

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Imperial is an African and European focused provider of integrated market access and logistics solutions. With a focus on five key industries - healthcare, consumer, automotive, chemicals and industrial - we take our clients' products to some of the fastest growing and most challenging markets in the world. Ranked among the top 30 global logistics providers and listed on the JSE in South Africa, we seek out and leverage new technology to deliver innovative, end-to-end solutions. Through our significant African footprint and international expertise, and with the support of our 25 232 people in 26 countries, Imperial's purpose is to connect Africa and the world - and to improve people's lives with access to quality products and services.

ESG has been identified as a key strategic imperative for the Board. ESG practices are integrated across our business and built into the policies and principles that govern how our company operates – giving people, profit and planet priority. Our approach to ESG management includes integrating sustainability into our everyday activities and operations. We view effective management of ESG matters as a business fundamental and seek continuous improvement in these areas because they underpin the long-term success of our company and our ability to deliver value for our stakeholders. We have a Climate Change and Environmental Sustainability Framework and Strategy Document in place which has been endorsed by the Group Social and Ethics Committee. We also have an endorsed CSI Strategy Guideline and Policy Document in place.

In the 2019 financial year, climate change was again identified as a top business risk. Its physical impacts have the potential to disrupt operations. For example, low water levels could result in less cargo being transported per trip, decreasing capacities and increasing short-term costs in our shipping business. Extreme weather conditions have the potential to disrupt transport routes. On the other hand, climate change presents opportunities for the Group. The opportunity exists for us to be the service provider of choice if we continue to strengthen our ability to provide continued service despite extreme weather conditions and find innovative ways to reduce fuel consumption, a major driver of logistics cost – whilst remaining competitive.

We continued to implement initiatives. Examples in the reporting year include –

- The creation of a USD20 million innovation fund in partnership with Newtown Partners. The fund will provide a mechanism for effective responses to current and future developments in our industry. It will invest in high-potential start-ups. Some focus areas are the use of artificial intelligence and machine learning, big data etc. All of these have the potential to reduce our carbon footprint as well as that of our clients.
- The launch of a Carbon Compensation Scheme by Logistics International. This scheme allows our clients to offset their carbon footprints by investing in emission reduction projects. In the reporting year, this scheme was trialled in conjunction with Oxera GmbH's. Imperial Logistics has managed Oxera GmbH's car fleet in Germany since 2013. Oxera's goal is to operate a zero emissions fleet and we are assisting it to achieve this objective, partly through the Carbon Compensation Scheme. We intend to roll out the Carbon Compensation Scheme to other fleet management clients.
- The use of alternative fuels in our trucks. FoodTankers, for example, has a goal to be 90% fossil free in Sweden by 2020. All new vehicles acquired for its Nordic operations will use on viable alternative fuels such as HVO100 (hydrotreated vegetable oil). Although more expensive than diesel, it will reduce GHG emissions. We have also tested a liquefied natural gas-powered truck. We are also using electric vehicles. Palletways, for example, use electric trucks to deliver goods in the limited traffic zone in Bologna.

Given the nature of our operations, we continue to prioritise climate change mitigation and adaptation and management of risks and opportunities. For our efforts, we have been recognised by EcoVadis, a leading platform for Corporate Social Responsibility (CSR) ratings for global supply chains in the chemical, automotive and transport and logistics sectors. We were also the recipient of the Ethics Award from the London Stock Exchange (LSE) for our companies in Nigeria and continue to be included in the FTSE/JSE Responsible Investment Index. As of June 2019, we have also been included in the Vigeo Eiris Best Emerging Markets performers ranking (the 100 most advanced companies in our Emerging Markets universe).

In the 2019 financial year, our Scope 1 and 2 GHG emissions reduced by 11%, from 727 058 tCO2e in the 2018 financial year to 647 995 tCO2e in the 2019 financial year. This reduction is in part as a result of our focus on fuel and energy efficiency. The majority of our GHG emissions are associated with the South African business division.

C0.2

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

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	July 1 2018	June 30 2019	No	<Not Applicable>

C0.3

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

Austria
Belgium
Botswana
China
Eswatini
Germany
Ghana
Hungary
Italy
Kenya
Luxembourg
Malawi
Mozambique
Namibia
Netherlands
Nigeria
Paraguay
Poland
South Africa
Spain
Sweden
Switzerland
United Arab Emirates
United Kingdom of Great Britain and Northern Ireland
Zambia
Zimbabwe

C0.4

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

ZAR

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-T00.7/C-TS0.7

(C-T00.7/C-TS0.7) For which transport modes will you be providing data?

Heavy Duty Vehicles (HDV)

C1. Governance

C1.1

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

Yes

C1.1a

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

Position of individual(s)	Please explain
Board Chair	The authority, responsibility and accountability of the Group's ethics, performance and sustainability rests with the Board. This includes responsibility for climate-related issues given that climate change has an impact on performance and sustainability. The Board Chair, responsible for leading the Board, is ultimately responsible for climate-related issues. The Board reviews climate-related information at its meetings. More specifically, this includes information regarding material risks and opportunities that result from climate change. This information is provided by a sub-committee of the Board, the Group Social, Ethics and Sustainability Committee. The Board Chair delegates responsibility for climate-related issues to this Committee. The role of this Committee is to assist the company to affect its sustainability responsibility. This includes the impact of the Group's activities on the environment. Climate change fit within this mandate. The Group Social, Ethics and Sustainability Committee is assisted by a new committee created in the reporting year, the Group Environmental, Social and Governance (ESG) and Corporate Social Investment (CSI) Committee. This Committee meets quarterly to address all ESG- and CSI-related matters and formally presents these matters to the Group Social, Ethics and Sustainability Committee. The Group ESG and CSI Committee consists of representation from the South African, African and International Regions. The creation of this new committee was driven by the recognition of the potential impact of climate change on the business and the need to invest further time and effort into ensuring all climate-related risks and opportunities are being managed effectively. In the reporting year, climate change was again identified as a top business risk. More specifically, changing weather patterns could result in low water levels. This has an impact on our shipping business as it decreases capacities and increases short-term costs. In addition, extreme weather conditions have the potential to disrupt transport routes, while creating an opportunity to enter food import markets during droughts. Given that climate change is a top business risk, ultimate responsibility rests with the Board Chair and the Board.

C1.1b

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

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	<ul style="list-style-type: none"> Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues 	<Not Applicable>	<p>Board Chairman delegates responsibility for climate-related issues to the Group Social, Ethics and Sustainability Committee. This is a sub-committee of the Board. This committee meets quarterly to review and monitor all sustainability risks including those relating to climate change. All material information is elevated to the Group Audit and Risk Committee and the Board. The Committee provides feedback at all meetings of the Board which take place quarterly. Feedback is provided on any serious environmental incidents, material climate-related risks and opportunities and the management thereof and progress towards achieving climate-related targets. Climate-related issues are integrated into various controls, policies and guidelines within the Group. For example –</p> <ul style="list-style-type: none"> • Climate change and its effects are considered in the development of the strategy. We understand that climate change could have an impact on the areas in which we operate and how we operate; and • Climate-related issues such as rising fuel prices and emissions taxes are considered in the reviewing of annual budgets. • Climate-related issues such as carbon taxes are considered when evaluating the business case for major capital expenditures. We see the integration of climate-related issues into governance mechanisms as critical to ensuring the company's prosperity and meeting the interests of our shareholders and relevant stakeholders. Selected examples in the reporting year are – <p>a) The establishment of a USD20 million innovation fund in partnership with Newtown Partners. This fund will look to invest in start-ups in relevant supply chain and logistics technology areas. This includes start-ups that are looking to use technology developments like big data and blockchain to reduce the consumption of fuel. b) The development of new vehicles such as low water vessels to increase resilience to climate-related risks. c) The use of alternative fuels in vehicles to meeting the changing needs of consumers. The Group Social, Ethics and Sustainability Committee is assisted in carrying out its responsibilities by a new committee created in the reporting year, the Group ESG and CSI Committee. The creation of this Committee was driven by the recognition of the potential impact of climate change on the business and the need to invest further time and effort into ensuring all climate-related risks and opportunities are being managed effectively. This Committee tracks and monitors ESG progress across the business and reports back to the Group Social, Ethics and Sustainability Committee.</p>

C1.2

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

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly

C1.2a

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

Below Board-Level, the CEO has ultimate responsibility for the management of climate-related issues. The Board formally delegates responsibility to the CEO and in turn, to his direct reports and sequentially throughout the organisation. The CEO is responsible for ensuring the implementation of the company's strategy and directing and managing overall resources for the achievement of business objectives. Given that our strategy, business objectives and resources are all impacted by climate change, the CEO is ultimately responsible for the management of climate-related issues within the organisation. The CEO sits directly below the Board in terms of the organisational structure.

The CEO delegates responsibility for day-to-day management of climate-related issues to the Group Head of Sustainability and Corporate Social Investment (CSI). The Group Head of Sustainability and CSI sits directly below the Chief Corporate Affairs and Investor Relations Officer in terms of its position in the organisation and reports to this Executive. The Chief Corporate Affairs and Investor Relations Officer reports to the CEO and is ultimately accountable for ESG for the group.

The Group Head of Sustainability and CSI is responsible for driving the achievement of Imperial Logistics' sustainable development priorities which include, amongst others –

- Minimising the environmental footprint; and
- Ensuring regulatory compliance.

Responsibility for climate-related issues rests with the Group Head of Sustainability and CSI as it fits within the priorities of minimising the environmental footprint and ensuring regulatory compliance.

In terms of climate-related issues, the Group Head of Sustainability and CSI co-ordinates the collection of energy and fuel consumption information from the regions to allow for the calculation of the Group's carbon footprint. This is calculated to understand the Group's impact on the environment and its exposure to climate-related risks, particularly transitional risks. It is also done for the purpose of identifying focus areas for GHG mitigation and monitoring progress against targets and goals.

The Group Head of Sustainability and CSI also assists in consolidating climate-related risks and opportunities from the Regions and identifying any other Group-level risks. The Group Head of Sustainability and CSI works with the regions to develop and implement plans to mitigate risks and capitalise on opportunities. The Group Head of Sustainability and CSI monitors the implementation of these plans for all material risks and opportunities. Any material environmental incidents, risks and opportunities are reported to the Chief Corporate Affairs and Investor Relations Officer, the CEO and also to the Board and are addressed at meetings of the Board.

The Group Head of Sustainability and CSI, in collaboration with other individuals within the business, is responsible for setting energy and emission reduction targets. In 2019, we initiated the development of emission reduction targets that will take us to 2023, from a 2019 baseline.

In the reporting year, we were also responsible for the development and launch of the Carbon Compensation Scheme by Logistics International. Through this scheme, our clients can offset their carbon footprints. The scheme has three pre-selected emission reduction projects. These projects also have real sustainable development benefits.

C1.3

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

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

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

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Chief Sustainability Officer (CSO)	Monetary reward	Emissions reduction project	The Chief Corporate Affairs and Investor Relations Officer is accountable for ESG and sustainability and one of the strategic KPIs of this role is ESG. This speaks to the implementation of emission reduction projects to reduce GHG emissions. Performance impacts on this individual's short- and long-term monetary incentives.
Business unit manager	Monetary reward	Emissions reduction project	Business unit managers are incentivised on energy (kWh saved) and fuel savings (litres/km saved). This speaks to the implementation of energy and fuel efficiency initiatives. Realising a reduction in energy and fuel consumption also reduces GHG emissions. The performance of business unit managers is also measured on the number of employees sent on driver training to enhance driving skills and improve on safety and fuel efficiency.
Other, please specify (Equipment operators)	Monetary reward	Efficiency target	Our equipment operators are incentivised to reduce fuel consumption (litres/km saved) which would also have the added benefit of reducing our GHG emissions. Efficient driving behaviour is rewarded by utilising satellite tracking to monitor driver behaviour and patterns.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	1	3	Short-term is defined as one to three years. This is in line with the other business practice time horizons.
Medium-term	3	6	Medium-term is defined as three to six years. This is in line with the other business practice time horizons.
Long-term	6	10	Long-term is defined as six years or longer. This is in line with the other business practice time horizons.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

All risks are assessed in terms of impact and likelihood on a scale of 1 to 10, with 1 being no impact and not anticipated to occur and 10 being catastrophic impact and certain to occur in the reporting period. The impact and likelihood ratings are combined so that each risk is given an inherent and residual risk rating of low, moderate, major or critical. All risks with a residual risk rating of moderate to critical are considered substantive and need to be addressed. These risks may harm the objectives and functions of the companies, resulting in loss of effectiveness and reputation. They may also have prolonged negative impact and extensive consequences, possibly leading to the collapse of the business if not addressed.

