

Climate Change 2016 - OMNIA HOLDINGS LTD

Module: Introduction

Page: Introduction

CC0.1

Introduction

Please give a general description and introduction to your organization.

Omnia Holdings is a diversified provider of specialised chemical products and services used in the mining, agriculture and chemicals sectors. Omnia is characterised by a strong and distinctive culture. Combining the values of a family business with the virtues and strengths of a professionally managed public company and additionally operating according to a robust spirit of enterprise underpinned by a reputation for the highest levels of integrity. It was founded in 1953 as a small distributor of agricultural lime in South Africa and has since been listed as a Top 100 Company on the Johannesburg Stock Exchange and now operates across Africa, Australasia and Brazil .Omnia provides customised, knowledge-based solutions through our Agriculture, Mining, and Chemicals divisions. Our divisions include Omnia Fertilizer, BME, Protea Mining Chemicals and Protea Chemicals, a ll niche businesses that operate with a common objective – to enhance our customers’ businesses through research, development and knowledge sharing that will equip the customer to increase yields and by extension, profit margins.

CC0.2

Reporting Year

Please state the start and end date of the year for which you are reporting data.

The current reporting year is the latest/most recent 12-month period for which data is reported. Enter the dates of this year first.

We request data for more than one reporting period for some emission accounting questions. Please provide data for the three years prior to the current reporting year if you have not provided this information before, or if this is the first time you have answered a CDP information request. (This does not apply if you have been offered and selected the option of answering the shorter questionnaire). If you are going to provide additional years of data, please give the dates of those reporting periods here. Work backwards from the most recent reporting year.

Please enter dates in following format: day(DD)/month(MM)/year(YYYY) (i.e. 31/01/2001).

Enter Periods that will be disclosed

Wed 01 Apr 2015 - Thu 31 Mar 2016

CC0.3

Country list configuration

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

Select country

South Africa

Rest of world

CC0.4**Currency selection**

Please select the currency in which you would like to submit your response. All financial information contained in the response should be in this currency.

ZAR (R)

CC0.6**Modules**

As part of the request for information on behalf of investors, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sub-industries, companies in the oil and gas sub-industries, companies in the information technology and telecommunications sectors and companies in the food, beverage and tobacco industry group should complete supplementary questions in addition to the main questionnaire.

If you are in these sector groupings (according to the Global Industry Classification Standard (GICS)), the corresponding sector modules will not appear below but will automatically appear in the navigation bar when you save this page. If you want to query your classification, please email respond@cdp.net.

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see <https://www.cdp.net/en-US/Programmes/Pages/More-questionnaires.aspx>.

Further Information**Module: Management****Page: CC1. Governance****CC1.1****Where is the highest level of direct responsibility for climate change within your organization?**

Board or individual/sub-set of the Board or other committee appointed by the Board

CC1.1a**Please identify the position of the individual or name of the committee with this responsibility**

The Social, Ethics and Risk Committee, a committee of the Board, has the highest level of direct responsibility for climate change at Omnia. Omnia's Board is ultimately responsible for the key governance processes and sustainable growth, performance and affairs of the Group. The Board delegates to the Social, Ethics and Risk committee its responsibility for monitoring and managing the Group's social and economic development, good corporate citizenship (including the promotion of equality and environmental,

health and public safety), good labour conditions and good business ethics. The committee's responsibilities include:

- Monitoring the Group's activities and policies to ensure compliance with the provisions of section 72(4) to (10), as read with Regulation 43 of the Companies Act, and to ensure that employees comply with these policies
- Drawing matters within its mandate to the attention of the Board as occasion requires
- Reporting to the shareholders at the company's annual general meetings on matters within its mandate, including climate change
- Reviewing the regular reports provided by the risk management committee
- Reviewing and debating the risk register of strategic and major risks in these reports
- Reviewing any major incidents
- Debating specific risk areas of concern, including climate change
- Applying a risk-based approach to the analysis of strategic risk issues within the Group and its wider environment
- Identifying risk-retention capacity and values at risk
- Recommending risk tolerance levels
- Ensuring that the Group risk management process is being adequately controlled and continuously assessed
- Undertaking an annual internal combined assurance review
- Reviewing the material findings of any examinations by regulatory agencies on risk-related issues
- Reviewing the process for communicating King III to Group employees and for monitoring their risk-related compliance
- Obtaining bi-annual updates from management and Group legal counsel regarding compliance and other legal matters
- Reporting to the Board on how it has discharged the duties and activities assigned to it by the charter and Board
- Reviewing any other reports the Group issues that relate to risk, including climate change risks
- Assuring the audit committee that it has monitored the risk management processes within the Group and that it is satisfied that current processes are appropriate and effective
- Reviewing the Group's combined assurance process and reporting to the audit committee and Board that it is satisfied that this process is adequately implemented throughout the Group and effectively monitors key identified areas of risk

This committee comprises members of the Board and executive management, and is chaired by an independent non-executive director. It is the Board's view that management has the requisite experience and knowledge to identify and appropriately manage the business risks of the Group.

In addition to the committee, Omnia has a General Manager (Group SHERQ), Kavita Pema, who has operational responsibility related to climate change. Kavita reports directly to the CEO on climate change-related matters who reports directly to the Board.

CC1.2

Do you provide incentives for the management of climate change issues, including the attainment of targets?

Yes

CC1.2a

Please provide further details on the incentives provided for the management of climate change issues

Who is entitled to benefit from these incentives?	The type of incentives	Incentivized performance indicator	Comment
Other: Plant and Production Personnel	Recognition (non-monetary)	Efficiency project Efficiency target	Plant and Production personnel are recognised for identifying and implementing resource efficiency projects but this has not yet been formalised into a monetary incentive.

Further Information

Page: CC2. Strategy

CC2.1

Please select the option that best describes your risk management procedures with regard to climate change risks and opportunities

Integrated into multi-disciplinary company wide risk management processes

CC2.1a

Please provide further details on your risk management procedures with regard to climate change risks and opportunities

Frequency of monitoring	To whom are results reported?	Geographical areas considered	How far into the future are risks considered?	Comment
Six-monthly or more frequently	Board or individual/sub-set of the Board or committee appointed by the Board	South Africa	> 6 years	Risks are formally identified through quarterly risk management workshops at group level as well as on an ad hoc basis. More details are included below.

CC2.1b

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

Company level

The Social, Ethics and Risk (SER) committee of the board is responsible for ensuring compliance to risk management processes. A separate senior management risk committee further manages risk and reports to the SER committee. This committee is supported by executive management, including divisional managing directors and technical directors. Material risks are reported to the board.

The senior risk management committee holds three annual risk management meetings, the second being a workshop to assess the company's risk register. Risks like the carbon tax are discussed during these meetings. The bulk of our carbon footprint is a result

of our operations in South Africa thus the carbon risk is largely specific to South Africa.

Omnia has an internal legal compliance function to ensure that the company is complying with the necessary legislative, regulatory and policy requirements.

Division level

This approach towards risk is present throughout our business – our plants and divisions maintain regular risk registers, which are monitored and reviewed monthly. Because ours is an integrated business, we consider the interdependence of risks in the different divisions to understand the impact a change in a risk for one division could have on the Group as a whole. This divisional information feeds into our process for developing our Group risk register, which ranks our top 50 risks, and the corresponding mitigation measures for them. At site, all environmental risks (including climate change) are monitored using Impact and Aspect Assessments. At the operational level, senior management identifies major risks, introduces an applicable control environment and procedures, and applies risk monitoring.

