

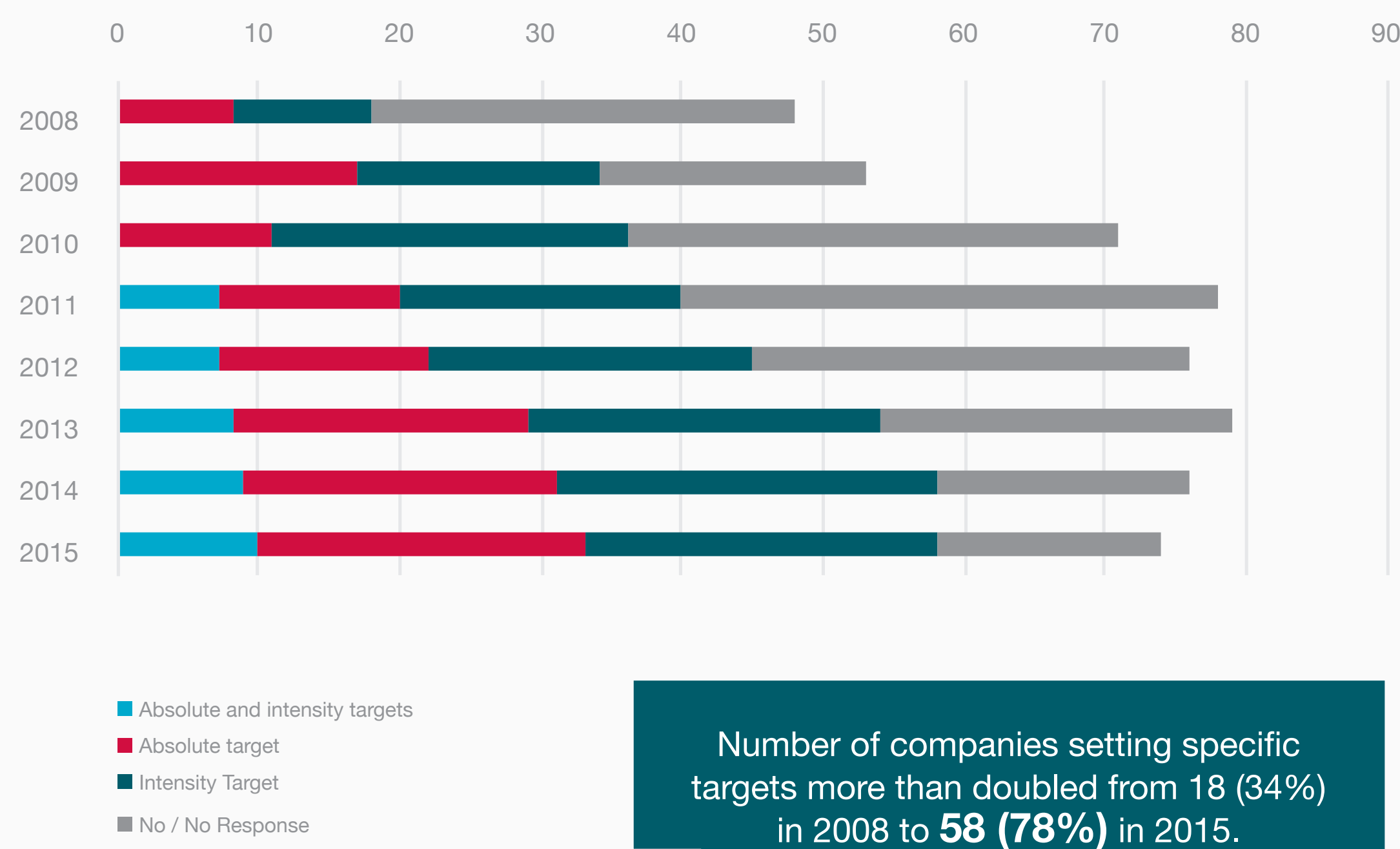
# TARGETS AND EMISSION REDUCTION INITIATIVES



