



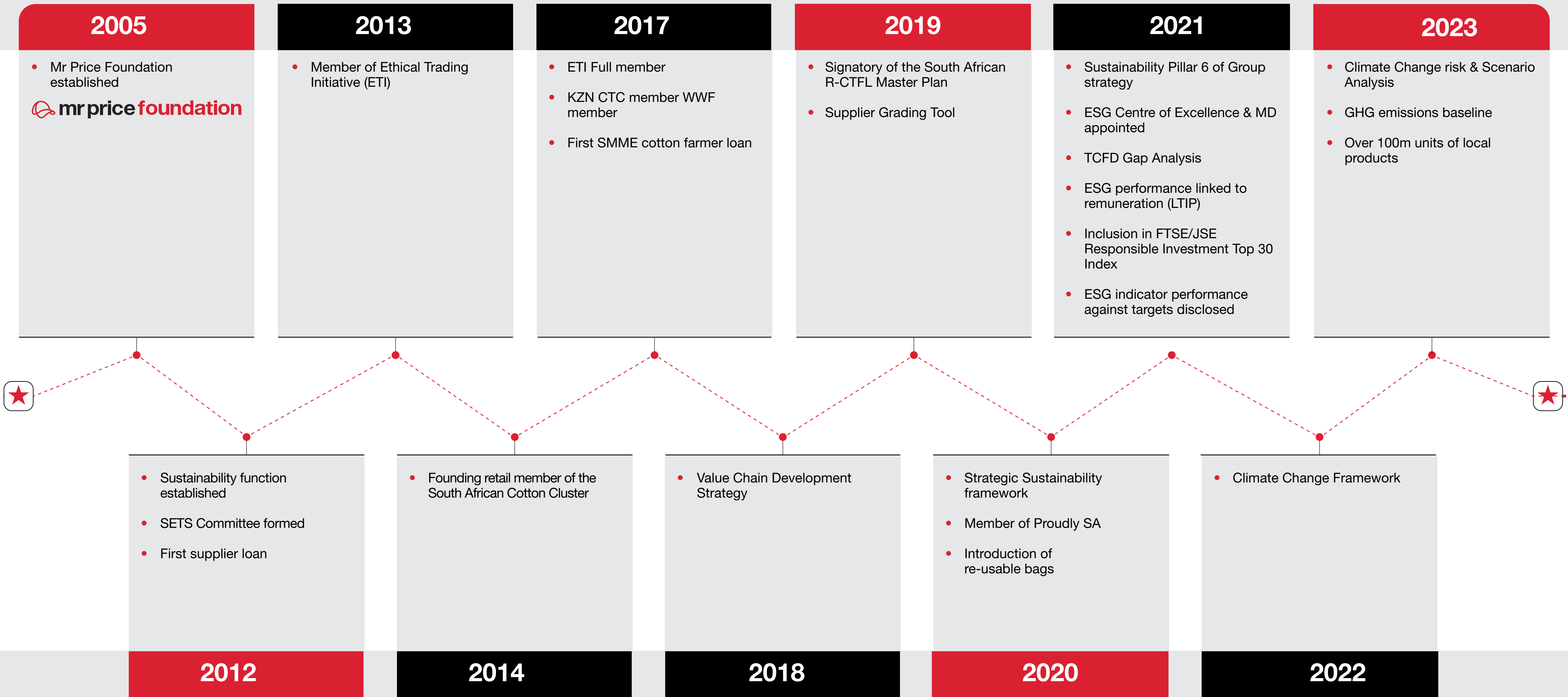
Part 2

By Janis Cheadle

ESG

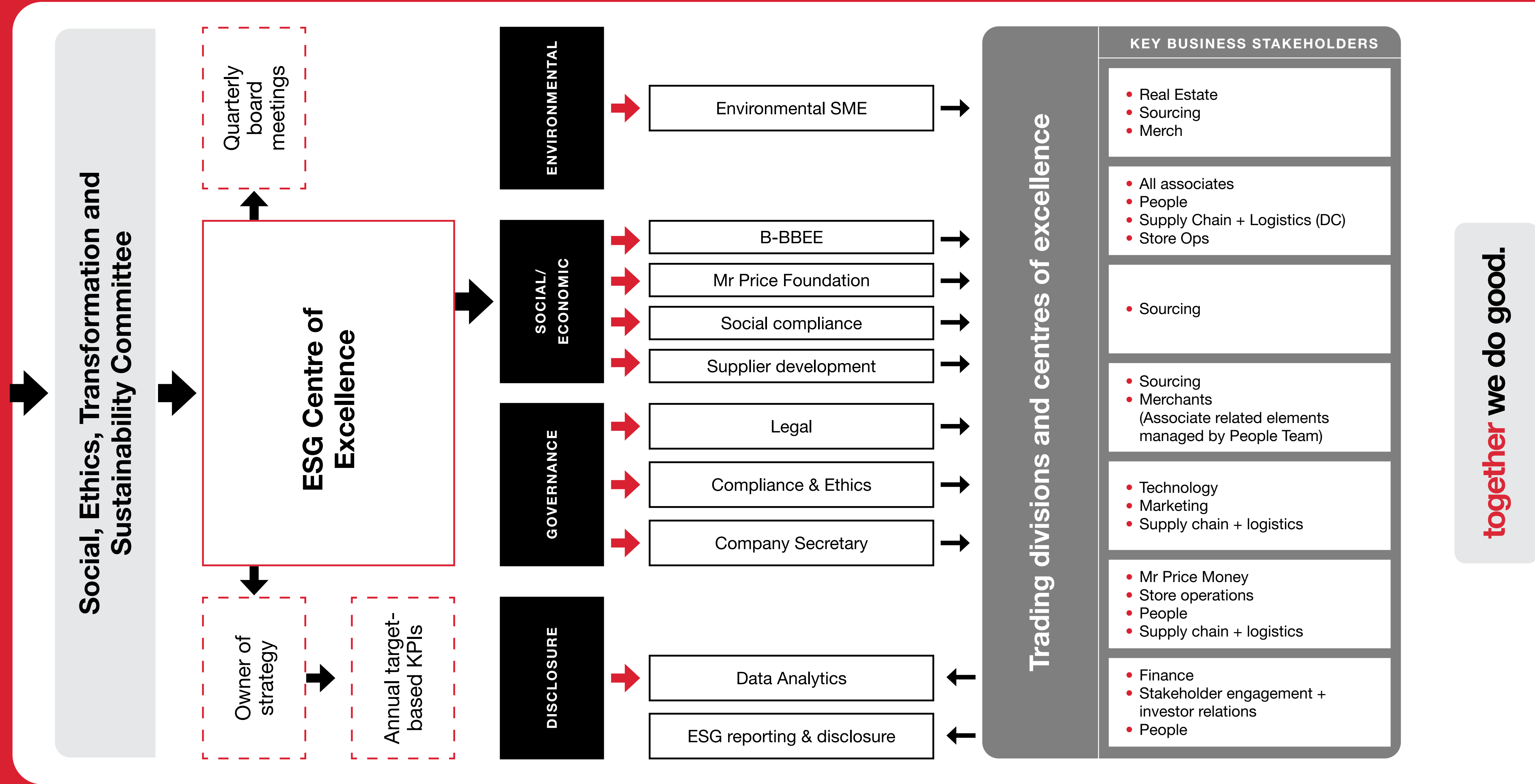
together
we do good.







