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SUMMARY OF THE TFG FY2020
CARBON FOOTPRINT REPORT

25 August 2020

Final Version

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SECTION A

1. REPORT OVERVIEW – EXECUTIVE SUMMARY

Figure 1 is a summary of the emissions and company metrics reported by TFG in their FY2020.

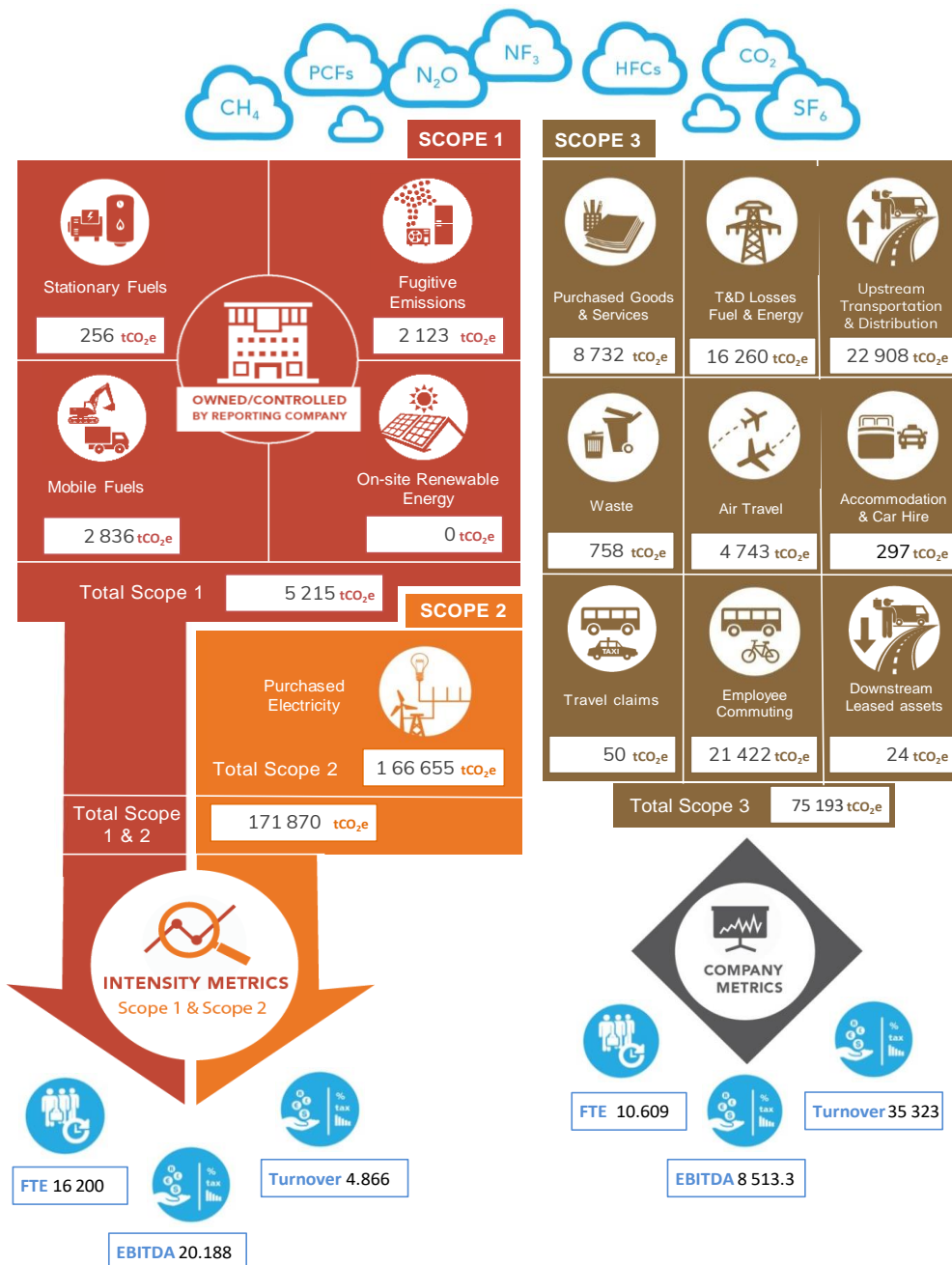


Figure 1: Summary of TFG FY2020 emissions and company metrics

REPORT OVERVIEW — TFG EXECUTIVE SUMMARY¹



	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>% Change</u>
Scope 1 Total	4 564	4 672	5 215	12%
Scope 2 Total	162 192	153 096	166 655	9%
Scope 1 & 2 Total	166 755	157 768	171 870	9%

<u>Metrics</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>% change</u>
Full-time employees (FTE)	N/R	16 555	17 433	5%
FTEs (excl. Australia)	15 499	15 744	16 200	3%
Total employees (excl. Australia)	25 471	26 600	26 854	1%
Group EBITDA (Rm)	4 792.6	8 513.3	8 531.8	0%
Retail turnover (Rm)	28 519.5	34 101.4	35 323.3	4%



<u>Intensity</u>	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>
Scope 1&2 tCO ₂ e/FTE	N/R	9.530	9.853
Scope 1&2 tCO ₂ e/FTE excl. Australia	10.759	10.021	10.609
Scope 1&2 tCO ₂ e/Total excl. Australia	6.547	5.931	5.152
Scope 1&2 tCO ₂ e/EBITDA (Rm)	34.794	18.532	20.188
Scope 1&2 tCO ₂ e/Retail turnover (Rm)	5.847	4.626	4.866

¹ Apart from EBITDA, metrics reflect TFG Africa and TFG London. Only EBITDA includes TFG Australia.

COMPARATIVE EMISSIONS BETWEEN FY2018 AND FY2020 INCLUDING PERCENTAGE CHANGE FOR TFG AFRICA, TFG LONDON AND TFG

TFG ²	Metric tonnes of CO ₂ e emissions			% Change
	FY2018	FY2019	FY2020	FY19 vs. FY20
Total Scope 1	4 564	4 672	5 215	12%
Total Scope 2 – Purchased electricity	162 192	153 097	166 655	9%
Total Scope 1 & 2	166 755	157 768	171 870	9%
Total Scope 3	72 599	66 650	75 193	13%
Outside of Scopes	1 935	2 542	2 743	8%

TFG Africa	Metric tonnes of CO ₂ e emissions			% Change
	FY2018	FY2019	FY2020	FY19 vs. FY20
Total Scope 1	4 564	4 484	5 016	12%
Total Scope 2 – Purchased electricity	160 585	150 959	164 816	9%
Total Scope 1 & 2	165 148	155 443	169 832	9%
Total Scope 3	69 687	62 844	72 935	16%
Outside of Scopes	1 935	2 542	2 743	8%