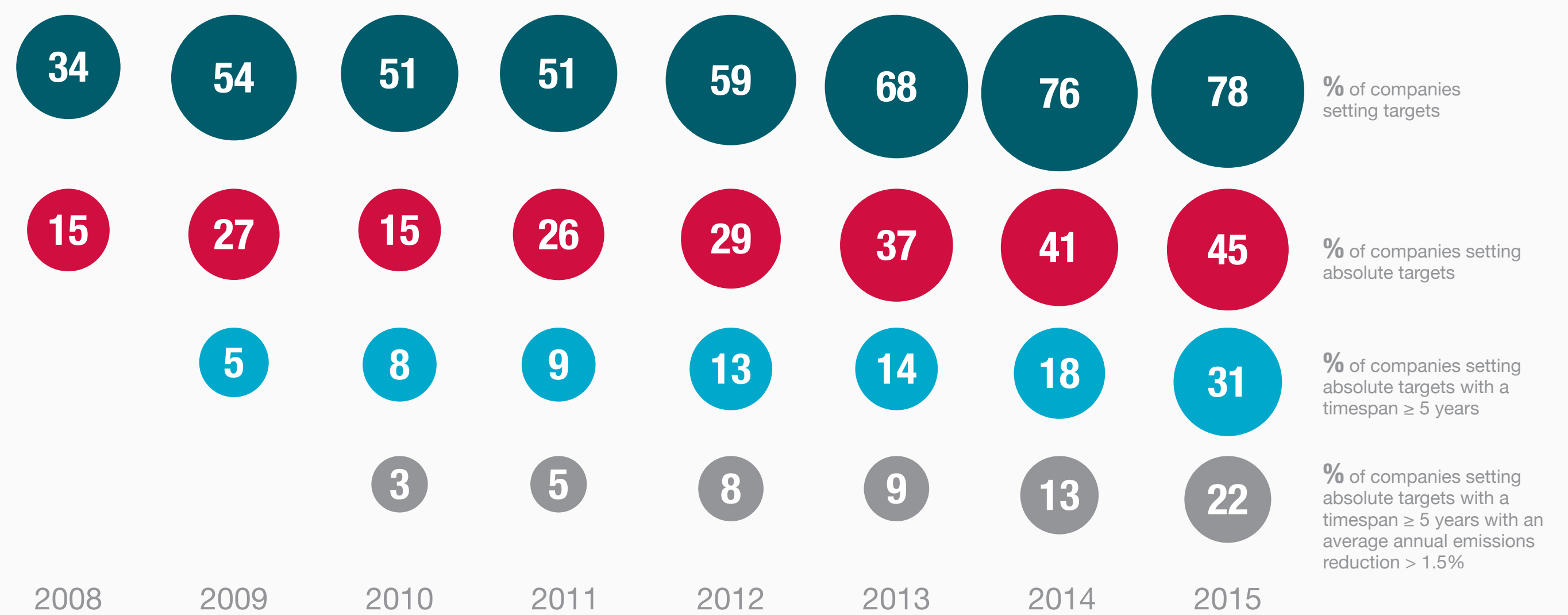
Setting targets illustrates a business commitment to responding to climate change. There has been a significant increase in companies setting targets and implementing a range of activities to reduce emissions. The results show that responding to climate change makes good business sense, due to significant cost saving opportunities.

## SIGNIFICANT INCREASE IN THE NUMBER OF COMPANIES SETTING TARGETS

The number of companies with active targets in place\*



## MORE COMPANIES RECOGNISE THE NEED TO SET LONGER TERM, MORE AMBITIOUS TARGETS\*



\*The literature provides a range of targets required to meet a reduction in emissions to limit temperature rise below 2°C by 2050, from 1% - 5% absolute emission reductions per annum

**22%** of companies now set absolute targets longer than 5 years that aims to reduce emissions by more than 1.5% per annum (up from 0 in 2008).

