



**CIRCULAR
THINKING
IN ANY SHAPE**

2024
**SUSTAINABILITY
REPORT**

FOR THE YEAR ENDED
31 DECEMBER 2024

MPACT – CLOSING THE LOOP



This year **Mpact Recycling's** 14 facilities across South Africa collected over 580,000 tonnes of recyclables (paper, glass, beverage cans, plastic and liquid board packaging) from pre- and post-consumer streams. In this way, material is diverted from landfill sites. The process also provides waste collectors an opportunity to earn a living by selling recyclable waste to Mpact's buy-back centres.

Paper fibre can be recycled up to seven times before it degrades, with every tonne of paper that is recovered saving 3m³ of landfill space. Approximately 70% of the cardboard and paper recovered by Mpact Recycling is used at **Mpact's paper mills** to produce paper and board. The rest is sold to external customers.

Mpact Plastics uses recycled PET (rPET) and other recycled material according to customers' needs. The Bins & Crates business has a buy-back and exchange model that encourages customers to return products for recycling at the end of life. Approximately 20% of the high-density polyethylene the business uses is recycled from returned product.

Recyclable plastics collected by Mpact Recycling are sold to external customers for recycling.

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MPACT'S 2024 REPORTING SUITE COMPRISES:



> Integrated Report

Sustainability Report
> (including an ESG Summary Report as an addendum)

> Notice of Annual General Meeting

> Annual Financial Statements

The reporting suite is available on our website: www.mpact.co.za

REFERENCE



Refer to page



Available online on the company's website: www.mpact.co.za

ABOUT THIS REPORT

Our Sustainability Report – which forms part of the 2024 annual reporting suite – provides information for stakeholders specifically about the Group's ESG initiatives, and performance regarding these initiatives for the financial year ended 31 December 2024. This Report should be read in conjunction with the 2024 Integrated Report.

MATERIALITY AND MATERIAL MATTERS

Our Integrated and Sustainability Reports are prepared on the basis of materiality, where a matter is deemed to be material if it can substantively affect the Group's ability to create and sustain value over the short, medium, or long term. Our material matters are both financial and non-financial in nature and are agreed upon by the Executive Committee and the Board.

We identify our material matters by reviewing a range of internal and external sources, which includes the risk assessment process, our engagements with primary stakeholders, operational issues, management interviews, and developments in legislation. The process is outlined on [pages 21 to 23](#) of the 2024 Integrated Report. Matters that are raised through our stakeholder engagement process are assessed in terms of the stakeholder's legitimacy and urgency.

SUSTAINABILITY AND ESG

Mpact remains committed to ensuring good corporate governance in line with King IV™ and continues to embrace best practice in this respect, and our social and environmental initiatives are outlined in detail throughout this report.

ENVIRONMENT

Mpact's business model is built on the principle of the circular economy and treating the environment with care and sensitivity. Responsible environmental management is both a core focus area for the business and an important aspect of our strategy to create value. We remain guided by the principles of legal compliance, minimising our environmental footprint and building a circular economy. As such, Group operations have systems in place and assurance service providers at various levels to ensure compliance with the complex environmental legal

framework and to drive improved efficiency in energy, carbon emissions, water use and waste handling through the application of appropriate environmental management systems.

CLIMATE CHANGE

We continue to work on aligning our climate change reporting with the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards, in particular, IFRS S2 Climate-related Disclosures. We also report against those United Nations Sustainable Development Goals (UN SDGs) we consider applicable to our business and have updated our progress during 2024 accordingly. An in-depth analysis of our approach is included on [pages 62 to 72](#) of this Report.

SOCIAL

Mpact places a high priority on the safety, health, skills, and development of our people. We also promote a diverse and representative workforce and ownership structure, cognisant that these are integral to our long-term sustainability. As a responsible corporate citizen, we contribute to our surrounding communities through proactive CSI initiatives and enterprise development, which are an external expression of this principle and our commitment to the communities in which we operate.

GOVERNANCE

The Board of Directors of Mpact, as the governing body, recognises that good governance achieved through ethical practices, competitive performance, effective internal controls, robust risk management, and strong shareholder relationships creates long-term equity value.

ABOUT THIS REPORT *(continued)*

GUIDELINES AND FRAMEWORKS

To guide and inform our decisions in preparing our Integrated and Sustainability Reports, we applied the principles and requirements contained within various regulations, codes, and standards, inter alia:

- IFRS Accounting Standards;
- the Companies Act;
- the JSE Listings Requirements;
- the King Code of Governance Principles for South Africa (King IV™);
- the Value Reporting Foundation's Framework, as these apply to the Group;
- the JSE Sustainability and Climate Disclosure Guidance;
- the Task Force on Climate-related Financial Disclosures (TCFD); and
- GRI (Global Reporting Initiative) following the GRI 101: Foundation; GRI 102: General Disclosures; and GRI 103: Management Approach.

Should you wish to receive a copy of any of these reports or have any questions or comments arising from reading this Sustainability Report, please email us at:

Nompumelelo Kunene
Group Communications Manager
NKunene@mpact.co.za



Our sustainability reporting is primarily based on the GRI standard, but also aims to comply with the requirements of IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures. We also continue to align with those UN SDGs we consider applicable to our business and have updated our progress during 2024 accordingly.

ASSURANCE

The Group's energy, carbon emissions, water use and safety numbers reported were verified by Catalyst Verification Solutions (CSV), a certified measurement and verification body. The Sustainability Report as a whole was not independently assured.

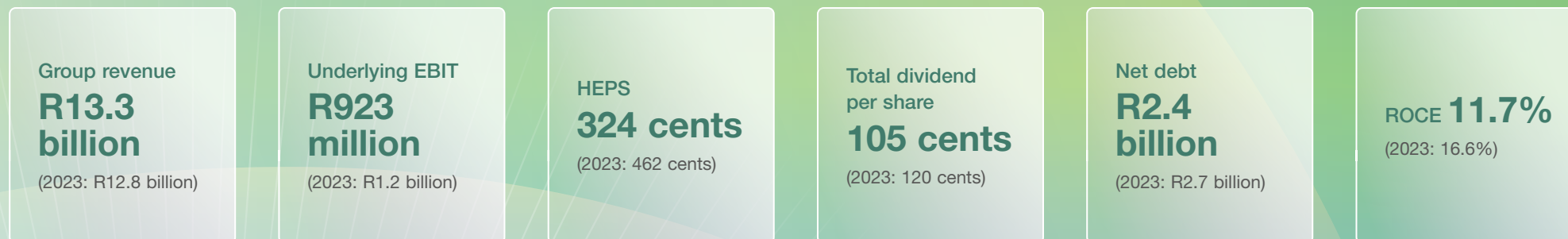
01 OUR PERFORMANCE

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KEY METRICS

FINANCIAL PERFORMANCE FROM CONTINUING OPERATIONS¹



NON-FINANCIAL PERFORMANCE^{2,3,4}



1. The Statement of Profit and Loss has been restated to present Versapak, the discontinued operation, on a post-tax basis.

2. Per saleable manufactured tonne; manufacturing operations exclude the Recycling division as there is a low correlation between environmental parameters and tonnes of output from these operations.

3. Paper and Plastic businesses' environmental performance on pages 38 and 43 of the Integrated Report; environmental targets on page 19 of this Report.

4. Non-financial performance indicators restated to exclude the performance of Versapak, a discontinued operation (sale concluded 4 November 2024), with the exception of the B-BBEE rating and scores.

VALUE ADDED STATEMENT

	2024 R'm	2023 R'm	2022 R'm	2021 R'm
Value created				
Value created by operating activities	3,708.6	3,813.0	3,613.7	3,272.5
– Revenue	13,290.7	12,823.1	12,373.2	11,548.8
– Expenses	(9,582.1)	(9,010.1)	(8,759.5)	(8,276.3)
Finance income	24.5	15.6	8.6	8.0
Share of associate profit	18.5	18.3	15.5	7.1
Total value created	3,751.6	3,846.9	3,637.8	3,287.6
Value distributed	(2,780.9)	(2,816.8)	(2,586.4)	(2,403.2)
Staff costs	(2,153.1)	(2,068.8)	(1,941.1)	(1,838.3)
Payments to providers of capital				
– Finance costs	(321.7)	(299.6)	(192.4)	(147.5)
– Dividends and shares repurchased	(214.0)	(235.3)	(181.1)	(301.7)
Payments to Government				
– Income tax paid	(92.1)	(213.1)	(271.8)	(115.7)
Value reinvested	(591.7)	(596.0)	(510.6)	(612.6)
Depreciation, amortisation and impairment	(575.6)	(627.2)	(508.4)	(500.2)
Deferred tax	(16.1)	31.2	(2.2)	(112.4)
Profit retained	(379.0)	(434.1)	(540.8)	(271.8)
	(3,751.6)	(3,846.9)	(3,637.8)	(3,287.6)

From continuing operations. The Value Added Statement refers to the economic benefit created by Mpact and how it was distributed to various stakeholders.

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OUR APPROACH

Our values commit us to being resolute, trustworthy, and responsible in everything we do. The principles of good governance are embedded in the business through our governance framework, and we regard safe working practices and environmental and social sustainability as critical aspects of business excellence. These concepts are integrated into our strategy and approach to doing business and ensure the long-term sustainability of the organisation.

The Group's performance for the year is outlined in the Social and Ethics Committee Report on [pages 52 to 54](#) of the 2024 Integrated Report, available online at www.mpact.co.za.

OUR APPROACH TO SUSTAINABILITY ENCOMPASSES THE FOLLOWING KEY ELEMENTS:

Safety and health

People development and diversity

Social and relationship initiatives

Stakeholder management and engagement

Our relationship with the environment, including:

- Sustainability initiatives
- Environmental compliance
- Sustainability targets

RESPONSIBILITY FOR SUSTAINABILITY

The Board has overall responsibility for the Group's performance as a good and responsible corporate citizen. Monitoring and oversight of sustainability is delegated to the Social and Ethics Committee, while our Code of Ethics and the relevant policies and procedures establish the framework within which the Group manages its overall business and provides guidance for employees, suppliers, and partners to promote a cooperative, coordinated approach. These policies and procedures cover safety, health, environment and energy, transformation, procurement, human resources, financial management and maintenance, amongst others.

OUR APPROACH *(continued)*

Sustainable development and continual improvement initiatives across the Group's operations are centrally coordinated. Our approach is guided by the principles of Environment, Social and Governance (ESG) as set out below.



Mpact's vision is to be a leading packaging business with the highest ethical standards, delivering exceptional value for our customers, employees, communities and shareholders. This is supported by our ESG strategy which encapsulates and operationalises our efforts in this regard.

SUSTAINING PROFITABLE GROWTH

Our business is affected by global developments that impact the price and demand for recycled fibre and paper, as well as the availability and cost of polymers, other raw materials, and capital goods. Customers in the agricultural sector are affected by weather patterns such as droughts and the timing of harvests. Exports for these products are affected by international trade dynamics, currency fluctuations and service and logistics disruption. Awareness of climate change is increasing in business, government and society. The likely impact of climate change, international trade dynamics, service delivery and logistics challenges are therefore included in our risk management processes and inform our annual strategic reviews.

The South African macroeconomic environment continues to have an impact on our operations, our customers, and the products sold into the local market, as does developing legislation that applies to our industry and operations, which affects our products and operations directly, or the activities of our customers.

STRATEGIC INVESTMENT PROJECTS

Our strategy is thus to deliberately target sectors where we expect sustained growth, and which are also partly shielded from South African consumer spending. These include packaging for export fruit, convenience shopping as well as recycling, and waste management. Capital funding and allocation are focus areas to ensure liquidity, access to capital for expansion, and effective allocation within the business.

We continue to make pleasing progress on our strategic investment projects.

For more information, refer to [pages 31 and 108](#) of the 2024 Integrated Report.



COST COMPETITIVENESS, AS WELL AS ANTICIPATING AND MEETING CUSTOMER NEEDS

We operate in highly competitive markets and must focus on managing input costs and driving efficiencies in our operations to ensure that we can continue to provide our customers with high-quality products at economical prices. We aim to meet and exceed customer expectations for product quality, service, and innovation in a cost-effective way.

TO THIS END, WE ARE COMMITTED TO MAINTAINING OUR LEADING MARKET POSITION BY SUPPLYING QUALITY PRODUCTS AND SERVICES THROUGH:

Innovative developments in research, product design, product diversification, vertical integration, market development, and continuous improvement in equipment and processes.

Long-term agreements with key customers and suppliers supported by active customer service.

Proactive management of costs.

Product assurance against international standards, such as the ISO standards, for quality, environment, and food safety.

Investments in capital projects have been critical in improving efficiencies and ensuring that we can continue to anticipate and meet the needs of our customers. We actively manage input costs and efficiencies in our operations to ensure that we continue to produce high quality innovative products and solutions at competitive prices.

Disruptions to operations affect production efficiencies and may result in forced work stoppages. In 2024, production was impacted by planned downtime at the Mkhondo paper mill for the implementation of capital projects, which will benefit the business in future. There was also 32 days of utility downtime during 2024, mostly at the Springs paper mill, due to water and electricity supply interruptions. In the first half of the year, some operations were also affected by load shedding. The paper mills and some corrugated plants avoided this through load curtailment agreements with their respective power suppliers.

Despite improved global supply chains and related cost inflation declining, consumer demand in South Africa remains subdued. The effect of adverse weather patterns on agricultural customers continue to affect demand in both the paper and plastics businesses.

COST COMPETITIVENESS, AS WELL AS ANTICIPATING AND MEETING CUSTOMER NEEDS *(continued)*

INNOVATION

Innovation is a cornerstone of Mpact's vision, values, and strategy. We continue to make a significant investment to internal research and development capabilities and skills development to build and maintain a sustainable competitive advantage that focuses on modernisation, research, and technical support. Matching our customers' requirements with the latest technology and materials enable us to create game-changing packaging solutions and new product classes. Added value packaging deepens our long-term strategic relationships with customers, helps us to grow our business with them, and secures business by providing products that are not easy to replicate.

We embrace a systematic innovation process that empowers us to create tailored business configurations. These configurations drive the development of our materials, products, systems, processes, and service offerings for the marketplace. This strategic approach translates into effective monetisation of innovation within the marketplace.

Our innovation centres work in a matrix structure with different operations within the Group. The centres approach each project with full understanding of the technical aspects of what they are required to deliver. This is supported by scientific capabilities which are integrated at every stage of the value chain. Importantly though, our teams comprise critical thinkers who can translate scientific insights into practical information that add real value to our business and those of our customers. They are supported by state-of-the-art equipment in developing products for both existing and new markets, thus ensuring our packaging remains fit for the future.

