

Greenhouse Gas Inventory Report

Our Mission:

To provide innovation, clean and efficient energy solutions
for a better tomorrow

For the period: January 1, 2010 to December 31, 2010
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Introduction

The global financial crisis is causing massive economic upheaval, but with the world's governments working together, recovery is now in sight. Yet the threat posed by global warming still requires a major breakthrough in international negotiations and a change in modern lifestyles to slow the rate of warming and avert an ecological catastrophe.

With our corporate mission of "To provide innovative, clean and efficient energy solutions for a better tomorrow", DET strive to do our utmost to help slow global warming and reduce our environmental impact and also believe in fulfilling Delta's CSR goals through sound corporate governance, balancing stakeholder interests and social participation.

Responding to climate change is not only a corporation's social responsibility. How to respond to the threat it poses; and take advantage of the opportunities it offers; is something that businesses must look at seriously in their corporate strategies.

Carbon emissions reporting becoming an important topic, there is an increasing move towards greenhouse emissions reporting and disclosure. DET is looking towards best practice in the area of sustainability reporting. Sometimes the information is included in Annual Reports or in annual Sustainability and Corporate Responsibility reports. The format and composition of the information varies widely.

Greenhouse Gas report illustrates for a typical company the strategy, targets, performance, and benchmarking of how the company is working to reduce its impact on and adapt to climate change. Clearly, in order to produce reliable information for such reporting, and to monitor emissions performance and management actions to achieve reductions during the year, companies will need to consider carefully processes, systems, controls and internal reporting requirements.

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1. Company Profile

Delta Electronics (Thailand) Public Company Limited (hereafter DET) was established in 1988. DET is the world's leading manufacturers and distributors; design and development of: Power Conversion Products (such as Switching Power Supply, Adaptor & Charger, AC-DC / DC-DC converter, Telecommunication / Server Power Supply) ; Magnetic products (such as Transformer, Line Filter, Coil) ; Electronic control units / Vision system for Automotive; EMI Filter; Cooling Fan; MTS (Molding, Tooling and Stamping); Solenoid product; PWB Assembly and Transformer. Its operation has now covered several regions i.e. Europe, Middle East, South America and Asia with a total consolidated sales turnover of approximate USD 1 billion.



Delta Electronics (Thailand) Public Company Limited had approximately 10,573 workers during the 2010-year in its Bangpoo Plant 1 & 5 and Wellgrow Plant 6:

Plant	Location	No. of Employee
Plant 1 & 5	Bangpoo	7,484
Plant 6	Wellgrow	3,089
Total		10,573

2. GHG Management

2.1 Guideline of the report

This emissions inventory report has been prepared and written in accordance with the principles set out by the International Standards Organization (ISO) for the quantification and reporting of Greenhouse Gas Emissions and Removals (ISO14064-1).

2.2 Report Principle and Criteria

According to the report complete, consistent, accurate, relevant and transparent information complied principles.

2.3 Base Year

Setting and Adjusting the base year

Set the base year

Base-year Greenhouse Gas Inventory is annually thereafter, DET shall report the inventory of the preceding fiscal year. This is DET's Greenhouse Gas first report. The chosen base year calculated for this report is the year from January 1, 2010 to December 31, 2010.

Adjust the base year

Amendments to the base year by the implementation team by adjusting the internal and external situation, and report to Top management for approval.

