

2026



Together We Do Good Report

30 March 2025 - 28 March 2026

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TOGETHER WE DO GOOD


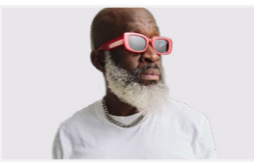

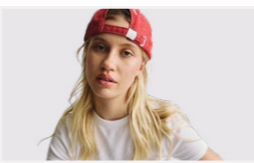


SUSTAINABILITY REPORT

About this report

The Together We Do Good report provides a consolidated view of the activities and progress made by Mr Price Group over the past year in support of its objective to be recognised by its stakeholders as a relevant, ethical and sustainable proudly South African company.

OUR REPORTING SUITE

To fulfill our commitment to holistic and comprehensive reporting, this reporting suite is comprised of the following publications:

	<p>INTEGRATED REPORT</p> <p>Details the group's integrated business processes that support sustainable value creation for all stakeholders and outlines progress against its strategy of the last financial year.</p>	VIEW REPORT
	<p>GOVERNANCE REPORT</p> <p>Offers a comprehensive disclosure of the group's governance-related matters, including its governance structure, processes, and policies.</p>	VIEW REPORT
	<p>REMUNERATION REPORT</p> <p>Highlights the group's approach to fair, equitable, and responsible remuneration, detailing its remuneration policy and implementation.</p>	VIEW REPORT
	<p>NOTICE OF AGM</p> <p>Provides shareholders with supporting information for participation in the group's annual general meeting (AGM).</p>	VIEW NOTICE
	<p>TOGETHER WE DO GOOD REPORT</p> <p>Details the group's sustainability journey, achievements of the last financial year and strategic focus areas to support a sustainable future.</p>	CONTENTS
	<p>ANNUAL FINANCIAL STATEMENTS</p> <p>Provides an overview of the group's financial position and performance over the last financial year.</p>	VIEW REPORT

Our integrated reporting suite is available at www.mrpricegroup.com

SCOPE AND BOUNDARY

This report presents a consolidated overview of the group's sustainability performance for the 52-week period ended 28 March 2026. It covers the environmental and social impacts, practices, and approach of Mr Price Group Limited and the Mr Price Foundation, as well as the governance thereof. Broader governance disclosures are set out in the **Governance report**. Unless otherwise stated, the information in this report relates to the group's operations in South Africa and other African jurisdictions in which it operates. The information disclosed is aligned with the indicators used for internal management and board reporting and is comparable with the group's previous sustainability reports. The group has sought to provide meaningful and decision-useful information to enable stakeholders to make informed assessments. The outputs contained in this report are the result of a focused and considered process led by senior management and the board, together with the Social, Ethics, Transformation and Sustainability Committee (SETS).

MATERIALITY

The group has determined sustainability materiality by plotting the United Nations (UN) Sustainable Development Goals (SDGs) and the JSE's Sustainability Disclosure Guidance on a matrix of (i) relevance to the apparel and homeware industry in which the group operates, and (ii) importance to the group's business, vision and purpose, having regard for the social and environmental impacts of the business and its value chain and financial materiality. This ensures a double materiality approach is used. The material matters identified through the materiality matrix inform the group's sustainability strategy and subsequent disclosure of performance against the strategy in this report. As such, this report focuses on issues that the SETS and management deem material to the group from a primarily environmental and social perspective.

The material sustainability matters for the period under review are:

Material Matter	Objective	Primary Stakeholder	Materiality	Page Reference
Preserve natural resources	Sustainable sourcing and consumption of raw materials	Communities Environment Investors	Impact Financial	Page 27
Reduce and stabilise environmental impact	Reduce environmental impact of business and value chain	Communities Environment Investors	Impact Financial	Page 30
Education development	Helping children to unlock their full potential through quality education	Communities	Impact	Page 42
Skills and entrepreneurial development	Enabling youth to bridge the gap between education and generating income	Communities	Impact	Page 42
Associate wellbeing and development	Associate wellbeing, development and engagement	Group associates	Impact	Page 45
Social value chain development	Value chain and social responsibility	Value chain employees Suppliers Investors	Impact	Page 61
Economic value chain development	Value chain optimisation, innovation and growth	Suppliers	Impact Financial	Page 67

ASSURANCE

In 2026, the oversight and review of sustainability reporting have migrated from third (Internal Audit) to second line level (Group Risk) whereby the group risk now provides assurance on the accuracy of sustainability reporting. The process of information gathering, reliance on third party assurers and aggregation continue to evolve, while final outcomes and reported metrics are dependent on the accurate capturing of data at a divisional level. The review by Group Risk confirmed the adequacy of the information collation process and exceptions noted did not exceed the level of error tolerance to materially impact the accuracy of the integrated reporting.





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PART 1: SUSTAINABILITY APPROACH



1.1 SUSTAINABILITY AT MR PRICE GROUP

LETTER FROM THE SETS CHAIR

On behalf of SETS, I am pleased to present the group's Together We Do Good report for the 2026 financial year. This report showcases the group's sustainability progress during the year and is a continuation of past efforts and achievements.

Lucia Swartz, SETS chair

Dear Stakeholders,

Over the past year, ESG has entered a more complex and at times polarised phase. Following a period of rapid expansion, the concept has faced political pushback in certain jurisdictions. We have experienced a shift away from broad, brand-led sustainability narratives toward a more rigorous, data-driven approach with a stronger focus on demonstrable outcomes. Investors are increasingly selective, integrating ESG considerations primarily where they have a clear and material impact on risk and returns. This evolution aligns well with the group's long-standing approach to ESG, which prioritises practical actions that deliver tangible impact. It's simple; we aim to do good, together.

ESG APPROACH AND STRATEGY

As the sixth pillar of the group's strategic framework, sustainability underpins our ambition to be regarded by stakeholders as a relevant, ethical, and sustainably focused proudly South African organisation (refer to [page 103](#) of the [Integrated report](#) 📄).

With more than a decade of implementation, the sustainability function plays a supporting and enabling role across the broader strategy by strengthening the group's reputation, supporting talent attraction and retention, and promoting a more sustainable and inclusive value chain. Sustainability initiatives are aligned to deliver tangible progress against SDGs 6, 7, 8, 10, 12, 13, and 17. Collaboration remains fundamental to this approach, with active engagement across the value chain, including customers, suppliers, landlords, and investors. This partnership philosophy is captured in the group's guiding theme, "Together We Do Good", which informs our focus on the most significant sustainability challenges affecting retail operations in South Africa and Africa.

Although there were no material changes in the sustainability approach, the strategic framework was updated to incorporate changes from the Mr Price Foundation strategy, which was revised and launched during the year. In the social pillar of the strategic framework, Quality Education and Youth Development have been replaced with Education Development and Skills and Entrepreneurial Development, which reflect the shift in focus of the Foundation's programmes. More detail can be found on [page 41](#) and [42](#).

The retail value chain operates within a complex environment shaped by structural and systemic challenges common across the industry. Apparel manufacturing, specifically in the Newcastle region of Kwa-Zulu Natal, has come under the spotlight due to factory raids which uncovered substandard working conditions. The group's existing factory mapping and supplier compliance process enabled us to quickly confirm that the identified factories did not have any commissioned production from the group. We have always been transparent on the systemic difficulties surrounding South African manufacturing and the group's continuous improvement approach. As in any sector, there are competing priorities that must be balanced. The group continuously assesses social compliance against social and economic objectives such as protecting employment and supporting local procurement. Should the group become aware of a breach of expected social compliance standards, a responsible and appropriate decision is made that is always aligned to the values of the group. More on the group's social compliance process is on [page 62](#).

SUSTAINABILITY HIGHLIGHTS

While the group has consistently measured and reported sustainability metrics for the past six years, the performance dashboard on [pages 21](#) and [22](#) shows performance over a five-year period from financial years 2022 to 2026. As in past years, our disclosures remain measured and transparent, reflecting both our successes and challenges in areas that matter most to us from a sustainability perspective.

During the year we also took pause to reflect on our value chain development journey which falls within the economic pillar of the sustainability strategic framework. Our suppliers and the underlying factories that they commission are integral to the interconnected process with the ultimate goal to deliver value to our customers. The value chain development initiatives which have been implemented over several years, have delivered tangible results due to the intentional and focused action it receives. More on this can be found in the case study on [page 73](#).

2026 ACHIEVEMENTS

After many years of customer collaboration, operational adjustments and consistent communication, we are especially proud that as of now, all our core brands no longer offer plastic bags, and sell only reusable or paper bags. For 99.7% of all Mr Price, Mr Price Home, Mr Price Sports, Sheet Street, Miladys and Yuppiefchef sales transactions during the year, customers overwhelmingly chose reusable bags, paper bags, or no bags at all. Since 2022, our customers have removed over 245 million single-use plastic packets from the ecosystem. Thank you to every one of our store associates who have diligently supported us on this journey, and a bigger thank you to our customers, who have partnered with us on this initiative to do good.

During the period, the group introduced a proprietary balanced scorecard to strengthen its approach to responsible sourcing. The tool assesses supplier performance across key areas

such as delivery, quality, social compliance, environmental impact, and partnership. By embedding these measures into its evaluation framework, the group encourages more sustainable supplier practices. This results in a more holistic, forward-looking approach, where social and environmental factors are considered alongside traditional operational and financial metrics.

The group increased local procurement from over 127 million products last year to more than 130 million in the reporting period. More than 38% of procurement spend was on locally made South African products, contributing over R5.6 billion to the economy and supporting the broader value chain. Additionally, over 50% of procurement is sourced from Africa. The group remains a major employer in South Africa, with more than 33 000 associates supporting tens of thousands of families. Since FY2022, the workforce has grown by 45%. The group also retained its Top Employer certification for FY2026, reinforcing its position as an employer of choice in the retail sector.

The year was also a pivotal one for Mr Price Foundation, marked by the launch of a new 10-year strategy, which establishes a refreshed baseline for measuring future progress. In FY2026, the foundation's entrepreneurship development initiatives created 184 new jobs, funded 27 businesses and benefited more than 1 200 people. In addition, nearly 15 000 primary and high school learners and 400 teachers were impacted by the foundation's education development initiatives.

EXTERNAL RECOGNITION

External recognition of our sustainability initiatives is both encouraging and affirming in that ESG ratings are useful to assess consistency between our internal priorities and the expectations of key stakeholders. During the reporting period, the group retained its inclusion in the JSE's FTSE4Good Index Series, a position it has held since 2020. The group's ISS rating remained stable and compares favourably with those of local retail peers. In addition, the group continued to hold a low-risk rating from Morningstar Sustainalytics, which assesses the group's management of ESG risks as "strong" and ranks it highest within its competitor group.

LOOKING AHEAD

Within the South African context, we remain attentive to climate and broader ESG risks, as well as the social and economic realities that shape our operating environment and are committed to ensuring that our sustainability priorities continue to support long-term value creation and business resilience.

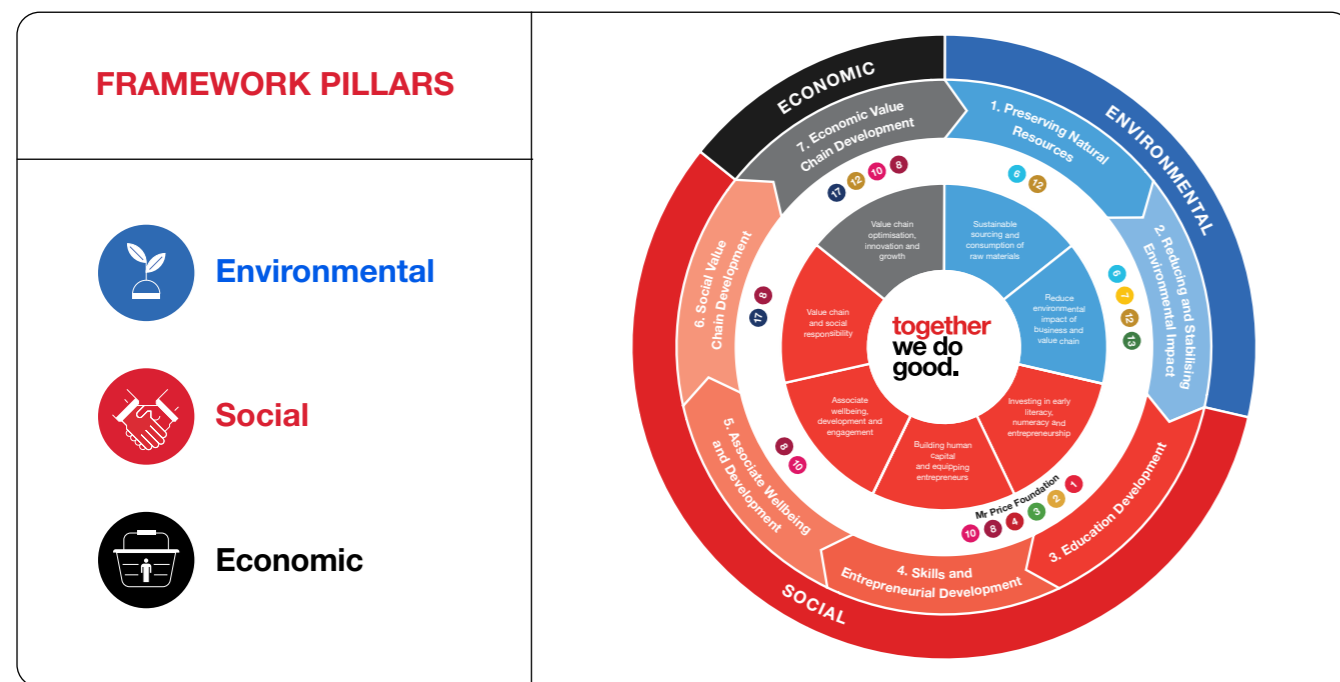
With the acquisition of the European-based NKD business, effective in the 2027 reporting period, the group will shift its sustainability disclosure to incorporate its international operations. ESG activities and disclosure is highly regulated in Europe and the group is encouraged by the sustainability operationalisation undertaken by NKD, with strong alignment on the approach taken to value chain social compliance.

CLOSING REMARKS

Once again, we extend our sincere appreciation to our dedicated associates, loyal customers, trusted merchandise suppliers, collaborative landlords, and committed shareholders for their continued partnership in our sustainability journey. Over the course of more than 40 years, it is this collective support that has enabled the business not only to endure, but to thrive and evolve responsibly and purposefully. Achieving our sustainability ambitions is only possible through the sustained and shared efforts of our stakeholders. Together, we truly do good!




1.2 SUSTAINABILITY STRATEGY

STRATEGIC FRAMEWORK



Noteworthy sustainability achievements during the year can be found in the sustainability performance section on page 19.

Under the environmental pillar, the group's key objectives are to reduce and stabilise its environmental footprint and to safeguard natural resources. The social pillar focuses on advancing the development and wellbeing of the group's employees, supporting the delivery of education development and skills and entrepreneurial development initiatives, and fostering social responsibility across the value chain. The group's primary economic objective is to enable sustainable development throughout its value chain through optimisation, innovation and growth.

 Environmental	1. Preserving natural resources 2. Reducing and stabilising environmental impact	pages 25 - 30 pages 30 - 37
 Social	3. Education development 4. Skills and entrepreneurial development 5. Associate wellbeing and development 6. Social value chain development	page 42 page 42 pages 45 - 60 pages 61 - 66
 Economic	7. Economic value chain development	pages 67 - 71

RISKS AND OPPORTUNITIES

The group's sustainability strategy considers risks identified by the group that are most relevant to the sustainability context. Refer to enterprise risk management on pages 117 - 126 of the Integrated report for the group's risk themes. Those most relevant to and addressed through the sustainability strategy are as follows:

RISKS		
Group risk theme	Risk identified	Link to sustainability strategic pillars
Talent attraction and retention	<ul style="list-style-type: none"> The risk that the group's inability to attract and retain key skills impacts its ability to execute its strategy The risk that the group does not adequately develop associates to support current and future growth of the group The risk that the group's inability to retain critical skills impairs the group's ability to execute its strategy 	<ul style="list-style-type: none"> Associate wellbeing and development Skills and entrepreneurial development
Supply chain	The risk of an inefficient, ineffective, and unreliable supply chain that will result in poor inventory management impacting the group's competitive advantage	<ul style="list-style-type: none"> Value chain optimisation, innovation and growth Developing social compliance in the value chain Preserving natural resources
Brand reputation	The risk that poor in-store and online shopping experiences weaken brand equity, reducing customer retention, repeat purchases, and overall	<ul style="list-style-type: none"> Sustainable raw material development Developing social compliance in the value chain Preserving natural resources Reducing and stabilising environmental impact
Culture and behaviours	The risk that the group's culture and behaviours does not engender the right values, behaviours to protect organisational health	<ul style="list-style-type: none"> Associate wellbeing and development Developing social compliance in the value chain Preserving natural resources Reducing and stabilising environmental impact

OPPORTUNITIES	
Opportunity	Key actions
Establish direct strategic partnerships with local manufacturers and develop their capability and capacity to provide diverse product supply, flexibility and just-in-time production	<ul style="list-style-type: none"> Value chain optimisation, innovation and growth Developing social compliance in the value chain
Advance localisation with key objectives to maximise benefit from increasing local production to create much needed local jobs and maintain competitive advantage	<ul style="list-style-type: none"> Value chain optimisation, innovation and growth
Make it easier for associates to do the right thing	<ul style="list-style-type: none"> Preserving natural resources Reducing and stabilising environmental impact Associate wellbeing and development Developing social compliance in the value chain

TOGETHER WE DO GOOD HISTORY

2005	<ul style="list-style-type: none"> • mrprice foundation established
2012	<ul style="list-style-type: none"> • Sustainability function established • SETS Committee formed • First supplier loan issued
2013	<ul style="list-style-type: none"> • Became a member of Ethical Trading Initiative (ETI)
2014	<ul style="list-style-type: none"> • Founding retail member of the South African Cotton Cluster
2017	<ul style="list-style-type: none"> • First SMME cotton farmer loan issued • Full ETI member • KwaZulu-Natal Clothing and Textile Cluster (CTC) member • WWF member
2018	<ul style="list-style-type: none"> • Value chain development strategy formulated • First tier factory mapping reaches 85% of all trade suppliers
2019	<ul style="list-style-type: none"> • Signatory of the South African R-CTFL Master Plan • Supplier Grading Tool developed • Group introduces its supplier on-boarding process including mandatory factory social compliance audits
2020	<ul style="list-style-type: none"> • Strategic Sustainability Framework created • Member of Proudly SA • Introduction of re-usable bags • Launch of Responsible Sourcing Framework and Implementation Guide • Extended Producer Regulations (EPR) & PRO membership
2021	<ul style="list-style-type: none"> • Launch of new group strategy, with Sustainability as sixth pillar • ESG Centre of Excellence formalised and managing director appointed • TCFD gap analysis conducted • ESG performance linked to remuneration (LTIP) • Inclusion in FTSE/JSE Responsible Investment Top 30 Index • ESG indicator performance against targets disclosed
2022	<ul style="list-style-type: none"> • Climate change risk and scenario analysis undertaken • Mr Price Local Supplier Development Cluster established
2023	<ul style="list-style-type: none"> • Climate change risk framework developed • GHG emissions baseline established • Sourced more than 100m units of products made in South Africa
2024	<ul style="list-style-type: none"> • More than 53% growth in local procurement over five years • Over R5bn spent on products made in South Africa • More than 159 million plastic packets removed from circulation in three years • Five years of strategic indicator disclosure • Included in FTSE4Good index for five years
2025	<ul style="list-style-type: none"> • Expansion of value chain development strategy • Social responsibility blueprint developed • Balanced scorecard for suppliers (incorporating social, environmental and economic measures) implemented • Environmental product life cycle assessment commenced



INDEPENDENT RECOGNITION

The group is pleased that the value created by and impact of its sustainability activities as well as related communication to stakeholders continues to be independently recognised by various ESG ratings bodies:



- Maintained a low-risk rating with a score of 14.4
- Risk rating is the lowest (at time of publication) of all South African apparel retailers
- The group's management of ESG Material Risk is considered "strong"



- Maintained a 'C' rating with transparency considered 'very high'



- Retained inclusion in the FTSE4Good Index Series (since 2020)

together
we do good.

1.3 SDG IMPACT

The primary SDGs which the group considers material and aims to impact directly are SDGs 6, 7, 8, 10, 12, 13 and 17. The group's operations also indirectly impact SDGs 3, 9, 14 and 15. Mr Price Foundation programmes directly impact SDGs 1, 2, 3, 4, 8 and 10.

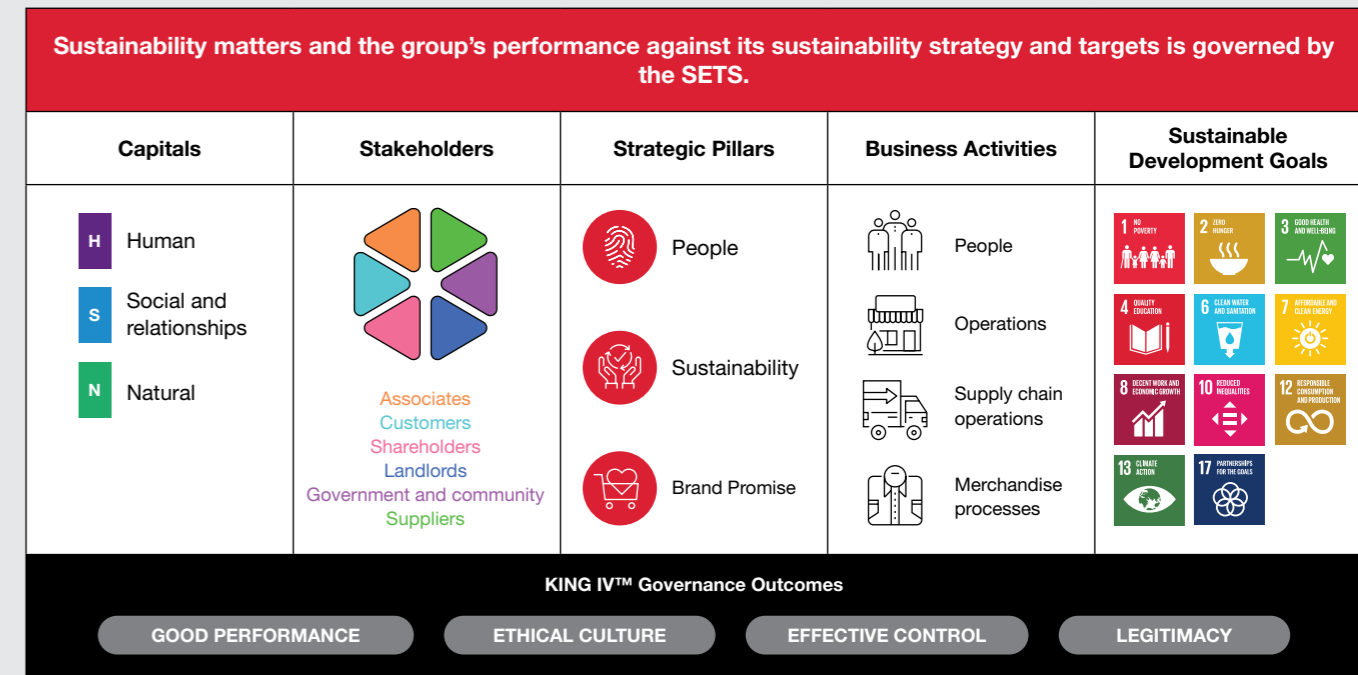
SDG	SDG impact
	<ul style="list-style-type: none"> 14 983 learners from low-income communities directly benefit from Mr Price Foundation's education development programmes 184 jobs were created by Mr Price Foundation's entrepreneurship development initiatives R4.8 million invested in entrepreneurship development by the Mr Price Foundation R28 million invested in skills development by Mr Price Foundation The group employs 33 669 associates, impacting 168 345 people with a multiplier effect of 5:1 7 274 Mr Price Foundation skill development placements within the group, partner organisations or elsewhere 1 241 beneficiaries impacted through entrepreneurship programmes by Mr Price Foundation
	<ul style="list-style-type: none"> The group recorded no work-related fatalities or serious injuries in FY2026 and the IOD rate has remained at 0.5% since FY2024 The group prioritises supplier health and safety compliance and achieved a 92.7% compliance rate at audited manufacturing sites
	<ul style="list-style-type: none"> 14 983 learners received quality education at 32 schools supported by Mr Price Foundation 404 educators were positively impacted and 86 school management personnel upskilled by Mr Price Foundation R62.8 million spent on learning and development for associates by the group 16% average improvement in literacy and numeracy through Mr Price Foundation's education development programmes R6.1 million invested in education by Mr Price Foundation
	<ul style="list-style-type: none"> Over 77.7 million merchandise units produced using cleaner production More than 30 million units produced using sustainable cotton and forestry standards 96.2% of the group's Hammarsdale DC water consumption was from harvested rainwater
	<ul style="list-style-type: none"> 210 241 units made using energy saving technology 32 stores retrofitted with LED lighting to provide greater efficiency Over 1.5 million kWh of renewable energy generated at Mr Price Group head office, Hammarsdale DC and Studio 88 head office
	<ul style="list-style-type: none"> 33 669 individuals employed by the group Over R62.8 million invested in learning and development initiatives for group associates 130.6 million units procured from South Africa, valued at R5.6bn. More than 38% of the group's procurement by cost is from South Africa, and more than 50% from rest of Africa The group's code of conduct also applies to suppliers thereby promoting decent work for workers in the value chain 1 054 factories audited for social compliance More than R28 million invested in skills development by Mr Price Foundation The group supported black-owned small and medium enterprises by issuing R37.5 million in loans 27 businesses funded by Mr Price Foundation

	<ul style="list-style-type: none"> The group's supplier development programmes support SMME suppliers to increase capacity and capability through investment in technology and infrastructure Participating suppliers see improved production output which contributes to growth and employment creation The group participates in and contributes R231 000 in funding to the KZN Clothing and Textile Cluster which aims to boost local industry competitiveness The group's supplier development cluster supports investment in technology and upgrading
	<ul style="list-style-type: none"> The group reduced inequality through its employment of 97.6% African, Coloured and Indian (ACI) associates The group supported black-owned small and medium enterprises by issuing R37.5m in loans Mr Price Foundation prioritises interventions that benefit children and youth from previously disadvantaged homes
	<ul style="list-style-type: none"> Over 77.7 million products include sustainable raw materials or were made with cleaner production methods 99.7% of all sales were completed without a single-use bag, with over 245 million single-use plastic bags removed from circulation since FY2023 30% of products contain a sustainable material or cleaner production attribute 78.9 million products were distributed without plastic packaging 93.6% and 68% of waste was recycled at the Hammarsdale DC and head office sites respectively 98.4% of inner and display plastic packaging units was recyclable, reusable or incorporated recycled content The number of high-risk manufacturing sites within the group's value chain was under target at 2.2
	<ul style="list-style-type: none"> Over 1.5 million kWh of renewable energy generated at Mr Price Group head office, Hammarsdale DC and Studio 88 head office 30% of products contain a sustainable material or cleaner production attribute The group is working with its logistics partner to reduce its carbon footprint through improved efficiency and technology The group has commenced the assessment of energy consumption and efficiency at selected supplier facilities
	<ul style="list-style-type: none"> 93.6% and 68.0% of waste was recycled at the Hammarsdale DC and head office sites respectively Reduced plastic packaging in 91 million products 98.4% of inner and display plastic packaging units was recyclable, reusable or incorporated recycled content 99.7% of all sales were completed without a single-use bag, with over 245 million single-use plastic bags removed from circulation since FY2023
	<ul style="list-style-type: none"> Recycling initiatives and responsible procurement of cardboard and paper support sustainable forestry The promotion of sustainably grown raw materials helps to prevent biodiversity loss The group undertakes a number of recycling and waste management activities BiobiN services were engaged to reduce the amount of waste sent to landfill 98.4% of inner and display plastic packaging units were made from recyclable plastics 632 000 boxes are reused and recycled at the Hammarsdale DC resulting in a 82.9% reuse rate The group engages with Producer Responsibility Organisations to ensure improvement in recycling capabilities
	<ul style="list-style-type: none"> The group works with 10 membership organisations, five non-profit partner organisations and is a signatory to key initiatives that promote a collective approach to achieving SDGs The group supports local industry as signatories to the R-CTFL Master Plan and through participation in the KZN CTC



PART 2: SUSTAINABILITY GOVERNANCE

2.1 SOCIAL, ETHICS, TRANSFORMATION AND SUSTAINABILITY COMMITTEE



This report, as well as the other governance disclosures in our 2026 integrated reporting suite, align with King IV™, which applied during the reporting period under review. King V™ is effective for the group's 2027 financial period and will be addressed in next year's reports.