Our innovative culture is reflected in the everyday actions of our people, in terms of the materials that we place on the market, and the facilities and systems that we have developed to support the packaging needs of our customers. The Recycling division offers a range of collection and sorting solutions to the market, and our design centres at Mpact Converting (Corrugated and Detpak), Mpact Plastics and Mpact Plastic Containers offer structural and graphic design capabilities to our clients. This allows Mpact to support our customers to develop bespoke packaging solutions, from concept to prototype.

The teams who are based at our innovation, research & development centres, located at Stellenbosch and Springs, follow a structured, science-based approach. This expertise spans more than a decade in key technical fields and has resulted in thought leadership in food safety, the recyclability of various materials, life cycle assessments and carton performance. Mpact's focus on innovation allows us to develop systems of advantage for our customers across the business.

The integration of innovation across Mpact's value chain allows us to shift our focus from supplying packaging to developing solutions that are smarter and more sustainable for customers. This is reflected in the selection of materials and inclusion of recycled content, functional design, and recyclability at end-of-life. All of these aspects contribute to the innovative nature of our products, including the substitution of difficult to recycle plastics with fully recyclable paper-based packaging. In this way, we can reduce our environmental footprint, as well as provide packaging choices to our customers that

support their packaging sustainability goals. Our packaging and logistic solutions have redefined the way fruit and other products are packaged, shipped, and displayed nationally and internationally.

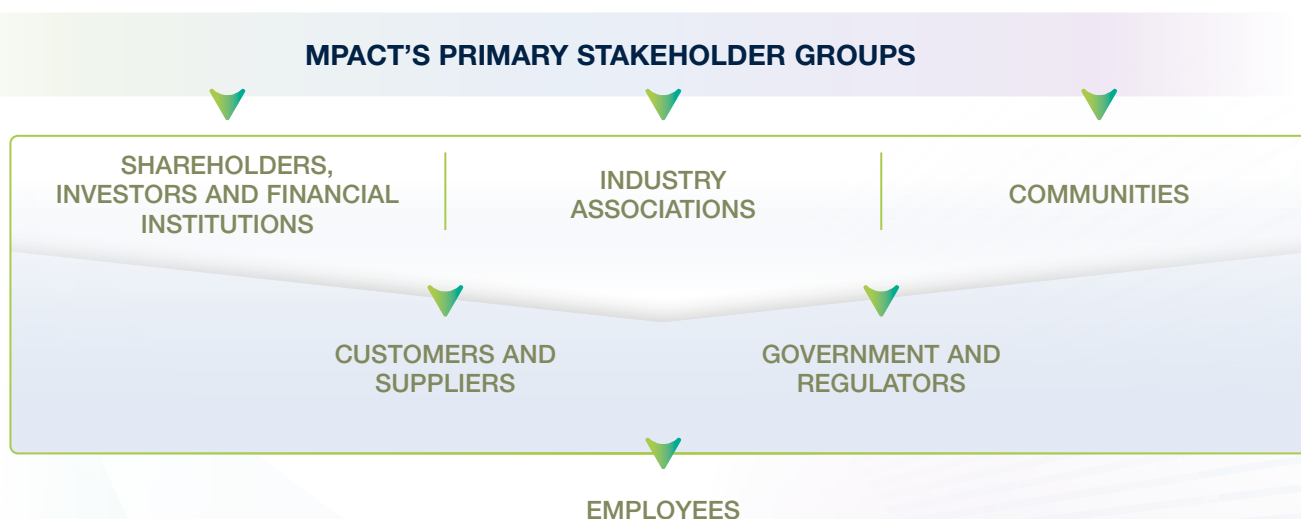
Mpact has once again been acknowledged by the industry and customers, through the multiple industry awards and nominations achieved in 2024, across our innovative product range. Successful projects such as the intelligently designed paper-based protective packaging for the safe containment of lithium-ion batteries, replacing traditional polystyrene protective packaging, has the potential to expand into many other similar applications, solving an industry challenge sustainably. Internally, Mpact also acknowledges excellence in innovation through the Southern Cross awards programme. These projects bear testimony to Mpact's strategic focus to deliver innovative systems of advantage to meet customers' specific requirements, and resolve industry challenges.

For more information, refer to [pages 19 to 20](#) of the 2024 Integrated Report on Group strategy, and [pages 15 to 16](#) for details of products that won awards.

STAKEHOLDER ENGAGEMENT

Regular, transparent, and open dialogue with our stakeholders remains an ongoing element of ensuring our long-term success. We engage with primary stakeholders regularly to understand their key concerns and identify ways to address the social, economic, and environmental challenges they face. The information from these engagements informs our strategy discussions, strengthens our community programmes, identifies risks, opportunities, and material matters, and ensures compliance with the Companies Act and King IV™.

The Group's Stakeholder Engagement Policy guides this approach and is reviewed annually, with the Social and Ethics Committee reviewing quarterly reports on our key engagements with stakeholders. The committee further evaluates our primary stakeholders each year to ensure these stakeholders continue to reflect the key groupings with whom we should interact.



KEY ENGAGEMENTS FOR 2024

SHAREHOLDERS, POTENTIAL INVESTORS AND ANALYSTS

The Group communicates its financial performance to the investment community and the media. It presents its results to shareholders, analysts, and other providers of financial capital. It holds one-on-one meetings with key investors and potential investors. Mpact's in-house Communications Manager continues to be supported by an investor relations consultant.

ENGAGEMENTS WITH EMPLOYEES

This year our CEO Imbizo Roadshows continued across our sites. The Imbizos are hosted to provide employees with an opportunity to engage directly with senior executives, addressing a range of issues, including safety, employee wellness support, and financial performance.

GOVERNMENT, INDUSTRY BODIES AND CUSTOMERS

Mpact participates in industry organisations to provide input on industry issues and to ensure that the Group's positions on issues that affect our operations are well understood and communicated effectively to government and regulators. These organisations include The Paper Manufacturers Association of South Africa (PAMSA), Packaging South Africa, Forestry Charter Council, Fibre Circle, The PET Recycling Company (PETCO), and Polyco, amongst others.

We have been actively involved in the development and implementation of the Packaging South Africa Industry Waste Management Plan and the EPR regulations, and engaged with the government, the Department of Forestry, Fisheries and the Environment (DFFE), and other key stakeholders.

STAKEHOLDER ENGAGEMENT *(continued)*

HOW WE ENGAGE

STAKEHOLDER EXPECTATIONS AND CONCERNS

HOW MPACT ADDRESSES THESE



Employees and unions

- Remuneration and performance appraisals.
- CEO Imbizos (employee feedback sessions).
- General updates.
- Tip-offs Anonymous.
- Employee surveys.
- Bargaining Council meetings.
- Transformation Committee meetings.

- Fair work practices and transformation.
- Fair remuneration.
- Safe working environment.
- Clear and strong leadership.
- Skills development.
- Learnership programmes.
- Career opportunities.
- Transformation.

- Salary-benchmarking surveys.
- Occupational Health and Safety (OHS) programmes and instructions are in place at all plants.
- Employee wellness programme.
- Skills development and training.
- Mpact's e-Learning platform provides specialist training in relevant fields.
- Safe working practices.

- Transformation initiatives to drive diversity.
- Succession planning programmes.
- The Mpact Foundation Trust Bursary Scheme offers bursaries for tertiary education to the dependants of qualifying employees.
- Recognition of work done through the Mpact awards.



Customers and suppliers

- Ongoing interactions in the ordinary course of business.
- Contractual negotiations.
- Customer innovation workshops.
- Site visits.
- General updates.

- Quality product and efficient service.
- Product innovation.
- Keeping abreast of market trends.
- Competitive prices.
- Impact of exchange rates.
- Fair payment terms.

- Meetings to address product quality and specifications, service, stockholding, and security of supply.
- Procurement agreements.
- Long-term supply agreements.

- Mpact's R&D Centres continuously innovate to ensure cost-efficiencies and enhanced food safety.
- Webinars to educate customers about their obligations under the new EPR regulations and identify potential opportunities.



Shareholders, the investment community, and financial institutions (including banks)

- Results presentations and investor road shows.
- AGMs.
- Site visits.
- Trading updates.
- Market perception polls.
- In-house Communications Manager.
- Investor relations consultant.
- One-on-one meetings with key investors, existing and potential, including the Chairman and Board members.
- The Mpact website.

- Capital allocation.
- Group strategy and prospects.
- Detailed financial analysis and figures.
- A better understanding of the business and its operations.
- Major risks of the Group and how these are addressed.
- Minimum shareholding requirements (MSR), as well as STI and LTI performance targets.
- Pay disparity and pay ratios.

- Regular updates to the market regarding key developments through SENS and media releases.
- Comprehensive results presentations.
- Integrated Report and Sustainability Report.
- Review of remuneration policy, including performance targets, MSR and pay ratios, by the Remuneration Committee.

- Mpact periodically communicates key information to the investment community and is supported by an investor relations consultant.
- Senior management engages with analysts, shareholders, the broader investment community, and other providers of financial capital.

STAKEHOLDER ENGAGEMENT *(continued)*

HOW WE ENGAGE

STAKEHOLDER EXPECTATIONS AND CONCERNS

HOW MPACT ADDRESSES THESE



Government institutions and regulatory authorities

- | | | |
|--|---|---|
| <ul style="list-style-type: none"> • Meetings. • Representation on industry bodies, forums, and regulatory bodies. • Active engagement on key projects. | <ul style="list-style-type: none"> • B-BBEE status. • Health and safety. • Water licence applications. • Environmental matters such as carbon tax, air emissions, waste management, and electricity usage. • Ensure understanding of industry issues. • Funding and tax incentives. | <ul style="list-style-type: none"> • Commitment to regulatory compliance. • Ongoing engagements with regulators to ensure compliance. |
|--|---|---|



Communities

- | | | |
|---|---|--|
| <ul style="list-style-type: none"> • Local community development projects. • Active involvement in local communities and support for community initiatives. | <ul style="list-style-type: none"> • Support for socio-economic development in local communities. • Skills development and job opportunities. | <ul style="list-style-type: none"> • Continued commitment to socio-economic development and corporate responsibility. • Active involvement in local communities and support for community initiatives. • CSI spend was R10.8 million. • Various projects – discussed on pages 41 to 45. • Education and training. |
|---|---|--|



Industry associations

- | | | |
|--|---|--|
| <ul style="list-style-type: none"> • Committee meetings with various industry associations. • Industry associations Mpact participates in include: <ul style="list-style-type: none"> – PRASA – PAMSA – Fibre Circle – The Manufacturing Circle | <ul style="list-style-type: none"> • To promote industry-wide issues on a regional and national basis. • Packaging SA • Printing South Africa • Statutory Council • The Institute of Packaging | <ul style="list-style-type: none"> • Ongoing engagements with industry peers, other industry representative bodies, and the government. |
|--|---|--|

CASE STUDY

MPACT'S E-LEARNING ACADEMY

Mpact's e-Learning Academy was developed to facilitate an internet-based learning management system. The programme supports online and lifelong learning and offers an expansive range of courses including safety, health and well-being, environment, energy, management, and leadership courses.

The academy was successfully relaunched on a new platform at the end of 2024. This has enabled us to register all Mpact employees and contractors with email addresses. The new platform provides easier access, assignment of learning pathways for different categories of employee, and better reporting on progress. An additionally helpful feature is that users can now download courses onto mobile devices to complete at their own convenience.

In the first three years of the academy to the end of 2024, we had registered 5,031 course completions on 80 courses. Within the first three months of the new platform being active, 1,650 courses had been completed with 109 courses available.

Many of the courses were developed by our employees on subjects including safety, energy, environment, risk, induction, and Mpact's Code of Ethics. External specialists have developed some of the courses covering health, well-being, safety legal liability, management, leadership, business management, personal management, emotional intelligence, computer literacy, and pulp and paper technology. Other courses have been adapted to Mpact's needs, drawing on a wide range of general topics (including soft skills).

Various learning pathways are in development to ensure that people at each level in the organisation are guided through content that applies to their role. This will also enable employees to prepare themselves for promotion by completing the programme for the level that they intend to advance and develop to.

The e-Learning Academy has received accreditation from the Quality Council for Trades and Occupations (QCTO), to provide a certificated course on OHS. This allows Mpact to offer certified qualifications in OHS at NQF Levels 3 to 5 to our safety officers, supervisors and managers, and the opportunity to pursue accreditation for other programmes, such as supervisory and management certificates, in due course.

Mpact has made a considerable investment of R2.9 million to ensure that the academy facilitates skills development and is accessible to all of our employees and permanent contractors. The platform is also available to subsidiary companies.

ATTENTION ALL EMPLOYEES!

Welcome to the New Mpact E-learning Academy!

ACCESSIBLE ON DESKTOP AND MOBILE APP!

03

ENVIRONMENT

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- 26 The circular economy



ENVIRONMENTAL RESPONSIBILITY

At Mpact, our business model is firmly rooted in the principles of the circular economy. The Group's operations reflect the principles of the circular economy, which are integrated into how we operate. As the largest paper and plastics packaging and recycling company in the region, responsible environmental management is core to our strategy to create value.

We regard responsible environmental management not just as a core focus area, but also as a crucial element of our value-creation strategy. Our manufacturing process necessitates the use of energy and water, and results in atmospheric emissions, including carbon emissions, as well as the production of waste and wastewater, all of which we actively manage.

Mpact's dedication to process optimisation and environmental stewardship ensures a continuous emphasis on water and energy efficiency, waste management, and the responsible handling of raw materials throughout their life cycle. By gathering paper, plastics, and other recyclable materials via Mpact Recycling, the Group plays a crucial environmental role that effectively minimises landfill waste and generates employment opportunities through the collection process.

The targets for water, waste, energy, and carbon emissions for 2027, are integrated into management key performance indicators. These targets were established using a bottom-up approach and five-year plans for energy and CO₂e, and water reductions, with consideration given to practices among peers, market expectations, and "science-based targets" for CO₂e emissions. The baseline for energy, carbon emissions, and water was set using normalised figures from 2019, due to operational disruptions that skewed performance in 2020 and 2021, including commercial downtime, COVID-19-related lockdowns, load shedding, and failures in electrical infrastructure. Normalisation was applied to the 2019 baseline to adjust for abnormal downtime due to electrical infrastructure failure in Ekurhuleni in 2019.

