

C0 Introduction

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

Imperial Logistics Limited (Imperial Logistics) is mainly an African and Eurozone logistics provider of outsourced, integrated freight management, contract logistics and distributorship - customised to ensure the relevance and competitiveness of our clients. The Group is listed on the Johannesburg Stock Exchange (JSE) in South Africa and employs approximately 30 000 people in more than 30 countries.

Ranked among the top 25 global logistics providers, Imperial Logistics has established capabilities in transportation, warehousing, distribution and synchronisation management and expanding capabilities in international freight management. The Group operates in specific industry verticals - automotive, chemicals, consumer, healthcare and industrial. It has three business divisions or regions: South Africa, Africa and International.

In the 2018 financial year, we again identified climate-related issues to be material. Our operations were impacted by record temperatures (high and low), drought conditions in some African operations such as Namibia, Zambia and Kenya and structurally lower water levels on the Rhine River in Europe. We acknowledge that our competitive advantage is underpinned by our ability to minimise clients' supply chain risk. This means strengthening our ability to provide continued service despite extreme weather conditions and finding innovative ways to reduce fuel consumption, a major driver of logistics cost – while remaining competitive. It is therefore no surprise that environmental compliance and disclosures are a growing feature of tender requirements, as clients demand that we demonstrate an understanding of and ability to adapt to climate change risks impacting their markets and long-term interests.

Responding to these demands, we have implemented a number of initiatives to reduce both our own carbon footprint and that of our clients. Examples in the 2018 financial year include –

- Upgrading Fast-n-Fresh's fleet from Euro 3 to Euro 5 trucks, following a successful test run on the Durban to Johannesburg route. Fuel consumption is expected to be improved from an average 1.79 kilometres per litre to an average 2.0 kilometres per litre. It is important to note that, in South Africa, it is challenging to upgrade our fleet to Euro 5s and Euro 6s owing to the lack of availability of 50ppm diesel at truck stops across South Africa. We were able to do this for Fast-n-Fresh's fleet given the nature of its local distribution network. As an industry, we are working closely with stakeholders to address the availability of 50ppm diesel. In the interim, we are upgrading our fleet where the distribution network allows.*
- The implementation of solar power projects, including a 112kW peak solar power plant at Goldfields Logistics' Germiston Depot. We are also the process of investigating other possible solar installations.*
- The recertification of our ISO 50 001 energy management system, covering 93 sites across Germany, Luxembourg, Poland, Hungary and Sweden. In 2019, the system will be extended to operations in the Netherlands and United Kingdom.*

Please note the following regarding this response –

- 1. This year, we report on our GHG emissions and management of climate-related issues for our 2018 financial year (01 July 2017 to 30 June 2018). Previously, we reported along calendar years. This change in reporting periods allows for us to align our CDP response with our mainstream reports and our financial year. To allow for year-on-year comparison, we have disclosed our GHG emissions for our 2016, 2017 and 2018 financial years.*
- 2. This year, our CDP response covers only Imperial Logistics and not Motus. Imperial Logistics was previously a division of Imperial Holdings Limited, along with Motus. In November 2018, Motus was unbundled and separately listed. At the same time, Imperial Holdings Limited changed its name to Imperial Logistics Limited. As such, in this report and going forward we report only on the GHG emissions and management of climate-related issues for Imperial Logistics in our CDP response.*

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 are recognised by EcoVadis, a leading platform for Corporate Social Responsibility (CSR) ratings for global supply chains. We were also the recipient of the Ethics Award from the London Stock Exchange (LSE) for our operations in Nigeria and continue to be included in the FTSE/JSE Responsible Investment Index.

(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
From: 1 July 2017	To: 30 June 2018	Yes	3 years

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

Country
<ul style="list-style-type: none"> • South Africa • Botswana • Ghana • Kenya • Malawi • Mozambique • Namibia • Nigeria • Swaziland • Zambia • Paraguay • USA • UAE • Germany • Austria • Belgium • France • Hungary • Luxembourg • Netherlands • Poland • Sweden • UK • Finland • Italy • Spain • Switzerland • Portugal • Bulgaria • Czech Republic • Zimbabwe

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

Currency
ZAR

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

Operational control

C1 Governance

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

Yes

(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

<i>Board Chair</i>	<p><i>The Board exists 'to ensure the company's prosperity by collectively directing the company's affairs, while meeting the appropriate interests of its shareholders and relevant stakeholders' (Standards of the Board, Institute of Directors). We acknowledge that effective management of climate-related issues is required to achieve this. As such, the Board Chair, responsible for leading the Board, is ultimately responsible for climate-related issues.</i></p> <p><i>The Board reviews information relating to climate change at its meetings. More specifically, this includes information regarding material climate-related risks and opportunities and the management thereof. 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.</i></p> <p><i>Permanent members of this Committee include the Board Chairman; an independent Non-Executive Director; CEO; CFO; Group Sustainability and CSI Executive; Risk Executive; Transformation Executive; Group Investor and Communications Executive and the Chief People's Officer. Having these positions represented on the Group Social, Ethics and Sustainability Executive, and other invitees, allows us to address cross-cutting issues like climate change and its impacts in a holistic manner.</i></p> <p><i>The role of the Committee is to assist the company to effect its social, ethics and sustainability responsibility. This includes the environment, health and public safety, including the impact of the Group's activities, products and services. Climate-related issues fit within this mandate.</i></p>
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(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
<i>Scheduled – all meetings</i>	<ul style="list-style-type: none"> • <i>Reviewing and guiding strategy</i> • <i>Reviewing and guiding major plans of action</i> • <i>Reviewing and guiding risk management policies</i> • <i>Reviewing and guiding annual budgets</i> • <i>Reviewing and guiding business plans</i> • <i>Setting performance objectives</i> • <i>Monitoring implementation and performance of objectives</i> • <i>Overseeing major capital expenditures, acquisitions and divestitures</i> • <i>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</i> 	<p><i>The Group Social, Ethics and Sustainability 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.</i></p> <p><i>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.</i></p> <p><i>Climate-related issues are integrated into various controls, policies and guidelines within the Group. For example –</i></p> <ul style="list-style-type: none"> • <i>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</i> • <i>Climate-related issues such as rising fuel prices and emissions taxes are considered in the reviewing of annual budgets.</i> <p><i>We see the integration of climate-related issues as critical to ensuring the company's prosperity and meeting the interests of our shareholders and relevant stakeholders. We are also in the process of drafting a separate policy governing climate change. All our actions will then be guided by this policy.</i></p>

(C1.1c) Why is there no board-level oversight of climate-related issues and what are your plans to change this in the future?

Not Applicable

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

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	Both assessing and managing climate-related risks and opportunities	Quarterly

(C1.2a) Describe where in the organisational 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 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 climate-related issues. 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 Sustainability and CSI Executive. The Group Sustainability Executive sits directly below the Group Investor and Communications Executive in terms of its position in the organisation and reports to this Executive. The Group Investor and Communications Executive reports to the CEO.

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

- *Developing effective leadership and empowered people;*
- *Ensuring stakeholder health and safety;*
- *Maintaining ethical business practices;*
- *Accelerating transformation progress in South Africa;*
- *Minimising the environmental footprint; and*
- *Ensuring regulatory compliance.*

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

In terms of climate-related issues, the Group Sustainability and CSI Executive 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 done to understand the Group's impact on the environment and its exposure to climate-related risks, particularly regulatory risks. It is also done for the purpose of identifying focus areas for GHG mitigation and monitoring progress against targets and goals.

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

The Group Sustainability and CSI Executive, in collaboration with other individuals within the business, is responsible for setting energy and emission reduction targets. We are currently looking into setting a target that will take us to 2025. Previously, setting an appropriate emission reduction target at Group-level was challenging. The unbundling allows us to set a target focused on reducing our emissions associated with fuel consumption. A process has been initiated to identify suitable metrics and reduction percentages, taking climate science into consideration.