MR PRICE BOARD





Global

- Global focus on standardising regulatory frameworks
- Advancing the maturation of ESG assurance to address rainbow washing, green washing, etc.

Africa

- Weak compliance and / or enforcement hinders effective corporate governance
- A mismatch exists between ESG priorities for Africa and more developed economies

RSA

- Social concerns remain paramount for South African companies and consumers, e.g. income inequality, unemployment, transformation, etc.
- Balancing the ESG priorities of South African and international institutional investors is complex

Mr Price



- Social matters remain the highest priority: Value chain and social responsibility, value chain optimisation and growth, associate wellbeing and development, youth development, and quality education
- Climate change action plan in development
- Collaboration and partnership with suppliers, customers, landlords and investors is essential for creating environmental, social and economic value



FRAMEWORK PILLARS



Environmental

1. Preserving natural resources
2. Reducing and stabilising environmental impact



Social

3. Quality education
4. Youth development
5. Associate wellbeing and development
6. Social value chain development



Economic

7. Economic value chain development



ENVIRONMENTAL

Over 45^{million}
plastic packets removed
from circulation

Over 39.1^{million}
merchandise units
contained less plastic
packaging

47.5^{million}
merchandise units have a
sustainable attribute

100%
harvested rainwater used
at Hammarsdale DC

Over 91%
of waste at head offices
and DCs recycled

SOCIAL

6 568
previously unemployed
youth employed through
JumpStart

Over 32 000
associates employed by
Mr Price Group

96.9%
tier 1 and 2 factory
visibility

R29.5^{million}
donated to Mr Price
Foundation

Over 95%
of promotions were ACI
associates

ECONOMIC

103.5^{million}
units procured in South
Africa

Over 50%
of products are made in
Africa

R6.46^{billion}
spent on products
made in Africa

R29^{million}
invested in small and
medium black-owned
suppliers

Over 30%
of suppliers have been
partners for more than 10
years

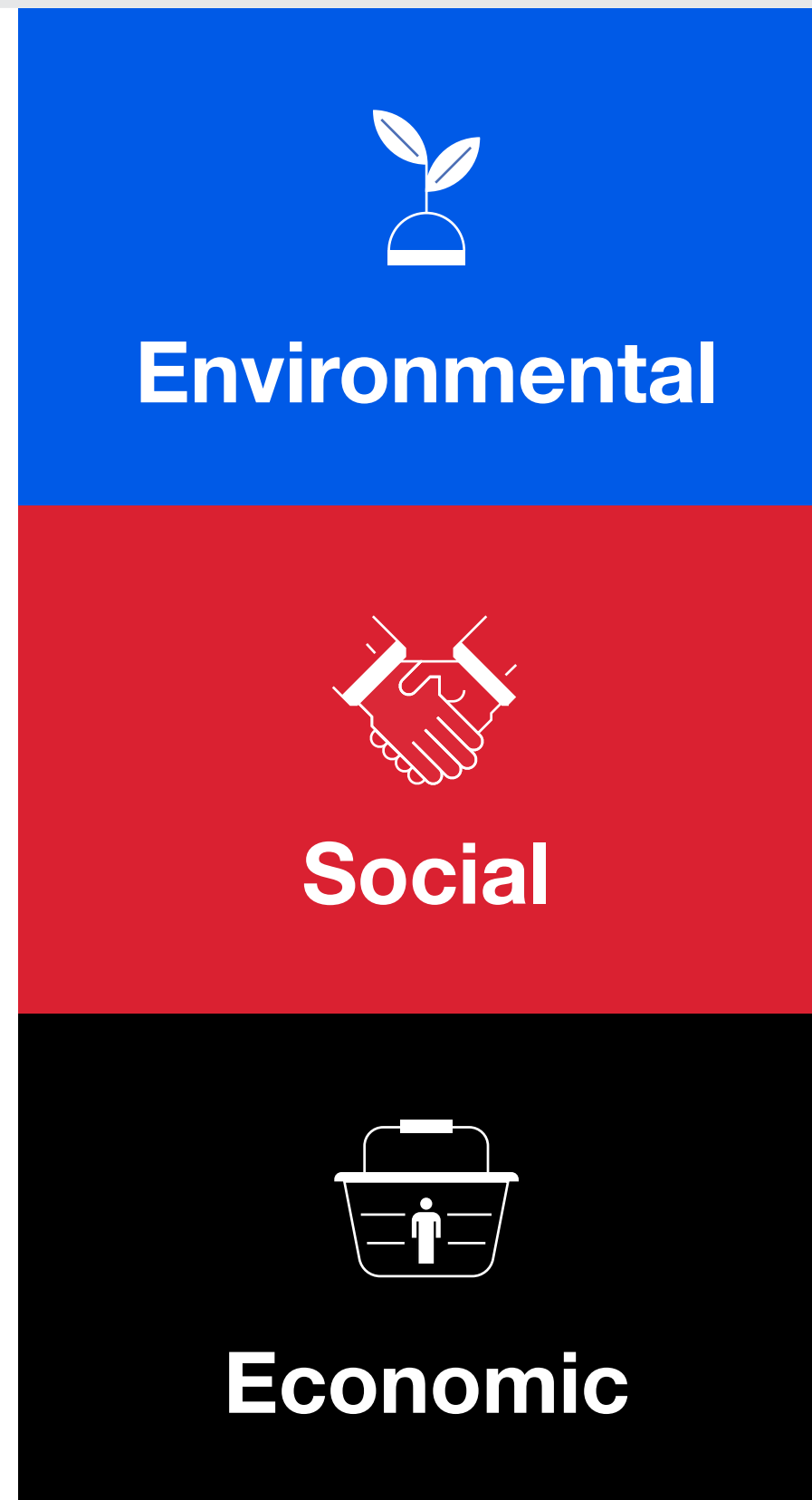
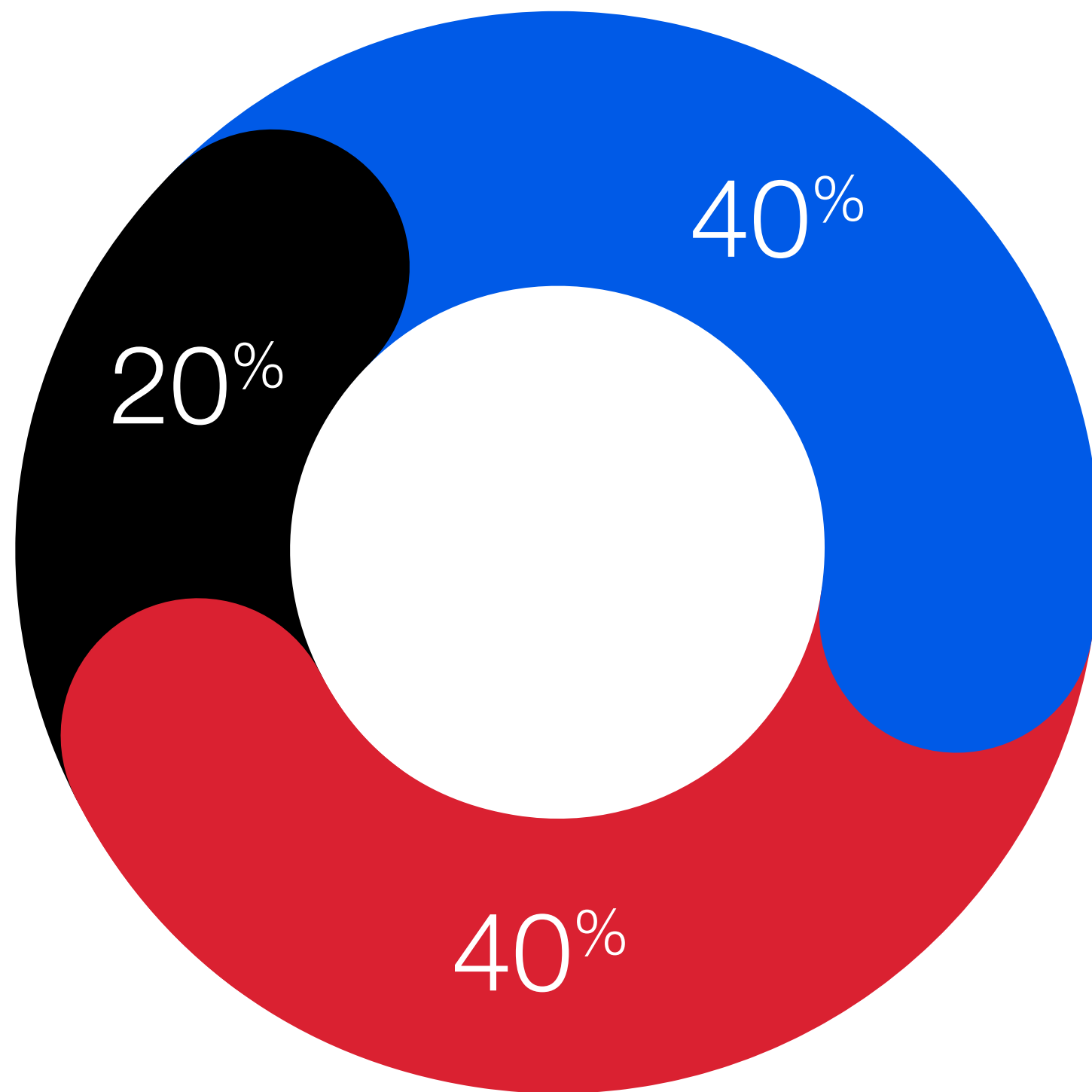
Four-year performance dashboard