Mpact concluded the sale of the Versapak business in 2024 and closed the Wadeville Closures facility in 2023. Accordingly, our targets are unchanged but have been recalculated to exclude these plants from the baseline year of 2019 through to the target year of 2025. Our performance in 2024 and 2023 is adjusted to exclude the sold and discontinued operations.

The five-year energy management plans that address efficiency in both fossil fuel and electrical energy usage are also used to develop our statutory Greenhouse Gas Pollution Prevention Plan (GHG PPP) and Carbon Budget.

Many factors, including load shedding early in the year, commercial downtime at our paper mills due to the constrained economy, impact of unfavourable weather on our agricultural customers, product mix changes in our Plastics business, and various service delivery challenges affecting water and electricity supply, made 2024 a challenging year for manufacturing.

As a result, energy use increased by 3.43%, Scope 1 and 2 CO₂e emissions increased 3.14% and water use increased 6.03% per manufactured tonne (relative to 2023). Despite these setbacks, we remain on track to meet our 2027 targets.

Our progress towards meeting our 2027 targets, against a baseline year of 2019 is illustrated below in terms of percentage improvement in specific energy use, CO₂e emissions and water use.

To promote awareness of our environmental focus among employees, in 2023 the Group introduced a mascot known as Mpilo. Mpilo is the embodiment of our Scarab Award for environmental excellence that was introduced giving homage to nature's own recycler, the scarab beetle.



ENVIRONMENTAL RESPONSIBILITY *(continued)*

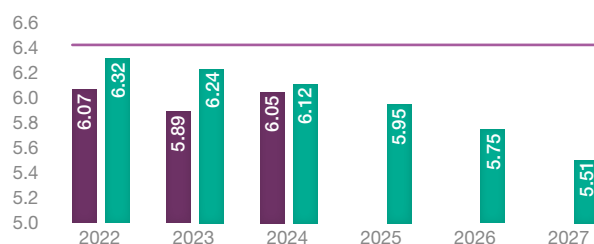
Year-on-Year reduction % on a per tonne of manufactured product basis

	Energy		Scope 1 & 2 CO ₂ e		Water	
	Target Cumulative	Achieved Cumulative	Target Cumulative	Achieved Cumulative	Target Cumulative	Achieved Cumulative
2020	2.60%	2.37%	2.60%	2.01%	2.83%	2.92%
2021	1.44%	1.31%	1.44%	0.64%	0.25%	0.15%
2022	2.49%	6.28%	2.49%	5.16%	0.56%	6.30%
2023	3.74%	9.04%	3.74%	7.92%	1.01%	6.86%
2024	5.62%	6.61%	5.62%	5.72%	1.67%	1.98%
2025	8.12%		8.12%		2.56%	
2026	11.25%		11.25%		3.67%	
2027	15.00%		15.00%		5.00%	

Reduction achieved since 2019. All targets are on a per tonne of saleable product basis for manufacturing operations.

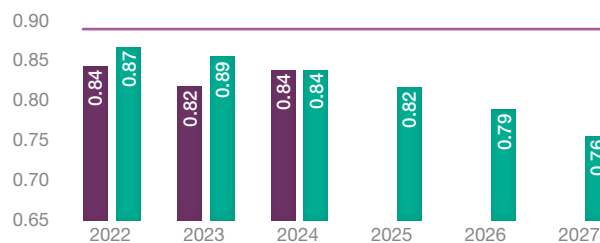
An alternative view of our progress towards meeting these targets is depicted in the graphs below, that express our progress in terms of specific usage and emissions (per tonne of manufactured product).

Energy
(per tonne of manufactured product)



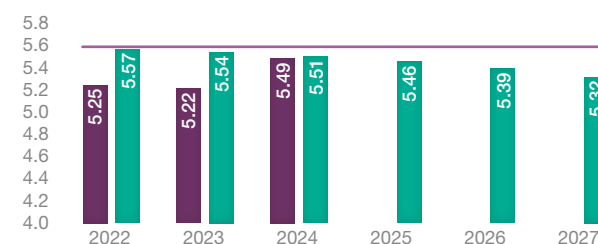
■ Energy GJ/t achieved
■ Energy GJ/t targeted
— Baseline (2019)

Scope 1 and 2 GHG emissions
(per tonne of manufactured product)



■ tCO₂e/t achieved
■ tCO₂e/t target
— Baseline (2019)

Water consumption
(per tonne of manufactured product)



■ Water kl/t achieved
■ Water kl/t target
— Baseline (2019)

ENVIRONMENTAL RESPONSIBILITY *(continued)*

ENVIRONMENTAL COMPLIANCE

The regulatory environment in South Africa has become increasingly complex and onerous as legislation continues to evolve. As a result, Mpact has prioritised ensuring that it is compliant with all relevant legislation that applies to the Group. Mpact serves on, and currently chairs, the PAMSA Environmental Committee, which interacts with the government and other industry bodies (notably BUSA) regarding evolving environmental legislation.

In compliance with the Mpact Environmental Management Standard and Environmental Management Systems (EMS), operations that could have significant environmental impact are externally certificated to the ISO 14001 standard, while smaller sites have EMS systems compliant with this standard. Legal consulting services conducts annual reviews of environmental management at all sites to ensure compliance with our Environmental Management Standard. ISO 14001 certificated operations undergo environmental legal audits by accredited bodies. The Libryo Legal Register platform maintains an up-to-date legal register to ensure alignment with the latest changes in legislation. There were no incidents of material non-compliance with environmental or health and safety regulations reported during 2024.

ENVIRONMENTAL EXCELLENCE

Our annual Environmental Excellence Awards honour exceptional performance at our operations and create healthy competition. They include Bronze, Silver, Gold and Platinum awards based on legal consulting services' audits of each operation's compliance with Mpact's ISO 14001-aligned environmental standard. The top performing operation is awarded the prestigious Scarab Award for Environmental Excellence.

Mpact Paper



CLIMATE AND ENERGY

We set challenging targets for energy and carbon reductions. We engage in energy-efficient practices, installing solar PV systems, and focus on the integration of clean energy.

Energy efficiency is a critical factor in driving down our environmental impact and increasing value creation for customers.

All operations are required to develop five-year energy management plans. These plans are also the basis for our legislated five-year Green House Gas Pollution Prevention Plans (GHG PPP) and are used to calculate CO₂e reduction targets and ultimately to derive Mpact's carbon budget. They also contribute to our Net Zero vision for 2050.

Key energy reduction initiatives include issues such as: LED lighting replacements; energy efficient motors and VSDs; HVAC, fan and compressed air efficiencies; boiler efficiency projects; and process and equipment efficiency improvements.

The biggest energy consumption category is thermal fuels, which are used at Mpact's three paper mills and nine corrugating plants that have boilers powered by coal, HFO or Natural Gas. In 2022 we introduced the "Best Boiler" competition to drive competitiveness in optimising boiler efficiency and have seen significant improvements each year.

Mpact has installed 16MWp of solar PV at 12 sites. Another 10.6MWp are in the project pipeline. In addition, a feasibility study has concluded that a 66MWp solar PV farm at our

Mkhondo paper mill is viable. Plans to fund and establish this project will be pursued in 2025 with consideration on how the power will be wheeled to Mpact's operations and possible external buyers.

The Mkhondo paper mill has 2.5MW of steam turbine generation capacity, and we have 22.6MW of diesel generator capacity across the Group that is available to address load-shedding and other power outages. In addition, we completed a study of requirements to ensure that our plants that do not yet have sufficient generator capacity are wired to be able to install leased generators at short notice, if needed. We also wheel green energy, derived from biofuels, to our Felixton and Mkhondo paper mills through the national grid and are in negotiations with providers of wheeled solar and wind generated power.

The ISO 50001 Energy Management System (EnMS) standard guides our approach and practice across the Group with Plastics Atlantis certificated to the standard.

Grid electricity consumption, solar PV generation, generator output, and wheeled power at our operations is measured and monitored by an online metering system hosted by an independent expert service provider. This provides high resolution, real-time and historical data on electricity use and

generation that is proving invaluable in managing electricity use and verifying billing.

Mpact engages extensively with the Government and BUSA through PAMSA regarding all matters related to energy and carbon dioxide emissions.

Overall energy purchased increased to 4,695 GJ (2023: 4,543GJ), with energy use in manufacturing operations per tonne of production increasing by 2.67% to 6.05GJ/t (2023: 5.89GJ/t).

CLIMATE AND ENERGY *(continued)*

ENERGY MANAGEMENT

Supported by installation of generators, or “generator ready” solutions to reduce the impact of power interruptions.

Corrugated Kuils River and Epping plants installed generators enabling them to move from load shedding to curtailment.

Detpak and Recycling Bridge City can run entirely on generators and solar PV power.

Other plants that can run at least partially on generators include: Mbombela, Gqeberha, Brakpan, East London and MPC Castlevue, Atlantis and Brits.

All other plants have emergency power generators as a minimum.

MPC Castlevue



CLIMATE AND ENERGY *(continued)*

CARBON DIOXIDE

CO₂e emissions are integrally linked to energy with Scope 1 emissions arising from fuels burnt on site and Scope 2 emissions arising from electricity generated by Eskom. As noted in the above section on energy, our carbon emissions reduction plan is derived directly from our five-year energy plan that supports our legislated GHG PPP and carbon budget. As such:

- Scope 1 reductions are driven primarily through improved boiler and steam system efficiency leading to lower coal, HFO and Natural Gas consumption.
- Scope 2 reductions are driven through electricity use reduction projects.

DEVELOPMENTS IN 2024 PERFORMANCE

Scope 1 emissions increased by 4.01% to 316ktCO₂e¹ (2023: 304ktCO₂e) while Scope 2 emissions increased by 2.26% to 334ktCO₂e (2023: 327ktCO₂e). Hence, Group combined Scope 1 and 2 emissions increased 3.11% to 650ktCO₂e (2023: 631ktCO₂e).

For manufacturing operations combined Scope 1 and 2 specific emissions increased 2.39% to 0.838tCO₂e/t² per manufactured product (2023: 0.819tCO₂e/t).

1. ktCO₂e means kilo-tonnes carbon dioxide equivalence and is a measure of the absolute mass of CO₂e released.
2. tCO₂e/t means tonnes of carbon dioxide equivalence released per tonne of manufactured product and indicates the “carbon intensity” or “carbon efficiency” of manufacturing.

Mpact engages extensively with the government, the EIUG, SANEA, and BUSA (through PAMSA) regarding all matters related to energy and carbon dioxide emissions.

SCOPE 3

Mpact appointed Catalyst Verification Solutions (CVS), a certified measurement and verification body, to build a framework for Scope 3 emission data capture. Data was collected for 2023 and 2024.

This process has also generated a list of key players in Mpact’s supply chain that will enable Mpact to improve supply chain ESG monitoring.

In 2024, CVS conducted an extensive exercise to complete a comprehensive Scope 3 emissions inventory using the GHG Protocol Corporate Value Chain (Scope 3) standard. This involved mapping the value chains of our businesses and collecting information associated with these to calculate the associated emissions. Through this exercise, our Scope 3 emissions were calculated to be 585,483tCO₂e (in 2024). Most of our emissions come from the production of goods that we procure for use in our manufacturing processes. We plan to improve this exercise in the next financial year, refining assumptions and emission factors, so that we are able to increase the accuracy of our Scope 3 emissions year-on-year.

NET ZERO VISION

Mpact has drafted a Net Zero vision with a target horizon of 2050. The caveat to this is that alternative energy sources and essential alternative energy technologies are not yet available,

nor developed for this target to be achieved. The plan includes:

- Ongoing energy efficiency improvements
- Replacement of coal and HFO with Natural Gas in the medium term (if it becomes available)
- Replacement of coal and HFO with electrified steam generation and heat storage driven by renewable energy (if it can be procured in a cost-effective manner)
- Increased green energy installations such as solar PV and wind
- Wheeling green energy through the grid
- Adoption of green hydrogen as a thermal fuel for boilers (currently a test project in place at one of the corrugators), vehicle fuel, and generation of electricity using fuel cells and/or generators
- Buying carbon offsets

The target will be adapted and revised as technologies and alternative energy sources become available.

CLIMATE CHANGE ADAPTATION AND MITIGATION

The risk of climate change has been on Mpact’s risk register for a few years. However, in 2024 this was teased out into a more detailed climate risk register focussing on both physical and transition risks. The “key controls” addressing specific risks in the register form the basis of Mpact’s mitigation and adaptation plan. This is a working document that will be reviewed and enhanced regularly as climate risks develop and adaptation technologies emerge.

CLIMATE AND ENERGY *(continued)*

KEY RISKS CONSIDERED ARE:



Drought



Flooding



Heat waves



Extreme weather events



Supply chain disruptions



Increased regulatory pressure



Increased carbon and energy costs



Legal and litigation risks



Reputational risks



Technological disruption



Shifting market preferences

Consideration is given to direct impact on Mpact's operations and the impact on suppliers, customers (particularly our agricultural customers) and logistics systems.

PROTECTING WATER, AIR AND BIODIVERSITY

Our actions include efficiency measures, utilising rainwater and boreholes and recycling wastewater, where possible. We focus on minimising air emissions, reducing our waste to landfill and fostering biodiversity in the areas where we operate.

WATER

Water is a critical input into our manufacturing operations and water quality and availability are recognised in our Risk Register. Planning for new or upgraded plant and equipment includes an emphasis on improving energy and water use efficiently and with a focus on recycling process water wherever possible.

The paper mills use about 95% of the water consumed by the Group. These mills have driven water efficiencies and recycling relentlessly to the point where there are indications of impacts on paper quality that are limiting further reductions through usual water saving methods. However, we continue to assess applicable technologies to improve water efficiencies further at all operations.

Water supply and quality is a concern across South Africa and is included as such in our Risk Register. Droughts and floods in recent years as well as the revelation of the 2023 Blue Drop, Green Drop and No Drop reports on South Africa's water infrastructure have driven increased focus on water. Recent water supply challenges in Gauteng have further increased this awareness. Water and wastewater infrastructure in many parts of the country are aged and failing resulting in uncertainty in supply of both quantity and quality of water.

Some operations have installed rainwater harvesting and/or boreholes for emergency supply. Increasingly, operations are also providing safe drinking water on their sites to alleviate the risk of water-borne disease outbreaks, especially in areas shown by the Blue Drop report to be deficient in providing safe drinking water.

2024 was a challenging year due to service delivery interruption affecting electricity and water supply, the tough economic climate and adverse weather that affected our agricultural market. This led to abnormal downtime at plants and had an impact on efficiencies.

Total water consumption for 2024 increased by 6.24% to 4,244 megalitres (2023: 3,994 megalitres). Specific water usage for manufacturing sites therefore increased by 5.25% to 5.49kl/t of production (2023: 5.22kl/t).