CHAIR

Lucia Swartz

MEMBERS

Mark Blair, Jane Canny

ROLE

The committee is constituted as a statutory committee in respect of its duties in terms of Section 72(4) and regulation 43(1) of the Companies Act, 71 of 2008 (Companies Act) and a committee of the board in respect of additional duties assigned to it. The committee mandate is available on the group's website www.mrpricegroup.com.

The committee members, their qualifications and experience, the number of meetings held and attendance at meetings is detailed in the **Governance report** on pages 157 - 158 and 170. The committee is responsible for fulfilling the functions set out in the Companies Act and provides oversight of and reporting on organisational ethics, responsible corporate citizenship, sustainable development, and stakeholder relationships. It reviews and monitors sustainable business practices (including social and environmental practices, corporate citizenship and social investment), business ethics and transformation, to ensure that the business achieves its strategic imperatives responsibly and ethically. This also encompasses an overview of labour practices to ensure fairness and monitoring the group's commitment to promoting and protecting human rights. As a responsible citizen the group aims to build a business in support of its strategy to sustainably protect, create and enable environmental, social and economic value. Meaningful stakeholder engagement, together with impact assessments and materiality, guide the formulation of appropriate and relevant business responses. The group's sustainability approach and strategy can be found on page 7 of this report.

As delegated by the board, the committee oversees and guides the achievement of this strategy, which is owned and managed by the group's ESG Centre of Excellence, supported primarily by the People Centre of Excellence (in respect of transformation and elements of social matters) and Mr Price Foundation, and implemented across operations by the group's trading divisions. Sustainable value creation across social, environmental, economic and governance elements is integrated through the group's retail operations and performance against key defined targets is included in management's performance indicators for both short-term incentives (STIs) and long-term incentives (LTIs).

Further information on the ESG scorecard applicable to the LTIs can be found on page 18 of this report and in the **Remuneration report** on page 214.

KEY FOCUS AREAS FY2026

- Integration of Studio 88 into the group’s B-BBEE scorecard
- Strengthening the group’s transformation strategy particularly the approval of the group’s 5-year EE plan for the period 2026 - 2030
- Monitoring the implementation of Mr Price Foundation’s strategy
- Continued monitoring of the group’s organisational health index, including the results of its associate engagement survey and mid-year pulse survey
- Development of talent retention strategy
- Overseeing and monitoring the management, investigation and resolution of complaints reported through the group’s FairCall whistleblowing function
- Monitoring business and reputational risk regarding Newcastle factory compliance and overseeing appropriate management response
- Approving and recommending to Remnomco the ESG scorecard applicable to LTI awards made during the financial year
- Monitoring progress against key performance indicators (KPIs) and targets to support the sustainability strategy

FUTURE FOCUS AREAS

- Monitor progress against the group’s 5-year EE plan
- Overseeing the implementation of actions to further mature the group’s social responsibility programme and reduce value chain risk
- Approval of the Climate Change Action Plan
- Continued monitoring of the group’s organisational health index
- Sustained oversight of organisational readiness, including adoption and assurance alignment, for ISSB’s IFRS S1 and IFRS S2 standards
- Continued social compliance progression to target major health and fire safety non-compliances

COMMITTEE STATEMENT

The committee is satisfied that it has fulfilled its responsibilities in accordance with its mandate for the 2026 financial year, including duties in terms of the Companies Act, JSE Listings Requirements and King IV™. The independent performance assessment is conducted every two years. The Board Practice in FY2025 concluded that the committee is a key support structure of the board and is highly effective in fulfilling and delivering value on its responsibilities and mandate. The next performance assessment will be conducted in FY2027. The committee chair will be available at the AGM to answer any questions relating to the committee’s statutory obligations.

2.2 DISCLOSURE

The reporting frameworks which are taken into consideration to inform and guide the group’s disclosure of sustainability activities are:

- Global Reporting Initiative Sustainability Reporting Standards
- Value Reporting Foundation’s Integrated Reporting Framework
- SDG Disclosure Recommendations
- FTSE Russell’s ESG scores and data model indicators
- JSE Sustainability and Climate Disclosure Guidance documents
- ISS ESG scores and methodology
- Sustainability Accounting Standards Board
- Morningstar Sustainalytics ESG scores and methodology
- Taskforce on Nature-related Financial Disclosures

The group has a well-defined plan to incrementally enhance the measurement and reporting of its already detailed indicators to meet the expectations of its stakeholders, particularly shareholders and potential investors. In addition, the group keeps abreast of ESG disclosure advancements and convergence, particularly with regards to the ISSB’s IFRS S1 and S2 and the targeted amendments to GHG emissions disclosures, as well as the release of King V™ which expands sustainability principles and disclosure. Compliance with these statements is not yet legislated in South Africa, although it is understood that the intention is that these will become mandatory in the next few years. As with all legislated or voluntary changes in disclosure, the group takes a considered approach not only to the disclosure requirements themselves, but also the underlying business actions required to support reliable disclosure. An assurance readiness approach is under way regarding IFRS S1 and S2 and the group is considering the appropriate timeline for adoption.

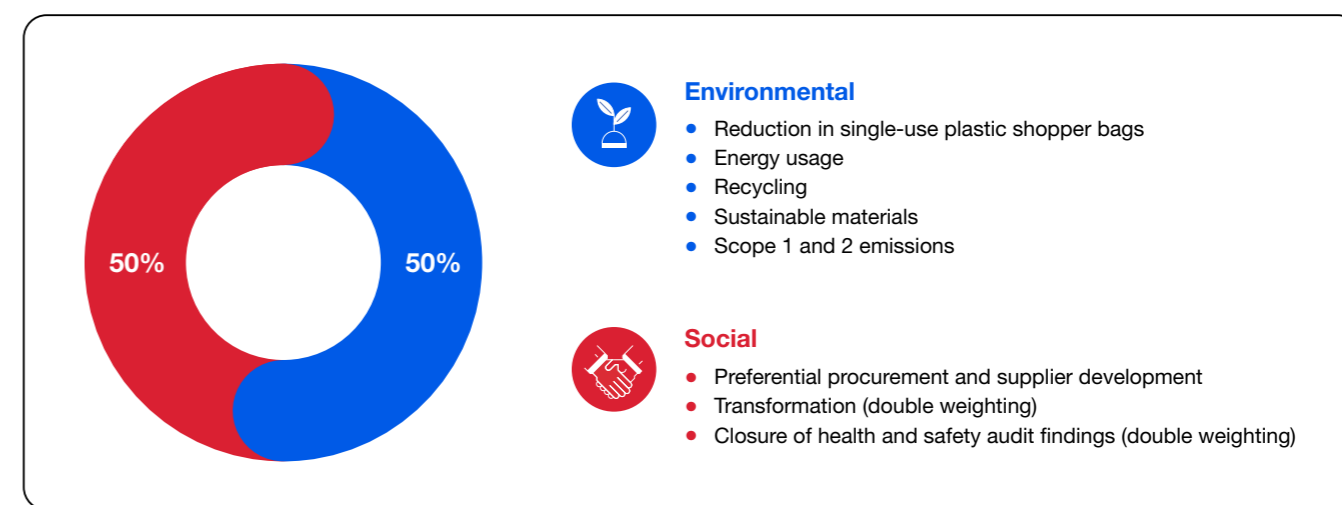
In FY2026, the group commissioned third party assessments to improve the quality of its disclosure. This included a disclosure gap analysis study to better align its disclosure with JSE and ISSB standards as well as a review of the current materiality assessment approach and process that identifies and prioritises ESG impacts, risks and opportunities across the value chain to meet the needs of internal and external stakeholders.

2.3 INTEGRATION OF SUSTAINABILITY AND REWARD

Since 2021, the group has implemented an ESG scorecard and retrospective reporting on performance which ensures that the delivery of the sustainability strategy is motivated and rewarded by linking delivery to short-term and long-term reward. The ESG scorecard comprises a 20% weighting towards the award of conditional rights (as part of the LTIs) to executive directors, managing directors of trading divisions and centres of excellence, as well as divisional functional directors, and sets out eight (previously 10) ESG metrics requiring improvement over the vesting period.

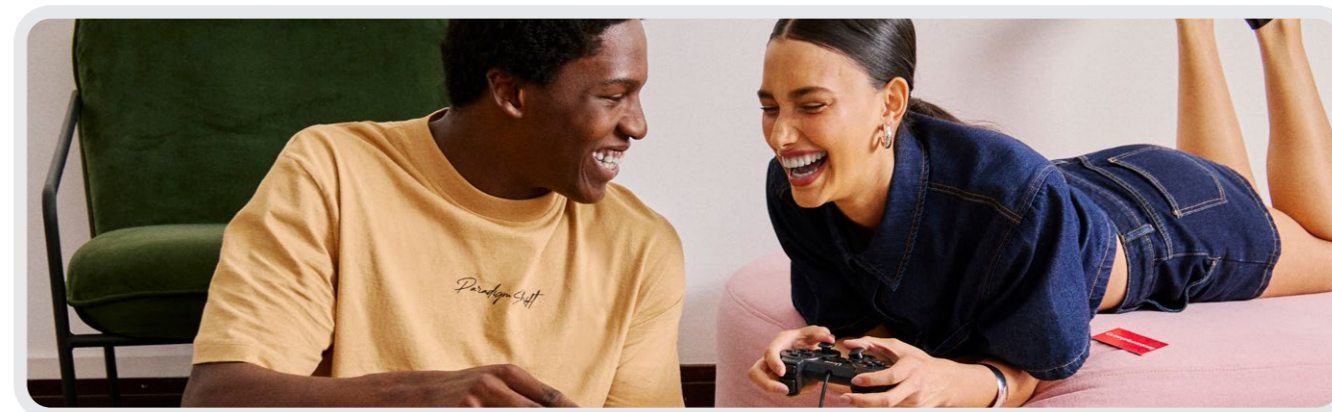
Each year, specific sustainability areas of focus and defined targets are set as KPIs for the ESG Centre of Excellence and for each trading division and other centres of excellence that implement and support sustainability activities (see performance dashboard on pages 21 - 22). The achievement of these KPIs is measured and formally reported internally on a quarterly basis. In addition to forming part of the performance conditions for the award of conditional rights, the achievement of annual ESG KPIs is an input in determining senior management and executive STIs. This further encourages operational and business behaviours to progress the group’s sustainability objectives.

During the reporting period the ESG scorecard metrics applicable to conditional rights awarded in November 2025 (with a vesting period April 2025 - March 2028) were approved by SETS and Remnomco. The split of metrics for this award is as follows:



VESTING OF 2023 AWARD

The performance period for the conditional rights issued in November 2023 (FY2024) concluded at the end of the reporting period. The vesting of 20% of the conditional rights, which apply to executive, managing and divisional directors, are based on the ESG scorecard approved at the time of issue. Due to the fulfillment of the group’s performance conditions, 170% (for executive and managing directors) and 100% (for divisional directors) of the conditional rights granted in November 2023 with a performance period from April 2023 to March 2026, will vest. The ESG scorecard is one of five performance conditions, the achievement of which contributed 40% (for executive and managing directors) and 20% (for divisional directors) of the 170% and 100% vesting respectively. Full details of the performance conditions relevant to conditional rights are on page 216 of the Remuneration report.





PART 3: SUSTAINABILITY PERFORMANCE FY2026



Low risk score 14.4
Rated lowest risk (at time of publication) of all South African apparel retailers



ISS Rating C



Maintained inclusion in FTSE4Good Index Series



Member of Proudly South African

3.1 SUSTAINABILITY HIGHLIGHTS

ENVIRONMENTAL

99.7%
of transactions were plastic bag free

Over 77m
products have a sustainability attribute

98.4%
of product packaging is recyclable or made from recycled content

30%
of products contain sustainable materials and/or are made using cleaner production methods

SOCIAL

R32.1m
donated to Mr Price Foundation

7 274
unemployed youth impacted through Mr Price Foundation skills development

Over 33 000
associates employed by Mr Price Group

Over R62m
invested in learning and development

ECONOMIC

Over 62.6%
growth in local procurement in 6 years

Over 130m
units produced in South Africa

Over R5.6bn
spent on products made in South Africa







Over 38%
of the group's total spend is on RSA manufactured goods

3.2 PERFORMANCE DASHBOARD

Although the group undertakes various sustainability activities in the conduct of its retail operations, the primary focus areas for the reporting period across all sustainability pillars and progress against targets, is reflected in the table on the right. For further sustainability highlights refer to [page 20](#).

KEY








Group Strategic Pillars












-  Stakeholder Engagement
-  Brand Promise
-  People
-  Strategic Enablement
-  Growth and Innovation
-  Sustainability

Top 10 Group Risks

- 1 Macro, socio-political, socio-economic and regulatory environment higher complexity
- 2 Supply chain
- 3 Brand reputation
- 4 Competitive landscape
- 5 Talent attraction and retention
- 6 Information technology
- 7 Transformation
- 8 Leadership
- 9 Organisational culture
- 10 Strategy

Metric Movement

-  Increase from prior year (positive)
-  Increase from prior year (negative)
-  Decrease from prior year (positive)
-  Decrease from prior year (negative)
-  Same as prior year
-  Achieved
-  Not Achieved

Sustainability Pillar	Sustainability Objective	SDG	Page Ref.	Group Strategy Pillar	Group Risk	FY2022 Actuals	FY2023 Actuals	FY2024 Actuals	FY2025 Actuals	FY2026 Actuals	Performance Against Target	Performance Against Last Year	Comments		
ENVIRONMENTAL	% reduction in single-use plastic shoppers		pg 30		2 & 9	46.0	55.5	61.7	86.3	99.7	●	▲	RSA only, excludes PF, YC, S88		
	Apparel sector % of plastic packaging reduced (% of total units)		pg 31		2 & 9	N/A	N/A	86.5	82.8	58.4	●	▼	RSA only, excludes PF, YC, S88		
	Homeware sector % of plastic packaging reduced (% of total units)		pg 31			N/A	N/A		34.7	36.0	●	▼			
	Apparel sector % of packaging from recycled materials		pg 31			3	N/A	N/A	97.1	98.5	99.6	●	▲	N/A	
	Homeware sector % of packaging from recycled materials		pg 31				N/A	N/A		95.2	88.1	●	▲		
	% of products from sustainable materials and/or using cleaner production methods (units)		pg 27				15.8	18.0	22.0	28.5	30.0	●	▲	Excludes PF, YC, S88	
	Energy benchmark of 25watts/sqm (stores only)		pg 29				27.1	26.3	28.8	14.8	14.2	●	▼	RSA only, excludes S88	
	Waste recycling (DC) (%)		pg 32				91.1	92.3	93.6	95.0	93.9	●	▲	RSA only, excludes PF, YC, S88	
	Waste recycling (Mr Price Group Head Offices) (%)		pg 32				43.7	43.3	67.2	65.0	68.0	●	▲	RSA only, excludes YC, S88	
	SOCIAL	% of factories audited		pg 63				1, 2 & 3	74.0	82.2	94.1	92.9	92.7	●	▲
% of audited factories high-risk			pg 65				76.0		67.0	13.5	18.6	2.2	●	▲	Excludes PF, YC, S88
% factory visibility			pg 63				99.7		97.6	96.9	96.6	97.6	●	▲	Excludes PF, YC, S88
Preferential procurement (points)			pg 60				1, 2, 3 & 9	21.2	20.3	16.04	21.8	20.61 (forecast)	●	▲	RSA only
Investment in supplier development			pg 71		2 & 7	N/A	R32.0m	R35.5m	R32.9m	R37.5m	●	▲	Excludes S88		
% Mr Price Foundation skills development placements (within Mr Price Group)			pg 40		5 & 7	55.0	65.0	77.6	86.0	77.9	●	▲	N/A		
Employment opportunities (no. of associates)			pg 44		5	23 179	31 406	32 916	32 760	33 669	●	▲	N/A		
Employment equity ACI (%)			pg 57		7	95.5	96.6	97.0	97.2	97.6	●	▲	RSA only		
ECONOMIC		RSA procurement (units)		pg 69		1 & 4	78.6m	106.8m	103.5m	127.7m	130.6m	●	▲	Excludes S88	
		% RSA procurement (cost price value)		pg 69			38.2	37.7	35.6	37.4	38.6	●	▲	Excludes S88	
	Supplier performance: % of order book A-C Grade		pg 68			78.3	94.9	95.5	95.4	98.0	●	▲	Excludes PF, YC, S88		
	Supplier performance: OTIF %		pg 68			79.7	81.4	82.0	85.8	87.9	●	▲	Excludes PF, YC, S88		
	Supplier performance: OT %		pg 68		2 & 3	N/A	85.8	86.3	90.1	91.7	●	▲	Excludes PF, YC, S88		
	Supplier performance: IF%		pg 68			N/A	93.4	93.9	94.6	95.3	●	▲	Excludes PF, YC, S88		

3.3 CASE STUDY: PRODUCT LIFE CYCLE ASSESSMENT

During the year we conducted a pilot product life cycle assessment (LCA) to deepen our understanding of the environmental impacts associated with manufactured products across the retail value chain. The assessment covered a selected range of apparel and homeware products across key trading divisions, including Mr Price Apparel, Mr Price Home, Mr Price Sport and Sheet Street.

The study was performed in line with internationally recognised ISO life cycle assessment standards (ISO 14040 and 14044) and assessed impacts from raw material sourcing through to manufacturing, packaging and delivery to the group's Hammarsdale distribution centre.

The LCA provided valuable insights into product-level carbon emissions and other key environmental impact drivers across value chain stages. The outcomes support improved data readiness and enhance the group's assessment of Scope 3 Category 1 (Purchased Goods and Services), including priority raw materials used in finished goods, in alignment with the IFRS' S2 Sustainability Disclosure Standard and related industry-based guidance.

Cradle-to-gate scope



The pilot LCA included core items such as ladies' tops, mens' T-shirts, towelling and sheeting of different fabrics such as cotton, nylon, chenille and polyester.

The assessment identified raw material sourcing (particularly cotton, polyester and nylon), electricity consumption, and manufacturing processes such as finishing and dyeing as the primary drivers of the group's environmental footprint. Notable differences in environmental performance across material types highlight opportunities to reduce impacts through informed material selection and product design. While reliance on secondary data, especially beyond tier 1 suppliers, introduced higher levels of uncertainty, the study nevertheless provided valuable directional insights to inform future decision-making and data improvement efforts.

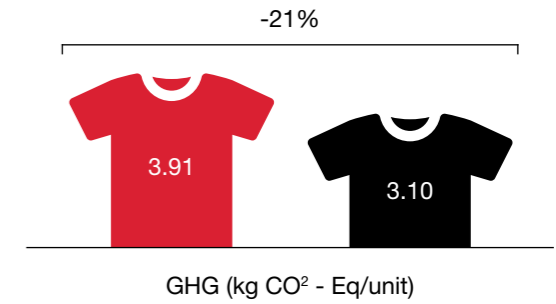
Building on this pilot, the group plans to expand LCAs across a broader product range in FY2027.



Towelling included in pilot LCA

Responsible sourcing: recycled polyester*

Shifting from virgin polyester as a raw material to recycled PET can cause a significant reduction in the group's GHG emissions and would be an opportunity to reducing the GHG emissions from products with polyester fabrications, which is in turn recyclable.



- Black Mens', active top
- Black Mens', active top (recycled)

*Due to a lack of upstream value chain transparency, the assumptions and secondary databases used can introduce high degrees of uncertainty to the results



T-shirts included in LCA pilot

Key insights

- MATERIAL CHOICE DRIVES CLIMATE IMPACT**
Synthetic fibres have a higher climate impact than cotton per kilogram
- PROCESSING MATTERS**
Dyeing is a significant textile contributor to environmental impacts
- WATER IMPACTS START UPSTREAM**
Cotton raw material production is the primary driver of water use
- LAND USE VARIES BY FIBRE**
Cotton impacts begin from the farming stage, while synthetics are driven by manufacturing
- RECYCLED INPUTS REDUCE EMISSIONS**
Switching to recycled polyester can meaningfully reduce GHG emissions
- CLEAN ENERGY IS A KEY LEVER**
Using renewable energy in tier 1 manufacturing can significantly reduce GHG emissions
- ORGANIC COTTON HAS LIMITED CLIMATE BENEFIT**
GHG emissions reductions are modest, requiring broader impact considerations (e.g. land and water usage)
- LOCATION INFLUENCES FOOTPRINTS**
Country specific energy and transport profiles significantly affect results



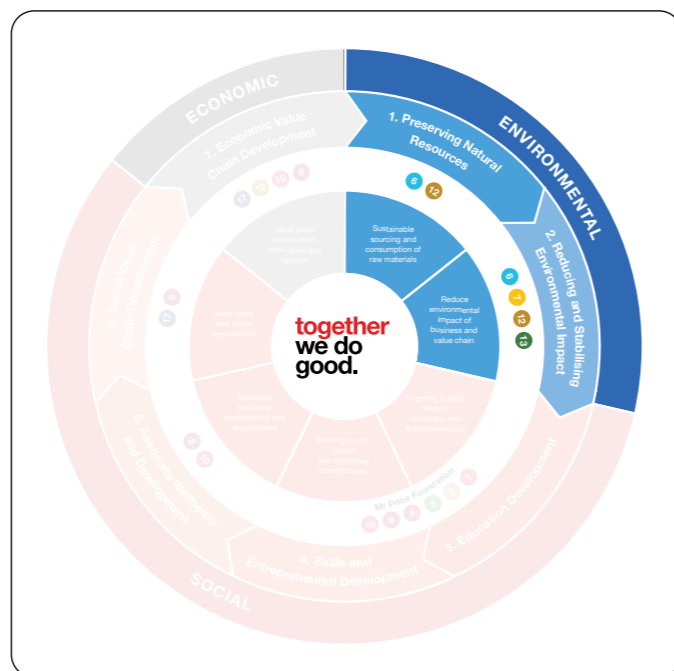
PART 4: ENVIRONMENTAL



OVERVIEW

The group's environmental impacts primarily arise from direct retail operations and sourcing activities dependent on natural resources. These impacts extend across the value chain, including upstream supply chains and downstream logistics. The group is committed to responsible resource utilisation and to systematically reducing environmental and climate related risks, by lowering emissions, improving resource efficiency and integrating sustainable considerations across manufacturing processes, supply chain activities and retail operations.

Guided by the UN Guidelines for Consumer Protection (UNGCP) 6 & 7, the group's environmental objectives supports SDGs 6, 7, 12, and 13, with indirect contributions to SDGs 14 and 15. The group reduces its environmental footprint through efficient use of energy, fuel, and water, waste reduction initiatives that prioritise landfill diversion and material longevity, and supplier collaboration to promote circular and environmentally responsible production. Protecting forests, biodiversity, animal welfare, and natural resources remains central to sustaining healthy ecosystems on which the group's products are reliant.



KEY ENVIRONMENTAL ACHIEVEMENTS FOR FY2026:

Sustainable indicator	SDG	FY2026 actuals
% reduction in single-use plastic shoppers		99.7% 85.9 million plastic bag free sales transactions
% of products that have plastic packaging		25.7% Plastic packaging reduced in 91.0 million products
% of packaging from recyclable materials		98.4% packaging of 117.9 million products made from recyclable materials
% of products from sustainable materials and cleaner production methods		30.0% 77.7 million products have a sustainability attribute
Energy benchmark of 25 watts/sqm (stores only)		14.2 watts/sqm
Waste recycling (DC)		93.9% of waste at the Hammarisdale DC is recycled
Waste recycling (head office)		68.0% of recycled waste at head offices

The full indicator table is on [page 21 and 22](#) and other areas of environmental progress are included in the pages that follow.

ENVIRONMENTAL PARTNERSHIPS

Suppliers are required to comply with all applicable local environmental legislation in accordance with the group's Code of Conduct. Environmental impacts and risks are further addressed through strategic collaborations with NGOs and industry bodies. The group partners with the Worldwide Fund for Nature (WWF) for advisory support, and are members of the Textile Exchange, and work with them on sourcing sustainable materials and standards. Packaging and paper products are aligned with Forest Stewardship Council (FSC), and the group participates in various producer responsibility organisations (PROs) to support recycling initiatives and circularity in packaging and product solutions. The group also participates in various environmental platforms such as the environmental subcommittee of Business Unity South Africa (BUSA) and serves on the advisory committee of the Circular Textiles initiative.