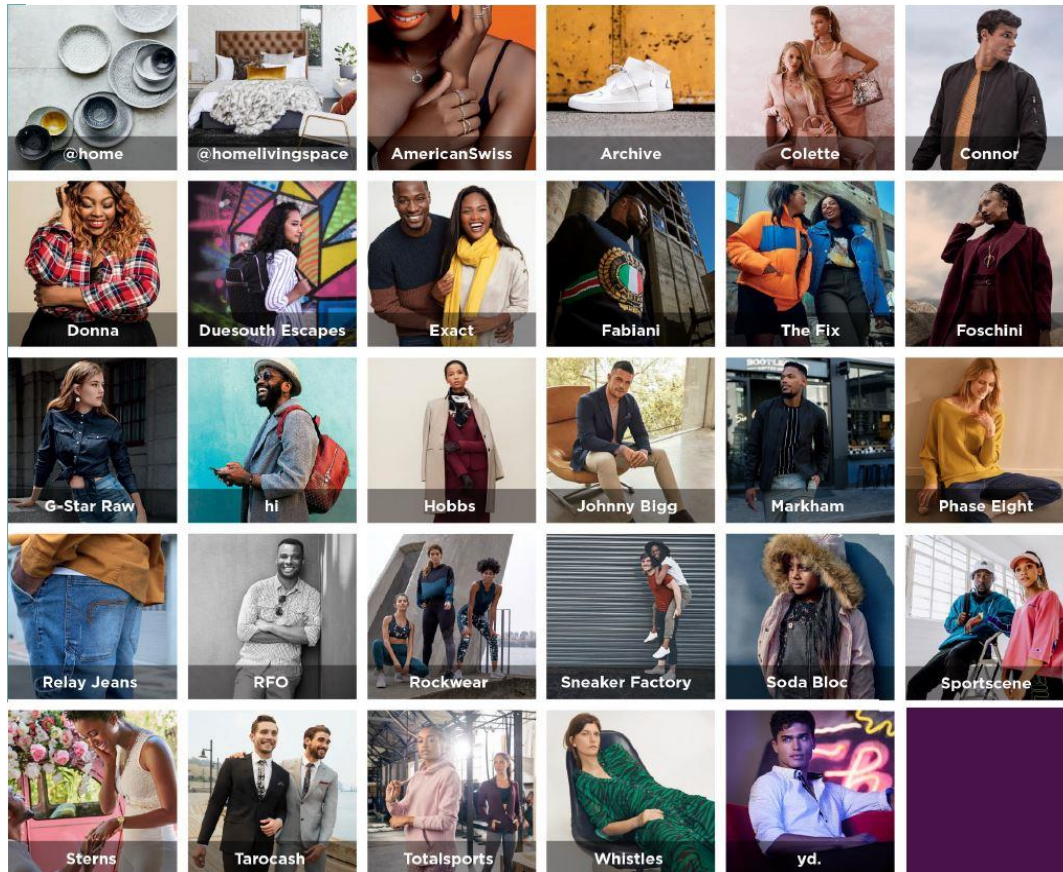
TFG London	Metric tonnes of CO ₂ e emissions			% Change
	FY2018	FY2019	FY2020	FY19 vs. FY20
Total Scope 1	0	188	199	6%
Total Scope 2 – Purchased electricity	1 607	2 137	1 839	(14%)
Total Scope 1 & 2	1 607	2 325	2 038	(12%)
Total Scope 3	2 911	3 806	2 258	(41%)
Outside of Scopes	0	0	Not reported	Not reported

2. INTRODUCTION

TFG is a diverse group with a portfolio of 29 fashion retail brands. As at the end of the 2020 financial year, the Group was trading in 4 083 outlets across 32 countries on five continents and reported a retail turnover of R35.3 billion (2019: R34.1 billion, 2018: R28.6 billion). The company was established in 1924 and has been listed on the Johannesburg Stock Exchange (JSE) since 1941. The retail brands offer clothing, jewellery, cell phones, accessories, cosmetics, homeware, furniture, and sporting and outdoor apparel.

² TFG excludes TFG Australia as data was not available at the time of reporting.

The Group's retail brands, as at March 2020, are shown below.



TFG's three business segments each have their own local management teams, which report into the Group's head office in Cape Town. Within these business segments, the brands are grouped into retail trading divisions and each is supported by a centralised support services structure. The percentage turnover contribution was: TFG Africa 62.8%, TFG London 14.2%, TFG Australia 14.6%, and TFG eCommerce 8.4%. The reporting period of this CFR is TFG'S 2020 financial year (01 April 2019 – 31 March 2020).

TFG Africa operations that are included in the reporting boundary totalled 2 577 stores. The vast majority of those stores were in South Africa (2 388), with the remaining 189 stores in: Botswana (27), Kenya (4), Lesotho (12), Namibia (103), eSwatini (12) and Zambia (31), all of which reported electricity consumption. All Ghanaian stores were closed during the reporting year.



The TFG London boundary was defined however it was a challenge to receive the data due to COVID-19. The number of facilities is therefore estimated.

Challenges between measuring systems (i.e. metric vs. imperial) were encountered, particularly square metres vs. square feet when reviewing area data, rand vs. pound sterling for turnover data and kilometres vs. miles for travel and commuting survey responses. Units need to be clearly indicated for all metrics in future.

Within the GHG Protocol, accounting and reporting are guided by five principles – relevance, completeness, consistency, transparency, and accuracy – to ensure that reported information represents a true and fair account of emissions. These principles are intended to underpin all aspects of GHG accounting and reporting according to the GHG Protocol, and to which Carbon Calculated subscribes in the delivery of all its reports.

This FY2020 CFR constitutes the thirteenth carbon footprint report commissioned by TFG and should be compared against previous carbon footprint calculations to review changes in annual consumption, boundaries and areas of improvement. All reports have been prepared using the GHG Protocol Corporate Accounting and Reporting Standard methodology using the operational control approach.

In accordance with the GHG Protocol, clear organisational and operational boundaries have been defined and agreed to by TFG, and the relevant activity data has been supplied. This CFR covers emissions from the business activities of TFG Africa and TFG London. TFG Australia has been excluded from the reporting boundary due to limited available data. It is noted that limited data was available for FY2020 for TFG London due to the COVID-19 lockdown. TFG London has been included in the body of the report, using proxy data from FY2019 where FY2020 data was unavailable.



The GHG Protocol

The GHG Protocol is the most widely used standard for mandatory and voluntary corporate GHG reports and is compatible with other international GHG reporting standards such as ISO 14064. It is derived from a multiple-stakeholder partnership of businesses, NGOs and governments led by the WRI and the WBCSD.

It is important to highlight that under the GHG Protocol, the reporting of both Scope 1 direct emissions and Scope 2 indirect emissions is compulsory. All Scope 3 emissions, (i.e. those from the corporate value supply chain), are reported at the discretion of the reporting company.

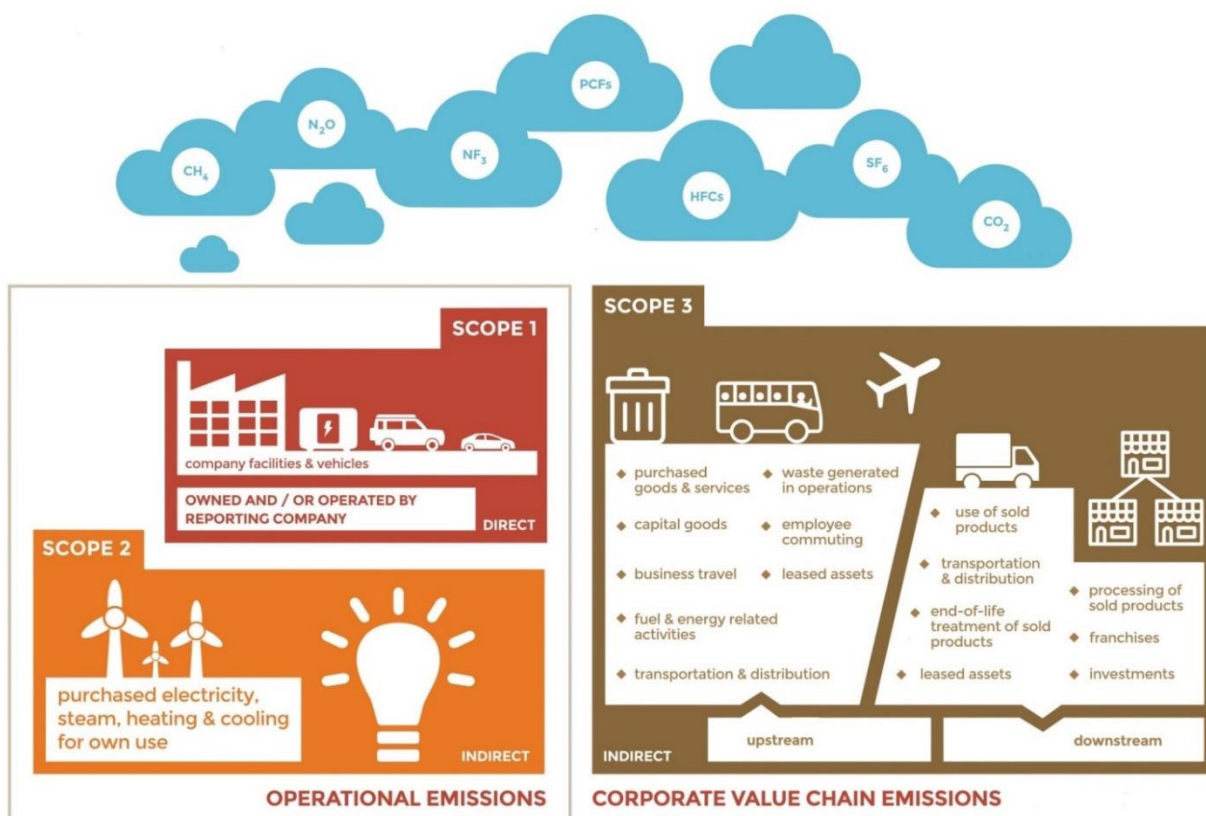
As a result, the GHG-emitting activities covered by the CFR include:

