

Greenhouse gas (GHG) emissions and energy consumption by source and scope

Our Reporting Scope and Baseline

2019 marks the third and final year of our current Three-Year Plan. Our reporting scope covers over 230 offices and 270 distribution centers (DCs) in 2019 with comparative data provided for the years 2018 and 2017. Over these past three years, we have made a concerted effort to capture environmental data more comprehensively across our global business and we have seen a substantive expansion of our Logistics' business. Our 2019 environmental performance metrics for the Company's Services and Products business segments are presented below.

In 2019, our electricity consumption and our greenhouse gas (GHG) emissions increased in absolute quantities and intensity in comparison to the previous year and our baseline year of 2017. Increases in consumption are primarily a result of the expansion of our Logistics business and the increased capture of consumption data across our global operations. We did not achieve our intensity reduction targets of 10% for electricity consumption and GHGs emissions, despite ongoing investments in efficient equipment, technologies, systems and vehicular fleets, and initiatives to support behavioral change.

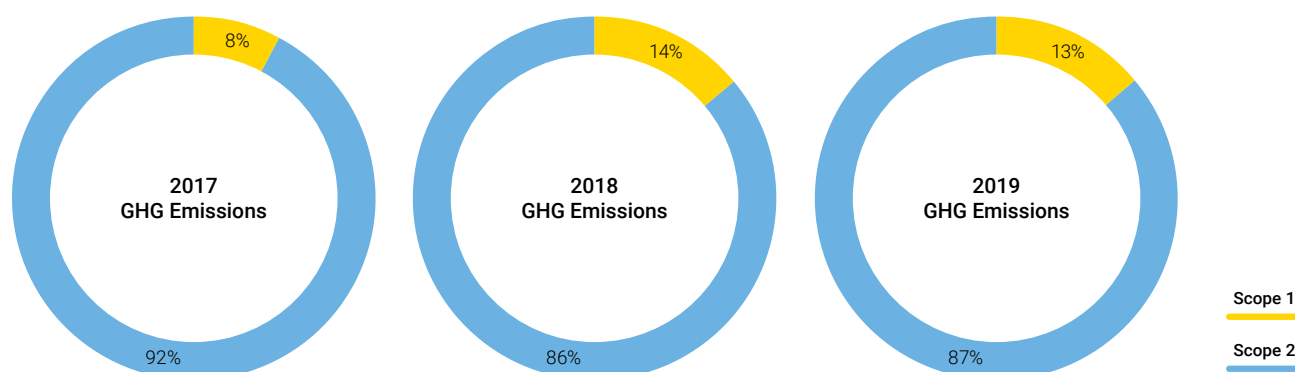
Details of our [overall environmental performance at a glance](#) and [our footprint reduction initiatives](#) are available on our website and you can also refer to pages p.112-121 of our [2019 Annual Report](#).

Greenhouse gas (GHG) emissions and energy consumption by source and scope

2019, 2018 and 2017 scope 1 and 2 GHG emissions for Li & Fung

The tables and graphs below present our 2019, 2018 and 2017 GHG emissions¹ and intensity data for Li & Fung as a whole, comprising our Services and Products business segments.

Greenhouse Gas Emissions (GHGs)	2017		2018		2019		Three-Year Plan Change 2019 over 2017 (+/-)	Three-Year Plan Intensity Change 2019 over 2017 (+/-)
	Total Emissions / Consumption	Intensities ²	Total Emissions / Consumption	Intensities	Total Emissions / Consumption	Intensities	Tonnes CO ₂ Equivalent (tCO ₂ e)	tCO ₂ e / m ²
Scope 1	4,434	0.0019	7,337	0.0028	8,327	0.0034	+3,893	+76%
Scope 2	52,678	0.0227	44,058	0.0167	55,544	0.0024	+2,866	-1%
Total GHGs	57,112	0.0246	51,395	0.0195	63,871	0.0258	+6,759	+5%



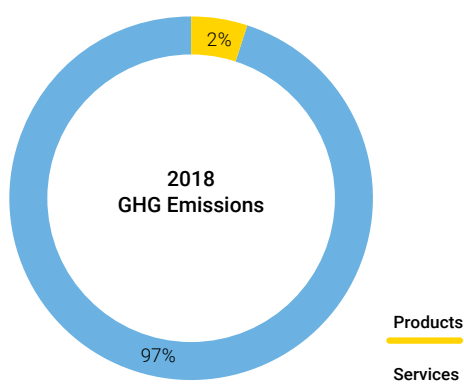
1 Standards and guidelines adopted include the International Energy Agency's CO₂ Emissions from Fuel Combustion, The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, the Defra Voluntary Reporting Guidelines and the Hong Kong Government's Guidelines to Account for and Report on Greenhouse Gas Emissions and Removals for Buildings.

2 Full-time equivalent (FTE) is used to normalize our global water and paper consumption data.

Greenhouse gas (GHG) emissions and energy consumption by source and scope

2019 GHG emissions by scope and intensity attributable to Li & Fung's Business Segments

The graph and table below present our 2019 GHG emissions and intensity data for Li & Fung's Services and Products business segments.



Greenhouse Gas Emissions (GHGs)	Services	Products
	Emissions / Consumption	Emissions / Consumption
	Tons CO2 Equivalent (tCO2e)	Tons CO2 Equivalent (tCO2e)
Scope 1	7,426	901
Scope 2	54,537	1,007
Total GHGs	61,963	1,908

2019, 2018 and 2017 energy consumption by type and GHG emissions by scope attributable to Li & Fung

Energy consumption by source and our GHG emissions by scope are presented below for Li & Fung.

Scope 1	2017		2018		2019		Change 2019 over 2017 (+/-)	
	Consumption	Emissions (tCO _{2e})	Consumption	Emissions (tCO _{2e})	Consumption	Emissions (tCO _{2e})	Consumption	Emissions (tCO _{2e})
Diesel (liters)	766,698		615,137		2,404,718		+1,638,020	
Natural gas (kWh)	4,243,358	4,434	3,295,411	7,337	3,419,893	8,327	-823,466	+3,893
Petrol (liters)	698,151		654,088		524,979		-173,172	
Refrigerants (kgs)	118		43		9.1		-108.9	

Scope 2	2017		2018		2019		Change 2019 over 2017 (+/-)	
	Consumption (kWh)	Emissions (tCO _{2e})	Consumption (kWh)	Emissions (tCO _{2e})	Consumption (kWh)	Emissions (tCO _{2e})	Consumption (kWh)	Emissions (tCO _{2e})
Electricity	93,662,075	52,678	88,640,426	44,058	99,397,459	55,544	+5,735,384	2,866