Risks are considered within the Group's risk appetite and tolerance levels, which are updated on an annual basis. The Group risk appetite and tolerance levels are categorised according to different consequence types such as finance, operations, legal and compliance etc. For example, under financial, any risk that has the potential to generate a change in operating profit of greater than R10 million was rated moderate or higher in the reporting year.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

Risks are assessed on a 6-monthly basis or more frequently, as required. Our risk assessment process considers risks to the relevant operations in the short (1-3 years), medium (3-6 years) and long (>6 years) term. We have implemented an enterprise risk model to identify and assess relevant risks facing the Group at strategic, business and operational levels. The Group's risk model is based on ISO 31000:2009 – Risk Management Principles and Guidelines. Our risk terminology is aligned with this international standard. We identify risks to our direct operations, our suppliers and the rest of our value chain. Both current and emerging risks are identified. Our risk assessment process considers risks that could occur as far into the future as ten years. Risk identification and assessment is done using both a bottom-up and a top-down approach. In terms of the bottom-up approach, our companies are responsible for identifying risks to their business (both internal and external) and quantifying the potential impact of each risk. These risks are reported to the individual responsible for risk within each region - encompassing South Africa, Africa and International - and recorded in a regional risk register. The regional management and individual responsible for risk within the region are responsible for identifying and assessing risks to the region. The regional risk registers, containing predominantly operational risks, are reviewed on a quarterly-basis by the regions and then elevated to Group-level. In terms of the top-down approach, the Group Risk Executive is responsible for identifying risks at Group-level and quantifying the potential impact of each risk. Group-level risks include risks to our reputation and brand. Risk identification is informed by reviewing the current and future business environment in which we operate. The regional risk registers and the Group-level risks are reported to the Group Audit and Risk Committee. This Committee is a sub-committee of the Board. The Group Audit and Risk Committee assists the Board in recognising material risks and in ensuring that the requisite risk management culture, practices, policies and systems are implemented and functioning effectively. Risks are also identified at a strategic-level and communicated and discussed with regions to ensure alignment. Regional management is responsible for the development and implementation of plans to mitigate regional-level risks and the monitoring of the implementation of these plans. The Group Risk Executive is responsible for managing risks at a Group-level and for ensuring that the regional-level risks are being adequately addressed. Risks are assessed in terms of impact and likelihood on a scale of 1 to 10, with 1 being no impact and not anticipated to occur and 10 being catastrophic impact and certain to occur in the reporting period. The impact and likelihood ratings are combined so that each risk is given an inherent and residual risk rating of low, moderate, major or critical. All risks with a residual risk rating of moderate to critical are considered substantive and need to be addressed. These risks may harm the objectives and functions of the companies, resulting in loss of effectiveness and reputation. They may also have prolonged negative impact and extensive consequences, possibly leading to the collapse of the business if not addressed. Regional management is

responsible for developing and implementing plans to mitigate regional-level risks and the monitoring of the implementation of these plans. The Group Risk Executive is responsible for managing risks at a Group-level. The same is true in terms of climate-related opportunities. Regional management is responsible for developing and implementing plans to capitalise on regional-level opportunities. The Group Risk Executive is responsible for managing opportunities at a Group-level. Using this process, we identified a number of risks arising in our direct operations that are could have a substantive impact on us. Examples include – a) One of top business risks is climate change. More specifically, changing weather patterns resulting from climate change could lead to low water levels. This would impact our shipping business, possibly resulting in less cargo being transported per trip, decreased capacities and increased short-terms costs. In addition, extreme weather conditions have the potential to disrupt transport routes, while creating an opportunity to enter food import markets during droughts. To manage this risk, we are developing low water vessels in partnership with clients. We are also looking into ways of sharing the costs of low water levels with clients. b) Increasing fuel prices and the introduction of carbon taxes impact on the cost of doing business. For example, the introduction of the South African carbon tax on the 1st of June 2019 increased the diesel price by 8 cents/litre. Over a full year, this will increase our fuel spend by over R10 million. To manage this risk, we are constantly looking for ways to reduce our fuel consumption. In South Africa, for example, where possible, we replace older vehicles with Euro 5 trucks. This is the highest Euro-rating feasible in South Africa. In addition, some trucks are fitted with aerodynamic streamlining kits and all trucks are regularly serviced and maintained. Drivers are trained to conserve fuel and, in some companies, are incentivised to achieve improved fuel consumption. Route optimisation software (which ensures optimal travelling distances that saves fuel and shortens delivery times) and vehicle management systems (which measure mileage and consumption, and track driving behaviour) are employed.

Value chain stage(s) covered

Upstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

The process in which risks upstream are identified, analysed, evaluated, treated, monitored and reviewed is the same as that described for risks and opportunities to the direct operations. Using this process, we identified a number of risks arising in our supply chain that are could have a substantive impact on us. Examples include – a) Security of electricity supply is a risk to us. In prior years and in the reporting year, the South African utility was unable to meet demand for electricity. This resulted in load shedding. These interruptions in electricity supply can disrupt our operations. Given this, reducing our demand on the electricity grid is a national priority. We do this by implementing energy efficiency initiatives such as energy efficient lighting. We also do this by implementing solar power projects. One such example is the 227 kWp solar power project at Tanker Services' Germiston Depot. b) The introduction of new climate-related legislation in the supply chain poses a risk to our companies. For example, the European Union introduced the worldwide harmonised light vehicle test procedure, requiring that all new passenger vehicles meet lower emissions thresholds by January 2019. This impacted the automotive logistics business as original equipment manufacturers dramatically cut production. To manage this risk, we adopt certain practices to ensure we stay ahead of any regulatory developments. We do this through engagement with suppliers. We also track the development of climate-related legislation. We engage with government on the proposed legislation, where relevant.

Value chain stage(s) covered

Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

The process in which risks downstream are identified, analysed, evaluated, treated, monitored and reviewed is the same as that described for risks and opportunities to the direct operations. Using this process, we identified a number of risks downstream that are could have a substantive impact on us. Examples include – a) Changes to weather patterns and the increased frequency and severity of extreme weather events can impact on our client's operations. Already we see this happening. During the year, for example, droughts and floods in Kenya and Namibia impacted the food industry, changing product flow. To manage this risk, our companies sourced products from other areas. Cyclones Idai and Kenneth caused severe flooding in Mozambique, displacing thousands of people and destroying a number of buildings, roads and power lines. In response to this, clients' orders had to be re-routed away from Beira through Chimoio and serviced from Maputo and Nampula. Our building also suffered some damage, but this was relatively minor compared to the surrounding infrastructure. b) Client preferences are changing. There is a move towards more fuel-efficient vehicles and also a move towards low carbon or renewable fuels. To remain the service provider of choice, we need to respond to these changes. We need to ensure that we are able to continue to meet our clients' demands. In order to do this, we continue to engage with our clients during the normal course of business. We also collaborate with them to develop new technologies or to use alternative fuels. Recently, we have assisted a client to offset its carbon footprint by investing in an emission reduction project which has real sustainable development benefits. This was done through our new Carbon Compensation Scheme as offered by Logistics International.