- ◆ Direct emissions (referred to as Scope 1), resulting from fuel used by TFG-owned or TFG-controlled equipment (stationary fuels); fleet vehicles (mobile fuels); air-conditioning, refrigeration, and fire-suppressing gas refills (fugitive emissions) and onsite renewable electricity.
- ◆ Indirect emissions (referred to as Scope 2) from purchased electricity.
- ◆ Selected indirect emissions in the supply chain (referred to as Scope 3), resulting from TFG business travel activities, its employee commuting, upstream distribution, the consumption of office paper, mailers, flyers, envelopes, packaging, cartons, bags, downstream leased assets, electricity transmission and distribution (T&D) losses and waste.

In this regard, see Tables 1 and 2.

Figure 2 below shows the detailed breakdown of Scopes and emission categories.

Figure 2: Illustration of Scopes and emission categories



Carbon Calculated has gone to all reasonable lengths to ensure that the primary information provided by TFG is correct. Carbon Calculated is not liable for any inaccuracies that this information might contain. This CFR, in its entirety, is both material and complete and is intended for TFG internal use only. Information may, however, be extracted for reporting purposes, such as for submission into international and national GHG registries and for purposes of sustainability reporting. It may also be presented for third-party verification purposes.

Table 1: OVERVIEW OF TFG FY2020 GHG EMISSIONS**REPORTING PERIOD:** TFG financial year (01 April 2019 – 31 March 2020)**CARBON FOOTPRINT CALCULATION CONDUCTED ON:** TFG Africa and TFG London**METHODOLOGY:** GHG Protocol – Corporate Accounting and Reporting Standard**GHG CONSOLIDATION APPROACH:** Operational Control**Company Metrics**

Total TFG employees (excluding Australia)	26 854
Total full-time TFG employees covered by CFR (excluding Australia)	16 200
TFG Group Retail turnover (ZARm)	35 323.3
TFG Group EBITDA/Revenue (ZARm)	8 513.3

Scope 1 Direct Emissions**Metric tonnes of CO₂e**

Stationary fuel emissions	255.73
Fugitive emissions	2 123.15
Mobile fuel emissions	2 836.13
On-site renewable energy	0.00

TOTAL SCOPE 1 EMISSIONS**5 215.01****Scope 2 Indirect Emissions**

Purchased electricity – location-based	166 655.41
Purchased electricity – market-based	166 655.41 ³

TOTAL SCOPE 2 EMISSIONS**166 655.41⁴****TOTAL SCOPE 1 & 2 EMISSIONS****171 870.42****Intensity Metrics**

Scope 1 & 2 emissions per total employee (tCO ₂ e/employee)	10.609
Scope 1 & 2 emissions per full-time employee (tCO ₂ e/FTE)	5.152
Scope 1 & 2 emissions per Group Retail Turnover (tCO ₂ e/ZARm)	4.866
Scope 1 & 2 emissions per ZARm Group EBITDA (tCO ₂ e/ZARm)	20.188

³ TFG market-based electricity is identical to location-based electricity because no supplier-provided contractual instruments were reported in FY2020.

⁴ In dual reporting (market-based and location-based methodologies), the Scope 2 total is for each respective methodology and not the combined totals of both methodologies.

Table 2: OVERVIEW OF TFG FY2020 GHG EMISSIONS – CORPORATE VALUE CHAIN⁵Metric tonnes of CO₂e

TOTAL SCOPE 1 EMISSIONS: Direct emissions from owned/controlled operations		5 215.01
TOTAL SCOPE 2 EMISSIONS: Indirect emissions from the use of purchased electricity		166 655.41
TOTAL SCOPE 1 & 2 EMISSIONS		171 870.42
SCOPE 3 INDIRECT EMISSIONS		
1. Purchased goods and services	Office paper	778.13
	Magazines	2 161.71
	Flyers/mailers	1 275.34
	Envelopes	158.64
	Cardboard packaging	2 297.54
	Other packaging	290.90
	Paper bags	48.01
	Plastic bags	1 721.24
		8 731.51
2. Capital goods		Not evaluated
3. Fuel- and energy-related activities	Electricity T&D losses	16 260.19
4. Upstream transportation and distribution		22 907.63
5. Waste generated in operations	Waste to landfill	724.84
	Recycling and compost	33.00
		757.84
6. Business travel	Rental cars	62.50
	Commercial flights	4 742.51
	Accommodation	234.50
	Travel claims	50.29
		5 089.79
7. Employee commuting		21 421.98
8. Upstream leased assets		Not reported
9. Downstream transportation and distribution		Not reported
10. Processing of sold products		Not applicable
11. Use of sold products		Not reported
12. End-of-life treatment of sold products		Not reported
13. Downstream leased assets	Tenant electricity	23.91
14. Franchises		Not reported
15. Investments		Not reported
TOTAL SCOPE 3 EMISSIONS		75 192.86
Outside of Scopes: Non-Kyoto Protocol GHG emissions		2 742.60

⁵ Scope 3 categories that are not applicable or not reported are explained in more detail in Table 4.



SECTION B

3. REQUIRED INFORMATION

3.1. BASE YEAR

TFG Africa has set 2008 as the base year for carbon footprint calculations because this is the year that best represents the reporting boundaries with reliable and transparent data.

This base year for TFG Africa has not been recalculated. There have been no significant structural changes to the organisation during the reporting period. Emissions in tCO₂e in 2008 were as follows: Scope 1: 3 620, Scope 2: 88 774, Scope 1 and 2: 92 394, Scope 3: 36 136 and Outside of Scopes: 1 047. For a historical record of TFG Africa emissions from 2015, see Table 10.

A base year for TFG including TFG London has not been set. Once accurate and reliable data becomes available, consideration should be given to setting a baseline for TFG, inclusive of TFG London and TFG Australia.

4. METHODOLOGY, EXCLUSIONS AND ASSUMPTIONS

This CFR has been completed using the GHG Protocol. The following exclusions and/or assumptions are noted in relation to the reporting boundary as well as the Scope 1, Scope 2 and Scope 3 emissions covered by the CFR:

4.1. ORGANISATIONAL BOUNDARY EXCLUSIONS

Emissions generated by the following facilities and/or entities are excluded from the reporting boundary:

- ◆ Limited TFG London Head Office and Distribution Centres (DCs) – data unavailable
- ◆ TFG London international stores – data unavailable
- ◆ TFG Australia – not included for this reporting period and consideration will be given to include them in the next reporting period

4.2. OPERATIONAL BOUNDARY EXCLUSIONS AND ASSUMPTIONS

Scope 1 – Direct Emissions

- ◆ TFG London limited stationary fuel data – data unavailable
- ◆ TFG London limited office gas usage – data unavailable
- ◆ It is assumed that TFG London gas is LNG (natural gas) used for heating
- ◆ TFG London fugitive emission – data unavailable

Scope 2 – Indirect Emissions

- ◆ It was assumed that all TFG London electricity was from the UK

Scope 3 – Indirect Emissions

- ◆ Refer to Table 4 for any category or activity exclusions within the reporting year.