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Key	Sustainability pillar	Sustainability objective	SDG	Group strategic pillar	Group risk	Trend	FY2024		
Group Strategic Pillars	 ENVIRONMENTAL	% reduction in single-use plastic shoppers	 		3 & 4	▲	61.7		
Stakeholder Engagement People Growth and Innovation Brand Promise Strategic Enablement Sustainability		% of packaging reduced				▲	86.5		
		% of packaging from recycled materials				No baseline	97.1 (baseline)		
		% of products from sustainable materials				▲	22.0		
		Energy benchmark of 25 watts/m ² (stores only)				1	▲	28.8	
		Waste recycling (DC) (%)				4	▲	93.6	
		Waste recycling (Mr Price Group) (%)					▲	67.2	
Top Ten Group Risks	 SOCIAL	% of factories audited	 		4&5	▲	94.1		
<ol style="list-style-type: none"> South African trading environment Talent attraction and retention Competitor landscape and changing shopping behaviour Brand reputation Supply chain Systems and technology Risk adjusted approach to the group's strategy Transformation and diversity Leadership and organisational agility Culture and values 		% of audited factories high-risk				▼	13.5		
		% factory visibility				▲	96.9		
		Preferential procurement (points)				3, 5 & 8	▲	20.26	
		Investment in supplier development (ZAR)				5 & 8	▲	R35.55m	
		% of JumpStart placements (within Mr Price Group)				2 & 8	▲	77.6	
		Employment opportunities (no. of associates)				2		▲	32 916
		Employment equity ACI (%)						8	▲
		Trend key				 ECONOMIC	RSA procurement (units)	 	
<p>▲ Positive increase</p> <p>▼ Positive decrease</p> <p>▲ Negative increase</p> <p>▼ Negative decrease</p>	% RSA procurement (cost price value)	▼	35.6						
	Supplier performance: % of order book A-C grade	▲	95.5						
	Supplier performance: OTIF %	▲	82.0						
	Supplier performance: OT %	▲	86.3						
	Supplier performance: IF%	▲	93.9						

Consistent and transparent disclosure



- Reduction in single-use plastic shopper bags
- Energy usage
- Recycling
- Sustainable materials

- Preferential procurement and supplier development
- Transformation
- Workplace opportunities
- Factory social compliance audits

- South African procurement
- Supplier performance

- ESG impacts both short-term and long-term incentives
- The ESG scorecard comprises a 20% weighting towards the award of conditional rights to executive directors, managing directors of trading divisions and centres of excellence, as well as divisional directors (ie long term remuneration)

- Implemented an ESG scorecard since 2021 with retrospective reporting on performance
- Achievement of the annual ESG KPIs forms part of the measures used to determine CEO, ESG MD and divisional MD and Director STIs (i.e. short-term remuneration)

External recognition

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2024 ESG Top Rated Company

- 1 of 2 Africa / Middle East companies
- 11.1 low risk
- Top rated value retailer
- Top two rated retailers



Maintained inclusion in FTSE4Good Index Series

- Since 2020



ISS Rating C

- With transparency considered very high





THE KEY ENVIRONMENTAL ACHIEVEMENTS FOR FY2024 ARE:

Sustainability indicator	SDG	FY2024 actuals
% reduction in single-use plastic shoppers		61.7% 45.1m plastic bag free sales transactions
% of packaging reduced		86.5% plastic packaging reduced in 39.2m products
% of packaging from recyclable materials		97.1% 283.4m products have recyclable packaging
% of products from sustainable materials	 	22.0% 47.5m products have a sustainable attribute
Energy benchmark of 25watts/m ² (stores only)		28.8 watts/m ²
Waste recycling (DC)		93.6% of waste at the Hammarsdale DC is recycled
Waste recycling (head office)		67.2% of head office waste is recycled



Preserving natural resources

- Sustainable materials
- Cleaner production
- Water stewardship
- Biodiversity
- Circular economy
- Renewable energy



Reduce & stabilise environmental impact

- Plastic reduction
- Packaging adaptation
- Waste recycling
- Energy reduction
- Climate change



Our climate change process

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Scope emissions (tCO2e)						
	FY2020	FY2021	FY2022	FY2023	FY2024	
Scope 1	2 340	1 905	2 350	2 932	4 044	
Scope 2	113 480	99 583	94 983	102 692	101 033	
Scope 3	N/A	N/A	N/A	647 908	631 513	