As part of the process of annual monitoring, Omnia has adopted a centralised reporting approach. Our three divisions collect relevant environmental data, including information related to our carbon footprint, and report these to the Group office.

CC2.1c

How do you prioritize the risks and opportunities identified?

Risk management is integral to the way we conduct business at Omnia. Following our growth in the last few years we have become increasingly aware of the importance of identifying, evaluating, monitoring, prioritising and mitigating our risks to ensure that we can sustain this growth, and our business.

This approach towards risk is present throughout our business – our plants and divisions maintain regular risk registers, which are monitored and reviewed monthly. Because Omnia is an integrated business, we consider the interdependence of risks in the different divisions to understand the impact a change in a risk for one division could have on the Group as a whole. In addition, as a company, we monitor our top safety, health and environment risks. This divisional information feeds into our process for developing our Group risk register, which ranks our top 50 risks and their corresponding mitigation measures.

Risks and opportunities are prioritised using Omnia's risk matrix, a 7 x 10 matrix that prioritises risks based on likelihood and impact.

CC2.2

Is climate change integrated into your business strategy?

Yes

CC2.2a

Please describe the process of how climate change is integrated into your business strategy and any outcomes of this process

a) The process by which the strategy is influenced

Omnia has developed a high-level action plan and roadmap to drive a process of resource efficiency (including carbon) and associated cost savings. Specifically the action plan defined draft energy and GHG targets; the most appropriate structure for reporting and governance; and a draft reporting framework for the assessment of savings. Detailed resource efficiency audits were conducted at three of our main sites to identify energy and emission reduction opportunities. Significant energy and emission savings were identified and a Group climate change policy was developed as part of this process. The results of the process were presented to the CEO and Senior Management (MDs of the divisions). This has influenced our strategy by placing more emphasis on energy and carbon reduction throughout the business. The energy and emissions-reduction targets are now in place for the next five years. These will be core to our business strategy, and will be reviewed and revised every five years.

An internal process is in place to collect and report environmental data. At present, our divisions report their environmental data on a monthly basis using our OSIS online system in line with the SHE Reporting Guideline.

In addition, a resource efficiency guideline has been developed to assist our sites to identify and implement further energy and emissions reduction initiatives. A key driver behind this process has been the pending carbon tax and changing regulatory environment.

b) Aspects of climate change that have influenced the strategy

Omnia recognises the risk posed by climate change and has taken significant action to reduce our GHG emissions. The specific climate change aspects influencing Omnia's strategy include:

- Increasing legislative developments that will result in a future price on carbon driving the need for a reduction in emissions; and
- Increased legislative developments mandating accurate reporting of GHG emissions.

As a result of these aspects, during the reporting period, Omnia embarked on the journey to formalise its climate change policy and commence with implementation, with specific attention on the following aspects:

- Continued efforts to voluntarily reduce GHG emissions
- Formulate realistic reduction targets based on actual interventions identified and implemented
- Formulate suitable partnerships to achieve reduction targets
- Cooperate with policymakers to ensure an effective and supportive regulatory regime
- Continually engage with stakeholders to manage risks and identify opportunities.

c) Short term strategy changes

In addition to efforts to determine a true and fair representation of the company's GHG emissions, Omnia embarked on a resource efficiency management process to identify key intervention areas during the reporting period at three of our main sites. This

process identified areas where significant energy and carbon reductions could be achieved. Opportunities were identified and defined in terms of input cost, payback periods, savings (financial, resource quantity and carbon emissions), and priority level for three sites. This project formed part of the Private Sector Energy Efficiency (PSEE) Programme, funded in part by the NBI and in part by Omnia. Energy savings amounting to more than 360 million kWh were identified.

Linked to this process, Omnia devised a Resource Efficiency Plan (focused on energy, water and waste) which sets out objectives, goals, targets, and roles and responsibilities. The implementation of this Plan is underway and will see significant changes in the way the business is run and in turn affect the short-term strategy. Progress against this plan is being monitored, and the savings opportunities are being implemented and further investigated. Furthermore, based on the PSEE assessment a Resource Efficiency guideline has been compiled to ensure that the lessons learnt during the assessment are rolled at all the sites in the Group.

d) Long term strategy changes

Omnia has made significant investments into reducing our carbon footprint with a long-term view. These include: Nitrous oxide (N₂O) destruction facility within the agricultural division, outsourcing transportation to reduce Scope 1 emissions within the mining division, and the development of Clean Development Mechanism (CDM) projects (Omnia Fertilizer N₂O Reduction project and the Omnia N₂O Abatement Project) to subsequently receive Certified Emission Reductions (CERs) (4.1 million CER credits have been generated in the last five years, making the Group the leading performer in South Africa). It is important to note that with the implementation of the two CDM projects, Omnia has reduced its N₂O emissions by 99%. Omnia has continued with these CDM projects despite the fact that the price and market for CERs has reduced significantly making the business case for the projects very unattractive. However, Omnia recognises that the projects reduce its Scope 1 emissions and hence the potential carbon tax liability the company may face.

e) Strategic advantage

By continuing with our CDM projects we have significantly reduced our carbon tax liability. Based on our emissions in the reporting period, our current carbon tax liability (based on our Scope 1 emissions) is estimated at approximately R1million. However, if we had not continued with our CDM projects this year, our liability would have been as high as R31 million.

f) Substantial business decisions

One substantial business decision that was influenced by climate change was the decision to go ahead with our EnviNO_x project at our Nitric Acid plants in the absence of regulation mandating us to do so. This is the first project of its kind at Nitric Acid plants in South Africa and on the African Continent. This project uses world-class technology to reduce emissions from our plants. The EnviNO_x project has been registered as a CDM project and has, to date, generated 4.1 million carbon credits. This investment and resultant successful project has made the Group the undisputed African leader in reducing greenhouse gases. During the reporting period, this project reduced our carbon emissions by approximately 470 000 tonnes of CO₂e. Within the South African industrial context, Omnia is regarded as having set the benchmark for N₂O abatement.

CC2.2c**Does your company use an internal price of carbon?**

No, and we currently don't anticipate doing so in the next 2 years

CC2.3**Do you engage in activities that could either directly or indirectly influence public policy on climate change through any of the following? (tick all that apply)**

Direct engagement with policy makers

Trade associations

CC2.3a**On what issues have you been engaging directly with policy makers?**

Focus of legislation	Corporate Position	Details of engagement	Proposed legislative solution
Carbon tax	Support with major exceptions	Omnia works continually in close cooperation with CAIA and Business Unity South Africa (BUSIA), on initiatives to assist in the formulation of numerous new laws and regulations, including the pending carbon tax. Omnia engages directly through focus groups, stakeholder workshops and networking sessions, and indirectly through CAIA. For example, Omnia engaged directly on the South African carbon tax through the Davis Tax Commission and the National Treasury. The nature of the engagement is tailored to the specific needs of the policy debate at a specific time. Omnia provides comment directly on draft policy and regulations, for example.	Omnia is committed to transitioning to a lower carbon, more climate resilient economy and has made efforts within our own business to reduce our contribution to global climate change. Omnia believes that the success of regulatory instruments is based on effective coordination between Government Departments and the assurance that the initiatives create a balanced business environment for both local and international organisations. Omnia will continue to lobby for a regulatory regime that is aimed at curbing greenhouse gas emissions within a constructive business environment. A critical factor that needs to be considered is whether the carbon tax and carbon budget can co-exist within the same regime. The current tax or budget design also does not make provision for recognition of early implementation of mitigation measures which were undertaken in the absence of any statutory requirements.