C2.2a

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

Relevance & inclusion	Please explain

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Current regulation in all our significant regions of operation is relevant and always included in our risk assessments. Given the number of geographies and industries in which we operate and the number of clients we serve, we are subject to a myriad of climate-related regulation. Examples include carbon taxes, mandatory reporting requirements and emissions limits. Being unable to comply with current regulation and the impact of current regulation on our cost of doing business present risks to our companies. Given the importance of compliance and the possible impact that current regulation has on our costs, our companies are asked to identify risks posed by current regulation. They do this by keeping an up-to-date legal register. Along with identifying risks, they are also requested to quantify the potential impact of each risk and put in place appropriate management plans. As an example, carbon taxes were identified as a risk. Carbon taxes are already a feature in Europe and a carbon tax was introduced in South Africa from the 1st of June 2019. Carbon taxes increase our operating costs. In South Africa, for example, the carbon tax increases the diesel price by 8 cents/litre. This, in turn, increases our operating costs by in excess of R10 million over a full year. To mitigate this risk, we are focused on reducing our carbon footprint. This, in turn, reduces our GHG emissions and carbon tax liability. For example, we replace older trucks in South Africa with Euro 5 trucks. This is the highest Euro-rating feasible in South Africa. Some trucks are fitted with aerodynamic streamlining kits and all trucks are regularly serviced and maintained. Drivers are trained to conserve fuel and, in some companies, are incentivised to achieve improved fuel consumption. Route optimisation software (which ensures optimal travelling distances that saves fuel and shortens delivery times) and vehicle management systems (which measure mileage and consumption, and track driving behaviour) are employed. We also implement other energy efficiency initiatives as well as renewable energy projects.
Emerging regulation	Relevant, always included	As with current regulation, emerging regulation is relevant and is always included in our risk assessments. We understand that emerging regulation such as stricter emissions limits may have an impact on our ability to do business. For example, being unable to meet emissions limits may mean that we are unable to operate. To be adequately prepared and ensure compliance, we include emerging regulation in our risk assessments. For this reason, our companies are asked to identify risk posed by emerging regulation. They do this by keeping an up-to-date legal register. When new regulation is released in draft format, our companies add it to the legal register and evaluate the impact of it on the business. In addition to identifying risks, they are also requested to quantify the potential impact of each risk and put in place appropriate management plans. For example, our companies in Europe identified a risk associated with the introduction of stricter emissions limits by the European Union. Already, in Europe the European Energy Efficiency Directive implemented the Energy Services Act which requires all large companies to carry out energy audits or to build up a certified energy management system based on ISO 50 001. We responded by establishing an energy management system that covers 95 sites across Germany, Luxembourg, Poland, Hungary, Sweden, Netherlands and UK and integrates with the Imperial Logistics sustainability management system. However, it is acknowledged that any further regulation, such as stricter emissions limits, could increase the cost of doing business. In the reporting year, for example, the European Union introduced the worldwide harmonised light vehicle test procedure, requiring that all new passenger vehicles meet lower emissions thresholds by January 2019. This impacted the automotive logistics business as original equipment manufacturers dramatically cut production. We typically manage this risk by tracking the development of regulation so that we can adequately prepare for its introduction. We are also focused on reducing our emissions and those of our clients on an ongoing basis. In Europe, for example, we operate a modern truck fleet with a focus on Euro 6 engines, the highest Euro-rating. We also have new generation fuel efficient push boats and gas tankers.
Technology	Relevant, always included	We understand that employing technology is critical in making the shift towards a low-carbon economy. Employing technology assists us in ensuring we remain relevant and competitive by allowing us to improve our fuel efficiency and offer a quality service to our clients. If we do not innovate and make technological advances, we put our position in the market at risk. Given the importance of technology, it is always included in our risk assessments. Our companies are asked to identify risks posed by technological changes as part of our risk assessment process. They also quantify the impact and put in place measures to mitigate any identified risks. Conversely, they are also asked to identify opportunities that may arise from technological changes. The move towards alternative fuels is one such example. It presents both risks and opportunities to the companies. To mitigate this risk and maximise this opportunity, we have researched, developed and implemented alternative fuels and we will continue to do so. In South Africa, for example, we have tested gas-powered, electric and multipurpose vehicles. We are working with original equipment manufacturers to bring the first electric truck and bus to South Africa. We are in discussions with a major client to bring the first compressed natural gas dual-fuel truck, which runs on gas and diesel, to South Africa. The client aims to fuel the trucks using excess gas from their manufacturing process. We tested the liquefied natural gas-powered truck imported in 2018. In Europe, all new vehicles acquired for FoodTankers' Nordic operations will operate on viable alternative fuels such as HVO100 (hydrotreated vegetable oil). Palletways Solutions introduced electric trucks to deliver goods to the limited traffic zone in Bologna.
Legal	Relevant, always included	We understand this to mean risks associated with non-compliance with regulatory requirements, including climate-related regulation. This is relevant and always factored into our risk assessments. The pace of development of regulation governing GHG emissions, water and waste is increasing. We could be subject to fines if we are unable to comply with new and amended regulation. Our ability to operate could also be compromised as a result. All our companies are requested to identify risks associated with regulations and non-compliance thereof. Our companies do this by keeping an up-to-date legal register. Along with identifying risks, they are also requested to quantify the potential impact of each risk and put in place appropriate management plans. For example, compliance with the South African carbon tax is of utmost importance to us. If we do not comply then we are subject to possible fines. It may also impact on our ability to do business. Given this, we have focused on properly understanding the Carbon Tax Act. We have appointed a carbon tax specialist to assess each of our companies operating in South Africa to assess whether they are carbon taxpayers. Where they are carbon taxpayers, the specialist is helping us to register them with the South African Department of Environment, Forestry and Fisheries (DEFF) and license them with the South African Revenue Service (SARS) to ensure compliance.
Market	Relevant, always included	The growing awareness around climate change has led to new growth and business opportunities for us such as the development of environmentally friendly products and services. At the same time, existing markets are also changing. Clients are demanding goods and services with a reduced carbon footprint. Being unable to meet their needs may result in a loss in market share. For this reason, our risk assessment process involves assessing market risks. All of our companies are requested to identify risks associated with markets and market changes. Along with identifying risks, they are also requested to quantify the potential impact of each risk and put appropriate management plans in place. One example is the increasing demand for fuel efficient trucks and trucks that operate using alternative fuels. As a result, we have prioritised the development and implementation of fuel-efficient vehicles and we are continuing to trial and use alternative fuels. For example, FoodTankers purchased 21 vehicles with the latest Euro 6 technology in 2018 (17 owned and 4 purchased by sub-contractors). Going forward, all new vehicles acquired for its Nordic operations will operate on viable alternative fuels such as HVO100 (hydrotreated vegetable oil). Unfortunately, new legislation has made HVO biodiesel more expensive than ordinary diesel. Nevertheless, FoodTankers has retained its goal to be 90% fossil free in Sweden by 2020 and is engaging with clients on fossil fuel free transportation and shared loads to reduce unnecessary journeys.
Reputation	Relevant, always included	Risks to our reputation are relevant and always included in our risk assessments. We understand that there is increased focus on environmental performance by various stakeholders. Our biggest environmental impact is the GHG emissions associated with our road transportation companies. As such, our reputation is at risk if we are not seen to be doing enough to improve our fuel efficiency, reduce our energy consumption and mitigate our GHG emissions. Given the value we place on our reputation as a good corporate citizen, risks to our reputation are identified and assessed by our Group Risk Executive as part of our top-down risk assessment process. The potential impact of the risk is quantified and, where necessary, a management plan is put in place to mitigate or minimise the risk. In South Africa, for example, our ability to upgrade our fleet to more fuel-efficient vehicles is impacted by the availability of 50ppm diesel (required for Euro 5 trucks) and LNG at truck stops across South Africa. If this is unknown to our stakeholders, the lack of Euro 5 trucks could be interpreted as us not doing enough to reduce our GHG emissions. As such, it is important that we manage the risk by engaging with our stakeholders and using Euro 5 trucks where possible. One example is the Fast 'n Fresh fleet upgrade from Euro 3s to Euro 5s following a successful test run on the Durban to Johannesburg route. Test results indicate that on the Durban to Johannesburg route, fuel consumption can be improved from an average 1.79 kilometres per litre to an average 2.0 kilometres per litre. This is a saving of over 10%. It is possible for Fast 'n Fresh to use Euro 5s given the nature of its local distribution network. It proves more challenging for some of our other companies.
Acute physical	Relevant, always included	Increased occurrence and severity of extreme weather events such as droughts and floods have the potential to impact on our companies. This is one of our top business risks. More specifically, low water levels could result in less cargo being transported per trip, decreasing capacities and increasing short-term costs in our shipping business. Extreme weather conditions have the potential to disrupt transport routes, while creating an opportunity to enter food import markets during droughts. Given this, acute physical risks are relevant and always considered in our risk assessments. Our companies are asked to identify and assess any acute physical risks that result from climate change. They quantify this risk and put in place management plans to mitigate or minimise these risks. Early identification of these risks gives us more time to prepare and also allows us to structure our contracts with clients to take them into account. To manage this risk, for events beyond our control such as extreme weather events, we have insurance in place. We are also focused on developing solutions to enhance our resilience such as the development of low water vessels in partnership with clients. We also look at risk sharing of the costs with our clients. For example, during the reporting period, droughts in Kenya and Namibia impacted the food industry, changing product flow. Our companies managed this risk by sourcing products from other areas. Cyclones Idai and Kenneth caused severe flooding in Mozambique, displacing thousands of people and destroying a number of buildings, roads and power lines. To address this, clients' orders were re-routed away from Beira through Chimoio and serviced from Maputo and Nampula. Our building suffered some damage, but this was relatively minor compared to the surrounding infrastructure.
Chronic physical	Relevant, always included	Changes in precipitation have the potential to negatively affect our operations. Between 2014 and 2018, the Western Cape in South Africa experienced below average rainfall resulting in drought and a negative impact on food production, which impacted client volumes. In addition, the City of Cape Town's tough water restrictions impacted our operations, particularly those in the chemical and food industries which use water to meet the stringent tanker cleaning specifications set by clients, and to refrigerate certain warehouses and trucks. While water restrictions have since eased, dry conditions persist in some parts of the region necessitating the use of alternative water sources. For this reason, chronic physical risks are always considered in our risk assessments. We request that our companies identify risks presented by chronic physical changes. They are also asked to quantify the potential impact of these risks and put in place and implement appropriate management plans. We manage chronic physical risks in a number of ways. We have a diversified portfolio. We insure against risks that are out of our control. We work with partners in the value chain to develop solutions that allow us to increase our resilience and that of our clients to changes in weather patterns.

C2.3

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

Yes

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation	Carbon pricing mechanisms
--------------------	---------------------------

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

This risk relates to increases in existing emissions and energy taxes and the introduction of new taxes. We are already subject to energy and emissions taxes in a number of countries in which we operate (i.e. France, Poland, South Africa and Sweden). In South Africa, for example, we have been subject to a carbon tax since the 1st of June 2019. The carbon tax increased the price of petrol and diesel by 7 and 8 c/litre. We anticipate that we will be subject to energy and emissions taxes in other countries going forward.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

12000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The financial impact reflected here is the increased cost of liquid fuel as a result of the carbon tax in South Africa. The carbon tax has been incorporated into the fuel levy, at a starting rate of 7 c/litre for petrol and 8 c/litre for diesel. The financial impact has been calculated based on the petrol and diesel consumption of our operations in South Africa over the 2019 financial year multiplied by 7 and 8c/litre for petrol and diesel, respectively.

Cost of response to risk

22000000

Description of response and explanation of cost calculation

The cost of management is reflected as 2% of our capital expenditure for the 2019 financial year. This is an estimate of the capital expenditure that may be invested in energy and fuel efficiency and emission reduction projects. To manage the impact of existing and new emissions and energy taxes, we are focused on reducing our own emissions and the emissions associated with our goods and services. In 2019, we implemented a number of energy efficiency and emission reduction projects. For example - • In many of our sites we implemented energy efficient lighting and sensors. This included the installation of LEDs. • Where possible, we replace older vehicles with Euro 5 trucks. This is the highest Euro-rating feasible in South Africa. In addition, some trucks are fitted with aerodynamic streamlining kits and all trucks are regularly serviced and maintained. • We train our drivers to conserve fuel and some companies are incentivised to achieve improved fuel consumption. • We make use of route optimisation technology, which ensures optimal travelling distances that saves fuel and we use vehicle management systems which measure mileage and consumption, and track driving behaviour. We are also looking at using less emissions-intensive fuels and alternate energy sources. For example - • We are working with OEMs to bring the first electric truck and bus to South Africa. • We are in discussions with a major client to bring the first compressed natural gas dual-fuel truck, which runs on gas and diesel, to South Africa. The client aims to fuel the trucks using excess gas from their manufacturing process. • We tested the liquefied natural gas-powered truck imported in 2018. While these types of trucks are feasible on the Durban-Richards Bay corridor, the lack of gas refuelling points in the country constrains this alternative to fossil fuels. • We are testing the first multipurpose truck. If successful, it will reduce kilometres travelled as it will be able to transport multiple products at different temperatures. We continue to implement solar power plants. The latest one implemented is the 227kWp peak solar power plant at Tanker Services' Germiston Depot.

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

Market	Changing customer behavior
--------	----------------------------

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

This risk is associated with clients demanding lower-emissions intensive products and services and the impact that this has on demand for our services. It was identified through our risk assessment process. We recognise that our clients are increasingly demanding environmentally friendly goods and services as a result of growing awareness around the impacts of climate change. If we are unable to meet the demands of our clients, then it may result in reduced demand for our goods and services. As a result, we have selected 'Reduced demand for goods and/or services due to shift in consumer preferences' as the primary impact.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

497000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The financial impact is an estimate of reduced demand for emissions-intensive goods and services. We estimate this at 1% of 2019 calendar year revenue.

Cost of response to risk

284000000

Description of response and explanation of cost calculation

The cost of management is reflected as the cost associated with the newly established a USD20 million innovation fund in partnership with Newtown Partners. We manage this risk by continually engaging with our clients. Our engagement with clients allows us to understand their needs and adjust our goods and services to meet these needs. We do this to ensure that we are exceeding client expectations, ensuring demand for our goods and services into the future. This also assists us in managing the climate-related risks associated with changes in markets, changing client demands etc. We work closely with our OEMs to develop fuel efficient equipment such as trucks and trailers, allowing us to reduce the number of trips we need to make and reducing the associated fuel consumption and GHG emissions. For example, in 2019: • We purchased new trucks for the operation in Lengede, Germany which provides transportation services for the steel sector. The trucks are lighter, have smaller engines and have on-board analysis tools for driving optimisation. The tools can potentially reduce a driver's fuel consumption from over 32 litres per 100 kilometres to less than 30 litres. The new trucks are expected to be 3% more efficient compared to older trucks. • We commissioned four butane gas tankers with chemicals company, INEOS. The tankers will be equipped with bow thrusters, particulate filters and catalytic converters with advanced active emissions control technology to ensure we meet the European Union's stricter emissions regulations. The tankers will commence operations in 2020. • FoodTankers has retained its goal to be 90% fossil free in Sweden by 2020. It is engaging with clients on fossil fuel free transportation and shared loads to reduce unnecessary journeys. Going forward, all new vehicles acquired for its Nordic operations will operate on viable alternative fuels such as HVO100 (hydrotreated vegetable oil).

Comment**Identifier**

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Increased severity and frequency of extreme weather events such as cyclones and floods
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Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

This risk is associated with increased severity of extreme weather events like floods, droughts etc. This has the ability to disrupt the provision of our services. This risk was identified through our risk assessment process. During the reporting year, droughts in Kenya and Namibia impacted the food industry, changing product flow. Cyclones Idai and Kenneth caused severe flooding in Mozambique, displacing thousands of people and destroying several buildings, roads and power lines. In Europe, unprecedented low water levels on the River Rhine meant less cargo could be transported per trip, requiring more barges and ships to transport the same volumes. This impacted our margins as our short-term chartering costs increased to ensure a continued service to clients. While low water surcharges provided some compensation, we still felt the impact.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

249000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The financial impact is an estimate of reduced revenue due to lower sales. We estimate this at 0.5% of 2019 financial year revenue.

Cost of response to risk

248000000

Description of response and explanation of cost calculation

The cost of management is the estimated annual insurance premiums paid to ensure that we are compensated should an extreme weather event occur that is outside of our control. Beyond our control, are the direct impacts of extreme weather conditions on our operations. We insure against this risk and we also look for ways to guard against it. Imperial Logistics does this by either diversifying our product mix (i.e. to mitigate against poor harvests) or using flexible transportation options. For example, our mix of owned and sub-contracted shipping vessels in Europe enables flexibility during times of lower volumes. We are also developing new technology that increases our resilience. For example, the low water vessels in partnership with our clients.