FY2023 Total

753 532

FY2024 Total

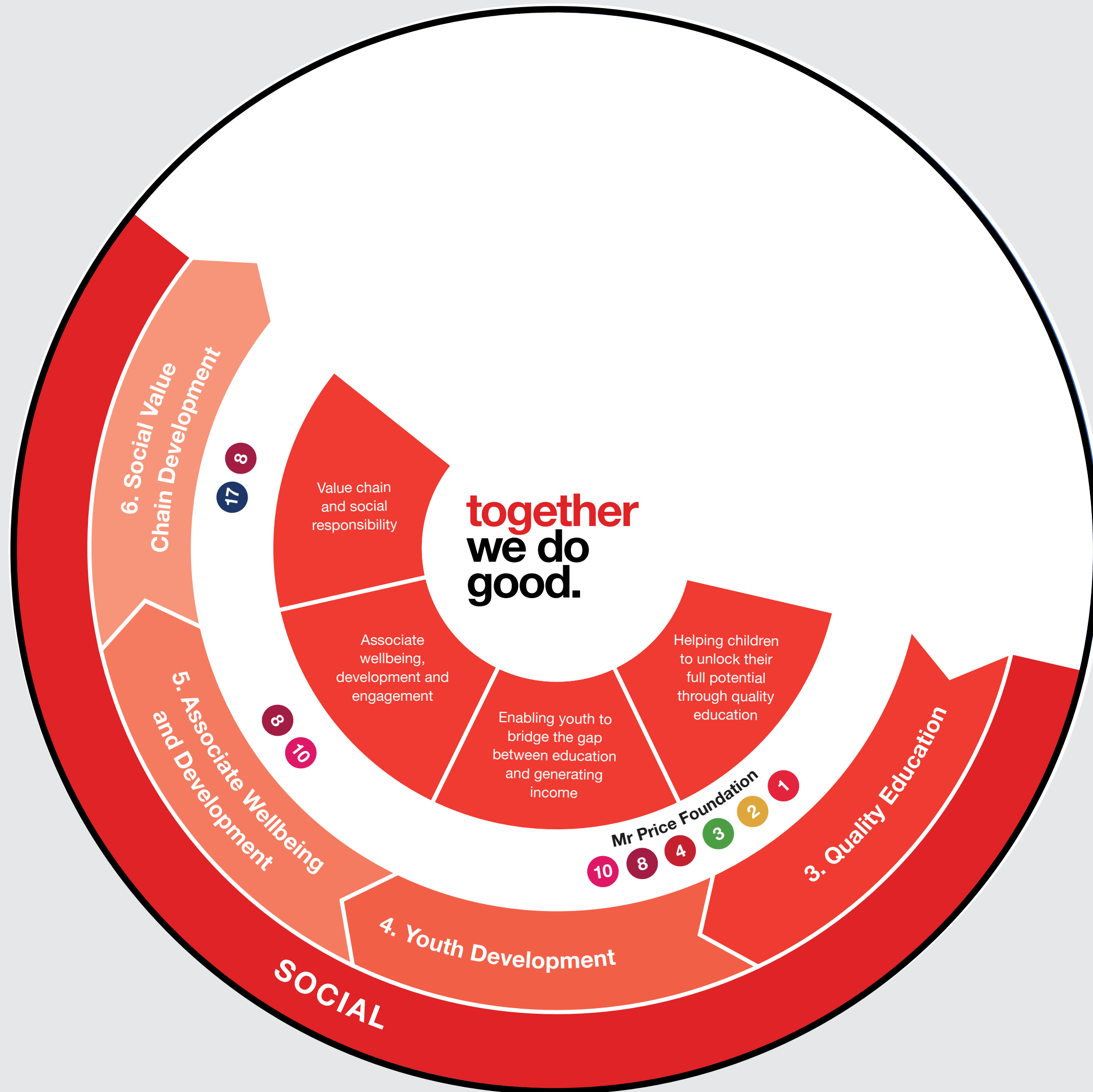
736 590

Variance

16 942

Reduction

2.25%



THE KEY SOCIAL ACHIEVEMENTS FOR FY2024 ARE:

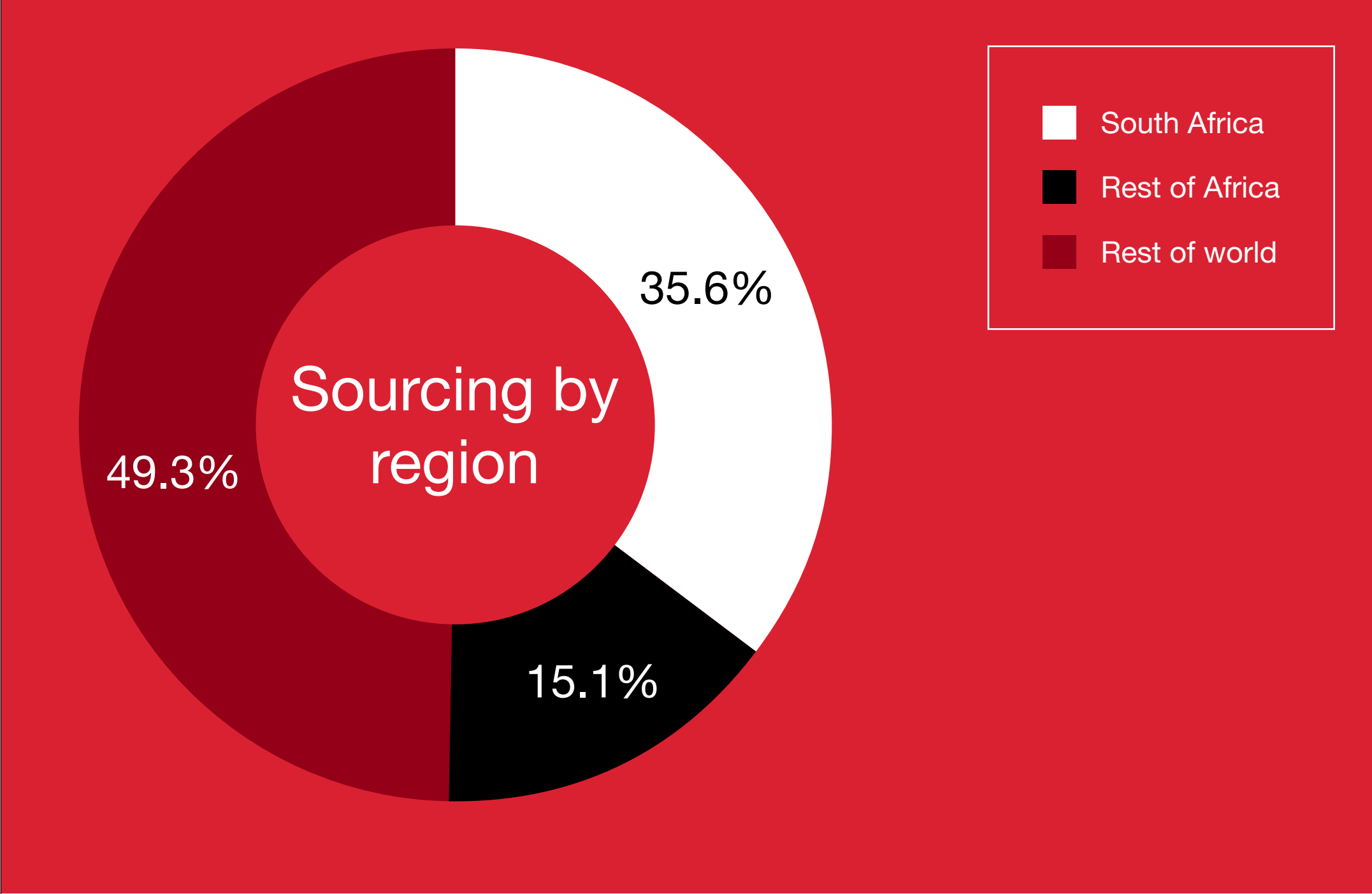
Sustainability indicator	SDG	FY2024 actuals
% of JumpStart placements (within Mr Price Group)		77.6% 5 098 JumpStart participants employed
Employment opportunities		32 916 associates employed
Employment equity		97.0% of associates are ACI
Factory visibility		96.9% 1 168 factories mapped
% of factories audited		94.1% 1 099 factories audited
% of audited factories high-risk		13.5%
Investment in supplier development		R35.55m
Preferential procurement		20.26 points