## COMPANIES ARE IMPLEMENTING A RANGE OF EMISSION REDUCTION ACTIVITIES (ERAs) TO REDUCE EMISSIONS AND ACHIEVE TARGETS - AND ARE SAVING MILLIONS

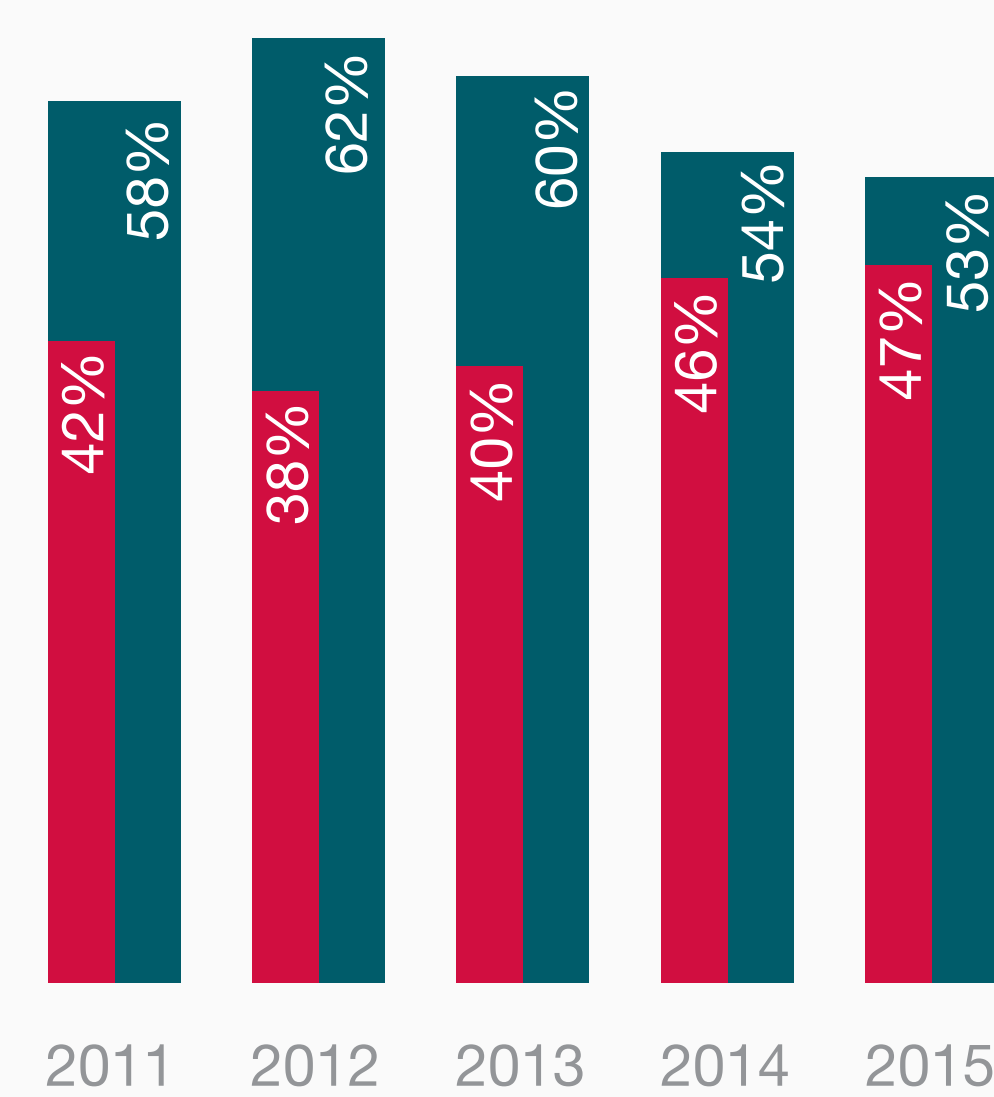
**Emission Reduction Activity (ERA)** – any activity that a company undertakes to meet its targets and reduce GHG emissions. It is important to note that savings from ERAs are measured against an ERA specific baseline and are not equivalent to absolute emission reductions.

### Classification of ERAs

- Behavioural change
- Fugitive emissions and process emissions
- Low carbon energy
- Other
- Energy efficiency
- Transportation
- Product design

Fewer emission reduction activities in 2015 (383) compared with 2011 (460), suggests that companies have moved beyond quick-win targets to more complex ones with greater potential cost savings and emission reductions over time.