Comment

C2.4

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

Yes

C2.4a

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

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Other, please specify (Reduced energy consumption)

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Through our risk and opportunity assessment process, we have identified an opportunity to reduce our GHG emissions by reducing our energy and fuel consumption. Reducing our energy and fuel consumption reduces our operating costs. This is particularly important given the rising energy and fuel prices and our exposure to emissions taxes, including the carbon tax introduced into South Africa on the 1st of June 2019.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

13000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The potential financial impact of this opportunity is estimated as a 2% reduction on electricity- and diesel-related operating expenditure. Operating expenditure for the 2019 financial year was used.

Cost to realize opportunity

22000000

Strategy to realize opportunity and explanation of cost calculation

The cost to realise the opportunity is reflected as 2% of our capital expenditure for the 2019 financial year. This is an estimate of the capital expenditure that may be required to realise a 2% reduction in our electricity- and diesel-related operational expenditure. We are currently capitalising on this opportunity and we expect to continue to do so

going forward. Our operations are always looking for ways to reduce fuel and energy consumption and increase efficiency. For example, in the 2019 financial year, we:

- We replaced older vehicles with Euro 5 trucks where possible which are more fuel efficient. This is the highest Euro-rating feasible in South Africa. In addition, some trucks are fitted with aerodynamic streamlining kits and all trucks are regularly serviced and maintained.
- Our drivers are trained to conserve fuel and, in some companies, are incentivised to achieve improved fuel consumption.
- We use route optimisation software (which ensures optimal travelling distances that saves fuel and shortens delivery times) and vehicle management systems (which measure mileage and consumption, and track driving behaviour).
- Implemented a number of energy efficiency initiatives throughout our operations such as the installation of energy efficient lighting like LEDs. Through Resolve Solution Partners, we looked at ways to improve our fuel efficiency and that of our clients.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Reduced water usage and consumption

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

From our risk and opportunity assessment process, we have identified that climate change could impact on the availability of water and the occurrence and severity of extreme weather events such as droughts. We have seen this in South Africa, with a severe drought experienced in the Western Cape between 2014 and 2018. This led to strict water restrictions in area which impacts our operations as we require water to meet stringent tanker cleaning specifications for some clients. Even though the water restrictions have been eased, dry conditions still persist in many parts of the Western Cape and there remains the possibility that extreme drought may reoccur. We are also aware that this presents opportunities for our companies, particularly opportunities to reduce water usage, municipal water demand, use alternate water sources and improve water efficiency. Reducing our water usage reduces our operating costs. The magnitude of this opportunity is significant, particularly in light of rising water prices and the utilisation of water restrictions. It also helps us to build resilience to the possible impacts of climate change.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

2000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The potential financial impact of this opportunity is estimated as a 10% reduction on water-related operating expenditure. Operating expenditure for the 2019 financial year was used.

Cost to realize opportunity

5000000

Strategy to realize opportunity and explanation of cost calculation

The cost to realise the opportunity is reflected as 0.5% of our capital expenditure for the 2019 financial year. This is an estimate of the capital expenditure that may be required to realise a 10% reduction in our water-related operating expenditure. We are currently capitalising on this opportunity and we expect to continue to do so going forward. Our operations are always looking for ways to reduce municipal water demand and increase efficiency. Examples implemented in the reporting year include, amongst others:

- Installed water meters to provide accurate consumption data, highlight discrepancies in municipal bills, identify potential water leaks and provide a platform for effective water management initiatives.
- Implemented initiatives to use alternate water sources such as rainwater harvesting systems and wastewater recycling units at wash bays which lessen the demand on municipal water supplies and reduce the amount of effluent discharged into sewers.
- We use borehole water in line with the requirements of the National Water Act in South Africa. ILSF sunk a borehole and installed a water purification plant at the Tanker Services operation in Belville, Cape Town. The wash bays are now solely supplied by borehole water that meets SANS 241:2011 standards. Water savings are estimated to be between 41% and 46%, and cost savings are around R515 000 per annum.

Comment

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Through our risk and opportunity assessment process, we have identified an opportunity to use alternative energy and move away from more carbon-intensive energy sources. This is particularly true for South Africa where the majority of the grid electricity is generated using coal. The move towards less carbon-intensive energy sources will not only reduce our GHG emissions, but also reduce our operating costs. It will also increase our resilience to climate-related risks such as energy and emissions taxes (i.e. the recently introduced carbon tax in South Africa).

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

9000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The potential financial impact of this opportunity is estimated as a 5% reduction on electricity-related operating expenditure. Operating expenditure for the 2019 financial year was used.

Cost to realize opportunity

2800000

Strategy to realize opportunity and explanation of cost calculation

The cost of management is reported as the anticipated cost associated with the installation of solar power projects. It has been calculated assuming an average payback for solar power of approximately 6 years. Our operations are always looking for ways to reduce operating costs, GHG emissions and build resilience. This is driven through the risk and opportunity identification process, the drive to achieve targets etc. As an example, in 2019, we have installed a 227kW peak solar power plant was installed in Tanker Services' Germiston Depot. We have also implemented other solar power plants and will continue to do so going forward.

Comment

Identifier

Opp4

Where in the value chain does the opportunity occur?

Please select

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Primary potential financial impact

Increased revenues resulting from increased demand for products and services

Company-specific description

As a result of climate change, our clients are increasingly demanding environmentally friendly and less emissions-intensive products and services. We recognise that this presents an opportunity for us. Developing low-carbon products and services could give us the edge over our competitors. This opportunity was identified through our risk and opportunity assessment process.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

497000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The financial impact is reported as the anticipated revenue from environmentally friendly products and services. This is assumed to be 1% of the 2019 financial year revenue.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation

The cost of management is reflected as the cost associated with the newly established a USD20 million innovation fund in partnership with Newtown Partners. We are focused on innovating and, as such, prioritise research and development. We are continually reviewing the current and future business environment in which we operate in order to identify new markets and technologies and/or opportunities for low-carbon products and services. Our operations are always looking for ways to reduce the energy consumption and associated cost of products and services. Some examples of our low-carbon products and services in the reporting year include: • During the year, the Palletways Solutions service in Italy introduced two electric trucks to deliver goods to the limited traffic zone in Bologna. To reduce congestion and pollution in the city centre, only mopeds, buses, bicycles and electric vehicles are allowed to operate in the zone. The Nissan 3,5 tonne trucks can travel up to 125 kilometres on a single charge. The increasing demand to deliver small consignments to the area, particularly for restaurants and wine bars, prompted the introduction of electric trucks to maintain our high level of client service and demonstrate our commitment to supporting greener transport options in the logistics sector. Going forward, Palletways hopes to introduce more electric vehicles across all 20 of its European countries of operation. • Imperial Logistics' Gas Barging's two newest gas tankers, which transport LPG and pressurised gaseous products, consume less fuel than their predecessors and each have a capacity of 2 856 cubic metres. The tankers are suitable for operations on canals and secondary inland waterways, including the Rhine's tributaries. The dual Z-drive rudder propellers form a structural unit that requires less fuel, and data from the main engines is sent online to the control centre, enhancing fuel management. • Together with chemicals company, INEOS, we have commissioned the build of four butane gas tankers which will be the largest inland waterway gas tankers in Europe. They will be equipped with bow thrusters, particulate filters and catalytic converters with advanced active emissions control technology. The tankers are expected to become operational in 2020.

Comment**C3. Business Strategy****C3.1****(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?**

Yes

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

Yes, qualitative, but we plan to add quantitative in the next two years

C3.1b**(C3.1b) Provide details of your organization's use of climate-related scenario analysis.**

Climate-related scenarios and models applied	Details
2DS	<p>We are cognisant of the Paris Agreement and the need to keep the increase in global average temperature to well below 2°C above pre-industrial levels. We understand that role that business plays in meeting this objective and we intend to do our part in this regard. This is clear in our efforts aimed at reducing both our GHG emissions and those of our clients. The 2DS scenario is taken into account in the development of various possible future scenarios that are used to inform our business strategy. Our over-arching strategy does consider various possible future scenarios to ensure robustness and flexibility should the environment in which we operate change. At this stage, it is taken into account qualitatively, but the intention is for this to be done quantitatively in the future. All areas of our business are included. Our business strategy encompasses all business divisions or regions. More specifically, we pay particular attention to the risks and opportunities associated with climate change when developing our business strategy. We aspire to be the strategic supply chain partner of choice, specialising in distributorship, freight management and contract logistics in selected industry verticals mainly in emerging markets, and thereby to unlock value for all stakeholders. We recognise that this could be impacted by rising energy, fuel and water costs, exposure to emissions taxes and increased occurrence and severity of extreme weather events. In the same way, opportunities are presented by climate change. The impact of these risks and opportunities in the short, medium and long term are considered. Our strategy is developed to allow us to be sustainable and to thrive in the short, medium and long term. This process has resulted in the following in terms of our business strategy – a) Our vision is to be the strategic partner of choice, specialising in distributorships, freight management and contract logistics in selected industry verticals mainly in emerging markets, unlocking value for all stakeholders. Although this vision has not changed as a result of the consideration of 2DS, we do acknowledge that it is not possible to be the strategic partner of choice unless we are actively managing climate-related risks and opportunities. For example, our clients are focused on solutions that reduce their carbon footprints. Should we be unable to provide these solutions, our clients may look to other service providers. As such, realising our vision requires that we investigate and implement new technologies that continue to meet our clients' changing needs. b) One of our aspirations is to deepen our competitiveness and relevance. Deepening our competitiveness and relevance requires reducing our fuel consumption, associated GHG emission and operating cost. It also requires that we develop technologies that enable us and our clients to contribute towards keeping the increase in global average temperature to well below 2°C above pre-industrial levels. c) Climate-related issues have been integrated into our core strategic initiatives. For example, one of these includes 'Grow in Africa.' To enable this, we plan on evolving client engagement by investing in technology enablement, industry and capability expertise. Technology enablement must include the development of new technology that enables us and our clients to reduce GHG emissions. To facilitate this, in the reporting year, we established a USD20 million innovation fund in partnership with Newtown Partners. Perhaps the most significant outcome has been the acknowledgement of the need to shift/change our business to be sustainable in the long term in light of the need to reduce GHG emissions to limit the rise in temperature. At some point in the future, we will no longer be able to rely on the use of conventional and/or fossil fuels. In the long term, it is also likely that the way in which goods are transported will change.</p>

