

Sample Greenhouse Gas Statement

The statement of greenhouse gas emissions provides investors and other capital providers with the information needed to understand the company's contribution to global GHG emissions. This statement is generally based on the World Resource Institute's Greenhouse Gas Protocol (GHG Protocol), the most widely used international tool for aggregating GHG emissions data.

The GHG Protocol defines three "scopes" for reporting GHG emissions.

- Scope 1 emissions are those in which a company has direct control via ownership of activities, such as emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc., as well as emissions from chemical production in owned or controlled process equipment.
- Scope 2 are indirect emissions attributable to purchased electricity, heat or steam. Purchased electricity is defined as electricity that is purchased or otherwise brought into the organizational boundary of the company.
- Scope 3 are all other indirect emissions and are a consequence of the activities of the company, but occur from sources not owned or controlled by the company.

The following statement provides a basis for presentation of an example GHG emissions statement. Its general purpose is to provide an illustration that would allow comparability with a company's prior GHG emissions statements and with the GHG emissions statements of other entities. The statement below depicts the following information:

- Periods covered; base year; relevant regulation globally with emphasis on the US; reporting method followed
- Greenhouse gases covered and methods of measure; organizational boundaries; conversion factors; method/approach to any adjustments to base year
- Reference to materiality; any nuances relative to scope inclusion (i.e., treatment of renewables; Scope 3 to extent complementary to what was covered in MD&A)
- Participation in any offset programs
- Presentation of emission sources relevant to business: by scope; by gas; by segment; continuing versus discontinued operations.

Statement of greenhouse gas emissions

Summary of GHG emissions for the years ended December 31, 2010 and 2009

CO ₂ e emissions ('000 tonnes)			Adjusted base year	Target	Percentage change	
	2010	2009	2007	2012	2009/2010	2007/2010
Scope 1	432	521	645	364	-17%	-33%
Scope 2	1,293	1,386	1,494	1,038	-7%	-13%
Total Scope 1 and 2 emissions	1,725	1,907	2,139	1,402	-10%	-19%
Scope 3	7,245	7,320	8,001	6,101	-1%	-9%
Total emissions	8,970	9,227	10,140	7,503	-3%	-12%

Greenhouse gas emissions intensity (CO ₂ e '000 tonnes/Php M revenue)			Adjusted base year	Target
	2010	2009	2007	2012
Scope 1	0.100	0.157	0.229	0.057
Scope 2	0.299	0.418	0.531	0.162
Scope 3	1.675	2.208	2.841	0.953
Total	2.074	2.783	3.601	1.172

Notes to GHG emissions statement

Note 1: Greenhouse gas reporting policies

These greenhouse gas (GHG) emissions disclosures have been prepared based on a reporting year of January 1 to December 31. This is the same as the Company's financial reporting period.

The GHG emissions information has been prepared with reference to the World Resources Institute/World Business Council for Sustainable Development Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition (the GHG Protocol).

A summary of the key disclosure policies is set out below, together with an explanation of where changes have been made from policies in the previous year. The complete set of our GHG reporting policies can be found at www.typicoinc.com.

Greenhouse gases

All GHG emissions figures are in tonnes of carbon dioxide equivalents (CO₂e) and include three of the six greenhouse gases covered by the Kyoto Protocol—carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O). Perfluorocarbons (PFCs), hydrofluorocarbons (HFCs), and sulphur hexafluoride (SF₆) emissions have been omitted from our reporting as they are not a material source of greenhouse gases for the business.

Organizational boundary

Direct GHG emissions and indirect GHG emissions from electricity have been reported from entities where the Company has financial control (as defined by the GHG Protocol). 100% of emissions for entities within the organizational boundary have been reported. Typico's share of joint venture emissions is included based upon its equity share of the joint venture for financial reporting purposes.

Specifically excluded from the organizational boundary are investments carried at cost. Where material, emissions from these operations have been included within Scope 3 emissions reporting.

Operational boundary

All Scope 1 (direct GHG emissions) and Scope 2 (indirect GHG emissions excluding Scope 3) have been reported for operations within the organizational boundary.

Where appropriate, emissions from shared offices or warehouse space are determined on the basis of the leased floor area.

A list of Scope 3 emissions is set out in Note 2, along with a description of other significant Scope 3 emissions currently excluded from the Company's reporting and material assumptions made.

Emissions from entities acquired during the year are included from the date of acquisition and emissions from entities disposed of during the year are included up to the date of disposal.

Geographic scope

GHG emissions that fall within the organizational and operational boundaries have been reported for all global operations.

Emission factors

The carbon dioxide emissions associated with the activities noted above have been determined on the basis of measured or estimated energy and fuel use, multiplied by relevant carbon emission factors.

Where possible fuel or energy use is based on direct measurement, purchase invoices or actual mileage data, in other cases it has been necessary to make estimates. Specific estimates have been made including in relation to public transportation based on expenditure and using standard tariff information.

Published national emission factors were used to calculate emissions from operations. In the absence of any such national data, the International Energy Administration (IEA) factors have been used for the calculation of GHG emissions.