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

Yes

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

Who is entitled to benefit from these incentives?	Types of incentives	Activity incentivized	Comment
<i>Other: Sustainability Executive</i>	<i>Monetary reward</i>	<i>Emissions reduction project Energy reduction project Energy reduction target</i>	<i>The Sustainability Executive for Imperial Logistics is incentivised to drive sustainability within the Group. This includes reducing energy (kWh saved) and fuel consumption (litres/km saved) and associated GHG emissions.</i>
<i>Business unit manager</i>	<i>Monetary reward</i>	<i>Emissions reduction project Energy reduction project Energy reduction target Behaviour change-related indicator</i>	<i>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.</i>
<i>Other: Equipment operators</i>	<i>Monetary reward</i>	<i>Emissions reduction project Energy reduction project Energy reduction target Behaviour change-related indicator</i>	<i>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.</i>

C2 Risks and Opportunities

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

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

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

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

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

Frequency of monitoring	How far into the future are risks considered?	Comment
Six-monthly or more frequently	>6 years	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.

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

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 (asset-level), our operations 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 (company-level), 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 Risk Committee. This Committee is a sub-committee of the Board. The Group 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, high 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 businesses, 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 rated moderate or higher would have the potential to generate a R10 million change in operating profit in the reporting year.

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

Risk type	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 operations.

		<p><i>Given the importance of compliance and the possible impact that current regulation has on our costs, our operations are asked to identify risks posed by current regulation. Our operations 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.</i></p> <p><i>As an example, carbon taxes were identified as a risk by our operations. Carbon taxes are already a feature of certain operations in Europe and a carbon tax was introduced in South Africa from the 1st of June 2019. Carbon taxes increase our operating costs.</i></p> <p><i>To mitigate this risk, we are focused on reducing our carbon footprint. Examples include the introduction of new vehicles into the fleet such as Euro 5s in South Africa, route and load optimisation, energy efficient lighting in our depots and the installation of solar power. We also have a business, Resolve Solution Partners (Resolve), that is focused on optimising fuel consumption for both our own and other operations. Resolve focuses on identifying bottlenecks and inefficiencies in the supply chain and removing them to increase utilisation, improve service and reduce cost. This is done through operational alignment, technology enablement and change management.</i></p>
Emerging regulation	<i>Relevant, always included</i>	<p><i>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.</i></p> <p><i>For this reason, our operations 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 operations 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.</i></p> <p><i>In the 2018 financial year, for example, our operations 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 93 sites across Germany, Luxembourg, Poland, Hungary and Sweden 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.</i></p> <p><i>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 on an ongoing-basis, in partnership with our Original Equipment Manufacturers (OEMs). In Europe, we replaced our Euro 5s with Euro 6s. We estimate that the replacement of 25 tractor units reduced our fuel consumption by about 45 000 litres per annum and our GHG emissions by 120 tonnes. Our drivers are trained how to drive economically by the vehicle manufacturer so that we can achieve the lowest possible fuel consumption figures.</i></p>
Technology	<i>Relevant, always included</i>	<p><i>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.</i></p> <p><i>Our operations 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.</i></p> <p><i>The move towards alternate fuels was identified as both a risk and opportunity. To manage this risk, in the 2018 financial year we continued to keep abreast of</i></p>

		<p><i>advancements made in terms of the use alternative fuels to manage the risk associated with the move towards 'greener' fuels. We participated in a research project on electric push boats to understand the feasibility of this new technology.</i></p> <p><i>We also partner to develop ground-breaking technology. In Germany, for example, we helped launch a pioneering IT project in the shape of "InventAIRy". Under the leadership of the Fraunhofer Institute for Material Flow and Logistics and Aibotix GmbH, a special flying robot was developed to simplify complex stocktaking processes at high-shelf warehouses. The high-tech flying robot has successfully completed its first trials at our multi-user warehouse in Herten. It has the added benefit of reducing vehicle movement and, as such, energy consumption and GHG emissions. Another example is the state-of-the-art cold storage warehouse which we designed. It involved retrofitting a building to change its usage from ambient to freezer facilities at typical -20°C. This customised cold storage facility has a high pallet density through the use of mobile and static racking systems. It also has a low cost and highly efficient ammonia refrigeration plant. We ensured it was as efficient as possible by incorporating green building initiatives.</i></p>
Legal	<i>Relevant, always included</i>	<p><i>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.</i></p> <p><i>All our operations are requested to identify risks associated with regulations and non-compliance thereof. Our operations 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.</i></p> <p><i>The 2017 and 2018 financial years saw the introduction of new water usage bylaws for the Cape Region. Compliance for our Tanker Services' Stikland Depot was challenging to achieve in such a way that product quality was not compromised. In order to achieve compliance, it had to change its internal washing procedure and collect water from the last rinse cycle of each wash and reuse it in the washing cycle for non-food grade products. This required re-programming the computerised system and the installation of a new system of pipes and valves designed and installed to separate the re-usable water from the effluent discharge and route it to a grey water storage tank.</i></p>
Market	<i>Relevant, always included</i>	<p><i>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.</i></p> <p><i>All of our operations 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.</i></p> <p><i>One example is the growing renewable energy market in South Africa. As demand for solar increases, the costs associated with solar power plants continue to decrease. In order to take advantage of the decreasing costs, we have installed solar photovoltaic power plants at a number of our operations. In the 2018 financial year, for example, we installed a 112kW peak solar plant at Goldfields Logistics' Germiston Depot. This power plant generates approximately 166 075 kWh per annum and reduces our emissions by an estimated 160 tonnes CO2e per annum.</i></p> <p><i>Another example is the development of fuel-efficient equipment which we implemented in two new pusher crafts. This development of a hydraulically retractable flanking rudder allowed us to reduce our fuel consumption by 5% to 7.5%, depending on water depth. This equates to a reduction of approximately 120 000 litres per pusher craft per annum.</i></p>

Reputation	Relevant, always included	<p>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 businesses. 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.</p> <p>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.</p> <p>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, in the 2018 financial year, 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 businesses.</p>
Acute physical	Relevant, always included	<p>Increased occurrence and severity of extreme weather events such as droughts and floods have the potential to impact on our businesses. Extreme weather events could damage infrastructure and our assets, impacting on our ability to service clients. Our competitive advantage is underpinned by our ability to minimise clients' supply chain risk. This means strengthening our ability to provide continued service - despite extreme weather conditions - and finding innovative ways to reduce fuel consumption, a major driver of logistics cost. As such, acute physical risks are relevant and always included in our risk assessments.</p> <p>Our operations 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.</p> <p>In the 2018 financial year, for example, in Europe, the dry bulk business was negatively impacted by low water levels on the River Rhine which constrained our ability to operate shipping vessels and resulted in volume reductions. Then from mid-December the quick turnaround to high water levels meant that loads had to be split, requiring more push boats and increased costs. Towards the middle of 2018, hot weather conditions once again resulted in low water levels.</p> <p>To manage this risk, for events beyond our control such as extreme weather events, we have insurance in place. Our robust risk identification process also allows us to identify physical risks upfront and put in place actions to manage them.</p>
Chronic physical	Relevant, always included	<p>Changes in rainfall patterns have the potential to negatively affect our operations. Water is used by our operations and interrupted water supply could disrupt our operations, impacting on our ability to do business. For this reason, chronic physical risks are always considered in our risk assessments.</p> <p>We request that our operations 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.</p> <p>An example was the prolonged drought in the Cape Region in 2017 and 2018. This drought resulted in tough demand management programmes implemented by the City of Cape Town, including strict and metered use of borehole water.</p>