The two key objectives relating to the group's impact on the environment are:

- To preserve natural resources
- To reduce and stabilise environmental impact



4.1 PRESERVING NATURAL RESOURCES

4.1.1 SUSTAINABLE MATERIALS AND CLEANER PRODUCTION

Biodiversity and natural resources are key to the production of the group's merchandise. Ensuring these resources are sourced within the value chain, and that material conversion processes apply cleaner production principles, is critical to enabling the procurement of more sustainable materials and products. The group prioritises the procurement of products which use key materials such as cotton, recycled polyester, man-made cellulose fibres and wood, supported by the responsible use of non-harmful chemicals to minimise environmental impact across the value chain.

The group collaborates with certification bodies and suppliers to promote the use of sustainably sourced materials and the adoption of cleaner production practices. In partnership with suppliers, the group also supports the diversion of textile waste to local recycling facilities, thereby reducing waste sent to landfill.



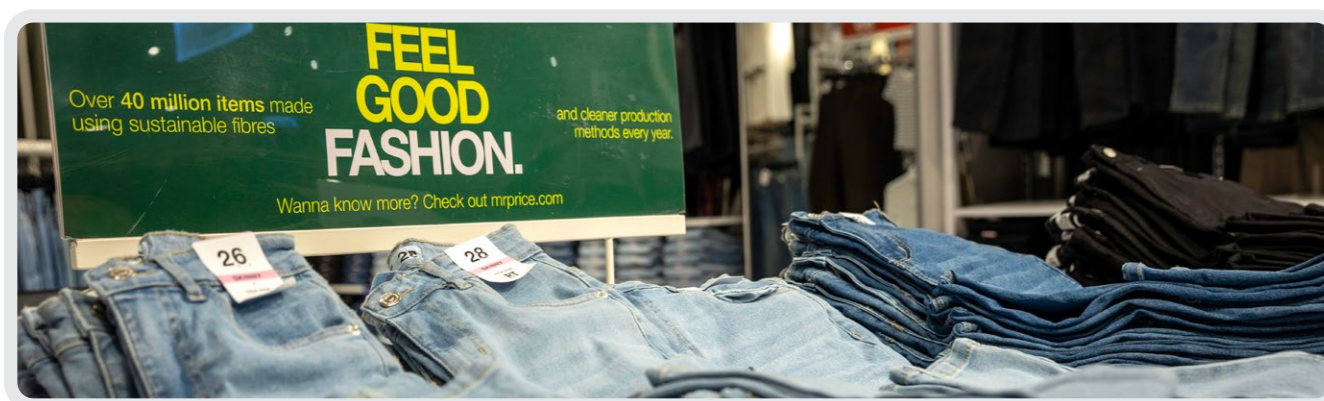
Categories of Sustainable Materials and Cleaner Production*						
Certification category	Units			Percentage contribution**		
	FY2026	FY2025	FY2024	FY2026	FY2025	FY2024
Energy saving	210 241	100 568	128 478	0.1	0	0.1
Anti-cruelty	2 536 188	2 786 122	2 165 738	1.0	1.2	1
Non-harmful chemicals	21 016 902	17 643 834	N/A	8.1	7.7	N/A
Recycled materials	16 398 875	12 021 207	8 656 748	6.3	5.3	4
Sustainable cotton	26 285 945	25 864 127	25 630 730	10.1	11.3	11.8
Sustainable forestry / timber / wood	4 116 415	3 218 334	2 601 396	1.6	1.4	1.2
Cleaner production	7 193 831	3 160 830	8 355 908	2.8	1.5	3.9
Total	77 758 397	64 795 022	47 538 998	30	28.5	22

*Excludes Power Fashion, Yuppiefchef and Studio 88

**Percentage contribution is to the group's total product range in units

The group has made consistent progress in sourcing sustainable materials and advancing cleaner production practices since FY2022, with the proportion of sustainable materials and cleaner production increasing from 35.9 million in FY2022 to 77.7 million in FY2026, translating to a 13.6% increase over five years.

To support continued improvement, divisional targets have been established to increase the procurement of sustainable materials and the adoption of cleaner production methods. In addition, suppliers are monitored and assessed based on the extent to which they supply sustainable materials and utilise manufacturing facilities that apply cleaner production practices.



The predominant materials remain sustainable cotton and recycled synthetic materials, aligned with the group's primary apparel product mix. Materials with similar sustainable attributes are grouped into categories to create themes and/or initiative-based clusters. These categories include:

ENERGY SAVING

Energy-saving products refer to products that comply with energy-efficiency standards and are labelled in accordance with South African National Standards regulated by the South African Bureau of Standards such as electric lamps and bulbs from Mr Price Home and Sheet Street.

ANTI CRUELTY

Anti-cruelty products promote responsible sourcing and production practices that seek to prevent or minimise harm to animals. These commitments are supported through recognised certifications, such as Beauty Without Cruelty, which applies to selected product categories including 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 includes textile products certified to be free from harmful substances across all stages of the production process. Certifications such as OEKO-TEX® STANDARD 100 apply to Mr Price Home products, like couches, and Sheet Street products such as bedding and curtains.

RECYCLED MATERIALS

This theme includes products made using recycled materials, such as glass, plastic, wood, and textiles, which are reintegrated into the value chain through circular processes. Certifications including the Global Recycled Standard and Recycled Claim Standard support recycled-content products across selected ranges such as bathmats, throws and bed covers from Mr Price Home, socks and men's tops from Mr Price Sport.

SUSTAINABLE COTTON

The group recognises various sustainable cotton initiatives and certifications, including the Better Cotton Standard, Regenerated Cotton and Cotton made in Africa as its sustainable cotton standards. Southern African Cotton, beneficiated into yarns accredited with the Better Cotton Standard is incorporated within an integrated value-chain programme and used across selected towel ranges in Mr Price Home, Mr Price Sport, and Sheet Street.

SUSTAINABLE FORESTRY

The group sources wood- and plant-based materials from responsibly managed sources, supported by certifications such as FSC™ and PEFC™, and applied across selected bedroom and children's furniture ranges within Mr Price Home.

CLEANER PRODUCTION

This category includes supplier manufacturing processes that reduce environmental impacts through improved production practices, including reduced energy consumption, lower water use, reduced effluent and waste, and the elimination of harmful chemicals. These practices are supported by specialist assessments and recognised certifications such as Jeanologia technology®, OEKO-TEX®, and ZDHC, and apply to selected men's essentials ranges within the RT and Oakridge sub-brands of Mr Price Apparel and homeware bedding products.

4.1.2 ENERGY

ENERGY SAVING INITIATIVES

In FY2026, the group retrofitted 32 stores with LED lighting to improve energy efficiency, enhance lighting quality, and extend lighting lifespan. The group also works collaboratively with associates, landlords, and store operations teams to identify and implement measures to reduce overall energy consumption. This year, the group has commenced engagement with selected suppliers to assess energy management practices in the supply chain and to measure the associated carbon emissions.

The group continues to install inverter backup power at new stores and phase out generators, reducing its reliance on diesel and petrol generators.

RENEWABLE ENERGY

During FY2026, 1 502 174 kWh of renewable energy was generated across the group's head offices and DCs accounting for 21.6% of the group's total energy use (excluding stores). During the reporting period, Studio 88 commenced measuring renewable energy generation at its head office and DC.

The group's more than 3 000 stores, account for most of the direct operational energy consumption, limiting the ability to implement on-site renewable energy solutions. The group is developing a plan to integrate energy planning with emissions mitigation, ensuring that electricity demand, renewable energy opportunities, and mitigation investments are aligned with the emissions reduction trajectory of the group's Carbon Management Plan (see Climate Change on [page 33](#)).

Renewable Energy						
Site	FY2026		FY2025		FY2024	
	% of building's energy derived from solar	kWh	% of building's energy derived from solar	kWh	% of building's energy derived from solar	kWh
Mr Price Group head office	26.0	232 955	25.5	232 831	25.2	245 899
Hammarisdale DC	19.7	854 547	18.7	736 572	26.8	949 477
Studio 88 head office	28.5	414 672	N/A	N/A	N/A	N/A
Total	21.6	1 502 174	20.0	969 402	26.5	1 195 375

4.1.3 WATER USAGE

Water consumption at head office locations is monitored monthly to identify anomalies and potential inefficiencies. In the context of South Africa's ongoing water scarcity and water infrastructure challenges, the implementation of robust water-management practices remain a priority. In FY2026, total water consumption amounted to 25 822 kilolitres, representing an decrease of 3 601 kilolitres compared to the prior year. The Hammarisdale DC consumed 4 515 kilolitres of harvested rainwater which is 96.2% of its total annual use, thereby reducing reliance on scarce surface-based water sources. In product procurement, the group measures supplier performance of cleaner production processes and technologies aimed at reducing water consumption during manufacturing. Water consumption at store level remains minimal.

Water Usage (kilolitres)			
FY2026	FY2025	FY2024	FY2023
25 822	29 423	24 810	28 945

4.1.4 BIODIVERSITY

The group recognises the accelerating global decline in biodiversity driven by human activity, and the associated risks this poses to both business resilience and society. In response, the group continues to monitor developments under the Taskforce on Nature-related Financial Disclosures and science-based targets for nature in the fashion industry. Building internal understanding and capability is therefore essential to strengthening supply chain resilience to future nature-related risks. Through collaboration with key partners, including the WWF and the FSC, the group sources wood-based products from responsibly managed forests, supporting biodiversity conservation and reducing impacts on land and water ecosystems. In parallel, efforts to reduce plastic packaging contribute to mitigating pollution and protecting natural environments.

4.2 REDUCING AND STABILISING ENVIRONMENTAL IMPACT

4.2.1 PLASTICS

The group has made significant progress in eliminating single-use plastic shopper bags from all Red Cap stores, offering reusable or paper bags across its major stores*. In FY2026, 10.6 million fewer plastic bags were used by customers. This achievement is because of the continued customer collaboration and awareness driven by store associates at till points offering various bag options or no bag at all. In FY2026, customers opted for reusable bags, paper bags or no bags in over 85.9 million transactions, meaning 99.7% of all sales were completed without a single-use bag, an improvement of 13.4% year-on-year.

Reducing more than 85.9 million single-use plastic bags contributes to the objective of reducing environmental impact by lowering pollution, especially in vulnerable ecosystems like rivers, estuaries and oceans. In addition, all reusable bags and paper bags are locally manufactured in South Africa, supporting domestic production.

Since FY2023, over 245 million single-use plastic packets have been removed from circulation.

*Excluding Power Fashion and Studio 88

Mr Price, Mr Price Sport, Mr Price Home, Miladys and Sheet Street stores no longer offer single-use plastic bags, offering a combination of reusable and paper bags instead. In FY2026, Power Fashion and Studio 88 began offering reusable bags at select stores, with plans to expand alternate options next year.

The following alternatives are offered to customers:



Trading Division	Bag Options
MILADYS	Reusable and paper bags
	Only reusable bags
YUPPIECHEF	Only paper bags
	Reusable and plastic bags

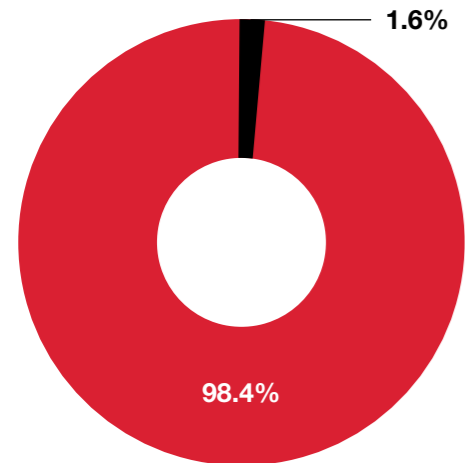
PRODUCT PACKAGING

The group continues to advance its plastic packaging reduction efforts. In FY2026, more than 78.9 million products were distributed without plastic packaging, representing a year-on-year improvement of 51.8%.

The group's product packaging comprises the following categories:

- Outer packaging - paper boxes and cartons in which products are transported
- Inner packaging - plastic packaging inside cartons used to protect products in the transport and distribution process
- Display packaging - packaging of products as bought by customers

Recyclability of packaging*



In FY2026, 98.4% of all inner, display and product packaging was recyclable, reusable, or incorporated recycled content, with recyclable plastic (including reusable) accounting for 74.3% of total packaging.

In alignment with South Africa's Extended Producer Responsibility regulations, the group collaborates with Producer Responsibility Organisations to source widely recyclable plastic materials locally, thereby supporting and strengthening domestic recycling capabilities. The group also contributes to waste and packaging advisory initiatives through its participation on PRO advisory boards.

Most plastic inner packaging comprises LDPE polybags, which are essential for product protection, logistics, and distribution and currently have no viable alternatives at scale. The group is testing alternative material such as paper polybags to reduce plastic and promote recyclability at end-of-life outcomes.

*Excludes e-commerce packaging



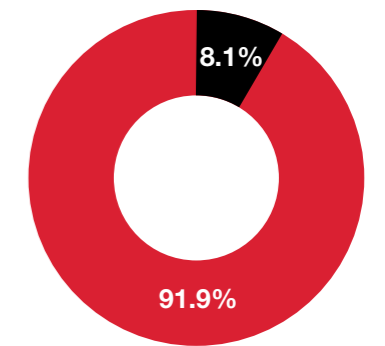
Studio 88 reusable shopper bag

4.2.2 WASTE AND RECYCLING

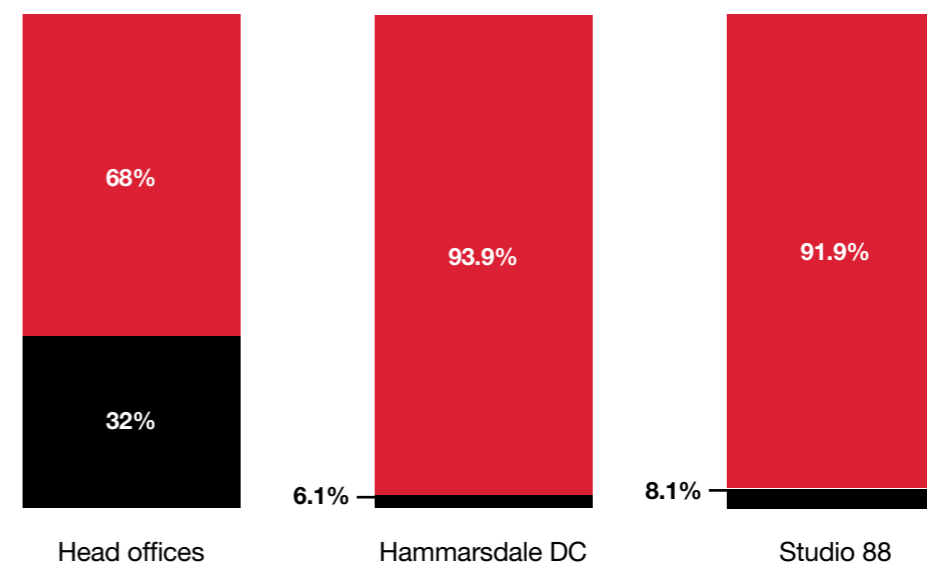
The group contributed to reducing landfill waste through recycling initiatives at its head office and DCs. As a result, 91.9% of the total measured waste generated at these sites was diverted from landfill and recycled.

Recycling is currently measured and reported at six sites: the group's Durban head office, Miladys head office, Power Fashion head office and DC (combined site), Mr Price Money head office and Studio 88 head office and DC (combined site). On site separation is done at Yuppiefchef but not formally recorded due to low volumes of waste. The total volume of recycled waste has increased from 1.6 million kgs to over 1.8 million kgs in FY2027, the percentage of total waste recycled at head office sites increased by 4.0% while the Hammarsdale DC has increased year-on-year for four years.

Waste generation and recycling performance are monitored and reported on a quarterly basis. Where recycling rates decline, targeted waste audits are undertaken to identify gaps and implement corrective actions. The group remains committed to the ongoing reduction of waste sent to landfill.



Waste recycling per location type



Total waste recycled: 1 857 516kgs

RECYCLING AT STORES

Waste generated at store level is not measured by the group, as waste management and recycling services are managed by shopping centre landlords. Stores are encouraged to implement responsible waste management practices, including the reuse and recycling of materials, the use of recyclable hangers, and the promotion of electronic receipts in place of printed paper dockets. Stores not located in shopping centres collaborate with both formal and informal recyclers to collect cardboard for recycling.

REUSE WASTE

The Hammarsdale DC reused more than 632 000 cardboard cartons, resulting in an 82.9% carton reuse rate and contributing to reduced packaging waste.

HAZARDOUS WASTE

Due to the nature of the group's operations, the generation of hazardous waste is minimal. Fluorescent tubes from the Durban head office are collected and recycled by an accredited service provider. During the reporting period, 175kg of fluorescent tubes were collected and responsibly recycled contributing 0.01% of total waste.

PAPER REDUCTION

Paper usage at store level continues to decline through ongoing e-docket initiative. Since 2016, the group has issued more than 121 million electronic dockets, significantly reducing the volume of paper receipts generated across its store network.

E-WASTE

E-waste generated at the Durban head office from technology hardware is sold to external buyers and associates, donated to charity, or responsibly disposed of by a specialist e-waste service provider who provides a certificate of destruction. Printer cartridges from stores are collected monthly and recycled into product material. During FY2026, 3 361 cartridges were collected from stores nationally and recycled.

4.2.3 CLIMATE CHANGE

Climate change presents risks to the natural resources used in the group's products, the communities in which it operates, and the resilience of its supply chain infrastructure. The group recognises the importance of mitigating its climate impacts and adapting to climate change as a key component of maintaining operational resilience and long-term sustainability. The group continues to monitor, significant climate developments in South Africa, and participates in platforms such as Business Unity South Africa (BUSA) subcommittees and stakeholder engagement on amendments to the greenhouse gas (GHG) reporting regulations. These developments are monitored on an ongoing basis, with readiness activities progressing accordingly. As part of the group's GHG reporting obligations, South African Greenhouse Gas Emissions Reporting System (SAGERS) and carbon tax submissions are compiled and reported annually to the relevant government authorities.

CLIMATE CHANGE PROCESS

The group completed its assessment of climate-related risks, developed a framework and implementation plan to guide response actions, and identified appropriate metrics and targets to inform the establishment of an emissions' baseline. In addition, the group has developed its carbon neutrality management plan as required by ISO 14068-1:2023, and the climate change action plan.

Given the complexity of the retail sector and its value chain, and the evolving nature of climate-related risks and impacts, the group has adopted an iterative approach to its assessment and implementation processes.

The group is progressively strengthening its understanding of climate-related risks and opportunities within the retail sector and applies a continuous improvement approach to refining its climate strategy. Emissions' reduction targets are intended to be realistic and decision-useful, supported by clearly defined operational actions that are integrated into business planning and agreed across relevant internal stakeholders. This approach ensures that climate-related considerations are embedded in strategic and operational decision making and are implemented in practice.

Given the far-reaching impacts of climate change on economic activities, communities, and the natural environment, the group recognises the need to implement climate actions that support a Just Transition and address value chain impacts. The climate action plan therefore considers the implications of climate change for associates, supply chain partners, and local communities.

POLICY STATEMENT

The group's position on climate change is aligned with its environmental policy, the key pillars of sustainability and the Together We Do Good purpose.

RISKS

The group's climate change risk and scenario analysis highlighted physical and transitional risks. These are listed in the table below:

Physical Risks	
Theme	Impact
Raw material production	<ul style="list-style-type: none"> Changes in temperature, precipitation patterns, and extreme weather events can affect the growth, quality and characteristics of certain crops and fibres such as cotton and other natural fibres
Manufacturing and logistics	<ul style="list-style-type: none"> Increasing tropical storms and/or flooding will negatively impact manufacturing, logistics and warehousing
Associates and suppliers	<ul style="list-style-type: none"> Extreme weather events present a safety risk for associates and workers in the supply chain at workplaces and whilst traveling to and from work
Merchandise supply	<ul style="list-style-type: none"> Seasonal climate shifts may influence customer purchasing behaviour
Transitional Risks	
Theme	Impact
Cross border carbon pricing	<ul style="list-style-type: none"> Increase in the costs of imported and/or exported merchandise
South African suppliers and customers	<ul style="list-style-type: none"> Climate change can negatively impact local production facilities and low-income consumers. Disposable income can be reduced through climate change impact (reduction in jobs, increase in food cost etc.)

These risks have been considered and are incorporated into the groups, enterprise risk management processes and in the group's response to climate change.

STANDARDS, TARGETS AND KEY ACTIONS

The group applied the ISO 14064-1:2018 standard in FY2023 to define emissions base year and to model provisional emissions-reduction targets aligned with a 1.5°C pathway under the Paris Agreement. This process established an indicative trajectory to guide emissions-reduction efforts to 2050.

The climate change action plan provides an implementation framework to support the reduction of the group's emissions and to identify and assess key interventions required to deliver on this trajectory.

Value Chain Action Plan					
Raw material	Product manufacturing	Packaging	Transportation	Own operations	Customer/End use
Key actions <ul style="list-style-type: none"> Source lower impact materials Increase use of raw materials from circular processes Assess impact on farm workers 	Key actions <ul style="list-style-type: none"> Conduct product carbon footprint analysis Identify energy reduction and renewable energy opportunities in value chain Assess impact on farm workers 	Key actions <ul style="list-style-type: none"> Reduce the impact of packaging - reduce, reuse, recycle Packaging optimisation 	Key actions <ul style="list-style-type: none"> Explore viable options for less carbon intensive transportation alternatives Transportation route efficiencies and optimisation 	Key actions <ul style="list-style-type: none"> Convert all stores to LED lights Explore renewable energy opportunities (including wheeling) Explore using biodiesel for generators 	Key actions <ul style="list-style-type: none"> Wash care instructions at 30°C and below Return plastic packaging for circular processes

Value Chain

Note: Implementation has started with all actions in green

CHALLENGES AND LIMITATIONS

The group's ability to achieve a net zero carbon emission target is limited by systemic factors such as energy generation using coal and fossil fuels in countries of both operation and manufacturing. In addition, electric vehicles requiring battery backups necessitate renewable energy for emission reductions to be realised.

The group has limited influence over upstream production of tier 3 and 4 suppliers and requires access to data relating to supplier production processes and materials outside of its direct control. As such, Scope 3 base year data currently reflects high-level assumptions aligned with the GHG protocols. This year, the group collected primary data from selected suppliers to accurately measure and reflect their impact and reduction efforts. The group aims to extend the collection and reporting of environmental data from suppliers and to collaborate in exploring reduction opportunities.

The group is committed to act on reducing the carbon emissions in its direct control and to work through collaborative structures to influence systemic change where necessary.

In addition, the group monitors and incentivises suppliers, through its balanced supplier scorecard, to promote products with sustainable material attributes and cleaner production practices. The sourcing of these products supports the reduction of GHG emissions across the value chain.

4.2.4 GHG EMISSIONS

The group's carbon footprint was calculated in accordance with the revised Greenhouse Gas Protocol: Corporate Accounting and Reporting Standard. In FY2026, Scope 1 and Scope 2 emissions were calculated using operational data from South African business activities, excluding Studio 88. The carbon footprint calculation was additionally subject to independent third-party review.

The group has established its GHG emissions baseline and modelled preliminary emissions-reduction pathways aligned with limiting global warming to 1.5°C by 2030 and 2050, in accordance with the Paris Agreement. Calculated Scope 3 emissions account for approximately 86.2% of the group's total emissions, highlighting the importance of value-chain engagement. The group will continue to identify and prioritise Scope 3 mitigation interventions as part of a climate change action plan. The table below presents Scope 1, Scope 2, and estimated Scope 3 emissions.

Scope Emissions (tCO ₂ e) and Percentage Contribution										
	FY2026		FY2025		FY2024		FY2023		FY2022	
Scope 1	2 567	0.3%	2 809	0.5%	4 044	0.6%	2 932	0.5%	2 350	N/A
Scope 2*	111 568	13.4%	100 197	19.4%	101 033	16.0%	102 692	15.9%	82 894	N/A
Scope 3	714 561	86.2%	413 448	80.1%	526 435	83.4%	542 284	83.7%	N/A	N/A
Total emissions	828 696		516 454		631 512		647 908			

*Note: The group historically used the emission factors published in the Eskom annual reports for calculating and reporting Scope 2 emissions under the location-based approach. In 2025, the group migrated to using the National Grid emission factor as published by the Department of Forestry, Fisheries and the Environment (DFFE) to guide the carbon footprint calculation. For consistency, however, we have decided to revert to and continue using the Eskom reported value until an official national grid emission factor is published. We will consider the option to report market-based Scope 2 emissions reporting when opportunities to expand our Scope 2 activities to include the use of market instruments and renewable electricity procurement mechanisms have reached the necessary level of maturity in the future.

Key Scope 1 and 2 reduction actions

A significant transition from diesel-powered backup generation to inverter systems has contributed to a reduction in Scope 1 emissions in FY2026. Scope 2 emissions increased due to the net addition of 101 stores (excluding Studio 88) during the reporting period. Older stores using less efficient lighting technologies continue to contribute to a higher carbon footprint and are targeted for revamps. In parallel, the group is developing an integrated energy plan and a Scope 2 emissions decarbonisation strategy. The group will also establish baselines to enable targets for internal KPI measurement and reporting.

Scope 3

Production of goods and services in the supply chain

Data collated on the production of goods and services enabled the group to update its Scope 3 accounting methodology from a spend-based approach to a material-based approach for its category 1 calculations. A material-based approach provides a more accurate estimate of Scope 3 Category 1 emissions because it is based on the actual quantities and types of garments, fabrics, and materials purchased (e.g. cotton, polyester, wood), rather than the amount spent on them. It allows the group to reduce emissions by sourcing lower-carbon materials and products, whereas a spend-based approach can be distorted by price fluctuations, exchange rates, and inflation. In using this approach, carbon emissions reflect as higher than reported in previous reporting periods. In FY2026, the group partnered with an external service provider to conduct a pilot LCA on selected apparel and homeware products. The assessment evaluated the environmental impacts of these products, including climate change-related emissions, in accordance with ISO 14040 and ISO 14044 standards. The initiative aims to support improved understanding of Scope 3 emissions related to the production of goods across the value chain and will inform future efforts to enhance product sustainability and value-chain transparency. This work will be extended to other products in FY2027. Please see the LCA case study on [page 23](#).