Table 4: SPECIFIC SCOPE 3 EMISSION CATEGORIES AND EXCLUSIONS ACCORDING TO THE CORPORATE VALUE CHAIN FOR TFG IN FY2020

Category	Scope 3 category	Evaluation status	Reason for exclusions
1	Purchased goods and services	Relevant, partially reported: <ul style="list-style-type: none"> ◆ Office paper ◆ Marketing material including mailers, flyers and envelopes ◆ Packaging <ul style="list-style-type: none"> ○ Cardboard packaging ○ Paper bags ○ Plastic bags 	TFG purchases a wide variety of consumables from various sources, for which much of the data is currently unavailable or has not been evaluated. Tent cards, posters and store signage was excluded due to insufficient data.
2	Capital goods	Relevant, not reported	Information not evaluated.
3	Fuel- and energy-related activities (not included in Scope 1 or Scope 2)	Relevant, reported: <ul style="list-style-type: none"> ◆ Electricity T&D losses 	Not applicable.
4	Upstream transportation and distribution	Relevant, reported distributors (TFG Africa only): <ul style="list-style-type: none"> ◆ On the Dot ◆ JH Retief ◆ RAM ◆ RTT Distribution ◆ Courier IT ◆ City Logistics 	TFG distributes a wide variety of products from various sources. Currently, not all relevant information is available or has been evaluated. TFG London did not report on transport and distribution.

Table 4 continued: SPECIFIC SCOPE 3 EMISSION CATEGORIES AND EXCLUSIONS ACCORDING TO THE CORPORATE VALUE CHAIN FOR TFG IN FY2020

Category	Scope 3 category	Evaluation status	Reason for exclusions
5	Waste generated in operations	Relevant, reported: ♦ Landfill Recycling	Proxy data was used for TFG London waste. Whistles did not report waste. No waste data for stores as they are usually within malls where waste is difficult to separate and measure.
6	Business travel	Relevant, reported: ♦ Rental cars ♦ Commercial flights ♦ Accommodation ♦ Travel claims	Information on business travel for TFG London unavailable; thus, a proxy from FY2019 was used.
7	Employee commuting	Relevant, calculated	Commuting was only calculated for permanent full-time employees.
8	Upstream leased assets	Not relevant, explanation provided	TFG do not lease any assets.
9	Downstream transportation and distribution	Relevant, not reported	Information not evaluated.
10	Processing of sold products	Not relevant, explanation provided	TFG sells products that do not require further processing.
11	Use of sold products	Relevant, not yet calculated	TFG retail brands offer a variety of lifestyle products, including clothing, jewellery, cell phones, accessories, cosmetics, sporting apparel, homeware and furniture from value to upper market segment. Consumer use, over which the company has no control, hence purchasing TFG products has been excluded. The majority of TFG merchandise does not produce emissions during usage.
12	End-of-life treatment of sold products	Relevant, not yet calculated	TFG has no control over the disposal of products by consumers, hence disposal of TFG products have been excluded.
13	Downstream leased assets	Relevant, reported: Tenant electricity	Not applicable.
14	Franchises	Not relevant, explanation provided	TFG does not operate any franchises.
15	Investments	Relevant, not reported	Australian operations currently not included as below the materiality threshold.

SECTION C

5. INFORMATION ON TFG EMISSIONS

5.1. TOTAL SCOPE 1 & 2 EMISSIONS

The GHG Protocol requires carbon footprint calculations to include, as compulsory reporting, all direct emissions under Scope 1 and indirect emissions under Scope 2.

All emissions are calculated using emission factors and reported as carbon dioxide equivalent (CO₂e) gases as required by the GHG Protocol. Unless otherwise stated, emission factors are sourced from Defra⁶.

5.2. COMPANY INTENSITY METRICS

TFG utilises the following metrics: FTEs, retail turnover and EBITDA. In 2020, the accounting policy for EBITDA changed to after IFRS 16 EBITDA. Thus, EBITDA for FY2018 and FY2019 was restated.

5.3. SCOPE 1 EMISSIONS

Scope 1 emissions are from sources owned or controlled by the reporting company, e.g., generators, refrigeration, air-conditioning units.

Table 5 provides a breakdown of TFG direct Scope 1 consumption and carbon emissions for FY2020. Please note that throughout the CFR, all consumption, and emissions in tonnes of CO₂e are rounded to two decimal places⁷ and intensity metrics are rounded to three decimal places.

⁶ Defra, Guideline to Defra's GHG Conversion Factors for Company Reporting; Annexes Updated in July 2019.

⁷ Should the figures in the breakdown tables of this CFR be summed manually, there may be variances of 0.01 (up or down) from the totals stated herein due to rounding of data to two decimal places.

Table 5: TFG DIRECT SCOPE 1 EMISSIONS IN FY2020

Description	Units	Total consumption	Metric tonnes CO ₂ e emissions ⁸
Stationary fuel	Litres – diesel in equipment (TFG Africa)	51 532.00 ⁹	138.46
	Litres – diesel in equipment (TFG London)	24 228.00	65.10
	kWh – natural gas (TFG London) ¹⁰	282 835.00	52.16
	Total		255.73
Fugitive emissions ¹¹	Kilograms – HCFC 134a (TFG Africa)	147.00	210.21
	Kilograms – R407c (TFG Africa)	241.70	428.75
	Kilograms – R410a (TFG Africa)	710.99	1 484.19
	Total		2 123.15
Mobile fuel – on-road	Litres – diesel (TFG Africa)	296 098.87 ¹²	795.61
	Litres – petrol (TFG Africa)	846 234.07 ¹³	1 958.99
	Litres – diesel (TFG London)	5 679.00 ¹⁴	15.26
	Kilometres – average diesel (TFG London)	233 738.93 ¹⁵	40.52
	Kilometres – average petrol (TFG London)	142 402.45 ¹⁶	25.75
	Total		2 836.13
Renewable energy generated on-site	kWh – solar renewable energy (TFG Africa) ¹⁷	108 000.00	0.00

5.4. SCOPE 2 EMISSIONS – MARKET-BASED AND LOCATION-BASED EMISSIONS

Scope 2 emissions are associated with the consumption of purchased electricity, heat or steam from a source that is not owned or controlled by the reporting company, e.g., an electricity utility such as Eskom. Scope 2 emissions are reported according to either the location-based or market-based approach.

Table 6 provides a breakdown of TFG indirect Scope 2 consumption and carbon emissions for 2020.

⁸ Unless otherwise stated, all emission factors are provided by Defra, Guideline to Defra's GHG Conversion Factors for Company Reporting; Annexes. Updated in July 2019.

⁹ Diesel in generators excludes 27 000 litres stored in bowzers, as these were not combusted during the reporting year. Historically, this diesel was included. In the comparative tables, the diesel and Scope 1 emissions for FY2019 were restated.

¹⁰ TFG London reported the usage of gas for heating for the first time. It was assumed this gas was natural gas. Emissions were calculated using the Gross CV.

¹¹ The GWP for air-conditioning, fire suppressant and refrigeration gas refills are sourced from the IPCC fourth assessment report. No data was available for TFG London for fugitive emissions.

¹² Mobile fleet diesel was from TFG South Africa (293 907 litres), TFG Zimbabwe (1 369 litres) and Manager's fleet (823 litres).

¹³ Mobile fleet petrol was from TFG South Africa (817 395 litres), TFG Zimbabwe (18 048 litres) and Managers fleet (10 791 litres).

¹⁴ Hobbs commercial vehicle fleet of 6 delivery vans provided data in litres of diesel for the first time.

¹⁵ Kilometres of travel by TFG London in diesel vehicles were from company cars for Phase Eight (218 238 km) and Whistles (15 501 km). It is assumed TFG London have operational control over these vehicles.

