

Statement on Climate Change:

Central Industrial Supply Co.



Background to Climate Change and Greenhouse Gas Emissions

-Introduction to climate change and relevant anthropogenic activities

Molecules found in the Earth's atmosphere act as "greenhouse gases." When light strikes the Earth's surface, some of the sunlight is reflected as infrared radiation (heat). Greenhouse gases tend to absorb part of this infrared radiation as it is reflected back towards space, trapping the heat in the atmosphere.

Many gases exhibit such "greenhouse" properties, including those that occur naturally in the atmosphere, such as water vapour, carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O), and those that are man-made, such as chlorofluorocarbons (CFCs), hydrofluorocarbons (HFCs), and perfluorocarbons, and sulfur hexafluoride (SF₆).

While the earth's temperature is dependent on the greenhouse-like action of the atmosphere, the amount of heating and cooling are strongly influenced by several factors just as greenhouses are affected by several factors. Thus, we will have to appreciate the fact that the earth's greenhouse effect is what makes this planet suitable for life as we know it.

However, with the beginning of the industrial revolution, the combustion of fossil fuels and other human activities have increased the atmospheric concentrations of greenhouse gases and have enhanced the heat trapping capability of the earth's atmosphere. As a result, the planet is heating at a faster rate than any time in the last 10,000 years. The rapid and unabated increase in concentrations of these greenhouse gases had already given rise to resultant climate changes which many experts had since testified. Changing regional climate is projected to alter forests, crop yields, water supplies and affect human health, animals, and many types of ecosystems and threatens sustainability.

CIS's Current Position on Climate Change

With this backdrop; CIS (Central Industrial Supply Co.), being a key member of the global manufacturing community and with established presence in the United States, Europe and Asia is committed to take the following 'first' steps.

- Creating a greenhouse gas emissions inventory (from the beginning of Year 2008) of our manufacturing facility in Asia. (see implementing the Inventory Effort). Our facility in Asia is our primary manufacturing base.
- Include 'energy conservation' as part of our Environmental, Health and Safety Policy in our manufacturing facility in Asia. (see Acts to Conserve Energy)

Implementing the Inventory Effort

An emissions inventory is useful for us in estimating future trends of and determining appropriate opportunities within our operations for emissions reductions.

We cannot but reiterate again; the reasons behind embarking on the GHG inventory effort even though it might have been already extensively covered. This is summarised below:

- a tool to assist in the systematic identification and recording of known and unknown sources of GHG emissions at our facilities. In the process; we can benefit from better knowledge of our existing structure and operation; including other emissions and environmental stressors.
- in present time of scarce resources; the ability to quantify improvements and effectiveness of actions that reduce energy and materials used that lead to reductions of emissions will assist our managerial staffs in the justification of resources.
- we recognise that each source of emission, identified collectively, communicates the importance of our company's commitment to reduce its contribution to global climate change.

An emissions inventory will be created from the beginning of Year 2008. We recognise that we are unable to publish any information that was earlier as data collection had been less systematic and organised. Whilst ensuring that the usual and widely used methodologies (such as those found in the WRI GHG Protocol); we acknowledged that this is still a learning process for us and there will be issues to iron out in the process of realising an accurate, consistent, representative and informative emission inventory.

Acts to Conserve Energy

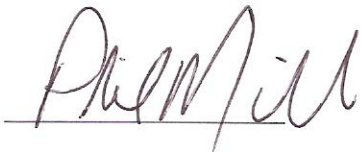
To reduce indirect emissions; our company has since taken steps and implemented measures to reduce wastes, conserve energy and at the same time prevent pollution. Resources are better utilised or reduced. Waste of all types, including water and energy, are being monitored for reduction at the source. Practices such as modifying production, maintenance and facility processes, material substitution, conservation, recycling and re-using materials etc.

Currently, our manufacturing facility in Asia has embarked; albeit in small incremental steps towards energy conservation. This includes

- Lightings in several areas were substituted with LEDs which reduces energy consumption and are friendlier to the environment
- Permitting only a controlled temperature range (considering human comfort) in areas with air conditioning. This is closely regulated to conserve energy

I will not be listing down all the specific efforts that have so far been done to reduce energy consumption but nevertheless; these are continually encouraged and participants recognised; for their achievements.

Finally, CIS is committed to provide updates on her position on climate change to interested parties and the community, at large.



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April 01, 2008