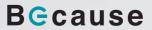
We have made it an art to optimally maintain profitability...deliver shareholder returns... create and distribute wealth....we continue to exist.





# The Environment...Now and for Generations Yet Unborn



#### **A Forward Looking Note**

We are intent on reducing our greenhouse gas emissions for every Rs. 1 mn of Group net turnover by 5% and improving our ground water reuse percentage by 1% per annum.

The turtle conservation project implemented during the year helped protect 11,000 sea turtle eggs along the coastline of Sri Lanka.

#### **Guiding Philosophy**

The inescapable fact which we must all accept is that business impacts the environment. Being resolute of will, we have resolved to go the extra mile to manage this very important factor of our enterprise. Dimo has put in place an environmental management system accredited with ISO 14001:2004 standard certification. Our Sustainability Committee, with appropriate representations within the Company, provides the forum to discuss matters relating to environmental sustainability.

In order to manage the environmental impact effectively, the Company focuses on six strategic areas as depicted in the following diagram.

# **Management Report**

The Operating Environment...and Trends
Refining our Portfolio...and Reinventing our Future
Financial Value Creation
Delivering Value to Customers...and their Value to Us
Working at Dimo...Enjoyable and Rewarding
Our Business Partners...A Symbiotic Relationship
Regulatory Authorities...Playing by the Rules
Our Community...Live and Let Live

The Environment...Now and for Generations Yet Unborn
Sustainability Performance Objectives in 2012-2013

DIESEL & MOTOR ENGINEERING PLC
ANNUAL REPORT 2012/13

## The Environment...Now and for Generations Yet Unborn



# Building Environmental Capital



### Dilrukshi Kurukulasuriya

General Manager -Human Resources Member - Group Management Committee Our Group Management Committee and Sustainability Committee oversee our Environmental Management System (EMS) and steer the enactment of EMS strategies across the Group.

The EMS is guided by the Triple 'R' concept - Reduce, Reuse and Recycle.

As depicted in our diagram appearing above, Dimo has identified six strategic areas in respect of the management of environmental issues.

On the subject of atmospheric emissions, the correlation between greenhouse gas emissions and climate change is irrefutable today. Steeped as our business is in the automobile trade, we constantly strive to manage such harmful emissions and by implication, our carbon footprint.

This is the fifth consecutive year in which we have calculated and reported on our carbon footprint.

Direct GHG emissions from diesel for vehicles, vehicle delivery and service processes amounted to 2,914 tCO $_2$ e (3,972 tCO $_2$ e in 2011/12), which comprised 47% (59% last year) of our total carbon footprint.

Due mainly to the reductions we have been able to effect in diesel fuel consumption for vehicle delivery and service processes, our overall carbon footprint reduced by 5%.



Environmental initiatives

Dimo employs a number of measures to control and manage the emission factor.

## — → The Environment...Now and for Generations Yet Unborn

Some of these include - compliance with strict emission controls for all vehicles, whether Company owned or hired; the operation of exhaust gas and dust extractors in vulnerable areas; installation of filtration systems in paint booths; operation of fresh air validation systems in Engine Repair facility; use of CFC free gases and the increasing usage of tele- and video-conferencing as a means to curtail air travel.

Dimo meticulously manages its fuel and energy consumption. For the year under review, The Group has been able to reduce its overall energy consumption by 33%.

Some measures we adopted in the cause of energy efficiency and conservation were - the constant conduct of energy audits which led to the use of capacitor banks for power factor correction, replacement of incandescent lighting with CFL and LED technology (almost all areas of the Group have been converted), programming all computers to revert to standby mode within a 5 minute idling period, setting air conditioning units at a constant minimum of 24°C or over and inculcating a culture amongst the staff of 'switching it off' - turning off lights and computers when not in use.

Our energy saving solutions bought many savings to our customers. During the year under review, energy audits were conducted and upon implementing its findings, an annual saving of 52,032 kWh was realised. Through sales of Electronic Control equipment, a total annual energy saving of 314,475 kWh was achieved during the period in review.

As a substantial consumer, water management is a prime area of focus.

Dimo's requirements of water are sourced mainly from the national supply. Ground water sources have also been tapped in certain locations - at Siyambalape and Anuradhapura Workshop, Weliweriya Logistics Centre and Colombo.

The Group uses water mainly for vehicle repairs and servicing and for domestic purposes as well.

The Group's total water usage from all sources was 101,984 M3 of which 10% or 10,069 M3 was recycled and re-used. Total water usage has risen this year due to increase in the workshop throughput.

Reuse and recycle are the watchwords in our waste management regime.

Waste water from all our workshops pass through oil separators and are monitored to ascertain their pH levels, to ensure compliance with legal limits. The Company operates biological water treatment and recycling plants at TATA Commercial workshop/Construction machinery workshop at Siyambalape and Dimo Logistic centre - Weliveriya. Water treatment plants are also available at the Mercedes Benz passenger car workshop and TATA passenger car workshops at Colombo, Branches of TATA commercial workshop at Ratnapura, Anuradhapura, Matara, Kurunegala, Kandy and Trincomalee.

Water recycled is used for industrial purposes and not for domestic purposes.

Hazardous and non hazardous waste material is disposed of responsibly, to reputed third parties certified by the Central Environmental Authority, at an expense to the Company.

In like vein, Dimo operates well within responsible boundaries in respect of both materials as well as noise management.

The expenditure incurred on environmental sustainability for the period is Rs. 8.3 mn (Rs. 3.06 mn in 2001/12).



**Ananda Mapalagama** 

General Manager -Infrastructure Development Member - Group Management Committee



Icon to indicate that more information is on web