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

Yes

CC2.3c

Please 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, or are you attempting to, influence the position?
Chemical and Allied Industries' Association (CAIA)	Consistent	CAIA is opposed to the imposition of a carbon tax in South Africa. They are of the view that 'significant mitigation has already been achieved at significant investment without economic and/or regulatory instruments being applied' and that taxing the industry is not necessary and needs to be more carefully considered.	Omnia plays an active role in developing and implementing the global chemical industry's Responsible Care® initiatives. We participate in working groups of the European Chemical Industries' Council (CEFIC), and CAIA. Omnia is of the view that there are still many aspects that require clarification before the full impact can be understood (see response to 'proposed legislative solution' above). Omnia puts forward their view through engagement with CAIA.

CC2.3f

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

Omnia's strategy is set at a Group level. As a result, all individual climate change initiatives are channelled through Group to ensure that there is consistency. Everything that Omnia sends to CAIA first goes through the Group CEO so that he has oversight. Our General Manager (Group SHERQ) coordinates and manages our climate change strategy, and everything is also channelled through our risk management committee, comprising Managing Directors of our three divisions.

Further Information**Page: CC3. Targets and Initiatives****CC3.1**

Did you have an emissions reduction or renewable energy consumption or production target that was active (ongoing or reached completion) in the reporting year?

Absolute target

CC3.1a

Please provide details of your absolute target

ID	Scope	% of emissions in scope	% reduction from base year	Base year	Base year emissions covered by target (metric tonnes CO2e)	Target year	Is this a science-based target?	Comment
Abs1	Scope 1+2 (location-based)	100%	15%	2014	100511	2019	No, but we anticipate setting one in the next 2 years	

CC3.1e

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

ID	% complete (time)	% complete (emissions or renewable energy)	Comment
Abs1	40%	0%	Our carbon footprint has reduced slightly (by 3.0%) compared to the previous period and the Group anticipates making more progress towards the achievement of the target.

CC3.2

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

Yes

CC3.2a

Please 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 you reporting low carbon product/s or 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	% R&D in low carbon product/s in the reporting year	Comment
Company-wide	Our 'precision farming' service offering, where Omnia agronomists work with farmers to maximise yield under water-scarce conditions	Avoided emissions	Other: GHG Protocol and IPCC used to calculate avoided emissions	0%		

Level of aggregation	Description of product/Group of products	Are you reporting low carbon product/s or 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	% R&D in low carbon product/s in the reporting year	Comment
	<p>and by reducing the amount of fertilizer applied per hectare, reduces the Scope 3 carbon footprint of our clients through the efficient application of fertilizer. Precision farming is a resource management concept and a service provided by Omnia to farmers. The resource management would include soil, water and nutrients. Omnia helps a farmer to determine a certain soil's yield potential or potential nutrient deficiencies, where agronomists would then recommend a certain amount of a certain fertilizer/ lime to correct any deficiencies in the soil and also to fertilize the crop to achieve a certain yield. This concept assures that growers don't over fertilize (over fertilization can lead to leaching of nutrients into under-ground water or above-ground water resources which has a negative impact on the farmers financial resources as well as environmental resources) or under fertilize for a certain target yield</p>					

CC3.3

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

Yes

CC3.3a

Please identify the total number of projects at each stage of development, and for those in the implementation stages, the estimated CO2e savings

Stage of development	Number of projects	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	8	
To be implemented*	8	10
Implementation commenced*		
Implemented*	10	458
Not to be implemented	3	

CC3.3b

For those initiatives implemented in the reporting year, please provide details in the table below

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/ Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Energy efficiency: Building services	Energy saving initiatives in lighting at BME Losberg. Storage Facilities such as explosives magazines were installed with	20	Scope 2 (location-based)	Voluntary	21500	15000	<1 year	Ongoing	

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	limit switches, the lights are automatically switched on when the doors are opened and switched off automatically when the doors are closed. Office buildings have installed movement sensors to control the lights								
Energy efficiency: Building services	Removal of redundant peripheral fence lighting at BME Losberg	38	Scope 2 (location-based)	Voluntary	38000	5000	<1 year	6-10 years	
Energy efficiency: Processes	Replacement of chiller with a more energy efficient chiller at BME Losberg.	82	Scope 1	Voluntary	83000	150000	1-3 years	6-10 years	

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
Energy efficiency: Processes	Boiler Optimisation at BME Losberg.	10	Scope 1	Voluntary	35000	0	<1 year	Ongoing	
Energy efficiency: Processes	BME Losberg, reduced compressed air leaks at the site. Before this, compressed air was being lost at the site due to leakage within the distribution system and at the point of use. The site fixed this and is now conducting regular compressed air leak audits and system repairs as necessary.	10	Scope 1	Voluntary	9000	6000	<1 year	Ongoing	
Energy efficiency: Processes	Protea Chemicals Mobeni, reduced compressed air leaks at the site.	56	Scope 1	Voluntary	26000	5000	<1 year	Ongoing	.

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	Before this, compressed air was being lost at the site due to leakage within the distribution system and at the point of use. The site fixed this and is now conducting regular compressed air leak audits and system repairs as necessary.								
Energy efficiency: Processes	Review of Boiler combustion efficiency and optimization at Protea Chemicals Mobeni.	115	Scope 1	Voluntary	75000	30000	<1 year	Ongoing	
Low carbon energy installation	Replaced air agitation at the wax and oil plant with mechanical mixing (VSD	49	Scope 2 (location-based)	Voluntary	23265	120000	4-10 years	6-10 years	

Activity type	Description of activity	Estimated annual CO2e savings (metric tonnes CO2e)	Scope	Voluntary/Mandatory	Annual monetary savings (unit currency - as specified in CC0.4)	Investment required (unit currency - as specified in CC0.4)	Payback period	Estimated lifetime of the initiative	Comment
	motors) at Protea Chemicals Mobeni.								
Energy efficiency: Building fabric	Omnia Fertilizer, Sasolburg completed various LED technology testing that is suitable for our industry, the site have started with various small pilot installations.	15	Scope 2 (location-based)	Voluntary	9106	2600	1-3 years	Ongoing	
Low carbon energy installation	Installation of solar panels at Omnia Fertilizer, Sasolburg.	63	Scope 2 (location-based)	Voluntary	61652	381000	4-10 years	3-5 years	

CC3.3c

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

Method	Comment
Compliance with regulatory requirements/standards	
Lower return on investment (ROI) specification	
Financial optimization calculations	

Method	Comment
Employee engagement	

Further Information

Page: CC4. Communication

CC4.1

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

Publication	Status	Page/Section reference	Attach the document	Comment
In mainstream reports (including an integrated report) but have not used the CDSB Framework	Underway - previous year attached	26, 57, 157 and 158	OMNIA-IR2015.pdf	