Energy efficiency

The group has commenced the assessment of energy consumption and efficiency at selected supplier facilities. This initiative supports the group's Scope 3 emissions reduction efforts by establishing supplier-level energy baselines, improving visibility of upstream energy use, and identifying opportunities for efficiency improvements. These actions are intended to contribute to future Scope 3 emission reduction efforts while also enabling potential cost and energy savings for suppliers.

Scope 1 and % contribution (Direct emissions): These emission sources include diesel generators, air-conditioning systems (where data is available), and fuel consumption. In FY2026, a reduction of 242.1 tCO₂e in Scope 1 emissions was achieved.

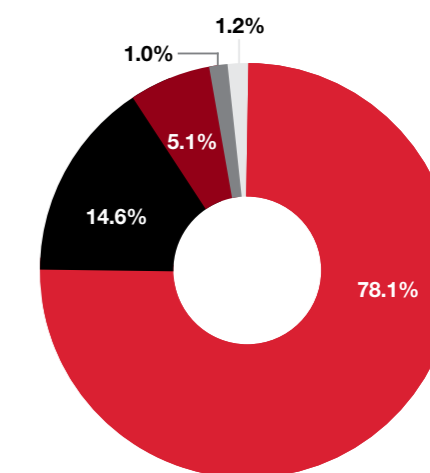
Scope 2 (Energy indirect emissions): This category includes all energy consumption across retail operations, including stores, distribution centres, and head offices. During the reporting period, Scope 2 emissions increased by 11 371 tCO₂e.

The watts/sqm were 14.2 for FY2026 at store level. The group monitors and reports energy performance on a quarterly basis.

Scope 3 (Other indirect emissions): These emissions represent the largest component of the group's greenhouse gas (GHG) inventory, accounting for 86.2% of total emissions, equivalent to 714 561 tCO₂e in FY2026. The group has quantified emissions across the following Scope 3 categories, reflecting their respective contributions to overall emissions.



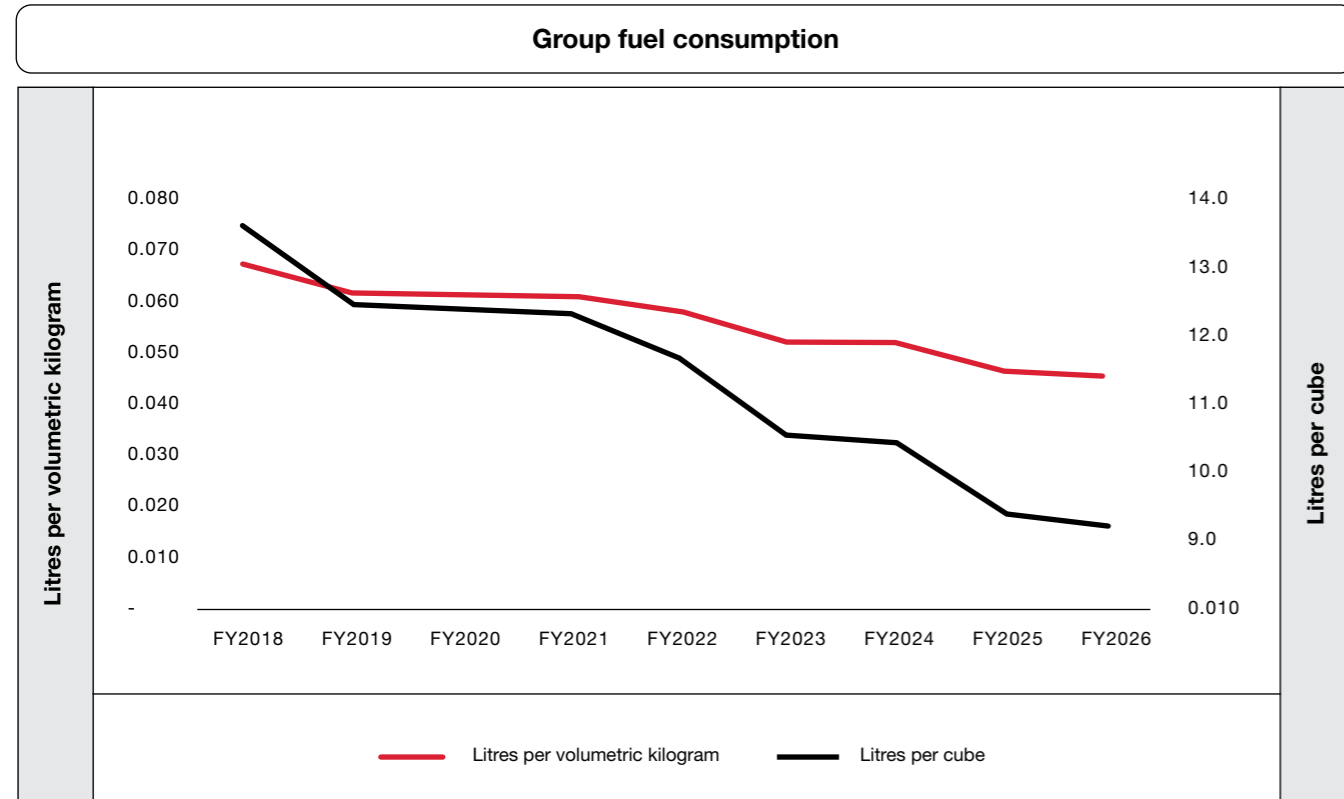
Scope 3 breakdown



- Production of purchased goods
- Upstream transportation and distribution
- Employee commuting
- Fuel and energy related activities
- Business travel

4.2.5 LOGISTICS AND SUPPLY CHAIN

The group’s logistics partner sustained its focus on fuel efficiency improvements through targeted initiatives and projects. The current reporting period reflects improved fuel consumption performance compared to the limited progress observed in previous years. Fuel consumption measured by litres per volumetric kilogram has reduced by 2.2% to 0.05% in FY2026, while fuel consumption measured in million litres has reduced by 1.6 million litres from FY2018 to FY2026. There has been improved linehaul truck utilisation, from 83.6% in FY2025 to 84.7% in FY2026, which reduces kilometres per volumetric kilogram.



The initiatives being employed by the group’s logistics partner to improve their sustainability which contributes to the reduction of the group’s Scope 3 carbon footprint include the following:

- Ongoing driver training as well as innovative fleet initiatives are also employed wherever possible to ensure the most efficient general use of all vehicles utilised across the business to reduce fuel consumption and keep maintenance and the associated impacts of this maintenance on the environment, down as low as possible
- Continuously optimises delivery routes using operational data to minimise total kilometres travelled while maintaining high service levels
- Network configurations are regularly reviewed and adjusted to improve overall efficiency and service delivery performance
- Continued investing in renewable energy solutions, with solar installations operational at its Centurion and Durban depots and a further installation underway at the Gosforth Park site. These initiatives support operational resilience, reduce reliance on diesel generators during load shedding and municipal supply disruptions, and contribute to longer-term cost efficiency and environmental performance
- During the reporting period, the group’s logistics partner undertook electric vehicle trials to assess their feasibility as part of a broader transition toward lower-carbon transport solutions. Initial findings indicate potential reductions in greenhouse gas emissions and operating noise compared to conventional vehicles, while infrastructure availability, charging requirements, and capital costs remain key considerations for future scalability





PART 5: SOCIAL

OVERVIEW

The group's social responsibility objectives are focused on the broader impacts of its operations on its stakeholders. It aims to create value and make a meaningful impact through relationships with associates, customers, suppliers, and communities.

SDGs 1, 2, 3, 4, 8, 10, and 17, together with UNGCP 1 to 6, continue to guide and inform social sustainability objectives.

To achieve the Together We Do Good social purpose, the group focuses on these key objectives: education development, skills development and entrepreneurial development (via Mr Price Foundation), associate well-being and development (via the People Centre of Excellence), and social value chain development (impacting suppliers, their workers, and communities).



KEY SOCIAL ACHIEVEMENTS FOR FY2026:

Sustainable indicator	SDG	FY2026 actuals
Employment opportunities	8 DECENT WORK AND ECONOMIC GROWTH	33 669 employed
Employment equity (ACI)		97.6%
Factory visibility	10 REDUCED INEQUALITIES	97.6%
Percentage of factories audited		92.7%
Investment in supplier development	17 PARTNERSHIPS FOR THE GOALS	R37.5m
Preferential procurement		20.61 points (forecast)

KEY ACHIEVEMENTS

mr price foundation

Skills Development

R28.3 million
invested in skills development

5 811
Mr Price Foundation skills development placements within Mr Price Group

616
Mr Price Foundation skills development placements with partner organisations

847
Mr Price Foundation skills development placements elsewhere

Entrepreneurship Development

R4.8 million
invested in youth entrepreneurship

1 241
development beneficiaries

184
total jobs created

27
businesses funded

Education Development

R6.1 million
invested in education

14 983
school learners benefited

32
schools participated

404
educators impacted

MR PRICE FOUNDATION

As the custodian of key elements of the social pillar to support the Together We Do Good purpose, the Foundation plays a central role in driving the group's social responsibility strategy. Through a focused and impact-led approach, Mr Price Foundation advances youth empowerment across three strategic pillars: Skills Development, Entrepreneurship Development, and Education Development, all aligned to its 2035 ambition of empowering 500 000 young people.

FY2026 was both a pivotal and transitional year, following the launch of the Foundation's new 10-year strategy setting a new base from which progress will be measured. Supported by the group's funding commitment of 1% of net profit after tax, the Foundation dedicated R39.2 million towards youth development initiatives. In addition, operating as an independent NPO, the Foundation strengthened its sustainability by actively driving external fundraising and securing partnerships with like-minded organisations to scale its impact.

During the year, the Foundation prioritised building scalable and measurable programmes. Under its Entrepreneurship pillar, it launched bold new initiatives, creating viable pathways for young entrepreneurs through strengthened capacity and enterprise support. Within Education, the Foundation began repositioning its approach with continued focus on educator support as a lever for improved youth outcomes. In Skills Development, significant progress was made in redesigning programmes to better align with market-driven job demand, ensuring that young people are equipped with relevant, employable skills.

In the first year of the revised strategy's implementation, the Foundation:

- Impacted 14 983 young people through targeted education development programmes
- Secured three strategic partnerships to support programme delivery and scale
- Supported over 70 NPOs through product donations, helping bridge socio-economic gaps in underserved communities

This year set the trajectory for accelerated impact, as the group advances its goal of empowering 500 000 youth by 2035.



Student beneficiaries at the Mr Price Foundation school handover

Further details can be found in Mr Price Foundation's integrated report at www.mrpricefoundation.org. To donate to Mr Price Foundation, please visit www.mrpricefoundation.org or scan the QR code below or make a donation at selected stores.



Mr Price Foundation graduation

5.1 EDUCATION DEVELOPMENT

During the year, education initiatives were repositioned to more directly support youth empowerment outcomes, ensuring closer alignment with the Foundation's overarching strategy. In parallel, educator development and support were identified as a key strategic lever to strengthen long-term learning outcomes and enable meaningful progression for youth.

The Foundation invests in education to improve access, retention and learner success, supporting young people to develop the skills and capabilities needed to participate meaningfully in the economy.

Total investment in education development was R6.1 million across all Mr Price Foundation programmes.



5.2 SKILLS AND ENTREPRENEURIAL DEVELOPMENT

The group's annual support of the Foundation's skills development initiatives supports its goal of reducing the gap between education and income generation through employability and entrepreneurship.

Total investment in youth empowerment development was R32.8 million across these programmes, with R28.2 million allocated to skills development and R4.8 million to entrepreneurship development.



Skills Development

- Programme design and delivery were intentionally aligned to employer demand, strengthening pathways into sustainable employment and improving job-readiness outcomes
- Introduced niche, industry-specific skills development, including the launch of a pattern-making cohort, to respond to evolving sector needs

Entrepreneurship Development

- Established a more structured and segmented entrepreneurship pathway, recognising that entrepreneurs at different stages require tailored support interventions
- Launched new flagship programmes that create viable opportunities for young entrepreneurs, strengthening capacity and enterprise support
- Prioritised building an evidence-based, scalable enterprise development model, with a focus on strengthening the broader entrepreneurship ecosystem and unlocking sustainable livelihoods
- The entrepreneurship programmes unlocks young entrepreneurs' economic potential through skills workshops, business coaching, mentorship, investor-readiness support, and practical tools. It includes wastepreneur incubation, Grassroot, and HandPicked programmes. UpLift collaborates with partners to identify opportunities in emerging sectors

Education Development

- Repositioned education initiatives to directly support youth empowerment outcomes, ensuring stronger alignment with the Foundation's overarching strategy
- Continued educator development and support as a key strategic lever to enhance long-term learning outcomes and drive meaningful youth progression

5.3 BEING A MR PRICE GROUP ASSOCIATE

For forty years, the group's unique culture has been a strategic differentiator and defining strength driving its success. Its culture and people practices are core enablers of long-term value creation and organisational resilience.

Anchored in the values of Passion, Value and Partnership, the group's culture places associates at the centre of its strategy and enables consistent performance delivery. The people strategy supports sustainable performance through wellbeing, capability development, inclusion and accountability, building a diverse, capable workforce and a strong leadership pipeline aligned to the group's growth strategy.



The group has retained its **Top Employer certification for FY2026**, positioning the organisation as an employer of choice in the retail sector.



**My mr price.
My future.**

It's not just about the price, it's about the people.



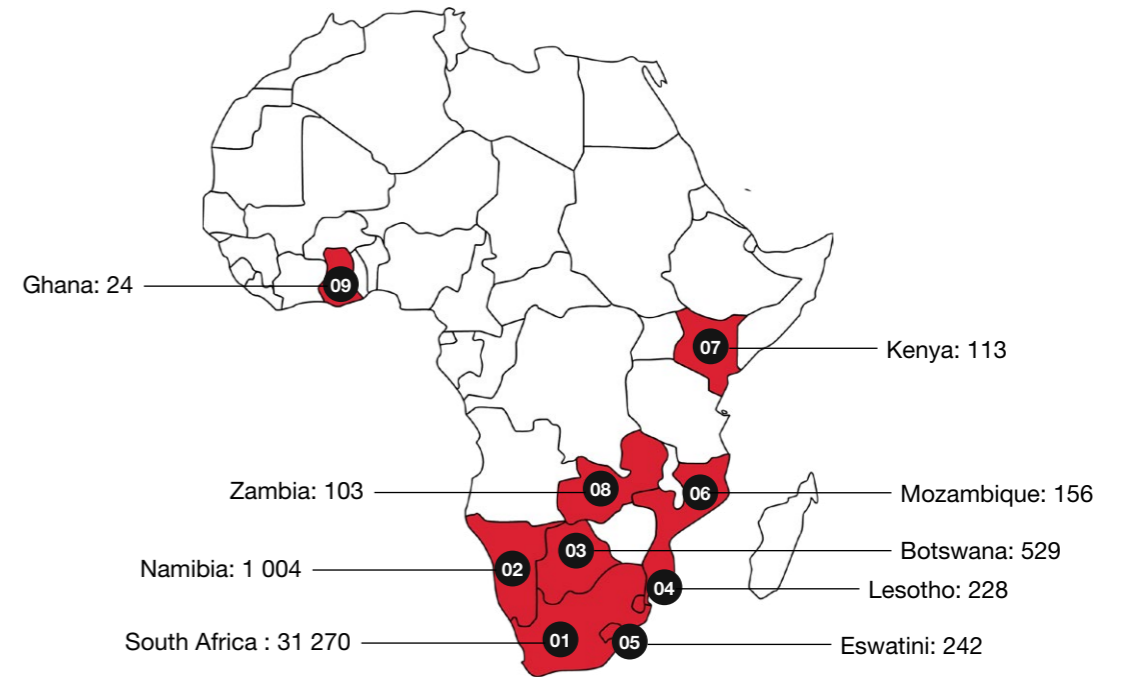
As co-owners in this group, we can build an incredible future together

Let's create an environment where people belong, come alive, connect and work with purpose. A place where we enjoy delivering outstanding value, think big, push the boundaries to do amazing things and take extreme ownership of everything we do.

ASSOCIATE PROFILE

The group operates across nine countries and employs 33 669 associates in both full-time and temporary roles. Since FY2022, the workforce has grown by 45.3%, including a 2.8% increase in FY2026, in line with the group's growth strategy.

Number of associates per country



Group headcount	FY2026 vs FY2025	FY2026	FY2025
South Africa workforce	↑	31 270	30 457
Rest of Africa	↑	2 399	2 303
Total headcount	↑	33 669	32 760

Associate profile	FY2026 vs FY2025	FY2026	FY2025
Permanent staff	↓	88.1%	91.5%
Temporary staff	↑	11.9%	8.5%
Female representation	↓	64.2%	64.3%
Male representation	↑	35.8%	35.7%
Average associate age	↑	31 years	32 years
<30 years	↓	47.0%	47.8%
>30 to 50 years	↑	50.3%	49.7%
>50 years	↓	2.7%	2.5%
Permanent staff turnover rate	↑	17.8%	19.7%
Voluntary	↑	55.6%	56.9%
Involuntary	↓	45.4%	43.1%
Permanent staff average length of service	↑	4.8 years	4.4 years

ASSOCIATE WELLBEING AND DEVELOPMENT

5.3.1 ASSOCIATE WELLBEING

The group supports associate wellbeing by creating an environment in which associates can thrive at work and in life. Wellbeing is a core component of the group's Social (S) ESG commitment, a strategic focus and it is part of the 'Thrive' pillar of its Employee Value Proposition (EVP), reflecting the link between holistic support, sustainable performance, workforce resilience and long-term value creation. Associate feedback, gathered through the annual engagement and pulse surveys, informs the ongoing development of relevant and responsive wellbeing initiatives.

Thrive: wellbeing, flexibility and balance

We support your wellbeing and create space for what matters so you can thrive at work and in life.

PHYSICAL

Promoting physical wellbeing through preventative health screening, on-site healthcare support, subsidised healthy meals and discounted gym membership. In FY2026, nutrition and fitness coaching initiatives were introduced to support and cultivate healthy habits and sustained performance.

MENTAL

Supporting mental wellbeing through group counselling, monthly mental health talks and access to confidential emotional wellness assessments with referral to individual telephonic or virtual counselling, supporting early intervention and workforce resilience.

WELLBEING

FINANCIAL

Supporting financial wellbeing through budgeting and debt-management support, annual financial wellness weeks, monthly financial education sessions.

SOCIAL

Supporting connection and positive relationships among associates, with social wellbeing further reinforced through participation in Foundation-related initiatives that enable associates to contribute to their communities.

Through the participation of our Champions (ambassadors) we have witnessed a positive shift in the uptake and impact of our initiatives.



LEADERSHIP WELLBEING

In its second year, the group's Leadership (Executive) Wellbeing Programme, delivered in partnership with Discovery Health, was refined based on feedback from the inaugural year. Enhancements included the introduction of cancer screening to support early detection. Participants received individualised health reports outlining preventative and remedial actions, supported by appropriate referral pathways.

The programme reinforces a proactive and sustainable approach to leadership wellbeing, enabling leaders to take ownership of their health and model behaviours that support performance, engagement and retention across the group.

There is improved awareness and prioritising of wellbeing in our leaders, which is evident in this years results.

PARENTAL SUPPORT

Over the years, the group has supported early and school age education through the provision of bursaries to the children of permanent associates. The programme has enabled 294 beneficiaries to access primary and secondary education, contributing to educational continuity within the communities where the group has a presence.

LEAVE AND WORKING HOURS

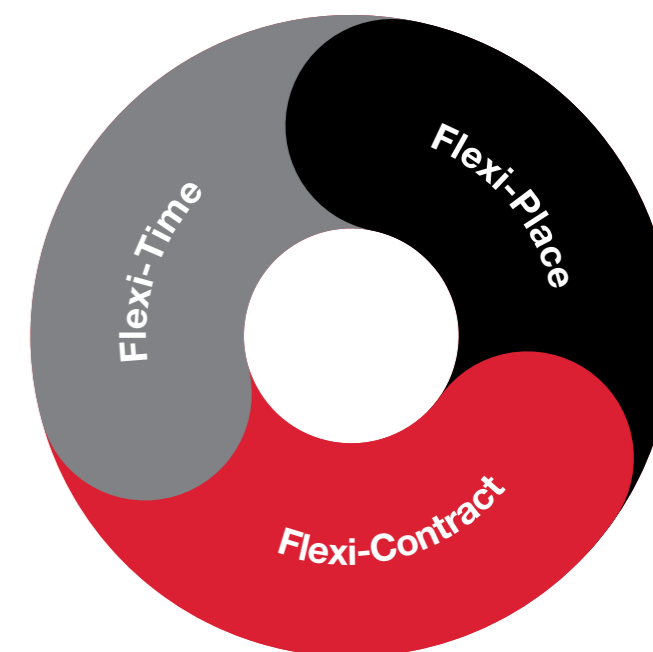
In line with its commitment to responsible employment practices, the group complies with all applicable labour legislation and provides paid leave benefits to permanent and fixed-term employees to support associate wellbeing and work-life balance. Leave entitlements vary by role, tenure and jurisdiction, in accordance with local requirements and group policy. Associates are encouraged to utilise their leave, recognising rest and recovery as essential to wellbeing and sustained performance. In addition, the group offers leave beyond statutory requirements, including additional tenure-based leave and time off to participate in provincial or national sporting events, supporting a balanced approach to work and personal interests.

Leave style	Mr Price Group provision (South Africa only)	Legislative provision
Paid time off	15 days per annum After 5 yrs of continuous loyal service, associates are afforded additional 5 days	Annual paid time off granted in line with the Basic Conditions of Employment Act. Additional annual paid time off granted in terms of group policy
Sick leave	30 days per 3-year cycle	Paid time off work for associates to recover from ill health or injury granted in line with the Basic Conditions of Employment Act
Parental leave (includes maternity, paternity, adoption and commissioning leave)	Up to 4 months and 10 days	Leave granted to parents following the birth of a child, or adoption of a child granted in line with the recent Van Wyk and Others v Minister of Employment and Labour Judgment pending amendment to the Basic Conditions of Employment Act
Family responsibility leave	3 days per annum	Paid time off granted to associates in the event of illness of their child, death in their immediate family (spouse, life partner, child, adopted child, parent, adoptive parent, sibling, grandparent or grandchild) granted in line with the Basic Conditions of Employment Act
Study leave	Up to 8 days per annum	Special leave granted to associates to study and write examinations in terms of group policy
Relocation leave	2 days (once-off), for associates to settle into their new environments	Special leave to associates who relocate at the request of the group granted in terms of group policy
Sports leave	Up to 10 days per annum	Special leave granted to associates who have been selected to represent the Company or country at National or Provincial sporting events in terms of group policy
Directors' uncapped leave	Unlimited with a minimum of 15 days required per annum	Unlimited paid time off granted for directors, (more than the provision in the Basic Conditions of Employment Act) in terms of group policy
Half-day Friday	Half day on the last Friday of each month for head office associates, which equates to 6 days throughout the year	Special leave granted as part of Associate Wellness

*Leave legislation varies by country and leave type and duration for associates outside of South Africa may vary.

FLEXIBLE WORK ARRANGEMENT/PRACTICES

The group recognises flexibility and ownership over work schedules as an enabler of engagement and wellbeing. In 2021, a flexible work policy was introduced for support centre associates which remains in place. Associates may elect the place, time and contract type best suited in support of work-life balance while remaining aligned and accountable to business needs. This policy is monitored closely to ensure that desired performance outcomes are still met, productivity and engagement data is tracked and used in managing the policy in a way that delivers the best outcomes for the associate and organisation.

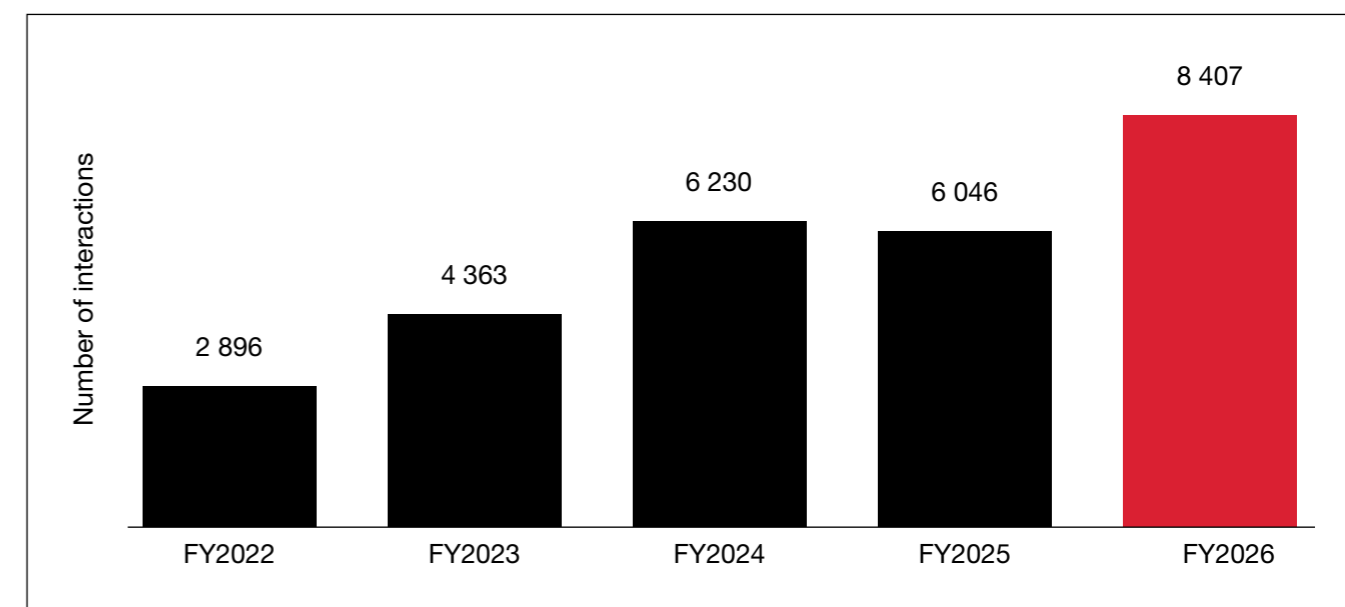


- Ownership to choose where you work from (office, remote or hybrid)
- Self-initiated contract changes (FTE)
- Flexibility to choose the start and finishing times whilst observing core office and meeting times

EMPLOYEE ASSISTANCE PROGRAMME (EAP)

In support of associate health, safety and wellbeing, the group continues to provide access to an Employee Assistance Programme (EAP) for all associates and their immediate families. The programme offers confidential professional support across four wellbeing pillars (see page 45) with a focus on preventative care, early intervention and appropriate referral where required. During the reporting period, the EAP recorded 8 407 interactions, reflecting its role in promoting wellbeing and supporting sustained workforce participation.