		<p>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. One of our operations, for example, embarked on a water re-cycling project whereby the water from the final rinsing phase of its tank cleaning operations was saved and re-used in the first washing phase. A water saving of 43% was achieved without compromising the stringent tank cleaning standards that are an integral part of the business. As the water crisis escalated, it also looked at other options, and two boreholes were drilled to secure water supply.</p>
Upstream	Relevant, always included	<p>Our suppliers are exposed to and impacted by climate-related risks. Should these risks affect the ability of these suppliers to provide us with the necessary input materials and utilities, this could disrupt operations. For this reason, our suppliers are always considered in our risk assessments.</p> <p>This is done by requesting that our operations identify risks in the supply chain, quantify the potential impact of these risks and put in place management plans.</p> <p>In the 2018 financial year, we saw some of our operations in Africa become dependent on borehole water to meet their entire water demand. This was mostly due to water suppliers being unable to provide sufficient water. In Malawi and Mozambique, for example, poor water infrastructure increased the frequency of water outages.</p>
Downstream	Relevant, always included	<p>Our clients and other stakeholders downstream in our value chain are always included in our risk assessments. Demand for our goods and services is dependent on our clients and we also understand that our clients are increasingly demanding less emissions-intensive goods and services. We risk our market share if we are unable to meet these demands.</p> <p>For this reason, our downstream value chain is included in our risk assessments. We request that our operations identify risks in the value chain, quantify the impact of these risks and put in place management plans. We are continually looking for ways to meet the needs of our clients.</p> <p>In response to demands for less emissions-intensive goods and services, we upgraded the Fast-n-Fresh Fleet from Euro 3s to Euro 5s. In Germany, we purchased new trucks with smaller engines, light weight rims and a modified driver cabin for our clients from the steel sector. The new trucks were 500kg lighter and were equipped with a more detailed analysis tool for drivers and trucks. This helps to plan the vehicles much better and prevent unplanned outage of a vehicle. With these new trucks and the appropriate driver training, it was possible to reduce the specific consumption from over 32 litres per 100km to less than 30 litres per 100km.</p>

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

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.

For example, Imperial Logistics identified various opportunities to innovate, introducing new technologies into the business. These opportunities were identified by the operations and raised to regional-level. In order to capitalise on these opportunities, regional management tasked the technical team to research new and emerging technologies relating to fleet and warehouse management, fuel efficiency and fuel reduction technology and energy efficiency. This led to the implementation of the following projects, amongst others:

- Reducing the weight of a truck and trailer so that more product can be loaded. One example is the Austrian manufacturer Berger's new lightweight trailer Ecotrail, which Imperial Logistics International uses for the transport of heavy engine components from a large German automobile manufacturer. If a vehicle load capacity of 25 tonnes is possible with conventional transport, a 28-tonne vehicle load capacity is possible in the new light combination, without exceeding the maximum permissible total weight. Assuming optimal utilisation, there are reductions to operating costs, the number of haulages and, consequently, to climate-relevant emissions. Studies have shown that theoretically, this increase in vehicle load capacity reduces the number of journeys by 7%. In addition, there are also fuel savings when the vehicle load capacity is lower, which is often the case with return journeys. Up to 1.5 litres of fuel per 100 kilometres can be saved.

- *In South Africa, the biggest challenge to upgrading our fleet with more fuel-efficient vehicles is the limited availability of 50ppm diesel (required for Euro 5 trucks) and LNG at truck stops across South Africa. As diesel for the Euro 5 trucks is more readily available in cities, Fast-n-Fresh have started updating their fleet following a successful test run on the Durban to Johannesburg route.*
- *In collaboration with OEMs, we have focused on developing trucks and trailers that optimise load and reduce fuel consumption. Examples include the development of a multi-purpose tanker that enables us to transport more than one product, each in its own compartment, in the same tanker. This enables us to transport both frozen and ambient temperature goods destined for the same client at the same time and it naturally reduces the number of trips that need to be made.*

We also identified risks associated with changes in climate (i.e. increased extreme weather events and changes in rainfall patterns). This risk is managed by both insuring against this risk and safeguarding where possible. 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 and, in South America, its shipping fleet consists of boats able to operate in most weather conditions, which has provided it with the additional opportunity to service competitors that are unable to operate due to extreme weather.

(C2.2e) Why does your organization not have a process in place for identifying, assessing, and managing climate-related risks and opportunities, and do you plan to introduce such a process in the future?

Not Applicable

(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	Where in the value chain does the risk driver occur?	Risk type	Primary climate-related risk driver	Type of financial impact	Company-specific description	Time horizon	Likelihood	Magnitude of impact	Are you able to provide a potential financial impact figure?	Potential financial impact figure (currency)	Explanation of financial impact figure	Management method	Cost of management	Comment
001	Direct Operations	Transition risk	Policy and legal: Increased pricing of GHG emissions	Policy and legal: Increased operating costs (e.g., higher compliance costs, increased insurance premiums)	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 and Sweden). As of the 1 st of June 2019, we are also subject a carbon tax in South Africa. 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.	Short-term	Virtually certain	Medium-High	Yes, a single figure estimate	R11 million	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 2018 financial year multiplied by 7 and 8c/litre for petrol and diesel, respectively.	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 2018, we implemented a number of energy efficiency and emission reduction projects. For example: <ul style="list-style-type: none"> In many of our depots we implemented energy efficient lighting and sensors. This included the installation of LEDs. One such example is the site in Bochum where we replaced 400W inefficient lamps with LEDs. The project resulted in a reduction of 296 tonnes of CO₂e per annum. Fast-n-Fresh upgraded its fleet from Euro 3s to Euro 5 trucks. Tests have shown that fuel efficiency can be improved from an average 1.79 kilometres per litre to an average 2.0 kilometres per litre. <p>We are also looking at using less emissions-intensive fuels and alternate energy sources. For example:</p> <ul style="list-style-type: none"> In partnership with Volvo, we are investigating using an LNG truck. LNG is an attractive option in the long term, enabling us to reduce our dependence on fossil fuels. We continue to implement solar power plants. The latest one implemented is the 227kW peak solar power plant at Tanker Services' Germiston Depot. This power plant reduces emissions by an estimated 366 tonnes CO₂e per annum. We have implemented two other solar power plants previously and have plans to implement more in future. 	R23 million	The cost of management is reflected as 2% of our capital expenditure for the 2018 financial year. This is an estimate of the CAPEX that may be invested in energy and fuel efficiency and emission reduction projects.
002	Direct Operations	Transition risk	Market: Changing customer behaviour	Market: Reduced demand for goods and/or services due to shift in consumer preferences	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.	Short-term	Virtually certain	High	Yes, a single figure estimate	R496 million	The financial impact is an estimate of reduced demand for emissions-intensive goods and services. We estimate this at 1% of 2018 calendar year revenue.	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. We are continuously upgrading our fleet. An example in the reporting year is the Fast-n-Fresh Fleet. This fleet was upgraded from Euro 3s to Euro 5 trucks to meet clients' demands. Tests have shown that fuel efficiency can be improved from an average 1.79 kilometres per litre to an average 2.0 kilometres per litre.	R10 million	The cost of management is reflected as the estimated cost associated with researching and developing new low-carbon products. This cost is estimated at R10 million.