Sourcing map*



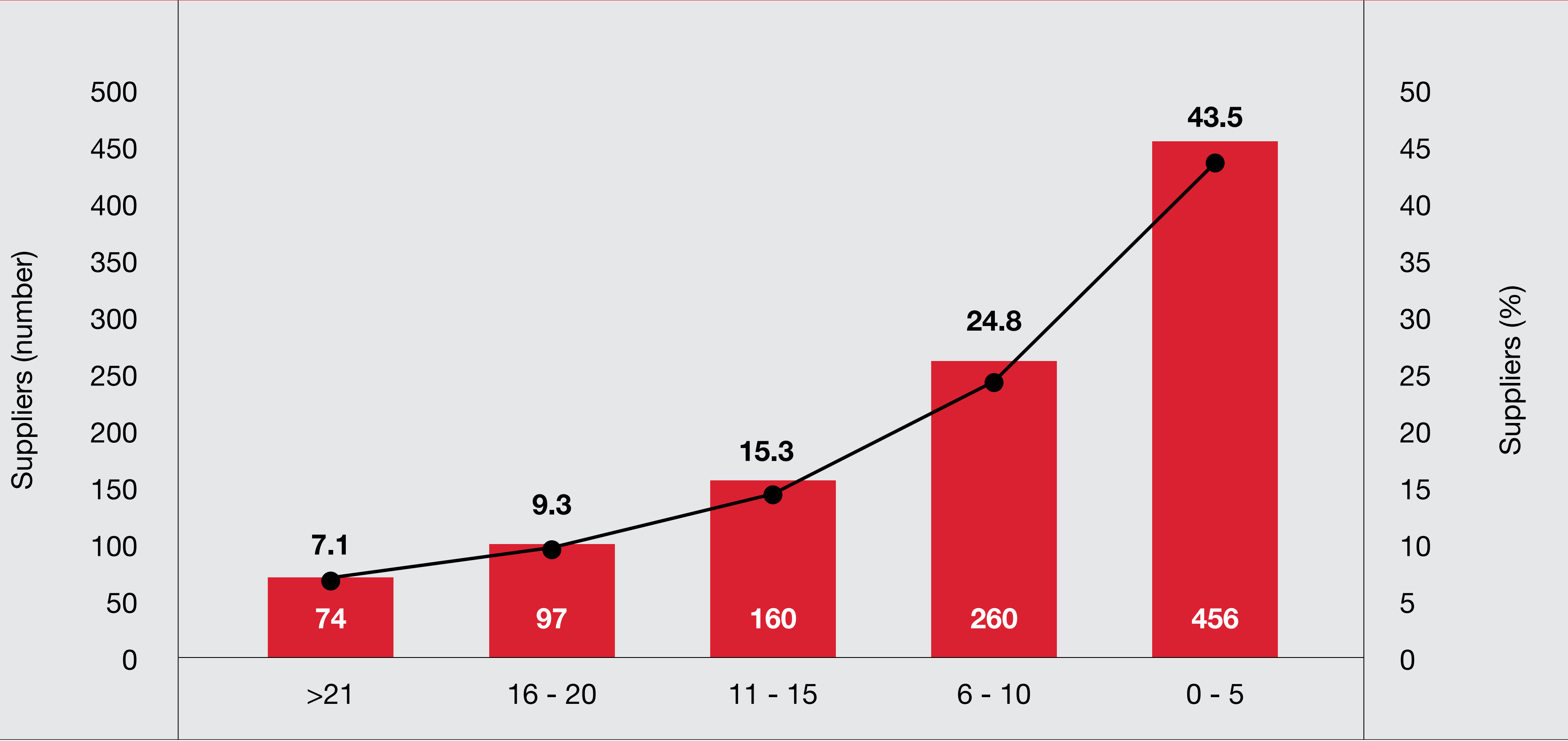
- 01 South Africa
- 02 Eswatini
- 03 China
- 04 Lesotho
- 05 Botswana
- 06 Mauritius
- 07 Madagascar
- 08 Pakistan
- 09 India
- 10 Bangladesh



- Over half (50%) of products are sourced in Africa
- This is more than 123m units
- 103.5 million units were sourced from South African factories
- Due to unacceptable high systemic country risk, the group does not source from the factories located in Xinjiang Uyghur Autonomous Region



