 2015	0

CC7.2 Gas Reference 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

Scope 1 - Vehicles owned and used for business travel - 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.

Scope 2 - Electricity purchased - For electricity emissions in South Africa the latest Eskom Annual Report is referenced.

CC7.3
Please give the source for the global warming potentials you have used

Gas	Reference
CO2	IPCC Second Assessment Report (SAR - 100 year)
CH4	IPCC Second Assessment Report (SAR - 100 year)
N2O	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
Other: Please see attached Excel sheet	0	Other: Please see attached Excel sheet	Please see attached Excel sheet

Further Information

Attachments

https://www.cdp.net/sites/2016/97/597/Climate Change 2016/Shared Documents/Attachments/ClimateChange2016/CC7_EmissionsMethodology/Altron - worksheet-to-input-of-EF.xlsx

Scope 2, location-based	Scope 2, market-based (if applicable)	Comment
Please specify the boundary you are using for your Scope 2 emissions and the uncertainty range Operational control	Please expand on the uncertainty in your data	

CC8.2
Please provide your gross global Scope 1 emissions figures in metric tonnes CO2e

14498

CC8.3
Does your company have any operations in markets providing product or supplier specific data in the form of contractual instruments?

No

CC8.3a
Please provide your gross global Scope 2 emissions figures in metric tonnes CO2e

Scope 2, location-based	Scope 2, market-based (if applicable)	Comment
120431	0	Scope 2 emissions are reported at the various reporting facilities - i.e. location

CC8.4
Are there are 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?

No

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	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 2% but less than or equal to 5%	Data Gaps Assumptions Metering/ Measurement Constraints	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 aimed at incorrect user input, comparisons with previous entries and followed-up with assurance audits by our internal audit department.
Scope 2 (location-based)	More than 2% but less than or equal to 5%	Data Gaps Assumptions Metering/ Measurement Constraints	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 quarterly 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 made to ensure at least some comparability and to highlight potential over charging of services.

Additional data points Scope verified	Uncertainty range	Main sources of uncertainty	Comment Please expand on the uncertainty in your data
Scope 2 (market- based)			Not applicable

CC8.6
Please indicate the verification/assurance status that applies to your reported Scope 1 emissions

No third party verification or assurance

CC8.7
Please indicate the verification/assurance status that applies to at least one of your reported Scope 2 emissions figures

No third party verification or assurance

CC8.8
Please identify if any data points have been verified as part of the third party verification work undertaken, other than the verification of emissions figures reported in CC8.6, CC8.7 and CC14.2

Additional data points verified	Comment
No additional data verified	Due to the disposal of a number of manufacturing operations and cost cutting, it was decided that independent assurance on certain non-financial aspects will not be done during the year.

CC8.9
Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

Further Information

Page: CC9. Scope 1 Emissions Breakdown - (1 Mar 2015 - 29 Feb 2016)

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

Business Division Country/Region	Scope 1 emissions (metric tonnes CO2e)
Botswana	144
Lesotho	2
Namibia	171
Portugal	23
South Africa	13401
Spain	738
United Kingdom	18

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)
Altron Corporate	15
Altron TMT	4681
Altron Power	9802

CC9.2d

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

Activity	Scope 1 emissions (metric tonnes CO2e)
Onsite emissions	8594
Vehicles - owned	5903

Further Information

Page: CC10. Scope 2 Emissions Breakdown - (1 Mar 2015 - 29 Feb 2016)

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

Business Activity Country/Region	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e) by electricity, heat, steam or cooling (MWh)	Scope 2 emissions, market-based (metric tonnes CO2e) by purchased electricity, heat, steam or cooling accounted in market-based approach (MWh)
Botswana	308	0	172	0
India	35	0	45	0
Lesotho	246	0	467	0
Mozambique	0.03	0	32	0
Namibia	2	0	85	0
Portugal	1059	0	3490	0
South Africa	116807	0	113405	0
Spain	1757	0	6037	0
United Kingdom	217	0	493	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, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)
Altron Corporate	605	0
Altron TMT	23908	0
Altron Power	95918	0

CC10.2c

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

Activity	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)
Electricity purchased	120431	0

