Module: Introduction

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W0.1

Introduction

Please give a general description and introduction to your organization.

BARLOWORLD (BAW) is a distributor of leading international brands providing innovative rental, fleet management, product support and logistics solutions. The core divisions of the group comprise Equipment and Handling (earthmoving, power systems, materials handling and agriculture), Automotive and Logistics (car rental, motor retail, fleet services, used vehicles and disposal solutions, logistics management and supply chain optimisation). BAW offers flexible, value adding, integrated business solutions to customers backed by leading global brands. The brands BAW represents on behalf of its principals include Caterpillar, Hyster, Avis, Budget, Audi, BMW, Ford, General Motors, Jaguar Land Rover, Mazda, Mercedes-Benz, Toyota, Volkswagen and others.

BAW has a proven track record of long-term relationships with global principals and customers. BAW has an ability to develop and grow businesses in multiple geographies including challenging territories with high growth prospects. One of its core competencies is an ability to leverage systems and best practices across chosen business segments. BAW is committed to sustainable development and playing a leading role in empowerment and transformation. The company was founded in 1902 and at 30 September 2015 had operations in 23 countries around the world with approximately 76% of over 19 700 employees in South Africa.

BAW is committed to creating long-term sustainable value for all its stakeholders. BAW's commitment to creating long-term value for all its stakeholders, driven by its Value Based Management approach, includes, inter alia:
o Enhancing our customers' success by providing the integrated and environmentally sound solutions they require to remain competitive and meet their own sustainability objectives.
o Mutually beneficial relationships with our principals and representing them in a way that enhances their success and reflects their sustainable development objectives.
o Providing a safe and healthy workplace for employees where all have equal opportunities, are inspired to fulfil their ambitions and be proud ambassadors of BAW.
o Conducting our operations in an environmentally responsible manner.
o Identifying profitable growth opportunities and executing our strategic plans effectively and efficiently.
o Engaging our stakeholders and being a responsible corporate citizen for all of them, including contributing to social and economic development of the communities in which we operate.
o Delivering top-quartile returns to our shareholders through responsible business practices.

This commitment is underscored by integrated management approach which requires accountability and responsibility for economic, social and environmental aspects of business activity. BAW has adopted a risk management approach, stakeholder engagement and strategic planning framework which allow for activities

and management focus to be structured on the group's 6 strategic focus areas: People, Empowerment and transformation, Sustainable development, Integrated Customer Solutions, Profitable Growth and Financial returns.

The sustainable development strategic focus area positions water stewardship as an important aspect of the group's long term value creation objectives. Although none of group's direct operations are particularly water-use intensive, BAW is nonetheless committed to more efficient water use through reduced withdrawals, increased recycling and water harvesting initiatives. The majority of water withdrawals in the group are sourced from municipal and local government water supply systems, and legally discharged back into such systems after required filtration and separation processes. Washing of vehicles, plant and equipment constitutes the company's major use of water. BAW withdrew 745 ML (FY2014: 785ML) of water from municipal supplies in FY2015 and recycled 20.2% (FY2014: 16.7%).

BAW does not believe that the water-related risks in its supply chain are of a significant nature, given its geographic and industry diversification and the globally leading principals it represents. BAW is mindful of customer water stewardship objectives when offering products and services. BAW represents leading international brands and engages with world class principals who conduct their operations in an environmentally responsible manner and are continuously developing new products and adapting existing products which assist customers in achieving their own sustainable development objectives.

W0.2

Reporting year

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

Period for which data is reported
Wed 01 Oct 2014 - Wed 30 Sep 2015

W0.3

Reporting boundary

Please indicate the category that describes the reporting boundary for companies, entities, or groups for which water-related impacts are reported.

Companies, entities or groups over which financial control is exercised

W0.4

Exclusions

Are there any geographies, facilities or types of water inputs/outputs within this boundary which are not included in your disclosure?

No

W0.4a

Exclusions

Please report the exclusions in the following table

Exclusion	Please explain why you have made the exclusion

Further Information

Module: Current State

Page: W1. Context

W1.1

Please rate the importance (current and future) of water quality and water quantity to the success of your organization

Water quality and quantity	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Neutral	Important	Direct Use: The primary use of water within the group is for washing vehicles, plant and equipment which does not necessarily require freshwater. BAW understands that much of the water supplied by water utilities is freshwater sourced from dams,etc. Although BAW has water recycling plants, the water from these plants is insufficient to meet all the water needs of BAW. An adequate supply of freshwater is more important to customer satisfaction than for the continued operations of the Group. Indirect Use: BAW's value chain makes use of water supplied by water utilities and/or municipalities. The water supplied is often sourced from dams, etc. (freshwater). An adequate supply of water is required for suppliers to manufacture products (eg. the steel used in machines), which may impact supply patterns in the value chain. Some customers rely on freshwater to perform their operations and water shortages can result in interruptions to these operations impacting demand and service patterns.
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Important	Direct Use: BAW predominately uses water for washing vehicles, plant and equipment. A sufficient amount of recycled or treated water is required for this purpose. Limited access to sufficient amounts of water could result in interruptions to operations and may impact on customer satisfaction in the value chain. Indirect Use: BAW's principals rely on recycled or treated water in the manufacturing process. Many of these principals have or are considering implementing water treatment and/or water recycling facilities. Many of the principals also rely on input materials/machine parts that require water in the manufacturing process. Without recycled or treated water, the principals would experience interruptions in operations which could result in inability to do business. The same is true of a number of BAW's customers, impacting demand and service patterns.

W1.2

For your total operations, please detail which of the following water aspects are regularly measured and monitored and provide an explanation as to why or why not

Water aspect	% of sites/facilities/operations	Please explain
Water withdrawals- total	76-100	Water withdrawals are measured and monitored as it directly impacts BAW's operational cost.

Water aspect	% of sites/facilities/operations	Please explain
volumes		
Water withdrawals- volume by sources	76-100	Water withdrawals are measured and monitored as it directly impacts BAW’s operational cost. Most water is sourced from municipal and local government water supply systems. Some water is captured in rainwater harvesting tanks and this water is metered.
Water discharges- total volumes	Less than 1%	Although this is not metered, principally all water is legally discharged into local municipal reticulation systems after proper treatment. Minimal volumes of water are consumed as water does not form part of the product and is not removed from the area of withdrawal. Given the nature of use and of BAW's operations, water discharge volumes have been assumed to equate to 95% of water withdrawal volumes.
Water discharges- volume by destination	Less than 1%	This is not metered, but principally all water is legally discharged into local municipal reticulation systems after appropriate filtration and treatment. Given the nature of use and of BAW's operations, water discharge volumes have been assumed to equate to 95% of water withdrawal volumes.
Water discharges- volume by treatment method	Less than 1%	This is not metered, but principally all water is legally discharged into local municipal reticulation systems after appropriate filtration and treatment. Given the nature of use and of BAW's operations, water discharge volumes have been assumed to equate to 95% of water withdrawal volumes.
Water discharge quality data- quality by standard effluent parameters	1-25	Principally the group’s approach is for all water discharge to be within the legal parameters. Filtration systems are installed at relevant facilities with regular monitoring where necessary. Routine filter maintenance may include water effluent testing. Predominant water-use is washing vehicles, plant and equipment. Given the diverse nature of the facilities and the discharge, the percentage indicated is an estimate of facilities in which quality data is measured and monitored and not a percentage of water volumes discharged.
Water consumption- total volume	Less than 1%	Water is predominantly used for washing of vehicles, plant and equipment and does not form part of the product. Essentially all water is appropriately filtered and treated and discharged back into the local municipal reticulation systems. Small volumes of water are consumed by employees, used for gardening or evaporated during washing, but this is not separately metered. Given the nature of use and operations, consumption volumes have been assumed to equate to 5% of water withdrawal volumes.
Facilities providing fully-functioning WASH services for all workers	76-100	Facilities providing fully-functioning WASH services for workers are not specifically metered. All BAW facilities include WASH services and these volumes are included in the site / facility volumes reported. Water is predominantly used for washing of vehicles, plant and equipment and does not form part of the product. Essentially all water is appropriately filtered and treated and discharged back into the local municipal reticulation systems. Small volumes of water are consumed by employees (including WASH services), used for gardening or evaporated during washing, but this is not separately metered.

W1.2a

Water withdrawals: for the reporting year, please provide total water withdrawal data by source, across your operations

Source	Quantity (megaliters/year)	How does total water withdrawals for this source compare to the last reporting year?	Comment
Fresh surface water	0	Not applicable	No comment
Brackish surface water/seawater	0	Not applicable	No comment
Rainwater	6.8	Higher	In FY2015, volumes of water sourced from rainwater harvesting activities was up 31% on FY2014 levels. This has contributed to the 5% decrease in consumption of water withdrawn from municipal systems in 2015.
Groundwater - renewable	0	Not applicable	No comment
Groundwater - non-renewable	0	Not applicable	No comment
Produced/process water	0	Not applicable	No comment
Municipal supply	745	Lower	In FY2015, water withdrawal volumes from municipal supplies was 5% below FY2014 (785ML) levels.
Wastewater from another organization	0	Not applicable	No comment
Total	751.8	Lower	Total FY2015 water withdrawals (municipal supplies (745ML) + rainwater harvesting (6.8ML)) was 5% below FY2014 levels (municipal supplies (785ML) + rainwater harvesting (5.2ML)). In FY2015, water withdrawal volumes from municipal systems was 5% below that of FY2014 (785ML) levels and rainwater harvesting was 31% up on FY2014 levels.

W1.2b

Water discharges: for the reporting year, please provide total water discharge data by destination, across your operations

Destination	Quantity (megaliters/year)	How does total water discharged to this destination compare to the last reporting year?	Comment
Fresh surface water	0	Not applicable	No comment
Brackish surface water/seawater	0	Not applicable	No comment
Groundwater	0	Not applicable	No comment
Municipal/industrial wastewater treatment plant	707.8	Lower	Principally all water is legally discharged into local municipal reticulation systems after proper treatment. Minimal volumes of water are consumed as water does not form part of the product and is not removed from the area. As discharged volumes are assumed to be 95% of water withdrawal (municipal supply + rainwater harvesting volumes), the year on year decrease in total water withdrawals is 5% over FY2014.
Wastewater for another organization	0	Not applicable	No comment
Total	707.8	Lower	Principally all water is legally discharged into local municipal reticulation systems after proper treatment. Minimal volumes of water are consumed as water does not form part of the product and is not removed from the area. As discharged volumes are assumed to be 95% of water withdrawal volumes (municipal supplies + rainwater harvesting), the year on year decrease in water withdrawals is 5% over FY2014.

W1.2c

Water consumption: for the reporting year, please provide total water consumption data, across your operations

Consumption (megaliters/year)	How does this consumption figure compare to the last reporting year?	Comment
37.25	Lower	Principally all water is legally discharged into local municipal reticulation systems after proper treatment. Minimal volumes of water are consumed as water does not form part of the product and is not removed from the area of withdrawal. As consumption volumes are assumed to be 5% of withdrawal volumes (municipal supplies + rainwater harvesting), the year on year decrease of 5% in water consumption volumes for the group is directly linked to withdrawal volumes, which is 5% below FY2014 levels.

W1.3

Do you request your suppliers to report on their water use, risks and/or management?

No

W1.3a

Please provide the proportion of suppliers you request to report on their water use, risks and/or management and the proportion of your procurement spend this represents

Proportion of suppliers %	Total procurement spend %	Rationale for this coverage

W1.3b

Please choose the option that best explains why you do not request your suppliers to report on their water use, risks and/or management

Primary reason	Please explain
Other: Leading Global Principals	BAW's key suppliers are its principals. BAW represents world-class principals, which have robust risk management processes, including environmental risks. Whilst BAW does not require its suppliers to separately report on these issues, there is extensive engagement between BAW and its principals. Also, these suppliers provide information in publically available documents. Hence, BAW is able to use direct engagement and the publically-available information and as such, currently separate reporting has not been requested. A review of the publically available information and extensive engagement inform the appropriateness of this approach which is reassessed on an ongoing basis. An internal review has also been conducted on all our major principals and Original Equipment Manufacturers for risks relating to the environment, in addition to other aspects.