WASTEWATER

Total metered wastewater discharged by the Group in 2024 increased to 2,651Mℓ (2023: 2,610Mℓ) and specific wastewater discharge for the manufacturing operations increased by 1.58% to 3.47kl/t (2023: 3.41kl/t).

AIR EMISSIONS

Reducing atmospheric emissions from boiler stacks, vehicle exhausts and dust is an ongoing focus within our environmental management plans. Progress is mainly driven by energy reduction programmes.

Mpact's operations release other emissions into the atmosphere, in addition to CO₂e, largely from the coal fired boilers. However, these emissions are controlled by ensuring that boilers run efficiently, thereby minimising the release of SO₂, NO_x and particulates. As such, all of our boilers comply with atmospheric emission regulations. The Mkhondo paper mill is the only site requiring an Atmospheric Emissions Licence due to the Copeland Reactor that incinerates black liquor from the wood pulping process. The mill has included the coal fired boilers in its licence and ensures compliance

thereto, as verified by external assessments. Other operations are in compliance with section 23 of NEM:AQA that prescribes requirements for controlled emitters.

BIODIVERSITY

To contribute to the protection of biodiversity, we purchase raw materials from responsible sources and most of the fibre used in our paper mills is supplied by the Recycling division. Wood for pulp manufacture at the Mkhondo paper mill is sourced from responsibly managed plantations. Our paper mills and Paper Converting (corrugated) plants are certified to Forest Stewardship Council (FSC) standards; virgin fibre purchased by the Springs paper mill is sourced from FSC certificated pulp mills. One of the principles of FSC is the protection of biodiversity in plantations from which wood is sourced.

Our approach to biodiversity relates mainly to the control of invasive alien species of plants and operations that may be affected have procedures in place for this. At Mkhondo paper mill, there is open grassland that is made available to local communities to graze their cattle. This land, and particularly its water courses and wetlands, is cared for to protect biodiversity. The Felixton paper mill has ponds that were historically used for operational process, these have been cleaned and allowed to fill with rainwater. This has facilitated the introduction of indigenous fauna, including fish, birds, reptiles and amphibians, and flora, to populate these ponds. Surrounding land has been planted with several indigenous trees.

Mpact is engaging with government, through the Paper Manufacturers Association of South Africa (PAMSA) and Business Unity South Africa (BUSA), on the development of biodiversity assessments and promotion initiatives.

CIRCULAR ECONOMY

As the leading group in paper and plastics packaging and recycling in southern Africa, Mpact is instrumental in advancing the circular economy. Our recycling initiatives yield significant social and environmental benefits. These include diverting recyclable materials such as paper, paper-based packaging, and plastic from landfills, generating employment opportunities for waste pickers, substituting virgin fibre from trees with recycled fibre in the paper production process, reducing GHG emissions, and preventing the burning of recyclable paper.

RAW MATERIALS

Materials used in our manufacturing operations include paper, pulp, logs, pine chips, and plastic polymers. We buy raw materials from responsible sources and paper fibre sources are certified to the FSC standards.

Felixton paper mill uses only recycled fibre, while the Mkhondo paper mill purchases sawdust, offcuts, and logs from local sawmills and plantations to produce virgin fibre to supplement its use of recycled fibre. The mill is being repositioned to become a predominantly virgin fibre mill to meet the growing demand for semi-chemical fibre-based (high quality virgin fibre produced through both chemical and mechanical pulping processes) corrugated papers. This project also includes initiatives to reduce the overall environmental footprint of the mill.

The bulk of the paper produced at Springs paper mill is derived from recycled fibre; however, the mill also purchases white virgin pulp from local and international suppliers for the outer layers of its folding boxboard products.

The Plastics business uses a variety of virgin polymers in its production range depending on the nature of the product and client specifications. Where possible, we purchase virgin polymers from local suppliers. However, an increasing percentage of the high-density polyethylene used in the manufacture of crates, wheelie bins, and pallets in the Bins & Crates division comes from on-site recycling.

RECYCLING

Mpact Recycling collects waste paper, plastics, and other recyclable materials from pre- and post-consumer sources. From these sources, the division sells recycled paper internally to our three paper mills and externally to other companies. This decreases Mpact's reliance on virgin materials and diverts significant quantities of material from landfills.

Our Recycling business recovered 588,228 tonnes of material for recycling in 2024 (2023: 594,043 tonnes). Volumes were down as glass collections declined significantly due to a major supplier changing their business model. Paper collections in 2024 were marginally up compared to 2023 volumes.

Other recyclable materials are sold to external customers for recycling; this also promotes local beneficiation of raw materials, job creation, and small enterprise development, reduces GHG emissions, and prevents landfilling or incineration of the recovered material.

Mpact supports the EPR regulations by contributing to both the paper and plastics Producer Responsible Organisations (PROs) in line with regulated contributions per tonne of product, and by implementing a range of recycling initiatives through our Recycling and Bins & Crates businesses.

Bins & Crates runs a plastic recycling business that collects end-of-life bins and crates made of Polypropylene (PP) and High Density Polyethylene (HDPE). Some customers

participate in a service exchange programme for their end-of-life products. The division collects, grinds, washes, and pelletizes the material for use in next generation products. Bins & Crates recycles about 6,000 tonnes of this material annually at its Brits facility and purchases approximately 3,000 tonnes of additional recycled material to produce its next-generation products. Products made from recycled material equates to approximately 30% of its production.

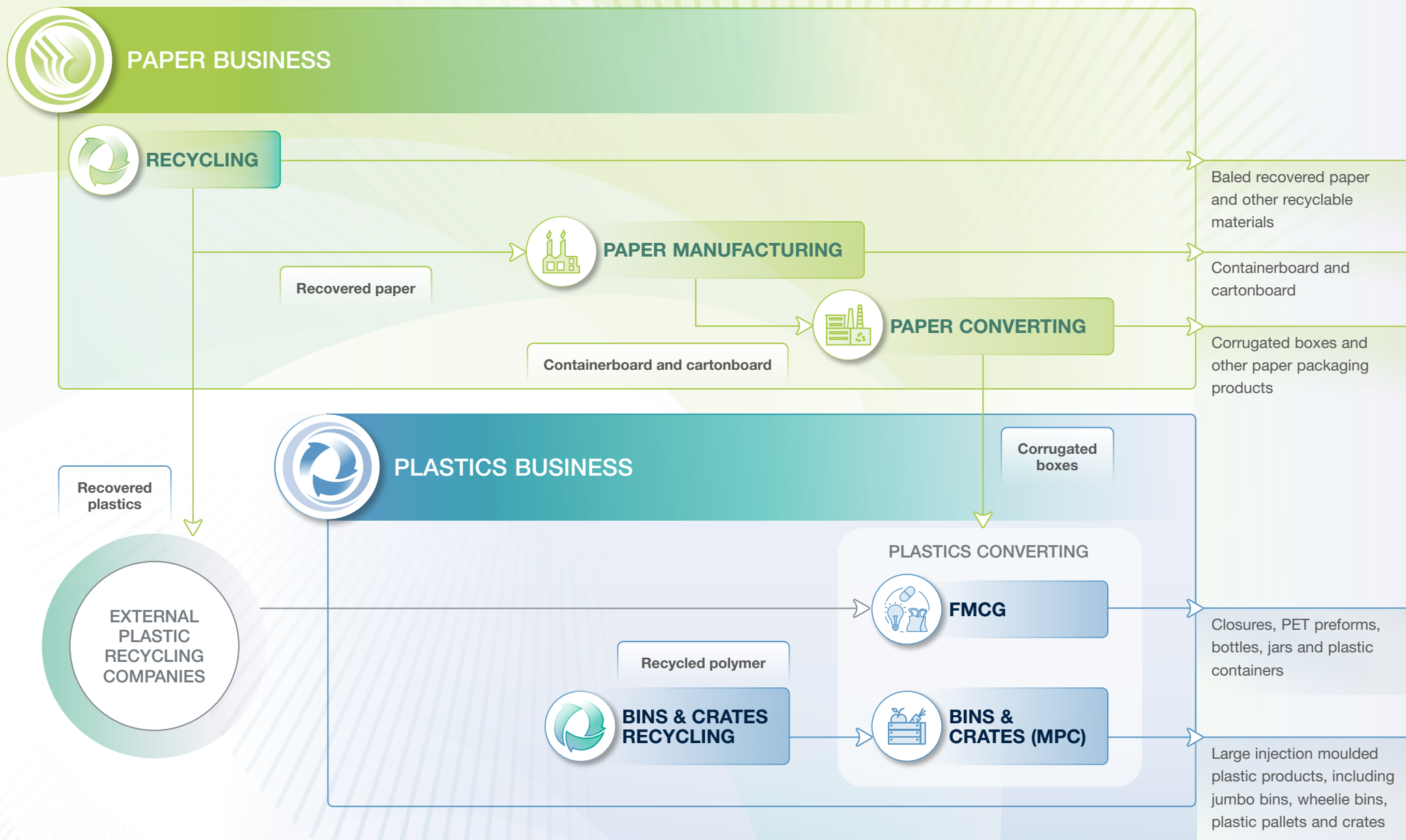
WASTE

The Group's manufacturing operations generate waste that is segregated, sorted, and then recycled where possible. The remaining waste materials are disposed of through licensed waste service providers or municipalities, according to their waste categories.

The total amount of non-hazardous waste disposed by the Group was 35,612 tonnes for 2024 (2023: 36,661 tonnes). Waste disposed to landfill comes largely from the Paper Business (including Mpact Recycling) and reflects the volume of non-recyclable material extracted from recovered paper when it is pulped at the paper mills. The non-hazardous waste to landfill per manufactured tonne decreased to 45.0 kg/t in 2024 (2023: 46.1kg/t).

Hazardous waste disposed decreased to 877 tonnes for the Group (2023: 930 tonnes).

CIRCULAR ECONOMY *(continued)*



CIRCULAR ECONOMY *(continued)*

MAXIMISING POULTRY FARMING EFFICIENCIES

Mpact Plastic Containers has developed a range of poultry containment solutions that improve the safety, efficiency, and sustainability of poultry farming. The complete selection of poultry products covers the entire poultry production process, from the initial hatching stage to the final slaughter stage.

The range includes products like the Poultry Freezer Crate, perfect for blast freezing, and has unique stacking capabilities to prevent damage to the load.

Other products in the range are Egg Setter Trays, Hatching Baskets, Day Old Chick Crates, Chicken Coops, and Easi Trays.

All made from high-quality recyclable plastic material (Polypropylene/HDPE), the crates are durable, easy to clean, and can withstand extreme weather conditions and handling. Poultry farming comes with various challenges, such as the need for safe transportation of livestock, disease outbreaks, and harm caused to poultry from unsafe containment practices and disease outbreaks.



CIRCULAR ECONOMY *(continued)*

FINDING A SUSTAINABLE SOLUTION IN AN INNOVATIVE WAY

In a delightful twist of sustainability and pastoral charm, Felixton paper mill has found an innovative way to maintain their solar panel fields. Just after the COVID-19 pandemic in 2022, the company installed 1,226 solar panels and introduced six sheep to graze on the grass growing beneath them.

Fast-forward to today, and the flock has grown to 27 sheep, happily munching away and keeping the grass in check. Paul Mynhardt and Siyabonga Tembe, the dedicated caretakers, ensure that the sheep are well-fed and receive all necessary minerals.

Regular vaccinations are also administered to keep the flock in good health. In a world where sustainability often comes with serious undertones, the sheep at Mpact Felixton remind us that sometimes, the best solutions are the ones that make us smile.



04

SOCIAL

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HEALTH AND SAFETY

We are committed to providing a safe and secure working environment in which our employees can fulfil their ambitions and aspire to continually improve their circumstances.

Mpact places a high priority on the safety of its employees and contractors because we care about the well-being of our people. The Group's approach to safety is set out in the Mpact Safety Manual and the Mpact Risk Control Standards which set standards and guidelines for safety, health, fire protection, security, emergency preparedness, vehicle control, and environmental management. These are supported by the Fire and Safety Rules to Live By and Hand Safety that are 12 sets of guidelines on dealing with specific safety risks at Mpact.

The SHE Management Committee and Social and Ethics Committee review performance against leading indicators, measured across six metrics, and lagging indicators, such as serious injury frequency rate, at their quarterly meetings. The safety and well-being of our employees and contractors remain a priority as we are committed to targeting "zero incidents".

Occupational hygiene surveys are conducted routinely to ensure that the operations comply with the necessary noise, lighting, dust and other occupational hygiene standards. Mpact and our customers are supported by our research team in Stellenbosch to ensure our products comply to world class food safety standards.

The independently managed Life HS Employee Wellness Programme continues to provide essential health, psychosocial, legal, and financial support to employees and their dependants. Clinics at our operations support our efforts to promote safety, health and wellness through annual medical

assessments, monitoring of chronic diseases, and providing primary health consultations as well as attending to injuries on duty when they occur during clinic hours.

The safety culture renewal programme, which is driving a culture-centred approach to safety rather than a systems-centred approach, is progressing well. Fundamental to this is the retraining of our safety practitioners; who are enrolled in a SAQA-accredited OHSPRAC course that covers the legal and practical elements of safety. Unlike other safety training, this course puts an emphasises on safety culture and safety leadership.

Our safety culture programme focuses on driving safety leadership, ensuring that all employees possess the necessary competencies, and simplifying and standardising all aspects of Group safety programmes. To build this culture, Mpact uses tools such as Behaviour Based Safety (including Visible Felt Leadership), safety culture cartoons designed to promote discussions about safety in the workplace, Sam the Safety Mascot, the Mpact e-Learning Academy, and access to Life Health Solutions' Employee Wellness Programme (EWP) call centre.

At the start of each year, the CEO reviews and approves the Group Safety Plan. Senior management is responsible for safety, health, environment, and fire defence systems, and is assisted by line managers at each operation who are accountable for the well-being of employees.

At an operational level, management develops site-specific rollout plans to implement the safety plan and Group safety policies. Safety committees at each operation provide a platform for safety, health, and environment representatives to interact with management and the site safety officers regarding safety issues on the shop floor. The GRSM (Group Risk and Sustainability Manager) works closely with site safety officers to improve skill levels and help them inculcate Mpact's safety culture.

Safety incidents and injuries are investigated to identify the root cause of the incident in line with Mpact's incident investigation guide. The senior manager of each site is required to chair all fatality, LTI and RWC investigations. Investigation reports are distributed across the Group to share learnings from all significant safety incidents.