Further Information

Attachments

[https://www.cdp.net/sites/2016/97/597/Climate_Change_2016/Shared_Documents/Attachments/ClimateChange2016/CC10.Scope2EmissionsBreakdown\(1Mar2015-29Feb2016\)/2016_Altron_G4_Core.pdf](https://www.cdp.net/sites/2016/97/597/Climate_Change_2016/Shared_Documents/Attachments/ClimateChange2016/CC10.Scope2EmissionsBreakdown(1Mar2015-29Feb2016)/2016_Altron_G4_Core.pdf)

[https://www.cdp.net/sites/2016/97/597/Climate_Change_2016/Shared_Documents/Attachments/ClimateChange2016/CC10.Scope2EmissionsBreakdown\(1Mar2015-29Feb2016\)/2016_Altron_Integrated_Annual_Report.pdf](https://www.cdp.net/sites/2016/97/597/Climate_Change_2016/Shared_Documents/Attachments/ClimateChange2016/CC10.Scope2EmissionsBreakdown(1Mar2015-29Feb2016)/2016_Altron_Integrated_Annual_Report.pdf)

Energy type	Fuel	Energy purchased (MWh)	Energy consumed (MWh)	Basis for applying a low carbon emission factor	Total electricity produced (MWh)	Total renewable electricity produced (MWh)	MWh consumed associated with low carbon electricity, heat, steam or cooling is produced by company (MWh)	Comment
CC11.1	Total electricity consumed (MWh)	Energy purchased that is purchased (MWh)	Energy consumed (MWh)	Total electricity produced (MWh)	Total renewable electricity produced (MWh)		MWh consumed associated with low carbon electricity, heat, steam or cooling is produced by company (MWh)	Comment

More than 35% but less than or equal to 40%

CC11.2

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

Energy type	Energy purchased and consumed (MWh)
Heat	0
Steam	0
Cooling	0

CC11.3

Please state how much fuel in MWh your organization has consumed (for energy purposes) during the reporting year

30693

CC11.3a

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

Fuels	MWh
Natural gas	3338
Other: Compressed Natural Gas	16
Liquefied petroleum gas (LPG)	2113
Other: Heavy Fuel Oil (HFO)	11373
Diesel/Gas oil	3102
Motor gasoline	387
Other: Coal	9358
Other: Acetylene	7
Propane	1000

CC11.4

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

Basis for applying a low carbon emission factor	MWh consumed 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

CC11.5

Please report how much electricity you produce in MWh, and how much electricity you consume in MWh

Total electricity consumed (MWh)	Change in electricity purchased (MWh)	Total electricity produced (MWh)	Total renewable electricity produced (MWh)	Consumed renewable electricity that is produced by company (MWh)	Comment
124221	124221	0	0	0	99% of all the group's electricity is purchased from the local utility.

Further Information

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?

Decreased

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	Please explain and include calculation
Emissions reduction activities	2	Decrease	The reduction comes as a result of a combination of factors. Energy- and cost-saving measures such as the installation of a photovoltaic solution at Powertech Systems Integration's offices in Pretoria helped to reduce our footprint. The scaling back and closure of certain factories' operations also meant that we consumed less electricity and therefore emitted less than in previous years.
Divestment	0	No change	No material divestments were made during the reporting period.
Acquisitions	0	No change	No material acquisitions were made during the reporting period.
Mergers	0	No change	No material mergers were made during the reporting period.
Change in output	5	Decrease	Although not measured directly in the context of emissions, the group has experienced a decrease in manufacturing output during the year due to decrease - 2016 has been a challenging year for the Altron group. Revenue from total operations decreased 4% to R26,6 billion with EBITDA from total operations declining 73% to R376 million as the impact of a weak macroeconomic environment and unstable demand particularly impacted on our manufacturing operations - largely as a result of low demand from the public sector and depressed investment in infrastructure.
Change in methodology	0	No change	No changes in methodology were made during the reporting period.
Change in boundary	0	No change	No changes in boundary were made during the reporting period.
Change in physical operating conditions	5	Decrease	Overall the emissions per full-time employee decreased to 11,2 tCO ₂ e (2015: 13,27 tCO ₂ e), due to a combination of efficiency measures, reduced production in the manufacturing facilities and a 13% increase in headcount within the Altron TMT operations.