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

Not Applicable

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

Identifier	Where in the value chain does the opportunity occur?	Opportunity type	Primary climate-related opportunity driver	Type of financial impact	Company-specific description	Time horizon	Likelihood	Magnitude of impact	Are you able to provide a potential financial impact figure?	Potential financial impact figure (currency)	Explanation of financial impact figure	Strategy to realize opportunity	Cost to realize opportunity	Comment
001	Direct Operations	Resource efficiency	Other: Reduced energy consumption	Reduced operating costs (e.g., through efficiency gains and cost reductions)	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 1 st of June 2019.	Current	Virtually certain	Medium-High	Yes, a single figure estimate	R10 million	The potential financial impact of this opportunity is estimated as a 2% reduction on electricity- and diesel-related opex. Opex for the 2018 financial year was used.	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 2018 financial year, we: <ul style="list-style-type: none"> Upgraded Fast-n-Fresh's Fleet, replacing Euro 3s with Euro 5s. 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. 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. 	R23 million	The cost to realise the opportunity is reflected as 2% of our capital expenditure for the 2018 financial year. This is an estimate of the CAPEX that may be required to realise a 2% reduction in our electricity- and diesel-related opex.
002	Direct Operations	Resource efficiency	Reduced water usage and consumption	Reduced operating costs (e.g., through efficiency gains and cost reductions)	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. Already we see this in South Africa, with a severe drought being experienced in the Western Cape. We are also aware that this presents opportunities for our businesses, particularly opportunities to reduce water usage, municipal water demand and improve water efficiency. Reducing our water usage reduces our operating costs. The	Current	Virtually certain	Medium	Yes, a single figure estimate	R3 million	The potential financial impact of this opportunity is estimated as a 10% reduction on water-related opex. Opex for the 2018 financial year was used.	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: <ul style="list-style-type: none"> 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 such as rainwater harvesting systems and wastewater recycling units 	R4 million	The cost to realise the opportunity is reflected as 0.5% of our capital expenditure for the 2018 financial year. This is an estimate of the CAPEX that may be required to realise a 10% reduction in our water-related opex.

					magnitude of this opportunity is significant, particularly in light of rising water prices and the introduction of water restrictions. It also helps us to build resilience to the possible impacts of climate change.							at wash bays lessen demand on municipal water supplies and reduce the amount of effluent discharged into sewers.		
003	Direct Operations	Energy source	Use of lower-emission sources of energy	Reduced exposure to GHG emissions and therefore less sensitivity to changes in cost of carbon	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).	Current	Virtually certain	Medium	Yes, a single figure estimate	R8 million	The potential financial impact of this opportunity is estimated as a 5% reduction on electricity-related opex. Opex for the 2018 financial year was used.	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. For example, we have implemented, a 227kW peak solar power plant was installed in Tanker Services' Germiston Depot. This power plant reduces emissions by an estimated 366 tonnes CO ₂ e per annum. We have also implemented other solar power plant and will continue to do so going forward.	R48 million	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.
004	Direct Operations	Products and services	Development of new products or services through R&D and innovation	Increased revenue through demand for lower emissions products and services	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.	Short-term	Virtually certain	High	Yes, a single figure estimate	R496 million	The financial impact is reported as the anticipated revenue from environmentally-friendly products and services. This is assumed to be 1% of the 2018 financial year revenue.	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: <ul style="list-style-type: none"> 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 	R10 million	The cost of management is reported as the estimated cost associated with researching and developing new low-carbon products and services. This cost is estimated at R10 million.

												<p><i>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.</i></p> <ul style="list-style-type: none"> • <i>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.</i> 		
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(C2.4b) Why do you not consider your organization to have climate-related opportunities?*Not Applicable***(C2.5) Describe where and how the identified risks and opportunities have impacted your business.**

Area	Impact	Description
Products and services	<i>Impacted</i>	<i>Climate-related risks and opportunities have impacted on our products and services. As a result of climate change, our clients are increasingly demanding environmentally-friendly and less emissions-intensive products and services. For this reason, we are focused on reducing the GHG emissions associated with our products and services. In Germany, for example, 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. This is just one example 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.</i>
Supply chain and/or value chain	<i>Impacted</i>	<i>Our value chain has been impacted by climate-related risks and 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.</i>
Adaptation and mitigation activities	<i>Impacted</i>	<i>Climate-related risks and opportunities have impacted on our mitigation activities. Existing and emerging energy and emissions taxes have increased our drive to reduce our energy consumption and associated GHG emissions. Climate change has presented us with an opportunity to reduce our operating costs by implementing mitigation activities. The magnitude of the impact is significant, with significant investment being made into emission reduction activities. For example, in the reporting year, we continued to rollout energy efficient lighting and sensors to our depots. We also continued to rollout solar power throughout the Group. We have recently installed a 227kW peak solar power plant in Tanker Services' Germiston Depot.</i>
Investment in R&D	<i>Impacted</i>	<i>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. This reporting year, 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. A good example of this is Resolve that has identified and implemented projects to optimise operations and increase fuel efficiency. The magnitude of this impact is significant.</i>
Operations	<i>Impacted</i>	<i>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.</i>
Other	<i>Not applicable</i>	<i>Not applicable</i>

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

Area	Relevance	Description
Revenues	<i>Impacted</i>	<i>Climate-related risks and opportunities are factored into our revenues. More specifically, we consider the impact of climate-related risks and opportunities on our revenues. We acknowledge that climate change presents us with an opportunity to service new markets and reduce the emissions-intensity of our goods and services. On the other hand, being unable to reduce the emissions-intensity of our goods and services would place us at a competitive disadvantage. For this reason, we factor climate-related risks and opportunities into our forecasted revenues. In the reporting year, for example, our revenues were impacted by the low water levels on the River Rhine which constrained our ability to operate shipping vessels and resulted in volume reductions. The magnitude of impact is significant.</i>
Operating costs	<i>Impacted</i>	<i>Climate-related risks and opportunities are considered when we forecast operating costs. For example, we factor in the impact that existing and emerging energy and emissions taxes will have on our operating 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 which is reliant on diesel. We will consider the impact of this when forecasting our operating costs. The magnitude of impact is significant. To reduce our exposure to emissions and energy taxes like the carbon tax in South Africa, we have been focusing on reducing our GHG emissions. For example, we have recently installed a 227kW peak solar power plant at our Tanker Services' Germiston Depot. We also implemented several energy efficiency initiatives such as energy efficient lighting and LEDs. We 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.</i>
Capital expenditures/capital allocation	<i>Impacted</i>	<i>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. The magnitude of the impact is significant. Examples in 2018 include –</i> <ul style="list-style-type: none"> <i>• The installation of water and energy meters to provide accurate consumption data, highlight discrepancies in municipal bills, identify potential water leaks and provide a platform for effective water and energy management.</i> <i>• The installation of initiatives such as rainwater harvesting systems and wastewater recycling units at wash bays lessen demand on municipal water supplies and reduce the amount of effluent discharged into sewers.</i> <i>• The installation of energy efficiency initiatives such as energy efficient lighting and motion sensors.</i>
Acquisitions and divestments	<i>Impacted</i>	<i>Climate-related risks and opportunities are used to inform decisions to acquire or dispose of various operations. We are continually looking for opportunities to offer our clients less emissions-intensive goods and services and have made various investments in this regard. We are also cognisant of the impact of increasing energy and fuel prices and emissions taxes. We consider this when deciding whether or not to acquire or divest operations. The magnitude of the impact is significant.</i>

Access to capital	<i>Not yet impacted</i>	<i>Climate-related risks and opportunities have not impacted on access to capital to date. However, they are factored into our financial planning process as we acknowledge that this could change going forward if we are unable to effectively manage the reputational risks associated with climate change. Should we not be seen to be effectively managing climate-related risks, reducing our environmental footprint and that of our goods and services, this could negatively impact our reputation and possibly impact on our ability to access capital. Should this occur, the impact would be significant as we are reliant on capital to ensure the sustainability of our businesses.</i>
Assets	<i>Impacted</i>	<i>Climate-related risks and opportunities are factored into our financial planning process. We recognise that climate-related risks such as increased occurrence and severity of extreme weather events could impact on property, plant and equipment. In fact, Imperial Logistics identifies this as a risk to its operations. The magnitude of the impact can be significant (i.e. damage due to hail and other extreme weather events).</i>
Liabilities	<i>Not yet impacted</i>	<i>Climate-related risks and opportunities have not impacted on liabilities to date. However, they are factored into our financial planning process as we recognise that this could change going forward if we are unable to effectively manage climate-related risks which could negatively impact on our reputation, reduce demand for goods and services etc. This, in turn, could impact on our ability to repay long-term borrowings etc. Should this occur, the impact would be significant.</i>
Other	<i>Not applicable</i>	<i>Not applicable</i>

C3 Business Strategy

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

Yes

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

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

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

- i. *A company-specific explanation of how business objectives and strategy have been influenced by climate-related issues – Our business strategy has been influenced by climate change, particularly with regards to mitigation of our own GHG emissions and a focus on reducing the carbon footprint associated with our goods and services.*

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. In order to achieve this, we need to be focused on meeting our clients' demands as efficiently as possible. We understand that this requires us to effectively and responsibly manage our fuel, energy and water costs, all of which could be affected by climate change. We also recognise that clients are increasingly demanding less emissions-intensive products and services as awareness around climate change impacts continues to grow. In order to realise our strategy, we need to ensure that we are actively researching and developing environmentally-friendly products and services.