Safety, health, and environmental training is provided at compulsory induction programmes for all new employees, contractors, and visitors, as well as at annual refresher training. Additional safety training and awareness campaigns are also held during the year. A comprehensive contractor safety management programme is in place to ensure all contractors at our operations are afforded the same high standard of safety care as employees.

Marsh Risk Consulting routinely audits an annually selected set of sites against the Risk Control Standards, with the other sites conducting annual internal audits against the standards. Operations are also audited annually by an external

HEALTH AND SAFETY *(continued)*

safety legal compliance specialist. The audit outcomes and safety performance over five years are reviewed and sites are awarded Excellence in Safety Awards in platinum, gold, silver, and bronze based on their performance, with the best-performing operation receiving the prestigious Mongoose Safety Award.

An annual safety culture survey provides feedback on underlying attitudes to safety and the effectiveness of safety leadership. Specific actions and tools are available to management and safety practitioners at the operations to improve workplace safety culture and perceptions.

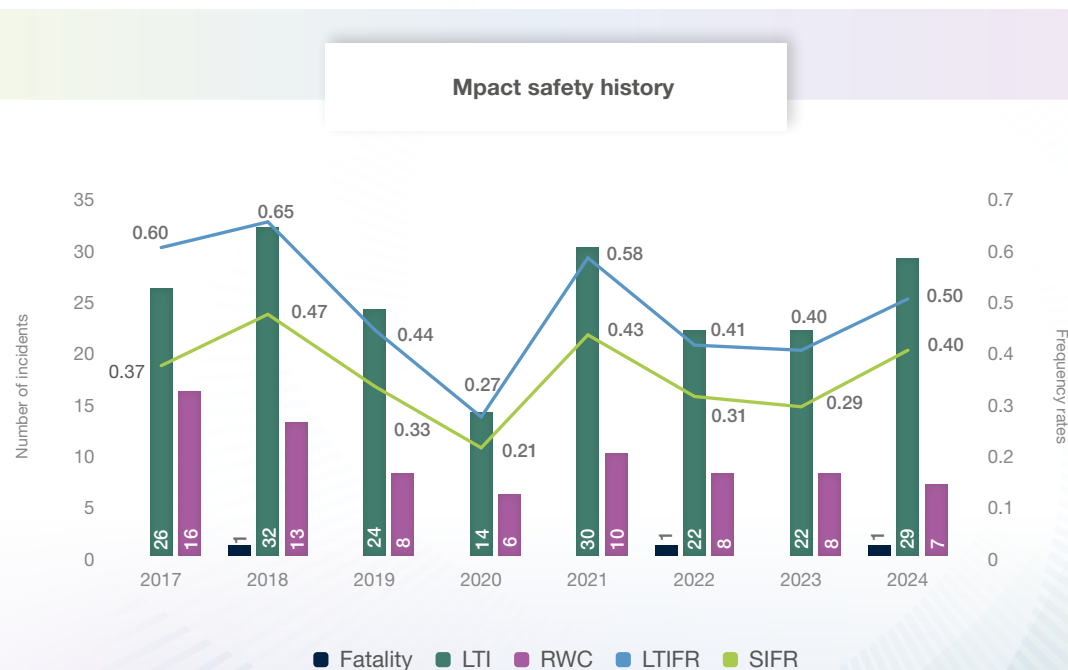
A Safety Culture Standard is part of the Mpact Risk Control Standards, assisting managers in building a healthy safety culture. The GRSM also presented a talk on safety culture leadership to managers and supervisors at the operations. A course on Safety Culture Leadership is also available on the Mpact e-Learning Academy.

A set of safety leading indicators assesses our proactive approach to safety across six parameters: legal compliance, implementation of safety plans, behaviour-based safety scores, Risk Control Standards audits, use of the safety culture cartoons, and results from the safety culture survey. The bonus system incorporates elements of lagging indicators and leading indicators.

SAFETY IN 2024

The Serious Injury Frequency Rate (SIFR), which includes Restricted Work Cases (RWC), Lost Time Injury (LTI), and fatalities, increased to 0.50 (2023: 0.40) and LTIFR (Lost Time Injury Frequency Rate) increased to 0.40 (2023: 0.29) over the period reported. The number of LTIs increased to 29 (2023: 22) and RWCs decreased to 7 (2023: 8). We have noted an increase in the number of minor injuries reported, as our safety teams are actively driving greater safety awareness. We also facilitate on-site mobile clinics and wellness programmes to address contributing factors such as anxiety and depression.

It is with deep sadness that we report the loss of Emma Makobela, in a work-related accident at our Pretoria recycling plant. Emma was contracted by the third-party company that runs operations at this site. A full investigation was conducted, and all necessary measures were implemented to minimise the risk of future incidents and reinforce safety protocols. We extend our deepest condolences to her family, friends and colleagues.



HEALTH AND SAFETY *(continued)*

HEALTH AND WELLNESS

The Employee Wellness Programme provides support to employees and their households for health, psychosocial, and financial advice, as well as legal support. A total of 341 employees and their family members consulted the EWP in 2024. Employees also have access to primary health and chronic disease consultations at onsite clinics and all employees undergo annual occupational health medical examinations.

Our clinics also offer primary health and chronic disease assessments. When necessary, employees are referred to occupational health doctors. We diligently collect and report statistics on key health indicators, including HIV/AIDS and chronic diseases, as well as primary health conditions identified during clinic consultations. At our larger sites, we operate on site clinics; at smaller sites, we deploy mobile clinics to conduct occupational health assessments. These examinations evaluate an employee's fitness for their specific job requirements and are conducted annually and at various stages of the individual's term of employment.

To promote safety and well-being, we organise safety and wellness days at our operations. During these events, our safety and health mascot, Sam, makes appearances in both cartoon form and as a life-size costume figure. These engaging days include activities such as counselling sessions, voluntary health tests, financial advice, eye examinations, situational safety awareness role plays, and awareness campaigns addressing health challenges like cancer, diabetes, and hypertension.

Additionally, we offer free well-being courses to employees through the Mpact e-Learning Academy. Our clinic service providers also distribute monthly health flyers on topical

issues ranging from chronic disease to stress and financial management. Recognising the significance of hypertension, diabetes, asthma, and epilepsy, we monitor compliance with treatment and found that 94% of cases are considered to be under control against our internal target of 80%.

Our on site clinics reported 2,845 (2023: 4,289) primary health consultations. Most consultations relate to respiratory, musculoskeletal, ENT and gastrointestinal disorders. Having access to on site medical attention significantly reduces the cost and inconvenience employees would otherwise incur if they had to consult state or private medical care.

Our Employee Wellness call centre continues to provide advice and counselling to our employees, and their family members, for health, psychosocial, financial and legal challenges. Our annual utilisation rate in 2024 was 7.9% against our target of 7%.

While our employees undergo mandatory annual health check-ups, we actively encourage them to reach out to the call centre whenever they require assistance in managing physical health, psychosocial support and counselling, addressing financial concerns, or requiring legal advice.

For employees living with HIV/AIDS, our comprehensive occupational health and wellness programme provides support and treatment, including free antiretroviral therapy. Our clinics offer voluntary counselling and testing (VCT) for HIV to all employees and contractors during their medical assessments. Furthermore, we conduct HIV awareness campaigns during wellness days and events commemorating World AIDS Day. In 2024, a total of 6,604 medical assessments were conducted (compared to 5,330 in 2023) including induction, annual, transfer and exit assessments; 1,528 employees (2023: 1,949) opted for VCT.



HEALTH AND SAFETY *(continued)*

HEALTH DRIVE ACROSS MPACT OPERATIONS

Mpact employees held a number of health and fitness drives across different operations demonstrating the importance of a healthy lifestyle and care for oneself. In August 2024, Springs paper mill hosted a successful chronic illness health drive, focusing on empowering individuals with knowledge and tools to manage their health. The event featured various engaging activities, including some physical exercise, such as an aerobics marathon and happy lungs challenge, as well as sugar and blood pressure testing to raise awareness. The day concluded with a nutritious healthy lunch, promoting the importance of good nutrition. The health drive received enthusiastic participation from employees, highlighting the commitment to wellness within the Mpact Springs paper mill community.

EYE TESTING

Eye health is crucial for maintaining overall wellbeing and quality of life. Our eyes are essential for daily activities such as reading, driving, and recognising faces, making it vital to protect them from potential harm. Regular eye check-ups can help detect early signs of conditions like glaucoma, cataracts, and macular degeneration, which can lead to vision loss if left untreated.

A team of optometrists visited the Mkhondo paper mill in July 2024. This initiative gave employees who do not get the opportunity to have their eyes screened by professionals, the chance to do just that. A total of 36 employees had their eyes tested on the day. The optometrist visit is an annual event lending the opportunity to everyone to test their eyes by professionals for free. If there were any indications of weak vision a full eye test is conducted, and lenses are prescribed, which employees can pay interest free over six months. The optometrist team has a large selection of frames for the staff to choose from.

BLOOD DRIVE

Various employees across a number of operations participated in a blood drive initiative hosted by the South African National Blood Service (SANBS). At the Mkhondo paper mill, employees donated 19.5 litres of blood from 39 donors.



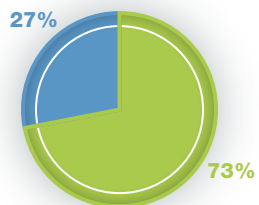
DEVELOPMENT AND TRANSFORMATION

We aim to be an employer of choice by offering a competitive employee value proposition, given that our ability to create value for stakeholders depends on our ability to continue to attract, develop, and retain talent and experience in the business.

We remain committed to transformation and the Group Transformation Philosophy sets transformation goals that are reflected in our vision, core values, culture, and approach to people development at all levels in the business. Our Fair Employment and Promotions Philosophy emphasises that there is a place for all people in Mpact and entrenches merit-based employment equity to address diversity throughout the organisation, especially regarding race, gender, and disabilities. The Mpact Foundation Trust serves both as a vehicle for B-BBEE ownership and empowering previously disadvantaged individuals, overseeing a bursary scheme solely for the benefit of the dependants of Mpact employees who are in the lower-earning income bands.

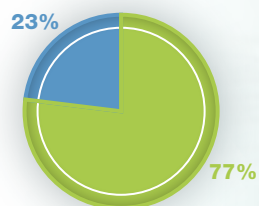
In 2024, we had a workforce of 4,557 people at our operations, with R2.1 billion allocated towards salaries, wages, and benefits for our staff.

Workforce by gender



■ Male ■ Female

Workforce by business



■ Paper ■ Plastics

DEVELOPMENT AND TRANSFORMATION *(continued)*

SKILLS DEVELOPMENT

Mpact's ongoing investment in skills development enhances the human and intellectual capital available to the Group as well as the personal growth, career development, and employability of employees. We aim to create a working environment conducive to learning and development, giving individuals opportunities to develop to their full potential and helping to retain and motivate employees. Employees are encouraged and supported to continue their further education in job-related fields.

The effectiveness of the Group's learning and development interventions is monitored through individual development plans, performance targets, and the Group's competencies applicable to each talent segment. Training includes on-the-job learning and formal skills development delivered either by staff members or through partnerships with educational institutions. Mpact encourages employees to further their education and provides financial assistance for part-time tertiary study. Training includes distance and online learning interventions. Additionally, the Group invests in internationally recognised qualifications to ensure the business remains relevant and competes globally. Mpact's e-Learning Academy offers internally and externally curated courses in a wide range of topics, including management and leadership, health and safety, wellness, business fundamentals, risk management, energy and environmental management.

In 2024, two employee development centres were held as part of our talent management programme (one Development Centre Tier 3 and one Development Centre Tier 2), with Group Management Committee members participating in the assessments along with expert psychologists who administer the programme. Of the 21 high potential employees who attended, 13 were PDIs and 8 were women (2023: 18 and 20, respectively).

In 2024, Mpact sponsored 50 unemployed disabled learners (2023: 52), in partnership with Skills Education Training Authorities (SETA) South Africa. The majority of participants are Black African learners and the programme aims to provide candidates with the skills they need to start their own businesses and generate an income. These encompass technical skills, manufacture of clothing and other items, training in business administration, IT and entrepreneurship.

	2024	2023	2022	2021	2020	2019	2018
Employees trained	2,991	3,448	3,360	3,075	3,608	4,018	4,497
Hours of training (man-hours)	56,115	57,581	54,506	38,311	49,983	65,207	63,031
Learners and apprenticeships	251	260	239	182	215	163	191
% PDI	92%	94%	93%	91%	91%	95%	92%
% Black women	34%	31%	28%	23%	44%	43%	31%
Investment in skills development (R'm)	26.9	37.76	22.7	20.6	16.5	15.5	12.5

DEVELOPMENT AND TRANSFORMATION *(continued)*

LABOUR RELATIONS

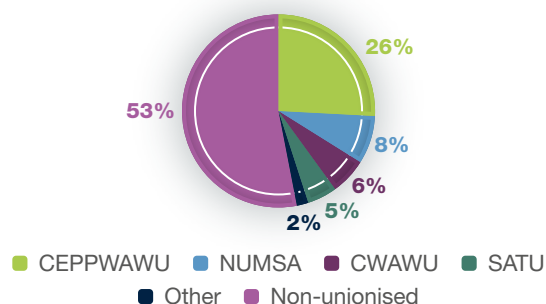
Mpact fully supports the constitutional rights of the individual to freedom of association, the right to collective bargaining, and the right to be a member of a union of choice.

The Group is a member of and represented by a senior human resource manager on various bargaining councils including:

- Statutory Council for the Paper, Newspaper and Packaging Industries;
- The Bargaining Council of the Wood and Paper Sector; and
- The Metal and Engineering Industries Bargaining Council.

Approximately 47% (2023: 53%) of the workforce is unionised and adjusted for the sale of the Versapak business that was concluded in the period reported.

Union representation



DIVERSITY AND INCLUSION

At Mpact, we are cognisant of the benefits of a diverse and representative workforce and recognise that transformation is an integral part of the long-term sustainability of both our business and society. Our Transformation Philosophy reflects this awareness by setting transformation goals that are integrated within our vision, core values, culture, and approach to people development at all levels in the business. This includes cultivating merit-based employment equity through fair employment practices that address diversity throughout the organisation, especially regarding race, gender, and disabilities.

To ensure a diverse talent pipeline, Mpact's Transformation Policy, Fair Employment practices and Promotions Philosophy serve to promote the diversity attributes of gender, race, and culture. Measurable objectives for achieving race representation and gender diversity are in place, and measurable voluntary targets have been set by the Social and Ethics Committee. The committee monitors progress against agreed targets and reports this annually to the Board.

