

Energy Efficiency Opportunities Workshop

Melbourne Tuesday 19 May 2009

Perth Thursday 28 May 2009

Implementation of the EEO Program within Wesfarmers Limited

Part of an Integrated Response to Climate Change

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- About Wesfarmers Limited
- Deciding how to approach EEO, NGERs and CPRs- Regulatory compliance or opportunity
- Energy Efficiency and Wesfarmers businesses- Integrating EEO and greenhouse/energy reporting in the business
- Identifying opportunities within Wesfarmers
- EEO- The Public and Government Reporting Process
- Summary



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About Wesfarmers Limited

- ASX listed public company with over 400,000 shareholders
- Interests mainly in Australia and New Zealand
- Operated within Divisions that have a high degree of operational autonomy and different challenges
- Retail: Coles (and brands), Kmart, Target, Home Improvement and Office Supplies
- Industrial: Resources, Chemicals and Fertilisers, Energy, Industrial and Safety
- Insurance: Wesfarmers Insurance
- Several part owned businesses with EEO status based on level of operational (overall) control
- 07/08 Energy use 31m GJ
- Greenhouse emissions now approx. 7Mt CO₂e annually



Portfolio of leading brands



Retail Businesses

coles express
Target. 100% happy
Kmart
coles
 Good times start at **1ST CHOICE** Liquor Superstore
Officeworks
BUNNINGS warehouse
Kmart Tyre & Auto Service
LiquorLAND
coles onLINE
BI-LO WHY PAY MORE!
VINTAGE CELLARS AUSTRALIA'S FINE WINE SPECIALIST
Hotels

Industrial Businesses

NZ Safety Specialists in Safety & Protection
AGR
Total FASTENERS
Protector Alsafe
MODWOOD
MOTION INDUSTRIES
enGen energy generation
Packaging House Building partnerships, delivering solutions
BENGALLA
Bullivants HANDLING SAFETY
QNP
Australian Vinyls
Blackwoods Paykels NZ'S LARGEST RANGE OF ENGINEERING SUPPLIES AND TECHNICAL SERVICES
WESFARMERS LPG
AIR LIQUIDE WESTERN AUSTRALIA
Blackwoods
Kleenheat Gas
Premier Coal
protector safety
Atkins ELECTRICAL SUPPLIES
GRESHAM INVESTMENT HOUSE
coregas
URRAGH
WESPINE INDUSTRIES PTY LTD
CSBP

Insurance

CROMBIE
LOCKWOOD New Zealand's Insurance Brokers
Lumley
OAMPS
wfi

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Deciding how to approach EEO, NGRS and CPRS- Regulatory Compliance or Opportunity

- EEO**
- learning the detail of assessment and compliance in 2008
 - will be part of the base for an extensive energy efficiency push inside Wesfarmers
- NGRS**
- a very complex set of laws, regulations and guidelines for our mix of businesses
 - we decided to create a management information system for energy and greenhouse to go beyond NGRS
 - 2008/2009 will be interesting, building on our existing systems
- CPRS**
- support a market based mechanism to reduce carbon emissions
 - developing our measurement, abatement and trading systems
 - committed to being part of the KPMG carbon trading trial when it starts



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Identifying Opportunities within Wesfarmers

- 50% of our CO₂e emissions are indirect from energy use
- The real challenge is to reduce energy use across thousands of facilities
- Opportunities identified in the first EEO assessment include
 - Insulating steam lines in existing plants
 - Review regular energy related monitoring programs
 - “out of hours” lighting intensity reduction
- Over 400, 000 GJ energy savings per annum without extending representative assessment outcomes to other stores
- To be truly successful energy efficiency has to be driven through the business



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EEO- The Public and Government Reporting Process

- Reported on schedule in December 2008
- A more detailed form of previous WES reporting
- Some of the details of the templates are a little confusing, but feedback will resolve this
- Commentary needed from third parties on usefulness of reporting format and information
- Reporting format costs Wesfarmers a considerable sum but largely because of size and complexity
- The benefits to Wesfarmers come from a structured energy review process we are advancing further



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Summary

- The EEO and NGRS processes are good starting points but companies will need to go further
- Effective measurement and management information systems for energy and greenhouse are central to integrated climate change response
- The public and government EEO reporting is useful for placing a focus on energy but its usefulness to third parties needs to be assessed
- Energy efficiency has become a key strategy throughout the organisation to reduce emissions and costs or create opportunities

Thankyou





Wesfarmers

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