Further Information

Module: Risks and Opportunities

Page: CC5. Climate Change Risks

CC5.1

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

- Risks driven by changes in regulation
- Risks driven by changes in physical climate parameters
- Risks driven by changes in other climate-related developments

CC5.1a

Please describe your inherent risks that are driven by changes in regulation

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Carbon taxes	National Treasury first introduced the possibility of a carbon tax in a discussion document in 2010. Following subsequent policy drafts the National Treasury released the draft carbon tax bill on 2nd November 2015 for public comment. The design still includes a tax rate initially levied at R120 per tonne of CO2e, to	Increased operational cost	Up to 1 year	Direct	Very likely	Low-medium	Based on the current design, the potential direct impact is estimated to be between R230,000 - R1.8 million based on our Scope 1 emissions.	Omnia previously undertook a project to investigate and identify energy-resource efficiency opportunities (specifically related to energy, water and waste) at three of our largest sites. The project identified significant areas of energy savings (both related to fuel and electricity), which if implemented will greatly reduce our carbon tax liability. This project has	The project to identify energy-reduction initiatives and establish targets cost R690 000, of which Omnia paid 40% (R275 840) and NBI paid 60% through their Private Sector Energy Efficiency Programme. In addition, Omnia spent approximately R710000 on implementation of energy efficiency opportunities in the last reporting period

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>increase by 10% annually. The tax is expected to relate to a company's direct (Scope 1) emissions in South Africa. Free allowances (i.e. emissions not subject to the tax) included: i) a basic 60% of annual Scope 1 emissions (accruing until 2020, after which the threshold will be gradually reduced); ii) an amount dependant on a company's</p>							<p>also resulted in the identification of energy-reduction targets which have been introduced for the next reporting period. Omnia has also reduced their electricity consumption in the Fertilizer division through our second nitric acid plant complex. The complex, which became operational in March 2012, includes a power</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>emissions relative to a sector benchmark (z-factor); iii) up to 10% 'process' emissions; and iv) 10% trade exposure allowance and the potential to purchase 5-10% offsets depending on the sector. There is still uncertainty regarding a number of design elements including how the carbon tax will be aligned with other climate change</p>							<p>generation turbine operating off waste heat from production that, when the complex is operating at full capacity, can generate 50% of the power needed by both the original and the newly commissioned nitric acid plants at the Sasolburg facility. This reduces our consumption of grid electricity, thereby reducing our carbon tax liability.</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>mitigation regulations (e.g. carbon budgets). One of the changes to the previous version of the design includes the intention to have a neutral impact on the price of electricity, i.e. no pass-through impact on electricity prices. There remains significant opposition to the carbon tax, including from within government. If implemented, the scheme</p>							<p>Omnia is also keeping abreast of developments with regards to the carbon tax through engagement through CAIA, and the Group is undergoing a process to improve reporting on GHG data through the development and rolling out of our SHE Reporting Standard, and associated training. This will help to ensure that our GHG reporting is accurate.</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	is expected to commence in 2017.								
Cap and trade schemes	The South African Government's National Climate Change Response Policy (NCCRP), published in October 2011, defines a benchmark range, the 'Peak, Plateau and Decline' (PPD) trajectory, for national Greenhouse Gas (GHG) emissions. This policy also outlines Desired Emissions Reduction	Increased operational cost	Up to 1 year	Direct	Very likely	Low	There are no penalties for non-compliance of the carbon budget in Phase 1 so no financial implications. Omnia did require external assistance to ensure its GHG data was developed in line with the carbon budget requirements. This cost approximately R100 000.	Omnia is engaging regularly with the Department of Environmental Affairs to ensure the budget set is realistic. In addition, Omnia is implementing energy efficiency projects and recently had its GHG data externally verified to ensure accuracy of its data.	Omnia did require external assistance to ensure its GHG data was developed in line with the carbon budget requirements. This cost approximately R100 000..

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>Outcomes (DEROs) for the long (2050), medium (2030) and short (2020) terms. Long term DEROs, expressed as a range, will be aspirational, while short term DEROs will be more realistic and based on currently available technology. DEROs will be absolute GHG reductions at the sector and sub-sector level. Carbon budgets will form one</p>								

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>mechanism to achieve the DEROs. The carbon budget at a company level represent a cap or limit on what a company can emit over a specific time period. Initially budgets will be set only for large emitters and Omnia is in the process of negotiating a realistic budget with the Department of Environmental Affairs</p>								

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Emission reporting obligations	The evolving climate change regulatory environment in South Africa (notably carbon taxes and carbon budgets) will require systems for collecting accurate GHG emissions data. The South African National Climate Change Response Policy provides for the mandatory reporting of emissions data. In June 2015 the DEA gazetted	Increased operational cost	Up to 1 year	Direct	Likely	Low	It is unclear at this point but it may be that Omnia will be liable for a verification cost to ensure that the data reported through the system is accurate and representative. The actual financial implication of verification is not clear at this point.	During the reporting period, Omnia developed and rolled out a Group SHE Reporting Guideline to improve reporting of GHG-related data and ensure that data reported was accurate and representative. Related to this, Omnia has rolled out training on this Guideline at all of its divisions.	The cost of the development, roll out and training associated with the new Group SHE Reporting Guideline was R133 000. This also involved conducting a series of on-site SHE data reviews to ensure that environmental reporting to date is representative. These visits and subsequent reporting cost R170 000.

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>the draft National Greenhouse Gas Emission Reporting Regulations. This requires data providers to register on the National Atmospheric Emissions Inventory System (NAEIS). Data providers are then required to submit total greenhouse gas emissions arising from a defined list of activities. Uncertainties include: i) the threshold for determining</p>								

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>different “data providers”;</p> <p>ii) Boundary approach and other GHG accounting methodology elements; and iii) timing.</p> <p>Additions to the draft regulations are expected later in 2015. It is anticipated that the additions will include greater clarity and allow Omnia to understand what is required and to make the necessary investments</p>								

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	in order to meet the requirements .								
Fuel/energy taxes and regulations	In March 2015 the Department of Energy published draft regulations on registration, reporting on energy management and submission of Energy management plans (EMP) as part of the National Energy Act, 2008. The draft regulations require companies to provide energy data if	Increased operational cost	1 to 3 years	Direct	Very likely	Low	Given the thresholds and current energy reporting figures, Omnia will need to report on energy data and submit an EMP in accordance to SANAS. This represents an additional cost to the company but it is not clear how much this may amount to. Should a consultancy support with the drafting of the EMP, it	Omnia previously undertook a project to investigate and identify resource efficiency opportunities (specifically related to energy, water and waste) at three of our largest sites. The project identified significant areas of energy savings (both related to fuel and electricity), which if implemented will greatly	The project to identify energy-reduction initiatives and establish targets cost R690 000, of which Omnia paid 40% (R275 840) and NBI paid 60% through their Private Sector Energy Efficiency Programme. In addition, Omnia spent approximately R710 000 on implementation of energy efficiency opportunities in the last

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>exceeding a threshold of 180 Terajoules (TJ) of annual energy consumption and to submit an EMP in accordance with SANS 50001, if exceeding a threshold of 400TJ of annual energy consumption. During the current reporting period, Omnia reported on energy consumption exceeding this threshold. The</p>						will likely cost between R80 000 - R150 000.	reduce our liability. This project has also resulted in the identification of energy-reduction targets training on this Guideline.	reporting period

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	the DEA who also require mandatory reporting of data and submission of a pollution prevention plan for companies exceeding a certain threshold. There also exists uncertainty regarding penalties and how these will be imposed.								