Over the last five years, female representation in the workforce has increased from 26% to 27% and women at the senior management level increased from 9% to 14%.

We actively support our female employees, promote gender representation, and look for opportunities to advance women in the workplace. A Women's Forum drives these goals. With the distressing increase of gender-based violence (GBV) in our country, we are exploring further ways of dealing with this

serious issue, including the safety of our female employees, through the Forum.

In line with this, the Group's Harassment Policy, which includes how we deal with workplace bullying, was updated this year and rolled out across the organisation.

National Women's Day is celebrated each year in August, with our sites arranging presentations on relevant topics, including GBV and female-specific health issues.

We report our transformation progress against the Forest Sector Code issued under section 9(1) of the Broad-Based Black Empowerment Act, No 53 of 2003 at the level of Mpact Operations, which houses the Group's South African subsidiaries.

Mpact Operations retained its Level 1 B-BBEE status in 2024, externally verified by mPowerRatings. The full B-BBEE certificates for Mpact Operations (incorporating all South African operations) and Mpact Limited are available on our website, www.mpact.co.za.

EQUITY OWNERSHIP

The Mpact Foundation Trust holds 10% of Mpact Operations and was established in 2015 as a vehicle both for B-BBEE ownership and to channel the benefits of ownership to selected beneficiaries, ensuring those most in need have access to the programme. The approach of the Trust does not limit or stipulate fields of study. Our students have enrolled for degrees in fields such as logistics, accounting, education, social work, industrial engineering, applied chemistry and medicine.

DEVELOPMENT AND TRANSFORMATION *(continued)*

The beneficiaries include matriculants and tertiary students who demonstrate the ability to work hard and succeed academically. To date, 60 bursaries have been awarded to qualifying dependants of Mpact's employees. As part of our continued commitment to women empowerment, it is pleasing to share that 24 of the 36 graduates are female.

More information on the goals and activities of the Trust is available in the Mpact Foundation Trust Report on [pages 55 to 56](#) of the 2024 Integrated Report.

Total ownership of Mpact Operations by Black individuals was 33.7% at the date of verification for the 2024 certificate (2023: 28.6%) and 18.6% ownership by Black women (2023: 17.4%). Bonus points were awarded recognising the community-based beneficiaries of the Trust and for exceeding the Black and Black women-owned target for a total of 32 (2023: 31.7) points out of the B-BBEE target of 37 for Black ownership.

EMPLOYMENT EQUITY

Mpact's EE plan, talent management programme, and skills development initiatives aim to develop a workforce that reflects the country's demographics and entrenches fair employment practices. The EE plan sets targets for the representation of previously disadvantaged people at all levels of the Group, along with strategies for skills development, succession planning, and retention.

Transformation committees at Group, divisional, and operational levels drive transformation, and progress is monitored by the Human Resource Steering Committee, which gives regular feedback to the Social and Ethics Committee.

Over the last five years, the representation of previously disadvantaged individuals at our South African operations has increased from 26% to 37% at senior management level, from 61% to 65% at middle management, and from 78% to 83%

at junior management. Over the same period, women in the workforce increased from 26% to 27% and women at the senior management level increased from 9% to 14%.

WORKFORCE DIVERSITY PROFILE (SOUTH AFRICA ONLY)

	African		Coloured		Indian		White		Total
	Male	Female	Male	Female	Male	Female	Male	Female	
Top management	–	–	–	–	–	–	2	–	2
Senior management	2	–	1	1	5	1	22	3	35
Middle management	40	13	27	4	41	14	101	46	286
Junior management	494	131	142	44	96	27	204	92	1,230
Semi-skilled	1,152	365	205	64	50	12	25	46	1,919
Unskilled	413	238	133	80	12	3	5	–	884
Temp	34	32	3	3	–	–	5	1	78
Total	2,135	779	511	196	204	57	364	188	4,434

REPRESENTATION OF PREVIOUSLY DISADVANTAGED INDIVIDUALS (PDIS) (SOUTH AFRICAN OPERATIONS ONLY)

	2024	2023	2022	2021	2020	2019
Junior management	83%	83%	81%	80%	79%	78%
Middle management	65%	63%	65%	62%	60%	61%
Senior management	37%	38%	37%	33%	31%	26%

Element	Target	2024	2023	2022	2021	2020	2019
Ownership	25+12	32.00	31.72	31.91	28.54	30.87	30.46
Management control	19	10.99	12.03	11.14	11.61	9.05	11.11
Skills development	20+5	15.40	15.30	14.28	15.75	16.42	14.83
Enterprise and supplier development	43+6	44.53	43.69	39.66	36.29	39.18	36.56
Socio-economic development	5+3	6.76	6.28	8.00	8.00	8.00	8.00
Total	112+26	109.68	109.02	104.99	100.2	103.52	100.95
B-BBEE status level		1	1	1	1	1	1

DEVELOPMENT AND TRANSFORMATION *(continued)*

MPACT WOMEN'S FORUM

The Mpact Women's Forum, launched in 2022, aims to empower women within the Group to develop and grow through professional training, mentoring and career advice. This initiative also provides a platform for women across the business to connect and support one another, and to enhance and share their knowledge of Mpact's products and the packaging industry.

In 2024, the forum hosted a number of activities across our operational sites to encourage women to celebrate, address issues that affect them in the workplace, and support local communities.

Events, such as the "Dare Me Day", offered younger women the opportunity to engage with those in management roles to discuss their career progression, the challenges that they have overcome and areas to improve on as female employees. These forums facilitate a safe space for women to interact and share their experience and insights of issues such as work-life balance, physical and mental health and gender-based violence.

At the Mkhondo paper mill, the forum launched a "Keeping a Girl Child in School" movement by donating sanitary products to learners to assist them not to miss school during their menstrual cycle.

The Bins and Crates businesses in Atlantis, Brits and Castlevue held high-tea events to celebrate the remarkable contributions and achievements of the women at Mpact. Women at the Wadeville operation were honoured at an event at which they were also encouraged to focus on improving their personal journeys.



DEVELOPMENT AND TRANSFORMATION *(continued)*

ENTERPRISE AND SUPPLIER DEVELOPMENT

Our preferential procurement programme fosters entrepreneurship and promotes transformation across the supply chain by supporting the development of small Black-owned and Black women-owned businesses. This serves to reduce their costs and create a more inclusive value chain, also improving retention whilst supporting the development of small businesses. Substantial prepayments are offered to small-scale suppliers to secure their working capital for raw materials, thereby enabling these businesses to expand and contribute to a more robust and diverse supply chain.

We support economic development by providing opportunities for small businesses through our enterprise development programme and for suppliers in the recycling value chain. Recycling's 14 sites buy recyclable waste from buy-back centres and small enterprises, promoting local beneficiation of raw materials, supporting the development of SMMEs, and providing indirect job opportunities in the recycling industry.

Mpact Paper, Gqeberha



SOCIAL RESPONSIBILITY

Mpact invests in meaningful socio-economic development that makes a difference in the communities around our operations, builds the will for change, and fosters the self-esteem and dignity of the people in these communities.

COMMUNITY PROJECTS

Our ongoing commitment to CSI addresses some of South Africa's most significant challenges, including socio-economic upliftment in disadvantaged communities, education, health, sports, disaster relief and gender-based violence (GBV). During 2024, R10.8 million was invested across our community projects.

Mpact's operations are active in their local communities by implementing CSI projects and other initiatives, as well as campaigns to raise awareness of the importance of recycling.

MPACT GROUP

In celebration of Mandela Day, Mpact joined hands with Food Forward SA for the Mandela Day Food Drive. The initiative saw the collection of non-perishable food items and the active participation of volunteers who helped pack hampers. These hampers were successfully distributed to underprivileged communities, supporting Food Forward SA's ongoing mission of collecting edible surplus food from the consumer goods supply chain and delivering it to those in need throughout the year. This act of solidarity demonstrated Mpact's commitment to addressing food insecurity and supporting vulnerable communities across South Africa.

The Mpact Garden Project is an initiative dedicated to supporting local farming communities. Each year, we donate a variety of seedlings to local farming ladies, helping them cultivate

their gardens and sustain their livelihoods. This year, the recipients were delighted to receive a diverse selection of seeds and supplies, including tomatoes, onions, beetroot, pepper, spinach, maize, and snail bait. Additionally, they were provided with essential gardening tools such as buckets to aid in their farming activities. Our focus remains steadfast on the local community, ensuring they have the resources and support needed to thrive. By empowering these women with the necessary tools and knowledge, we aim to foster a sustainable and prosperous environment for all. Through the Mpact Garden Project, we are not just planting seeds in the soil, but also sowing the seeds of hope and growth within our community. Together, we are cultivating a brighter, more sustainable future.

We donate a variety of seedlings to local farming ladies, helping them cultivate their gardens and sustain their livelihoods.



SOCIAL RESPONSIBILITY *(continued)*

MPACT PAPER

Mpact Paper's initiatives exemplify the Group's dedication to driving positive change through collaboration, education, and care for the environment and society.

The Mkhondo paper mill Women's Forum launched the "Keep a Girl Child in School" campaign to combat absenteeism among girls during their menstrual cycles. This initiative provided 408 packs containing essential hygiene products, including reusable sanitary towels, to learners at the Mlilo and Kemp Siding schools that are situated close to the mill. The forum organised a fundraising campaign that was supported by employees and donations by onsite contractors. This proved to be a successful collaboration, led by Mpact, to address the need of the local community.

The Mkhondo paper mill also partnered with the Department of Education to sponsor the Mpact Career Exhibition, which attracted over 5,400 attendees, including learners and unemployed youth. The event connected participants with over 116 exhibitors, offering insights into career opportunities, bursaries, and graduate programmes. The exhibition empowered attendees to make informed decisions about their futures.

At Felixton paper mill, the Women's Forum visited the Thuthuzela Rape Care Centre, donating 70 care packs to support victims of gender-based violence. The team marked Global Recycling Day with creative initiatives like a Recycling Art Contest and Waste Collection Challenge, fostering environmental awareness. Mpact proudly sponsored the trophies for an event arranged by Zamangwane, a NPO dedicated to fostering youth development in the Mevamlhophe area within Empangeni.

The Springs paper mill demonstrated its commitment to social upliftment by donating R10,000 worth of essentials to Leratong Place of Love Crisis Centre and revamping the kitchen at Zimisele Secondary School with a contribution of R48,500. These efforts ensure both immediate relief and sustainable benefits for local communities.

70 care packs to support victims of gender-based violence.

*The Mkhondo paper mill also partnered with the Department of Education to sponsor the Mpact Career Exhibition, which attracted over **5,400 attendees**, including learners and unemployed youth.*

*The Springs paper mill demonstrated its commitment to social upliftment by donating **R10,000** worth of essentials to Leratong Place of Love Crisis Centre.*



SOCIAL RESPONSIBILITY *(continued)*

MPACT RECYCLING

Mpact Recycling proactively engages with stakeholders and waste collectors, as key contributors to the recycling value chain. Through various initiatives, the division provides essential resources, and promotes sustainable practices, ensuring a positive impact on both the environment and local communities.

With the support of other operations, Mpact Recycling continued to promote recycling within communities through various initiatives including Global Recycling Day, World Environment Day, and National Recycling and Clean-up week. Donations of wheelie bins and office recyclers to local organisations and communities raise awareness about the circular economy and promote recycling.

In partnership with PETCO, Mpact Recycling hosted activities at all 14 branches (from April to June 2024) to encourage the collection of liquid board packaging. Waste collectors were celebrated for their efforts and prizes were awarded to those who brought in over 5 tonnes of recyclable material. These engagements incentivised collections and reinforced the vital role of collectors in advancing recycling efforts.

Mpact Recycling also collaborated with Singakwenza, a NPO dedicated to Early Childhood Education, for Global Recycling Day. Six collection shelves were distributed to assist in gathering specific recyclables that Singakwenza

uses to create handmade educational toys from waste. We continue to support this initiative to reach more children in the Gauteng and KZN regions

Furthering its mission to educate and empower, Mpact Recycling partnered with its Waste Management division to support Manger Care Centre in Benoni. This initiative provided toiletries, tools, and training to help the centre establish a waste management space, enabling it to generate income while promoting environmental awareness among its 180 residents.

On Mandela Day, the Germiston operation served cups of soup to waste collectors and distributed “Proud Recycler” bucket hats. Additionally, the branch introduced a dedicated urn for collectors to access hot water for warm drinks during the winter months, reflecting Mpact Recycling’s appreciation for their unwavering support.

Mpact Recycling is constantly on the lookout for ways to transform waste for the greater good. To better inform the public, a resources section was launched with guidance pertaining to recyclable codes, substantiated by infographics and interactive content for the younger generation. These materials can be downloaded at:

✦ <https://www.mpactrecycling.co.za/media-library/downloadable-resources>



Mpact Recycling

SOCIAL RESPONSIBILITY *(continued)*

MPACT PAPER CONVERTING

Mpact Paper Converting continues to make a meaningful difference, addressing critical needs while championing sustainability, education, and community well-being.

Mpact Corrugated made a contribution to Clicks' "Girls on the Go" sanitary pad campaign, aimed at addressing provision of sanitary packs to disadvantage girls. Using innovative design, the team created donation boxes displayed in 880 Clicks stores nationwide. The campaign was a resounding success, with sanitary products distributed to schools and other platforms, including Fisantekraal High School and Kalkfontein Primary.

Mpact Corrugated's Green Team brought joy to children at Butterfly House in Smartie Town, Drakenstein, with an Easter celebration. Activities included an Easter egg hunt, games, and a play about the significance of Easter. This event exemplified the team's dedication to spreading love and hope in underprivileged communities.

Mpact Corrugated in Mbombela (Nelspruit) launched a reading project to encourage literacy and family bonding among employees and their children. The initiative provides age-appropriate books, enhancing children's education and fostering stronger family

relationships. By promoting reading, the project also supports better workplace communication and comprehension among employees.

Detpak marked Mandela Day with a donation of 67 blankets to Orlando Children's Home and Youth Development Centre in Soweto. The 67 blankets, symbolising the number of years that Mandela dedicated to public service, were carefully chosen to provide warmth and comfort to the children.

In July 2024, our team in the Western Cape partnered with HEART NPO to provide emergency relief to those affected by the extreme weather in Paarl. Corrugated cartons were supplied to serve as insulation and bedding for 80 to 100 displaced individuals, providing some dignity and comfort for those who were affected.