¹⁶ Kilometres of travel in petrol vehicles were from company cars for Phase Eight (142 402 km).

¹⁷ On-site renewable solar energy is produced at the Prestige Manufacturing Caledon facility and has been since 2016.

Table 6: TFG INDIRECT SCOPE 2 EMISSIONS FROM PURCHASED ELECTRICITY IN FY2020

Description	Units	Total consumption	Metric tonnes of CO ₂ e
Purchased electricity – South Africa	kWh location-based (TFG Africa)	155 801 942.04 ¹⁸	162 034.02 ¹⁹
Purchased electricity – Rest of Africa	kWh location-based (TFG Africa)	9 569 737.99	2 781.99 ²⁰
Purchased electricity – UK ²¹	kWh location-based (TFG London)	7 196 368.00	1 839.39
Total purchased electricity – location-based		172 568 048.03	166 655.41
Total purchased electricity – market-based		172 568 048.03	166 655.41 ²²

SECTION D

6. ADDITIONAL INFORMATION UNDER THE GHG PROTOCOL

6.1. RELEVANT SCOPE 3 EMISSIONS

Table 7 outlines Scope 3 emissions generated during TFG reporting year from data that was available and deemed accurate. The Table indicates the consumption, together with the calculated emissions. Please refer to relevant footnotes for further details.

¹⁸ TFG South Africa electricity is split as follows: stores 139 648 361 kWh (145 234.30 tCO₂e), DCs 2 799 509 kWh (2 911.49 tCO₂e), HO 12 152 521 kWh (12 638.62 tCO₂e), Regional offices 584 525 kWh (607.91 tCO₂e) and Prestige Manufacturing (617 025 kWh (641.71 tCO₂e).

¹⁹ South African emission factor sourced from the Eskom 2019 Integrated Report. There was an increase of 9% in the South African emission factor between FY2019 and FY2020.

²⁰ Electricity emission factors are sourced from IEA 2019 report for the year 2017. These are accessed through a purchased licence and cannot be disclosed.

²¹ TFG London electricity was reported as: Hobbs 3 627 248 kWh (927.12 tCO₂e), Phase Eight 2 633 952 kWh (673.24 tCO₂e) and Whistles 935 168 kWh (230.03 tCO₂e).

²² In dual reporting (market-based and location-based methodologies), the Scope 2 total is for each respective methodology and not the combined totals of both methodologies.

Table 7: TFG INDIRECT SCOPE 3 EMISSIONS FROM FY2020

Description	Units	Total consumption	Metric tonnes of CO ₂ e ²³
Purchased goods & services – office paper	Tonnes – Mondi Rotatrim (TFG Africa)	130.75	228.35 ²⁴
	Tonnes – Sappi Typek (TFG Africa)	166.37	521.07 ²⁵
	Tonnes – other (TFG Africa)	3.95	3.76
	Tonnes – other (TFG London) ²⁶	26.19	24.95
	Total	327.26	778.13
Purchased goods & services – magazines	Tonnes – magazine paper (TFG Africa)	2 269.08	2 161.71
Purchased goods & services – flyers/mailers	Tonnes – primary material use (TFG Africa)	1 194.29 ²⁷	1 137.78
	Tonnes – primary material use (TFG London)	144.40 ²⁸	137.57
	Total	1 338.69	1 275.34
Purchased goods & services – envelopes	Tonnes – paper envelopes (TFG Africa)	70.92	67.56
	Tonnes – plastic envelopes (TFG Africa)	35.02 ²⁹	91.08
	Total	105.94	158.64
Purchased goods & services – cardboard cartons	Tonnes – primary material use (TFG Africa)	2 892.77	2 297.54
Purchased goods & services – bags	Tonnes – paper (TFG Africa)	50.39 ³⁰	48.01
	Tonnes – plastic (TFG Africa)	661.86	1 721.24
	Total	712.25	1 769.25
Purchased goods & services – packaging ³¹	Tonnes – shrink-wrap (TFG Africa)	1.20 ³²	3.09
	Tonnes – paper (TFG London)	191.19	182.14
	Tonnes – metal (TFG London)	2.49	9.53
	Tonnes – wood (TFG London)	8.45	3.50
	Tonnes – poly (TFG London)	35.62	92.63
	Total		290.90

²³ Unless otherwise stated, all emission factors are provided by Defra, Guideline to Defra's GHG Conversion Factors for Company Reporting; Annexes. Updated in July 2019.

²⁴ Emission factor for Mondi Rotatrim paper, August 2019 via private communication.

²⁵ Emission factor for Sappi Typek paper, May 2019 via private communication.

²⁶ Previously, the online Paper Calculator was used to calculate emissions for magazines and covers; however, the Calculator has been updated resulting in a four-fold increase in emissions. It was therefore decided that Defra's material use for primary material would be more applicable.

²⁷ Sneakers, RFO and TFG Credit were reported for the first time. The weight of paper for mailers and flyers was provided in most instances, allowing for more accurate reporting compared to historical reporting.

²⁸ Data was not available for TFG London; thus FY2019 data was used as a proxy.

²⁹ Bidvest Fin Services started using C4 plastic envelopes in FY20. Previously these were paper envelopes.

³⁰ The increase in paper bags is from Fabiani, which reported 25t (23.44tCO₂e) of paper bags for the first time.

³¹ Packaging data was unavailable in FY2020 thus a proxy from FY2019 was used. Packaging data is for Hobbs and includes packaging from DC to client (204t) and DC to store (238 t – excluding 20% that is reused). The emission factor is for material use from Defra.

³² Shrink wrap was reported by the jewellery division for the first time. Other packaging data is unavailable.



Table 7 continued: TFG INDIRECT SCOPE 3 EMISSIONS FROM FY2020

Description	Units	Total consumption	Metric tonnes of CO ₂ e
Fuel- & energy-related activities – T&D losses from purchased electricity	Kilowatt hours – South Africa (TFG Africa)	155 801 942.04	15 717.30 ³³
	Kilowatt hours – Rest of Africa (TFG Africa)	9 569 737.99	386.73 ³⁴
	Kilowatt hours – UK (TFG London)	7 196 368.00	156.16
	Total	172 568 048.03	16 260.19
Upstream transportation and distribution – courier	Litres – diesel (TFG Africa) ³⁵	8 323 850.23	22 365.94
	Litres – petrol (TFG Africa)	234 000.00	541.70
	Total		22 907.63
Waste to landfill	Tonnes – landfill (TFG Africa)	532.76 ³⁶	688.29
	Tonnes – landfill (TFG London) ³⁷	366.37	36.55
	Total	899.13	724.84
Waste to recycling	Tonnes – recycling (TFG Africa)	550.44 ³⁸	11.75
	Tonnes – recycling (TFG London)	995.01	21.25
	Total	1 545.45	33.00
Business travel – rental cars	Km – petrol <1.4L (TFG Africa)	9 419.00	1.45
	Km – petrol 1.4-2.0L – (TFG Africa)	216 081.00	41.55
	Km – petrol >2L (TFG Africa)	7 670.00	2.17
	Km – diesel <1.7-2.0L (TFG Africa)	29 652.00	5.06
	Km – diesel >2.0L (TFG Africa)	3 576.00	0.75
	Km – unknown vehicle (TFG Africa)	5 836.00	1.03
	Km – petrol > 2.0 litre (TFG London)	37 069.54	10.49 ³⁹
	Total	309 303.54	62.50
Business travel – flights ⁴⁰	Km – domestic	224 620.70	57.26
	Km – short-haul economy class	9 854 905.23	1 534.70
	Km – short-haul business class	364 173.22	85.07
	Km – long-haul business class	2 957 726.90	1 285.01

³³ Emission factor for T&D losses for electricity purchased in South Africa is sourced from the Eskom 2019 Integrated Annual Report.

³⁴ Unless specified, emission factors for African countries for T&D losses are sourced from IEA 2019 report for the year 2017. These are through a purchased licence and cannot be disclosed. Lesotho and eSwatini emission factors are for “Other Africa”.