W1.4

Has your organization experienced any detrimental impacts related to water in the reporting year?

No

W1.4a

Please describe the detrimental impacts experienced by your organization related to water in the reporting year

Country	River basin	Impact indicator	Impact	Description of impact	Length of impact	Overall financial impact	Response strategy	Description of response strategy

W1.4b

Please choose the option below that best explains why you do not know if your organization experienced any detrimental impacts related to water in the reporting year and any plans you have to investigate this in the future

Primary reason	Future plans

Further Information

Module: Risk Assessment

Page: W2. Procedures and Requirements

W2.1

Does your organization undertake a water-related risk assessment?

Water risks are assessed

W2.2

Please select the options that best describe your procedures with regard to assessing water risks

Risk assessment procedure	Coverage	Scale	Please explain
Comprehensive company-wide risk	Direct operations and	All facilities and some	Risks, including those associated with water, are identified through detailed, robust systematic strategic planning and risk assessment procedures. These procedures engage various levels of the

Risk assessment procedure	Coverage	Scale	Please explain
assessment	supply chain	suppliers	organisation and involve ongoing review and reporting at management, executive and board levels. Identification and assessment of the risks begins with divisional management at asset level. These risks are reported to the group Risk and Sustainability committee bi-annually. This committee assists the board in recognising all material risks and in ensuring that the requisite risk management culture, practices, policies and systems are progressively implemented and functioning effectively. Specific focus is placed on reducing water consumption, improving efficiency, engagement with leading principals and geographic and industry diversification as ways of managing water-related risks - BAW's principals represent a very small proportion of the number of suppliers globally, but represent the majority of our supplier spend. Therefore by focused engagement with a relatively small number of key suppliers, BAW is still able to cover and assess a relatively broad risk base. Given the resource and effort required to assess all suppliers, this approach satisfies cost/benefit requirements while adequately managing, and where appropriate, mitigating risks identified in its supply chain.

W2.3

Please state how frequently you undertake water risk assessments, what geographical scale and how far into the future you consider risks for each assessment

Frequency	Geographic scale	How far into the future are risks considered?	Comment
Six-monthly or more frequently	Business unit	>6 years	BAW's risk assessment process (at BU, divisional and group) considers risks to the relevant operations in the short (1-3 years), medium (3-5 years) and long (>5 years) term. This risk assessment is not specific to water risks but focuses predominately on significant business risks; however water risks significantly impacting BAW will be identified during this High Level Risk Assessment process. The risks are assessed in terms of timeframe, likelihood, impact and quality of controls.
Annually	Business unit	>6 years	In addition, a water risk and opportunity assessment is conducted at a Group level focusing on the identification, assessment and response to risks and opportunities. This complements the broader assessment as these aspects are considered at an aggregated level. This is also reviewed by the groups' operations and considers risks in the short (1-3 years), medium (3-5 years) and long (>5 years) term. The

Frequency	Geographic scale	How far into the future are risks considered?	Comment
			risks are assessed in terms of timeframe, likelihood, impact and quality of controls.

W2.4

Have you evaluated how water risks could affect the success (viability, constraints) of your organization's growth strategy?

Yes, evaluated over the next 5 years

W2.4a

Please explain how your organization evaluated the effects of water risks on the success (viability, constraints) of your organization's growth strategy?

BAW's strategic framework outlines 6 strategic focus areas (SFAs) to which Executive teams give priority to ensure sustainable value creation for all stakeholders. Sustainable development, which encompasses water stewardship, is one of the 6 SFAs. Stakeholder engagement and consultation informs and guides group activities. This approach is institutionalised through structured strategic planning and risk management initiatives.

The strategic planning initiatives consider a range of impacts, including where relevant the effects of water quality and quantity on the growth strategy. Risks and opportunities, including those presented by changing water quality and quantity, are determined by the divisions and provided to the Risk and Sustainability Committee (RSC). The RSC, a sub-committee of the Board reviews the consolidated information. This information is used during the strategic planning process to better understand the impact of water-related risks and opportunities in terms of realising the growth strategy. The timeframe considered is five years, aligning with the strategic planning process.
More specifically, impacts on the growth strategy are as follows:
•Direct impact: Interruptions to operations: Water is predominantly used for washing of vehicles, plant and equipment. Changes to water quantity may result in operational interruptions which could lead to customer dissatisfaction. The operational interruptions and any customer dissatisfaction could negatively impact on BAW's ability to achieve its growth strategy.

•Direct impact: Increased expenditure: Water shortages and/or increased regulations may result in the need for additional expenditure on infrastructure such as water recycling and harvesting plants. The investment required for water-related infrastructure may displace investment in other business growth opportunities or delay investment.

•Indirect impact: Changes in product demand and supply: Changes to water quality and quantity could impact BAW’s customers and suppliers, altering demand and supply patterns for products/services. Extreme weather events such as floods and droughts may result in damage or destruction or relocation of communities outside of BAW’s distribution areas. This may require BAW to shift the focus of its growth strategy to new areas, markets or products/services.

W2.4b

What is the main reason for not having evaluated how water risks could affect the success (viability, constraints) of your organization's growth strategy, and are there any plans in place to do so in the future?

Main reason	Current plans	Timeframe until evaluation	Comment

W2.5

Please state the methods used to assess water risks

Method	Please explain how these methods are used in your risk assessment
Internal company knowledge WRI water stress definition WRI Aqueduct	These tools provide insight into water stressed regions, which is factored into BAW's risk assessment process. Given BAW operates in 23 countries spanning a number of river basins and catchments, the risk heat maps provided through these tools allow BAW to overlap its countries of operation to easily assess geographies of concern. BAW's 23 countries of operation are considered in the risk assessment process.

W2.6

Which of the following contextual issues are always factored into your organization's water risk assessments?

Issues	Choose option	Please explain
Current water availability and quality parameters at a local level	Relevant, included	Current local water availability and water quality, as assessed through internal company knowledge, WRI's water stress definition and Aqueduct, have a direct impact on BAW's operations and, as such, are considered in BAW's risk assessment process. Water is predominantly used for washing of vehicles, plant and equipment. As a result, water shortages could result in interruptions in operations and declining customer satisfaction levels. Water shortages and reduced water quality may require unplanned expenditure on infrastructure such as the installation of water recycling, rainwater harvesting or water treatment facilities. BAW has set a group aspirational target of 10% efficiency improvement of water intensity by 2020FYE off a 2015 baseline year, further supported by BAW Water Use and Management Policy.
Current water regulatory frameworks and tariffs at a local level	Relevant, included	Both regional and local regulations and tariffs, as assessed through application of internal company knowledge, are factored into BAW's risk assessments. The cost of compliance and the risks of non-compliance are considered in the risk assessment process. BAW's operations must comply with local water-related regulations governing water consumption and discharge volumes and quality. Current and anticipated water tariffs are also considered in the risk assessment process as it contributes to the operational cost base of the Group. BAW has set a group aspirational target of 10% efficiency improvement of water intensity by 2020FYE off a 2015 baseline year, further supported by BAW Water Use and Management Policy.
Current stakeholder conflicts concerning water resources at a local level	Relevant, included	BAW strives to conduct its activities in a responsible manner and to uphold its reputation as a responsible corporate citizen. With this in mind, BAW engages with stakeholders on an ongoing basis which allows BAW to identify current conflicts at a local level and this information is factored into the risk assessment process. Internal company knowledge is enhanced from and informed by such engagements. Where necessary, mitigation measures are put in place to reduce risks to both stakeholders and the Group.
Current implications of water on your key commodities/raw materials	Relevant, included	BAW considers risks associated with its supply chain which are informed by internal company knowledge and to a lesser degree WRI's water stress definition and Aqueduct. However, these risks are mitigated through association with global leading principals and brands that conduct their operations in a responsible manner. These principals are actively engaged in environmental stewardship and related sustainability initiatives. This risk is also minimised through diversification. BAW has operations across 23 countries, is engaged in a number of different business activities and has suppliers with a diverse manufacturing footprint.

Issues	Choose option	Please explain
Current status of ecosystems and habitats at a local level	Relevant, included	Although BAW does consider the current status of ecosystems and habitats in its risk assessment process, water use within the Group is predominantly for washing of vehicles, plant and equipment. The majority of BAW operations are based in developed urban areas and as such water used is sourced from municipal and local government water supply systems and legally discharged back into such systems after required filtration and separation processes. Internal company knowledge informs the assessment of this issue.
Current river basin management plans	Relevant, included	Currently river basin management plans do not have a direct impact on BAW's operations given the nature of use of water within operations and the sources of water withdrawals. Water is predominantly used for washing of vehicles, plant and equipment. No special licencing is required for water-use as locations are situated in urban / developed areas and water is sourced via municipal supply. River basin management plans may however impact our value chain eg. customers' sites may be impacted resulting in interruptions in operations or relocation, thus impacting BAW. Internal company knowledge informs the assessment of this issue.
Current access to fully-functioning WASH services for all employees	Relevant, included	The provision of drinking water and ablution facilities are regulated in most geographies in which BAW operates. Operations comply with relevant local regulations in this regard. BAW supplies potable drinking water, and full sanitation and hygiene services to employees. Internal company knowledge informs the assessment of this issue.
Estimates of future changes in water availability at a local level	Relevant, included	Future changes in water availability could result in increased expenditure on infrastructure such as water recycling and rainwater harvesting. Water shortages could result in interruptions in operations as water is required for washing vehicles, plant and equipment. Extreme changes in water availability patterns may result in relocation of communities which may negatively affect demand for the Group's products, particularly where relocation is outside BAW's distribution areas. Internal company knowledge, WRI's water stress definition and Aqueduct inform the assessment of this issue.
Estimates of future potential regulatory changes at a local level	Relevant, included	Future potential regulatory changes could impact on BAW's ability to do business and, as such, are considered in the risk assessment process. An example is the introduction of regulation which increases water tariffs. Any increases in water tariffs would result in increased operational costs and could require investment in water recycling and harvesting to reduce water withdrawals from municipal supplies. Regulatory changes could also impact customers, affecting demand for BAW's products and services. Internal company knowledge informs the assessment of this issue.
Estimates of future potential stakeholder conflicts at a local level	Relevant, included	BAW strives to conduct its activities in a responsible manner and to uphold its reputation as a responsible corporate citizen. With this in mind, BAW engages with stakeholders on an ongoing basis which allows BAW to identify any future potential conflicts at a local level and this information is factored into the risk assessment process. Internal company knowledge is enhanced from and informed by such engagements. Where necessary, mitigation measures are put in place to reduce risks to stakeholders and the Group.
Estimates of future implications of	Relevant,	BAW considers the future implications of water on suppliers in its risk assessment process. This is

Issues	Choose option	Please explain
water on your key commodities/raw materials	included	considered while bearing in mind the Group’s geographic, industry, customer and supplier diversification and engagement with leading, world class principals and brands which are likely to go a long way towards mitigating future water-related risks in the supply chain. Internal company knowledge, WRI's water stress definition and Aqueduct inform the assessment of this issue.
Estimates of future potential changes in the status of ecosystems and habitats at a local level	Relevant, included	Despite not being a significant consumer of water, BAW considers the impact of potential changes in ecosystems and habitats in its risk assessment process. Water is mainly used for washing of vehicles, plant and equipment. The majority of water used is sourced from municipal and local government water supply systems and legally discharged back into such systems after required filtration and separation processes, having limited impact on the ecosystems and habitats at a local level. Internal company knowledge, WRI's water stress definition and Aqueduct inform the assessment of this issue.
Scenario analysis of availability of sufficient quantity and quality of water relevant for your operations at a local level	Relevant, included	Availability of sufficient water at the right price and quality is considered in BAW’s risk assessment process. BAW requires water for washing of vehicles, plant and equipment. Water shortages could cause operational interruptions and could lead to customer dissatisfaction. This issue could also result in increased investment in rainwater harvesting and water treatment. BAW’s suppliers and customers are also dependent on the availability of sufficient quantity and quality of water. Internal company knowledge, WRI's water stress definition and Aqueduct inform the assessment of this issue.
Scenario analysis of regulatory and/or tariff changes at a local level	Relevant, included	BAW's risk assessment process considers changes in water tariffs or regulations at a local level. Any increases in price will directly impact operational costs. Higher water prices may give rise to the need for increased capital expenditure for recycling and rainwater harvesting in an attempt to reduce water withdrawals from municipal supplies. Customers may also be affected, resulting in re-engineered production/ extraction processes, which may reduce demand for BAW's products/services. Internal company knowledge informs the assessment of this issue.
Scenario analysis of stakeholder conflicts concerning water resources at a local level	Relevant, included	BAW strives to conduct its activities in a responsible manner and to uphold its reputation as a responsible corporate citizen. As such, stakeholders form an important part of the risk assessment process. Through ongoing engagement with stakeholders, BAW identifies any conflicts concerning water resources. The risk is evaluated in the risk assessment process and where necessary mitigation measures are put in place to reduce the risks to both the stakeholders and the Group. Internal company knowledge is enhanced from and informed by such engagements.
Scenario analysis of implications of water on your key commodities/raw materials	Relevant, included	Water-related risks could impact supplier's ability to manufacture raw materials. Various manufacturing processes are dependent on a reliable water supply. If raw materials are not available as a result of water shortages this could impact on BAW’s product offering and, in turn, revenue. Hence, the implications of water on BAW's supply chain and related raw materials are considered as part of the risk assessment process. Internal company knowledge informs the assessment of this issue.
Scenario analysis of potential changes in the status of ecosystems and habitats at a local level	Relevant, included	BAW's risk assessment process considers various scenarios regarding changes to ecosystems and habitats. BAW is not a significant water consumer as the use of which is limited to washing of vehicles, plant and equipment. The majority of water used is sourced from municipal and local government water