Employee assistance programme interactions



OCCUPATIONAL HEALTH AND SAFETY

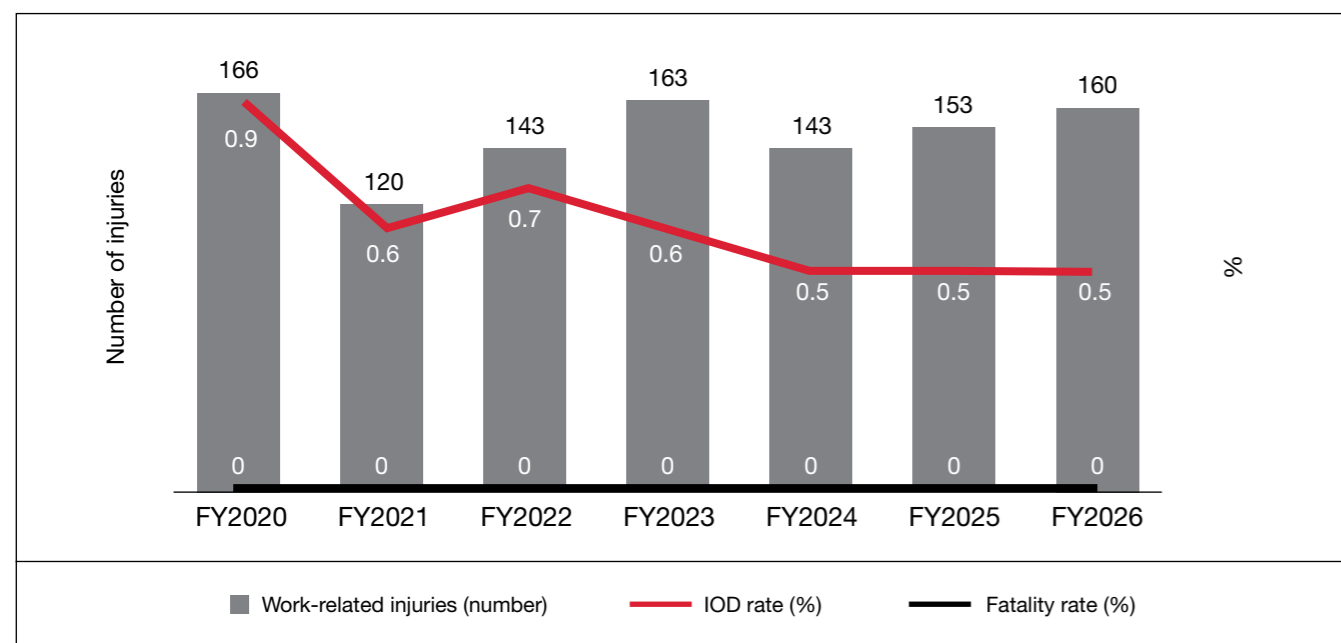
The group remains committed to associate and partner wellbeing and safety through compliance with the Occupational Health and Safety Act (OHS), 85 of 1993, as amended and the Compensation for Occupational Injuries and Diseases Act (COIDA), 130 of 1993. This commitment is underpinned by a strengthened Occupational Health and Safety (OHS) Policy and governance framework, with end to end administration supported by an independent external service provider.

Leadership accountability has been reinforced through the appointment of divisional managing directors as section 16(2) appointees, following legal liability training. Oversight is retained by senior management and supported by a dedicated occupational health and safety (OHS) specialist, OHS committee and a network of OHS representatives which includes first aiders, fire marshals and health and safety representatives across the business. Management ensures that appointed representatives are available to fulfil their OHS responsibilities as part of their day to day activities.

Associate participation in OHS is also entrenched at support centre and operational level. At an operational level, store managers and OHS representatives are required to facilitate monthly town hall sessions with associates to drive a culture of safety and shared accountability.

In FY2026, no work related fatalities or serious incidents were recorded. A total of 160 work related injuries were reported. No material non-compliance issues were identified. A total of 2 140 associates completed health and safety training.

Work-related injuries trend



ASSOCIATE DEVELOPMENT

Training and development are governed through a formal, group-wide learning and development framework aligned to the People Strategy and long-term business objectives. Strategic training needs are identified annually through workforce skills plans, leadership capability requirements, transformation priorities and organisational risk considerations. Training programmes target critical roles and future focused skills, while baseline learning opportunities are available to all associates to support inclusive capability development.

Oversight of training and development is embedded through executive accountability and structured monitoring. Delivery is enabled through centrally governed digital learning platforms, ensuring consistent access across geographies and scalable implementation. Training coverage and effectiveness are monitored using defined metrics, including participation and completion rates, with outcomes used to inform continuous improvement and allocation of training investment. Targeted role-based training, including leadership, compliance and cyber security awareness, is implemented to support operational resilience and risk mitigation.

Grow: learning, development and career opportunities

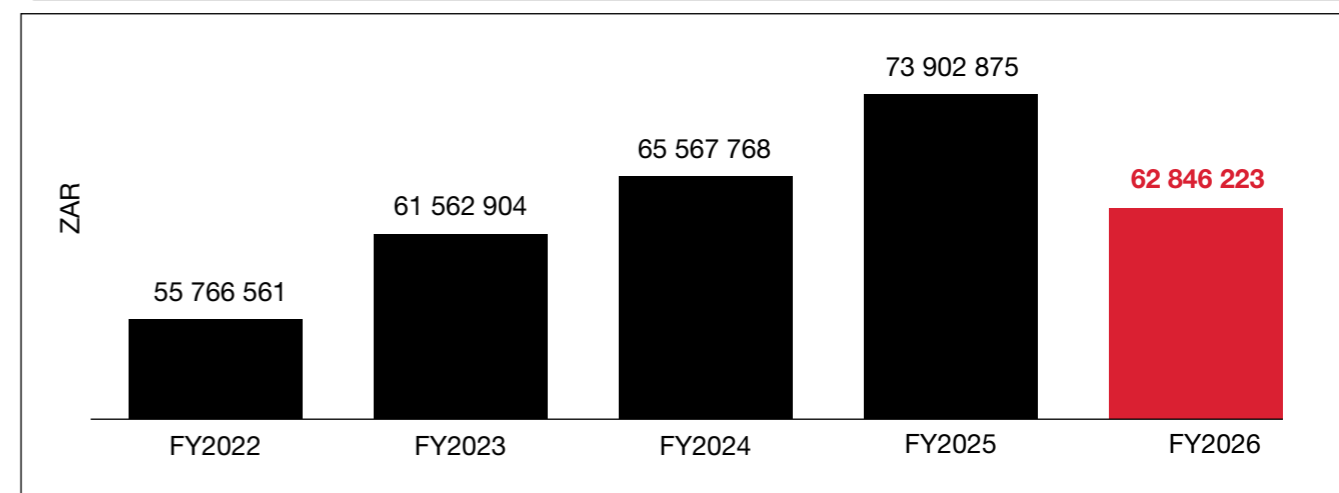
We invest in your growth with tools, support and opportunities to build your career.

INVESTMENT IN ASSOCIATE DEVELOPMENT

In FY2026, targeted upskilling initiatives prioritised operational resilience, digital capability and governance maturity. The deployment of the Oracle learning management system across more than 141 African stores enhanced access to on-demand learning across geographies, while structured cybersecurity awareness programmes were rolled out across store operations with further expansion planned for distribution centres. Ethics, risk and regulatory compliance training continue to be delivered primarily through digital platforms, enabling scalable and consistent reach. Overall investment in Learning and Development declined in FY2026, reflecting trade offs made due to constrained budgets and an increase in online training options that are more affordable and have a larger reach than in person training.

The group's My Growth Journey was expanded to include distribution centre associates and cross border stores and was delivered through showcases, webinars and in-person sessions, reaching 2 736 participants. Active senior leadership involvement reinforced accountability for capability development and internal talent progression.

Investment in learning and development



MERCHANT DEVELOPMENT

As a strategic training solution, the merchant development trainee programme addresses scarce and critical retail buying and planning skills that are central to the group's operating model and long term value creation. The programme strengthens the internal capability pipeline through structured development and targeted exposure to sustainability, supply chain, distribution and manufacturing environments, directly mitigating workforce risks associated with skills scarcity in key merchant roles.

240 Trainee merchants have been developed over **5 years**.

By building deep, end-to-end merchant capability, the programme supports succession planning, internal mobility and leadership readiness, reducing reliance on external talent pools and supporting transformation objectives. Learning solutions are continuously refined across proficiency levels, from trainee to management roles, to remain aligned to evolving commercial, digital and talent requirements.

To strengthen decision making capability within the merchant function, a Merchant Business Intelligence reporting platform was implemented across the group (including acquisitions), supported by a formally designed, role specific online training course that replaced previously informal learning. The intervention equips merchant teams with consistent, on demand insights to support data led planning and performance decisions. Further online training was developed to support adoption of an enhanced merchandise financial planning system, with 32 planning managers and executives and 235 end-users completing the intervention.

This programme forms a key mitigating action in the group's people risk management approach, supporting workforce sustainability, critical skills risk and succession planning.

LEADERSHIP DEVELOPMENT

Building leadership capability remains central to achieving the group’s vision of becoming Africa’s most valuable retailer. Leadership development is delivered through a structured Leadership Framework, combining digital and classroom-based learning to build core competencies across the leadership lifecycle. The framework provides a consistent roadmap for leadership expectations, behaviours and capability development, supported by targeted programmes aligned to the group’s strategy and values.

To accelerate middle-management capability, a group leadership KPI was cascaded to divisional managing directors with the target achieved, as 70% (502 leaders) completed core leadership modules in the financial year. Capability was further strengthened through focused programmes in fair and equitable recruitment, coaching led performance enablement, and inclusive leadership, reinforcing behaviours that support belonging, fairness and psychological safety.

The leadership development journey was strengthened through the launch of Leader DNA behaviours, which included the participation of approximately 500 leaders in-person and online. This established a consistent, group wide framework for leadership expectations, supported by structured peer mentoring and learning resources, strengthening leadership capability, accountability and succession.

This initiative was further reinforced through storytelling during Women’s Month, where an all-female executive panel shared personal perspectives on living the Leader DNA and navigating leadership challenges.



MENTORSHIP

Mentoring is embedded as a group-wide leadership development mechanism through two centrally governed programmes: general and strategic mentoring, overseen by the group’s Talent Effectiveness function. General mentoring is available to all support centre associates, providing access to mentors across key functional and leadership capability areas, while strategic mentoring focuses on building future leadership capability in support of succession planning and critical future skills.

To strengthen programme effectiveness, an online course equips mentors and mentees with a shared framework, clear expectations and core mentoring skills. This structured approach supports equitable access to development opportunities and advances the group’s transformation objectives.

Programme / module	No trained / participation	% ACI	% Female	Development outcomes
International Leadership Development Program (ILDP)	10	100	60	Research Methods, Financial and Management Accounting, Microeconomics, Ethics and Sustainability, Macroeconomics, Operations Management, Marketing, Innovation and Critical Thinking, HR Strategy, Organisational Behaviour, Strategy in a Digital Age
Retail Management Development Program (RMDP)	24	96	50	Leadership, Communication, HR Management/ People Practice, Finance and Accounting, Marketing Management, Operations Management, Economics of Emerging Markets, Strategy and Innovation, Project Management
Living & Leading through DEIB	664	97	88	Foundations of DEIB, Inclusive Communication Skills, Building Cultural Intelligence and Empathy, Reflection on Personal Experience and Impact, Taking Action and Driving Change
Leading People: Recruitment	226	72	50	Fair and Equitable Recruitment, Unconscious Bias Awareness, Ethical Hiring Practices, Employment Equity Compliance
Leading Through Coaching	265	59	62	Coaching Mindset, Effective Conversations, Effective Listening, Questioning and Feedback Techniques, Individual Development, Team Performance Enablement, Action Orientation
LEAD: Inclusive Leadership	29	55	48	Understanding the Business Case for DEIB; Inclusive Leadership Framework (Curiosity, Cultural Intelligence, Collaboration, Commitment, Courage, Cognisance); Building a Culture of Belonging; Action Planning

SETA FUNDED DEVELOPMENT PROGRAMMES AND LEARNERSHIPS

The group participates in SETA accredited development programmes, including the Retail Management Development Programme (RMDP: NQF Levels 5-7) and the International Leadership Development Programme (ILDP: NQF Level 8), supporting leadership pipeline development and transformation. Participation has remained stable, with RMDP and ILDP participants and strong transformation outcomes achieved, with the majority of graduates being ACI.

In partnership with the various SETA’s, the group also delivers learnerships across store and contact centre operations, distribution centres, technology and support functions, supporting skills development, employment equity and workforce readiness. While overall participation declined in FY2026 due to regulatory and qualification changes, focus shifted to higher level, business critical qualifications to strengthen internal capability and employability. Collectively, these initiatives support skills development, succession planning, advancing transformation and long-term workforce sustainability.



Learning participation	FY2026	FY2025	FY2024	FY2023
Total number of employed learners participated	848	909	1 170	890
Total number of unemployed learners participated	326	359	329	312
Total learnership participation	1 174	1 268	1 499	1 202
Unemployed learners living with disabilities	244	285	329	312

ASSOCIATE ENGAGEMENT

Associate engagement is grounded in a strong sense of belonging and the group's unique culture, which is intentionally designed to create inclusive, respectful environments where associates feel supported and able to contribute meaningfully. This approach reflects the group's People Strategy and EVP, underpinned by the 'Belong' pillar, which recognises engagement as extending beyond performance outcomes to the quality of everyday work experiences. Creating inclusive and connected environments where different perspectives are valued supports openness, trust and a shared sense of belonging.

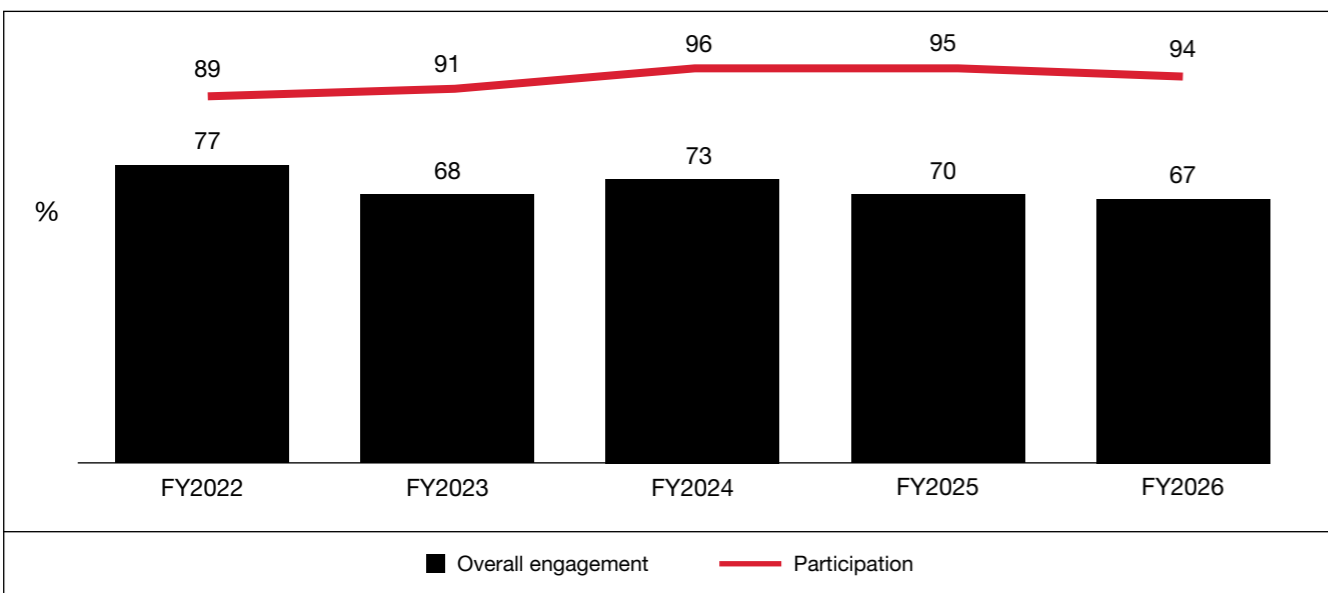
Engagement is measured through the annual associate engagement survey, supported by pulse surveys conducted during the year to track progress and inform action plans. These assessments incorporate the Gallup Q12 methodology, complemented by questions on inclusion, wellbeing and purpose. In FY2026, the Burnout Assessment Tool (BAT4) was introduced to support early identification of burnout risk and enable timely intervention.

In FY2026, 67% (LY: 70%) of associates were engaged, with a response rate of 94% (LY: 95%). Results remain aligned with benchmark standards for exceptional workplaces and reflect the strength of the group's culture and continued focus on listening, connecting and acting in partnership with associates.

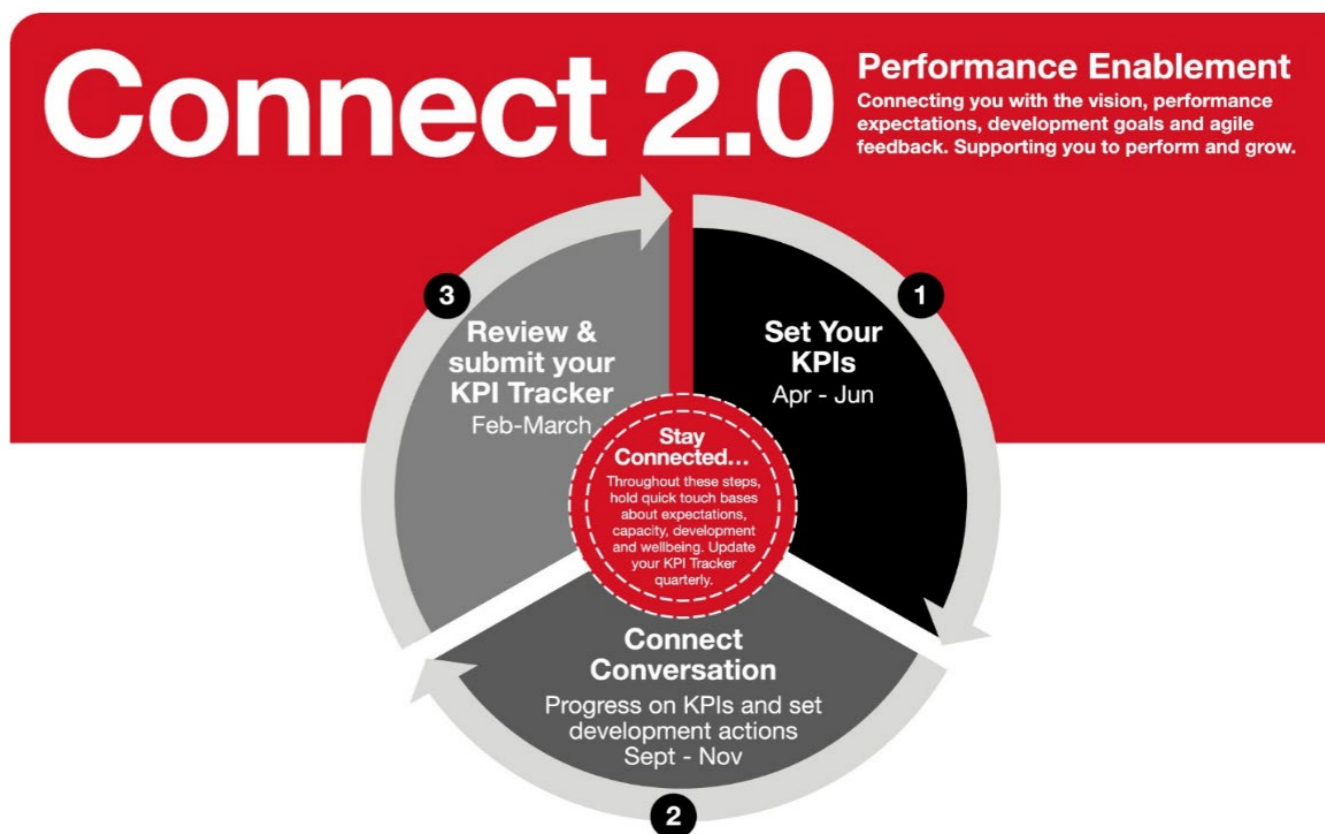
Belong: culture, connection and inclusion

Belonging is central to how we work. It's about feeling included, respected and the ability to be yourself and knowing your voice matters.

Associate engagement survey



PERFORMANCE ENABLEMENT



The group's performance enablement framework (Connect 2.0) was updated to include leadership measurements aligned to the group's DNA with leadership KPIs for middle management and above expanded to incorporate Transformation, Engagement and Succession. Regular performance conversations support continuous feedback on development, deliverables and recognition, complemented by formal reviews.

The framework enables a consistent and fair approach to performance management, aligning individual contribution with the group's strategy, development priorities and performance outcomes.

TALENT ATTRACTION AND RETENTION

Delivering the group’s strategy requires disciplined human capital management focused on attracting, developing and retaining diverse talent with critical retail, leadership and digital capabilities. Talent attraction is aligned to the group’s People Strategy and transformation objectives, supported by targeted initiatives including early stage talent pipelines, graduate and trainee programmes, internal talent mobility, and structured succession pathways for scarce skilled merchant and leadership roles.

Recruitment and movement of talent are subject to oversight by the Transformation Committee, ensuring fair, transparent and equitable practices in line with the group’s diversity, equity and inclusion (DEI) commitments and employment equity targets. Collectively, these initiatives support workforce sustainability, mitigate capability and succession risk, and strengthen long term value creation for shareholders.

The talent acquisition model continues to evolve through improved technologies and practices and is supported by the launch of an enhanced EVP, which has been positively received internally and reinforces the group’s EVP pillars.

PAY AND BENEFITS

The group’s reward and benefits framework support fair, competitive and responsible remuneration aligned to market benchmarks and People Strategy, while offering associates flexibility in shaping their total reward. In FY2026, benefits were benchmarked and enhanced in response to associate feedback, including the introduction of an affordable medical insurance option and improved gap cover rates, broadening access to healthcare and delivering cost savings. The group continues to apply principles of fair and sustainable pay, including ensuring no associate is remunerated below the prescribed minimum wage.

Fair and responsible pay remains central to the group’s people management approach. In FY2026, a structured fair pay assessment was initiated to evaluate pay equity across the organisation where insights will inform the development of a formal fair pay philosophy and roadmap progress and outcomes will be monitored through appropriate governance structures to support accountability and continuous improvement.

Reward: pay, benefits and recognition

We recognise contribution and share success in ways that are fair and meaningful, reflecting the role each person plays in the success of the business.

REWARD AND RECOGNITION

The group maintains a formal total reward and benefits framework designed to support fair, competitive and responsible remuneration that aligns to our core values of Passion, Value and Partnership, which are key enablers of the group’s success. Detailed benefits are covered on [page 224](#) in the [Remuneration report](#).

RETIREMENT BENEFITS

The group provides employer funded retirement benefits, contributing 7.5% of pensionable salary to a retirement fund. Associates may make additional voluntary contributions.

RISK COVER

Retirement benefits include group life assurance and disability cover.

HEALTHCARE BENEFITS

The group offers access to healthcare benefits, including medical aid scheme options and a medical insurance option, available on a voluntary employee funded basis.

GAP COVER

Associates have access to supplementary gap cover at preferential rates.

FUNERAL BENEFITS

Funeral cover is provided for associates and eligible immediate family members.

FINANCIAL WELLBEING SUPPORT

Associates have access to financial advice services and a housing loan benefit to support long term financial wellbeing.

DIVERSITY, EQUITY, INCLUSION AND BELONGING (DEIB)

The group recognises that a respectful, equitable and inclusive workplace is a critical enabler of ethical leadership, organisational resilience and sustainable value creation. This commitment is embedded in the group’s values, DNA and EVP, and formalised through a structured DEIB framework that supports fair, consistent and transparent people practices.

DEIB governance and accountability are reinforced through defined leadership expectations and People Board oversight, with inclusive leadership behaviours integrated into the LEAD framework. Supported by targeted learning interventions and inclusive work environments, this approach strengthens organisational culture, supports talent attraction and retention, and reinforces its position as an employer of choice, contributing to responsible employment practices and social sustainability.

Our People vision is to be a diverse, equitable and inclusive retailer in Africa, where partners belong.

49% Female Leaders completed Leadership Essentials Training



EMPLOYMENT EQUITY

The group recognises employment equity (EE) as a key enabler of ethical leadership, responsible human capital management, social responsibility and value creation.

Oversight rests with the SETS committee, with executive management accountable for implementation and quarterly progress reporting. A five-year Employment Equity Plan (2025-2030), aligned to the Department of Employment and Labour's sector numerical targets (inclusive of race, gender, occupational level and people living with disability), was approved by the board with effect from 1 September 2025. This plan was cascaded across all trading divisions and Centres of Excellence with targets set for each. African, Coloured and Indian representation constitutes approximately 97.6% of the total workforce, reflecting strong alignment at overall workforce level, while continued focus remains on strengthening representation at senior levels. People living with disabilities represent approximately 0.9% of the total workforce, highlighting an area of ongoing focus within our broader EE agenda which includes DEIB initiatives, and an EE sub-committee specifically focused on people living with disabilities. Through these initiatives we aim to see an improved representation across occupational levels.

Implementation is supported by governance mechanisms, including an EE Plan Exception Request Policy overseen by an EE Exceptions Committee ensuring objective, compliant and defensible appointment decisions. Accountability is reinforced through the integration of employment equity targets into executive and divisional performance measures, with progress monitored via the Organisational Health Index dashboard, supporting sustainable transformation, leadership accountability and workforce resilience.

Our approach to driving EE and transformation is enabled through various touch points in the talent cycle. These include a proactive, data-led Talent Acquisition approach with active pipelines for scarce and critical skills; dedicated EE sub-committees focused on development and retention, talent attraction and people living with disabilities to address barriers and drive targeted interventions; intentional succession planning to strengthen pipelines of under-represented talent in critical roles; and accredited learning partnerships, including collaboration with W&RSETA, to enable talent across the organisation. This is further supported by the rollout of DEIB training for all associates to strengthen awareness and support a culture of inclusion.