³⁵ City Logistics and Courier IT were provided for the first time, increasing emissions from third party logistics.

³⁶ Waste from TFG Africa included regional office Isando, Head Office the Rock and Prestige Manufacturing Maitland for the first time. Lefic DC included waste in The Rock data. There was a once-off oil leak at The Rock, including 77 kg of oil as hazardous waste. There was a change in service providers on 1 February 2020 from DWS to Waste plan, which should result in more recycling and less landfill waste in future.

³⁷ Data for waste from TFG London was not available; thus a proxy from FY2019 was used. Data for TFG London waste includes Hobbs HO and DC, Phase Eight and London courier packaging. It excludes 56t of incinerated waste and 37t of refuse derived fuel from General Waste as limited data was available. Whistles did not provide data.

³⁸ Recycled waste includes fabric, paper, plastic, scrap metal, glass and hazardous. Waste is from TFG Africa FY2020 included regional office Isando, Head Office the Rock (including Lefic) and Prestige Manufacturing Maitland for the first time.

³⁹ TFG London data was not available for car rentals; thus a proxy from FY2019 was used for Phase Eight car rental.

⁴⁰ An 8% uplift factor is included to consider non-direct routes and delays/circling. The impact of radiative forcing is also included.



Table 7 continued: TFG INDIRECT SCOPE 3 EMISSIONS FROM FY2020

Description	Units	Total consumption	Metric tonnes of CO ₂ e
Business travel – flights	Km – long-haul economy class	8 797 123.70	1 317.90
	Km – long-haul prem economy class	1 781 750.31	427.09
	Km – first class	59 199.98	35.48
	Total	24 039 500.04	4 742.51 ⁴¹
Business travel – accommodation	Bed nights – (TFG Africa)	4 771.00	192.17 ⁴²
	Bed nights – (TFG London)	1 213.00	42.32
	Total	5 984.00	234.50
Business travel – travel claims	Km – average car (TFG Africa) ⁴³	63 815.40	11.30
	Km – diesel unknown (TFG London) ⁴⁴	122 564.12	21.25
	Km – petrol unknown (TFG London)	98 074.79	17.74
	Total	284 454.31	50.29
Employee commuting	Permanent FTE (TFG Africa)	15 105.00	20 691.29 ⁴⁵
	Permanent FTE (TFG London)	1 095.00	730.68 ⁴⁶
	Total	16 200.00	21 421.98
Downstream leased assets	Kilowatt hours – tenant electricity (TFG Africa)	22 992.00	23.91 ⁴⁷

6.2. OUTSIDE OF SCOPES: EMISSIONS FROM GHG EMISSIONS NOT COVERED BY THE KYOTO PROTOCOL

TFG Africa recorded usage of 1 515.25 kg (totalling 2 742.60 tCO₂e) of R22 Freon gas refills during its reporting year. TFG London did not report on fugitive emissions in FY2020.

⁴¹ TFG Africa reported 20 419 544 km (3 971.15 tCO₂e). TFG London data was unavailable; thus a proxy from FY2019 was used. TFG London reported 3 619 956 km (771.36 tCO₂e) for TFG Brands, Hobbs, Phase Eight and Whistles.

⁴² Bed nights are for domestic and regional and are calculated using a South Africa emission factor. International nights were calculated according to the country in which the accommodation took place.

⁴³ Travel claims for TFG Africa were reported for the first time in FY2020 as petty cash (3 413 km) and expense claims (60 402 km). They were calculated at a rate of R3.44 per km.

⁴⁴ TFG London travel claims were extracted from the Grey fleet data for Hobbs 141 418 km (24.88 tCO₂e) and Phase Eight 79 221 km (14.11 tCO₂e). Miles were converted to km and travel was in privately-owned vehicles.

⁴⁵ The survey results estimated 1.37tCO₂e per employee. This is an increase from 0.99 tCO₂e per permanent FTE in FY2019.

⁴⁶ TFG London estimated emissions at 0.67 tCO₂e per permanent FTE.

⁴⁷ Tenant electricity from the TFG owned but not occupied building at 350 Voortrekker Road. TFG do not have operational control over this facility; thus it is Scope 3.

Table 8: TFG DIRECT EMISSIONS FROM OUTSIDE OF SCOPE GHGS IN FY2020

Description	Units	Total consumption	Metric tonnes CO ₂ e emissions
Fugitive emissions (non-Kyoto) ⁴⁸	Kilograms – HCFC22 (South Africa)	1 494.76	2 705.52
	Kilograms – HCFC22 (Rest of Africa)	20.49	37.09
	Total	1 515.25	2 742.60

7. ILLUSTRATED SUMMARY

7.1. ILLUSTRATED OVERVIEW OF RESULTS OF EMISSIONS BY SCOPE FOR TFG IN FY2020

Table 9: SUMMARY OF TFG EMISSIONS BY SCOPE IN FY2020

Description	Metric tonnes of CO ₂ e emissions		
	TFG Africa	TFG London	TFG
Scope 1	5 016.22	198.80	5 215.01
Scope 2	164 816.01	1 839.39	166 655.41
Scope 3	72 934.73	2 258.13	75 192.86
Outside of Scopes	2 742.60	Not reported	2 742.60

⁴⁸ The GWP for air-conditioning, fire suppressant and refrigeration gas refills are sourced from the IPCC fourth assessment report.