CC5.1b

Please describe your inherent risks that are driven by changes in physical climate parameters

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in precipitation extremes	A climate change-induced change in	Increased operational cost	1 to 3 years	Direct	More likely than not	Low-medium	Should worsen weather result in	Omnia manages potential discharge	There is no cost associated with this

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
and droughts	precipitation patterns and storm activity could pose risks to our operations. For example, fertilizer plants in South Africa (not owned by Omnia) have been significantly affected by periods of intense rainfall, which has had negative consequences on the surrounding environment as well as the day-to-day operations of the plant. Periods of intense						unplanned discharges into rivers and wetland systems this could result in fines for Omnia. This has not happened in the past at Omnia but remains a risk. Fines could be in the region of R50 000 - R100 000. The increased operational spend on electricity should the solar system at Sasolburg be compromised by hail or bad weather will increase	situations by regularly monitoring and measuring of effluent and constant engagement with the authorities (Department of Water and Sanitation). With regards to standing time, the scheduling of trucks is done 48 hours before the truck can depart, which limits truck standing.	management method.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>rainfall are often associated with hail which also poses a risk to our operations within South Africa. For example, hail activity in Sasolburg toward the end of 2014 damaged our solar system by cracking the solar panels, thereby reducing reduced its electricity output from an average of 111 kWh per day to 88 kWh per day. This lead to our Fertilizer</p>						<p>in the face of rising electricity costs and could amount to an additional R5 000/ year on electricity should things escalate. If trucks are not able to be offloaded the cost is R3500 per day. Normally between 6 and 10 vehicles per day are loaded. Hence, the total cost associated with standing time works</p>		

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>facility increasing its reliance (and spend) on grid electricity. As a result of climate change, these events may happen more frequently with adverse implications for our divisions. Intense rainfall also affects logistics, particularly transport logistics and can pose a risk to getting staff and product in and out. In addition, our business will</p>						<p>out to around R21000 - R35000 per facility per day. However, Omnia has good relationships with its transporters and as a result is not liable for these standing time costs. However, should the standing time increase as a result of bad weather it is likely that these costs will be passed on to the company.</p>		

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>also be negatively affected should precipitation patterns change in such a way as to result in increased periods of drought. With the recent drought, our fertilizer product is not able to get out and trucks of product are forced to wait in a queue. Product can only go out once the rains come, and this used to take place in October</p>								

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	but the rainy season is shifting and we are seeing this take place more and more regularly during November, which affects our business.								

CC5.1c

Please describe your inherent risks that are driven by changes in other climate-related developments

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Reputation	Some of Omnia's products are GHG-intensive such as our explosives products. Given changing public perception	Reduced demand for goods/services	3 to 6 years	Direct	About as likely as not	Low-medium	Although the potential financial implications of this have not been quantified, we estimate that the impact on our share	Omnia is actively identifying areas to cut down on its carbon emissions, including investing in technologies to significantly	Omnia spent approximately R710000 on implementation of energy efficiency opportunities in the last reporting period.

Risk driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>s as a result of increasing awareness about climate change, it is possible that clients will be more interested in procuring lower-carbon products. In addition, there will be increasing focus on what Omnia is doing in the face of climate change risks and the company</p>						<p>price, should there be reputational damage, could be significant.</p>	<p>reduce emissions at our nitric acid plants. Omnia implemented a number of energy efficiency initiatives at our operations during the reporting period, including, for example, energy efficient lighting and steam optimization .</p>	

Risk driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	may impacted should we be perceived to not be doing enough.								

Further Information

Page: CC6. Climate Change Opportunities

CC6.1

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

Opportunities driven by changes in regulation

Opportunities driven by changes in physical climate parameters

Opportunities driven by changes in other climate-related developments

CC6.1a

Please describe your inherent opportunities that are driven by changes in regulation

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Other regulatory drivers	There are a number of tax incentives and cash grants in the area of energy and climate	Reduced operational costs	Up to 1 year	Direct	Virtually certain	Low-medium	Through the NBI PSEE Project, energy-reduction savings of	Omnia is in the process of implementing a number of the	The sites have spent approximately R710000 on implementation of energy

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>change which we could take advantage of, including:</p> <ul style="list-style-type: none"> • The Department of Trade and Industry (DTI) runs the Manufacturing Competitiveness Enhancement Programme (MCEP) which aims to provide enhanced manufacturing support, including Green Technology and Resource Efficiency. • Section 12L Tax Incentive is managed by the Department 						<p>around 360 000 MWh were identified across three sites. A portion of these savings will be realised in the next reporting period when the opportunities are implemented. Overall, this represents a financial benefit of R342 000 in terms of Section 12L of the Income Tax Act, excluding the cost required</p>	<p>identified opportunities. For example, Protea Chemicals Mobeni, reduced compressed air leaks at the site and installed VSD drives on a number of motors. BME Losberg addressed lighting through timers and removal of unnecessary lighting. The sites are still identifying opportunities where the Section</p>	<p>efficient opportunities .</p>

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>of Energy and provides tax reductions incentives for businesses to claim if they can show measurable and verifiable savings in all energy forms. The tax relief was recently increased to 95 Cents deduction on taxable income per kilowatt-hour of energy saved – subject to all the conditions in the 12L regulations being met. • Section 12I Tax Incentive is managed by the DTI and offers support</p>						<p>for measurement and verification.</p>	<p>12L tax rebate can be used. These opportunities need to be large enough to justify the measurement and verification costs.</p>	

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	improvements that we have planned and have implemented to date.								
Cap and trade schemes	An increase in the trading of certified emissions reductions (CERs) as a means to reduce one's carbon tax liability (and other regulatory liabilities) will be an opportunity for Omnia because we have already generated a significant number of CERs through our two CDM projects (Omnia	Increase in capital availability	1 to 3 years	Direct	Very likely	Medium	At present, Omnia has generated in the region of 4.1 million CERs. At present, the price for CERs is very low at around US\$ 0.35 but Omnia hopes that there will be progress in this regard. However, at this stage there is significant uncertainty around	Omnia has a team of people who ensure that the two CDM projects are operating in accordance with the necessary methodology and therefore meeting CDM criteria. The team is also involved in constant monitoring to understand the avoided carbon	R3.3 million was invested during the reporting period to upgrade EnviNOx I to maintain compliance with the CDM methodology and retain CDM status.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>Fertilizer's nitrous oxide Reduction Project – registered on 3 May 2007, and Omnia's N2O Abatement Project II – registered on 30 April 2012). Over the past five years, we have generated 4.1 million CERs, and expect to generate an additional 600 000 CERs in the next financial year. No sales revenue was earned this year from our carbon credits as we are</p>						<p>how this will look. In August 2008 the price of CERs was at US\$ 20/tonne. It is very difficult to say what the value of a CER may become but it is possible that the value of Omnia's CERs may be between US\$ 1.5 million to US\$ 3 million within the next 36 months or so.</p>	<p>emissions, and in applying for the verification in order to attain the CERs. In addition, compliance with CDM methodology is closely monitored to ensure that the projects retain their CDM status.</p>	

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	stockpiling these while global prices for carbon credits are low.								