- ii. *Explanation of whether your business strategy is linked to an emissions reductions target or energy reduction target - We have emission reduction targets in place at regional- and business-level. Given that the majority of our emissions result from fuel consumption and our fuel consumption is dependent on distance travelled and load transported, we find this to be more appropriate than a Group-level target. The target is used to drive the mitigation of our GHG emissions which, in turn, has influenced the business strategy. We have a focus on reducing energy usage and associated GHG emissions to reduce operating cost.*

- iii. *What have been the most substantial business decisions made during the reporting year that have been influenced by the climate change driven aspects of the strategy – The most substantial business decision that has been driven by climate-related concerns was the upgrading of our fleet and the development of more fuel-efficient equipment. One example in the reporting year was upgrading Fast-n-Fresh's fleet from Euro 3 to Euro 5 trucks, following a successful test run on the Durban to Johannesburg route. Fuel consumption is expected to be improved from an average 1.79 kilometres per litre to an average 2.0 kilometres per litre. It is important to note that, in South Africa, it is challenging to upgrade our fleet to Euro 5s and Euro 6s owing to the lack of availability of 50ppm diesel at truck stops across South Africa. We were able to do this for Fast-n-Fresh's fleet given the nature of its local distribution network. As an industry, we are working closely with stakeholders to address the availability of 50ppm diesel. In the interim, we are upgrading our fleet where the distribution network allows.*

- iv. *What aspects of climate change have influenced the strategy – Mitigation activities and the development of low-carbon products and services have had the biggest impact on our strategy. In addition, management of climate-related risks, like those associated with extreme weather events, has also been a focus for us.*

- v. *How the short-term (1-3 years) and long-term (6-10 years) strategy has been influenced by climate change – The short-term strategy has been influenced by the focus on reducing our own GHG emissions. We have implemented a number of emission reduction projects in the short-term (solar power, energy efficient lighting, fuel switching, route optimisation etc.). In the long-term, we are focused on researching and developing new environmentally-friendly technologies that reduce our own and our clients' emissions. An example is Imperial Logistics' Gas Barging's two newest gas tankers, which transport liquefied petroleum gas (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.*

- vi. *How this is gaining a strategic advantage over your competitors – Our clients are increasingly demanding low-carbon products and services. If we are able to provide environmentally-friendly products and services, not only would we retain our existing clients, we could also acquire new clients. This will increase our market share and associated revenue. We also have a competitive advantage if we are able to reduce our own carbon footprint as this would allow us to offer services at a reduced cost. Effective management of climate-related risks would possibly place us ahead of competitors. For example, in South America, Imperial Logistics' shipping fleet consists of boats able to operate in most weather conditions, which has provided it with the additional opportunity to service competitors that are unable to operate due to extreme weather.*

- vii. *How the Paris Agreement has influenced the business strategy (e.g. the process of transition planning alongside the ratcheting of Intended Nationally Determined Contributions (INDCs)) – We understand the need to limit the increase in global average temperature to well below 2°C above pre-industrial levels. We also understand that business has an important role to play in this regard. For this reason, one of our focus areas is mitigation of GHG emissions. We are currently in the process of setting an emission reduction target to take us to 2025. We have initiated a process to look at the most suitable metric and value, taking into account climate science.*

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

Not Applicable

(C3.1f) Why are climate-related issues not integrated into your business objectives and strategy?

Not Applicable

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

We do not at this stage use climate-related scenario analysis to inform our business strategy. However, our overarching strategy does consider various possible future scenarios to ensure robustness and flexibility should the environment in which we operate change. Although these scenarios are not directly linked to climate change, we do consider climate change in the development of our strategy. We pay particular attention to climate-related risks and opportunities. 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. If we do not effectively manage these risks, our ability to deliver on the strategy is compromised. In the same way, opportunities are presented by climate change. For example, we have the opportunity to develop low carbon products and services and also to enter new markets. We consider these risks and opportunities in the development of our strategy and in the actions required to deliver on our strategy. We are considering further investigating the use of climate-related scenario analysis, with the possibility of using it to inform the business strategy in future. With the unbundling, we have the opportunity to do this and apply climate-related scenario analysis in a more focused manner.

C4 Targets and Performance

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

Absolute target

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

Target reference number	Scope	% emissions in Scope	% reduction from base year	Base year	Start year	Base year emissions covered by target (metric tons CO2e)	Target year	Is this a science-based target?	% achieved (emissions)	Target status	Please explain
Abs1	Scope 1+2 (location-based)	68%	2%	2017	2017	515 821	2018	No, but we anticipate setting one in the next 2 years	100%	Expired	This is applicable to our South African and African Regions . This is an annual target. It was exceeded with a reduction of 4.17% being achieved by these operations between the 2017 and 2018 reporting years. The target is not a science-based target, but we will be investigating the possibility of introducing science-based targets in future. We are in the process of looking at setting a target to take us to 2025. We have initiated a process to identify the most suitable metric and value, taking into account climate-science.

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Not applicable

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

Not Applicable

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

Not Applicable

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

Stage of development	Number of initiatives	Total estimated annual CO2e savings in metric tons CO2e (only for rows marked *)
<i>Under investigation</i>	6	333
<i>To be implemented*</i>	0	0
<i>Implementation commenced*</i>	0	0
<i>Implemented*</i>	23	6 997
<i>Not to be implemented</i>	0	0

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

Initiative type	Description of initiative	Estimated annual CO2e savings (metric tons CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency, as specified in C0.4)	Investment required (unit currency, as specified in C0.4)	Payback period	Estimated lifetime of the initiative	Comment
<i>Energy efficiency: building services</i>	<i>Lighting</i>	<i>6 454</i>	<i>2</i>	<i>Voluntary</i>	<i>6 433 464</i>	<i>9 206 904</i>	<i>1-3 years</i>	<i>21-30 years</i>	<i>This encompasses a number of energy efficient lighting projects implemented across the Group. It includes the installation of LEDs and motion sensors.</i>
<i>Low-carbon energy installation</i>	<i>Solar PV</i>	<i>543</i>	<i>2</i>	<i>Voluntary</i>	<i>560 000</i>	<i>2 800 000</i>	<i>4-10 years</i>	<i>>30 years</i>	<i>This references one of our solar power plants implemented in South Africa.</i>
<i>Energy efficiency: building services</i>	<i>Building controls</i>	<i>Not quantified</i>	<i>2</i>	<i>Voluntary</i>	<i>Not quantified</i>	<i>149 831</i>	<i><1 year</i>	<i>6-10 years</i>	<i>This encompasses a number of projects that involved the installation of energy meters to properly measure and manage energy usage.</i>
<i>Other: Fuel efficiency in logistics</i>	<i>Other: Fuel efficiency in logistics</i>	<i>Not quantified</i>	<i>1</i>	<i>Voluntary</i>	<i>Not quantified</i>	<i>Not quantified</i>	<i><1 year</i>	<i>Ongoing</i>	<i>This encompasses a large number of fuel efficiency initiatives. In Germany, for example, we increased fuel efficiency without impacting on the</i>

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

Method	Comment
<i>Compliance with regulatory requirements/standards</i>	<i>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.</i>
<i>Dedicated budget for energy efficiency</i>	<i>Each region has a dedicated budget for implementing energy and fuel efficiency and emission reduction initiatives.</i>
<i>Employee engagement</i>	<i>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.</i>
<i>Internal incentives/recognition programs</i>	<i>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 businesses.</i>

(C4.3d) Why did you not have any emissions reduction initiatives active during the reporting year?