Recalculation of the base year

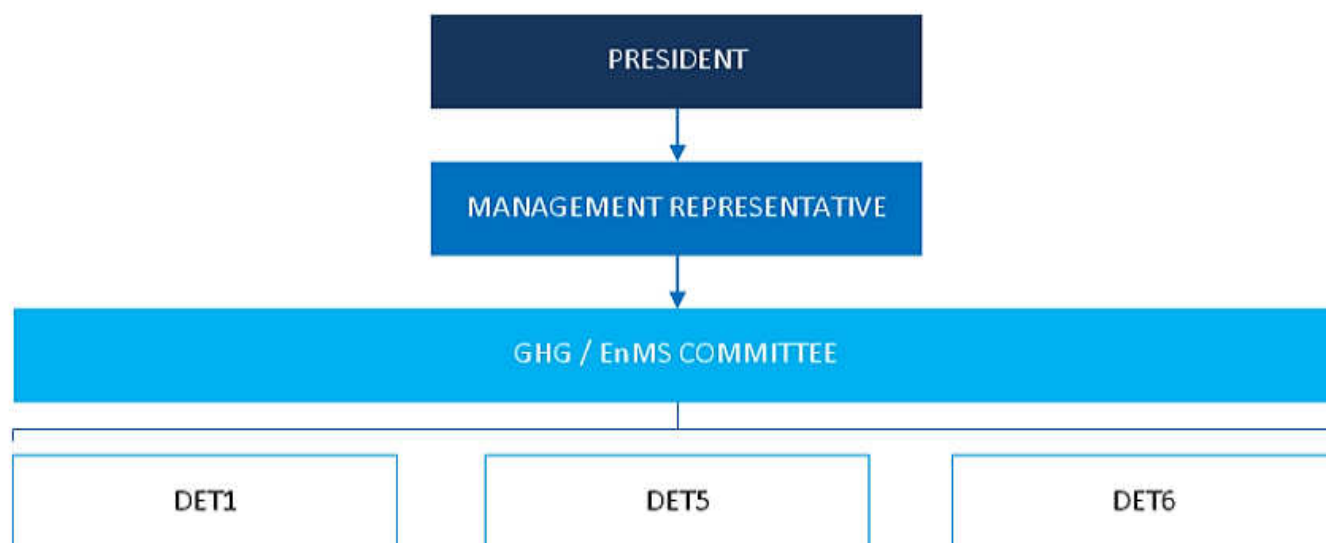
The base year emissions recalculation base-year inventory in the following cases should be re-calculated emissions:

- When the operation of boundary changes;
- When the source of equity stakeholders / transfer;
- When a change in calculation method.

2.4 Organizational and Operational Boundaries

The company used the operational control-based approach to defining organizational boundaries. Due to the control prescribed nature of the core company, the application of either the control or equity approach is likely to have the same effect, as Delta Electronics (Thailand) PCL. do not have subsidiaries or associate companies in the same manner. The organizational boundary of Delta Electronics (Thailand) PCL. is defined by the purposes of the greenhouse gas (GHG) inventory include core business activities only.

2.5 GHG Organization and Responsibility



Responsibility:

Executive Management Team (Management Representative & GHG / EnMS Committee)

DET's Executive Management Team shall review and ultimately approve DET's annual GHG inventory and Carbon Footprint Report / Strategy. Members of the Executive Management Team will also be responsible for the communication of the Report / Strategy at their plant through meetings and discussions where necessary.

Plant Manager

DET's Plant Manager shall oversee the development of DET's annual GHG inventory and Carbon Footprint Report / Strategy. They shall review DET's annual GHG inventory and Carbon Footprint Report / Strategy, and assume ultimate responsibility for the achievement of targets set.

Concern Department Manager

DET's Manager shall oversee the day-to-day development of DET's annual GHG inventory. They will develop and manage the projects annual communications strategy, arrange documentation to communicate inventory and strategy, arrange and coordinate the project's annual external verification and assurance process.

The Manager shall also provide support to the EMR in the development of DET's annual GHG inventory.

EMR and Plant Representative

DET's EMR, together with members of the Plant Representative Team will gather data from facilities, finance and related dept; and develop an annual GHG inventory with Management Representative. They shall also work cooperatively with external verification and assurance team to allow smooth implementation of process.

DET's Plant Representative shall assist in the provision of data wherever applicable. The team shall ensure the collection of data for annual inclusion in DET's GHG inventory.

2.6 Management Review

The base year was set as 2010 as the first year DET reported detailed greenhouse gas emissions. The appropriateness of the base year is reviewed on an annual basis. Management Representatives or his assignee shall review and approve Greenhouse Gas Inventory Report. On an annual basis, it shall be reviewed the relevance of DET's performance and the effectiveness of existing monitoring/measurement systems to provide accurate, complete and timely information sets to management team.