CC6.1b

Please describe the inherent opportunities that are driven by changes in physical climate parameters

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Change in precipitation extremes and droughts	Climate change is projected to result in changes in precipitation and temperature regimes, which may manifest in an increase in drought and water-scarce conditions. Omnia offers products, services and technologies to maximise yield while minimising water consumption and as a result, such products may become more in demand. The Agriculture division is therefore	Increased demand for existing products/services	3 to 6 years	Direct	Likely	Low-medium	Increased demand for products and services will result in improved financial revenue for the Group but the full implications have not been quantified at this point. Our Agriculture Division, responsible for the Nutriology® programme, contributed 49% of Omnia Group's revenue in the last financial year. An increase of just 1% due to	Omnia's Agriculture division is at the forefront of efforts to improve food security and crop yields with its unique Nutriology® offering. Nutriology® looks at ways to maximise water use efficiency of plants (i.e. grain yield attained per surface area (kg/ha) with a certain amount of water (mm)) and hence facilitate growth during drought conditions.	R200 000 was budgeted for R&D activities related to developing and identifying products and services that will be of use in a water-scarce and food-insecure world. These figures exclude salaries and overheads.

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>continuing R&D into and utilising the latest technological advances to minimise water usage. In addition, Omnia has taken steps to become experts in water use in crop production through our Nutriology® centre. Food security is increasingly at risk as land available for agricultural production in traditional agricultural areas shrinks due to urbanisation and mining, water becomes scarcer and changing global weather patterns disrupt agricultural production. These challenges are compelling food producers to produce higher yields from existing resources. Omnia's</p>						<p>increased demand for products and services would translate into an additional R86million</p>	<p>Omnia invests in R&D through the Nutriology programme in order to further develop and identify products and services that will be of use in a water-scarce and food-insecure world. This involves testing products under different climatic and other conditions to maximise their potential.</p>	

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>Agriculture division is at the forefront of efforts to improve food security and crop yields with its unique Nutriology® offering. Nutriology® looks at ways to maximise water use efficiency of plants (i.e. grain yield attained per surface area (kg/ha) with a certain amount of water (mm)) and hence facilitate growth during drought conditions. In addition, Omnia offers a 'precision farming' service to farmers, whereby this resource management concept (including soil, water and nutrients) is used to help improve yields. Omnia helps a farmer to determine a certain soil's yield potential or</p>								

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	<p>potential nutrient deficiencies, where agronomists would then recommend a certain amount of a certain fertilizer/ lime to correct any deficiencies in the soil and also to fertilize the crop to achieve a certain yield. This concept assures that growers don't over fertilize (over fertilization can lead to leaching of nutrients into under-ground water or above-ground water resources which has a negative impact on the farmers financial resources as well as environmental resources) or under fertilize for a certain target yield. This is a particularly useful service given changing climatic conditions. The Chemicals</p>								

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	division offers several technologies for treating water to make it suitable for drinking, and as a result of changing climatic conditions these technologies may become more sought after.								

CC6.1c

Please describe the inherent opportunities that are driven by changes in other climate-related developments

Opportunity driver	Description	Potential impact	Timeframe	Direct/ Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
Other drivers	The launch of the Private Sector Energy Efficiency (PSEE) programme by the National Business Initiative in South Africa created an opportunity for companies to reduce energy use and carbon emissions. The PSEE partly funds strategic energy management work for large companies in South Africa. Omnia took advantage of this opportunity and	Reduced operational costs	Up to 1 year	Direct	Virtually certain	Medium	Overall, the energy-saving opportunities identified represented around R11 million (approximately 360 million kWh) in reduced energy costs if implemented.	The project has been completed and the relevant sites have been given a detailed breakdown of their opportunities (which they were involved in identifying and quantifying) and SHE Managers at these sites have been tasked with the implementation and associated reporting. In addition, Omnia in the final stages of rolling out a Resource Efficiency Guideline which will help divisions and	The project to identify energy-reduction initiatives and establish targets cost R690 000, of which Omnia paid 40% (R275 840) and NBI paid 60% through their Private Sector Energy Efficiency Programme. There has been no cost associated with tasking the SHE Managers with the implementation of the opportunities.

Opportunity driver	Description	Potential impact	Timeframe	Direct/Indirect	Likelihood	Magnitude of impact	Estimated financial implications	Management method	Cost of management
	conducted a strategic energy management project that focussed on identifying energy and carbon reduction initiatives, and setting energy-reduction targets. As a result of this project (which was undertaken during the reporting period), the Group has the opportunity to reduce their carbon emissions. Indeed, certain projects have already been implemented and more will be implemented during the reporting period.							sites to identify and implement additional energy- and carbon-saving opportunities. This will be rolled out in the next reporting period.	

Further Information

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: CC7. Emissions Methodology

CC7.1

Please provide your base year and base year emissions (Scopes 1 and 2)

Scope	Base year	Base year emissions (metric tonnes CO2e)
Scope 1	Wed 01 Apr 2015 - Thu 31 Mar 2016	42766
Scope 2 (location-based)	Wed 01 Apr 2015 - Thu 31 Mar 2016	78464
Scope 2 (market-based)	Wed 01 Apr 2015 - Thu 31 Mar 2016	0

CC7.2

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

Please select the published methodologies that you use

IPCC Guidelines for National Greenhouse Gas Inventories, 2006
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)
Defra Voluntary Reporting Guidelines

CC7.2a

If you have selected "Other" in CC7.2 please provide details of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions

CC7.3

Please give the source for the global warming potentials you have used

Gas	Reference
CO2	IPCC Third Assessment Report (TAR - 100 year)
N2O	IPCC Third Assessment Report (TAR - 100 year)
CH4	IPCC Third Assessment Report (TAR - 100 year)

CC7.4

Please give the emissions factors you have applied and their origin; alternatively, please attach an Excel spreadsheet with this data at the bottom of this page

Fuel/Material/Energy	Emission Factor	Unit	Reference
Electricity	1.03	kg CO2e per MWh	Eskom Integrated Report 2015
Diesel/Gas oil	2.67	metric tonnes CO2e per liter	IPCC TAR
Other: Light fuel oil	0.00029	metric tonnes CO2e per liter	IPCC TAR
Natural gas	0.00199	metric tonnes CO2e per m3	IPCC TAR
Bituminous coal	2.44086	metric tonnes CO2 per metric tonne	IPCC TAR
Liquefied petroleum gas (LPG)	0.00298	Other: metric tonnes CO2e per kg	IPCC TAR
Other: Waste Burnt	0.706	metric tonnes CO2e per metric tonne	Onsite measurement

Further Information

The FY2015 Scope 1 and 2 emissions have been restated due to the requirement of the National Department of Environmental Affairs that calculations are done in terms of the IPCC 3rd Assessment Report.