Not Applicable

(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) 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	Description of product/ Group of products	Are these low-carbon product(s) or do they enable avoided emissions?	Taxonomy, project, or methodology used to classify product(s) as low-carbon or to calculate avoided emissions	% revenue from low-carbon product(s) in the reporting year	Comment
Group of products	<i>Imperial Logistics runs a large fleet of trucks and fuel efficiency is a major consideration. Continuous research is being conducted to improve fuel consumption (diesel and petrol), both in more economical engines, as well as methods to reduce fuel consumption due to the consumption of energy from refrigeration installations (e.g. solar panels installed on trailers which can charge batteries. From the battery pack various elements within the truck can be operated). These directly impact on a client's Scope 3 emissions.</i>	<i>Avoided emissions</i>	<i>Other: Low-carbon transport services</i>	<i>0%</i>	

C5 Emissions Methodology

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

Scope	Base year start	Base year end	Base year emissions (metric tons CO ₂ e)	Comment
Scope 1	1 July 2016	30 June 2017	653 260	<i>We compare our emissions from this year against our emissions from last year. For this reason, emissions for the 2017 calendar year have been reflected as the base year emissions.</i>
Scope 2 (location-based)	1 July 2016	30 June 2017	103 247	<i>We compare our emissions from this year against our emissions from last year. For this reason, emissions for the 2017 calendar year have been reflected as the base year emissions.</i>
Scope 2 (market-based)	1 July 2016	30 June 2017	103 247	<i>We compare our emissions from this year against our emissions from last year. For this reason, emissions for the 2017 calendar year have been reflected as the base year emissions.</i>

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

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

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

Not applicable

C6 Emissions Data

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

Year	Gross global Scope 1 emissions (metric tons CO2e)	Comment
2016	742 883	
2017	653 260	
2018	639 042	

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

Scope 2, location-based	Scope 2, market-based	Comment
<i>We are reporting a Scope 2, location-based figure</i>	<i>We are reporting a Scope 2, market-based figure</i>	<i>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.</i>

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

Year	Scope 2, location-based	Scope 2, market-based (if applicable)	Comment
2016	104 944	104 944	
2017	103 247	103 247	
2018	88 016	88 016	

(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

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

Not applicable

Source	Relevance of Scope 1 emissions from this source	Relevance of location-based Scope 2 emissions from this source	Relevance of market-based Scope 2 emissions from this source (if applicable)	Explain why this source is excluded

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

Sources of Scope 3 emissions	Evaluation status	Metric tons CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	<i>Relevant, not yet calculated</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Although this is relevant to our businesses, we have not yet quantified the emissions associated with purchased goods and services. However, some of our businesses may have engaged with their supply chains to quantify emissions from purchased goods and services relevant to their operations. We will investigate consolidating this information at Group-level going forward.</i>
Capital goods	<i>Relevant, not yet calculated</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Although this is relevant to our businesses, we have not yet quantified the emissions associated with capital goods. However, some of our businesses may have engaged with their supply chains to quantify emissions from capital goods relevant to their operations. We will investigate consolidating this information at Group-level going forward.</i>
Fuel-and-energy-related activities (not included in Scope 1 or 2)	<i>Relevant, calculated</i>	2 225.36	<i>Electricity consumption (kWh) for South Africa was drawn from the sustainability management System. It 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 (0.95 kg CO₂e/kWh generated) and Eskom's sales (0.97 kg CO₂e/kWh sold).</i>	100%	<i>We understand this to refer to emissions associated with the extraction, production and transportation of fuels and energy purchased or acquired by us. We have disclosed emissions associated with transmission and distribution losses for electricity purchased in South Africa.</i>
Upstream transportation and distribution	<i>Relevant, not yet calculated</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Although this is relevant to our businesses, we have not yet quantified the emissions associated with upstream transportation and distribution. However, some of our businesses may have engaged with their supply chains to quantify emissions from upstream transportation and distribution relevant to their operations. We will investigate consolidating this information at Group-level going forward.</i>
Waste generated in operations	<i>Relevant, not yet calculated</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Although this is relevant to our businesses, we have not yet quantified the emissions associated with waste generated in our operations. However, some of our businesses may have quantified emissions associated with waste generated in their operations. We have started a process to collect this information and we intend on disclosing this going forward.</i>

Business travel	Relevant, calculated	2 994.93	<p>The emissions associated with business travel are calculated as follows –</p> <ul style="list-style-type: none"> 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. 	100%	This refers to emissions associated with flights and hiring of vehicles (car rental). It includes business travel from all of our regions.
Employee commuting	Relevant, calculated	633.69	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 CO ₂ e/km) for that fuel type.	100%	This refers to business mileage done by our employees in private vehicles.

			<i>Emission factors are sourced from the GHG Protocol Cross-Sector Tools.</i>		
Upstream leased assets	<i>Relevant, not yet calculated</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Although this is relevant to our businesses, we have not yet calculated this. However, some of our businesses may have quantified emissions associated with upstream leased assets relevant to their operations. We will investigate consolidating this information at Group-level going forward.</i>
Downstream transportation and distribution	<i>Relevant, not yet calculated</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>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.</i>
Processing of sold products	<i>Not relevant, explanation provided</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>We do not manufacture intermediate goods which are then sold into the market for further processing.</i>
Use of sold products	<i>Not relevant, explanation provided</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>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.</i>
End of life treatment of sold products	<i>Not relevant, explanation provided</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>One of our primary 'sold products' is the provision of transportation. End of life treatment is not applicable in this case.</i>
Downstream leased assets	<i>Relevant, not yet calculated</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Although this is relevant to our businesses, we have not yet evaluated this. However, some of our businesses may have quantified emissions associated with downstream leased assets relevant to their operations. We will investigate collecting this information to report at Group-level going forward.</i>
Franchises	<i>Not relevant, explanation provided</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>We do not have any franchises.</i>
Investments	<i>Relevant, not yet calculated</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Although this is relevant to our businesses, we have not yet calculated this. We have included only those investments over which we have operational control. We will investigate quantifying this going forward.</i>
Other (upstream)	<i>Not relevant, explanation provided</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>This is not relevant as upstream scope 3 emission sources are already covered in prior categories.</i>
Other (downstream)	<i>Not relevant,</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>This is not relevant as downstream scope 3 emission sources are already covered in prior categories.</i>

	<i>explanation provided</i>				
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(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

(C6.7a) Provide the emissions from biologically sequestered carbon relevant to your organization in metric tons CO2.

Not applicable

Emissions from biologically sequestered carbon (metric tons CO2)	Comment

(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	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator	Metric denominator: Unit total	Scope 2 figure used	% change from previous year	Direction of change	Reason for change
0.0000141	727 058	unit total revenue	51 398 681 490	Location-based	-5.26%	Decrease	In the 2018 reporting year, the emissions intensity decreased by 5.26% due to a reduction in Scope 1 and 2 emissions. Emissions decreased by 3.89% and revenue increased by 1.45%. The emissions decreased partly due to the implementation of energy efficiency and renewable energy projects. An example being the 112kW peak solar power plant installed in Goldfields Logistics' Germiston Depot.