2.7 Verification of Greenhouse Gas Inventory Report

This Greenhouse gas Emissions report has been verified by SGS auditor. A positive assurance report has been given over the assertions and quantifications included in this report.

3. Primary Statement of GHG Inventory

3.1 Greenhouse Gas Emissions Sources

Emissions sources were identified with reference to the methodology described in the Greenhouse Gas Protocol and ISO14064-1:2006 standard. Identification of emissions sources was achieved using the specific guidance on Scope 3 factors included in ISO14064-1 Annex B and also in the Greenhouse Gas Protocol (WBCSD).

These emissions have then been classified into 3 categories. The definition of each has been adapted from the Greenhouse Gas Protocol; the 3 types of emissions are:

- Direct Emissions (Scope 1): Emissions from sources that are owned or controlled by DET.
- Indirect Emissions (Scope 2): Emissions from the generation of purchased electricity consumed by DET.
- Indirect Emissions (Scope 3): Emissions that occur as a consequence of the activities of DET, but occur from sources not owned or controlled by DET. Inclusions of these are determined on DET's aims of the programme.

Actual Emissions

Scope of Emissions	Emission Sources
Scope 1	<ul style="list-style-type: none"> -Diesel used in Forklift & Pick-up car (DET owned) -Fire Extinguisher (CO₂ type) -Diesel used in Electricity Back-up system - Generator -Diesel used in Electricity Back-up system – Fire Pump -Refrigerant (HFC134a / R134a & HFC404a / R404a & HFC23 / R23) -Waste Water (Domestic used)
Scope 2	Electricity purchased from other organization used in: <ul style="list-style-type: none"> DET1: AP Plant DET5: PSBG Plant and DES Plant DET6: SVEBU Plant and FMBG Plant
Scope 3	<ul style="list-style-type: none"> -Transportation of Raw material, Finished Goods, Bus for employees, Van for employee including Business trip, Ambulance, Transportation of Food & Waste Management Entrepreneur. -Canteen (Liquefied Petroleum Gas) -Industrial & Normal Waste (from Production / Garbage)

Remark:

- No biomass is used in DET operations and therefore no emissions from the combustion of biomass are included.
- No generated electricity, heat or steam is used in DET operations and therefore no emissions from these sources are included.

3.2 Greenhouse Gas Emissions Exclusions

Scope of Emissions	Emissions Sources
Scope 1	Own Transportation (Van & Car)
Scope 1	Process Emissions
Scope 1	Refrigerant used in Water Drinking Machine
Scope 3	Indirect Emissions

Own Transportation

The emission associated with own transportation is the scope 1 emissions. DET has only a few own cars and various purposes which contributed the emissions less than 1%; therefore own transportation of this source has been ignored.

Process Emissions

The emission from physical or chemical processes in the scope 1 emissions. DET found that SMT process has released NF_3 but from the current technology is not be able to verify the released gas; therefore the chemical processes of this source has been ignored.

Refrigerant used in Water Drinking Machine

The emission associated with the refrigerant used in Water Drinking Machine is in the scope 1 emissions. After investigating, DET found the refrigerant usage in Water Drinking Machine which contributed the emissions less than 1% therefore Refrigerant used in Water Drinking Machine has been ignored.

Indirect Emissions (Scope 3)

The emissions are occurred as a consequence of the activities of DET, but occur from sources not owned or controlled by DET; therefore Indirect Emissions (Scope 3) has been ignored.

3.3 Summary of Greenhouse Gas Emissions

Type of Emissions (Tonnes CO ₂ e*)	2010 Performance
Direct (Scope 1) Emissions:	
-Diesel used in Forklift & Pick-up car (DET owned)	25.70
-Fire Extinguisher (CO ₂ type)	0.22
-Diesel used in Electricity Back-up system – Generator	1.90
-Diesel used in Electricity Back-up system – Fire Pump	0.81
-Refrigerant (HFC134a / R134a)	0.00
-Refrigerant (HFC404a / R404a)	0.00
-Refrigerant (HFC23 / R23)	0.00
-Waste Water (Domestic used)	22.19
Total Direct (Scope 1) Emissions	50.82
Indirect (Scope 2) Emissions:	
All purchased electricity in owned buildings and leased buildings where DET is the sole tenant.	
Purchased electricity for lighting and utility / appliance power in leased space where DET is not the sole tenant.	
Total Indirect (Scope 2) Emissions	38,953.28
Total Gross Controlled Emissions	39,004.10

*Data expressed in carbon dioxide equivalent units.