Page: CC8. Emissions Data - (1 Apr 2015 - 31 Mar 2016)

CC8.1

Please select the boundary you are using for your Scope 1 and 2 greenhouse gas inventory

Operational control

CC8.2

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

42766

CC8.3

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

No

CC8.3a

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

Scope 2, location-based	Scope 2, market-based (if applicable)	Comment
78464	0	

CC8.4

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

CC8.5

Please estimate the level of uncertainty of the total gross global Scope 1 and 2 emissions figures that you have supplied and specify the sources of uncertainty in your data gathering, handling and calculations

Scope	Uncertainty range	Main sources of uncertainty	Please expand on the uncertainty in your data
Scope 1	More than 2% but less than or equal to 5%	Data Management	Omnia has not been collecting data and reporting on our carbon footprint for a very long time and as such we are still in the process of establishing a reliable baseline, and it is possible for some of the data that is reported to have minor errors. To assist in this regard, a Group SHE Reporting Standard was developed and rolled out to our divisions with associated training. This standard mandates what data must be collected and how this data should be reported. In addition, we are presently implementing our online reporting system so that divisions report monthly. Once the online system is implemented the divisions will report monthly basis and that will enable us to identify month-on-month trends in the data and to identify possible errors.
Scope 2 (location-based)	More than 2% but less than or equal to 5%	Data Management	Omnia has not been collecting data and reporting on our carbon footprint for a very long time and as such we are still in the process of establishing a reliable baseline, and it is possible for some of the data that is reported to have minor errors. To assist in this regard, a Group SHE Reporting Standard was developed and rolled out to our divisions with associated training. This standard mandates what data must be collected and how this data should be reported. In addition, we are presently implementing our online reporting system so that divisions report monthly. Once the online system is implemented the divisions will report monthly basis and that will enable us to identify month-on-month trends in the data and to identify possible errors.
Scope 2 (market-based)			

CC8.6

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

Third party verification or assurance process in place

CC8.6a

Please provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements

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 Scope 1 emissions verified (%)
Annual process	Complete	Limited assurance	FINAL Omnia Assurance Statement - June 2016 (002).pdf	Pages 1- 3	ISAE3000	

CC8.7

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

Third party verification or assurance process in place

CC8.7a

Please provide further details of the verification/assurance undertaken for your location-based and/or market-based Scope 2 emissions, and attach the relevant statements

Location-based or market-based figure?	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 Scope 2 emissions verified (%)
Location-based	Annual process	Complete	Limited assurance	FINAL Omnia Assurance Statement - June 2016 (002).pdf	Pages 1-3	ISAE3000	

CC8.8

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

Additional data points verified	Comment
No additional data verified	

CC8.9

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

No

Further Information

Page: CC9. Scope 1 Emissions Breakdown - (1 Apr 2015 - 31 Mar 2016)

CC9.1

Do you have Scope 1 emissions sources in more than one country?

Yes

CC9.1a

Please break down your total gross global Scope 1 emissions by country/region

Scope 1 metric tonnes CO2e	
Country/Region	
South Africa	38417
Rest of world	4348

CC9.2

Please indicate which other Scope 1 emissions breakdowns you are able to provide (tick all that apply)

By business division

CC9.2a

Please break down your total gross global Scope 1 emissions by business division

Business division	Scope 1 emissions (metric tonnes CO2e)
Agriculture	32489
Mining	5981
Chemicals	4296
Head Office	0

Further Information

Page: CC10. Scope 2 Emissions Breakdown - (1 Apr 2015 - 31 Mar 2016)

CC10.1

Do you have Scope 2 emissions sources in more than one country?

Yes

CC10.1a

Please break down your total gross global Scope 2 emissions and energy consumption by country/region

Country/Region	Scope 2, location-based (metric tonnes CO2e)	Scope 2, market-based (metric tonnes 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)
South Africa	78328	0	232	0
Rest of world	137	0	0	0

CC10.2

Please indicate which other Scope 2 emissions breakdowns you are able to provide (tick all that apply)

By business division

CC10.2a

Please break down your total gross global Scope 2 emissions by business division

Business division	Scope 2 emissions, location based (metric tonnes CO2e)	Scope 2 emissions, market-based (metric tonnes CO2e)
Agriculture	68162	
Mining	3452	
Chemicals	6730	
Head Office	120	

Further Information

Page: CC11. Energy

CC11.1

What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

CC11.2

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

Energy type	Energy purchased and consumed (MWh)
Heat	0
Steam	196021
Cooling	0

CC11.3

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

56444

CC11.3a

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

Fuels	MWh
Diesel/Gas oil	33188
Other: Light Oil	5909
Natural gas	12325
Bituminous coal	724
Other: Heavy oil	4298

CC11.4

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

Basis for applying a low carbon emission factor	MWh consumed associated with low carbon electricity, heat, steam or cooling	Comment
No purchases or generation of low carbon electricity, heat, steam or cooling accounted with a low carbon emissions factor	0	

CC11.5

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

Total electricity consumed (MWh)	Consumed electricity that is purchased (MWh)	Total electricity produced (MWh)	Total renewable electricity produced (MWh)	Consumed renewable electricity that is produced by company (MWh)	Comment
113412	76412	37000	0	0	

Further Information

Page: CC12. Emissions Performance

CC12.1**How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to the previous year?**

Decreased

CC12.1a**Please identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year**

Reason	Emissions value (percentage)	Direction of change	Please explain and include calculation
Emissions reduction activities	0.4	Decrease	GHG reduction initiatives resulted in a 0.4 % saving (458 tonnes CO2eq saved) relative to the restated 2015 baseline of 125 546 tonnes CO2eq. This was calculated by dividing the emissions savings of 458 tonnes CO2eq by the restated baseline of 125 546 tonnes CO2eq to derive 0.4%.
Divestment			
Acquisitions			
Mergers			
Change in output	3	Decrease	Omnia's overall production in the reporting year decreased by 12% which resulted in 3% reduction in emissions relative to the restated carbon footprint.
Change in methodology			
Change in boundary			
Change in physical operating conditions			
Unidentified			
Other			

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

Location-based

CC12.2**Please describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tonnes CO2e per unit currency total revenue**

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator: Unit total revenue	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
0.00000722	metric tonnes CO2e	16800000000	Location-based	3	Decrease	Total revenue was R16.8 billion during the reporting period. Revenue is in South African Rands. Absolute emissions decreased by 3.0% and over the same period revenue remained flat at R16.8 billion compared to the previous reporting period. This has resulted in a 3%

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator: Unit total revenue	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
						decrease in the intensity figure from 0.00000747 to 0.00000722 metric tonnes t CO2e/Revenue (R).

CC12.3

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

Intensity figure =	Metric numerator (Gross global combined Scope 1 and 2 emissions)	Metric denominator	Metric denominator: Unit total	Scope 2 figure used	% change from previous year	Direction of change from previous year	Reason for change
0.03529	metric tonnes CO2e	metric tonne of product	3435214	Location-based	10.2	Increase	Production at a Group level (in metric tonnes) has decreased between last year and the reporting period, from 3 919 655 tonnes to 3 435 214 tonnes (total decrease of 12%). Over the same period, absolute emissions decreased by 3.0% This has resulted in an increase in the intensity figure of 10.2%.

Further Information

Page: CC13. Emissions Trading

CC13.1

Do you participate in any emissions trading schemes?