Issues	Choose option	Please explain
		supply systems, and legally discharged back into such systems after required filtration and separation processes, having limited impact on the ecosystems and habitats at a local level. Internal company knowledge informs the assessment of this issue.
Other	Relevant, included	Water-related risks potentially impacting BAW's customer base are considered in the risk assessment process. BAW engages regularly with customers to identify risks related to water such as changes in precipitation levels and changes in the regulatory framework. An important part of BAW's risk assessment process is identification of mitigation measures that could assist customers in alleviating the impact of water-related risks and provide insight into customer's future commercial viability. Internal company knowledge informs the assessment of this issue.

W2.7

Which of the following stakeholders are always factored into your organization's water risk assessments?

Stakeholder	Choose option	Please explain
Customers	Relevant, included	BAW is committed to delivering sustainable solutions through open, mutually beneficial relationships that inspire the trust and confidence of it's stakeholders. Ongoing engagement with customers provides information on their water requirements and related risks which allows for information sharing around risks and opportunities that provides BAW with an opportunity to better understand and address customer requirements. Close relationships with customers enhance BAW's capability to identify and deliver unique integrated solutions based on customer requirements which may address water issues.
Employees	Relevant, included	BAW is committed to regular engagement with employees. Aspects of its Employee Value Model include responsible corporate citizenship and sustainability. Employee involvement and buy-in is central to the identification and implementation of the group's water stewardship initiatives. Responsible practices ensure employee pride, commitment and are an element of attracting and retaining key skills.
Investors	Relevant, included	BAW engages with shareholders and providers of capital on issues around the sustainability value creation capability of the business and its operational and financial performance. As water-related risks and opportunities have the potential to impact on the sustainability of the business, its risk profile and its performance, BAW actively considers investors

Stakeholder	Choose option	Please explain
		perspectives during the risk assessment process and the development of its growth strategy.
Local communities	Relevant, included	BAW strives to be responsive to the needs of the communities in which it operates and to ensure that they are not negatively impacted by its operations. As its operations are predominately located in urban areas, such interaction is predominately with the respective local municipalities which represent the interest of any local communities. Where relevant, BAW engages in local communities when allocating its Corporate Social Investment and would consider their needs which may include water when allocating support.
NGOs	Relevant, included	BAW engages with a number of NGOs on environmental and water-related initiatives. BAW provides funding for some of these NGOs that support its shared value approach. Ongoing engagement with NGOs allows for information sharing and for understanding forthcoming regulation and important water-related issues and initiatives at a local level.
Other water users at a local level	Relevant, included	Where possible and appropriate BAW participates in business associations such as the National Business Initiative, Business Leadership South Africa and Business Unity South Africa. Either directly or through these business associations, BAW engages with other water users on water-related policies and regulation on an appropriate basis.
Regulators	Relevant, included	BAW gives consideration to existing and anticipated / pending water-related legislation in its risk assessment process. Impacts affecting BAW directly and indirectly via its value chain are considered in this process. BAW engages in a number of business forums that assist in keeping abreast with amendments to existing and pending legislation. This engagement includes providing input into pending draft regulations and legislation.
River basin management authorities	Relevant, included	Water is mainly used for washing of vehicles, plant and equipment. The majority of water used is sourced from municipal and local government water supply systems and legally discharged back into such systems after required filtration and separation processes, having limited impact on the respective river basins at a local level. As part of its ongoing stakeholder engagement initiatives, BAW is made aware of potential river basin issues that may impact its customers or the communities in which it operates. Such information is factored into the risk assessment process. Given it's predominate urban locations, the limited water withdrawal volumes and the nature of its use BAW does not necessarily have ongoing engagement with river basin management authorities. Such engagement will be on an ad-hoc basis as and when the need arises.
Statutory special interest groups at a local level	Relevant, included	Where required BAW would engage with special interest groups for the purposes of understanding local water-related challenges and determining where BAW can best support causes that align with its shared value approach. BAW is committed to operate as a responsible corporate citizen and engagement with special interest groups is one method of aligning to best practice and dealing with local water-related challenges appropriately and effectively.
Suppliers	Relevant, included	BAW engages with suppliers in order to understand and assess the risks and opportunities, including those presented by water, in its supply chain which may impact on its ability to create shared value for its stakeholders.
Water utilities/suppliers at a local level	Relevant, included	Water utilities are factored into the company’s risk assessment process as these utilities are central to providing and maintaining a regular supply of good quality water for BAW and its customers and suppliers. Risks to water utilities impact on BAW's ability to create shared value for its stakeholders.
Other		

W2.8

Please choose the option that best explains why your organisation does not undertake a water-related risk assessment

Primary reason	Please explain

Further Information

Module: Implications

Page: W3. Water Risks

W3.1

Is your organization exposed to water risks, either current and/or future, that could generate a substantive change in your business, operations, revenue or expenditure?

Yes, direct operations only

W3.2

Please provide details as to how your organization defines substantive change in your business, operations, revenue or expenditure from water risk

BAW has a robust and systematic risk management process in place which assesses risks on their probability, severity and quality of the control environment and gives each risk a residual risk score.On an annual basis the Risk and Sustainability Committee sets a risk appetite that is used in the risk assessment process. Definition of Substantive Risk: risks with a residual (opposed to Inherent) score of critical or high relative to the set Risk Appetite may have the ability to substantively change BAW's business model or business operations, revenue or expenditure. Such risks are identified in our risk assessment process together with related impacts and mitigation as reflected in response W2.3. Despite having multiple operations across 23 countries, in excess of 70% of the Group’s revenue is derived

from South African operations.The South African direct operations consist of over 300 operational sites across BAW's two major divisions which span multiple industries. The Group's major use of water is for washing of vehicles, plant and equipment and does not form part of the product. Principally all water is appropriately filtered, treated and discharged back into the local municipal reticulation systems. Given this level of diversification and the nature of water-use, no single operation has the ability to substantively impact the Group's business, operations, revenue or expenditure. In sections W3, 5.1, 5.1a, 5.2a, 5.3, and 5.4 BAW has responded on a country level rather than a facility level.The risks and information disclosed below relate to South African operations only which cumulatively make a significant contribution to the Group's revenue and which together have the ability to substantively impact the Group's business, operations, revenue or expenditure. While BAW has not assessed any of its risks as having the potential to substantively impact its business as defined above, for information purposes it has nonetheless disclosed a number of risks on an 'Inherent' basis that have the potential to impact its business. BAW strives to minimise the impact of its direct operations on water resource and to manage all water related risks appropriately, including installing water recycling and rainwater harvesting initiatives at a number of its operations. BAW has considered its direct operations, as well as its supply chain and customers in its risk assessment.

W3.2a

Please provide the number of facilities* per river basin exposed to water risks that could generate a substantive change in your business, operations, revenue or expenditure and the proportion this represents of total operations company-wide

Country	River basin	Number of facilities exposed to water risk	Proportion of total operations (%)	Comment
South Africa	Other: All river basins within South Africa			BAW has opted to report risks at an aggregated level. Risks with a residual (opposed to Inherent) score of critical or high are considered substantive to BAW's business. Despite having multiple operations across 23 countries, in excess of 70% of the Group's revenue is derived from South African operations. The South African operations consist of over 300 operational sites across BAW's two major divisions which span multiple industries. Given this level of diversification and the nature of water-use, no single operation has the ability to substantively impact the Group's business, operations, revenue or expenditure. BAW has therefore responded on a country level rather than a facility level.

W3.2b

Please provide the proportion of financial value that could be affected at river basin level associated with the facilities listed in W3.2a

Country	River basin	Financial reporting metric	Proportion of chosen metric that could be affected within the river basin	Comment
South Africa	Other: All river basins within South Africa	% global revenue		BAW opted to report risks at an aggregated level. Risks with a residual score of critical or high are considered substantive to BAW's business. Despite having multiple operations across 23 countries, in excess of 70% of the Group's revenue is derived from South African operations. The South African operations consist of over 300 operational sites across BAW's two major divisions which span multiple industries. Given this level of diversification and the nature of water-use, no single operation has the ability to substantively impact the Group's business, operations, revenue or expenditure. BAW has therefore responded on a country level rather than a facility level. Given there are a number of river basins within South Africa that service the >300 BAW sites, the probability all BAW's South African sites being impacted simultaneously is extremely remote. Despite this the revenue percentage indicated relates to all BAW's South African operations as a percentage of BAW's global revenue.

W3.2c

Please list the inherent water risks that could generate a substantive change in your business, operations, revenue or expenditure, the potential impact to your direct operations and the strategies to mitigate them

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
South	Othe	Reputational-	Brand	BAW could be	Current-	Unlikely	Medium-	Alignment	The cost is	Response strategy: BAW

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
Africa	r: All river basins within South Africa	Negative media coverage	damage	exposed to reputational risks if stakeholders perceive the group as not adequately identifying and responding to water-related issues. This perception may erode stakeholder value and may impact on BAW's share price.	up to 1 year		high	of public policy positions with water stewardship goals Engagement with community Engagement with customers Engagement with public policy makers Engagement with other stakeholders in the river basin Engagement with suppliers Infrastructure maintenance Increased investment in new	not ring-fenced and is incorporated into the cost base of the Group. Examples are the actual cost incurred for reporting systems, consultants and assurance which was in excess of R1m for the reporting period. The cost of this response strategy can be classified as 'Low' and is anticipated to increase marginally as assurance requirements become	has set a group aspirational target of 10% efficiency improvement of water intensity by 2020FYE off a 2015 baseline year, further supported by BAW Water Use and Management Policy. BAW has adopted a MAR (Measure, Avoid and Reduce) methodology to managing water. Water monitoring systems are in place at most major sites to allow monitoring of consumption trends, identification of anomalies and mitigation against excessive and/or unnecessary use. An example includes WaterWatch. Risks related to reputational damage are managed through ensuring ongoing accurate and transparent communication with stakeholders. Material water data is assured by the group external auditors to ensure accuracy of disclosures.

