



## **Altron's position on climate change**

Altron's position on climate change is in line with its mission statement and core value commitments published in the Sustainability Report 2007. In order to integrate its climate change response into its business strategy, Altron declares its position as follows:

### **ACKNOWLEDGING CLIMATE CHANGE**

Altron believes that climate change is significant both globally and locally and fully supports the intentions of international agreements such as the United Nations Framework Convention on Climate Change. Altron furthermore understands that to be effective, such agreements need to be developed in partnership with industry. Altron supports the principles and mechanisms of the Kyoto Protocol and will work towards doing its part in achieving the goals set out by the Kyoto Protocol, within a defined timeline.

### **CAUSES OF CLIMATE CHANGE**

Altron acknowledges that human activities related to the production and consumption of fossil fuels, primarily for the purpose of producing energy, result in the emission of GHGs, and are the leading causes of climate change.

### **OVERSIGHT BY THE BOARD OF DIRECTORS**

Altron's response to the issue of climate change will be reviewed at board level and an appropriate board member will be assigned responsibility to ensure the continuation of this initiative.

### **IMPROVEMENT TARGETS**

Altron seeks to reduce its emissions by assessing options to integrate energy efficiency and renewable energy considerations across its business. Altron will set targets to increase its energy efficiency and decrease its greenhouse gas emissions. Targets will be set out by the board of directors over the next financial year.

### **TRANSPARENCY**

Altron is committed to the transparent reporting of environmental data and will identify, evaluate and track the consumption of energy and the production of GHGs using internationally recognised protocols, where economically feasible. Altron will provide this information to stakeholders in a timely manner through its annual reporting process.

## **RELIANCE ON FOSSIL FUELS**

Altron acknowledges that the majority of its energy is derived from electricity, which is generated from fossil fuels, and in particular, coal. As a result of rising energy costs, environmental considerations and security of energy supplies, Altron will seek to reduce reliance on fossil fuels, whenever technically and economically feasible.

## **EMISSIONS TRADING**

Altron supports market-based mechanisms, such as emissions trading and the Clean Development Mechanism (CDM), provided that they are structured to be efficient, cost effective, flexible and responsive to business needs. Altron will seek to reduce its emissions where possible and to use these mechanisms to help finance emission reduction programmes when technically and economically feasible. If Altron seeks to purchase emissions reductions, this will only be carried out when it can be demonstrated that GHG emissions are unavoidable. Altron will only consider projects that have demonstrated emission reductions that are real and additional and make use of the most up-to-date internationally accepted standards<sup>1</sup>. Furthermore, investment in emission reduction or avoidance projects will be assessed for real sustainable development benefits that have been verified by registered and authorised independent third parties.

## **BUSINESS CONTINUITY**

The Altron group of companies will include climate change risks and energy infrastructure considerations as part of its business continuity planning process. This will ensure business continuity due to unforeseen external events caused by climate change related impacts.

## **SUPPLIERS**

Altron acknowledges that energy consumption throughout its supply chain has implications for climate change and product costs. Altron will therefore encourage suppliers, contractors and associated stakeholders to improve their energy efficiency, to reduce their GHG emissions and to report progress of these initiatives.

## **PRODUCT IMPACT**

Altron acknowledges that most of its products and manufacturing processes contain GHGs that are released when its products are produced or used. Altron will continually explore ways to provide customers with products that are produced and transported with lower total GHG emissions per product.

## **RENEWABLE ENERGY**

Altron acknowledges the need to explore new opportunities for energy efficiency and energy generation methods. Options such as solar, wind, waste-energy and co-generation represent opportunities to ensure energy security and to lower Altron's reliance on fossil fuels.

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<sup>1</sup> Associated standards include ISO14064, ISO14065 and WRI GHG Protocol – Corporate Accounting and Reporting Standard.

## **WATER IMPACTS**

Altron acknowledges that Southern Africa is a water scarce country and climate change models predict that this is set to worsen. Given this, Altron will explore new methods of conservation, storage, rehabilitation and recycling of water within its operations where it is economically feasible.

## **DISEASE DISTRIBUTION**

Altron believes that regional and global changes in climate may affect disease distribution and prevalence and therefore recognises the benefits of partnerships to support society to adapt to these potential changes.

## **RE VENTER**

Altron Chief Executive