No, and we do not currently anticipate doing so in the next 2 years

CC13.2

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

Yes

CC13.2a

Please provide details on the project-based carbon credits originated or purchased by your organization in the reporting period

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits cancelled	Purpose, e.g. compliance
Credit origination	N20	Omnia's nitric acid plants utilise best-in-class technology to reduce carbon emissions, called the EnviNOx process. Two EnviNOx™ plants have been installed at our nitric	CDM (Clean Development Mechanism)	470082	470082	No	Voluntary Offsetting

Credit origination or credit purchase	Project type	Project identification	Verified to which standard	Number of credits (metric tonnes of CO2e)	Number of credits (metric tonnes CO2e): Risk adjusted volume	Credits cancelled	Purpose, e.g. compliance
		acid plants that have significantly reduced emission of nitrogen oxide – a greenhouse gas (GHG) – to far below legislative requirements. These have been registered as two separate CDM projects, namely: 1. Omnia Fertilizer's nitrous oxide (N2O) Reduction Project – registered on 3 May 2007; and 2. Omnia N2O Abatement Project II – registered on 30 April 2012					

Further Information

Page: CC14. Scope 3 Emissions

CC14.1

Please account for your organization's Scope 3 emissions, disclosing and explaining any exclusions

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Purchased goods and services	Relevant, calculated	865647	Indirect emissions are calculated based on the value of the products bought or sold. Default production, processing and application values are used in estimating these emissions. This figure represents a proportion of the emissions associated with extraction, production, and transportation of goods and services purchased or acquired by Omnia	75.00%	During the reporting period Omnia focused on the accurate reporting of their Scope 1 and 2 emissions. However, Omnia has started calculating their Scope 3 footprint using a selection of data. It is expected that the sample reported on in the future will be more representative.
Capital goods	Relevant, not yet calculated				During the reporting period Omnia focused on the accurate reporting of their Scope 1 and 2 emissions. It is expected that Scope 3 emissions, including purchased goods and services will be captured and reported on in the future.
Fuel-and-energy-related activities	Relevant, calculated	10826	Indirect emissions are calculated based on the value of the products bought or sold. Default	75.00%	During the reporting period Omnia focused on the accurate reporting of

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
(not included in Scope 1 or 2)			production, processing and application values are used in estimating these emissions. This figure represents a proportion of the emissions associated with extraction, production, and transportation of fuels and energy purchased or acquired by Omnia		their Scope 1 and 2 emissions. However, Omnia has started calculating their Scope 3 footprint using a selection of data. It is expected that the sample reported on in the future will be more representative.
Upstream transportation and distribution	Relevant, calculated	159068	Indirect emissions are calculated based on the value of the products bought or sold. Default production, processing and application values are used in estimating these emissions. This figure represents emissions associated with the transportation and distribution of products purchased by Omnia between out tier 1 suppliers and its own operations. Outbound transportation and distribution services that are purchased by Omnia are included in this category because Omnia purchases the service.	75.00%	During the reporting period Omnia focused on the accurate reporting of their Scope 1 and 2 emissions. However, Omnia has started calculating their Scope 3 footprint using a selection of data. It is expected that the sample reported on in the future will be more representative.
Waste generated in operations	Relevant, calculated	290	This figure covers emissions associated with the disposal and treatment of waste generated by Omnia's divisions.	75.00%	During the reporting period Omnia focused on the accurate reporting of their Scope 1 and 2 emissions. However, Omnia has started calculating their Scope 3 footprint using a selection of data. It is expected that the sample reported on in the future will be more representative.
Business travel	Relevant, calculated	9494	This figure covers emissions associated with the transportation of employees for business purposes (e.g. flights, taxis etc).	75.00%	During the reporting period Omnia focused on the accurate reporting of their Scope 1 and 2 emissions. However, Omnia has started calculating their Scope 3 footprint using a selection of data. It is expected that the sample reported on in the future will be more representative.
Employee commuting	Relevant, calculated	14	This figure covers the transportation of employees between their home and work.	75.00%	During the reporting period Omnia focused on the accurate reporting of their Scope 1 and 2 emissions.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
					However, Omnia has started calculating their Scope 3 footprint using a selection of data. It is expected that the sample reported on in the future will be more representative.
Upstream leased assets	Relevant, calculated	6	This represents the emissions associated with Omnia's leased assets not included in the Scope 1 and 2 calculation.	75.00%	Omnia does lease some warehouses and the Scope 1 and 2 emissions associated with these assets are included in the carbon footprint.
Downstream transportation and distribution	Relevant, not yet calculated				This would cover emissions associated with the fuel use for distributing our product to our customers. This has not been evaluated at this point.
Processing of sold products	Relevant, not yet calculated				
Use of sold products	Relevant, calculated	1700597	This figure represents the emissions associated with the use of goods and services sold by Omnia. The main contributor here is the Fertilizer Division. The nitrogen-based fertilizer sold also has diesel consumption associated with its application. Diesel is used to fuel the machinery that lays the fertilizer on to the land. This diesel usage is included in the calculation since it is an essential component in the use of fertilizer.		During the reporting period Omnia focused on the accurate reporting of their Scope 1 and 2 emissions. However, Omnia has started calculating their Scope 3 footprint using a selection of data. It is expected that the sample reported on in the future will be more representative.
End of life treatment of sold products	Relevant, not yet calculated				
Downstream leased assets	Not relevant, explanation provided				Omnia does not lease any downstream assets and hence this category is not applicable.
Franchises	Not relevant, explanation provided				Omnia does not own any franchises, and hence this is not applicable.

Sources of Scope 3 emissions	Evaluation status	metric tonnes CO2e	Emissions calculation methodology	Percentage of emissions calculated using data obtained from suppliers or value chain partners	Explanation
Investments	Not relevant, explanation provided				Omnia is not a private or public financial institution and hence this category is deemed not relevant.
Other (upstream)	Not evaluated				
Other (downstream)	Not evaluated				

CC14.2

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

No third party verification or assurance

CC14.3

Are you able to compare your Scope 3 emissions for the reporting year with those for the previous year for any sources?

Yes

CC14.3a

Please identify the reasons for any change in your Scope 3 emissions and for each of them specify how your emissions compare to the previous year

Sources of Scope 3 emissions	Reason for change	Emissions value (percentage)	Direction of change	Comment
Purchased goods & services		0	No change	
Capital goods		0	No change	
Fuel- and energy-related activities (not included in Scopes 1 or 2)		0	No change	
Upstream transportation & distribution		0	No change	
Waste generated in operations		0	No change	
Business travel		0	No change	
Employee commuting		0	No change	
Upstream leased assets		0	No change	
Use of sold products		0	No change	

CC14.4

Do you engage with any of the elements of your value chain on GHG emissions and climate change strategies? (Tick all that apply)

Yes, our customers

CC14.4a

Please give details of methods of engagement, your strategy for prioritizing engagement and measures of success

Omnia responds to requests for information, for example related to our carbon footprint, from clients as and when they arise. There is no strict prioritisation process but requests are dealt with as and when they are received. One measure of success is repeat business with the same customers as a result of Omnia's willingness to provide information

Further Information

Module: Sign Off

Page: CC15. Sign Off

CC15.1

Please provide the following information for the person that has signed off (approved) your CDP climate change response

Name	Job title	Corresponding job category
Kavita Pema	General Manager; Group SHERQ	Environment/Sustainability manager