C3.1d

(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Climate-related risks and opportunities have influenced our products and services strategy. As a result of climate change, our clients are increasingly demanding less emissions-intensive products and services, solutions to climate-related risks, and environmental data and performance reporting as well as sustainability ratings. In addition, we need to comply with climate legislation across multiple jurisdictions and must have the ability to respond to emerging regulatory requirements regarding our products and services. These climate-related risks are applicable in the short-term and will continue to be relevant in the long-term. For this reason, we are focused on reducing the GHG emissions associated with our products and services. Our philosophy when it comes to sustainability is to meet the needs of our clients now without compromising our ability to do so in the future. Fuel is an increasingly decisive factor in determining logistics costs for clients, therefore finding ways to reduce consumption can provide a competitive advantage. Fuel efficiency measures implemented include route planning, the use of the highest Euro-rated vehicles available, vehicle management systems that measure mileage, operational status and consumption, as well as ongoing driver training. During the year, Logistics South Africa successfully piloted the use of emissions-reducing cryo-fridge trailers which are powered by liquid nitrogen. In Germany, we increased fuel efficiency without impacting on the quality of service offered to the client. We did this by reducing vehicle idling time and also reducing the number of trips made by empty vehicles. These are some examples of how our products and services have changed over the years as a result of climate-related issues. The magnitude of the impact is significant for both risks and opportunities associated with products and services.
Supply chain and/or value chain	Yes	Our value chain strategy has been influenced by climate-related issues. Physical risks such as increased severity and frequency of extreme weather events like floods and changes in precipitation patterns and extreme variability in weather patterns can be detrimental to our delivery operations. This is an ongoing risk that covers that is relevant in the short-term and will continue in the long-term. Management of the impact of weather patterns that affect the flow and transportation of goods is part of our business model. Where possible we endeavour to unlock the opportunity presented by this risk, in collaboration with our clients. As an example, in Europe, periods of lower water levels are expected to occur more often and last longer. We are working with clients to develop solutions to secure their supply chains so that production is not interrupted. An example would be special hull designs able to navigate low water, which would also provide us with new business opportunities. More specifically, our clients are increasingly demanding environmentally friendly and less emissions-intensive products and services in order to reduce their own carbon footprint. This presents both a risk and an opportunity to us. Should we be unable to meet the needs of our clients, we could experience reduced demand for goods and services. At the same time, the introduction of low-carbon goods and services could give us a competitive advantage. In the reporting year, for example, Fast 'n Fresh upgraded its fleet from Euro 3s to Euro 5s, following a successful test run on the Durban to Johannesburg route. Test results indicate that fuel consumption can be improved from an average 1.79 kilometres per litre to an average 2.0 kilometres per litre. We are also importing our first LNG truck into South Africa. The magnitude of the impact is significant.
Investment in R&D	Yes	We are continually investing in research and development. Our recognition of the potential impact of climate-related risks and opportunities has been one of the drivers behind this investment. For example, we have focused on developing and implementing customised solutions that drive competitiveness and relevance of clients and to reduce costs and increase profitability. We have also focused on client-centric innovation supported by the rapid development, testing and implementation of supply chain solutions. This includes solutions to improve both our own and our clients' fuel efficiency. We have established an innovation fund to enable us to invest in start-up projects in the supply chain and logistics technology that have high-growth potential. Investing wisely in innovation heightens our responsiveness to a rapidly changing technological context and enables us to move in step with or ahead of industry shifts. As technological development can fundamentally change our industry by improving speed, time, cost, accuracy and reliability of services, it remains central to our ability to deepen our competitiveness, and ultimately to secure our survival. A good example of this is the route planning systems that we are implementing internationally to save fuel and shorten delivery times. The systems in prime movers adjust gear selection and cruise control settings, and fuel consumption meters in wheelhouses help skippers adjust speed. The magnitude of this impact is significant.
Operations	Yes	Our operations have been impacted by climate-related risks and opportunities. A clear example in the 2018 reporting year was our dry bulk business in Europe which was negatively impacted by low water levels on the River Rhine which constrained our ability to operate shipping vessels and resulted in volume reductions. The same is true of the drought in the Western Cape which resulted in tough demand management programmes implemented by the City of Cape Town, including strict and metered use of borehole water. Water restrictions in the Cape region have forced our operations to review certain business processes, particularly those relating to refrigeration and cleaning bays, while still meeting the requirements set by our clients. The magnitude of this impact is significant. When building new or upgrading existing facilities, green building aspects are considered as far as possible. Our internationally accredited sustainability management system collates, processes, tracks and communicates data across all operations, covering owned, managed and leased sites. The system also allows our companies to share information on environmental issues and initiatives. Internal audit performs regular data integrity checks and limited assurance by external independent service providers is undertaken annually. The energy management system covers 90 sites across Germany, Luxembourg, Poland, Hungary and Sweden. Towards the end of 2019, the system will be extended to sites in the Netherlands and the United Kingdom, with employee training and system and process updates already under way. When completed, the energy management system will cover over 90% of the European operation.

C3.1e

(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs Capital expenditures Capital allocation Acquisitions and divestments Access to capital Assets Liabilities	Climate-related risks and opportunities have impacted on our revenues, direct costs, indirect costs, capital expenditure, capital allocation, acquisitions and divestments, access to capital, assets and liabilities. Examples include - a) Climate-related risks and opportunities have impacted on our revenues and we continue to consider them in our revenue forecasts. In a number of our contracts, for example, we charged a fixed fee to move goods for a customer. Should our ability to move the goods be hindered by climate-related events (i.e. adverse weather etc.), we have to find a way to move the goods (i.e. outsource to third parties etc.) and bear the expense thereof. A good example was the impact on our dry bulk business resulting from low water levels on the Rhine River. Low water levels constrained our ability to operate shipping vessels and resulted in volume reductions. In the reporting year, droughts in Kenya and Namibia impacted the food industry, changing product flow. However, in this case, our companies were able to source products from other areas. b) Climate-related risks and opportunities have impacted on our operating costs and are considered when we forecast these costs. In South Africa, for example, a carbon tax was introduced on the 1st of June 2019. This tax increased the liquid fuel prices which has a significant impact on our business. We consider the impact of this when forecasting our operating costs. To reduce our exposure, we have been focusing on reducing our GHG emissions through the implementation of energy efficiency initiatives. We also focused on improving our fuel efficiency through the introduction of new vehicles into the fleet and a focus on optimal trailer and truck design from an application and fuel-efficiency perspective. c) Climate-related risks and opportunities are factored into our allocation of capital. To mitigate various climate-related risks, we are focused on reducing our GHG emissions and municipal water demand. As such, we have allocated capital to emission reduction and water efficiency projects. We are also focused on promoting innovation, particularly innovation that will enable us to optimise fuel use and reduce cost. For this reason, we established an innovation fund in partnership with Newtown Partners. This fund invests in start-ups, particularly those using technology (i.e. big data, blockchain etc.) to realise value (i.e. reduce fuel costs etc.) In many cases, our revenues, direct costs, indirect costs, capital expenditure, capital allocation, acquisitions and divestments, access to capital, assets and liabilities have already been impacted. However, in our financial planning, we consider the impact going forward in the short, medium and long term.

C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

ESG has been identified as a key strategic imperative for the Board. ESG considerations are integrated across our business and built into the policies and principles that govern how our company operates. Our approach to ESG management includes –

- Having robust governance systems, risk management and controls;
- Investing in our employees and cultivating a diverse and inclusive work environment;
- Serving our customers exceptionally and transparently
- Strengthening the communities in which we live and work; and
- Integrating sustainability into our everyday activities and operations.

We view effective management of ESG matters as a business fundamental and seek continuous improvement in these areas because they underpin the long-term success of our company and our ability to deliver value for our stakeholders.

C4. Targets and performance

C4.1

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

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2018

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based)

Base year

2018

Covered emissions in base year (metric tons CO2e)

727058

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2019

Targeted reduction from base year (%)

2

Covered emissions in target year (metric tons CO2e) [auto-calculated]

712516.84

Covered emissions in reporting year (metric tons CO2e)

647995

% of target achieved [auto-calculated]

543.718657933755

Target status in reporting year

Achieved

Is this a science-based target?

No, but we anticipate setting one in the next 2 years

Please explain (including target coverage)

This is applicable to the Scope 1 and 2 emissions of all our operations. This is an annual target. It was exceeded with a reduction of 11% being achieved by these operations between the 2018 and 2019 reporting years. The target is not a science-based target, but we have initiated a process to identify the most suitable metric and value for a target going forward, taking into account climate-science. We are in the process of looking at setting a target to take us to 2023, from a baseline of 2019.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

C4.3

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

Yes

C4.3a

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

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	4	326
To be implemented*	0	0
Implementation commenced*	0	0
Implemented*	6	699.47
Not to be implemented	0	0

C4.3b

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

Initiative category & Initiative type

Low-carbon energy generation	Solar PV
------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

543

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

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

560000

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

2800000

Payback period

4-10 years

Estimated lifetime of the initiative

21-30 years

Comment

This references one of our solar power plants which started generating electricity in South Africa in January 2019.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting
--------------------------------	----------

Estimated annual CO2e savings (metric tonnes CO2e)

114

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

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

120000

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

0

Payback period

No payback

Estimated lifetime of the initiative

21-30 years

Comment

This refers to the replacement of conventional lighting with Light Emitting Diode (LED) lighting. The lamps are changed when broken and so this requires no additional investment, over and above the investment which forms part of our normal course of business.

Initiative category & Initiative type

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)
--------------------------------	--------------------------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

0.47

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

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

2500

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

0

Payback period

No payback

Estimated lifetime of the initiative

21-30 years

Comment

This references a new heating system installed by the landlord that allows Imperial Logistics to reduce its gas consumption. There was no investment made by Imperial Logistics.

Initiative category & Initiative type

Other, please specify	Other, please specify (New printers)
-----------------------	--------------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)**Scope(s)**

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)**Investment required (unit currency – as specified in C0.4)****Payback period**

4-10 years

Estimated lifetime of the initiative

6-10 years

Comment

This refers to a project where new printers were purchased to replace old inefficient printers. The printers are centrally managed, reducing the total number of printers required.

Initiative category & Initiative type

Other, please specify	Other, please specify (Fuel efficiency in logistics)
-----------------------	------------------------------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

42

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

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

44000

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

0

Payback period

No payback

Estimated lifetime of the initiative

21-30 years

Comment

This refers to a project to replace old trucks with new trucks that are higher performing and more fuel efficient. There was no additional investment made, over and above the investment which forms part of our normal course of business.

Initiative category & Initiative type

Other, please specify	Other, please specify (Fuel efficiency in logistics)
-----------------------	------------------------------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)**Scope(s)**

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)**Investment required (unit currency – as specified in C0.4)****Payback period**

<1 year

Estimated lifetime of the initiative

Ongoing

Comment

This encompasses a large number of fuel efficiency initiatives. For example, the implementation of a more detailed analysis tool for the drivers and trucks. This helps to optimise the usage of the vehicles. It is also possible to identify where a driver may need training to facilitate driving in a more fuel-efficient manner. With this system in place, it was possible to reduce the specific consumption of drivers from over 32 litres/100 km to less than 30 litres/100 km.

C4.3c

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

Method	Comment
Compliance with regulatory requirements/standards	Compliance with regulations drives emission reduction. In response to regulation and environmental taxes, the Group has implemented a portfolio of leading-edge energy and fuel efficiency and emission reduction initiatives.
Dedicated budget for energy efficiency	Each region has a dedicated budget for implementing energy and fuel efficiency and emission reduction initiatives.
Employee engagement	Each region engages with employees through training, internal contests and volunteer opportunities etc. The purpose of this engagement is to make employees aware of the importance of GHG management and elicit ideas on how best to integrate this into the day-to-day roles and responsibilities of these employees.
Internal incentives/recognition programs	Each region maintains annual goals and targets tied to employee incentives/recognition programs which help to drive accountability for conservation and emission reduction efforts within our companies.

C4.5

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

Yes

C4.5a

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

Level of aggregation

Group of products

Description of product/Group of products

Imperial Logistics operates a large fleet of trucks, shipping vessels etc. As such, fuel efficiency is a major cost and therefore consideration in the business. For this reason, we are continually looking for ways in which to reduce the fuel consumption of our fleet. Any reduction in fuel consumption directly impact on our clients' GHG emissions. Some examples of the ways in which we have reduced our clients' GHG emissions in the reporting year are given below – a) In South Africa, where possible, we replace older vehicles with Euro 5 trucks. This is the highest Euro-rating feasible in South Africa. In addition, some trucks are fitted with aerodynamic streamlining kits and all trucks are regularly serviced and maintained. b) In Europe, we operate a modern truck fleet with a focus on Euro 6 engines, the highest Euro-rating. We also have new generation fuel efficient push boats and gas tankers. c) We continue to investigate alternative fuels such as hydrogen-powered trucks. We use electric, HVO100 (hydrotreated vegetable oil) and liquefied natural gas in some vehicles for some of our customers.

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

Avoided emissions

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

Other, please specify (Low-carbon transport services)

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

1

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

We do not separately capture the revenue from low-carbon transport services. However, we estimate it to be 1% of our revenue in the 2019 financial year. We anticipate that its contribution to our revenue will grow over time.

C5. Emissions methodology

C5.1

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

Scope 1

Base year start

July 1 2017

Base year end

June 30 2018

Base year emissions (metric tons CO2e)

639042

Comment

We compare our emissions from this year against our emissions from last year. For this reason, emissions for the 2018 financial year have been reflected as the base year emissions.

Scope 2 (location-based)

Base year start

July 1 2017

Base year end

June 30 2018

Base year emissions (metric tons CO2e)

88016

Comment

We compare our emissions from this year against our emissions from last year. For this reason, emissions for the 2018 financial year have been reflected as the base year emissions.