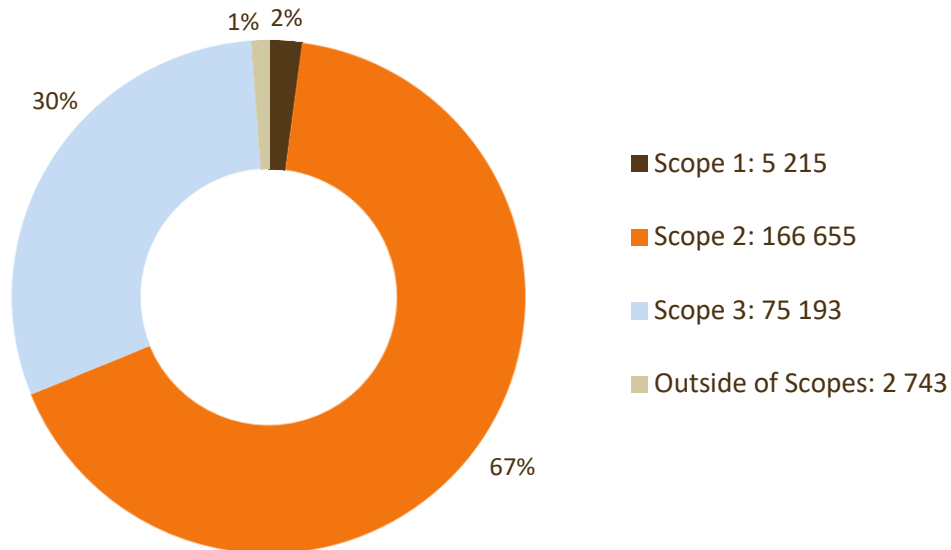


Figure 3: TFG emissions in tonnes of CO₂e by Scope in FY2020

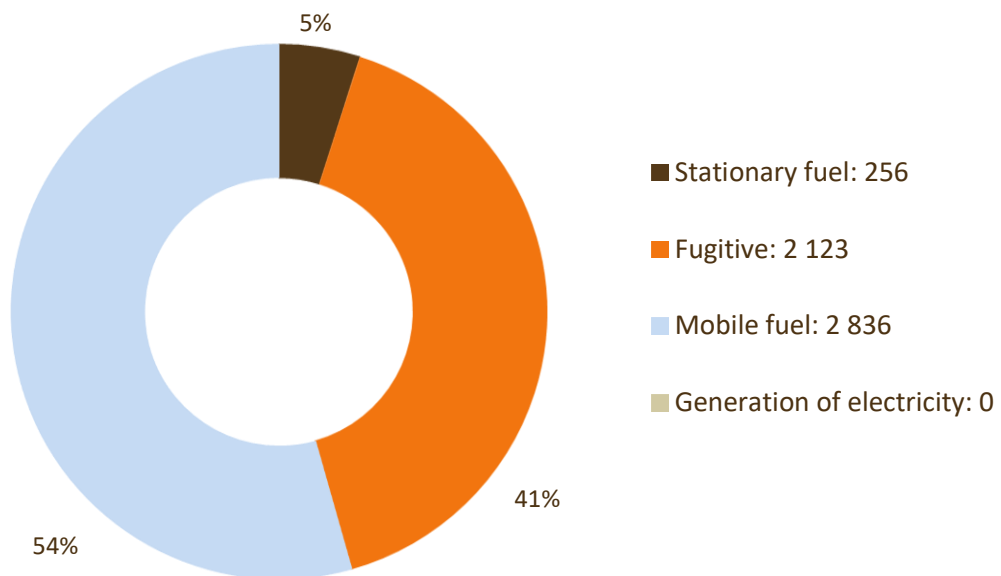


Figure 4: TFG Scope 1 emissions in tonnes of CO₂e in FY2020

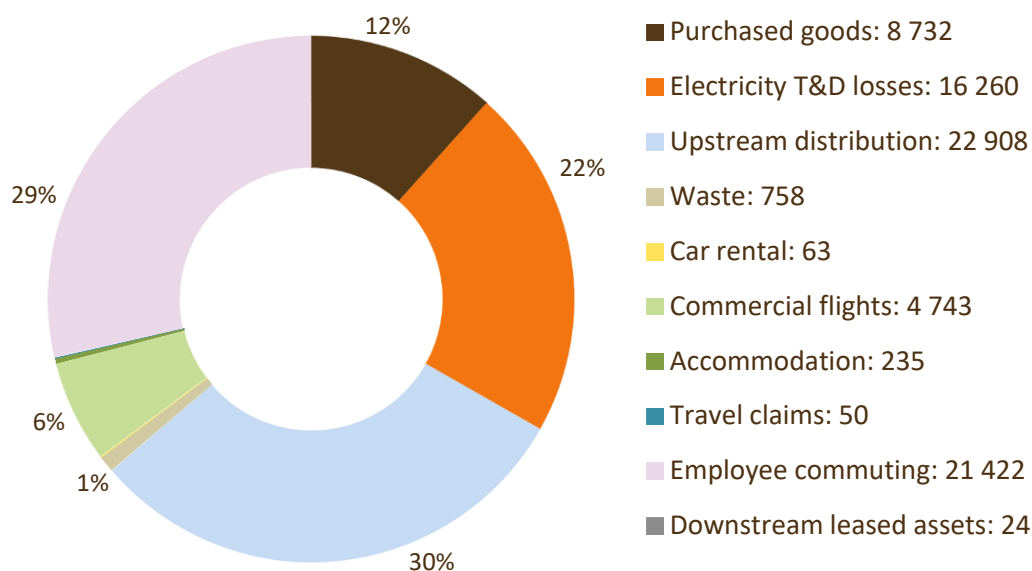


Figure 5: TFG Scope 3 emissions in tonnes of CO₂e in FY2020

8. COMPARISON OF EMISSIONS AND INTENSITY

Tables 10 and 11 provide a comparison of TFG carbon footprint over the last three years of reporting (FY2018 –FY2020), as this is the data available for both TFG Africa and TFG London. Comparative tables for TFG Africa and TFG London can be found in the respective Appendices B and C. For details of years 2008 (base year⁴⁹) – 2015, refer to the TFG 2017 Carbon Footprint Report.

Table 10: COMPARATIVE TFG INTENSITY METRICS BETWEEN FY2018 – FY2020 AND PERCENTAGE CHANGE

Description	Metric tonnes of CO ₂ e emissions			% Change	
	FY2018	FY2019	FY2020	FY18/FY19	FY19/FY20
Total employees (excluding Australia)	25 471	26 600	26 854	4%	1%
FTEs (excluding Australia)	15 499	15 744	16 200	2%	3%
Group EBITDA ⁵⁰ (R million)	4 792.6	8 531.8	8 513.3	N/R	0%
Group Retail Turnover (R million)	28 519.5	34 101.4	35 323.3	20%	4%

⁴⁹ Even though 2008 is the base year, it has been removed for comparison purposes since the data has improved significantly enough to render 2008 an unrealistic reflection of the TFG carbon footprint. Total emissions for 2008 were 129 577 tCO₂e (Scope 1 was 3 620 tCO₂e; Scope 2 was 88 774 tCO₂e; Scope 1&2 was 92 394 tCO₂e; Scope 3 was 36 136 tCO₂e and Out of Scopes was 1 047 tCO₂e).

⁵⁰ In 2020, the accounting policy for EBITDA changed from before to after IFRS 16 EBITDA. Group EBITDA for FY2019 was restated from 5 171.9 to 8 531.8. This is for the Group – broader than the reporting boundary, which is only TFG Africa and TFG London.



Table 11: COMPARATIVE TFG EMISSIONS BETWEEN FY2018 – FY2020 AND PERCENTAGE CHANGE

Description	Metric tonnes of CO ₂ e emissions			% Change	
	FY2018	FY2019	FY2020	FY2018	FY2019
Stationary fuel	21	136 ⁵¹	256	548%	22%
Fugitive emissions	1 606	1 415	2 123	(12%)	50%
Mobile fuel	2 937	3 049	2 836	4%	(7%)
Renewable	N/R	0	0	N/R	0%
TOTAL SCOPE 1	4 564	4 599	5 215	1%	13%
TOTAL SCOPE 2 – Purchased electricity	162 192	153 096	166 655	(6%)	9%
TOTAL SCOPE 1 & 2	166 755	157 695	171 870	(5%)	9%
Office paper	827	997	778	21%	(2%)
Magazines	7 394	2 995	2 162	(59%)	(28%)
Mailers/flyers	601	3 700	1 275	516%	(66%)
Envelopes	602	557	159	(7%)	(71%)
Cardboard packaging	7 280	2 544	2 298	(65%)	(10%)
Paper bags	71	26	48	(63%)	85%
Plastic bags	1 468	1 478	1 721	1%	16%
Packaging	N/R	267	291	N/R	9%
Losses from T&D	14 351	13 963	16 260	(3%)	16%
Upstream transport and distribution	18 097	18 220	22 908	1%	26%
Waste	509	757	758	49%	0%
Business travel – rental cars	57	39	63	(32%)	62%
Business travel – flights	5 925	5 228	4 743	(12%)	(9%)
Business travel – accommodation	72	438	235	508%	(46%)
Travel claims	30	100	50	233%	(50%)
Employee commuting	13 514	15 318 ⁵²	21 422	13%	40%
Downstream transport and distribution	1 787	N/R	N/R	N/A	N/A
Downstream leased assets – tenant	14	14	24	0%	71%
TOTAL SCOPE 3	72 599	66 643	75 193	(8%)	13%
Outside of Scopes	1 935	2 542	2 743	31%	8%
Intensity					
Scope 1&2 tCO ₂ e/FTE	10.759	10.021	10.609	(7%)	106%
Scope 1&2 tCO ₂ e/Total employees	6.547	5.931	5.152	(9%)	87%
Scope 1&2 tCO ₂ e/EBITDA (Rm)	34.794	18.532	20.188	(53%)	9%
Scope 1&2 tCO ₂ e/Retail turnover (Rm)	5.847	4.626	4.866	(21%)	4%

N/A= Not applicable N/R=Not reported * = Restated

⁵¹ FY2019 stationary fuel was restated in FY2020, as the diesel stored in bowsers was included as generator fuel; however it was only stored and not consumed. The emissions reduced from 208.09 to 135.76 tCO₂e.

⁵² FTE numbers for FY2019 were restated in FY2020 resulting in a restatement of commuting emissions. Emissions changed from 15 325 to 15 318 tCO₂e.