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
								technology Promote best practice and awareness Strengthen links with local community Other: Stakeholder engagement	more stringent and environmental responsibility, including water stewardship, comes more to the fore on the social and business agenda.	BAW is also committed to communicating its actions regarding environmental stewardship with stakeholders through sustainability communication in the media and publications released by the group. BAW engages with world class principals and suppliers that actively manage water consumption and water-related risks. Engagement and close relationships with all stakeholders assists in reducing the likelihood of reputational damage. Timeframe: BAW is already and will continue to engage with stakeholders and report on water-related risks and opportunities. . Effectiveness: Currently, engagement with stakeholders on a regular basis and transparent reporting is effective at managing reputational risks. It is expected to

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
										remain effective going forward. Feasibility of success in preventing financial/operational impact: Feasible / Adequate
South Africa	Other: All river basins within South Africa	Physical-Flooding	Closure of operations	Flooding could damage company infrastructure, stock and negatively affect operations including field servicing, operation of plant, equipment and vehicles. Flooding may require expenditure on infrastructure to overcome related difficulties. If severe, it may ultimately require changes to existing business model or relocation. Flooding could increase insurance premiums which	Current-up to 1 year	Probable	Medium	Other: Increased insurance cover	Significant insurance cover is provided at group level which extends to physical and consequential damages. The actual cost of this insurance was marginally below R33m in FY2015, of which a small portion was in respect of flooding. The cost of this response strategy can be classified	Response strategy: BAW insures for any physical and consequential damages. All BAW facilities maintain business plans that incorporate emergency response actions and business continuity. The geographic diversification of BAW minimises the impacts associated with this risk as flooding is typically confined to specific regions at any given time. Industry diversification is also another method of managing the risk. BAW operates across a number of industry segments which spreads the risk and reduces the impact associated with floods on the group. The group has insurance

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
				would increase the cost base of company. Floods can have a significant impact on the agricultural industry resulting in crop damage and shifting arable land areas. This could result in a reduction in demand for BAW's agricultural products. Similarly, these would also impact the group's supply chains and customers negatively affecting demand and supply.					as 'Low - Medium' and is expected to increase marginally in the future. The number of claims, the probability of risks materialising and the insured value, amongst other aspects, influence the insurance cover costs	protection in respect of losses incurred as a result of an insured event. Timeframe: The response strategy is already implemented as BAW has insurance and the facilities all have business plans that have emergency response actions and business continuity. Effectiveness: The response strategy is expected to remain effective as significant insurance cover is available. Feasibility of success in preventing financial/operational impact: Feasible / Adequate
South Africa	Other: All river basins within South	Physical-Increased water scarcity	Higher operating costs	Increased water stress can result in the reduced availability of water of the required quality at a reasonable price. Water shortages may	Current-up to 1 year	Probable	Medium	Infrastructure investment Infrastructure maintenance New products,	Increased water harvesting and recycling, for example, within the reporting period, some	Response strategy: BAW has set a group aspirational target of 10%efficiency improvement of water intensity by 2020FYE off a 2015 baseline year. BAW has adopted a MAR(Measure, Avoid and

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
	Africa			require expenditure on infrastructure to overcome related difficulties. For example, it may become necessary to install rainwater harvesting or water storage tanks at operations to ensure supply. Water shortages could result in interruptions in operations as water is required for washing vehicles, plant and equipment. Increased water prices would result in an increased operating cost base for the group. Declining water quality would require investment in water treatment facilities in order				markets Promote best practice and awareness Other: Diversification	Motor Retail sites installed a water recycling plant at an actual cost of some R1m. These implementations are mainly driven by cost savings and the need to improve operational resilience in light of water disruptions and improved water-use efficiency. It is anticipated that investment into such initiatives will increase in the future as water pricing increase	Reduce)methodology to managing water. Water monitoring systems are in place at most major sites to allow monitoring of consumption trends, identification of anomalies and mitigation against excessive and/or unnecessary use. BAW is committed to more efficient water consumption through reduced use, increased recycling and water-harvesting initiatives. The use of MAR as a water management methodology reduces the impact of water shortages, reduced quality and increased water prices by reducing water consumption in group operations. BAW manages the impacts associated with the risk of increased water stress through geographic and industry diversification. Diversification is an overarching management response to risks and

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
				to purify water to appropriate levels suitable for intended use. Extreme changes in water availability patterns may result in relocation of communities and industrial areas which may negatively affect demand for the group's customer offerings, especially where relocation is outside BAW's distribution areas. Increased water stress could potentially impact on BAW's supply chain, including its customers. For example, water shortages may result in some customers having to halt operations. This would result in reduced					and/or water use becomes more regulated.	related impacts. BAW has operations in 23 countries which reduces the impact of geographically-confined water-related risks. Timeframe: Various aspects of the response strategy have already been implemented. Rainwater harvesting and water recycling initiatives have already been implemented. BAW will continue to follow the MAR approach and will implement additional rainwater harvesting and recycling initiatives as and when required. Effectiveness:The response strategy has been effective at increasing recycling and rainwater harvesting activities. In FY2015, BAW's water withdrawal from municipal supplies decreased by 5% over FY2014 levels. BAW also recycled 20.2% of its total water withdrawals in FY2015.It is expected

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
				demand for BAW's products and services. For example, severe water shortages in the mining industry may halt or increase costs in operations and reduce demand for BAW's mining equipment. Droughts in the agricultural sector may result in the loss of crops and decreased demand for agricultural products from BAW.						that the response strategy will be effective at reducing the risk associated with water scarcity and scarcity and the impact of higher operating costs going forward by reducing water withdrawals from municipal supplies and increasing rainwater harvesting initiatives. Feasibility of success in preventing financial/operational impact: Feasible/Adequate.
South Africa	Other: All river basins within South Africa	Regulatory-Higher water prices	Higher operating costs	Increased water prices would increase BAW's operational costs. Higher water prices may also give rise to increased capital expenditure for recycling and rainwater	Current-up to 1 year	Highly probable	Low-medium	Infrastructure investment Infrastructure maintenance Promote best practice and	Increased water harvesting and recycling, for example, within the reporting period, some Motor Retail sites	Response strategy: BAW has set a group aspirational target of 10% efficiency improvement of water intensity by 2020FYE off a 2015 baseline year. BAW has adopted the MAR(Measure, Avoid and Reduce)methodology to managing water. Water

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
				harvesting initiatives in an attempt to avoid/ reduce water withdrawals. Customers may also be affected, resulting in re-engineered production/ extraction processes, which may reduce demand for BAW's customer offerings.				awareness	installed a water recycling plant at an actual cost of some R1m. These implementations are mainly driven by cost savings and the need to improve operational resilience in light of water disruptions and improved water-use efficiency. It is anticipated that investment into such initiatives will increase in the future as water pricing increase and/or water use	monitoring systems are in place at most major sites to allow monitoring of consumption trends,identification of anomalies and mitigation against excessive and/or unnecessary use. BAW is committed to more efficient water consumption through reduced use,increased recycling and water-harvesting initiatives.The use of MAR as a water management methodology reduces the impact of increased water prices by reducing water consumption in group operations. BAW manages the impacts associated with the risk of increased water prices through geographic and industry diversification. Diversification is an overarching management response to risks and related impacts. BAW has operations in 23 countries which reduces the impact of geographically-

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
									becomes more regulated.	confined water-related risks. Within BAW's two major divisions, there are a number of different operations and business activities.This enables the group to reduce the impact of water-related risks on the group should such risks only affect specific business activities. Timeframe: BAW already follows the MAR methodology to managing water and has already implemented water efficiency initiatives, recycling and rainwater harvesting and will continue to do so as and when required. Effectiveness: In FY2015, BAW's water withdrawal from municipal supplies decreased by 5% over FY2014 levels, despite 1% increased activity levels (using revenue as proxy) over FY2014. BAW also recycled 20.2% of its total water usage in FY2015. This indicates that the response

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
										strategy has been successful in reducing water withdrawals which will reduce the impact of any water price increases. It is expected to remain effective going forward. Feasibility of success in preventing financial/operational impact: Feasible/Adequate.
South Africa	Other: All river basins in South Africa	Regulatory-Increased difficulty in obtaining withdrawals/operations permit	Reduced demand for product	BAW may be negatively impacted through permitting difficulties in its supply chain or by its customers. For example, new or existing mining operations that fail to obtain water use licenses may need to halt operations until licenses can be obtained. This could reduce demand for BAW's goods and services	4-6 years	Probable	Medium	Engagement with customers Engagement with suppliers	Costs for engagement with customers form part of the operational cost base of the Group. The cost of this response strategy can be classified 'Low'. As these costs are integrated into the day-to-day	Response strategy: BAW is in constant contact with customers in order to understand the pressures customers are experiencing and to assist in alleviating these pressures and providing solutions that meet customers' needs. Geographic, industry, supplier, customer and product diversification also assists in minimising the impact of this risk as it is typically confined to specific regions and/or activities. This risk is also minimised through association with global

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
									operations and existing engagement structures, it is not anticipated that these costs will increase in the future.	leading principals and brands that conduct their operations in a responsible manner. These principals are actively engaged in environmental stewardship and related sustainability initiatives. Timeframe: The response strategy is already in place as BAW is engaging on an ongoing basis with customers. Effectiveness: The response strategy is expected to remain effective as constant engagement with customers provides an opportunity for BAW to provide assistance. The Group's diversification reduces the impact of any risk in terms of customers not obtaining approvals. Feasibility of success in preventing financial/operational impact: Feasible / Adequate
South	Othe	Regulatory-	Other:	The introduction of	1-3	Probable	Low-	Infrastructu	In FY2015	Response strategy: BAW

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
Africa	r: All river basins in South Africa	Mandatory water efficiency, conservation, recycling or process standards	Increased operational and/or capital expenditure	mandatory water efficiency, conservation, recycling or process standards could require additional capital investment in rainwater harvesting tanks, water treatment systems, water efficiency/recycling initiatives or monitoring systems. Also, water harvesting, recycling and monitoring processes already implemented may not meet the mandatory standards implemented, resulting in additional costs in upgrading these facilities in order to meet the required standards.	years		medium	re investment Infrastructure maintenance Increased capital expenditure Promote best practice and awareness Other: Diversification	the Group invested some R1m in water recycling, rainwater harvesting and efficiency initiatives. The cost of this response strategy can be classified as 'Low-Medium'. These implementations are mainly driven by cost savings and the need to improve operational resilience in light of water disruptions and improved water-use efficiency. It	is committed to efficient water use through reduced withdrawals,recycling,harvesting and monitoring initiatives,demonstrated by the investment made on these initiatives, and the group aspirational targets of 10%efficiency improvement of water intensity by 2020FYE off a 2015 baseline year. Having already invested in water efficiency initiatives, the group is prepared for mandatory water-related standards. The use of MAR(Manage, Avoid and Reduce)as a water management methodology reduces the impact of water shortages,reduced water quality and increased prices by reducing water consumption in BAW. BAW manages the impacts associated with the risk of mandatory standards through geographic and industry diversification.

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
									is anticipated that investment into such initiatives will increase in the future as water pricing increase and/or water use becomes more regulated.	Diversification is an overarching management response to risks and related impacts. BAW has operations in 23 countries and multiple sites within the country which reduces the impact of geographically-confined water-related risks (such as physical and regulatory risks).Within BAW's 2 major divisions, there are a number of different operations and business activities. This enables the group to reduce the impact of water-related risks should such risks only affect specific business activities. Cost: in FY2015 the Group invested some R1m in water recycling,rainwater harvesting and efficiency initiatives. Timeframe: BAW already follows the MAR approach to water management and has implemented various water efficiency, recycling and harvesting initiatives,

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
										which will also reduce the financial burden of compliance that could otherwise be experienced in a single financial period, thus assisting in BAW's cash flow. Effectiveness: In 2015,BAW's water withdrawals from municipal supplies decreased by 5% over FY2014 levels. BAW also recycled 20.2%of its total water usage in FY2015. It is expected that this approach will continue to be effective going forward. Feasibility of success in preventing financial/operational impact: Feasible / Adequate.
South Africa	Other: All river basins in South Africa	Regulatory-Regulation of discharge quality/volumes leading to higher compliance costs	Other: Increased operational and/or capital expenditure	The introduction of regulations that raise standards for water discharge quality or restrict discharge volumes may impact on BAW's operations. The	Current-up to 1 year	Probable	Low	Infrastructure investment Infrastructure maintenance Increased capital	In FY2015 the Group invested some R1m in water recycling, rainwater harvesting and	Response strategy: BAW makes use of environmentally friendly detergents which limits the pollution levels of the discharged water. This risk is further mitigated by recycling initiatives. BAW also recycled 20.2% of its