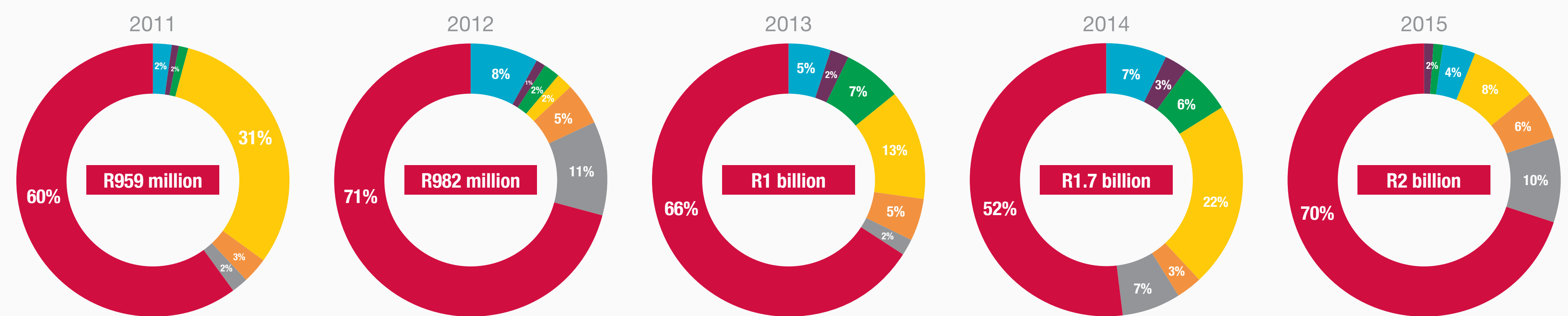
## COMPLETION OF TARGETS



Number of targets ahead of schedule or met are converging with those that are behind. The influence of progressively fewer quick-win targets will need to continue to be matched by more ambitious targets.

## MONETARY SAVINGS FROM ERAs PER ANNUM

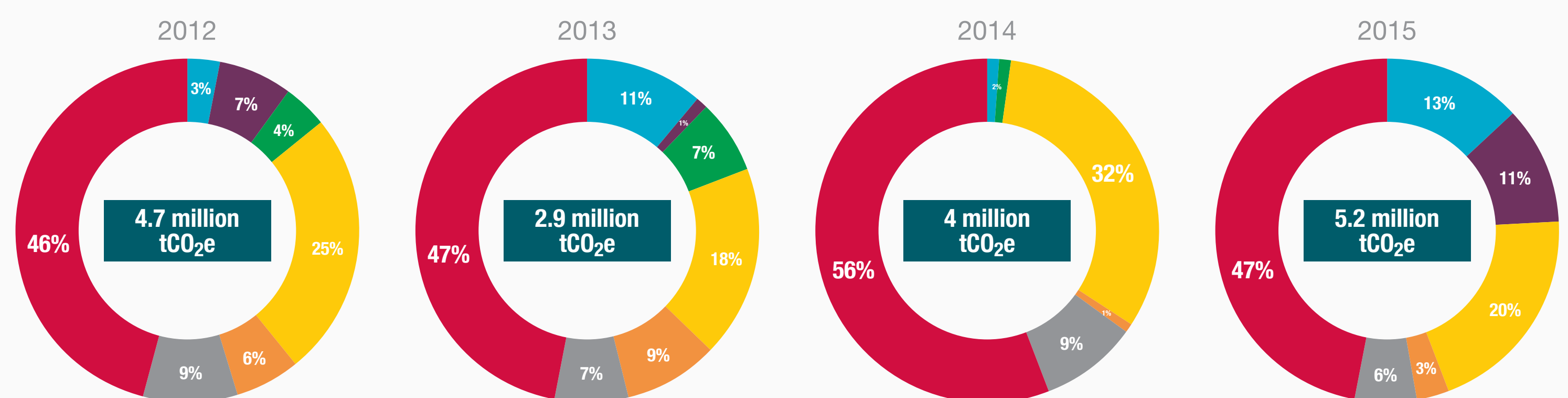
Total monetary savings: **R 6.7 billion** (from 2011 – 2015)



