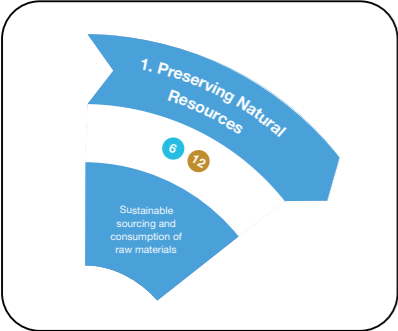


4.1 PRESERVING NATURAL RESOURCES



4.1.1 SUSTAINABLE MATERIALS AND CLEANER PRODUCTION

Biodiversity and natural resources are essential for the production of the group’s merchandise. It is crucial to ensure these resources are sourced sustainably and conversion processes utilise cleaner production practices to produce sustainable materials and products. Key materials used include cotton, recycled polyester, man-made cellulosic fibre, wood, and non-harmful chemicals.

The group collaborates with certification organisations and suppliers to promote sustainably grown materials and cleaner production methods. It also works with suppliers to divert pre-consumer textile waste to local recycling plants, minimising landfill waste. Relevant certification groups are listed below.

Categories of Sustainable Materials and Cleaner Production*

Certification category	Units		Percentage Contribution**	
	FY2025	FY2024	FY2025	FY2024
Energy saving	100 568	128 478	0.0	0.1
Anti-cruelty	2 786 122	2 165 738	1.2	1.0
Non-harmful chemicals	17 643 834	N/A	7.7	N/A
Recycled material	12 021 207	8 656 748	5.3	4.0
Sustainable cotton	25 864 127	25 630 730	11.3	11.8
Sustainable forestry/timber/wood	3 218 334	2 601 396	1.4	1.2
Cleaner production	3 160 830	8 355 908	1.5	3.9
Total	64 795 022	47 538 998	28.5	22.0

*Excludes Power Fashion, Yuppiechef and Studio 88
 **Percentage contribution is to the group’s total product range in units

In FY2025, the group sourced over **64.7 million** products that were certified sustainable or manufactured with technology and management systems that sustainably use water and energy, and support waste reduction. This translates to an increase of 6.5% from FY2024. The predominant materials remain sustainable cotton and recycled synthetic materials, aligned with the group’s primarily apparel product mix. Materials with similar sustainable attributes are grouped into categories to create themes and/or initiative-based clusters. These categories include:

Energy Efficiency

Energy-saving products encompass those that meet efficiency standards and are labelled by South African National Standards under the South African Bureau of Standards such as electric lamps and bulbs from Mr Price Home and Sheet Street.

Anti-cruelty

Anti-cruelty products advocate for responsible practices aimed at preventing or reducing cruelty towards animals in the sourcing of raw materials and production processes. Certifications include Beauty without Cruelty in relation to products such as candles, candle accessories, and Responsible Down Standard in relation to down-filled products such as scatter cushions from Mr Price Home.

Non-harmful Chemicals

This category focuses on textile products tested for harmful substances that could impact human health and the environment. The certification is carried through every stage of the textile production process, from raw materials to finished products. Certification such as OEKO-TEX® STANDARD 100, are applicable to Mr Price Home products such as couches, and Sheet Street products such as bedding and curtains.

Recycled Materials

This theme includes textiles and materials made from recycled material such as recycled glass, plastic, wood and fabrics. These materials are repurposed in a circular process, serving as input materials for the creation of new products. Certifications include Global Recycled Standard and Recycled Claim Standard in respect of products such as bathmats, throws and bed covers from Mr Price Home, socks and men’s tops from Mr Price Sport.

Sustainable Cotton

The group currently recognises two sustainable cotton standards: Better Cotton Standard and Cotton made in Africa (CmiA). South Africa Cotton, which applies the Better Cotton Standard, is also accepted as part of an integrated value chain programme in respect of products such as towels from Mr Price Home, Mr Price Sport and Sheet Street.

Sustainable Forestry

The group sources wood or plant-based products from suppliers that support responsible forestry practices, ensuring they do not obtain materials from ancient or protected forests or areas. Certifications include FSC and Programme for the Endorsement of Forest Certification. Products include bedroom and kids’ furniture from Mr Price Home.

Cleaner Production

This category includes processes where suppliers have adopted practices that minimise the environmental impact of raw material conversion and improve manufacturing. These include reducing water usage and water effluent, and eliminating harmful chemicals in the production and conversion processes. Certifications may include OEKO-TEX®, ISO 14001 and ZDHC certification. In the men’s essentials ranges of the RT and Oakridge brands from Mr Price Apparel, 1 157 098 units are produced using cleaner production practices. More details on cleaner production are in the Mr Price Apparel case study on [page 27](#).



Reusable shopper bags



4.1.2 ENERGY

Energy Saving Initiatives

In FY2025, 85 stores were retrofitted with LED lighting, which enhances energy efficiency, improves lighting quality, and has a longer lifespan. The group collaborates with associates, landlords and store operation managers to reduce energy consumption. Looking ahead, the group will work with suppliers to gather energy consumption data for better supply chain energy management.

Despite reduced loadshedding in South Africa, the group continues to install inverter backup power to decrease reliance on generators and diesel.

Renewable Energy

During the reporting period, **969 403kWh** of renewable energy was generated at the Hammarsdale DC and Durban head office sites, accounting for **19.4%** of the group's total energy use (excluding stores) and **18.0%** of the DC's energy source.

The group's more than 3 000 stores, the largest energy consumers in direct operations, are located in properties owned by third party landlords, limiting the group's ability to implement renewable energy generation and consumption at store level. By collaborating with key landlords, the group is exploring opportunities to share the benefits of renewable energy through wheeling and renewable energy certificates.

Renewable Energy						
		FY2025		FY2024		FY2023
Site	% of buildings' energy derived from solar	kWh	% of buildings' energy derived from solar	kWh	% of buildings' energy derived from solar	kWh
Mr Price Group head office	25.5	232 831	25.2	245 899	17.7	203 904
Hammarsdale DC	18.0	736 572	26.8	949 477	20.4	751 158
Total	19.4	969 403	26.4	1 195 376	19.7	955 062

Solar energy generation at the Hammarsdale DC was impacted by technical issues which accounts for the decrease from last year.

4.1.3 WATER USAGE

Water usage at head offices is measured monthly to identify excessive consumption and any anomalies. Given South Africa's water scarcity, best management practices are essential. In FY2025, total water usage was 29 423 kilolitres, an increase of 4 613 kilolitres. The increase was due to the inclusion of the water usage at the newly operational Gosforth Park DC. The Hammarsdale DC consumed 7 434 kilolitres of rainwater sourced from harvesting tanks, reducing scarce surface-based water consumption. When procuring products, the group also considers cleaner production processes and technologies designed to reduce water usage during manufacturing. More details are in the cleaner production section on [page 31](#). Water consumption at stores is minimal.

Water Consumption in Kilolitres				
FY2025	FY2024	FY2023	FY2022	
29 423	24 810	28 945	26 858	

4.1.4 BIODIVERSITY

The group understands the pressing global issue of biodiversity decline and nature loss because of human activity and the risk this may pose to business and society at large. As a result, the group continues to monitor developments of the TNFD. The group recognises that nature-based risks are as critical as climate-related risks, and it is important for the group to build understanding and knowledge to create resilience in its supply chain for nature-related risks in future. Working with partners such as WWF and FSC, the group ensures that it sources wood-based products from sustainable forests which preserves biodiversity and reduces impacts of pollution on land and water through its reduction of plastic packaging in the environment.