Quantity of Greenhouse Gas separated by type of emissions

Area	CO ₂	CH ₄ *	N ₂ O*	HFCs*	PFCs*	SF ₆ *	Ton. CO ₂ -e
Scope 1	28	0.89	0.0015	0	0	0	50.81
Scope 2	38,953	0	0	0	0	0	38,953
Total Gross Controlled Emissions	38,981	0.89	0.0015	0	0	0	39,004

Note: Greenhouse Gas Emissions Rate follows Global Warming Potential from IPCC GWP2007

3.5 Data Collection Quantification of Methodologies

The next table is shown the details of the sources, the relevant data, and the emission factors, which have been used. All factors have been approved by DET. The amount of CO₂e has been calculated by multiplying the activity data sources by DET by the relevant emission factors. As this is the first year that DET has produced these figures, there are no changes in methodology to report.

Emission or Removal Sources	Data Collection Unit	Emission or Removal Factors	Factor Sources
Electricity	kWh	0.6147	EGAT 2009
Diesel	Liter	CO ₂ = 2.662, CH ₄ = 0.0001401 N ₂ O = 0.0001401 CO ₂ e = 2.708	2006 IPCC Guidelines for Nation Greenhouse Gas Inventory
Benzyl	Liter	CO ₂ = 2.41275 CH ₄ = 0.00115 N ₂ O = 0.00011	(Volume 2) / CFP Guideline; 2 nd Edition
Truck 10 wheels / B5 / 16 tons (No-load)	Km	0.5429	CFP Guideline; 2 nd Edition
Truck 10 wheels / B5 / 16 tons (Full-load)	Ton-km	0.0425	CFP Guideline; 2 nd Edition
Truck 6 wheels / B5 / 11 tons (No-load)	Km	0.5139	CFP Guideline; 2 nd Edition
Truck 6 wheels / B5 / 11 tons (Full-load)	Ton-km	0.0639	CFP Guideline; 2 nd Edition
Pick-up 4 wheels / 7 tons (No-load)	Km	0.3270	CFP Guideline; 2 nd Edition
Pick-up 4 wheels / 7 tons (Full-load)	Ton-km	0.1472	CFP Guideline; 2 nd Edition
LPG	Kg	0.27	CFP Guideline; 2 nd Edition
Ship Container	Ton-km	0.01	CFP Guideline; 2 nd Edition
Air (Outbound)	Ton-km	0.57	HP Global Citizenship Report 2009 (World Resource Institute GHG Protocol)
Sea (In Land)	Ton-km	0.01	CFP Guideline; 2 nd Edition (The Environmental Footprint of Surface Freight Transportation, Lawson Economics Research Inc, 2007)
Refrigerant (HCFC22 or R22)	Kg	HCFC = 1,810	IPCC2007
Refrigerant (HFC134a or R134a) Refrigerant (HFC404a or R404a) Refrigerant (HFC23 or R23)	Kg	HFC134a = 1,430 HFC404a = 3,922 HFC23 = 14,800	IPCC2007
Waste (Paper)	Kg	2.93	CFP Guideline; 2 nd Edition
Waste Water (Industrial)	m ³	0	IPCC Volume 5 : Wastewater Treatment and Discharge
Waste Water (Domestic) for CH ₄	m ³	0.3	IPCC Volume 5 : Wastewater Treatment and Discharge