Scope 2 (market-based)

Base year start

July 1 2017

Base year end

June 30 2018

Base year emissions (metric tons CO2e)

88016

Comment

We compare our emissions from this year against our emissions from last year. For this reason, emissions for the 2018 financial year have been reflected as the base year emissions.

C5.2

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

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

C6. Emissions data

C6.1

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

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

564985

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.2

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

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

We have operations in countries where contractual instruments such as energy attribute certificates, direct contracts and supplier specific emission rates are available. However, we do not at this stage make use of these, so our market-based and location-based Scope 2 emissions are the same for this reporting year.

C6.3

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

Reporting year

Scope 2, location-based

83010

Scope 2, market-based (if applicable)

83010

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.4

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

No

C6.5

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

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO2e

129478

Emissions calculation methodology

The fuel consumed by the fleet (litres) was extracted from the sustainability management system. It was multiplied by the emission factors for well-to-tank fuels (kg CO2e/litre) from DEFRA's 2019 GHG emission factors. The water used by our operations (litres) was extracted from the sustainability management system. It was multiplied by 344 kg CO2e/million litres from DEFRA's 2019 GHG emission factors. This emission factor is for the provision of water.

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

100

Please explain

As a logistics company, we do not make use of many raw materials, other than water, fuel and electricity. For this reason, we have accounted for the well-to-tank GHG emissions associated with our fuels used in our fleet under this Scope 3 emissions category. Diesel, biodiesel and HFO can be considered our raw materials. We have also accounted for GHG emissions associated with the provision of water.

Capital goods

Evaluation status

Relevant, calculated

Metric tonnes CO2e

46261

Emissions calculation methodology

The number of new vehicles purchased was obtained from our operations. It was assumed that these vehicles had a Gross Vehicle Mass (GVM) of 24 000 kg each. This was then multiplied by the emission factor for metals from DEFRA's 2019 GHG emission factors.

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

100

Please explain

This refers to the GHG emissions associated with the metal used in the construction of the new vehicles we purchased in the 2019 reporting year.

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

Evaluation status

Relevant, calculated

Metric tonnes CO2e

2906

Emissions calculation methodology

Electricity consumption (kWh) was extracted from the sustainability management system. Electricity consumed by the South African operations was multiplied by the emission factor of 0.02 kg CO2e/kWh. This emission factor is the difference between the emission factor of Eskom's generation (1.04 kg CO2e/kWh generated) and Eskom's sales (1.06 kg CO2e/kWh sold). Electricity consumed by the other operations was multiplied by emission factors (kg CO2e/kWh) from DEFRA's 2019 GHG emission factors.

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

100

Please explain

This pertains to GHG emissions associated with transmission and distribution losses for electricity purchased by Imperial Logistics.

Upstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

As a logistics company, we do not make use of many raw materials, other than water, fuel and electricity. However, the GHG emissions associated with the transportation of fuel and provision of water are already captured under our Scope 3 emissions associated with purchased goods and services.

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO2e

457

Emissions calculation methodology

The water used by our operations (litres) was extracted from the sustainability management system. It was multiplied by 708 kg CO2e/million litres from DEFRA's 2019 GHG emission factors. This emission factor is for the treatment of wastewater.

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

100

Please explain

This pertains to GHG emissions associated with the downstream treatment of wastewater.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

3423

Emissions calculation methodology

The emissions associated with business travel are calculated as follows – • For air travel, we collect data on flight departure and destination airports and flight class (economy/business). We then determine the distance travelled (km). We classify the flights into short- and long-haul. The distance travelled is multiplied by an emission factor (kg CO2e/km) appropriate to the flight category (economy or business class) and classification (short- or long-haul). Emission factors are sourced from the GHG Protocol Cross-Sector Tools. For rental vehicles, we collect data on distance travelled (km) and fuel type. We then multiply distance travelled by an appropriate emission factor (kg CO2e/km) for the fuel type. Emission factors are sourced from the GHG Protocol Cross-Sector Tools.

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

100

Please explain

This refers to emissions associated with flights and hiring of vehicles (car rental). It includes business travel from all of our regions.

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO2e

314

Emissions calculation methodology

Business mileage (km) is captured in our sustainability management system. Fuel type is also specified. The business mileage is multiplied by an appropriate emission factor (kg CO2e/km) for that fuel type. Emission factors are sourced from the GHG Protocol Cross-Sector Tools.

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

100

Please explain

This refers to business mileage done by our employees in private vehicles.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

GHG emissions associated with upstream leased assets are included in our Scope 1 and 2 emissions. We include GHG emissions from leased assets in our own GHG emissions as we are making use of the leased assets for our own consumption and the use thereof is partly under our control.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

As a logistics company, GHG emissions associated with the provision of transport (i.e. fuels used in our fleet) fall within our Scope 1 emissions. Note that we make use of a number of subcontractors. However, whilst we don't collect information on their fuel consumption at this stage, we do engage with our subcontractors on environmental issues and create awareness around the need to optimise fuel consumption and reduce emissions.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

We do not manufacture intermediate goods which are then sold into the market for further processing.

Use of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

One of our primary 'sold products' is the provision of transportation. We have quantified our emissions associated with this activity. It forms part of our Scope 1 emissions and not our Scope 3 emissions.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

One of our primary 'sold products' is the provision of transportation. End of life treatment is not applicable in this case.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

We do not operate any leased assets.

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

We do not have any franchises.

Investments

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

GHG emissions from our investments are typically accounted for under our Scope 1 and 2 emissions.

Other (upstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

This is not relevant as upstream scope 3 emission sources are already covered in prior categories.

Other (downstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

This is not relevant as downstream scope 3 emission sources are already covered in prior categories.

C6.7

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

No

C6.10

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

Intensity figure

0.0000147

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

647995

Metric denominator

unit total revenue

Metric denominator: Unit total

44039000000

Scope 2 figure used

Location-based

% change from previous year

1.71

Direction of change

Decreased

Reason for change

In the 2019 reporting year, the emissions intensity decreased by 2% due to a reduction in Scope 1 and 2 emissions. Scope 1 and 2 emissions decreased by 10.87% and revenue decreased by 9.32%. The emissions decreased partly due to the implementation of energy efficiency and renewable energy projects.

C-TS6.15

(C-TS6.15) What are your primary intensity (activity-based) metrics that are appropriate to your emissions from transport activities in Scope 1, 2, and 3?

HDV

Scopes used for calculation of intensities

Report Scope 1 + 2

Intensity figure

0.001495

Metric numerator: emissions in metric tons CO2e

647995

Metric denominator: unit

Please select

Metric denominator: unit total

433512322

% change from previous year

-4

Please explain any exclusions in your coverage of transport emissions in selected category, and reasons for change in emissions intensity.

Please note that this is reported as Scope 1 and 2 emissions per km. There was an 11% decrease in Scope 1 and 2 emissions, from 727 058 tCO2e in the 2018 financial year to 647 995 tCO2e in the 2019 financial year. There was also a decrease in kilometres travelled of 7%, from 465 812 268 km in the 2018 financial year to 433 512 322 km in the 2019 financial year. This resulted in an overall decrease in emissions intensity. Emissions decreased partly as a result of the implementation of energy efficiency initiatives and renewable energy generation.

ALL

Scopes used for calculation of intensities

Report Scope 1 + 2

Intensity figure

0.001495

Metric numerator: emissions in metric tons CO2e

647995

Metric denominator: unit

Please select

Metric denominator: unit total

433512322

% change from previous year

-4

Please explain any exclusions in your coverage of transport emissions in selected category, and reasons for change in emissions intensity.

Please note that this is reported as Scope 1 and 2 emissions per km. There was an 11% decrease in Scope 1 and 2 emissions, from 727 058 tCO2e in the 2018 financial year to 647 995 tCO2e in the 2019 financial year. There was also a decrease in kilometres travelled of 7%, from 465 812 268 km in the 2018 financial year to 433 512 322 km in the 2019 financial year. This resulted in an overall decrease in emissions intensity. Emissions decreased partly as a result of the implementation of energy efficiency initiatives and renewable energy generation.

C7. Emissions breakdowns

C7.1

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

Yes

C7.1a

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

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	557978	IPCC Third Assessment Report (TAR - 100 year)
CH4	1710	IPCC Third Assessment Report (TAR - 100 year)
N2O	1314	IPCC Third Assessment Report (TAR - 100 year)
HFCs	3983	IPCC Third Assessment Report (TAR - 100 year)

C7.2

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

Country/Region	Scope 1 emissions (metric tons CO2e)
Africa	377197
Europe	187788

C7.3

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

By business division

C7.3a

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

Business division	Scope 1 emissions (metric ton CO2e)
Logistics Africa	21845
Logistics South Africa	355352
Logistics International	187788

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Net Scope 1 emissions , metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Electric utility activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (midstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (downstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	564985	<Not Applicable>	

C7.5

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

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Africa	66522	66522	71263	0
Europe	16488	16488	35615	0

C7.6

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

By business division

C7.6a

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

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Logistics Africa	2560	2560
Logistics South Africa	63962	63962
Logistics International	16488	16488

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7

(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization’s total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (midstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (downstream)	<Not Applicable>	<Not Applicable>	<Not Applicable>
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	83010	83010	

C7.9

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

Decreased

C7.9a

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

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	561.31	Decreased	0.08	This relates to the solar power generated by the Group. The emissions value has been calculated as follows – Emissions value = change in emissions / (2018 Scope 1 and 2 emissions) = -561.31/ (639 041 + 88 016) = -0.08%
Other emissions reduction activities	156.47	Decreased	0.02	This relates to emission reduction projects such as the purchase of new fuel-efficient vehicles, the installation of energy efficient lighting etc. The emissions value has been calculated as follows - Emissions value = change in emissions / (2018 Scope 1 and 2 emissions) = -156.47/ (639 041 + 88 016) = -0.02%
Divestment	0	No change	0	Although we made some divestments, these are included under the rationalisation of our portfolio which is reported under 'other.'
Acquisitions	0	No change	0	Although we made some acquisitions, these are included under the rationalisation of our portfolio which is reported under 'other.'
Mergers	0	No change	0	We have not attributed any of our changes in emissions to mergers in the 2019 reporting year.
Change in output	0	No change	0	We have not attributed any of our changes in emissions to a change in output in the 2019 reporting year.
Change in methodology	0	No change	0	We have not changed our methodology in the 2019 reporting year.
Change in boundary	0	No change	0	We have not changed our boundaries in the 2019 reporting year.
Change in physical operating conditions	0	No change	0	We have not attributed any of our changes in emissions to changes in physical operating conditions.
Unidentified	0	No change	0	We have not attributed any of our changes in emissions to 'unidentified' in the 2019 reporting year.
Other	78344.27	Decreased	10.78	This relates predominantly to the changes in emissions from changes in the portfolio and changes in the business activity (i.e. reduction of kilometres travelled). For example, last year’s metrics for the International division included seven months of electricity purchased for Schirm – an electricity-intensive business — which was sold in January 2018. The emissions value has been calculated as follows - Emissions value = change in emissions / (2018 Scope 1 and 2 emissions) = -78 344.27/ (639 041 + 88 016) = -10.78%

C7.9b

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

Location-based

C8. Energy

C8.1

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

More than 25% but less than or equal to 30%

C8.2

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

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

C8.2a

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

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	2206163	2206163
Consumption of purchased or acquired electricity	<Not Applicable>	0	106878	106878
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	790	<Not Applicable>	790
Total energy consumption	<Not Applicable>	790	2313041	2313831

C8.2b

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

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

C8.2c

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

Fuels (excluding feedstocks)

Motor Gasoline

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

20291

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

20291

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

2.27

Unit

kg CO2e per liter

Emissions factor source

GHG Protocol Cross-Sector Tools

Comment

Fuels (excluding feedstocks)

Diesel

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

1625401

MWh fuel consumed for self-generation of electricity

8349

MWh fuel consumed for self-generation of heat

1617052

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

2.67

Unit

kg CO2e per liter

Emissions factor source

GHG Protocol Cross-Sector Tools

Comment

An emission factor of 2.68 kg CO2e/litre was used for diesel used by staff and stationary diesel consumption

Fuels (excluding feedstocks)

Biodiesel

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

658

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

658

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

2.5

Unit

kg CO2e per liter

Emissions factor source

GHG Protocol Cross-Sector Tools

Comment

Fuels (excluding feedstocks)

Liquefied Petroleum Gas (LPG)

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

17461

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

17461

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

1.61

Unit

kg CO2e per liter

Emissions factor source

GHG Protocol Cross-Sector Tools

Comment

A factor of 1.53 kg CO2e/litre was used for a different application of LPG.