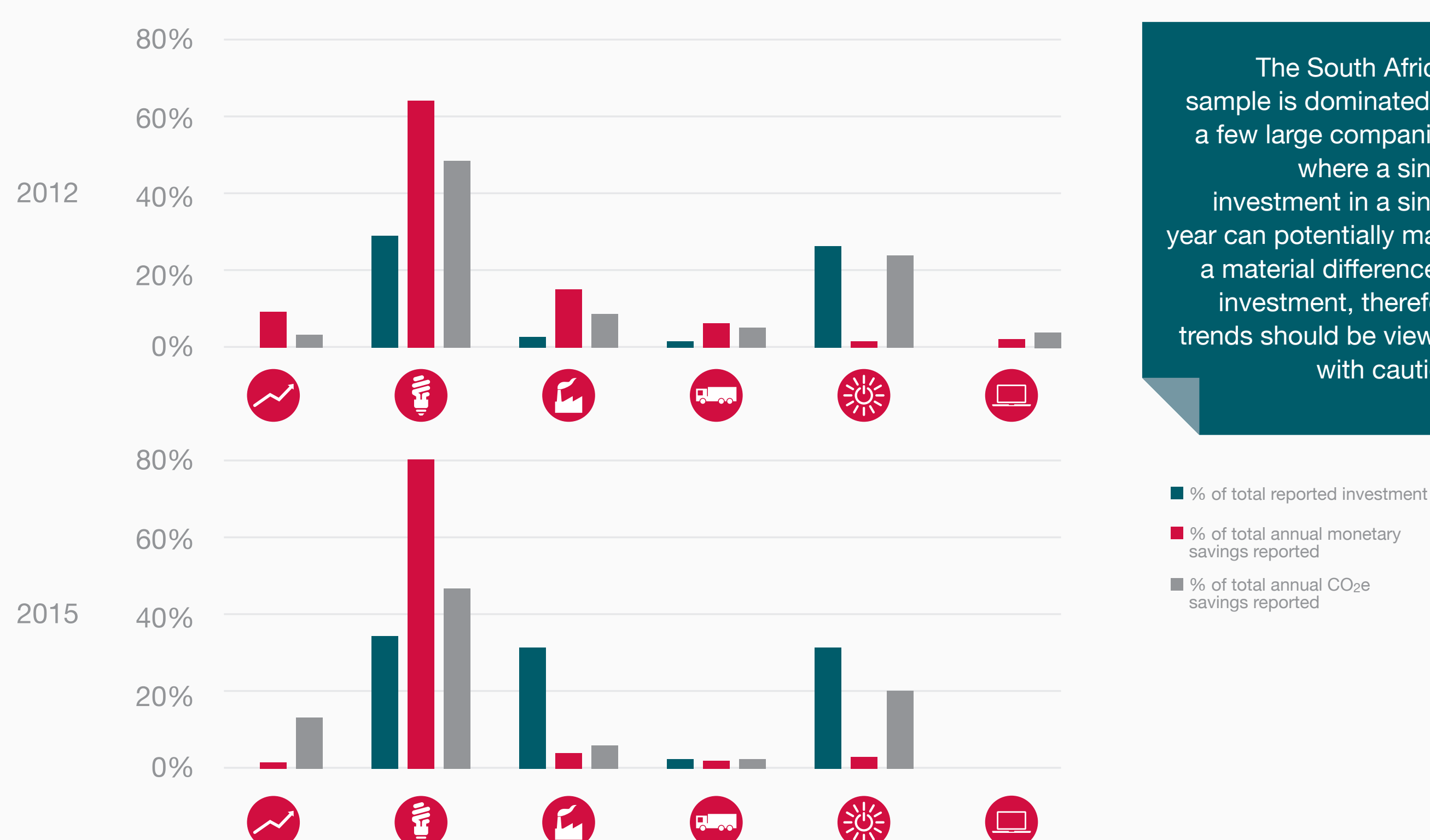
## CONSERVATIVE ANNUAL CO<sub>2</sub>e SAVINGS FROM ERAs (tCO<sub>2</sub>e) PER ANNUM

Total CO<sub>2</sub>e emission savings: **16.8 million tonnes** (from 2012 – 2015)

Roughly a **2%** reduction per annum from total emissions reported by sample companies from ERAs.



## ENERGY EFFICIENCY ACTIVITIES CONTINUE TO PROVIDE THE LARGEST COST SAVINGS AND EMISSION REDUCTIONS FOR THE LEAST INVESTMENT



The South African sample is dominated by a few large companies, where a single investment in a single year can potentially make a material difference in investment, therefore trends should be viewed with caution.