Christoff Botha, MD Mpact Paper Converting, donated hamburger patties to the Mouton farm school on behalf of Mpact. Excessive flooding in the region affected citrus farming in the Citrusdal area where producers, including Mouton Citrus, were cut off from the N1. Mouton Citrus, a valued customer of Mpact, is one of the leading citrus producers in South Africa.

Detpak marked Mandela Day with a donation of 67 blankets to Orlando Children's Home and Youth Development Centre in Soweto.



SOCIAL RESPONSIBILITY *(continued)*

MPACT PLASTICS

Sustainability and community upliftment remain at the forefront of our efforts. This year, our division proudly supported several initiatives aimed at education, disaster relief and social development. We are proud of our employees' commitment to supporting communities in times of crisis, reflecting Mpact's ethos of "We rise by helping others".

Mpact Plastic Containers hosted students from Rabboni Christian School for an inspiring recycling awareness programme. Learners were introduced to the importance of recycling and environmental conservation through an engaging presentation, followed by factory tours showcasing the recycling process and the manufacturing of wheelie bins. The hands-on recycling exercise at the end of the programme fully engaged the students, underlining the critical role of recycling in protecting our planet and building a greener future.

In response to the devastating tornado that struck Tongaat in KwaZulu-Natal, Mpact Plastics employees from the Pinetown and Wadeville facilities contributed essential items to the tornado relief drive, in partnership with the Umhlanga Women's Association.

In celebration of Mandela Day, Mpact Plastic Containers extended their ongoing support to El-Shammah Home in Germiston, a child and youth care centre accredited by the Department of Social Development Gauteng. The home provides a safe haven for abandoned and vulnerable infants up to 18 months old. The team brought essential items and spent time supporting the dedicated caregivers, reflecting the values of kindness and community care that define the legacy of Nelson Mandela.



05

GOVERNANCE

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ROBUST GOVERNANCE

The Board adheres to the principles of sound corporate governance and ensures that these are incorporated into the leadership and management of the Group. The Board confirms that the Group has complied with all its statutory obligations as prescribed by the Company's MOI, the Companies Act, the JSE Listings Requirements and all other regulatory requirements. The Group under the stewardship of the Board accepts responsibility for the application of good corporate practices to ensure that business is managed ethically and within acceptable risk parameters. In discharging this responsibility, the Group is guided by its Terms of Reference and Policies and further ensures that effective corporate governance is practiced consistently throughout the Group.

The full Corporate Governance Report can be found on [pages 59 to 67](#) of the 2024 Integrated Report.



ETHICAL BUSINESS

The Board has set values to which the Group adheres, and these are incorporated into the Group's Code of Ethics. The Code of Ethics includes our ethical values and our behavioural standards. This foundation remains the Board's platform to lead Mpac sincerely and honestly. The Group's standards of integrity and ethics in dealing with its stakeholders at large are included in the Code of Ethics. Integrity is fundamental to how the Group conducts its business and is expressed in its values and principles and guides interactions with primary stakeholders. Every employee is expected to adhere to these principles and values in order to deliver exceptional value to our stakeholders by cultivating the habits of being resolute, trustworthy and responsible. This is not merely a matter of knowing the "rules" but of repeatedly exercising moral thinking and applying the guidelines outlined in the Group's Code of Ethics. The Code of Ethics is reviewed by the Board periodically to ensure that Mpac has the requisite values and principles to remain differentiated by people who are resolute, trustworthy and responsible.

Employees can report any concerns regarding improper conduct, including fraud, corruption, illegal acts, unethical behaviour, or suspected human rights violations, to their supervisor or Line Manager, Human Resources Manager, or the Company Secretary.

Employees also have access to the Mpac Tip-Off line, an anonymous whistle-blowing facility independently administered by Deloitte. The Audit and Risk Committee records, monitors, and investigates incidents reported through this facility.

The Board further monitors issues raised through regular interactions with the executive, internal audit reports, the whistle-blower facility, and frequent updates regarding insurable or non-insurable incidents to assess and refine its approach to effective oversight.

Mpac's Supplier Code of Conduct requires suppliers to commit to the 10 principles of the United Nations Global Compact (UNGC), including support for human rights, freedom of association, elimination of forced and compulsory labour, child labour, and unfair discrimination.



Mpac Tip-Offs

Shine the light on fraud, theft and wrongdoing.

24 hours a day, 7 days a week, 365 days a year.

Theft

Bribery

Fraud

Discrimination

Corruption

Harassment

Intimidation

Blackmail

Conflict of interest

Forgery

**Environmental
pollution**

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South Africa Free Post: KZN 138,
Umhlanga Rocks,
4320

Email: mpact@tip-offs.com

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smarter, sustainable solutions



Mpac Tip-offs is a free and confidential service that helps you report your concerns about any behaviour or activities which you believe conflict with the law, or with Mpac's business ethics. This service is for Mpac employees – please only use Tip-offs if you cannot effectively communicate your concerns to your direct manager or Human Resources representative.

For more information, please visit our intranet site, [mympac \(http://mympac/\)](http://mympac/)

ETHICAL BUSINESS *(continued)*

HUMAN RIGHTS

The Code of Ethics stipulates Mpact’s commitment to respecting and promoting human rights through the employment practices at all our operations and to creating a work environment that is free from harassment and unfair discrimination and provides the opportunity for employees to build esteem, fulfil ambitions and improve their circumstances.

This Code specifically addresses the Group’s zero-tolerance approach to unfair discrimination, coercion, intimidation, harassment, forced labour, child labour, and other human rights abuses. It also promotes respect for the cultures of fellow workers, suppliers, and customers, fair remuneration scales, the right of employees and fellow workers to free association and collective bargaining, and broad-based skills development and economic empowerment.

The Code is reviewed by the Board periodically and endorsed by the Group’s leadership team. It covers the foundation of the Group’s ethical behaviour, including its vision and values, how to apply the Code, testing decisions, consulting on ethics, and how to report misconduct.

THE CODE GUIDES ON
SPECIFIC ISSUES, INCLUDING:

Customers

Human rights

Use of company resources

Declaration of interests

Fraud

Political participation and
Government interaction

The environment

Health and safety

Employment Equity

Confidential information

Gifts and entertainment

Bribery and corruption

The Code of Ethics is available on our website at www.mpact.co.za/governance/code-of-ethics.

RISK MANAGEMENT

Risk management is crucial for our governance framework and supports the continued ability of the Group to create value and sustainable benefits for all stakeholders. The Board considers the material business risks when approving strategies and budgets. The Risk Management Committee identifies and evaluates strategic and operational risks faced by business.

Mpact has policies and procedures in place to manage its governance, operations and information systems regarding the:

- reliability, security and integrity of financial and operational information;
- effectiveness and efficiency of operations;
- safeguarding of people and assets;
- reduction of our environmental footprint; and
- compliance with laws, regulations and contracts.

In these, ESG considerations, including climate change, are addressed in the Risk Register.

Risk assurance is considered at managerial (level 1), corporate function (level 2) and external (level 3) levels by both the Risk Management Committee and the Audit and Risk Committee for reporting to the Board.

ENTERPRISE RISK MANAGEMENT POLICY AND FRAMEWORK

Mpact has a well-defined Risk Management Framework accompanied by the Risk Management Guideline that sets out the approach to risk and aligns with the principles of King IV™ and the ISO 35000 Risk Management Standard. This structure is also addressed in the Governance section on [pages 68 to 75](#) of the 2024 Integrated Report. This provides a structured and systematic approach to managing our most material risks and addressing the material interests of our stakeholders.

In line with our decentralised structures, risk assessment and management processes enable each business within the Group to take responsibility for managing its own risks – this

also encourages proactive action by the business units when faced with risks and opportunities. Divisional Risk Registers have been developed and the risk parameters are escalated to the Group Risk Register as appropriate considering the Group appetite and tolerance levels.

The Executive Committee, through the Risk Management Committee, is accountable to the Audit and Risk Committee, for risk management. The Audit and Risk Committee advises the Board, which retains fiduciary oversight of risk management.

COMBINED ASSURANCE OF RISKS

Our internal auditors, KPMG, have developed a process for assessing combined assurance for risks with high inherent risk ratings. The process assesses the assurance provided at:

• 1st Line: Management assurance

This line of assurance is based on the assurance provided by direct line management. Management activities are performed to control or mitigate risk exposure down to an acceptable level.

• 2nd Line: Corporate function assurance

These assurance providers are internal to the Company but not directly responsible for the management of the process under review.

• 3rd Line: Independent assurance providers

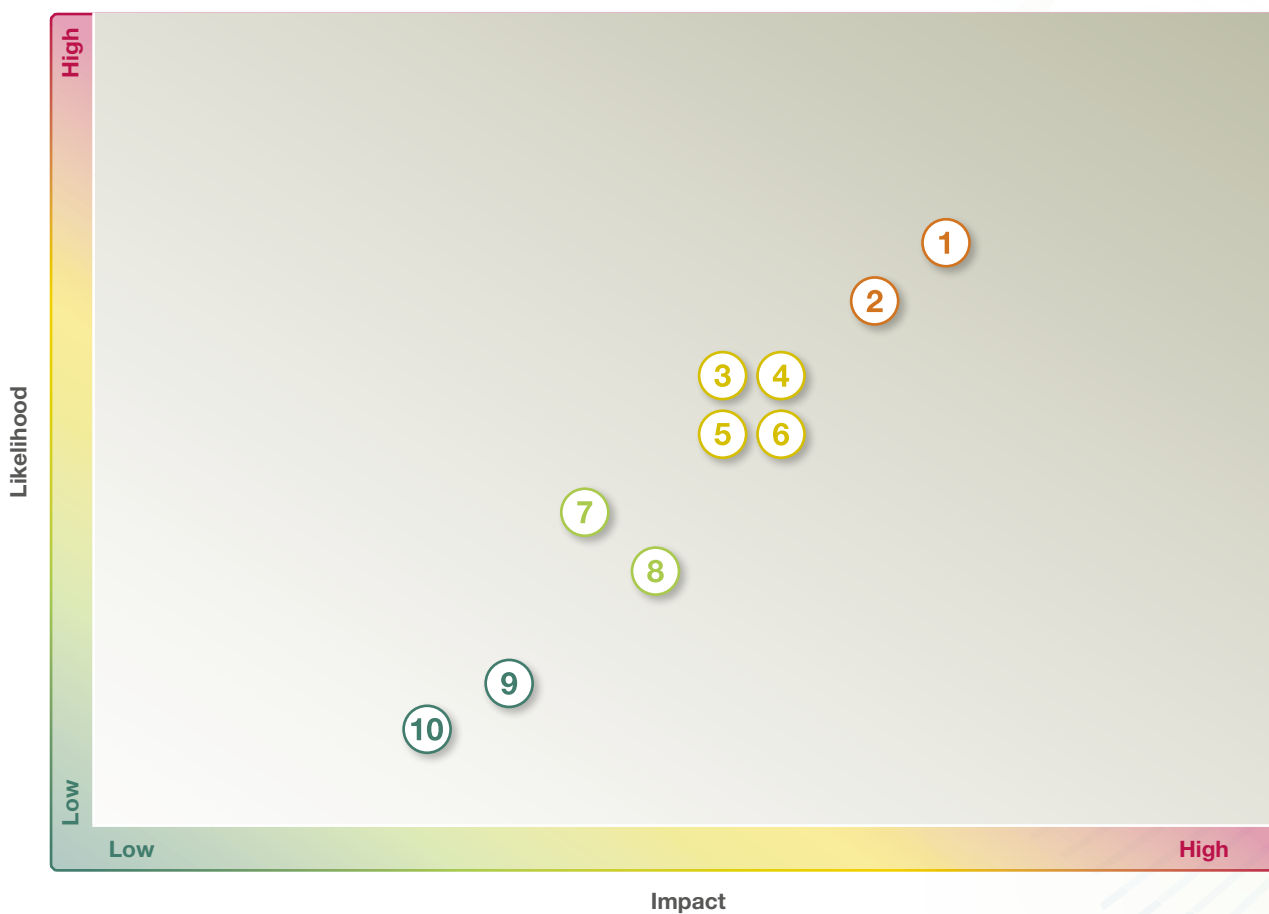
These assurance providers act independently to management and the Company operations. This implies that management do not influence the outcomes, opinions and conclusions emanating from the assurance activities performed.

RISK MANAGEMENT *(continued)*

Assurance effectiveness is assessed by KPMG for each line of assurance for assessed risks. Inherent and residual risk ratings are included in the report such that the readers are given a view of how effective risk management is for each risk and can assess this against the assurance effectiveness. The combined assurance is presented to the Risk Management Committee and the Audit and Risk Committee.

OUR PRINCIPAL RISKS

Ten principal risks, and their mitigation plans, have been identified by the Group and are set out below.



RISK HEAT MAP OF MATERIAL RESIDUAL RISKS

- 1 Service delivery interruptions
- 2 Social polarity leading to unrest
- 3 Trading environment
- 4 Workforce cost and stability
- 5 Compliance with increasing legislation
- 6 Public resistance to the use of plastics
- 7 Safety in the workplace
- 8 System failures
- 9 Climate change risks
- 10 Reputational damage

RISK MANAGEMENT *(continued)*

Assurance related to ESG issues is broad and addressed through a range of external providers whose assurance provides assessment against key risk controls.

RISK CONTROL STANDARDS

Developed from international best practice with assistance from Marsh. Security, Emergency and Safety Standards extensively revised.

HEALTH AND WELLBEING

- Clinics managed by Life HS
- Life EWP 24/7 call centre for health, psychosocial, financial and legal consultation
- Wellbeing programme habits coaching for nutrition, exercise and mental health

ENVIRONMENTAL

- ISO 14001 Certification for larger sites and compliance for smaller sites
- FSC Chain of Custody for Paper and Corrugated sites

QUALITY

- ISO 9001 Certification for manufacturing plants

FOOD SAFETY

- ISO 22001, BRC or FSSC for food contact products

FIRE DEFENCE

- Underwriting, Risk Compliance Grading, Infra-Red scans – Marsh
- Sprinkler protection compliance – ASIB
- Fire defence assessments – various service providers

KEY ESG REPORTED NUMBERS

Our energy, carbon emissions, water use and safety statistics reported in this Sustainability Report were verified by Catalyst Verification Solutions.

To assess Mpack's ESG status we participated in the Marsh global ESG Risk Rating survey, scoring 8 out of 10 (2023: 7.6/10). Key takeaways from the survey were that a Net Zero plan was needed, in addition to a Scope 3 CO₂e assessment and a coordinated supply chain ESG assessment.