Fuels (excluding feedstocks)

Other, please specify (Heavy Fuel Oil)

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

526504

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

514705

MWh fuel consumed for self-generation of steam

11799

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

2.27

Unit

kg CO2e per liter

Emissions factor source

GHG Protocol Cross-Sector Tools

Comment

A factor of 2.94 kg CO2e/litre was used for a different application of HFO.

Fuels (excluding feedstocks)

Kerosene

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

56

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

2.96

Unit

kg CO2e per liter

Emissions factor source

GHG Protocol Cross-Sector Tools

Comment

Fuels (excluding feedstocks)

Natural Gas

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

15792

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

15792

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

0.19

Unit

kg CO2e per kWh

Emissions factor source

GHG Protocol Cross-Sector Tools

Comment

C8.2d

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

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	3340	3340	790	790
Heat	1967363	1967363	0	0
Steam	9484	9484	0	0
Cooling	0	0	0	0

C8.2e

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

Sourcing method

None (no purchases of low-carbon electricity, heat, steam or cooling)

Low-carbon technology type

<Not Applicable>

Country/region of consumption of low-carbon electricity, heat, steam or cooling

<Not Applicable>

MWh consumed accounted for at a zero emission factor

<Not Applicable>

Comment

C-TS8.5

(C-TS8.5) Provide any efficiency metrics that are appropriate for your organization's transport products and/or services.

Activity

Heavy Duty Vehicles (HDV)

Metric figure

0.367849

Metric numerator

Liters of fuel

Metric denominator

Other, please specify (km)

Metric numerator: Unit total

159466863

Metric denominator: Unit total

433512322

% change from last year

-4

Please explain

Please note that this is reported as fuel consumption per km. There was a 10% decrease in fuel consumption (diesel and biodiesel). There was also a decrease in kilometres travelled of 7%, from 465 812 268 km in the 2018 financial year to 433 512 322 km in the 2019 financial year. This resulted in an overall decrease in fuel intensity. Fuel consumption decreased partly as a result of the implementation of fuel efficiency initiatives.

C9. Additional metrics

C9.1

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

Description

Other, please specify (Scope 1 and 2 Emissions per Full Time Employee (FTE))

Metric value

23.6

Metric numerator

647995

Metric denominator (intensity metric only)

27463

% change from previous year

3

Direction of change

Decreased

Please explain

There was an 11% decrease in Scope 1 and 2 emissions, from 727 058 tCO₂e in the 2018 financial year to 647 995 tCO₂e in the 2019 financial year. There was also a decrease in FTE of 8%, from 29 944 FTE in the 2018 financial year to 27 463 FTE in the 2019 financial year. This resulted in an overall decrease in emissions intensity. Emissions decreased partly as a result of the implementation of energy efficiency initiatives and renewable energy generation.

Description

Other, please specify (Scope 1 and 2 Emissions per million kilometres)

Metric value

1495

Metric numerator

647995

Metric denominator (intensity metric only)

434

% change from previous year

4

Direction of change

Decreased

Please explain

There was an 11% decrease in Scope 1 and 2 emissions, from 727 058 tCO₂e in the 2018 financial year to 647 995 tCO₂e in the 2019 financial year. There was also a decrease in kilometres travelled of 7%, from 465 812 268 km in the 2018 financial year to 433 512 322 km in the 2019 financial year. This resulted in an overall decrease in emissions intensity. Emissions decreased partly as a result of the implementation of energy efficiency initiatives and renewable energy generation.

C-T09.3/C-TS9.3

(C-T09.3/C-TS9.3) Provide tracking metrics for the implementation of low-carbon transport technology over the reporting year.

Activity

Heavy Duty Vehicles (HDV)

Metric

Other, please specify (Reduction in diesel consumption per km)

Technology

Other, please specify (All diesel efficiency initiatives and use of alternative fuels to diesel)

Metric figure

4

Metric unit

Other, please specify (Reduction in diesel consumption per km)

Explanation

Please note that this is reported as the reduction in diesel consumption per km between the 2018 and 2019 financial years. There was a 10% decrease in diesel consumption. There was also a decrease in kilometres travelled of 7%, from 465 812 268 km in the 2018 financial year to 433 512 322 km in the 2019 financial year. This resulted in an overall decrease in fuel intensity. Diesel consumption decreased partly as a result of the implementation of fuel efficiency initiatives and the use of alternative fuels.

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-T09.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-T09.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	

C-TO9.6a/C-TS9.6a

(C-TO9.6a/C-TS9.6a) Provide details of your organization's investments in low-carbon R&D for transport-related activities over the last three years.

Activity

Heavy Duty Vehicles (HDV)

Technology area

Other, please specify (Alternative fuels, operational efficiency, vehicle efficiency)

Stage of development in the reporting year

Full/commercial-scale demonstration

Average % of total R&D investment over the last 3 years

61-80%

R&D investment figure in the reporting year (optional)

284000000

Comment

The investment is reflected as the newly established a USD20 million innovation fund in partnership with Newtown Partners. We continue to investigate alternative fuels such as hydrogen-powered trucks. We use electric, HVO100 (hydrotreated vegetable oil) and liquefied natural gas in some vehicles for some of our customers. We also work with suppliers and customers to improve fuel efficiency. For example, we are working with OEMs to bring the first electric truck and bus to South Africa. We work closely with our OEMs to develop fuel efficient equipment such as trucks and trailers.

C10. Verification

C10.1

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

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Imperial Logistics IAR.pdf

Page/ section reference

Page 125

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Imperial Logistics IAR.pdf

Page/ section reference

Page 125

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Imperial Logistics IAR.pdf

Page/ section reference

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Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Business travel

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

Imperial Logistics IAR.pdf

Page/section reference

Page 125

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.2

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

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C6. Emissions data	Year on year change in emissions (Scope 3)	ISAE 3000	The scope of the limited assurance obtained on our GHG emissions data includes verification of the year on year change in Scope 3 emissions. Imperial Logistics IAR.pdf
C7. Emissions breakdown	Year on year change in emissions (Scope 1)	ISAE 3000	The scope of the limited assurance obtained on our GHG emissions data includes verification of the year on year changes in Scope 1, Scope 2 and Scope 1 and 2 emissions. Imperial Logistics IAR.pdf
C7. Emissions breakdown	Year on year change in emissions (Scope 2)	ISAE 3000	The scope of the limited assurance obtained on our GHG emissions data includes verification of the year on year changes in Scope 1, Scope 2 and Scope 1 and 2 emissions. Imperial Logistics IAR.pdf
C7. Emissions breakdown	Year on year change in emissions (Scope 1 and 2)	ISAE 3000	The scope of the limited assurance obtained on our GHG emissions data includes verification of the year on year changes in Scope 1, Scope 2 and Scope 1 and 2 emissions. Imperial Logistics IAR.pdf
C8. Energy	Energy consumption	ISAE 3000	Diesel and petrol consumed — normal engine and electricity consumption are verified. Imperial Logistics IAR.pdf
C9. Additional metrics	Other, please specify (Emissions intensity)	ISAE 3000	Kilometres travelled are verified and used to calculate the emission intensity. Imperial Logistics IAR.pdf

C11. Carbon pricing

C11.1

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

Yes

C11.1a

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

- Poland carbon tax
- South Africa carbon tax
- Sweden carbon tax

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

Poland carbon tax

Period start date

July 1 2018

Period end date

June 30 2019

% of total Scope 1 emissions covered by tax

3.2

Total cost of tax paid

23713

Comment

The percentage of emissions covered by the tax has been calculated as emissions from consumption of fossil fuels subject to the tax divided by our total Scope 1 and 2 emissions. The tax paid has been rounded up.

South Africa carbon tax

Period start date

June 1 2019

Period end date

June 30 2019

% of total Scope 1 emissions covered by tax

54

Total cost of tax paid

795276

Comment

The South African carbon tax was enacted on the 1st of June 2019. As such, we have reported the liability from the 1st of June 2019 to the 30th of June 2019 which is the end of our 2019 financial year. This tax is payable in October 2020. The percentage of emissions covered by the tax has been calculated as a full year of emissions subject to the tax divided by our total Scope 1 and 2 emissions. We have reported on both our direct tax (i.e. directly payable by us in October 2020) and the tax payable as part of the fuel levy on petrol and diesel.

Sweden carbon tax

Period start date

July 1 2018

Period end date

June 30 2019

% of total Scope 1 emissions covered by tax

0.4

Total cost of tax paid

4227686

Comment

The percentage of emissions covered by the tax has been calculated as emissions from consumption of fossil fuels subject to the tax divided by our total Scope 1 and 2 emissions. The tax paid has been rounded up.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

We are impacted by carbon taxes in several of the countries in which we operate. These carbon taxes are typically built into the price of fossil fuels and are paid upon purchase of these fuels. As such, compliance is ensured when we pay our suppliers of fossil fuels.

The recently introduced South African carbon tax is an exception to this. Although the carbon tax on diesel and petrol is built into the fuel levy, we are also subject to a direct tax on other fossil fuels that must be paid directly to the South African Revenue Service (SARS). In order to ensure compliance with the South African carbon tax, we have done the following –

- a) Monitored the development of the legislation over the past few years. When required, we have engaged both directly and through trade associations or carbon tax specialists with the South African National Treasury and the South African Department of Environment, Forestry and Fisheries (DEFF).
- b) Appointed a carbon tax specialist to identify which of our legal entities are considered carbon taxpayers under the Carbon Tax Act. These specialists are also engaged to register the relevant legal entities with DEFF and license them with SARS. Given that this is a new tax, these specialists will also assist with reporting to DEFF and also the first tax returns due in October 2020.

Going forward, we intend to ensure compliance by –

- a) Continuing to monitor and report on our GHG emissions. We have a robust system in place that has been developed and refined over the years. This system allows us to collect fuel consumption and GHG emissions data from the various companies. The data from this system is externally assured on an annual basis.
- b) Training relevant personnel within the organisation to calculate our carbon tax liability and complete the necessary returns to SARS. We will continue to use carbon tax specialists as required.

We also continue to focus on reducing the impact of these carbon taxes. To do this, we are continually looking for ways to reduce our fossil fuel consumption and GHG emissions. In South Africa, in the reporting year, we replaced older vehicles with Euro 5 trucks, where possible. This is the highest Euro-rating feasible in South Africa. In addition, some trucks were fitted with aerodynamic streamlining kits and all trucks were regularly serviced and maintained. Drivers were trained to conserve fuel and, in some companies, were incentivised to achieve improved fuel consumption. Route optimisation software (which ensures optimal travelling distances that saves fuel and shortens delivery times) and vehicle management systems (which measure mileage and consumption, and track driving behaviour) were employed to ensure fuel consumption is optimised. We continue to focus on identifying and implementing energy efficiency initiatives to reduce the impact of carbon taxes for both ourselves and our clients.

C11.2

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

No

C11.3

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

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price

- Navigate GHG regulations
- Drive energy efficiency
- Drive low-carbon investment
- Identify and seize low-carbon opportunities

GHG Scope

- Scope 1
- Scope 2

Application

Our internal carbon price is applied when making investment decisions. This could include acquisition of new companies, but also the acquisition of new, more fuel-efficient trucks. We also apply this price when considering whether to implement energy efficiency initiatives.

Actual price(s) used (Currency /metric ton)

120

Variance of price(s) used

This price is applicable to our South African operations. Our internal carbon price is aligned with the tax rate under the South African carbon tax. As such, it is increased each year in line with the South African carbon tax rate.