Reason for change	Metric value (Gross global combined Scope 1 and 2 emissions)	Direction of change	Metric denominator: Unit total revenue	Scope 2 figure used	% change from previous year	Direction of change from previous year	Direction of change from previous year	Please explain and include calculation	Reason for change
Unidentified	0	No change	Not applicable						

CC12.1b
Is your emissions performance calculations in CC12.1 and CC12.1a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

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 (Gross global combined Scope 1 and 2 emissions)	Metric denominator: Unit total revenue	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
0.0000051	metric tonnes CO2e	26592350318	Location-based	4	Decrease	Revenue in 2014 financial year was R27 623m vs R26 592m for the current financial year. Total tCO2e (Scope 1 & 2) for 2015 was 145 882 metric tonnes CO2e vs 134 929 metric tonnes CO2e for this year. The current year's intensity is thus 0.0000051 metric tonnes CO2e per 1 ZAR revenue. This is a negligible change in our overall emissions per unit of revenue.

CC12.3
Please provide any additional intensity (normalized) metrics that are appropriate to your business operations

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator	Metric denominator: Unit total	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
11.22	metric tonnes CO2e	full time equivalent (FTE) employee	12676	Location-based	15	Decrease	Overall the emissions per full-time employee decreased to 11,2 tCO2e (2015: 13,27 tCO2e), due to a combination of efficiency measures, reduced production in the manufacturing facilities and a 13% increase in headcount within the Altron TMT operations.

Further Information

Attachments

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
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CC13.1
Do you participate in any emissions trading schemes?

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

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 - however this will all be considered within the context of the proposed carbon tax legislation.

CC13.2
Has your organization originated any project-based carbon credits or purchased any within the reporting period?

No

Further Information

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 data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Relevant, calculated	700	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	Not applicable	0.00%	Not applicable

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Fuel-and-energy-related activities (not included in Scope 1 or 2)	Not evaluated	0	Not applicable	0.00%	Not applicable
Upstream transportation and distribution	Not evaluated	0	Not applicable	0.00%	Not applicable
Waste generated in operations	Not evaluated	0	Not applicable	0.00%	Not applicable
Business travel	Relevant, calculated	6574	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	Not applicable	0.00%	Not applicable
Upstream leased assets	Not evaluated	0	Not applicable	0.00%	Not applicable
Downstream transportation and distribution	Not evaluated	0	Not applicable	0.00%	Not applicable
Processing of sold products	Not evaluated	0	Not applicable	0.00%	Not applicable
Use of sold products	Not evaluated	0	Not applicable	0.00%	Not applicable
End of life treatment of sold products	Not evaluated	0	Not applicable	0.00%	Not applicable
Downstream leased assets	Not evaluated	0	Not applicable	0.00%	Not applicable
Franchises	Not evaluated	0	Not applicable	0.00%	Not applicable
Investments	Not evaluated	0	Not applicable	0.00%	Not applicable
Other (upstream)	Not evaluated	0	Not applicable	0.00%	Not applicable

Sources of Scope 3 emissions	Emissions Evaluation status	Reason for change metric tonnes CO2e	Emissions value (percentage) Emissions calculation methodology	Direction of change	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Comment Explanation
Other (downstream)	Not evaluated	0	Not applicable		0.00%	Not applicable

CC14.2

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

No third party verification or assurance

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	Change in output	48	Decrease	Significant less business travel have taken place during the reporting period.
Purchased goods & services	Change in output	41	Decrease	Significant decrease in paper consumption compared to previous year.

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
 Yes, other partners in the value chain

CC14.4a

Please give details of methods of engagement, your strategy for prioritizing engagement 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

How you make use of the data	% of total spend (direct and indirect)	Corresponding job category	Please give details	Comment
Number of suppliers	% of total spend (direct and indirect)			
20	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.

Further Information

Module: Sign Off

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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
Mr. AG Johnston	Group Company Secretary	Business unit manager

Further Information

CDP: [D][-,][D2]