C7 Emissions Breakdown

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

Yes

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

Greenhouse gas	Scope 1 emissions (metric tons in CO2e)	GWP Reference
CO2	586 343	IPCC 3 rd Assessment Report
CH4	914	IPCC 3 rd Assessment Report
N2O	50 250	IPCC 3 rd Assessment Report
HFCs	1 535	IPCC 3 rd Assessment Report

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

Country/Region	Scope 1 emissions (metric tons CO2e)

Africa	422 311
Europe	216 731

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

By business division

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

Business Division	Scope 1 emissions (metric tons CO2e)
Logistics Africa	38 496
Logistics South Africa	383 815
Logistics International	216 731

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

Not applicable

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude

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

Not applicable

Activity	Scope 1 emissions (metric tons CO2e)

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

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
Africa	72 021	72 021	76 478	0
Europe	15 995	15 995	34 790	0

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

By business division

(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	2 099	2 099
Logistics South Africa	69 923	69 923
Logistics International	15 995	15 995

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

Not applicable

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)

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

Not applicable

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)

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

Reason	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	-365	Decrease	-0.05%	<i>This relates to the 227kW peak solar power plant installed at Tanker Services' Germiston Depot. We have calculated the possible generation over a year. We aim to measure and report on all generation from solar power plants in the next reporting year. The emissions value has been calculated as follows: Emissions value = change in emissions / (2017 Scope 1 and 2 emissions) = -365 / ((653 260 + 103 247) = -0.05%</i>
Other emissions reduction activities	-6 997	Decrease	-0.92%	<i>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 / (2017 Scope 1 and 2 emissions) = -6 997/ (653 260 + 103 247) = -0.92%</i>
Divestment	0	No change	Not applicable	<i>Although we made some divestments, these are included under the rationalisation of our portfolio which is reported under 'other.'</i>
Acquisitions	0	No change	Not applicable	<i>Although we made some acquisitions, these are included under the rationalisation of our portfolio which is reported under 'other.'</i>
Mergers	0	No change	Not applicable	<i>We have not attributed any of our changes in emissions to mergers in the 2018 reporting year.</i>
Change in output	0	No change	Not applicable	<i>We have not attributed any of our changes in emissions to a change in output in the 2018 reporting year.</i>
Change in methodology	0	No change	Not applicable	<i>We have not changed our methodology in the 2018 reporting year.</i>
Change in boundary	0	No change	Not applicable	<i>We have not changed our boundaries in the 2018 reporting year.</i>
Change in physical operating conditions	0	No change	Not applicable	<i>We have not attributed any of our changes in emissions to changes in physical operating conditions.</i>

Unidentified	0	No change	Not applicable	We have not attributed any of our changes in emissions to 'unidentified' in the 2018 reporting year.
Other	-22 086	Decrease	-2.92%	This relates predominantly to the changes in emissions from the rationalisation of the portfolio and clarification of the strategy. For example, in January 2018, we sold Schirm, a contract manufacturing business and large electricity consumer. Given that the 2018 metrics include seven months of electricity purchased by Schirm, we expect further decreases in the year to come. The emissions value has been calculated as follows: Emissions value = change in emissions / (2017 Scope 1 and 2 emissions) = -22 086 / (653 260 + 103 247) = -2.92%

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

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

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

Activity	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	LHV	0	2 674 102.23	2 674 102.23
Consumption of purchased or acquired electricity	LHV	0	111 268.25	111 268.25
Consumption of purchased or acquired steam	Not applicable	Not applicable	Not applicable	Not applicable
Consumption of self-generated non-fuel renewable energy	Not applicable	Not applicable	Not applicable	Not applicable
Total energy consumption	LHV	0	2 785 370.48	2 785 370.48

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

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

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

Fuels	Heating value	Total MWh consumed by the organization	MWh consumed for self-generation of electricity	MWh consumed for self-generation of heat	MWh consumed for self-generation of steam	MWh consumed for self-generation of cooling	MWh consumed self-cogeneration or self-trigeneration
Petrol	LHV	20 287	0	20 287	0	0	0
Diesel	LHV	1 898 840	7 415.21	1 891 424	0	0	0
Biodiesel	LHV	6 017	0	6 017	0	0	0
LPG	LHV	15 472	0	15 472	0	0	0
HFO	LHV	713 839	0	713 839	0	0	0
Paraffin	LHV	7	0	7	0	0	0
Natural Gas	LHV	19 640	0	19 640	0	0	0

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

Fuel	Emission factor	Unit	Emission factor source	Comment
Petrol	2.27	kgCO ₂ e/litre	GHG Protocol Cross-Sector Tools	
Diesel	2.67	kgCO ₂ e/litre	GHG Protocol Cross-Sector Tools	An emission factor of 2.68 kg CO ₂ e/litre was used for diesel used by staff and stationary diesel consumption
Biodiesel	2.50	kgCO ₂ e/litre	GHG Protocol Cross-Sector Tools	
LPG	1.61	kgCO ₂ e/litre	GHG Protocol Cross-Sector Tools	A factor of 1.53 kg CO ₂ e/litre was used for a different application of LPG.
HFO	2.27	kgCO ₂ e/litre	GHG Protocol Cross-Sector Tools	A factor of 2.94 kg CO ₂ e/litre was used for a different application of HFO.
Paraffin	2.96	kgCO ₂ e/litre	GHG Protocol Cross-Sector Tools	
Natural Gas	0.19	kgCO ₂ e/kWh	GHG Protocol Cross-Sector Tools	

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

Energy Carrier	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	7 415	7 415	0	0
Heat	2 666 687	2 666 687	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

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

Basis for applying a low-carbon emission factor	Low-carbon technology type	Region of consumption of low-carbon electricity, heat, steam or cooling	MWh consumed associated with low-carbon electricity, heat, steam or cooling	Emission factor (in units of metric tons CO2e per MWh)	Comment
<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>

C9 Additional Metrics

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

Description	Metric value	Metric numerator	Metric denominator (intensity metric only)	% change from previous year	Direction of change	Please explain
<i>Other: Scope 1 and 2 Emissions per FTE for Logistics International</i>	0.0000259	232 727	8 983	-0.92	Decrease	<i>There was a decrease in emissions of 3.31% and a decrease in full time employees of only 2.41%. This resulted in an overall decrease in emissions intensity. Emissions decreased partly as a result of the implementation of energy and fuel efficiency initiatives and renewable energy.</i>
<i>Other: Scope 1 and 2 Emissions per FTE for Logistics Africa</i>	0.0000236	494 332	20 961	3.04	Increase	<i>Emissions decreased by 4.17% partly as a result of the implementation of energy and fuel efficiency initiatives and renewable energy, but full time employees decreased by 6.99%. This resulted in an increase in emissions intensity. It is important to note that our emissions are not necessarily linked to the number of people we employ, but rather distance travelled and load transported.</i>
<i>Other: Scope 1 and 2 Emissions per million kilometres for Logistics International</i>	0.0029446	232 727	79	3.88	Increase	<i>Although there was a decrease in emissions of 3.31%, there was an even greater decrease in kilometres travelled of 6.92%. This resulted an increase in emissions intensity. The decrease in emissions can be partly attributed to the implementation of energy and fuel efficiency initiatives and renewable energy.</i>
<i>Other: Scope 1 and 2 Emissions per million kilometres for Logistics Africa</i>	0.0012781	494 332	387	4.54	Increase	<i>Although there was a decrease in emissions of 4.17%, there was an even greater decrease in kilometres travelled of 8.33%. The decrease in emissions can be partly attributed to the implementation of energy and fuel efficiency initiatives and renewable energy.</i>