3.5 References for Emission Factors

- CO₂ Emission Factor Sourced from: Thailand National Data Base
- CO₂ Emission Factor Sourced from: Electricity Generating Authority of Thailand (EGAT) 2009
- ISO14064-1 GHG Part 1: Specification for Quantification, Monitoring and Reporting of Entity Emissions and Removal
- Google Map (<http://map.google.co.th/maps?hl=th&tab=wl>)
- ISO14040 Environmental Management – Life Cycle Assessment – Principles and Framework
- ISO14044 Environmental Management – Life Cycle Assessment – Requirements and Guidelines
- Carbon Footprint Product Guideline (TGO)
- AA1000: A Standard for Ethical Performance
- PAS2050: Assessing the Life Cycle Greenhouse Gas Emissions of Goods & Services
- ISO26000: Guidance on Social Responsibility
- IPCC Volume 5: Wastewater Treatment and Discharge
- <http://www.searates.com/reference/portdistance>
- <http://www.timeanddate.com/>

3.6 Uncertainty Management

This Greenhouse Gas Inventory report has been assessed and evaluated the uncertainty rating. The rating is 16 points which focus on Electricity consumption (99% of Greenhouse Gas Inventory). The result has been shown the activity data is moderated data quality which comes from the regular measurement eq. Meter Reading, Purchase Order, etc.; and Emission factors is very low uncertainty of data quality which comes from Manufacturer to provide coefficient.

Explanation: Greenhouse Gas Inventory and the estimated operation itself on the scientific uncertainty, to achieve the purpose of continuous improvement of data quality, therefore, uncertainty is evaluated. IPCC uncertainty is used in more complex calculation. DET follow Delta Group Guideline for the model of uncertainty which provided by the way of class distinction specify below.

The uncertainty of inventory operations can be divided into model uncertainty and parameter uncertainty. Since the pattern is more complex uncertainty, therefore, not be included in this assessment of the range of uncertainty. Parameter uncertainty refers to the uncertainty of quantitative parameters. Activity data and Emission factors include the uncertainty of activity data differentiate the following 3 levels:

- Automatic Continuous Measurement
- Regular Measurement (Meter reading, Purchase order)
- Own Estimation

Note: Order of score is 6-1; the higher score the better the response data, the lower score the uncertainty; will Emission Factors in 6 categories:

- Measurement / Material and Energy balance coefficient
- Process / Equipment experience coefficient
- Manufacturer to provide coefficient
- Regional Emission Factors
- National Emission Factors
- International Emission Factors

Value Type	Data Quality Level					
	X=6-5 Points		Y=4-3 Points		Z=2-1 Points	
Activity Data	Automatic Continuous Measurement		Regular Measurement (Meter Reading, Purchase Order)		Own Estimation	
Emission Factors	A=6 Points	B=5 Points	C=4 Points	D=3 Points	E=2 Points	F=1 Points
	From Measurement / Quality Factor	The same process / equipment experience coefficient	Manufacturer to provide coefficient	Regional Emission Factors	National Emission Factors	International Emission Factors

The qualitative analysis of uncertainty assessment method adopted, in the following table will be divided into 6 overall data quality as the following table:

Rating	Overall Level of Scoring Data	Explanation
First Class	1 - 6	High uncertainty, Data quality is very poor.
Second Class	7 - 12	High uncertainty, Data quality is poor.
Third Class	13 - 18	Uncertainty, Moderate data quality.
Fourth Class	19 - 24	Slightly uncertainty, Moderate data quality.
Fifth Class	25 - 30	Uncertainty is low, Date quality is good.
Sixth Class	31 - 36	Uncertainty is very low, Excellent data quality.

4. Future Opportunity

4.1 Performance Overview and Monitoring

DET shall review the future targets and ensure they remain appropriate for the business and industry, therefore continuously drive DET's performances and associated management reward by planning, implementing and documenting the actions; to monitor Greenhouse Gas Inventory through the meeting to maintain GHG information management quality and; to reduce or prevent Greenhouse Gas Emissions which is apart of Energy Saving project.

The target information is based on estimates and assumptions that are subject to significant inherent uncertainties, which may be difficult to predict and may be beyond control. As with most forward looking information, there can be no assurance that targets will be realized.

4.2 Greenhouse Gas Reduction and Removal

DET will have a management plan in place for managing and reducing emissions by early 2011 with the aim to be carbon emissions reduction by the end of 2014.