Total workforce profile FY2026 (South Africa)*														
Occupation level	Male				Female				Foreign national		Grand total	Total white	Total ACI female	Total ACI
	AM	CM	IM	WM	AF	CF	IF	WF	FM	FF				
Top Management	0	0	2	10	1	0	0	5	0	0	18	15	1	3
Senior Management	15	6	16	51	10	3	12	40	0	3	156	91	25	62
Professionally Qualified	179	22	73	98	88	41	79	116	8	6	710	214	208	482
Skilled	1 335	134	142	70	2 261	501	303	237	8	5	4 996	307	3 065	4 676
Semi-skilled	6 234	453	72	10	12 428	1 401	250	32	22	25	20 927	42	14 079	20 838
Unskilled	471	10	0	1	486	6	6	0	3	2	985	1	498	979
Temporary	1 394	137	1	2	1 665	252	16	8	1	2	3 478	10	1 933	3 465
Grand Total	9 628	762	306	242	16 939	2 204	666	438	42	43	31 270	680	19 809	30 505
ACI as % of total	34.2				63.3				0.0		97.6			

*as at March 2026

People living with disability FY2026 (South Africa)*														
Occupation level	Male				Female				Foreign national		Grand total	Total white	Total ACI female	Total ACI
	AM	CM	IM	WM	AF	CF	IF	WF	FM	FF				
Top Management	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Senior Management	0	0	0	1	0	0	0	0	0	0	1	1	0	0
Professionally Qualified	0	0	1	0	0	0	0	0	0	0	1	0	0	1
Skilled	4	0	0	0	2	0	0	0	0	0	6	0	2	6
Semi-skilled	15	2	0	0	19	3	1	0	0	0	40	0	23	40
Unskilled	8	0	0	0	1	0	0	0	0	0	9	0	1	9
Temporary	164	10	0	0	51	3	0	0	0	0	228	0	54	228
Grand Total	191	12	1	1	73	6	1	0	0	0	285	1	80	284
ACI as % of total	71.6				28.1				0.0		99.6			

*as at March 2026

LABOUR STANDARDS

The group is committed to ethical leadership, respect for human rights and responsible employment practices across its operations and value chain, in line with international labour standards. These commitments are embedded in the group's Code of Conduct, aligned to applicable local labour legislation and internationally recognised frameworks, including Human Right's International Labour Organisation (ILO) conventions, the ETI Base Code and the United Nations Global Compact Principles, and underpin the group's People Strategy, values and behaviours. The group promotes fairness and equal opportunity and does not condone discrimination, workplace violence or misconduct.

The Code of Conduct sets out clear standards relating to the prohibition of child and forced labour, freedom of association and collective bargaining, the prevention and reduction of excessive working hours, and compliance with fair labour practices. These standards apply to associates and business partners and are supported by policies, risk assessment processes and governance oversight designed to identify, prevent and mitigate labour related risks. Through this framework, the group seeks to promote dignified work, protect vulnerable individuals, and reinforce a culture of integrity, accountability and respect that underpins sustainable performance and long-term stakeholder value.

Impact: contribution, community and sustainability

Our work reaches beyond our roles. Through how we work, the choices we make and the communities we support, every role contributes to the impact we create.

The group's full Code of Conduct is publicly available on its [website](#).

The group is dedicated to employment security and responsible workforce restructuring. Where the group undertakes restructuring or redundancy processes to achieve operational efficiencies, it endeavours, where feasible, to avoid or minimise redundancies by exploring redeployment opportunities within the organisation and other mitigation measures, while maintaining business continuity and complying with all applicable legal requirements.

Where redundancies cannot be avoided, the group allows associates time away from work to attend job interviews, makes available its resources for updating of the associates' work profile for prospective employment.

The group follows responsible and fair procedures in line with applicable in-country legislation in its restructure processes. This approach reflects the group's commitment to balancing operational needs with fair and responsible people practices.

BROAD-BASED BLACK ECONOMIC EMPOWERMENT

As a proudly South African organisation, the group recognises that sustainable growth is intrinsically linked to inclusive economic participation. Central to its transformation journey is the belief that meaningful partnerships with the group's key stakeholders enable shared value creation and long-term impact.

The group's B-BBEE strategy is anchored in partnership, ensuring that its initiatives not only drive compliance but also create opportunities for collective progress and economic inclusion. Through these partnerships, the group aims to empower previously disadvantaged South Africans by advancing inclusive ownership, strengthening diverse leadership, investing in skills development, and enabling enterprise growth.

The SETS Committee provides governance oversight, ensuring that the group's B-BBEE strategy remains aligned to the its purpose and values. Progress is actively monitored, with accountability reinforced through integration into leadership performance measures. In the last five years, consistent and focused efforts in partnership with key stakeholders, have enabled continued improvements to the group's B-BBEE performance. The group has progressed from a Level 8 to Level 4 in 2024, which was maintained in 2025.

The 2025 scorecard and forecast scores for 2026 are reflected below. aBEErate, a SANAS accredited B-BBEE agency, will complete the FY2026 verification by mid-July 2026. The FY2026 scorecard and report will be published on www.mrpricegroup.com once issued.

The FY2026 scorecard will incorporate Studio 88, to bring the division into compliance, but which is anticipated to impact the group's overall scorecard.

FY2025 Actual and FY2026 Forecast B-BBEE Scorecard

Element	Weighting	FY2025 Achieved	FY2026 Forecast
Ownership*	25 (3.2 sub-min- Net Equity Value)	17.26	16.20
Management control	19	09.28	10.54
Skills development*	20 + 5 bonus (8 sub-min)	14.55	13.27
Preferential procurement*	25 + 2 bonus (10 sub-min)	23.80	20.61
Supplier development*	10 + 1 bonus (4 sub-min)	05.77	05.09
Enterprise development*	5 + 1 bonus (2 sub-min)	05.00	04.68
Socio-economic development	5	05.00	05.00
Total points	109 (incl. 9 bonus points)	80.10	75.39
Compliance level		Level 4	Level 5
Discounted compliance level		N/A	N/A

*Sub-minimum elements

Ownership

Guided by the group's value of partnership, its Partner Share Trust reflects the group's commitment to shared value creation with its associates, enabling broad-based participation in the group's success. Through this initiative, associates are not only employees but partners in value creation, reinforcing a culture of inclusion and long-term wealth creation.

In FY2026, the scheme held 4 602 084 ordinary shares. It had 13 964 participants, including 13 864 black people and 9 842 black youth. The group's shareholding comprises mandated investments, the Partner Share Trust, and international shareholding.

Management Control and Skills Development

The group has established a solid foundation in talent acquisition and management through the identification and development of critical skills aligned to its strategic priorities. This approach has contributed to a sustained improvement in management control over time. Employment equity planning is deliberately aligned with the group's skills development initiatives, reinforcing skills development as a core pillar of its transformation strategy (see employment equity on [page 57](#)).

Enterprise and Supplier Development

The group prioritises partnerships with black-owned and black women-owned businesses to create a more inclusive and resilient supply chain.

Through its supplier development programme, the group works closely with its partners to support their growth and integration into its value chain. This includes providing access to funding, skills and operational support, enabling suppliers to scale sustainably while meeting the group's requirements for quality, cost and reliability. The group provides low-interest loans predominantly utilised to finance raw materials which allows qualifying suppliers to negotiate better cost price, delivery reliability and speed to market (see [page 71](#)).

The group's enterprise development initiatives further extend these partnerships. Collaborations with organisations such as Taking Care of Business and Nation Changers demonstrate how purpose-driven partnerships can unlock entrepreneurship, reduce waste and create sustainable livelihoods. By redirecting excess merchandise, these programmes simultaneously address social and environmental challenges while enabling small business growth by equipping participants with life skills, entrepreneurial skills and resources to run sustainable businesses. In FY2026, over 351 000 product items were donated totaling R23 663 078.

Preferential Procurement

The group's procurement strategy is designed to create opportunities for small and emerging suppliers by providing access to its customer base. The group continues to increase its spend with B-BBEE-compliant suppliers, with a deliberate focus on supporting black owned and black women-owned enterprises. Through these partnerships, the group not only strengthens its supply chain but also contributes to the growth of a more inclusive economy. The group's spend on B-BBEE compliant suppliers in FY2026 was 88.5% and continues to maximise points on spending with 30.0% black women-owned suppliers.

Socio Economic Development

The group's socio-economic development initiatives are primarily delivered through the Mr Price Foundation, which works in partnership with communities, NGOs and educational institutions. These partnerships focus on education, job readiness and youth entrepreneurship, equipping young South Africans with the tools to participate meaningfully in the economy. By working collaboratively, the group is able to amplify impact and contribute to building resilient communities. Further information on Mr Price Foundation programmes are on [page 41 - 42](#).

5.4 SOCIAL VALUE CHAIN DEVELOPMENT

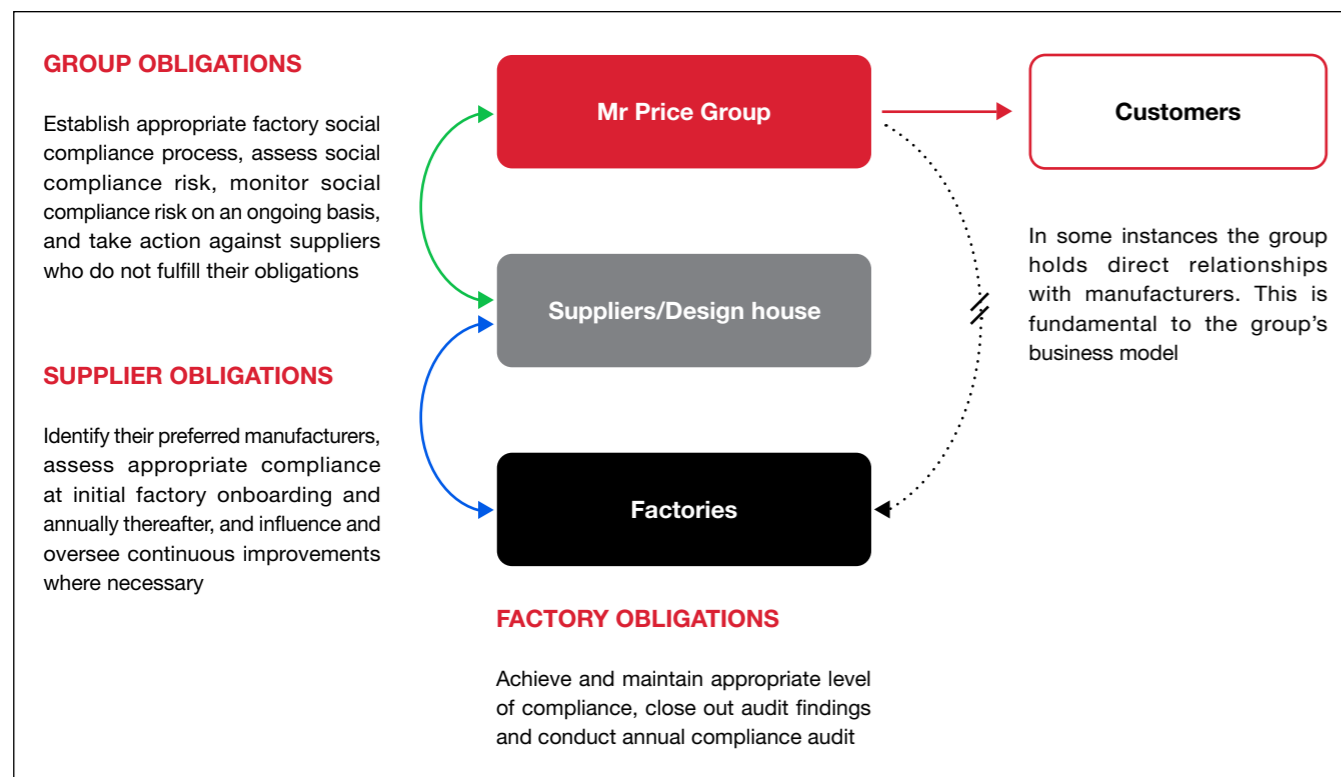
The group does not operate a vertically integrated value chain model. The group partners with both suppliers that manufacture their own products (direct), and intermediaries (Design/Trading houses) that contract with factories to fulfill its production requirements. Both direct and intermediary suppliers are responsible for building and maintaining a socially and ethically compliant apparel and homeware value chain. The group's continuous improvement approach reinforces responsible supplier behaviour and remains a key differentiator of its ESG strategy, particularly in the context of value retail. This approach supports the advancement of ethical practices in factories selected by suppliers to manufacture the group's products while mitigating social, operational, and reputational risks across a complex and global value chain.



The social compliance blueprint, the responsible sourcing framework and the group's code of conduct, which incorporates the ETI base code, set clear expectations for fair worker treatment and the protection of labour rights across the value chain. Supplier and factory compliance is actively monitored by divisional compliance teams, with structured guidance and engagement provided by the ESG Centre of Excellence to address gaps and strengthen social and ethical compliance practices.

Divisional sourcing and merchandise teams, supported by the responsible sourcing working group established in 2015, continue to drive awareness of labour rights and the implementation of responsible social practices by suppliers. These teams are responsible for supplier engagement and the oversight of compliance improvement initiatives, with a focus on safe, fair, and equitable working conditions. Group-level oversight is provided through the central social compliance function within the ESG Centre of Excellence, ensuring alignment, consistency, and governance across divisions.

Group Sourcing Model



5.4.1 RESPONSIBLE SOURCING GUIDE

The group's responsible sourcing guide promotes the protection of workers' human and labour rights and encourages environmentally responsible practices across the value chain. The internally developed Responsible Sourcing Framework and Implementation Guide provides clear direction to associates and suppliers on responsible buying and sourcing practices, supporting alignment with applicable legislation, international standards, and codes of good practice. The guide is regularly updated to reflect regulatory developments, industry best practice, and operational learnings.

5.4.2 HUMAN RIGHTS COMMITMENT

The group's code of conduct applies to all associates and business partners, including merchandise suppliers, and requires full compliance with applicable laws and recognised human rights standards. This includes adherence to the group's Human Rights Policy, aligned to the Constitution of South Africa (Bill of Rights chapter 2) and the United Nations Guiding Principles on Business and Human Rights (UNGCPs). Compliance with and respect for human rights is contractually embedded in supplier agreements, requiring suppliers and their selected manufacturing facilities to meet both local legal requirements and the group's ethical standards.

The group recognises the risk of modern slavery within global retail value chains, particularly where factors such as migrant labour and unauthorised subcontracting exist. Modern slavery risks are assessed as part of the group's sourcing due diligence.

5.4.3 SUPPLIER COMPLIANCE PROCESS

The group's compliance process for onboarding and maintaining supplier relationships includes factory disclosure and visibility, contractually enforced auditing of social and ethical compliance practices, monitoring corrective actions to ensure required improvements are implemented, and de-activating suppliers and factories that exceed risk tolerance.

Utilising a balanced supplier scorecard that incorporates social compliance into performance measurement, ensures suppliers are evaluated on both commercial and sustainability practices. The process is explained on [page 67](#). Further details on factory audits can be found on [page 63](#).

During the reporting period, labour rights allegations were reported in two sourcing countries. In Lesotho, allegations of human and labour rights violations were raised in relation to a production site used by a supplier. In line with the group's social compliance and escalation protocols, immediate action was taken, including engagement with the supplier, issuance of a breach notice, and the commissioning of an unannounced independent third-party special investigation. No evidence was found to substantiate human rights allegations. However, some instances of non-compliance with overtime practices were confirmed which has since been remediated by the production site. The group maintains a level of oversight of the site, including additional audits and ongoing monitoring.

Allegations relating to production sites in Newcastle, South Africa were investigated, however no active production or group orders were identified at any of the sites concerned. The investigation prompted a broader review of Newcastle as a sourcing area which comprises approximately 3.2% of the group's total production contribution.

As part of this process, the group reaffirmed its non-negotiable compliance expectations with all suppliers who commission production in the region and undertook a comprehensive assessment against its internal standards. As a result, five production sites were deactivated for reasons that included poor quality standards, compliance concerns and capacity constraints.

Newcastle as an apparel manufacturing hub is nuanced and complex from an industry, political and community perspective. Alignment on a common goal and collaboration across multiple stakeholder groups (government, factory owners, suppliers, retailers and enforcement agencies) is needed to address the inherent risks in the area, including unauthorised subcontracting. This will also need to consider competing social and economic objectives such as protecting jobs and local procurement. The group has been transparent in its communication regarding the Newcastle raids and is engaging with the Deputy Minister of the Department of Trade, Industry and Competition on the way forward.



Onboarding

- New suppliers conclude written supplier agreements in terms of which they are contractually bound to comply with the group’s code of conduct and relevant laws. FY2026 also saw the introduction of additional consequence management measures in the form of a supplier penalty addendum which permits the levying of penalties for non-compliances like unauthorised sub-contracting and failure to remediate social and ethical compliance audit findings within required timeframes
- New suppliers are required to (i) disclose full identifying information, including GPS coordinates and (ii) provide acceptably rated independently conducted social compliance audits for any factory it intends to utilise for production, before they are listed as a group supplier
- Any existing supplier who wants to place production with a new factory is required to do the same
- New factories which, based on the audit outcomes, are rated by the group as ‘high risk’ are declined and are not onboarded

Continuing obligations

- Existing factories are required to submit a social compliance audit annually
- Low risk factories may submit a valid audit every two years

Compliance monitoring and remedial action

- Audits are captured, a risk rating is allocated and corrective actions to be undertaken by the relevant factory are communicated to suppliers as relevant
- Remediation timelines are assigned
- Remediation activities are monitored and followed up on by sourcing teams
- Audit findings are only closed out once satisfactory evidence of remediation is received
- Ad hoc unannounced factory visits are carried out to ensure corrective actions are implemented and that compliance is maintained between audit cycles

Contractual recourse

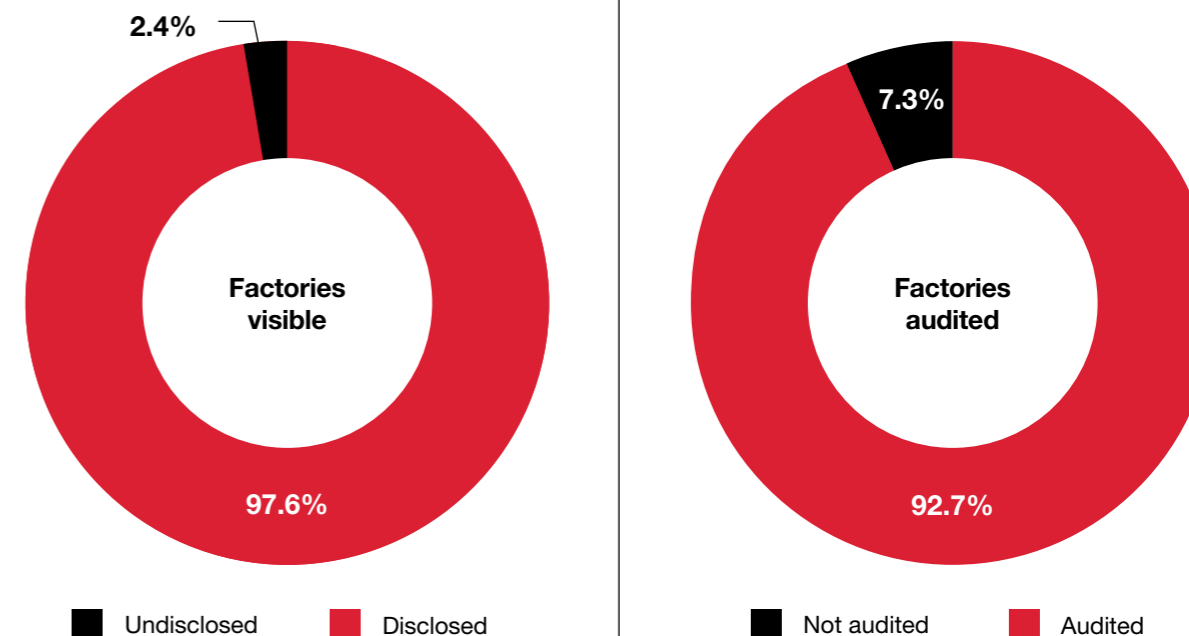
Contractual recourse is enforced, including issuing of penalties, de-listing of factories and even terminating relationships with suppliers, should they fail to ensure remediation of critical factory non-compliances.

5.4.4 FACTORY VISIBILITY AND AUDITS

During the reporting period, the group maintained a high level of visibility of 97.6% visibility across manufacturing sites covering first and second tier suppliers and factories contracted for production. Suppliers are categorised as direct manufacturers, or indirect manufacturers like design or trading houses, local finishers, importers, or foreign agents. A total of 1 137 manufacturing sites were mapped and location verified, of which 92.7% (1 054 sites) held a valid social compliance audit at year end. The balance relates to transitional suppliers that were in the onboarding process and had not yet completed all compliance requirements at the reporting date.

During the reporting period the group introduced a supplier dashboard as an addition to its bespoke social compliance system. The dashboard provides suppliers full visibility of the compliance performance of their commissioned factories onboarded to manufacture for the group, alerts them to audit expiries, and allows suppliers to upload evidence of corrective action to close out audit findings. This collaboration enables supplier accountability for factory compliance and empowers them to manage corrective action in their factories, thereby sharing a compliance vision for the value chain.

The objective of factory visibility is to enable the effective monitoring of responsible practices in line with the ETI base code and the group’s code of conduct. Effective auditing of manufacturing sites enables identification, prevention and mitigation of risks and adverse non-compliances and presents an opportunity for development and improvement. Corrective action and remediation of non-compliances improves social compliance practices that benefit workers. The group’s bespoke social compliance process (see page 62) allows for audit retention (year-on-year) and the monitoring of risk ratings improvements made by each site. This in turn provides updated site specific risk information that helps to inform appropriate sourcing decisions.



Following the acquisition of Power Fashion, the group refined its factory visibility methodology to accommodate a sourcing model that includes procuring of merchandise through opportunistic “stock lot” purchases and branded products not manufactured exclusively for the group. Due to the ad hoc nature of stock buys, visibility of manufacturing sites is not always possible. This procurement represent an insignificant proportion of the total product mix, at 1.7%.

Where direct factory visibility is not achievable for branded merchandise (due primarily for brand confidentiality reasons), the group obtains written compliance assurance from suppliers, referred to as “brand assured” sourcing. Branded suppliers are required to maintain appropriate social and ethical compliance policies, which are assessed and monitored to ensure alignment with the group’s standards. A similar approach has been utilised for Studio 88, where procurement predominantly comprises internationally branded merchandise that is subject to heightened visibility and established responsible sourcing and compliance practices.

5.4.5 AUDIT ACCREDITATIONS

Approved organisations from which the group accepts independent third-party audits include:

- Sedex Members Ethical Trade Audit (SMETA)
- Social Accountability International SA8000 Standard (SA8000)
- Amfori Business Social Compliance Initiative (BSCI)
- Worldwide Responsible Accredited Production (WRAP)
- Initiative for Compliance and Sustainability (ICS)
- CTI Ethical Toy Program (IETP) Certification
- The Responsible Business Alliance (RBA) Validated Assessment Program (VAP)
- Responsible Jewellery Council (RJC) Code of Practices Certification
- QIMA Ethical Audit

5.4.6 ETHICAL TRADING INITIATIVE

Collective efforts are critical to addressing systemic labour rights challenges across the retail sector. The group has been an active member of the ETI since 2013, strengthening its understanding of high-risk areas and industry best practice in protecting workers’ rights. This engagement and reporting requirements support the integration of labour rights considerations into purchasing decisions and sourcing strategies. By embedding the ETI base code into its code of conduct and applying a continuous improvement approach with suppliers, the group seeks to promote decent work throughout its value chain.

5.4.7 PRIORITY AREAS

During the reporting period, high-risk factories materially reduced to only 2.2% of audited sites. The group's bespoke social compliance system applies an internal risk rating methodology (aligned to SMETA non-compliance guidance), assessing both the number and severity of audit findings. Factories are classified as high risk where audits identify one critical or more than 10 major non-compliances. Business critical issues such as child or forced labour, undocumented foreign workers, and severe health or fire safety breaches result in immediate suspension of business until fully remediated.

The group maintains a robust factory audit coverage of 92.7%, supported by strong supplier and factory onboarding processes and contractual social compliance requirements. This enables the identification and prioritisation of human rights risks and potential adverse worker impacts. Ongoing assessment of systemic country level risks informs responsible sourcing decisions, including the continued exclusion of factories located in the Xinjiang Uyghur Autonomous Region due to elevated systemic risk.

Recognising the need to focus due diligence efforts, the group prioritises high-risk and salient issues through targeted remediation processes and defined improvement targets, in the form of divisional KPIs which are also linked to senior management LTIs. A policy decision was made that no new sites which the group rates as high risk will be on boarded to enable production for the group. In addition, a significant reduction of existing factory health and safety non-compliances was planned and achieved during the year, a combined effort driven by the group and implemented by suppliers and their commissioned factories.

The salient issues identified by the group includes actual or potential risks to workers were:

- Health and fire safety regulations not practiced
- Wages and labour regulations not applied
- Excessive working hours are regularly experienced
- Work is not freely chosen
- Discrimination is practised
- Freedom of association and collective bargaining are not respected

These challenges are systemic within the complex global retail value chain and are not unique to the group, reinforcing the need for a continuous improvement and collaborative approach. The group's position on these matters is articulated in its code of conduct, which is communicated and acknowledged by all suppliers. Supplier compliance with contractual and ethical obligations is monitored through the implementation of the Responsible Sourcing Guide, independent third-party social audits, and the remediation of identified non-compliances.

The group's salient issue assessment includes actual or potential human rights risks to workers across all our sourcing locations. Please find more detailed information on our [website](#).