Type of internal carbon price

Shadow price

Impact & implication

The internal carbon price is aligned with the South African carbon tax. One of the ways in which we use this price is when determining the viability of investments in new, more fuel-efficient trucks. The carbon price is factored into the payback determined for these investments. The price is also factored into our planning (i.e. budget setting).

C12. Engagement

C12.1

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

- Yes, our suppliers
- Yes, our customers
- Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Compliance & onboarding

Details of engagement

Included climate change in supplier selection / management mechanism

% of suppliers by number

100

% total procurement spend (direct and indirect)

100

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

All new suppliers are required to go through our onboarding process. All suppliers are required to comply with our policies and standards, including those related to sustainability.

Impact of engagement, including measures of success

We require all new suppliers to go through our onboarding process. As part of this process, we require that they commit to adhering to all our policies and standards, including those related to sustainability and climate change. In addition, our companies, where possible, evaluate the GHG emissions of their suppliers as a part of supplier evaluations. We engage with suppliers in meetings, telephonically and over email. Engaging with our suppliers allows us to identify any major risks in our supply chain and understand how these risks are being managed. We measure success of our engagement if our suppliers adhere to all our policies and standards and if we are comfortable that climate-related risks in our supply chain are being effectively managed. A major part of our selection of suppliers is the assessment of the ability of these suppliers to provide us with low carbon solutions (i.e. fuel-efficient trucks). In South Africa, for example, we look for suppliers who can provide us with Euro 5 trucks. This is the highest Euro-rating feasible in South Africa. In Europe, we engage with suppliers who can provide us with latest Euro 6 technology.

Comment

We have not yet quantified emissions associated with procured goods and services. As such, we have entered zero for the percentage of Scope 3 emissions reported in C6.5.

Type of engagement

Innovation & collaboration (changing markets)

Details of engagement

Run a campaign to encourage innovation to reduce climate impacts on products and services

% of suppliers by number

50

% total procurement spend (direct and indirect)

90

% of supplier-related Scope 3 emissions as reported in C6.5

0

Rationale for the coverage of your engagement

We engage with our vehicle suppliers which make up a substantial proportion of our business. We estimate that these suppliers represent 90% of our revenue and 50% of our total number of suppliers.

Impact of engagement, including measures of success

We collaborate closely with our suppliers and clients to develop solutions to help them reduce their carbon footprint, as well as the carbon footprint of their products. We engage with suppliers from which we purchase vehicles. We collaborate with them on the development of less emission-intensive vehicles. We also look to purchase more fuel-efficient vehicles from these suppliers. Also, as a major fuel user, our fuel procurement is substantial. As such, we engage constantly with our fuel suppliers to collaborate on improving product ranges, so that we are able to optimise our fuel consumption in our vehicles. Engaging with these suppliers allows us to develop or identify new vehicles or product ranges that could increase our fuel efficiency and reduce our GHG emissions. This, in turn, reduces our exposure to climate-related risks such as energy and carbon taxes. For us, our engagement is successful if we are able to pilot new fuel-efficient technologies developed by the supplier or in conjunction with the supplier on an ongoing basis. In the reporting year, for example, we engaged with suppliers on the use of alternative fuels in trucks. For example, FoodTankers, has a goal in place to be 90% fossil free in Sweden by 2020. To achieve this goal, all new vehicles acquired for its Nordic operations will operate on viable alternative fuels such as HVO100 (hydrotreated vegetable oil). The use of these alternative fuels in trucks has led to collaboration with suppliers.

Comment

We have not yet quantified emissions associated with procured goods and services. As such, we have entered zero for the percentage of Scope 3 emissions reported in C6.5.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Collaboration & innovation

Details of engagement

Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number

100

% of customer - related Scope 3 emissions as reported in C6.5

0

Portfolio coverage (total or outstanding)

<Not Applicable>

Please explain the rationale for selecting this group of customers and scope of engagement

Our companies attempt to engage with their clients as they understand that the sustainability of their businesses is dependent on continued demand from customers. For this reason, we have selected 100% as the size of the engagement. We engage with clients during the normal course of business via meetings, calls and over email. We also engage with clients during contractual negotiations and renewals. We collaborate with our clients to develop solutions to help them reduce their carbon footprint. We also assist our clients to offset their carbon footprints.

Impact of engagement, including measures of success

Our climate-related engagement with clients allows us to understand their needs and adjust our goods and services to meet these needs. We do this to ensure that we are exceeding client expectations, ensuring demand for our goods and services into the future. This also assists us in managing the climate-related transition risks associated with changes in markets, changing client demands etc. We measure the success of our engagements by whether or not our clients continue to purchase our goods and services. We also measure success by whether or not we are reducing the carbon footprint associated with our products and services and also reducing our clients' carbon footprints. This year, we have also focused on assisting clients to offset their carbon footprints. For example, Imperial Logistics has managed Oxera GmbH's car fleet in Germany since 2013. Oxera's goal is to operate a zero emissions fleet and we are assisting it to achieve this objective with our ground-breaking Carbon Compensation Scheme as offered by Logistics International. This scheme allows Oxera to purchase carbon offsets from three pre-screened emission reduction projects. With an average of around 30 000 kilometres travelled each year at a consumption of 6.1 litres per 100 kilometres, the carbon offsets costs Oxera around 3,2% of its annual fuel costs. We intend to offer this scheme to other fleet management clients. We have also collaborated with clients on the use of alternative fuels in vehicles. For example, FoodTankers has agreed with a client to switch its trucks from diesel to HVO100 (hydrotreated vegetable oil), in spite of the higher cost of the fuel. We have not yet quantified emissions associated with sold goods and services. As such, we have entered zero for the percentage of Scope 3 emissions reported in C6.5.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

In addition to our suppliers and our clients, we engage with government, our employees, industry associations and the communities in which we operate. We see constructive relationships with regulators, governments, employees, industry associations and local communities in the 32 countries in which we operate are essential in the retention of our local relevance, and our reputation as a well-governed and ethical group, which multinational clients consider to be a competitive advantage.

Legal compliance is of utmost importance to the Group. Given the diverse nature of our companies and the geographies in which we operate, we are exposed to a myriad of climate and energy-related regulations. In order to comply with existing and emerging regulations, we engage directly with government and/or through industry associations. For example, we engaged directly with the South African National Treasury around our concerns on the carbon tax that was introduced into South Africa on the 1st of June 2019. We did this by providing written submissions when calls were made for commentary. We also engaged directly with the South African Department of Environment, Forestry and Fisheries (DEFF) to unpack the activities conducted by our legal entities under the National GHG Emission Reporting Regulations.

We also engage regularly with our employees. We understand that the success of many of our initiatives are dependent on buy-in from our employees. Engagement with employees typically takes place through meetings, training, events, surveys and electronic communication etc. In the 2019 financial year, we continued to conduct environmental training. This training drives the use of new technologies, focuses on fuel conservation in trucks and barges, and aims to influence employee behaviour and adherence to key environmental performance indicators. In addition, the International division launched the future collaboration project, in which more than 130 employees participated in developing a collaboration charter to support the new operating model and drive growth activities. The charter clearly defines accountability for issues such as solution design and decision-making. This division also developed an innovation framework to collect, evaluate and develop innovative ideas from employees. Included in the innovative ideas and growth activities are climate-related initiatives.

We are represented on the membership and/or board of a number of industry associations such as the Road Freight Association in South Africa. We participate regularly in these industry associations, engaging on energy and climate-related issues. For example, we are part of the National Business Initiative's Energy Efficiency Leadership Network which seeks to promote energy efficiency in the broader South African business sector through a platform for knowledge sharing and capacity development.

We engage with communities through our community investment programmes and through our business units. This includes Imperial and Motus Community Trust. Our companies determine their contribution based on their capacity to support projects and on the specific needs of their local communities. We continue to collaborate with selected partners to implement new community investment strategies capable of making a demonstrable difference in people's lives.

C12.3

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

Direct engagement with policy makers
Trade associations

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Carbon tax	Support with major exceptions	We have engaged directly with the South African National Treasury on the carbon tax that was introduced into South Africa on the 1st of June 2019. Our engagement was done primarily through the submission of letters to National Treasury on the carbon tax in response to a call for comments.	Although we support the transition to a green economy and are actively looking for ways to reduce our emissions, we had the following issues with the South African carbon tax - • The revenue collected from the carbon tax is not ring-fenced. As such, there is no guarantee that it will be used to mitigate the effects of climate change. We proposed that some certainty be provided as to where the revenue collected from the tax will be used. • The implications for the transport sector and its consequent implications for inflation and economic development must be carefully considered. We proposed that National Treasury did a full assessment on the impact of the carbon tax on the economy and jobs. The carbon tax in conjunction with increasing fuel levies and e-tolling in South Africa should be considered. We proposed that the carbon tax not be viewed in isolation and that the full impact on consumers is considered.
Mandatory carbon reporting	Support with minor exceptions	We have engaged directly with the South African Department of Environment, Forestry and Fisheries (DEFF) on the mandatory reporting of GHG emissions under the National GHG Emission Reporting Regulations. Our engagement was done primarily over email.	Imperial Logistics has a robust system in place for the collection of fuel consumption and GHG emissions data. The data from this system is assured annually by our auditors. As such, we are able to accurately report on our GHG emissions. For this reason, we are not opposed to mandatory reporting. We do, however, recommend that the reporting thresholds be clarified. It should be clearly stated how the calculation of the net heat input design capacity should be done. This will ensure all companies adopt the same approach to the calculation. It will assist in ensuring compliance. In addition, we recommend the definition of the activities be clarified and possibly aligned with the definitions under the Intergovernmental Panel on Climate Change (IPCC) 2006 Guidelines. In some cases, the definitions applied locally appear to be different to the definitions under the IPCC 2006 Guidelines.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Road Freight Association (RFA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The RFA is a facilitating body which influences the state of the logistics industry. Whilst the RFA supports the reduction of GHG emissions in mitigating climate change and actively encourages members to understand their emissions profile and reduce it accordingly, it has voiced its concerns that a carbon tax in South Africa could result in the road freight industry becoming less competitive, impacting job security in this industry.

How have you influenced, or are you attempting to influence their position?

One of the Divisional CEOs is a member of the board of the RFA. Whilst Imperial Logistics does not oppose the carbon tax, similar concerns are shared with the RFA. Imperial Logistics' engagement with the RFA includes input on sustainable transport and fuel efficiency.

C12.3f

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

Our Group Social, Ethics and Sustainability Committee is responsible for ensuring that all direct and indirect activities that influence policy are consistent with our overall climate change strategy. They do this with the assistance of the Group Head of Sustainability and CSI. The Group Head of Sustainability and CSI engages regularly with the regions, industry associations, government representatives and other stakeholders. It is through this engagement that the Group Head of Sustainability and CSI is able to identify any inconsistencies in our activities and our strategy.

Consistency is also ensured through the collection and assessment of sustainability-related data. The companies regularly submit data to the Group Head of Sustainability and CSI. This is done through a robust reporting system. This data is reviewed by the Group Head of Sustainability and CSI. Any concerns are raised with the relevant business and addressed. The data from this system is also externally assured on an annual basis. This data is reported to the Group Social, Ethics and Sustainability Committee.

The Group Social, Ethics and Sustainability Committee meet quarterly. It monitors all climate-related activities to ensure that they align with the Group strategy and our sustainability objectives. All material information is elevated to the Group Audit and Risk Committee and the Board. This includes any inconsistencies identified in terms of our activities and their alignment to our strategy. The Group Audit and Risk Committee is responsible for developing and implementing actions required to mitigate the effects of any identified inconsistencies.

The same is true at regional level, with the individual responsible for risk being tasked with ensuring that our activities are consistent and reporting any inconsistencies to the Group Risk Executive.

C12.4

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

Publication

In mainstream reports

Status

Complete

Attach the document

Imperial Logistics IAR.pdf

Page/Section reference

6, 7, 9, 13, 24, 25, 31, 35, 37, 87, 125

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Comment

Publication

In voluntary sustainability report

Status

Complete

Attach the document

Imperial Logistics Sustainability Report - Environmental.pdf

Page/Section reference

1 to 13

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Comment

C15. Signoff

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

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer (CEO)	Chief Executive Officer (CEO)

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

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

Please confirm below

I have read and accept the applicable Terms