DURATION OF SUPPLIER PARTNERSHIPS



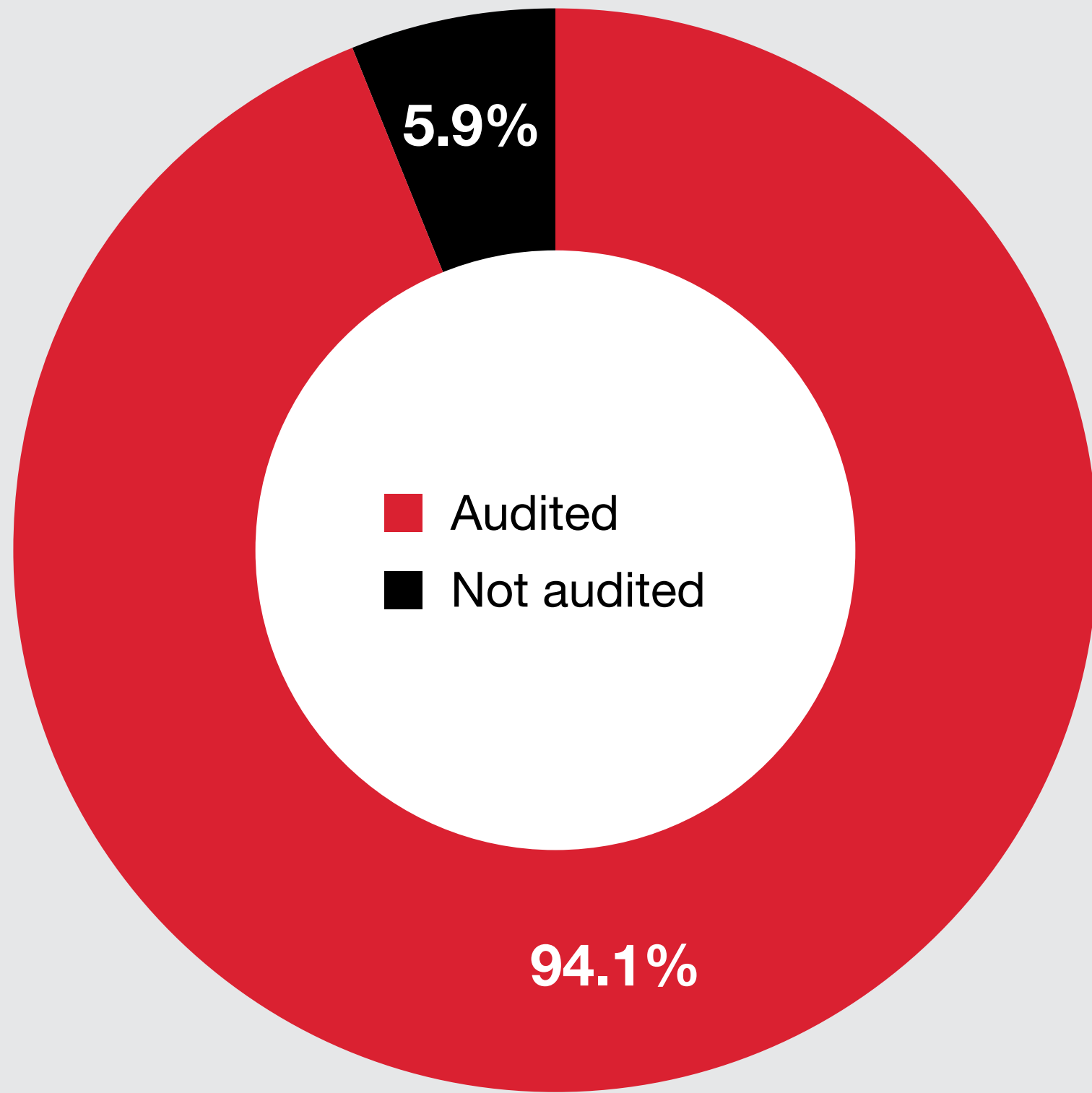
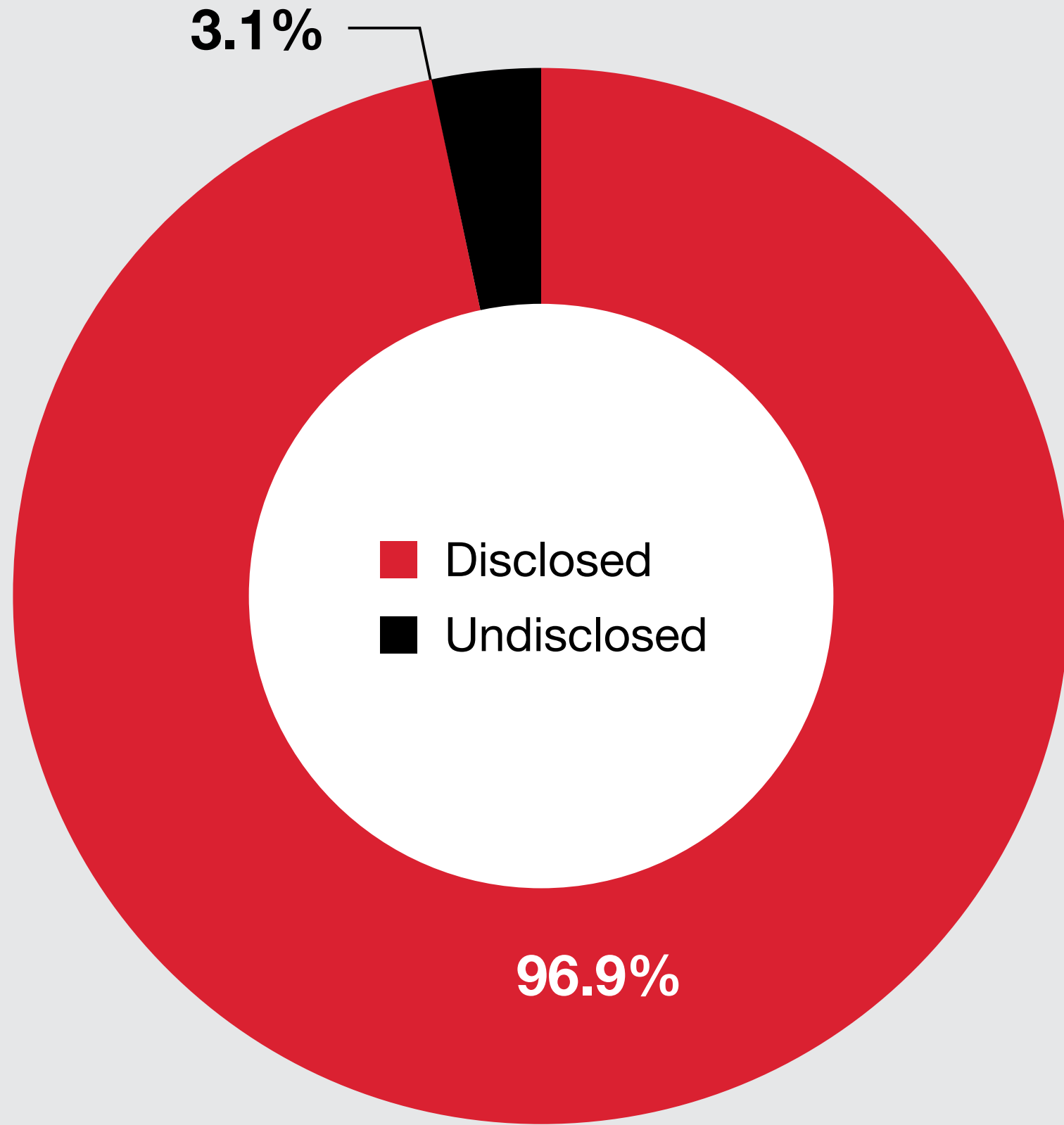
- The group has 1047 active suppliers
- Over 31% (331) of suppliers have traded with the group for more than 10 years
- 74 suppliers have been with the group for more than 20 years
- Supplier development loans to the value of R29m in FY2024
- R6.48m to local cotton production (towelling)
- Loan programme in existence for 12 years