Lamp shades handmade in South Africa

Sourcing map*

■ Primary sourcing countries ■ Minority sourcing countries



*In no particular order

- | | | | | |
|-----------------|---------------|---------------|----------------|--------------------------------|
| 01 South Africa | 04 Bangladesh | 11 Turkey | 18 Poland | 25 Chile |
| 02 Eswatini | 05 India | 12 Indonesia | 19 France | 26 Brazil |
| 03 China | 06 Madagascar | 13 Mozambique | 20 Italy | 27 Tanzania |
| | 07 Lesotho | 14 Vietnam | 21 Japan | 28 Mauritania |
| | 08 Botswana | 15 USA | 22 Phillipines | 29 French Southern Territories |
| | 09 Mauritius | 16 Thailand | 23 Austria | 30 Hong Kong |
| | 10 Pakistan | 17 Portugal | 24 UK | |

5.4.8 GRIEVANCE MECHANISMS

The group promotes the independently managed FairCall hotline through its website (www.mrpricegroup.com). This confidential whistleblowing service is accessible to all stakeholders, including factory workers, and enables the safe and anonymous reporting of grievances. In addition, social and ethical compliance audits incorporate individual and group worker interviews, which are a critical mechanism for capturing worker voice during the audit process. During the reporting period, no reports of human rights violations, including child labour, were received through FairCall. Further information on FairCall for the year is provided on [page 75](#).

5.4.9 ETHICAL BUYING PRACTICES

The group's commitment to ethical buying is embedded across the organisation and supported through comprehensive ethical buying training. Social compliance is centrally overseen by the ESG Centre of Excellence, which provides guidance on processes, procedures, and best practices, while execution is driven by sourcing and buying teams within the trading divisions. The group considers the ETI's Common Framework for Responsible Purchasing Practices in shaping its approach. Training programmes equip buying teams to understand the broader impacts of purchasing decisions, with a particular focus on production processes, sustainable manufacturing, and the implications of procurement decisions for workers.



PART 6: ECONOMIC

OVERVIEW

The group actively works towards optimising its value chain in alignment with its fashion-value retail model. This includes sustainably improving cost, capability, collaboration, responsiveness, newness, and agility from suppliers and merchant teams. Suppliers' social compliance (see [page 61](#)) and environmental outcomes are often deeply intertwined with economic performance, requiring a blended approach to performance management and improvement.

The group's value chain development initiatives are supported by a comprehensive, fit for purpose, and proprietary supplier performance measurement tool that tracks a balanced scorecard of supplier performance metrics. Using this data, the group supports value chain development in partnership with suppliers, government, industry clusters, and in-house strategic development programmes.

The group has a longstanding commitment to local procurement, and has already achieved its 2030 objective to procure 100 millions units per annum from South Africa. Localisation supports in-season trading agility, allowing trading divisions to respond within season to customer demands, and simultaneously supports job creation in South Africa.



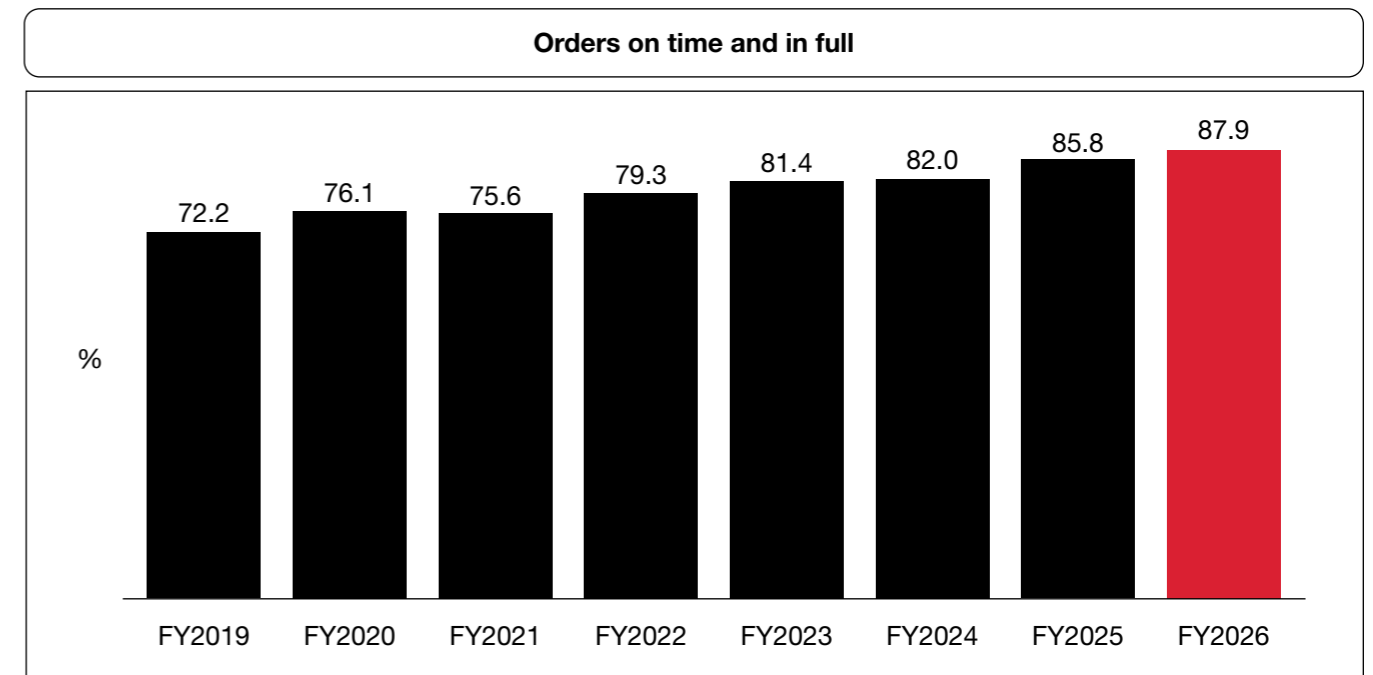
KEY ECONOMIC ACHIEVEMENTS FOR FY2026:

Sustainable indicator	SDG	FY2026 actuals
RSA procurement (units)	 	130.6m products manufactured in RSA
% RSA procurement (% of cost price)		38.6% of the group's spend is on RSA manufactured goods
Supplier performance: % of order book A - C grade		93.1% of suppliers are graded A-C
Supplier performance: OTIF %		87.9% of suppliers delivered orders both on time and in full
Supplier performance: OT %		91.7% of suppliers delivered orders on time
Supplier performance: IF %		95.3% of suppliers delivered orders in full

6.1 SUPPLIER GRADING AND PERFORMANCE

The group's proprietary balanced scorecard monitors supplier performance across delivery reliability, quality, social compliance, environmental impact, and merchant partnership. When combined, these metrics are used to calculate an overall grade (from A - E) and score, which is then used to recognise, reward, and improve suppliers.

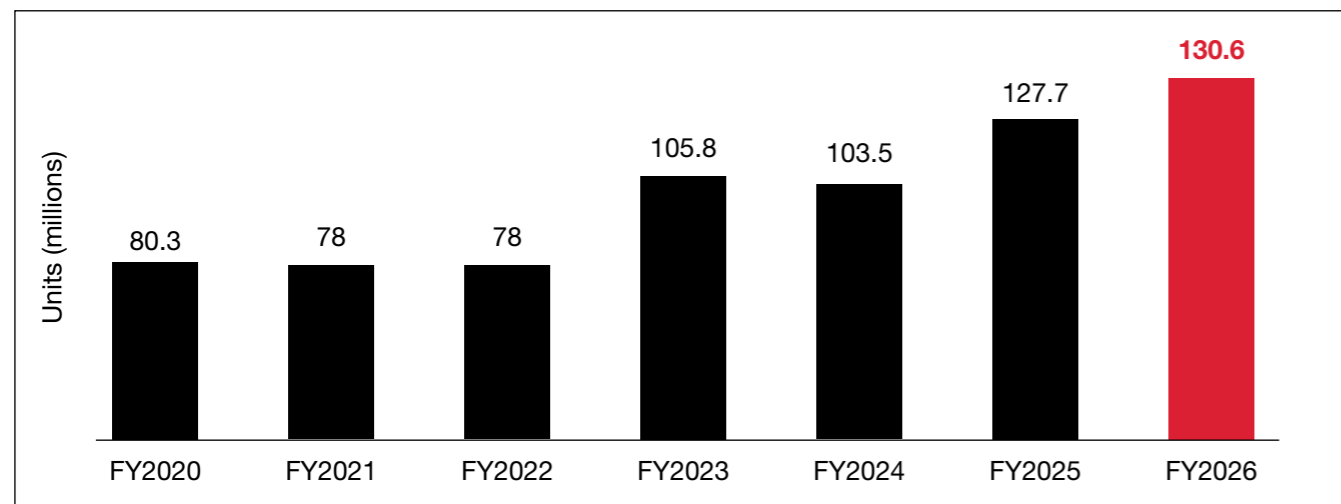
Regular communication of performance data, collective problem solving, and targeted upgrading projects have led to significant improvements across the groups' supplier base in recent years. Through these initiatives and improvements, suppliers benefit from increased order volumes, while trading divisions deliver full product offerings to customers as planned.



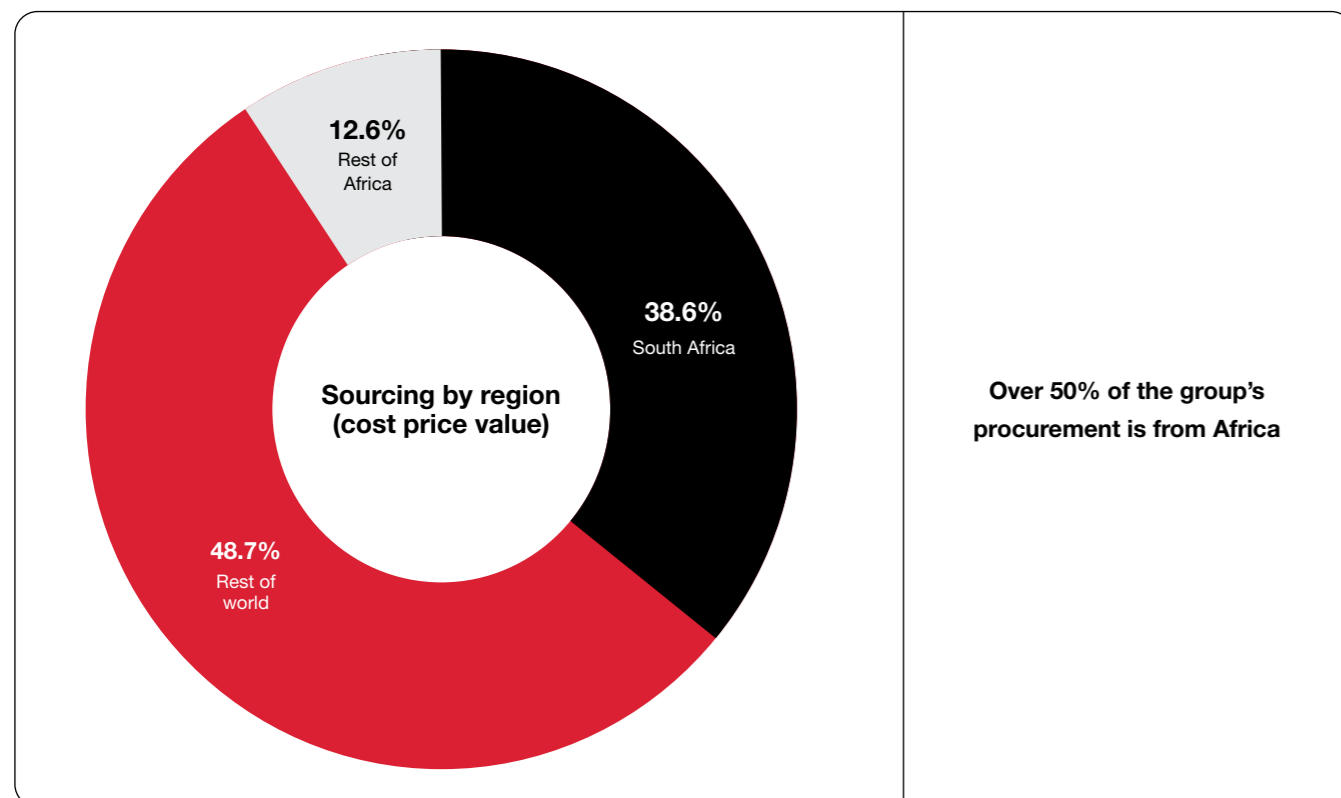
6.2 LOCAL PROCUREMENT

The group is a signatory to and supports the Department of Trade Industry and Competition’s Retail-Clothing Textile, Footwear and Leather Master Plan 2030. In line with its commitment, the group has continued to increase its procurement from South African suppliers from 80.3 million units in FY2020 to 130.6 million units in FY2026, representing significant growth of 62.6% over six years. This procurement, valued at R5.69 billion at cost price, represents 38.6% of the group’s total merchandise spend.

Number of units procured in South Africa



For the period, over 50% of the group’s procurement was from the Africa region. While the group remains committed to procuring its largest contribution of products from South Africa and the region, several challenges influence commercial procurement decisions. These include accessing the required capability, quality, technology and skills that meet the needs of the business and its customers. To address these challenges, the group established the Mr Price Supplier Development Cluster (SDC) in 2022. The SDC aims to identify supplier development opportunities and investments to enhance the competitive advantage of local supply through the design and rollout of a localisation roadmap. The group has contributed R2.59 million to the cluster since inception, which is co-funded by the DTIC’s Clothing, Textile, Footwear and Leather Growth Programme (CTFLGP) and aims to improve and leverage the competitive advantage of local supply.



Certified OKEO-TEX(R) Standard 100 couches manufactured in South Africa

6.3 INDUSTRY PARTNERSHIPS

The group further supports the local industry through its participation in several industrial development clusters. Firstly, the KwaZulu-Natal Clothing and Textile Cluster (KZN CTC), which is a not-for-profit public/private sector partnership of local manufacturers, retailers, and government aimed at boosting the competitiveness of the local industry. Among its many activities, the KZN CTC helps the group identify and share best practices, engage with existing suppliers on risks and opportunities within the industry, as well as find future suppliers. Secondly, the group established the SDC, in partnership with the Industrial Development Corporation, to improve the competitiveness of strategic suppliers to the group, as well as facilitate experimentation and innovation within trading divisions towards best practice retailing. Thirdly, the group continues to facilitate the beneficiation of sustainably grown local cotton, now in its 12th year of operation. The sustainable cotton programme actively coordinates multiple stakeholders within the cotton value chain towards sustainably produced local cotton products. To achieve this, the group coordinates hundreds of local smallholder farmers to grow cotton with verified, sustainable farming practices, and then negotiates early farmer payments, product volumes, prices, and sustainable manufacturing practices with multiple value chain partners to process the cotton from the fibre into yarn, then into appropriate fabric, and ultimately into finished product in store.

A detailed case study on the SDC was included in the 2025 **Together We Do Good** report.

In FY2026, around 320 tonnes of cotton were procured through through this programme with more than 800 small holder farmers benefiting.

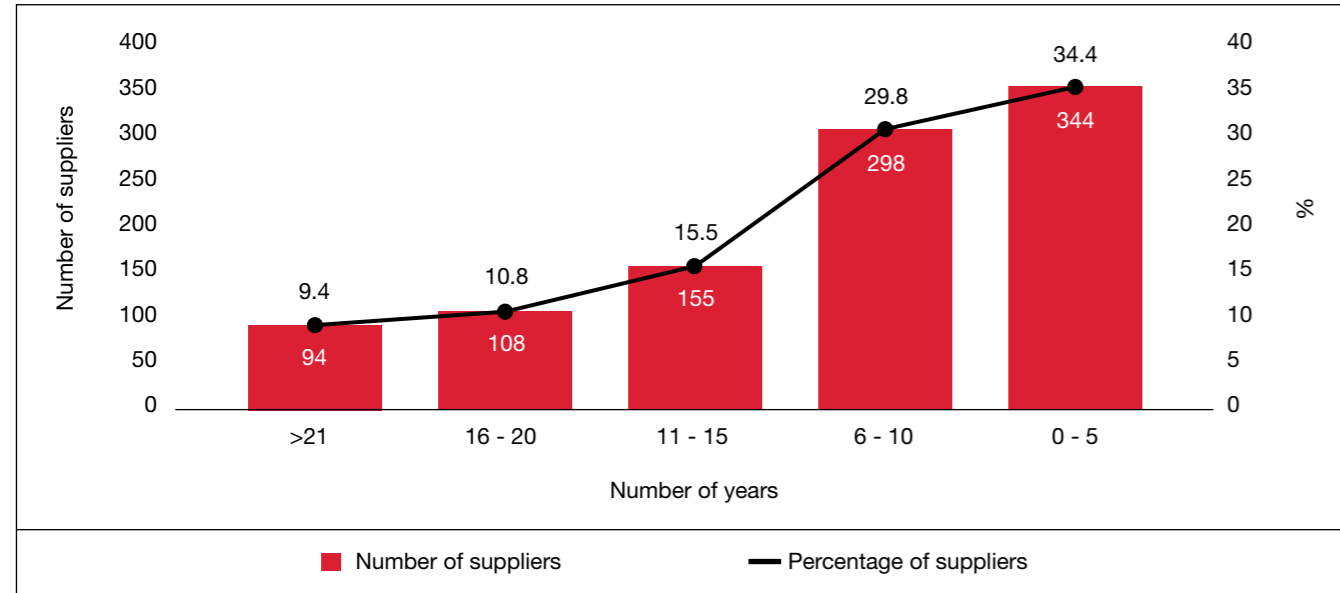
6.4 VALUE CHAIN SKILLS DEVELOPMENT

Finding and onboarding future suppliers to the group is an important part of maintaining a healthy value chain, as it enables newness, competition and succession. To do this on an ongoing basis across multiple trading divisions requires a structured, principled, and coordinated approach to identifying high potential suppliers which are suitable for our trading divisions, developing those showing potential but which are not fully retail ready, and finally fast-tracking viable suppliers into meaningful partnerships. Partnering with external third parties, the group has actively developed numerous future suppliers to become retail ready through coaching and training focused on trend, design, pattern making, range development, business acumen, compliance, quality processes, logistics, production efficiencies, sustainable costing, and broader value proposition development and execution.

6.5 SUPPLIER PARTNERSHIPS

The tenure of the group’s approximately 1000 active suppliers (excluding newer divisions - Power Fashion, Yuppiefchef, and Studio 88) is reflected in the graph below. Over 35% of suppliers have traded with the group for more than 10 years and 94 have had a relationship with the group for more than 20 years. While long-standing supplier partnerships are important, the group balances this with new supplier partnerships - offering competition, succession, and differentiation in its fashion-value merchandise offerings to customers. During FY2026, the group onboarded 53 new suppliers. See [page 62](#) for more on the supplier compliance process.

Duration of supplier partnerships



6.6 SUPPLIER DEVELOPMENT

The group adopts a supportive role regarding suppliers and has a dedicated supplier development function within the ESG Centre of Excellence. This team, in partnership with each trading division, provides direct performance improvement coaching to key suppliers, whilst collectively problem-solving value chain optimisation risks and opportunities.

In FY2026, as part of the group’s enterprise and supplier development programme, qualifying black-owned small- and medium-sized businesses were provided with financial loans to the value of R37.5 million. This programme, which has been operating for 14 years, primarily supports suppliers to procure raw materials more efficiently for orders placed by the group. In addition, these loans enable early payments to smallholder cotton farmers, producing sustainably grown local cotton for many of the group’s local toweling products. Please see the enterprise and supplier development portion of the [Social section](#) of this report on [page 60](#).

6.7 SUPPLIER ENGAGEMENT

The group strives to continuously improve its relationship with suppliers. Each year, a supplier engagement survey is conducted to assess progress and identify improvement opportunities. The FY2026 score of 78.0% for the group was based on responses from 128 suppliers who provided insight into improvement opportunities for trading division teams to further optimise supplier partnerships. Encouragingly, suppliers continue to score the group well above competitors across all areas assessed, including clarity and contribution to strategy, merchant skills, dispute resolution mechanisms, and clarity of performance expectations.



6.8 CASE STUDY: BUILDING COMPETITIVE ADVANTAGE THROUGH VALUE CHAIN DEVELOPMENT

In 2017, after decades of building strong partnerships with its suppliers, the group began a process to better understand the risks and opportunities within its value chain. Guided by its founding value of Partnership, and its aim to be a responsible and purpose-driven retailer, the group developed several long-term initiatives to enable a more sustainable business that could simultaneously benefit people, profit and planet. What began as a largely compliance-driven approach has evolved into a data-led, commercially focused, competitive advantage, that now actively drives merchant efficiencies, supplier competitiveness, sustainability outcomes and operational resilience. The group in partnership with its suppliers have made significant progress in both strengthening and professionalising its value chain. Key progress is detailed in the table below, providing a strong foundation for the next phase of value chain development the group is actively pursuing.

Progress to date	FY2017	FY2026
Supplier visibility	Unknown	97.6%
Factories audited	Unknown	92.7%
High-risk audits	Unknown	2.2%
Cleaner production and sustainable materials	Unknown	30% of units
Packaging from recycled materials	Unknown	98.4%
Average OTIF	75%	87.9%
B-BBEE level	Level 8	Level 5 (forecast)

These outcomes reflect a deliberate focus on improving visibility, accountability and measurement across the value chain. Supplier scorecards are now embedded in sourcing decision making, quality and compliance standards strengthened, and sustainability performance is consistently tracked, incentivised, and managed across the group.

BUILDING A PLATFORM FOR FUTURE GROWTH

Importantly, this progress has not come at the expense of commercial performance. Instead, it has demonstrated that targeted, well coordinated value chain interventions deliver meaningful returns - from improved OTIF and reduced risk, to cost savings through emissions reductions and enhanced supplier capability.

With these foundations in place, the group is now well positioned to pursue further opportunities. The next phase of the value chain development strategy focuses on upgrading strategic suppliers at scale, deepening in season agility, efficiently finding and developing future suppliers, and embedding responsible sourcing practices throughout the value chain. Together, these initiatives will further strengthen competitiveness, resilience, and long-term value creation for the business, its partners and its shareholders.



PART 7: ETHICS

7.1 GOVERNANCE AND BUSINESS ETHICS

The group is committed to ethical and effective leadership and to being a responsible corporate citizen which safeguards the interests of all its stakeholders. The group's core values of Passion, Value and Partnership form the foundation of its ethical culture and leadership and are embraced by all associates. These beliefs permeate all business activities, from board level to everyday store operations. More information on ethical leadership is available in the **Governance report** on **page 154**.

The board retains ultimate responsibility for the governance of ethics and has delegated ethics oversight to the SETS. The committee sets the tone for ethical culture and behaviour across the group through the approval of the code of conduct and related policies. In supporting the board, the SETS oversees the group's conduct and approach to ethics, ensuring that business is conducted in a manner aligned with the group's commitment to responsible corporate citizenship. The committee furthermore delegates the implementation and day to day management of ethics to senior management. In fulfilling its mandate, the SETS also discharges its statutory duties in terms of the Companies Act and monitors the group's activities with due regard to applicable legislation, legal requirements and recognised codes of best practice.

The code of conduct formalises the group's stance on various ethical issues, includes and upholds the group's commitment to human rights, equal opportunity, fair treatment, forced and child labour, environment and anti-bribery and corruption principles. The code of conduct is incorporated into associate employment contracts as well as contractual arrangements with suppliers and other service providers and is publicly available on the group's **website**.

7.2 GRIEVANCE MECHANISMS

The FairCall hotline independently managed by KPMG, in addition to other internal avenues, provides a confidential and anonymous mechanism for associates and other parties to report non-compliance with the code of conduct, group policies or laws. In addition, the group compliance and ethics officer, supported by line management, provides guidance to associates on ethical and lawful conduct.

Ethics and forensics matters reported via FairCall hotline are investigated internally by the group compliance and ethics officer or by external service providers, where appropriate, in accordance with a defined escalation and investigation framework. According to this framework, non-ethics matters relating to people issues are referred to and investigated by the group's employee relations function and are reported at People Centre of Excellence board meetings. To ensure effective management of people-related matters and strengthen internal resolution mechanisms, a formal grievance process was implemented during the reporting period. This process is designed to ensure that employment-related concerns are appropriately addressed by the People team in the first instance, however associates are entitled to raise concerns anonymously through the independent FairCall hotline reporting line should they prefer to do so. Following investigation, appropriate remedial action in respect of founded allegations is taken in terms of the group's disciplinary code. Appropriate disciplinary action was taken against associates following the outcome of external investigations into the conflict of interest matter reported in 2025. These matters did not relate to or involve senior or executive management.

There were no material fraud issues nor human rights violations during FY2026.

The SETS is satisfied that matters reported during the period, including people-related matters, were appropriately considered, reviewed, investigated (where necessary) and action taken in accordance with the relevant disciplinary codes, where allegations were founded.

7.3 ETHICS TRAINING AND AWARENESS

To support an ethical culture and help associates navigate ethical workplace dilemmas, the group promotes ethics awareness and encourages open communication. Ethics must be institutionalised throughout the group, as it is a collective effort. Online ethics training is available for all associates, including store associates, with guidance from the group compliance and ethics officer and People leadership. This training raises awareness of the group's code of conduct, and supplementary policies, mitigating the risk of unethical behaviour. At the end of FY2026, 68% of head office associates and store managers attended ethics training (excluding Studio 88), with a target to further increase training coverage in FY2027.

7.4 ETHICS MONITORING AND REPORTING

The group compliance and ethics officer monitors ethical compliance and when necessary is supported by internal audit and external professional advisors. Annually, a declaration of code of conduct compliance process (including conflicts of interest matters) is undertaken across the business by directors, associates at head office and store managers, as these roles engage with and could influence relationships with suppliers, service providers or professional advisors. The outcome is reported to the SETS and the Audit and Compliance committees as part of its compliance oversight role.

During the reporting period, 5 242 associates completed the code of conduct declaration with no material conflicts of interest identified.

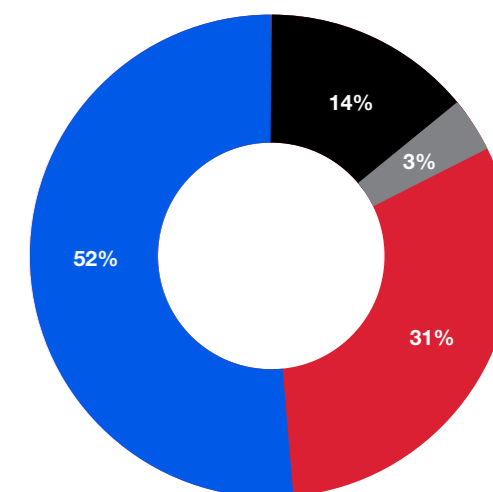
The conflicts of interest system, along with disclosure by associates, is an integral part of conflicts of interest management within the business and assists in ethical behaviour monitoring. The ongoing ethics training includes awareness and management of conflicts of interest. For conflict-of-interest management at board level, refer to the [Governance report](#) on page 169.