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
				regulations could require additional expenditure/investment on water treatment systems and/or water recycling initiatives on-site, giving rise to increased operational and/or capital costs.				expenditure Promote best practice and awareness Other: Diversification	efficiency initiatives. The costs for this response strategy can be classified as ' Low-Medium'. It is anticipated that investment into such initiatives will increase in the future as water pricing increase and/or water use becomes more regulated.	total water usage in FY2015 (FYE2014: 16.7%). In order to minimise the impact of this risk, BAW is focused on reducing water consumption by implementing water efficiency initiatives and reusing water at some of its' major operations. The impact of this risk is further reduced by the diversified nature of the group. BAW has operations in 23 countries which reduces the impact of geographically-confined water-related risks (such as physical and regulatory risks). BAW has two major divisions (Equipment and Handling, and Automotive and Logistics). Within each division, there are a number of different operations and business activities. This enables the group to reduce the impact of some water-related regulatory risks as these risks may be

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
										confined to specific countries, regions or activities. Timeframe: BAW has already implemented some of the response strategy as it makes use of environmentally friendly products and recycles water. BAW currently treats the water before discharging it into the municipal system. Timeframe: BAW has already implemented some of the response strategy as it makes use of environmentally friendly products and recycles water. BAW also currently treats the water before discharging it into the municipal system. Effectiveness: The response strategy is expected to remain effective going forward. Feasibility of success in preventing financial/operational impact: Feasible / Adequate

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
South Africa	Other: All river basins in South Africa	Regulatory-Regulatory uncertainty	Other: Delayed decision making	Regulatory uncertainty regarding water could result in operational interruptions, reduced demand for goods and services and increased operating costs. Possible or impending changes to regulatory frameworks create uncertainty in the business environment, increase administrative burden, impact business decisions by the group, its customers and supply chain, on issues such as competitive products, services and customer offerings, sectors in which to	1-3 years	Highly probable	Low-medium	Engagement with customers Engagement with public policy makers Engagement with suppliers Other: Diversification	The costs are not ring-fenced, but are incorporated into the cost base of the company. The costs of this response strategy can be classified as 'Low'. An example of actual costs are memberships fees paid to organised business associations, which amounted to some R1.2m in FY2015. The costs for diversification is inherent in the BAW business model, the cost of	Response strategy: The impact of possible or impending changes to regulatory frameworks is reduced through geographical, industry and principal diversification. The group operates in 23 countries and consists of logistics, retail and service-oriented businesses. The group engages with a number of different principals and suppliers. The diversified nature of the group minimises the impacts associated with the risk of regulatory uncertainty as new legislation is typically introduced within a single region or country and covers specific operations or activities. BAW engages with customers to identify risks and opportunities and to ensure that customer needs are met. In addition and specifically within South Africa, BAW engages with a number of industry and business

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
				operate, business models and optimal locations. BAW could be negatively impacted by the introduction of mandatory water efficiency standards or limitations placed on water withdrawals and discharges. The introduction of new legislation could require additional expenditure on new treatment facilities and water conservation initiatives in order to comply with the standards. The introduction of restrictions on water consumption could also impact customers; resulting in reduced demand					engagement is anticipated to increase in the future as the scope of regulation and consequentl y the degree of engagement increase.	associations on pending legislation. This assists BAW to keep abreast in changes to proposed legislation and allows sufficient time to adapt and respond appropriately. Timeframe: The response strategy of diversification and engagement with stakeholders is already implemented. Effectiveness: It is expected that the response strategy will remain effective going forward given that regulations are country or region specific and typically activity specific. Hence, diversification is likely to reduce the risk of regulatory uncertainty. Feasibility of success in preventing financial/operational impact: Feasible / Adequate

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
				for goods and services. Operating across a number of industries and under many jurisdictions presents challenges to staying abreast of local legislation. This could result in a cautious approach by the group, its customers and supply-chain which could negatively impact on decision making and investment.						
South Africa	Other: All river basins in South Africa	Regulatory-Statutory water withdrawal limits/changes to water allocation	Reduced demand for product	Limitations placed on water withdrawals may require increased investment for on-site water treatment, water harvesting and water recycling systems. In	1-3 years	Probable	Medium	Engagement with public policy makers Infrastructure investment Infrastructure	The costs are not ring-fenced, but are incorporated into the cost base of the Group. The costs of this response	Response strategy: BAW has set a group aspirational target of 10%efficiency improvement of water intensity by 2020FYE off a 2015 baseline year. BAW has adopted the MAR(Measure, Avoid and Reduce)methodology to

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
				addition, severe restrictions on water consumption could result in the inability for BAW to clean vehicles, plant and equipment which could impact on customer satisfaction levels resulting in a reduced demand for goods and services. Limitations on water withdrawals may have a significant impact in customers, for example, customers in the mining and agricultural sector. This in turn, may negatively affect demand for BAW's goods and services.				maintenance Promote best practice and awareness Other: Diversification	strategy can be classified as 'Low-Medium'. An example of infrastructure actual expenditure and maintenance: In FY2015 the Group invested some R1m in water recycling, rainwater harvesting and efficiency initiatives. It is anticipated that investment into such initiatives will increase in the future as water pricing increase and/or water use becomes	managing water.Water monitoring systems are in place at most major sites to allow monitoring of consumption trends, identification of anomalies and mitigation against excessive or unnecessary use. BAW is committed to efficient water use through reduced withdrawals, increased recycling and harvesting initiatives.The use of MAR as a water management methodology reduces the impact of limitations placed on water withdrawals by reducing water use in the group. BAW manages the impacts associated with the risk of limitations on water withdrawals through geographic and industry diversification.Diversification is an overarching management response to risks and related impacts. BAW has operations in 23 countries which

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
									more regulated.	reduces the impact of geographically-confined water-related risks. BAW has two major divisions, within which there are a number of different operations and business activities.This enables the group to reduce the impact of water-related risks should such risks only affect specific business activities. Timeframe: Various aspects of the response strategy have already been implemented.Rainwater harvesting and water recycling initiatives have already been implemented. BAW will continue to follow the MAR approach and will implement additional rainwater harvesting and recycling initiatives as and when required. Effectiveness: A reduction in water withdrawals will reduce the impact of this risk. Hence, the strategy of

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
										reducing water withdrawals through efficiencies, recycling and rainwater harvesting will continue to be effective. Feasibility of success in preventing financial/operational impact: Feasible/Adequate.
South Africa	Other: All river basins in South Africa	Physical-Inadequate infrastructure	Plant/production disruption leading to reduced output	Inadequate infrastructure can lead to disruptions in supply, reduced quality and increased costs. This, in turn, could affect operational efficiencies. Examples could include, unscheduled water cuts due to burst pipes or the need for repairs or upgrades to water infrastructure. This impacts on the ability to clean vehicles, plant and equipment. A decrease in water	Current-up to 1 year	Probable	Medium	Infrastructure investment Infrastructure maintenance Promote best practice and awareness Other: Diversification	The cost of the response strategy is not ring-fenced and forms part of the ongoing cost base of the company. The costs for this response strategy can be classified as 'Medium'. An example of infrastructure actual expenditure and	Response strategy: BAW has set a group aspirational target of 10% efficiency improvement of water intensity by 2020FYE off a 2015 baseline year, further supported by BAW Water Use and Management Policy. BAW's response strategy is to reduce water withdrawals through efficiencies and to focus on rainwater harvesting activities in order secure a supply of water. BAW has adopted a MAR (Measure, Avoid and Reduce) methodology to managing water. Water monitoring systems are in place at

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
				availability may require increased investment in related and necessary infrastructure such as rainwater harvesting and water storage on site. Inadequate supply of water to BAW suppliers could result in disruptions in the supply chain. Likewise, disruptions to water supply to BAW customers could result in a reduced demand for BAW's goods and services.					maintenance: In FY2015 the Group invested some R1m in water recycling, rainwater harvesting and efficiency initiatives. It is anticipated that investment into such initiatives will increase in the future as water pricing increase and/or water use becomes more regulated.	most major sites to allow monitoring of consumption trends, identification of anomalies and mitigation against excessive and/or unnecessary use. BAW is committed to more efficient water consumption through reduced use, increased recycling and water-harvesting initiatives. BAW manages the impacts associated with the risk of increased water stress through geographic and industry diversification. Diversification is an overarching management response to risks and related impacts. BAW has operations in 23 countries which reduces the impact of geographically-confined water-related risks. Within BAW's two major divisions, there are a number of different operations and business activities. This enables the group to reduce the

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
										impact of water-related risks on the group should such risks only affect specific business activities. Timeframe: Implementation of water recycling and rainwater harvesting initiatives has already commenced. BAW will continue to follow the MAR methodology and install recycling and rainwater harvesting initiatives when required in order to respond to this risk. Effectiveness: The use of MAR as a water management methodology reduces the impact of water shortages by reducing water consumption in group operations. BAW's water withdrawals from municipal supplies decreased by 5% against FY2014 levels. BAW also recycled 20.2% of its total water usage in FY2015 (FYE2014: 16.7%). Feasibility of success in preventing

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
										financial/operational impact: Feasible / Adequate
South Africa	Other: All river basins in South Africa	Physical-Declining water quality	Other: Increased capital expenditure	Declining water quality may require investment in water treatment facilities in order to purify the water to allow for use.	1-3 years	Probable	Low-medium	Infrastructure investment Infrastructure maintenance Increased capital expenditure Promote best practice and awareness Other: Diversification	The costs of the response strategy are not ring-fenced and form part of the ongoing cost base of the Group.The costs of this response strategy can be classified as 'Low-Medium'. An example of infrastructure actual expenditure and maintenance: In FY2015 the Group invested some R1m in water recycling, rainwater	Response strategy: BAW has set a group aspirational target of 10% efficiency improvement of water intensity by 2020FYE off a 2015 baseline year, further supported by BAW Water Use and Management Policy. BAW has adopted the MAR (Measure, Avoid and Reduce) methodology to managing water. Water monitoring systems are in place and if required relevant water treatment facilities would be introduced. BAW is committed to efficient water use through reduced withdrawals, increased recycling and harvesting initiatives. The use of MAR as a water management methodology reduces the impact of limitations placed on water

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
									harvesting and efficiency initiatives. It is anticipated that investment into such initiatives will increase in the future as water pricing increase and/or water use becomes more regulated.	withdrawals by reducing water use in the group. BAW manages the impacts associated with the risk of limitations on water withdrawals through geographic and industry diversification. Diversification is an overarching management response to risks and related impacts. BAW has operations in 23 countries which reduces the impact of geographically-confined water-related risks. BAW has two major divisions, within which there are a number of different operations and business activities. This enables the group to reduce the impact of water-related risks should such risks only affect specific business activities. Timeframe:Implementation of water recycling and rainwater harvesting initiatives has already commenced. BAW will continue to follow the

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs
										MAR methodology and install recycling and rainwater harvesting initiatives when required in order to respond to this risk. Effectiveness: It is anticipated that any implemented water treatment facility will be effective. A reduction in water withdrawals will reduce the impact of this risk. Hence, the strategy of reducing water withdrawals through efficiencies, recycling and rainwater harvesting will continue to be effective. Feasibility of success in preventing financial/operational impact: Feasible / Adequate.

W3.2d

Please list the inherent water risks that could generate a substantive change in your business operations, revenue or expenditure, the potential impact to your supply chain and the strategies to mitigate them

Country	River basin	Risk driver	Potential impact	Description of impact	Timeframe	Likelihood	Magnitude of potential financial impact	Response strategy	Costs of response strategy	Details of strategy and costs

W3.2e

Please choose the option that best explains why you do not consider your organization to be exposed to water risks in your direct operations that could generate a substantive change in your business, operations, revenue or expenditure

Primary reason	Please explain

W3.2f

Please choose the option that best explains why you do not consider your organization to be exposed to water risks in your supply chain that could generate a substantive change in your business, operations, revenue or expenditure

Primary reason	Please explain
Risks exist, but no substantive impact anticipated	While risks exist in aspects of the supply chain which could be inherently substantive at an individual operational level, these are not likely to generate a substantive change at group level as: 1. BAW's significant suppliers are a wide range of world-class original equipment manufacturers (OEMs) across different industries and with operations in different geographies. They comprehensively manage their risks; 2. BAW has a diversified offering and operates across different industries and 23 countries with a number of catchment areas. 3. BAW has insurance protection for losses incurred as a result of a supplier’s inability to deliver after suffering an insured event. Accordingly the nature and structure of the group-wide supply chain reduces inherent risk/s at a group level.