Emissions source:	Emission factor employed:
US	US EPA, 2007
UK	DEFRA, 2007
China	China's Regional Grid Baseline Emission Factors, 2007
Other	IEA, 2009

Base year GHG emissions

The GHG base year applies to Scope 1, Scope 2, and Scope 3 emissions as set out above and has been prepared in accordance with the GHG reporting policies set out here. The base year GHG emissions are adjusted when new sources of Scope 3 emissions are reported.

The base year GHG emissions were set as of 2007 as this was the first year the organization reported detailed greenhouse gas emissions. The appropriateness of the base year GHG emissions are reviewed on an annual basis.

The base year GHG emissions are adjusted to reflect acquisitions and divestitures that result in a change of more than 5% and for any significant changes in reporting policy.

Prior year revisions

Certain prior year figures have been revised to conform with the reporting policies set for the current year. Where estimates are made, those estimates and their basis are provided as a footnote. Where significant adjustments have been made, a note detailing the adjustments is provided.

Materiality

Emissions from the following sources have not been reported as they contribute, in aggregate, less than 5% to overall Scope 1 and Scope 2 emissions:

- Refrigeration gas losses
- Fuel use from back-up generators

Note 2: Emissions source

Emission source (CO ₂ e '000 tonnes)	Performance		Adjusted base year	Target
	2010	2009	2007	2012
Scope 1				
Gas consumption— manufacturing	146	187	243	128
Gas consumption— other	98	145	190	98
Logistical transport	188	189	212	138
Total Scope 1 emissions	432	521	645	364
Scope 2				
Purchased electricity	1,293	1,386	1,494	1,038
Total Scope 2 emissions	1,293	1,386	1,494	1,038
Scope 3				
Distribution of finished goods	987	1,159	656	999
Transportation of purchased goods	3,795	3,978	4,221	3,071
Transportation of waste	84	93	140	72
Disposal of waste generated in operations	245	264	336	274
Employee commuting	645	698	1,001	687
Business travel	1,489	1,128	1,647	998
Total Scope 3 emissions	7,245	7,320	8,001	6,101
Total company emissions	8,970	9,227	10,140	7,503

Scope 3 emissions associated with embodied carbon in purchased goods, use of products and the outsourced production of packaging are currently excluded from the Company's reporting. This activity is likely to contribute significant Scope 3 emissions. The Company is working with its suppliers and customer representatives to collect the information necessary to report these emissions in the future.

Note 3: Emissions by greenhouse gas

(CO ₂ e '000 tonnes)	Carbon dioxide	Methane	Nitrous oxide	Total emissions
2010				
Scope 1	328	45	59	432
Scope 2	1,293	-	-	1,293
Scope 3	5,799	821	625	7,245
Total	7,420	866	684	8,970
2009				
Scope 1	372	56	93	521
Scope 2	1,386	-	-	1,386
Scope 3	5,756	924	640	7,320
Total	7,514	980	733	9,227

Note 4: Emissions disclosures by geography and business

(CO ₂ e '000 tonnes)	2010				2009			
	Scope 1	Scope 2	Scope 3	Total	Scope 1	Scope 2	Scope 3	Total
Geographical analysis								
US	382	896	5,468	6,746	423	957	5,455	6,835
China	22	170	1,106	1,298	60	175	1,022	1,257
UK	21	193	543	757	35	198	641	874
Other	7	34	128	169	3	56	202	261
Total emissions	432	1,293	7,245	8,970	521	1,386	7,320	9,227
Business analysis								
Industrial manufacturing products	284	546	5,422	6,252	301	599	5,445	6,345
Consumer products	43	543	1,198	1,784	74	601	1,104	1,779
Distribution services								
- Company	61	80	124	265	80	99	111	290
- Franchise	44	124	501	669	66	87	660	813
Total emissions	432	1,293	7,245	8,970	521	1,386	7,320	9,227

Note 5: Acquisitions and divestitures

	(CO ₂ e '000 tonnes)	2010			2009	
		Existing ¹	Acquired	Sub total	Divestitures	Total
2010 emissions	Scope 1	332	50	382	50	432
	Scope 2	843	350	1,193	100	1,293
	Sub total	1,175	400	1,575	150	1,725
	Scope 3	5,845	900	6,745	500	7,245
Total	7,020	1,300	8,320	650	8,970	
2007 Adjusted base year emissions	Scope 1	433	207	640	5	645
	Scope 2	1,094	300	1,394	100	1,494
	Sub total	1,527	507	2,034	105	2,139
	Scope 3	5,701	1,500	7,201	800	8,001
Total	7,228	2,007	9,235	905	10,140	
2012 Target emissions	Scope 1	264	85	349	15	364
	Scope 2	738	100	838	200	1,038
	Sub total	1,002	185	1,187	215	1,402
	Scope 3	4,101	1,500	5,601	500	6,101
Total	5,103	1,685	6,788	715	7,503	

¹ Existing operations includes a net prior year adjustment on Scope 3 emissions of 15,000 tCO₂e. This is a combination of more accurate conversion factors for our transport fleet (-80,000 tCO₂e) and revised estimates of transport miles (+95,000 tCO₂e).