In the lead up to quarterly reporting to the SETS, ethics-related matters are reported at the quarterly ESG Centre of Excellence board meetings, attended by senior management of trading divisions and other centres of excellence. This reporting includes statistics and trends, results of the annual code of conduct declarations and other material ethics issues. Ethics matters are included in the group's organisational health index, which is monitored and reported by the People Centre of Excellence.

Whistleblowing allegations FY2026

For the reporting period 388 reports were received through FairCall and internal channels with a total of 927 allegations.

- Valid HR allegations
- Valid non-HR allegations/forensic allegations
- Non-valid allegations
- Allegations/investigations still in progress



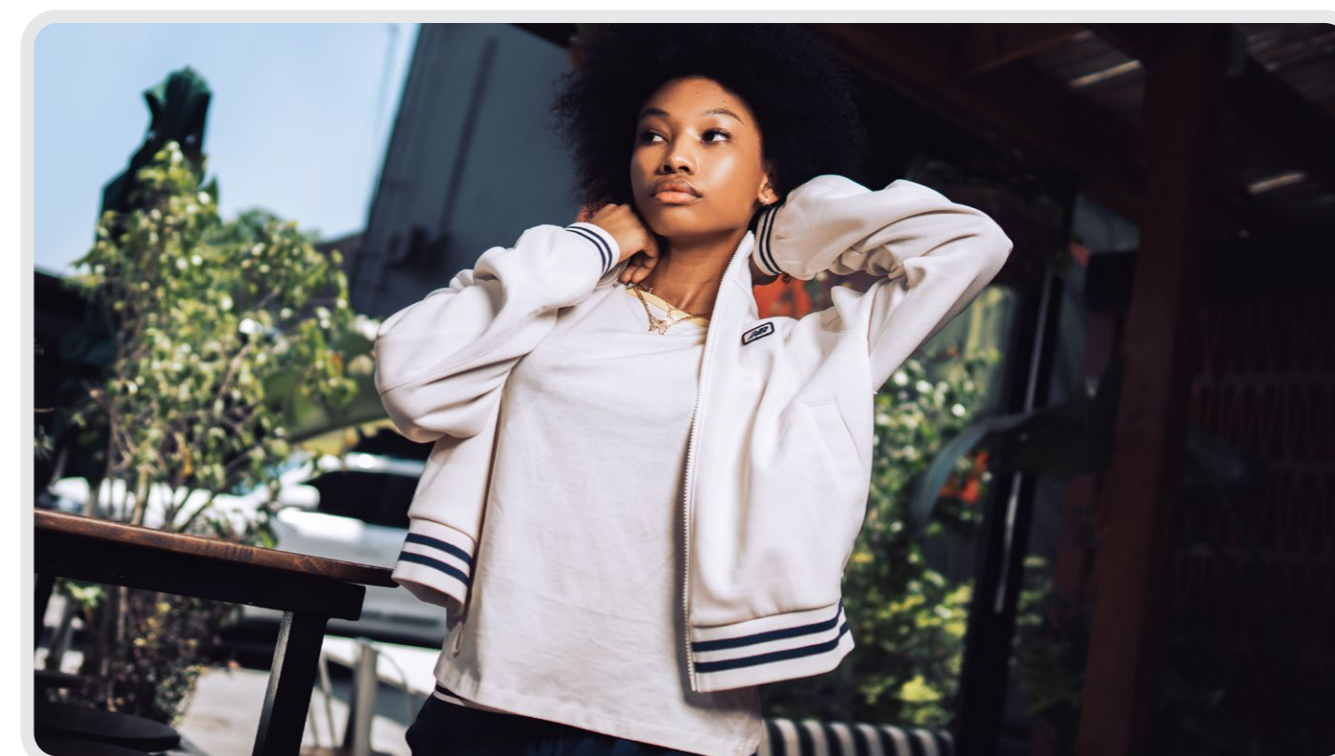
Eight reports included allegations which required preliminary reviews and or forensic investigations performed by KPMG. Five have been closed with the balance still under investigation.

KEY ETHICS FOCUS AREAS | FY2026

- Continued awareness of code of conduct and other related policies to all associates through ethics training
- Finalisation of conflicts of interest internal audit follow up review and implementation of recommendations
- Oversaw conclusion of investigation of secondary conflicts of interest matters from FY2025
- Finalised conversion of anti-bribery and corruption and fraud risk management training to the online learning platform
- Ensured increased ethics training by all head office associates, store managers and store associates

FUTURE FOCUS AREAS

- Driving ethics training to be completed by all head office associates, store managers and store associates
- Focused management of interests/conflicts of interests identified via the system
- Continued implementation of recommendations from conflicts of interest internal audit follow up review





PART 8: FURTHER DISCLOSURE

8.1 DATA PROTECTION & CYBER SECURITY

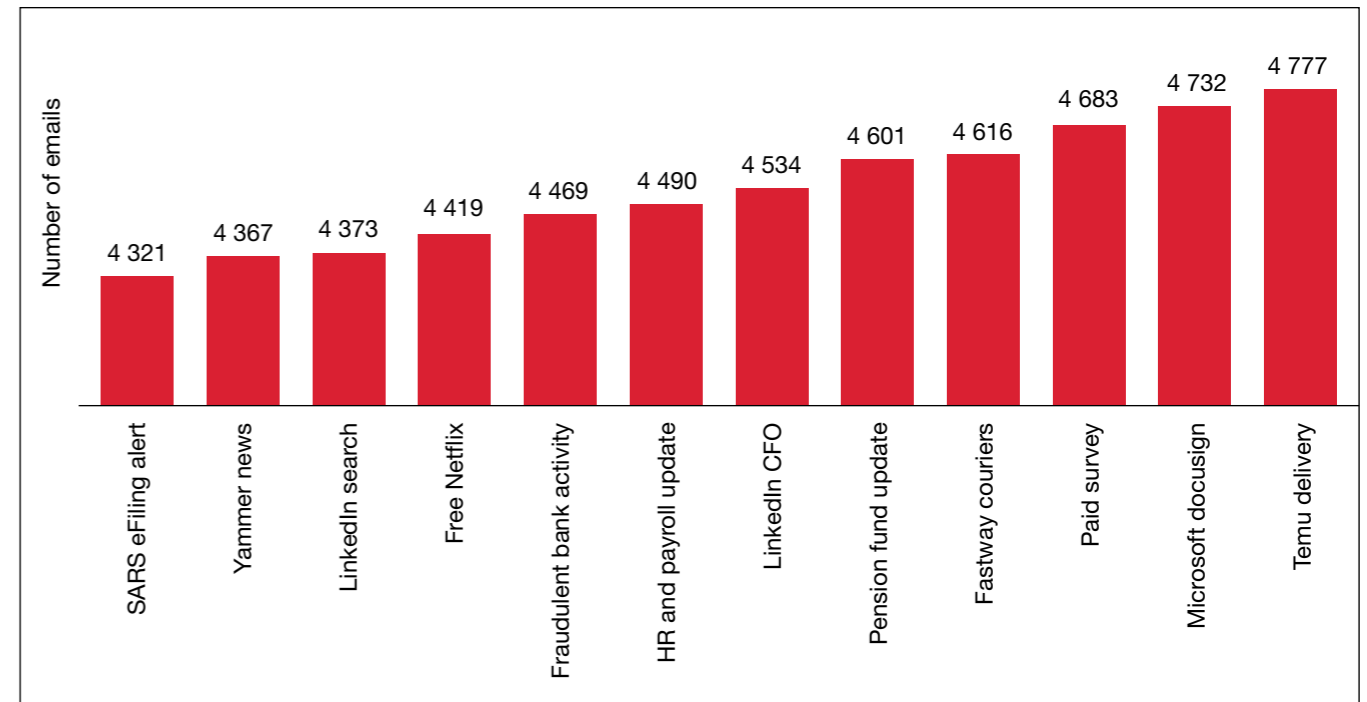
As the custodian of valuable commercial and personal information, the group has a data protection governance framework which aims to protect personal information of all stakeholders and continuously improve the approach to data protection compliance with the South African Protection of Personal Information Act (POPIA). The risk of human error in data breaches is a reality and to mitigate this, data privacy training is mandatory for all associates across the business.

Data protection remains a high compliance priority and to demonstrate this a follow-up internal audit review was conducted in the reporting period. Two data protection breaches were reported to the regulator during the reporting period with no feedback or follow up received. Ultimate responsibility for cybersecurity sits with the board and CEO with operational accountability delegated to the CIO. To manage cybersecurity risk and to appropriately respond to cyber-related incidents, the group conducted seven assessments and audits including a NIST assessment, incident response simulation, penetration testing (for PCI certification), and site security testing during the reporting period.

The group adheres to the NIST cybersecurity framework as well as PCI DSS. An incident response policy is in place and includes the breach notification process, available to all stakeholders. Cybersecurity training is mandatory for all associates across the business with 22 security awareness training campaigns delivered and approximately 93% of associates trained during this reporting period. Data protection and cybersecurity activities, risks, developments and breaches are reported to board committees. There were no material cyber incidents during this reporting period.

Internal cybersecurity lures are simulated deceptive emails, messages, or prompts used within an organisation to test and educate employees by mimicking common cyber-attack tactics such as phishing, social engineering, or malicious links. In FY2026, the group sent a total of 54 384 lure emails to associates in 12 separate campaigns to increase awareness of cybersecurity risks and to encourage better cybersecurity practices.

Lures' campaign: emails distributed



8.2 ETHICAL USE OF ARTIFICIAL INTELLIGENCE

Ethical use of artificial intelligence (AI) and data is at the forefront of any AI strategy to ensure the rights of the group's stakeholders are not infringed upon. In response to the transformation of AI and the investment in technology in the group, an AI policy was developed providing guidelines and best practices for the responsible and secure use of AI and to protect against any risks to the business or its stakeholders.

8.3 ANTI-BRIBERY AND CORRUPTION

The group has a zero-tolerance policy regarding acts of bribery including facilitation payments and/or corruption which is documented in the code of conduct. In addition, there is a board approved fraud risk management framework and financial crime policy and response plan. During the reporting period six allegations of bribery were received via the hotline, four of which have been closed and are unfounded. The balance remain under review.

Group-wide head office training was implemented during this reporting period which includes information on bribery, facilitation payments, corruption and fraud.

8.4 LOBBYING AND POLITICAL CONTRIBUTIONS

The group's commitment to remain politically neutral is stated in the code of conduct as well as a commitment to not use group funds, facilities, goods or services to influence political process. Zero financial or in-kind contributions were paid to lobbyists, political parties or candidates during this reporting period.

8.5 FINES AND PENALTIES FOR ESG ISSUES

SETS is satisfied that there have been zero fines, penalties, settlements or any other monetary loss incurred due to any ESG incidents or breaches.

8.6 INSIDER TRADING

SETS is satisfied that there were no instances of insider trading for the reporting period. Details of the group's controls to prevent insider trading can be found in the [Governance report](#).

8.7 FACILITATION PAYMENTS AND GIFTS

The group prohibits the practice of facilitation payments under any circumstances, as stated in the code of conduct. The committee is satisfied that no facilitation payments were reported in FY2026.

The group's code of conduct and gift policy specifies appropriate behaviour around corporate gifts and requires that all gifts are declared and certain gifts and benefits are prohibited.

8.8 PUBLIC POLICY DEVELOPMENT

The group is a signatory to and supports the Retail-Clothing, Textile, Footwear and Leather (CTFL) Master Plan, which is a voluntary industry strategy to grow and develop South African manufacturing capability and capacity of clothing, textile, footwear and leather goods. The Master Plan, which supports the South African government's national development plan, has successfully directed an industry-led approach, supported by government and unions, showing how key stakeholders can drive progress that benefit the country and its people. Additionally, in its role as a youth development organisation, the Mr Price Foundation's leadership regularly engages with the National Planning Commission, WR-SETA, and the National Youth Development Agency to contribute to youth skills development policy matters in South Africa.

The group is also a member of the KwaZulu-Natal Clothing and Textile Cluster (KZN CTC), a multi-stakeholder industry body that develops clothing and textile manufacturing capability and competitiveness through targeted interventions and knowledge sharing. Research data developed through the KZN CTC contributes to insights required for engagement with key stakeholders on policy development. The group Sustainability Director was selected in 2025 to chair the KZN CTC for a three-year period, which allows the group direct involvement in policy and industry development. Progress has also been made with the establishment of the group's Supplier Development Cluster, a partnership with the DTIC and key suppliers, which enables the group to develop the required capability to increase local procurement. Further details on these initiatives are on [page 70 - 71](#).

As part of its role as a responsible corporate citizen, the group's leadership formally engages from time to time with the Honourable Mayor of eThekweni Municipality, to add its voice to matters that impact the conduct of its business in Durban and the welfare of its associates, such as maintenance of and investment in infrastructure, and the CEO of Transnet, the port authority that manages the operations of the Durban port.

The group also participates in forums where there is a material impact on the group, through industry bodies such as the National Clothing Retail Federation, the Retail Association and Business Unity SA.



8.9 RESPONSIBLE MARKETING

The group is committed to upholding its brand promise and purpose to be “Your Value Champion”. All marketing efforts are guided by a strong sense of responsibility and a commitment to accuracy. The group strives to ensure that all marketing activities are conducted honestly and respectfully towards its customers and comply with the requirement of the South African Consumer Protection Act and the Advertising Regulatory Board.

Marketing conducted by the group is:

- Truthful, not misleading, accurate, balanced and substantiated
- Identifiable and clearly distinguishable - the group commits to clear labelling in editorial contexts
- Decent - it promotes and upholds the promotion of human decency and non-discrimination

The group commits to not making unsubstantiated claims regarding health or environmental claims. The group’s content refrains from promoting alcohol consumption, smoking, illegal drug use, eating disorders, or terrorism, aligning with local and international laws. It is vigilant in ensuring that its content does not inadvertently encourage or condone cruelty to animals. Additionally, all marketing avoids any messaging that could be construed as promoting racism, xenophobia or unlawful behaviour. The group is dedicated to providing transparent and truthful descriptions of its products and services, accompanied by relevant factual information. The group is guided by and compliant with the following standards:

- Advertising Regulatory Board in South Africa
- The South African Consumer Protection Act
- King IV™ Code

Overall, the group aims to maintain a trusted and honest approach in all of its marketing endeavours.

8.10 PRODUCT SAFETY AND CUSTOMER ASSISTANCE

PRODUCT SAFETY

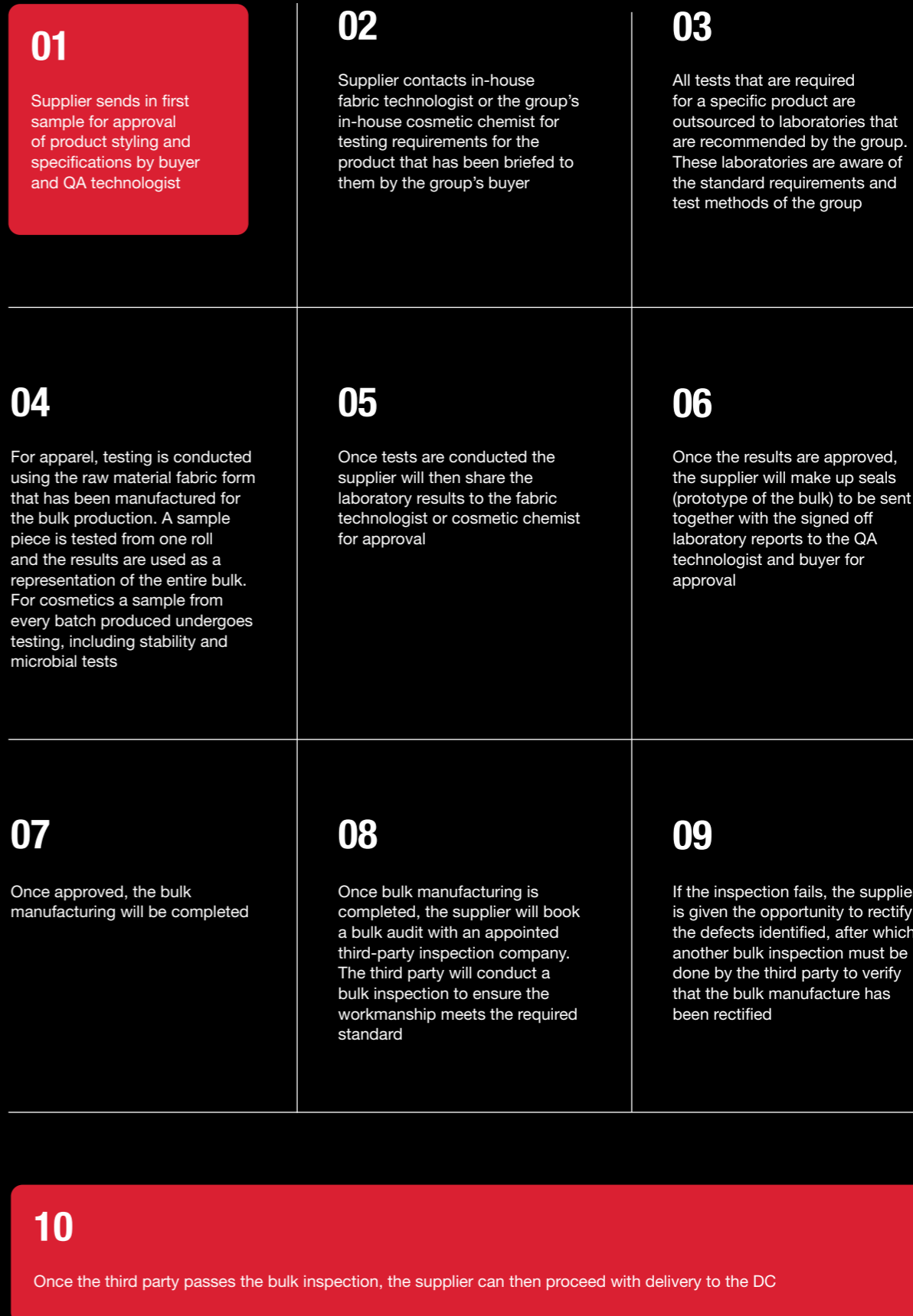
Product safety is a core component of the group’s quality assurance framework, which is well established and implemented through the quality assurance functions within the trading divisions. Suppliers are provided with detailed manuals that set out the standards required to support the group’s quality approach. Products intended for children are subject to stringent safety requirements, which are outlined in a dedicated manual.

The supplier manual for personal care and cosmetic products is informed by guidance from the Cosmetics, Toiletry and Fragrance Association and is aligned with applicable European Union standards. Apparel and accessories are tested for a range of regulated substances, including phthalates, Bisphenol A, nickel release, azo colourants, lead in substrates, and formaldehyde.

Cosmetics undergo various tests and all cosmetics suppliers must be ISO 9001 or GMP certified. Tags, cutlery, utensils and drinking equipment products also undergo a series of tests to ensure customer safety.

An immaterial number of products were recalled for quality and safety reasons in FY2026.

Quality process



Product safety testing

Name of test	Test method
Phthalates	EN15777:2009
Specific Migration - Bisphenol A (BPA)	EN13130-1:2004
Nickel Release	EN12472 & EN1811 as per REACH
Azo Colourants	EN ISO 14362-1:2017, EN ISO 14362-3:2017
Lead in substrates	CPC-CH-E1001-08.3 and/or CPSC CH-E1002-08.3 (non-metal) as per REACH
Formaldehyde	ISO14184-1:2011

Cosmetics - all suppliers must be certified with ISO 9001 or a GMP Certificate	
Fragrance Declaration	IFRA certificate must be provided. The International Fragrance Association (IFRA) is a global industry association, its purpose is to ensure consumer safety with regards to fragrances and products containing fragrances. IFRA's Code of Practice carries a set of standards, and these are based on scientific research and a risk-based evaluation that is piloted by a team of experts.
SDS - Safety Data Sheet	Provides information to alert us on the hazards including the environmental hazards and to provide advice on safety precautions. It should also include precautions for normal use, handling, storage, disposal and spill cleanup. The Material Safety Data sheet should be in English.
Stability Test	Stability testing assesses how a products quality changes over time due to factors like temperature and light. It determines the re-test periods and shelf lives for the products.
Preservative Challenge Test	Preservative challenge testing assesses preservative effectiveness over time and product's resistance to microbial contamination during use.
Microbial Test	Microbiological tests on cosmetics detect microbial contamination, presence of bacteria, fungi or yeasts to ensure product safety and quality. The following indicators are tested for: Staphylococcus aureus, E-coli, yeast, mould, and total plate count.

Toys, Cutlery, Utensils and Drinking Equipment	
Mechanical and physical properties	EN71 - Part 1
Flammability	EN71 - Part 2
Migration of certain elements	EN71 - Part 3
Child use and care articles - cutlery and feeding utensils	EN 14372
Child use and care articles - cutlery and feeding utensils	EN 14350

CUSTOMER ASSISTANCE

In addition to online tools to assist customers to purchase products, numerous other channels are available to customers who need assistance. Online guides include:

- Size guides
- FAQs
- Delivery and return guides
- How to shop online
- Find your fit guides
- How to get free delivery
- Find a store function
- App based shopping and customer care guides

CUSTOMER CONTACT CHANNELS INCLUDE

- Customer call centres
- Dedicated WhatsApp chat lines
- Website contact forms
- Store phone numbers

Contact details of the various trading divisions are on [page 88](#).



PART 9: ADDITIONAL INFORMATION

9.1 POLICIES

The following group policies support and enable the group's ESG activities (publicly available policies are linked below):

- **Code of conduct** (applicable to associates and business partners)
- **Environmental policy**
- Responsible sourcing framework and implementation guide (for merchandise suppliers)
- Cybersecurity policy
- Diversity policy
- Internal audit charter
- **Privacy policy**
- Disciplinary code
- **Board and committee mandates**
- **Promotion of gender and ethnicity diversity on the board**
- Compliance
- Transfer pricing
- Subsidiary governance
- Side Hustle Policy
- Gift Policy
- Conflict of Interest
- Complaints

9.2 INDUSTRY ENGAGEMENT AND MEMBERSHIPS

The group views its role to create value in a sustainable way as an active responsibility which requires engagement and influence - Together We Do Good. To ensure the group can contribute to sustainability and ESG issues and make a difference both locally and globally, it (or relevant management) is a member of or actively participates in the following industry or government bodies, forums and charitable organisations:

Membership organisations	Country	Membership contribution
Ethical Trading Initiative (ETI)	United Kingdom	R1.82m paid in contributions
World Wide Fund for Nature (WWF)	South Africa	
Textile Exchange (TE)	United States of America	
Producer Responsibility Organisations (PROs) Polyco, Fibre Circle, Circular Energy, Light Cycle	South Africa	
KwaZulu-Natal Clothing & Textile Cluster (KZN CTC)	South Africa	
Retail Association	South Africa	
National Clothing Retail Federation of SA (NCRF)	South Africa	
The Compliance Institute of South Africa	South Africa	
Institute of Directors South Africa (IoDSA)	South Africa	
The Ethics Institute	South Africa	

Non-profit partnerships	Country	Value of donation
Mr Price Foundation	South Africa	R32.1 million
Taking Care of Business	South Africa	R16 389 326
Clothing Box / Nation Changers	South Africa	R7 273 752
Project Rhino	South Africa	R486 836
Wild Oceans	South Africa	R785 613
Signatory initiatives		
Retail-Clothing, Textile, Footwear and Leather (R-CTFL) Master Plan 2030		

9.3 FORWARD-LOOKING STATEMENTS

Certain statements in this report may constitute forward looking statements which, by their nature, involve risk and uncertainty because they relate to future events and circumstances that may be beyond the group's control. The directors therefore advise readers to use caution regarding interpreting any forward-looking statements in the report.

Administration and Contact Details



	Address	Phone	Fax	Websites
Corporate Mr Price Apparel Mr Price Home Mr Price Sport Sheet Street Mr Price Foundation	Upper level, North Concourse, 65 Masabalala Yengwa Avenue, Durban, 4001 Private Bag X04, Snell Parade, Durban, 4074	031 310 8000 031 310 8638 031 310 8809 031 310 8545 031 310 8300 031 310 8242	031 304 3725 031 304 3358 031 328 4138 031 306 9347 031 310 8317 031 328 4609	mrpricegroup.com mrp.com mrphome.com mrpricesport.com sheetstreet.co.za mrpricefoundation.org
Miladys	30 Station Drive, Durban, 4001 PO Box 3562, Durban, 4000	031 313 5538	031 313 5620	miladys.co.za
Yuppiechef	14 Stibitz Street, Westlake, 7945	021 702 4969		yuppiechef.com
Power Fashion	350 Umhlangane Road, Riverhorse Valley, Redhill, 4071	031 570 8400		powerfashion.co.za
Studio 88	Aeroton Business Park, 30 O'Connor Place, Aeroton, Johannesburg, 2190	011 006 0888		studio-88.co.za
Mr Price Money Mr Price Mobile	214 Dr Pixley KaSeme Street, Durban, 4001 PO Box 4996, Durban, 4000	031 334 1011		mrpmoney.co.za
KPMG FairCall	BNT 371, PO Box 14671 Sinoville, 0129	0800 00 6465		www.thornhill.co.za/kpmgfaircallreport/ questionnaire/main/
Customer Care		0800 212 535		
Account Services		0861 066 639		

Company Secretary and Registered Office

Janis Cheadle
 Address: Upper level, North Concourse, 65 Masabalala
 Yengwa Avenue, Durban, 4001
 Address: PO Box 912, Durban, 4000
 Tel: 031 310 8000

Investor Relations

Matthew Warriner
 Address: Upper level, North Concourse, 65 Masabalala
 Yengwa Avenue, Durban, 4001
 Address: PO Box 912, Durban, 4000
 Tel: 031 310 8000

Transfer Secretaries

Computershare Investor Services (Pty) Ltd
 Address: Rosebank Towers, 15 Biermann Avenue,
 Rosebank, 2196
 Address: Private Bag X9000, Saxonwold, 2132
 Tel: 011 370 5000
 Email: proxy@computershare.co.za

Domicile and Country of Incorporation

Republic of South Africa

Sponsor

Investec Bank Limited

Registration Number

1933/004418/06

Independent Auditors

Deloitte & Touche

Tax number

9285/130/20/0