■ Number of suppliers — Percentage of all suppliers



1 168 FACTORIES VISIBLE

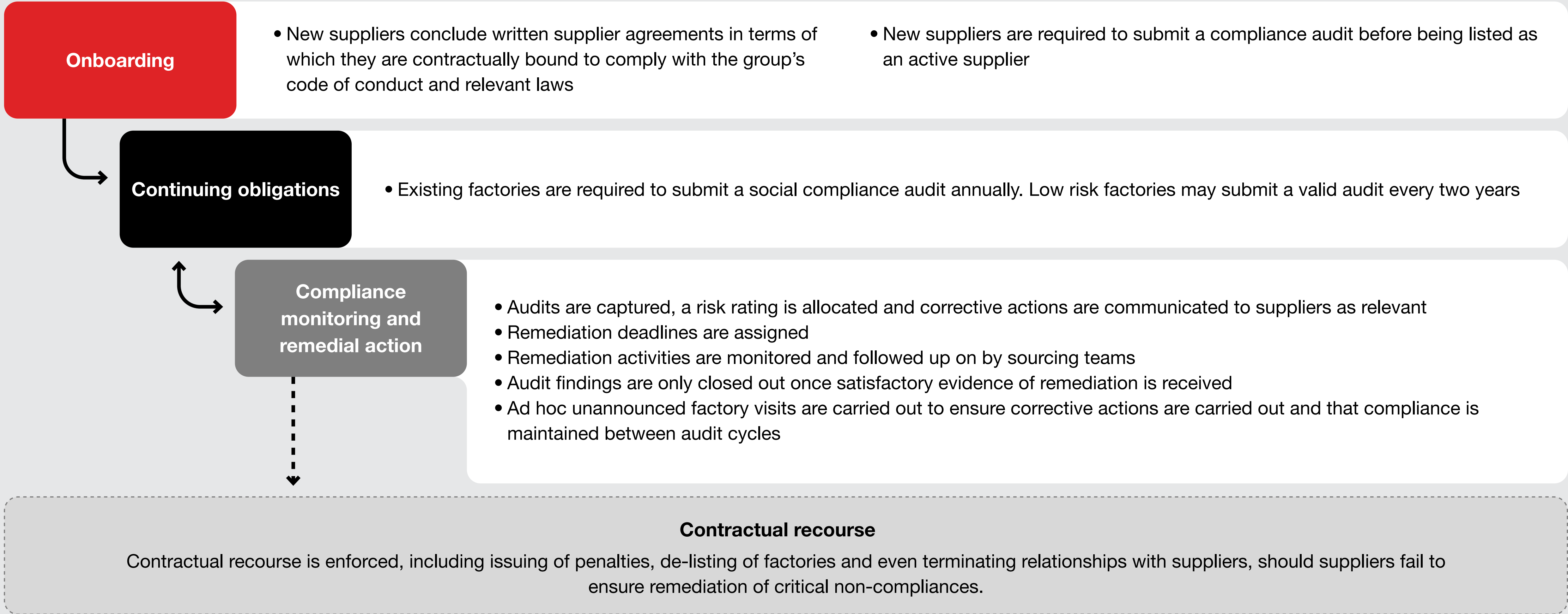
1 099 FACTORIES AUDITED



We have confidence in what we know



SUPPLIER COMPLIANCE PROCESS





Reduce

- 8 799kl of rainwater harvested & used
- 93% electric handling fleet
- Emission free transport for maintenance teams



Reuse

- 392 813 boxes recycled
- Upcycled furniture made from machinery packaging crates



Recycle

- All waste generated is separated for recycling
- 93% of all waste is recycled
- 1.49 tons of box cartons were cycled





COMMUNITY PARTICIPATION

- Mr Price Foundation supports 40 schools in Hammarsdale
- Strong engagement and partnership with the Hammarsdale residents and business community
- Donation of R25 000 prizes made by DC women's and men's soccer teams to schools in Hammarsdale after winning the Mr Price Foundation Cup