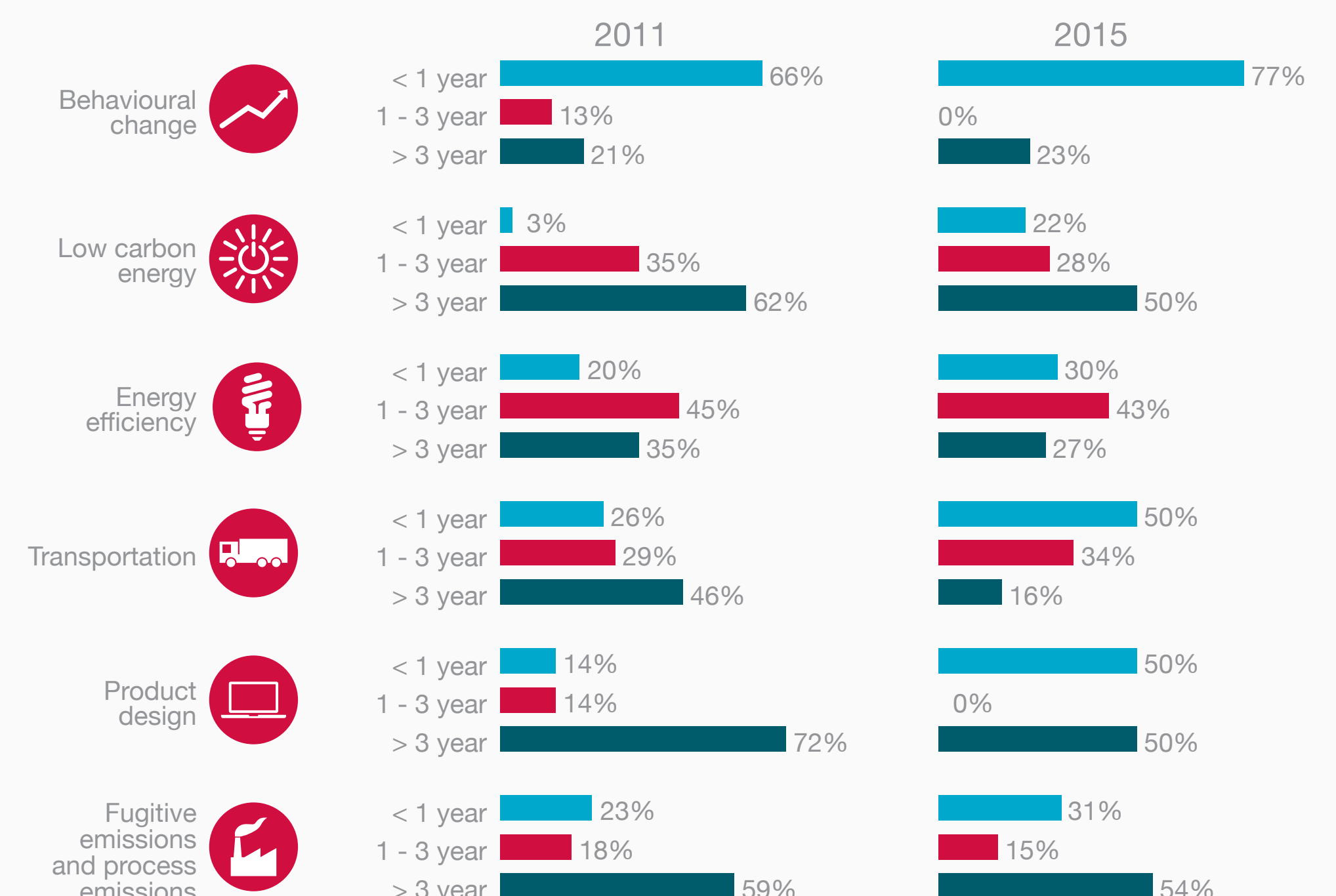
Payback periods from 2011 to 2015 have remained almost the same, with significant reductions in payback periods for:



Activities with shorter payback periods (more than 70% of activities with a payback period of <3 years).



## AVERAGE PAYBACK PERIOD FROM ERAs



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