W3.2g

Please choose the option that best explains why you do not know if your organization is exposed to water risks that could generate a substantive change in your business operations, revenue or expenditure and discuss any future plans you have to assess this

Primary reason	Future plans

Further Information

Page: W4. Water Opportunities

W4.1

Does water present strategic, operational or market opportunities that substantively benefit/have the potential to benefit your organization?

Yes

W4.1a

Please describe the opportunities water presents to your organization and your strategies to realize them

Country or region	Opportunity	Strategy to realize opportunity	Estimated timeframe	Please explain
Company-wide	Climate change adaptation	BAW has the opportunity to reduce operational costs and reduce water withdrawals from municipal supplies	Current-up to 1 year	BAW has set a group aspirational target of 10% efficiency improvement for water by 2020FYE off a

Country or region	Opportunity	Strategy to realize opportunity	Estimated timeframe	Please explain
	Competitive advantage Cost savings Increased shareholder value Improved water efficiency	through the implementation of water efficiency initiatives. In order to realise this opportunity, BAW has adopted a Measure, Avoid and Reduce (MAR) methodology to managing water withdrawals. BAW has set a group aspirational target of 10% efficiency improvement of water intensity by 2020FYE off a 2015 baseline year, further supported by BAW Water Use and Management Policy. Water monitoring systems are in place at most major sites to measure withdrawals and identify opportunities for efficiencies. BAW has implemented and continues to implement water harvesting and recycling initiatives to reduce water withdrawals from municipal supplies. The most significant of the identified opportunity categories was assessed as "Cost savings".		2015 baseline year, further supported by BAW Water Use and Management Policy. In FY2015, the Group recycled 150ML (20.2%) of water withdrawn from municipal supplies. Various water recycling and harvesting initiatives implemented across the group, in one business unit these have resulted in an annual saving of some 149 million litres (estimated saving of R2m based on regional tariffs) of water that would have otherwise been drawn from municipal water systems. Cumulative water saved from 2007 to 2015 in the same business unit is some 706 million litres and water harvested is some 21 million litres over the same period.
Company-wide	Increased brand value Improved community relations Increased shareholder value Social licence to operate Staff retention	BAW has the opportunity to gain a competitive advantage as a result of enhancing its reputation by managing water-related risks and opportunities effectively. In addition, BAW engages with stakeholders on an ongoing basis in order to manage its reputation and to ensure it meets expectations. The most significant of the identified opportunity categories was assessed as "Increased brand value".	Current-up to 1 year	BAW has set a group aspirational target of 10% efficiency improvement for water by 2020FYE off a 2015 baseline year, further supported by BAW Water Use and Management Policy. BAW represents worldclass principals that strive to minimise the water consumption of their manufacturing processes and products. Additionally, BAW reports on its water usage and responsible water stewardship efforts, demonstrating its commitment to responding responsibly and BAW's commitment to transparent reporting to its stakeholders.
Company-wide	Competitive advantage Sales of new products/services	BAW has the opportunity to supply products and services required for infrastructural development needed to alleviate shortages and constraints in water stressed areas and arising from water shortages. The most significant of the identified opportunity categories was assessed as "Sales of new products/services".	Current-up to 1 year	BAW has developed strong relationships with its principals and customers which facilitates information sharing about local market conditions and trends, water-related issues and customer needs.
Company-wide	Staff retention	'BAW has the opportunity to attract and retain talent by ensuring that environmental stewardship is an important part of the Employee Value Proposition. In order to realise this opportunity, BAW reports information on water-related initiatives, risks and opportunities to	Current-up to 1 year	BAW strives to create a culture of innovation, ethical leadership and business practice through alignment, communication, involvement and influence and empowering its people. BAW's Employee Value Proposition includes minimum standards on

Country or region	Opportunity	Strategy to realize opportunity	Estimated timeframe	Please explain
		employees in a transparent manner. BAW also encourages employees to be part of water-related initiatives. BAW is actively engaged in activities to reduce its water footprint. The most significant of the identified opportunity categories was assessed as "Staff retention".		Sustainability Initiatives and Environmental Stewardship. One of the minimum standards is that employees must have access to opportunities to participate and contribute to sustainability initiatives which includes water-related initiatives.

W4.1b

Please choose the option that best explains why water does not present your organization with any opportunities that have the potential to provide substantive benefit

Primary reason	Please explain

W4.1c

Please choose the option that best explains why you do not know if water presents your organization with any opportunities that have the potential to provide substantive benefit

Primary reason	Please explain

Further Information

Module: Accounting

Page: W5. Facility Level Water Accounting (I)

W5.1

Water withdrawals: for the reporting year, please complete the table below with water accounting data for all facilities included in your answer to W3.2a

Facility reference number	Country	River basin	Facility name	Total water withdrawals (megaliters/year) at this facility	How does the total water withdrawals at this facility compare to the last reporting year?	Please explain
Facility 1	South Africa	Other: All river basins within South Africa	This includes all BAW operations in South Africa. Note that BAW has in excess of 300 operational sites in South Africa, most of which are situated in an around Gauteng province.	604	Lower	In FY2015, South African water withdrawals from municipal supplies decreased by 5% over FY14, against increased activity levels of 1% over the same period, using revenue as a proxy for activity. South African operations accounted for 81% of the Group's 2015 water withdrawals from municipal systems. The remaining 19% was accounted for by the remaining 22 countries in which BAW operates. The second highest withdrawal volumes from municipal supplies only accounted for 12% of the FY2015 total.

Further Information

Page: W5. Facility Level Water Accounting (II)

W5.1a

Water withdrawals: for the reporting year, please provide withdrawal data, in megaliters per year, for the water sources used for all facilities reported in W5.1

Facility reference number	Fresh surface water	Brackish surface water/seawater	Rainwater	Groundwater (renewable)	Groundwater (non-renewable)	Produced/process water	Municipal water	Wastewater from another organization	Comment
Facility 1	0	0	6.8	0	0	0	604	0	BAW is not a significant water user, with 745ML (FY15: South Africa - 604ML) of water being withdrawn from municipal supplies amongst its 23 countries of operation in FY2015. The water used within BAW does not form part of its products and is therefore not transported outside the region of use. Majority of water is used for washing of vehicles, plant and equipment and is not part of the product or the production process. In these circumstances no intensity figures are provided in this section.

W5.2

Water discharge: for the reporting year, please complete the table below with water accounting data for all facilities included in your answer to W3.2a

Facility reference number	Total water discharged (megaliters/year) at this facility	How does the total water discharged at this facility compare to the last reporting year?	Please explain
Facility 1	574	Lower	Principally all water is legally discharged into local municipal reticulation systems after proper treatment. Minimal volumes of water are consumed as water does not form part of the product and is not removed from the area. As discharged volumes are assumed to be 95% of withdrawal volumes, the year on year decrease of 5% in discharged water volumes for South Africa is directly linked to withdrawal volumes

W5.2a

Water discharge: for the reporting year, please provide water discharge data, in megaliters per year, by destination for all facilities reported in W5.2

Facility reference number	Fresh surface water	Municipal/industrial wastewater treatment plant	Seawater	Groundwater	Wastewater for another organization	Comment
Facility 1	0	574	0	0	0	Principally all water is legally discharged into local municipal reticulation systems after proper treatment. Minimal volumes of water are consumed as water does not form part of the product and is not removed from the area. As discharged volumes are assumed to be 95% of withdrawal volumes, the year on year decrease of 5% in discharged water volumes for South Africa is directly linked to withdrawal volumes.

W5.3

Water consumption: for the reporting year, please provide water consumption data for all facilities reported in W3.2a

Facility reference number	Consumption (megaliters/year)	How does this compare to the last reporting year?	Please explain
Facility 1	30	Lower	Principally all water is legally discharged into local municipal reticulation systems after proper treatment. Minimal volumes of water are consumed as water does not form part of the product and is not removed from the area. As consumption volumes are assumed to be 5% of withdrawal (municipal supply) volumes, the year on year decrease of 5% in water consumption volumes for South Africa is directly linked to withdrawal (municipal supply) volumes.

W5.4

For all facilities reported in W3.2a what proportion of their water accounting data has been externally verified?

Water aspect	% verification	What standard and methodology was used?
Water withdrawals- total volumes	76-100	Apart from rainwater harvesting, all water is obtained from local authorities (water utilities and/or municipalities) in the areas where BAW operates. These water withdrawal volumes are independently verified by the Group's external auditors using the International Standard on Assurance Engagements 3000.
Water withdrawals- volume by sources	76-100	Apart from rainwater harvesting, all water is obtained from local authorities (water utilities and/or municipalities) in the areas where BAW operates. These water withdrawal volumes are independently verified by the Group's external auditors using the International Standard on Assurance Engagements 3000.
Water discharges- total	Not verified	Water discharge is not verified. BAW uses water to wash vehicles, plant and equipment. Water does not form part

Water aspect	% verification	What standard and methodology was used?
volumes		of the product and is not removed from the areas of source. After proper treatment, it is legally discharged into local municipal reticulation systems.
Water discharges- volume by destination	Not verified	Water discharge is not verified. BAW uses water to wash vehicles, plant and equipment. The water is not removed from the areas of source. After proper treatment, it is legally discharged into local municipal reticulation systems.
Water discharges- volume by treatment method	Not verified	Water discharge is not verified. BAW uses water to wash vehicles, plant and equipment. The water is not removed from the areas of source. After proper treatment, it is legally discharged into local municipal reticulation systems.
Water discharge quality data- quality by standard effluent parameters	Not verified	Water discharge is not verified. BAW uses water to wash vehicles, plant and equipment. The water is not removed from the areas of source. After proper treatment, it is legally discharged into local municipal reticulation systems.
Water consumption- total volume	Not verified	All water is obtained from local authorities (water utilities and/or municipalities) in the areas where BAW operates. No water is removed from the area and water does not form part of the product (it is used for washing of vehicles, equipment and plant). Small volumes of water are consumed by employees and used to water gardens, but this is not separately metered. Water consumption is not verified by the Group auditors, but water withdrawal is verified.

Further Information

Attachments

https://www.cdp.net/sites/2016/29/1529/Water 2016/Shared Documents/Attachments/Water2016/W5.FacilityLevelWaterAccounting(II)/Independent auditor's non-financial assurance report.pdf

Module: Response

Page: W6. Governance and Strategy

W6.1

Who has the highest level of direct responsibility for water within your organization and how frequently are they briefed?

Highest level of direct responsibility for water issues	Frequency of briefings on water issues	Comment
Board of individuals/Sub-set of the Board or other committee appointed by the Board	Scheduled-quarterly	On a quarterly basis, information regarding water use and management is gathered at a divisional level, consolidated and reported to the group Risk and Sustainability Committee which is a sub-committee of the board. Communication at these quarterly meetings also includes water efficiency initiatives such as rainwater harvesting and recycling that have been implemented across the group.

W6.2

Is water management integrated into your business strategy?