8.1. WATER CONSUMPTION

The incorporation of water consumption is recommended as an awareness-raising tool. Total Municipal water consumed by TFG Africa in FY2020 was 44 017 kilolitres (FY2018: 44 988 kilolitres; FY2019: 54 373 kl) as indicated in comparative Table 12. TFG London did not provide water data.

Table 12: TFG AFRICA WATER CONSUMPTION (FY2016–FY2020)

Facility type	Location	FY2016	FY2017	FY2018	FY2019	FY2020	% Change
Head offices	SLC	10 950	8 967	3 428 ⁵³	4 917	3 415	(31%)
	Parow Call Centre	11 184	11 616	11 545	21 220	7 957	(63%)
	Duminy Street	2 238	2 129	868 ⁵⁴	23	228	891%
	The Rock	2 169	1 611	2 453 ⁵⁵	3 810	2 720	(29%)
	Lefic	14 945	13 623	5 026	4 137	3 475	(16%)
	Huguenot Street	2 333	1 558	610 ⁵⁶	526	284	(46%)
	Design Centre	N/A	832	820	675	1 325	96%
	Matthee Street	457	141	102	0 ⁵⁷	0	N/A
	Total	44 276	40 477	24 852	35 308	19 403	(45%)
Distribution centres	Ndabeni	2 593	2 541	2 485	1 847	1 204	(35%)
	Tygerberg	1 602	980	490 ⁵⁸	497	515	4%
	Assegaa	919	2 018	759	453	640	41%
	Epping	645	859	747	467	630	35%
	Epping 2	N/A	N/A	N/A	N/A	179	N/A
	Centurion	8 113	577 (Closed)	Closed	Closed	Closed	N/A
	Midrand	N/A	2 146	2 898	1 572	3 227	105%
	Total	13 871	9 121	7 378	4 835	6 395	32%
Regional offices	Isando	1 409	1 089	1 227	1 544	1 106	(28%)
	Durban	N/A	N/A	N/A	N/A	63	N/A
	Eloff	270	290	Incl. in stores	Closed	Closed	N/A
	Adderley	8	3	Incl. in stores	Closed	Closed	N/A
	Total	1 687	1 382	1 227	1 544	1 169	(24%)
Manufacturing	Caledon	1 129	2 062	2 465	2 361	2 704	15%
	Maitland	8 337	7 585	9 066	10 324	14 345	39%
	Total	9 466	9 647	11 531	12 685	17 049	34%
GRAND TOTAL		69 301	60 626	44 988	54 372	44 017	19%

⁵³ SLC reduced consumption, and borehole water was supplied from the Design Centre.

⁵⁴ Duminy water was supplied from The Rock due to a water purification process being installed.

⁵⁵ The Rock increased water consumption as it was also providing water to Duminy Street for water purification process.

⁵⁶ 18 Huguenot Street reduced consumption from 105 to 3 kl as it is only used as a storage facility.

⁵⁷ Matthee Street was converted into a parking garage in FY2018, hence zero consumption for water.

⁵⁸ A well point was installed at Tygerberg during the 2018 financial year.



9. TARGETS, ENERGY AND WATER EFFICIENCY

9.1. TARGETS

TFG have seen some good results in terms of waste reduction and energy efficiency improvements. An important milestone in FY2019 was identifying set environmental efficiency targets that will be tracked over a 5-year period from FY2020.

- ◆ Electricity consumption at head offices and distribution centre – 20% reduction in kWh (Prestige will be included in FY2021)
- ◆ Electricity consumption in store – 5% reduction in kWh per square metre
- ◆ Paper consumption at head office – 10% reduction
- ◆ Paper consumption in store – 10% reduction in volume per store
- ◆ Water consumption – remain below 50% of the 2017 baseline
- ◆ Recycling – achieve 85% recycling across all sites, excluding stores, which have their own waste management plans run by the respective shopping mall

Table 13: TARGET ACHIEVEMENTS FOR FY2020

Focus area	Target	Status at FY2020 year end
Energy	HO – 20% reduction in kWh Stores – 5% reduction in kWh per m ²	HO: 1.89% reduction Stores 3.5% reduction
Paper	HO & Stores – 10% reduction in volume	HO: 13% reduction Stores: 1% reduction
Water	Remain below 50% of 2017 baseline	35.24%
Recycling	85% recycling across all sites	85.92%

In January 2020, TFG signed the South African Plastic Pact and committed to the following targets to be achieved by 2025:

- ◆ Target 1: Taking action on unnecessary and problematic packaging and plastic products through design, innovation or alternative delivery models
- ◆ Target 2: 100% of plastic packaging to be reusable or recyclable
- ◆ Target 3: 70% of plastic packaging effectively recycled
- ◆ Target 4: 30% average post-consumer recycled content across all plastic packaging

TFG plastic initiatives to date:

- ◆ A range of 30% and 100% of TFG shopping bags to be made from recycled plastic will be rolling out to stores
- ◆ 19 000 units of reusable bags were produced and currently available at Foschini, Exact and The Fix
- ◆ All TFG online shopping courier bags will be made from 45% recycled plastic

9.2. ENERGY EFFICIENCY

To meet the target of reducing kilowatt hours at head office, TFG Africa put in place a program to convert lighting to LEDs. Table 14 indicates the investment into the project per facility and the expected rand savings, together with an estimated payback period.

Table 14: TFG AFRICA FY2020 ENERGY EFFICIENCY INVESTMENTS

Facility	Pre-LED Wattage	Post-LED Wattage	Variance (Watts)	Reduction	Investment Cost (ZAR)	Savings/day (ZAR)	Payback period (yrs)
Lefic	36 012	12 448	(23 564)	(65.43%)	R170 202.00	R152.69	3.05
Tygerberg DC	136 960	53 860	(83 100)	(60.67%)	R706 931.00	R538.49	3.60
The Rock	33 088	12 308	(20 780)	(62.80%)	R168 800.00	R134.65	3.43
TFGM	11 003	4 530	(6 473)	(58.83%)	R64 310.00	R41.95	4.20
Design Centre	8 065	3 842	(4 223)	(52.36%)	R50 605.00	R27.37	5.07
SLC	5 844	2 440	(3 404)	(58.25%)	R35 540.00	R20.40	4.77
SLC Parking	1 856	576	(1 280)	(68.97%)	R4 400.00	R8.29	1.45
PCC	6 486	1 152	(5 334)	(82.24%)	R23 408.00	R34.56	1.86
18 Hug Street	3 240	1 656	(1 584)	(48.89%)	R12 190.00	R10.26	3.25
Ndabeni Old DC	39 496	12 964	(26 532)	(67.18%)	R117 527.00	R171.93	1.87
Total	282 050	105 776	(176 274)	(62.50%)	R1 353 913.00	R1140.60	3.05

Behaviour change has a direct link to reduction in electricity consumption. To this end, Utility Management training was conducted in March 2020 with all DC and Factory Managers, including their identified utility champion. The following attended: Tygerberg DC, Epping DC, Old Ndabeni DC, Sport DC, Prestige Maitland and Prestige Caledon. Assegaai DC could not attend due to operational requirements and in-house training will be conducted in the new financial year. Training was also planned for Isando and Midrand but was cancelled due to the COVID-19 pandemic. Light sensor installations have been put on hold until post COVID-19.

WATER EFFICIENCY

TFG set targets to reduce water consumption and installed boreholes at certain facilities. They put water purification systems in place, reducing reliance on municipal water. Refer to Appendix B, which indicates where borehole water is consumed and provides a summary of total water consumption at TFG Africa. Water comparisons need to be made against municipal water as this is the first-year borehole water data was provided. TFG Africa are measuring water savings against FY2017. The target is a reduction of 50% against FY2017 and in FY2020 an achievement of 46% savings was reported, excluding manufacturing. Further rainwater harvesting initiatives have been put on hold until post COVID-19.

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