C10 Verification

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

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

Scope	Verification or assurance cycle in place	Status in the current reporting year	Type of verification or assurance	Attach the statement	Page/section reference	Relevant standard	Proportion of reported emissions verified (%)
Scope 1	Annual processes	Complete	Limited assurance	imperial_sd_2018_assurance_report_from_deloitte_and_touche	Page 133	ISAE3000	100%
Scope 2 location-based	Annual processes	Complete	Limited assurance	imperial_sd_2018_assurance_report_from_deloitte_and_touche	Page 133	ISAE3000	100%
Scope 2 market-based	Annual processes	Complete	Limited assurance	imperial_sd_2018_assurance_report_from_deloitte_and_touche	Page 133	ISAE3000	100%

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

Scope	Verification or assurance cycle in place	Status in the current reporting year	Attach the statement	Page/section reference	Relevant standard
Scope 3- all relevant categories	Annual process	Complete	imperial_sd_2018_assurance_report_from_deloitte_and_touche	ISAE3000	100%

(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) 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	<ul style="list-style-type: none"> Year on year change in emissions (Scope 3) 	ISAE 3000	The scope of the limited assurance obtained on

			<i>our GHG emissions data includes verification of the year on year change in Scope 3 emissions.</i>
<i>C7. Emissions breakdown</i>	<ul style="list-style-type: none"> <i>Year on year change in emissions (Scope 1)</i> <i>Year on year change in emissions (Scope 2)</i> <i>Year on year change in emissions (Scope 1 and 2)</i> 	<i>ISAE 3000</i>	<i>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.</i>

C11 Carbon Pricing

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

- France carbon tax*
- Poland carbon tax*
- Sweden carbon tax*

(C11.1b) Complete the following table for each of the emissions trading systems in which you participate.

System name	% of Scope 1 emissions covered by the ETS	Period start date	Period end date

Allowances allocated	Allowances purchased	Verified emissions in metric tons CO2e	Details of ownership	Comment

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

Pricing system	Period start date	Period end date	% of emissions covered by tax	Total cost of tax paid	Comment
<i>France</i>	<i>01 July 2017</i>	<i>30 June 2018</i>	<i>0.00%</i>	<i>R16 000</i>	<i>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.</i>
<i>Poland</i>	<i>01 July 2017</i>	<i>30 June 2018</i>	<i>2.88%</i>	<i>R322 000</i>	<i>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.</i>
<i>Sweden</i>	<i>01 July 2017</i>	<i>30 June 2018</i>	<i>0.04%</i>	<i>R582 000</i>	<i>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.</i>

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

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. To reduce the impact of these carbon taxes, we are continually looking for ways to reduce our fossil fuel consumption and GHG emissions. In Europe, for example, we have energy management systems in place within our operations and our vehicles comply with European emissions standards. Our staff car policy regulates the engine power and emissions criteria of all our staff vehicles, and our company car fleet includes a plug-in hybrid. Our fleet of eco-trailers is used to transport the heavy engine components of a large German automobile manufacturer. The reduced weight of these trailers enables us to transport up to three tonnes more cargo without exceeding maximum permissible total weight. If used optimally, operating costs are reduced due to fewer haulages and fuel savings on return journeys when the vehicle load capacity is lower. Our shipping fleet consists of a combination of push boats and motor vessel barges to enhance efficiency and conserve fuel. The Imperial Logistics Freight Management System provides further fuel efficiency through dynamic route planning in real time. Our clients often benefit from improved fuel efficiency, shorter delivery times and quick access to information. Our energy efficiency projects include LED lighting systems in our warehouses, lighting control systems, renewable energy sources and energy-saving enhancements to our IT infrastructure. Our move away from traditional personal computer (PC) workstations to slim-line terminal points, which access a central server, has saved up to 75% in energy and we have adapted the software application to save energy overnight. In addition, we have switched our data centre to up-to-date, energy efficient storage technology and equipment which has resulted in less power consumption, faster access to information, greater storage capacity and hardly any mechanical faults. All of these initiatives have allowed us to reduce our fossil fuel consumption and our associated carbon tax liability.

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

No

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Not applicable

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

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

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

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

Not applicable

Objective for implementing an internal carbon price	GHG Scope	Application	Actual price(s) used (Currency /metric ton)	Variance of price(s) used	Type of internal carbon price	Impact & implication

C12 Engagement

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

Type of engagement	Details of engagement	% of suppliers by number	% total procurement spend (direct and indirect)	% Scope 3 emissions as reported in C6.5	Rationale for the coverage of your engagement	Impact of engagement, including measures of success	Comment
Compliance & onboarding	Included climate change in supplier selection / management mechanism	100%	100%	0	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.	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 businesses, 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.	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.
Innovation & collaboration (changing markets)	Run a campaign to encourage innovation to reduce climate impacts on products and services	25%	90%	0	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 25% of our total number of suppliers.	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	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.

						<p>suppliers to collaborate on improving product ranges, so that we are able to optimise our fuel consumption in our vehicles.</p> <p>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.</p>	
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(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement	Details of engagement	% of customers by number	% Scope 3 emissions as reported in C6.5	Please explain the rationale for selecting this group of customers and scope of engagement	Impact of engagement, including measures of success
Collaboration & innovation	Run a campaign to encourage innovation to reduce climate change impacts	100%	0	<p>Our businesses attempt to engage with their clients as they understand that the sustainability of their businesses is dependent on continued demand from clients. For this reason, we have selected 100% as the size of the engagement. We engage with clients in meetings, telephonically and over email.</p> <p>We collaborate with our clients to develop solutions to help them reduce their carbon footprint. For example, 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.</p>	<p>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.</p> <p>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.</p> <p>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.</p>

(C12.1c) 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.

Legal compliance is of utmost importance to the Group. Given the diverse nature of our businesses 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 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 2018 financial year, employee engagement surveys were undertaken in South Africa and Europe. Formal and informal surveys were also undertaken during the year in the African Regions. In addition, to ensure an engaged and informed workforce, we launched a multi-lingual campaign to enhance employee understanding of the broader Imperial Logistics business strategy into which climate-related issues are integrated.

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 businesses determine their contribution based on their capacity to support projects and on the specific needs of their local communities. What about the principals of our new CSI strategy to identify ESG, education and healthcare as primary group objectives?

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

Not applicable

(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) 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	<p><i>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.</i></p> <p><i>Our engagement was done primarily through the submission of letters to National Treasury on the carbon tax in response to a call for comments.</i></p>	<p><i>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:</i></p> <ul style="list-style-type: none"> <i>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.</i> <i>The implications for the transport sector and its consequent implications for inflation and economic development must be</i>

			<p>carefully considered. We proposed that National Treasury did a full assessment on the impact of the carbon tax on the economy and jobs.</p> <ul style="list-style-type: none"> 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.
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(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

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

Trade association	Is your position on climate change consistent with theirs?	Please explain the trade association's position	How have you influenced, or are you attempting to influence their position?
Road Freight Association (RFA)	Mixed	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.	<p>The CEO of Imperial Logistics South Africa is a member of the board of the RFA.</p> <p>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.</p>

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?

Not applicable

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

Not applicable

(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 Sustainability and CSI Executive. The Group Sustainability and CSI Executive engages regularly with the regions, industry associations, government representatives and other stakeholders. It is through this engagement that the Group Sustainability and CSI Executive is able to identify any inconsistencies in our activities and our strategy.

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 Risk Committee and the Board. This includes any inconsistencies identified in terms of our activities and their alignment to our strategy. The Group 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.

(C12.3g) Why do you not engage with policy makers on climate-related issues?

Not applicable

(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	Status	Attach the document	Page/Section reference	Content elements	Comment
<i>In mainstream reports</i>	<i>Complete</i>	<u><i>IMPERIAL HOLDINGS LIMITED INTEGRATED ANNUAL REPORT 2018</i></u>	<i>52, 65, 77 and 79</i>	<ul style="list-style-type: none"><i>• Governance</i><i>• Strategy</i><i>• Risks & Opportunities</i><i>• Emissions figures</i><i>• Emission targets</i>	

C14 Sign Off

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

Job Title	Corresponding Job Category
<i>CEO</i>	<i>CEO</i>