Yes

W6.2a

Please choose the option(s) below that best explain how water has positively influenced your business strategy

Influence of water on business strategy	Please explain
Establishment of sustainability goals	Sustainable development, which encompasses water stewardship, is 1 of 6 of the group's strategic focus areas. The strategic approach to water stewardship is underpinned by a Measure, Avoid and Reduce methodology which aims to minimise BAW's water footprint and enhance organisational resilience. It also positively impacts the group's strategic focus area of Financial returns by reducing operational costs. The group operates in over 23 countries. Given the localised nature of water and diversified geographic footprint and nature of the group, it is not appropriate to have a group-wide water efficiency target. Instead, operations are encouraged to set their own targets where appropriate. Implemented initiatives include widely installed rain water harvesting tanks and water recycling plants in line with the MAR methodology. The positive impact on the two strategic focus areas above are important aspects of the group's strategy. BAW, in support of its Vision 2020, has set a group

Influence of water on business strategy	Please explain
	aspirational target of 10%efficiency improvement of water intensity by 2020FYE off a 2015 baseline year.
Investment in staff/training	BAW’s Integrated Employee Value Model incorporates Sustainability and responsible corporate citizenship. In the operations, a network of sustainability champions drive water-related initiatives and awareness amongst employees. This influences attitudes and behaviours which drive water efficiencies with related cost savings, organisational resilience, reputation, and positively impacts employee perception, attraction and retention.
Water resource considerations are factored into new product development	BAW engages with leading world class principals to identify new products. BAW has developed strong relationships with its principals and suppliers which facilitates information sharing about local market conditions and trends, including information on water-related issues and regulatory environments and standards, which assists its principals in adapting and developing customer solutions that differentiate and expand their product offerings. Offering customer solutions that help them realise their sustainable development objectives and contributes towards BAW's business strategy. This addresses the group's strategic focus area of providing Innovative customer solutions. New opportunities in related water industries supports the group's Profitable growth objectives, another group strategic focus area. These aspects are central to the group realising its strategic growth objectives.
Water resource considerations are factored into new market exploration	BAW engages with principals to identify new opportunities. BAW has developed strong relationships with its principals and suppliers which facilitates information sharing about local market conditions and trends, including information on water-related issues. This assists in identifying new markets for existing products and services as well as opportunities for new products. Water resource considerations such as water-related risks and opportunities are factored into new market exploration leading to Profitable growth opportunities which are central to the group realising its strategic growth objectives.
Publicly demonstrated our commitment to water	BAW has a ‘Barloworld Water Use and Management Policy' in place, which is publically disclosed on its website. The policy re-affirms BAW’s commitment to measuring, monitoring, managing and reporting its water usage as an aspect of standard business practice and to proactively implement initiatives to conserve water. The policy underscores BAW’s commitment to identifying and managing water-related risks and pursuing opportunities presented by managing water effectively. These commitments support BAW's Sustainable development strategic focus area, positively impacts business strategy and enhances BAW's reputation as a responsible corporate. Protecting the environment (including water) is a key aspect in the BAW Code of Ethics and in FY2015, Sustainability has been included as a fifth value in the BAW Worldwide Code of Conduct. BAW, in support of its Vision 2020, has set a group aspirational target of 10%efficiency improvement of water intensity by 2020FYE off a 2015 baseline year.
Establishment of a clear water strategy	Sustainable development, which encompasses water stewardship, is 1 of 6 strategic areas. The strategic approach to water stewardship is underpinned by a Measure, Avoid and Reduce methodology which aims to minimise BAW’s water footprint and enhance organisational resilience. It also positively impacts the group's strategic focus area of Financial returns by reducing operational costs. The group operates in over 23 countries. Given the localised nature of water, the group's geographic footprint and diversified nature of the group, it is not appropriate to have a group-wide water efficiency target and operations are encouraged to set their own targets where relevant. Implemented initiatives include widely installed rain water harvesting tanks and water recycling plants in line with the MAR methodology. BAW, in support of its Vision 2020, has set a group aspirational target of 10%efficiency improvement of water intensity by 2020FYE off a 2015 baseline year.
Greater employee engagement	Sustainable development, which encompasses water stewardship, is 1 of 6 of the groups strategic focus areas is cascaded

Influence of water on business strategy	Please explain
	throughout the group. At both, group and divisional levels, opportunities to create awareness around BAW's responsible water stewardship imperatives are encouraged. Protecting the environment (including water) is a key aspect in the BAW Code of Ethics and in FY2015, Sustainability has been included as a fifth value in the BAW Worldwide Code of Conduct. All employees are expected to uphold the Code of Ethics and the Code of Conduct. Employee engagement, participation and training on Sustainable development contributes to identifying and implementing measures for greater water efficiency which positively impacts the strategic focus areas of Financial return. It also enables employees to consider Innovative customer solutions and potential Profitable growth opportunities, both of which are group strategic focus areas. Water efficiency initiatives also contribute to the group's organisational resilience, a key element of its sustainable value creation ability.

W6.2b

Please choose the option(s) below that best explains how water has negatively influenced your business strategy

Influence of water on business strategy	Please explain
Increased capital expenditure	The business strategy has not been negatively influenced. While in some instances additional costs have been incurred in water related initiatives, these positively impact the group's strategy and ability to create sustainable shared value. These additional actual costs relate to the investments in water harvesting and water recycling to the benefit of the organisation and positively impact on its strategic objectives. For example, in FY2015 the group spent R0.6m on installation of additional rainwater harvesting and recycling infrastructure. The increased expenditure has resulted in higher percentages of water withdrawn from municipal supplies being recycled in FY2015 (FY15: 20.2% and FY14: 16.7%).
Increased insurance cover	As part of its business strategy, BAW insures against physical and consequential damages. Occurrence of water-related events such as floods and droughts could result in insurance having to pay out and a subsequent increase the insurance premium which currently sits marginally below R33 million. One example is hail damage from one specific hailstorm in South Africa which resulted in some R25 million in repair costs for the building and the vehicles encompassed within the building. This is not perceived as a negative influence on business strategy but an essential aspect of sustainable value creation.

W6.2c

Please choose the option that best explains why your organization does not integrate water management into its business strategy and discuss any future plans to do so

Primary reason	Please explain

W6.3

Does your organization have a water policy that sets out clear goals and guidelines for action?

Yes

W6.3a

Please select the content that best describes your water policy (tick all that apply)

Content	Please explain why this content is included
Publicly available Company-wide	BAW has a stand-alone Water Use and Management Policy which is also incorporated into its Environmental Policy and in Sustainable Development, one of the Group's strategic focus areas. The policy outlines the standards BAW expects within the group, allocates accountability and drives a common objective of responsible water use and management. In the preamble of the policy, 'Barloworld as a responsible corporate citizen: -Appreciates the value of water as a finite and scarce natural resource, its necessity for social and economic development worldwide, and the potentially detrimental effect of polluting water or removing water from environmental systems, particularly in water stressed regions -Recognises that water constraints are a serious threat to sustainability -Encourages all its stakeholders (including customers) to consider positive steps they may take with regards to water use and related impacts -Participates in its value-chain to promote water use awareness and appropriate responses. Protecting the environment (including water) is in the BAW Code of Ethics and Sustainability is a fifth value in its

Content	Please explain why this content is included
	Worldwide Code of Conduct. BAW has set a group aspirational target of 10%efficiency improvement of water intensity by 2020FYE off a 2015 baseline year. BAW's key suppliers are world-class principals, which have robust risk processes, including environmental risks and have implemented such standards of their own accord.

W6.4

How does your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) during the most recent reporting year compare to the previous reporting year?

Water CAPEX (+/- % change)	Water OPEX (+/- % change)	Motivation for these changes
+71		Water-related CAPEX and OPEX are not ring-fenced but incorporated into BAW’s ongoing cost base. Water-related CAPEX incurred for investment into water recycling, treatment and rainwater harvesting infrastructure for which the indicative spend in FY2015 was 71% higher than that of FY2014. In FY2015, water recycling facilities have been implemented at 300% more sites than implemented during FY2014, hence the lower CAPEX spend in FY2014. As investment is made, it may plateau as opportunities for new investments diminish over time. The decision of these installations sit at the respective business unit level and are dependent on, amongst other aspects, the payback periods and the prioritisation of resources within the respective business unit. In support of BAW's Vision 2020 aspirational target of 10%efficiency improvement of water intensity by 2020FYE off a 2015 baseline year, CAPEX spend may increase.

Further Information

Attachments

https://www.cdp.net/sites/2016/29/1529/Water 2016/Shared Documents/Attachments/Water2016/W6.GovernanceandStrategy/barloworld_water_use_and_management_policy.pdf

Page: W7. Compliance

W7.1

Was your organization subject to any penalties, fines and/or enforcement orders for breaches of abstraction licenses, discharge consents or other water and wastewater related regulations in the reporting year?

No

W7.1a

Please describe the penalties, fines and/or enforcement orders for breaches of abstraction licenses, discharge consents or other water and wastewater related regulations and your plans for resolving them

Facility name	Incident	Incident description	Frequency of occurrence in reporting year	Financial impact	Currency	Incident resolution

W7.1b

What proportion of your total facilities/operations are associated with the incidents listed in W7.1a

W7.1c

Please indicate the total financial impacts of all incidents reported in W7.1a as a proportion of total operating expenditure (OPEX) for the reporting year. Please also provide a comparison of this proportion compared to the previous reporting year

Impact as % of OPEX	Comparison to last year

Further Information

Page: W8. Targets and Initiatives

W8.1

Do you have any company wide targets (quantitative) or goals (qualitative) related to water?

Yes, goals only

W8.1a

Please complete the following table with information on company wide quantitative targets (ongoing or reached completion during the reporting period) and an indication of progress made

Category of target	Motivation	Description of target	Quantitative unit of measurement	Base-line year	Target year	Proportion of target achieved, % value

W8.1b

Please describe any company wide qualitative goals (ongoing or reached completion during the reporting period) and your progress in achieving these

Goal	Motivation	Description of goal	Progress
Other: Responsible water stewardship and efficiency of use	Water stewardship	Measure/s of success: Reduced water withdrawals, improved water recycling and harvesting volumes are indicative measures of success. While no targets have been implemented for FY2015, BAW has set a group aspirational target of 10%efficiency improvement of water intensity by 2020FYE off a 2015 baseline year, as part of its Vision 2020. Target date / timescale: 2020. The year-on-year analysis of the above indicative measures give a sense of performance. The absolute volumes in this regard must be seen in the context of activity levels over the respective period. Explanation for adoption: BAW strives to minimise the impacts of its operations on water resources. Water considerations form an integral part of daily business activities, including risk management, strategic planning, capital expenditure and operating procedures. Please refer to attached Water Use and Management Policy.	While group Vision 2020 aspirational target is off a 2015 baseline, a number of operations have implemented water recycling and water harvesting initiatives. Apart from highlighting BAW's commitment to responsible water usage, these initiatives reduce operational costs and improve operational resilience. Various water recycling and harvesting initiatives implemented across the group, in one business unit these have resulted in a saving of some 149 million litres of water that would have otherwise been drawn from municipal water systems in FY2015. Within the same business unit 6.8 million litres of water was harvested in the reporting period. Cumulatively from 2007 to 2015, this business unit has saved 706 million litres of water, with water harvested volumes marginally below 21 million litres for the same period. The financial savings associated with the saved water volumes will be realised within the respective business units. At a group level, the FY2015 water withdrawals from municipal supplies has decreased by 5% against FY2014, despite a 1% increase in activity levels (using revenue as a proxy). Also, in FY2015 a higher percentage of water withdrawals have been recycled against prior year (FY2015: 20.2% and FY2014: 16.7%). The financial savings associated with the saved water volumes will be realised within the respective business units. The above are positive steps towards BAW’s goal of responsible water stewardship and efficiency of use.
Other: Require compliance with relevant water laws, other standards and codes of practice to which the company subscribes	Brand value protection	Measure/s of success: Instances of negative publicity, the number significant monetary or non-monetary sanctions, the inclusion of BAW in leading Environmental, Social and Governance and/ or Sustainability related Indices and awards and recognition received are indicative measures of success for this goal. While no targets have been implemented for FY2015, BAW has set a group aspirational target of 10%efficiency improvement of water intensity by 2020FYE off a 2015 baseline year,	There were no significant fines or non-monetary sanctions for non-compliance with environmental laws and regulations during the reporting year. BAW continues to monitor the development of regulations in order to prepare for its introduction. This is achieved through representation on industry bodies and trade associations. In FY2015, BAW was a constituent of the FTSE/JSE Responsible Investment Index, Dow Jones Sustainability Emerging Markets Index (DJSI) and Euronext-Vigeo EM 70 Index. The above are positive steps towards BAW’s goal of compliance with water

