

## **CLIMATE CHANGE AT STEINHOFF INTERNATIONAL HOLDINGS**

The Steinhoff Corporate Responsibility Committee considers climate change issues within the group and reports on significant matters to the board. Our strategy is to minimise, where viable and practical, the impact of our operations on the environment.

Ultimate responsibility regarding climate change issue flowing from the group's operations resides with the board.

### **Carbon Footprint 2010**

The group participates in the annual Carbon Disclosure Project (CDP) and as such subscribes to the GHG Protocol for emission calculations. The group acknowledges the undertakings of the local governments of the countries in which it operates e.g. the Kyoto Protocol and is working towards international protocols and frameworks.

#### **Objectives of the assessment:**

- To establish a baseline against which future performance relating to climate change mitigation can be benchmarked and tracked;
- To understand how operational efficiencies can be increased and operating costs be reduced;
- To use the reported results as the basis for future decision-making concerning the measurement, management and reduction of emissions in divisional and operational areas;
- To increase awareness of climate change issues amongst employees;
- To provide better quality data for the group's reporting requirements and future CDP responses.

#### **Findings:**

- Steinhoff's activities across the divisions that were included in this assessment for Scope 1 and 2 emissions accounted for a total of 823 880.71 tonnes of carbon dioxide equivalent (CO<sub>2</sub>e).
- 405 228.52 tonnes CO<sub>2</sub>e (49.19%) were from Scope 1 emissions sources.
- 418 605.13 tonnes CO<sub>2</sub>e (50.81%) were from Scope 2 emissions sources.
- "Other" direct *non-Kyoto* emissions, contributed 47.06 tonnes CO<sub>2</sub>e (0.006%).
- Electricity usage was the highest single emission source, accounting for marginally under half of the emissions (49.98%), with company-owned vehicles accounting for 43.66% of emissions, based on the logistics operations' data.
- The third highest contributor was stationary fuels, although this only accounted for 4.08% of total emissions.

The assessment was conducted for the financial period July 2009 to June 2010. This summary report provides consolidated group information

**Scope 1 and 2 emissions by type:**

Scope	Source	Tonnes CO2e	%
Scope 1	Company Owned/Controlled vehicles	359 741.67	43.66%
	Mobile Machinery	7 868.74	0.96%
	Stationary Fuels	33 603.44	4.08%
	Fugitive Emissions	4 014.66	0.49%
<b>Subtotal scope 1</b>		<b>405 228.52</b>	<b>49.19%</b>
Other	Fugitive Emissions (non-Kyoto gases)	47.06	0.01%
Scope 2	Electricity	411 794.07	49.98%
	Heating	6 811.07	0.83%
<b>Total scope 1 and 2 and other</b>		<b>823 880.71</b>	<b>100%</b>

**Note:** the emission figures quoted are based on the GHG Protocol and are consolidated according to the equity share approach. Due to the fact that not all systems are yet in place, some extrapolations have been made, resulting in an 85% confidence level of accuracy. As the group refines the process of reporting, the data will be more accurate as would the emissions reported.