Goal	Motivation	Description of goal	Progress
		as part of its Vision 2020. Target date / timescale: 2020. The above indicative measures apply to BAW's financial period. Explanation for adoption: BAW's Code of Ethics (COE) covers aspects such as Obeying the Law and Protecting the Environment. Subsequent to the reporting period, Sustainability has been included as a fifth value in Barloworld's Worldwide Code of Conduct (BWCOC). The COE and BWCOC are group-wide codes which all employees must abide with and uphold. BAW strives to comply with relevant water laws, other standards and codes of practice in pursuit of maintaining and enhancing BAW's reputation as a responsible corporate citizen. Responsible water stewardship and corporate citizenship contributes towards BAW's social licence operate.	laws, other standards and codes of practice to which the company subscribes.
Other: Where practical, ensure optimisation of water utilisation, recycling, and harvesting and discharge	Cost savings	Measure/s of success: Reduced water withdrawals, improved water recycling and harvesting volumes are indicative measures of success. While no targets have been implemented for FY2015, BAW has set a group aspirational target of 10%efficiency improvement of water intensity by 2020FYE off a 2015 baseline year, as part of its Vision 2020. Target date / timescale: The year-on-year analysis of the above indicative measures gives a sense of performance. The absolute volumes in this regard must be seen in the context of activity levels over the respective period. Explanation for adoption: As part of its Water Use and Management Policy, BAW commits to improving water efficiency in the group and reducing consumption through the implementation of rain water harvesting and water recycling initiatives. The motivation behind this goal is a combination of cost saving, organisational resilience and BAW's commitment to being a responsible corporate citizen.	BAW's operations are progressing towards achieving its objectives. Various water recycling and harvesting initiatives implemented across the group, in one business unit these have resulted in a saving of some 149 million litres (estimated saving of R2m based on regional tariffs) of water that would have otherwise been drawn from municipal water systems in FY2015. Within the same business unit 6.8 million litres of water was harvested in the reporting period. Cumulatively from 2007 to 2015, this business unit has saved 706 million litres of water, with water harvested volumes marginally below 21 million litres for the same period. At a group level, the FY2015 water withdrawals from municipal supplies has decreased by 5% against FY2014, despite a 1% increase in activity levels (using revenue as a proxy). Also, in FY2015 a higher percentage of water withdrawals have been recycled against prior year (FY2015: 20.2% and FY2014: 16.7%). The financial savings associated with the saved water volumes will be realised within the respective business units. The above are positive steps towards BAW's goal of optimising water utilisation, recycling, harvesting and discharge.
Other: Ensure that water	Risk	Measure/s of success: While no targets have been	Water-related risks are integrated into the company's risks

Goal	Motivation	Description of goal	Progress
use considerations form part of the company's overall risk management processes	mitigation	implemented for FY2015, BAW has set a group aspirational target of 10%efficiency improvement of water intensity by 2020FYE off a 2015 baseline year. The consideration of environmental risks in the overall risk management process is indicative of the success of this goal. Inclusion in leading Environmental, Social and Governance indices, which also factor risk management practices, is also regarded as a measure of success. Target date / timescale: Risks are assessed biannually through and the group's top ten risks are reflected in its integrated reporting. In addition, a water risk and opportunity assessment is conducted at a Group level. This complements the broader biannual assessment as these aspects are considered at an aggregated level. Explanation for adoption: BAW is committed to understanding the impact of, and transparently disclosing, risks posed to its operations and value chain from water. For this reason, BAW's Water Use and Management Policy advocates that water use considerations are integrated into the company's overall risk management approach. The motivation for this goal include risk management, risk mitigation which positively impact water stewardship.	management process. Risks are identified and assessed on their probability, severity and the quality of the existing control environment. Through this process, risks are given a residual risk score which indicates the importance of the risk. In the reporting period, climate change and environmental stewardship was identified as one of the Group's top risks. Risks are also regularly reported internally and in the public domain. In FY2015, BAW was a constituent of the FTSE/JSE Responsible Investment Index, Dow Jones Sustainability Emerging Markets Index (DJSI) and Euronext-Vigeo EM 70 Index. Included in these questionnaires and assessment is an element of risk management/mitigation. The above are positive steps towards BAW's goal of ensuring water use considerations form part of the company's overall risk management processes.
Other: Promote water use awareness in the company operations	Water stewardship	Measure/s of success: The initiatives and consequential reduced water withdrawals, increased water recycling and harvesting volumes are indicative measures of success. While no targets have been implemented for FY2015, BAW has set a group aspirational target of 10%efficiency improvement of water intensity by 2020FYE off a 2015 baseline year, as part of its Vision 2020. Target date / timescale: 2020.The year-on-year analysis of the above indicative measures of performance and must be seen in the context of activity levels over the respective period. Explanation for adoption: The motivation for this goal is water stewardship, encompassed in Sustainable development 1 of 6	BAW's operations are progressing towards achieving its objectives. Various water recycling and harvesting initiatives implemented across the group, in one business unit these have resulted in a saving of some 149 million litres (estimated saving of R2m based on regional tariffs) of water that would have otherwise been drawn from municipal water systems in FY2015. Within the same business unit 6.8 million litres of water was harvested in the reporting period. Cumulatively from 2007 to 2015, this business unit has saved 706 million litres of water, with water harvested volumes marginally above 21 million litres for the same period. At a group level, the FY2015 water withdrawals from municipal supplies have decreased by 5% against FY2014, despite a 1% increase in activity levels (using revenue as a proxy).

Goal	Motivation	Description of goal	Progress
		Group strategic focus areas. Opportunities to create awareness around BAW's responsible water stewardship imperatives are encouraged. Protecting the environment (including water) is a key aspect of BAW's Code of Ethics and in FY2015. Employee engagement, participation and training on Sustainable development contributes to identifying and implementing measures for greater water efficiency which positively impacts the strategic focus areas of Financial return. It also enables employees to consider Innovative customer solutions and potential Profitable growth opportunities, both of which are group strategic focus areas. Water efficiency initiatives also contribute to the group's organisational resilience, a key element of its sustainable value creation ability.	Also, in FY2015 a higher percentage of water withdrawals have been recycled against prior year (FY2015: 20.2% and FY2014: 16.7%). Awareness initiatives have been leveraged on a number of environmental days including World Environment Day. In FY2015, BAW responded to the CDP Water questionnaire which is distributed to divisions and to the Executive Committee for review. The above are positive steps towards BAW’s goal of promoting water use awareness in its operations.
Other: Develop contingency procedures to deal with unscheduled occurrences and community concerns.	Risk mitigation	Measure/s of success: All facilities are expected to maintain business continuity and emergency response plans. While no targets have been implemented for FY2015, BAW has set a group aspirational target of 10%efficiency improvement of water intensity by 2020FYE off a 2015 baseline year, as part of its Vision 2020. The instances of significant disruption to operations from unscheduled occurrences and community concerns together with the ability to appropriately respond to such events are indicative measures of success. Target date / timescale: Ongoing. Explanation for adoption: This goal is related to the development of plans that outline emergency response actions and ensure business continuity in the face of unscheduled occurrences. The motivation behind the goal is risk mitigation, sustainable value creation and minimising operational disruption and reputational damage.	All BAW facilities maintain business plans that incorporate emergency response actions and business continuity. These plans include what to do when experiencing unscheduled occurrences. BAW's divisions will inform, in a timely manner, anyone who may be affected by conditions caused by the company that might endanger the environment including safe water consumption and discharge. Sanctions (monetary and non-monetary) are regularly monitored by BAW and reported on a quarterly basis to the Risk and Sustainability committee as part of the quarterly SHE report. FY2015 water withdrawals from municipal supplies has decreased by 5% against FY2014, despite a 1% increase in activity levels (using revenue as a proxy). Also, in FY2015 a higher percentage of water withdrawals have been recycled against prior year (FY2015:20.2% and FY2014: 16.7%). The increase water recycling and water harvesting initiatives improve operational resilience and reduce the impact of such unscheduled occurrences. The financial savings associated with the saved water volumes will be realised within the respective business units. The above are positive steps towards BAW’s goal of developing contingency procedures to deal with unscheduled occurrences and community

Goal	Motivation	Description of goal	Progress
			concerns.
Other: Require the maintenance of transparent disclosure with stakeholders to promote sound water use practices	Water stewardship	Measure/s of success: While no targets have been implemented for FY2015, BAW has set a group aspirational target of 10%efficiency improvement of water intensity by 2020FYE off a 2015 baseline year, as part of its Vision 2020. The inclusion of BAW in leading Environmental, Social and Governance and/ or Sustainability related Indices and awards and recognition received are indicative measures of success for this goal. These ESG assessment reports are often based on publically disclosed information. Inclusion in such indices is recognition of BAW's disclosures to its stakeholders. BAW has also adopted a Measure, Avoid and Reduce (MAR) methodology in pursuit of responsible water stewardship. An indicative measure of success of this methodology is the reduced water withdrawals, increased water recycling and rainwater harvesting volumes. Target date / timescale: Ongoing, relevant for each reporting period (12 months). The year-on-year analysis of the above indicative measures gives a sense of performance. The absolute volumes in this regard must be seen in the context of activity levels over the respective period. Explanation for adoption: BAW understands the importance of stakeholder engagement, which may include goals to promote sound water use practices in its dialogues with stakeholders. This goal is aimed at sharing best practice, encouraging responsible water stewardship and identifying water-related risks and opportunities.	BAW is committed to delivering sustainable value through open, mutually beneficial relationships with stakeholders. BAW engages regularly with investors, suppliers, customers, employees and public sector on water-related challenges and best practice. For example BAW's membership of the National Business Initiative, its participation in workshops hosted by this organisation and its response on an annual basis to the CDP's Water Programme. Various water recycling and harvesting initiatives implemented. In one business unit has saved some 149 million litres of water that would have otherwise been drawn from municipal water systems in FY2015. Within the same business unit 6.8 million litres of water was harvested in FY2015. From 2007 to 2015, this business unit has saved 706 million litres of water, with water harvested volumes marginally below 21 million litres for the same period. In FY2015, BAW's municipal water withdrawals have decreased by 5% against FY2014, despite a 1% increase in activity levels (using revenue as a proxy). Also, in FY2015 a higher percentage of water withdrawals have been recycled than FY2014 (FY2015: 20.2% and FY2014: 16.7%). In FY2015, BAW was a constituent of the FTSE/JSE Responsible Investment Index, Dow Jones Sustainability Emerging Markets Index (DJSI) and Euronext-Vigeo EM 70 Index. The above support BAW's goal of transparent disclosure with stakeholders to promote to promote sound water use practices.

W8.1c

Please explain why you do not have any water-related targets or goals and discuss any plans to develop these in the future

Further Information

Attachments

https://www.cdp.net/sites/2016/29/1529/Water 2016/Shared Documents/Attachments/Water2016/W8.TargetsandInitiatives/barloworld_water_use_and_management_policy.pdf

Module: Linkages/Tradeoff

Page: W9. Managing trade-offs between water and other environmental issues

W9.1

Has your organization identified any linkages or trade-offs between water and other environmental issues in its value chain?

Yes

W9.1a

Please describe the linkages or trade-offs and the related management policy or action

Environmental issues	Linkage or trade-off	Policy or action

Environmental issues	Linkage or trade-off	Policy or action
Improved water and energy efficiencies	Linkage	Water recycling initiatives invariably require energy which may present an opportunity for BAW's products which could provide the required energy with improved fuel and emissions intensities.
Improved Energy Efficiency reduces demand for the production of grid based electricity which consumed water	Linkage	Group aspirational Energy efficiency targets are in place of a 10% efficiency improvement in non-renewable energy and GHG emissions (scope 1 and 2) by 2020FYE off a 2015 baseline, and a renewable energy target of 2 000 MWh or more per annum, as part of its Vision 2020, further supported by the Energy Efficiency Policy. Such reduction in energy consumption of the grid will also reduce water consumption which is required in grid electricity production process.
Reduced water withdrawals from municipal systems through water recycling and rainwater harvesting initiatives results in reduced energy required to process, extract, treat and distribute municipal water supplies.	Linkage	Group aspirational Energy efficiency targets are in place of a 10%efficiency improvement of water intensity by 2020FYE off a 2015 baseline year, as part of its Vision 2020, further supported by the Water Use and Management Policy. Such improved water recycling and harvesting initiatives, will reduce water withdrawals from municipal supplies which require energy for processing, extracting, treating and distributing municipal water supplies.

Further Information

Module: Sign Off

Page: Sign Off

W10.1

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

Name	Job title	Corresponding job category
Christopher Whitaker	Executive: Strategy and Sustainability	Other: Group Executive

W10.2

Please select if your organization would like CDP to transfer your publicly disclosed response strategy from questions W1.4a, W3.2c and W3.2d to the CEO Water Mandate Water Action Hub.

Yes

Further Information

CDP 2016 Water 2016 Information Request