In 2024, Catalyst Verification Solutions were engaged to develop a Scope 3 CO₂e assessment framework and calculate emissions for 2023 and 2024. We also developed a NetZero vision for 2050 as well as a climate change risk register to inform our mitigation and adaptation plan (in development). This exercise also gave us a better view of our supply chain that will assist greatly in the assessment of ESG performance in this function.



RISK MANAGEMENT *(continued)*

ESG RISK RATING



Mpact Operations (Pty) Ltd

Overall score **8**

Score in 2023 was **7.6**



GOING FORWARD

- Develop SBTi and NetZero plans
- Further develop Scope 3 calculations
- Improving supply chain ESG accountability

06

ADDENDUMS

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ADDENDUM 1: THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGs)

Relevant UN SDG targets

Progress in 2024

	END POVERTY IN ALL ITS FORMS EVERYWHERE Target 1.2: Reduce at least by half the proportion of men, women, and children of all ages living in poverty in all its dimensions according to national definitions. Target 1.5: Build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate-related extreme events and other economic, social, and environmental shocks and disasters.	• In 2024, the Group employed 4,557 people at our operations with R2.1 billion from total operations in value distributed to staff through salaries, wages, and benefits. • The Group provided skills training to 50 adults with disabilities. • 60 full university bursaries awarded through the Mpac Foundation Trust since inception. • We support economic development by providing opportunities for small businesses through our enterprise development programme and for suppliers in the recycling value chain. Mpac Recycling's 14 sites buy recyclable waste from buy-back centres and small enterprises, promoting local beneficiation of raw materials, supporting the development of SMMEs, and providing indirect job opportunities in the recycling industry.
	ENSURE HEALTHY LIVES AND PROMOTE WELL-BEING FOR ALL AT ALL AGES Target 3.3: End the epidemics of AIDS, tuberculosis, malaria, and neglected tropical diseases and combat hepatitis, water-borne diseases, and other communicable diseases. Target 3.4: Reduce by one-third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being. Target 3.8: Achieve universal health coverage, including financial risk protection, access to quality essential healthcare services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all.	• For employees living with HIV/AIDS, our comprehensive occupational health and wellness programme provides support and treatment, including free antiretroviral therapy. Our clinics offer voluntary counselling and testing (VCT) for HIV to all employees during their medical assessments. Furthermore, we conduct HIV awareness campaigns during wellness days and events commemorating World AIDS Day. In 2024, a total of 6,604 employee medicals were completed with 1,528 employees receiving VCTs. • The Life Health Solutions Employee Wellness Programme plays a pivotal role in Mpac's safety and health initiatives. Through a holistic approach encompassing health, psychosocial support, legal guidance, and financial advice, we prioritise the well-being of our employees. Our annual utilisation rate in 2024 was 7.9% against our target of 7%.

ADDENDUM 1: THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS) *(continued)*

Relevant UN SDG targets	Progress in 2024
ENSURE INCLUSIVE AND EQUITABLE QUALITY EDUCATION FOR ALL AND PROMOTE LIFELONG LEARNING FOR ALL Target 4.2: Ensure that all girls and boys have access to quality early childhood development, care, and pre-primary education so that they are ready for primary education. Target 4.3: Ensure equal access for all women and men to affordable and quality technical, vocational, and tertiary education, including university. Target 4.4: Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship. Target 4.5: Eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples, and children in vulnerable situations. Target 4.7: Ensure that all learners acquire the knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development and sustainable lifestyles, human rights, gender equality, promotion of a culture of peace and non-violence, global citizenship and appreciation of cultural diversity and culture's contribution to sustainable development.	• This year Mpact invested R26.9 million in skills development over 56,115 man-hours of training for 2,991 employees. This investment enhances the human and intellectual capital available to the Group as well as contractors to the personal growth and career development of employees. • The Mpact e-Learning Academy offers internally and externally curated courses in a wide range of topics including management and leadership; health and safety; wellness, business fundamentals, risk management, and energy and environmental management. • During this financial year, two employee development centres were held as part of our talent management programme (one Development Centre Tier 3 and one Development Centre Tier 2), with Group Management Committee members participating in the assessments along with expert psychologists who administer the programme. Of the 21 high-potential employees who attended, 13 were previously disadvantaged individuals (PDIs) and 8 were women. • Mpact provided 251 skills development and work experience opportunities through our apprentice and learnership programmes that aim to better the industry-relevant skills pool. 92% of candidates on these programmes are from previously disadvantaged backgrounds and 34% are Black women. Mpact's transformation initiatives promote diversity and the advancement of historically disadvantaged South Africans.

ADDENDUM 1: THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS) *(continued)*

Relevant UN SDG targets	Progress in 2024
5 GENDER EQUALITY  ACHIEVE GENDER EQUALITY AND EMPOWER ALL WOMEN AND GIRLS Target 5.2: Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation. Target 5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.	• Mpact's transformation initiatives promote diversity and the advancement of historically disadvantaged South Africans. • Over the last five years, the representation of previously disadvantaged individuals at our South African operations has increased from 26% to 37% at senior management level, from 61% to 65% at middle management, and from 78% to 83% at junior management. Over the same period, women in the workforce increased from 26% to 27% and women at the senior management level increased from 9% to 14%. • With the distressing increase of GBV in our country, we are exploring further ways of dealing with this serious issue, including the safety of our female employees on site, through the Women's Forum and review of our Harassment Policy. • Through our Women's Forum, our sites arrange presentations on relevant topics, including GBV and female-specific health issues.
6 CLEAN WATER AND SANITATION  ENSURE AVAILABILITY AND SUSTAINABLE ADMINISTRATION OF WATER AND SANITATION FOR ALL Target 6.4: Substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.	• Mpact actively measures, monitors and manages water use and wastewater discharge and has successfully driven these volumes down over recent years.
7 AFFORDABLE AND CLEAN ENERGY  ENSURE ACCESS TO AFFORDABLE, RELIABLE, SUSTAINABLE, AND MODERN ENERGY FOR ALL Target 7.2: Increase substantially the share of renewable energy in the global energy mix. Target 7.3: Double the global rate of improvement in energy efficiency.	• The Group has installed solar PV of 16MWp to date with plans in place for a further 10.6MWp. We have drafted a NetZero vision for 2050. • Mpact has a green electricity wheeling deal in place supplying some power to two of the paper mills. We are also engaging with various suppliers to wheel solar and wind generated power to our operations.

ADDENDUM 1: THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS) *(continued)*

Relevant UN SDG targets	Progress in 2024
PROMOTE SUSTAINED, INCLUSIVE, AND SUSTAINABLE ECONOMIC GROWTH, FULL AND PRODUCTIVE EMPLOYMENT, AND DECENT WORK FOR ALL Target 8.2: Achieve higher levels of economic productivity through diversification, technological upgrading, and innovation, including through a focus on high value-added and labour-intensive sectors. Target 8.3: Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity, and innovation, and encourage the formalisation and growth of micro-, small and medium-sized enterprises, including through access to financial services. Target 8.5: Achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. Target 8.6: Substantially reduce the proportion of youth not in employment, education, or training. Target 8.7: Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking, and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms. Target 8.8: Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	• As at end 2024, the Group has provided 60 full university bursaries awarded through the Mpact Foundation Trust since inception. • 251 skills development and work experience opportunities through our apprentice and learnership programmes that aim to better the industry-relevant skills pool. 92% of candidates on these programmes are from previously disadvantaged backgrounds and 34% are Black women. • Mpact Recycling's 14 sites buy recyclable waste from buy-back centres and small enterprises, promoting local beneficiation of raw materials, supporting the development of SMMEs, and providing indirect job opportunities in the recycling industry. • Mpact's Supplier Code of Conduct requires suppliers to commit to the 10 principles of the United Nations Global Compact (UNGC), including support for human rights, freedom of association, elimination of forced and compulsory labour, child labour, and unfair discrimination. • The Mpact Code of Ethics stipulates the Group's commitment to respecting and promoting human rights through the employment practices at all our operations and to creating a work environment that is free from harassment and unfair discrimination and provides the opportunity for employees to build esteem, fulfil ambitions and improve their circumstances. • This Code specifically addresses the Group's zero-tolerance approach to unfair discrimination, coercion, intimidation, harassment, forced labour, child labour, and other human rights abuses. It also promotes respect for the cultures of fellow workers, suppliers, and customers, fair remuneration scales, the right of employees and fellow workers to free association and collective bargaining, and broad-based skills development and economic empowerment.

ADDENDUM 1: THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS) *(continued)*

Relevant UN SDG targets

Progress in 2024



BUILD RESILIENT INFRASTRUCTURE, PROMOTE INCLUSIVE AND SUSTAINABLE INDUSTRIALISATION, AND FOSTER INNOVATION

Target 9.2: Promote inclusive and sustainable industrialisation and significantly raise industry's share of employment and gross domestic product, in line with national circumstances, and double its share in the least developed countries.

Target 9.3: Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.

Target 9.4: Upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.

Target 9.5: Enhance scientific research and upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending.

- Innovation is a cornerstone of Mpact's vision, values, and strategy. We continue to make a significant investment to internal research and development capabilities and our people's skills to build and maintain a sustainable competitive advantage that focuses on modernisation, research, and technical support. Matching our customers' requirements with the latest technology and materials enable us to create game-changing packaging solutions and new product classes. Added value packaging deepens our long-term strategic relationships with customers, helps us to grow our business with them, and secures business by providing products that are not easy to replicate.
- Our innovation centres work in a matrix structure with different operations within the Group. They approach projects by fully understanding the technical aspects of what they are required to deliver at the most detailed level. This is supported by scientific capabilities which are integrated at every stage of the value chain. Importantly though, our teams comprise critical thinkers who can translate scientific insights into practical information that add real value to our business and those of our customers. They are supported by state-of-the-art equipment in developing products for both existing and new markets, thus ensuring our packaging remains fit for the future.
- Our innovative culture is reflected in the everyday actions of our people, in terms of the materials that we place on the market, and the facilities and systems that we have developed to support the packaging needs of our customers. The Recycling division offers a range of collection and sorting solutions to the market, and our design centres at Mpact Converting (Corrugated and Detpak), Mpact Plastics and Mpact Plastic Containers offer structural and graphic design capabilities to our clients. This allows Mpact to support our customers to develop bespoke packaging solutions, from concept to prototype.
- Mpact has once again been acknowledged by the industry and customers, through the multiple industry awards and nominations achieved in 2024, across our innovative product range. Successful projects such as the intelligently designed paper-based protective packaging for the safe containment of lithium-ion batteries, replacing traditional polystyrene protective packaging, has the potential to expand into many other similar applications, solving an industry challenge of sustainably.

ADDENDUM 1: THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS) *(continued)*

Relevant UN SDG targets	Progress in 2024
 REDUCE INEQUALITY WITHIN AND AMONG COUNTRIES Target 10.1: Progressively achieve and sustain income growth of the bottom 40% of the population at a rate higher than the national average. Target 10.2: Empower and promote the social, economic, and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion, or economic or other status. Target 10.3: Ensure equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies, and practices and promoting appropriate legislation, policies, and action in this regard. Target 10.4: Adopt policies, especially fiscal, wage, and social protection policies, and progressively achieve greater equality.	• Mipact Operations retained its Level 1 B-BBEE contributor under the amended Forest Sector Code.
 ENSURE SUSTAINABLE CONSUMPTION AND PRODUCTION PATTERNS Target 12.2: Achieve the sustainable management and efficient use of natural resources. Target 12.3: Halve per capita global food waste at the retail and consumer levels and reduce food losses along production and supply chains, including post-harvest losses. Target 12.4: By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water, and soil to minimise their adverse impacts on human health and the environment. Target 12.5: Substantially reduce waste generation through prevention, reduction, recycling, and reuse.	• The GRSM coordinates sustainable development in the Group and drives continual improvement across the operations in industrial SHE standards, security, and risk management. Safety, health, and environmental targets are set for the operations in discussion with the Executive Committee and Board. Five-year management plans are in place for energy, Scope 1 and 2 CO₂e emissions, and water. • Executive KPAs further ensure focus on safety, health, and the environment, and commitment at a senior level within the organisation to attaining our impact reduction targets.

ADDENDUM 1: THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS) *(continued)*

Relevant UN SDG targets		Progress in 2024
13 CLIMATE ACTION 	TAKE URGENT ACTION TO COMBAT CLIMATE CHANGE AND ITS IMPACTS	
	Target 13.1: Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.	• We are currently aligning our climate change reporting IFRS S2 Climate-related Disclosures. We continue to align with those United Nations Sustainable Development Goals (UN SDGs) we consider applicable to our business and have updated our progress during 2024 accordingly. • We have set environmental targets for energy CO₂e and water to be achieved by 2027 based on five-year plans for energy (and by implication CO₂e) and water reduction. The energy and CO₂e plans also form the basis for our regulated GHG PPP and Carbon Budget reported to the DFFE.

ADDENDUM 2: ESG SUMMARY REPORT



ENVIRONMENT¹

	Unit of measure	2024	2023
Fuel consumption			
Thermal fuel (coal, HFO, NG) consumption – non-renewables	TJ	3,416	3,292
Total diesel used for company vehicles, generators and pumps	kl	1,925	2,151
Electricity			
Volume of electricity purchased	MWh	347,364	355,232
Volume of electricity self-generated	MWh	7,166	10,729
Volume of electricity from Solar PV	MWh	20,881	11,404
Total energy			
Total energy efficiency achieved	GJ/t	6.05	5.89
Target – total energy efficiency achieved	GJ/t	6.12	6.24
Carbon emissions			
Carbon emissions – scope 1	tCO ₂ -e	316,237	304,050
Carbon emissions – scope 2	tCO ₂ -e	333,918	326,523
Total carbon emissions – scope 1 and 2	tCO ₂ -e	650,155	630,572
Carbon emissions efficiency achieved	tCO ₂ e/t	0.838	0.819
Target – carbon emissions efficiency achieved	tCO ₂ e/t	0.839	0.856

	Unit of measure	2024	2023
Water management			
Water used across operations	ml	4,244	3,994
Water consumption per tonne of production ²	kl/t	5.49	5.22
Decrease in water used per manufactured tonne ²	%	5.25%	0.60%
Target – water efficiency achieved	m ³ /t	5.505	5.543
Waste			
Hazardous waste disposed of at appropriate facilities	tonne	877	930
Non-hazardous waste sent to landfill	tonne	35,612	36,661
Plastic recovered by Recycling and Plastic Containers	tonne	48,176	41,438
Paper recovered by Recycling	tonne	507,054	503,772
Waste recovered for recycling or reuse by operations	tonne	58,757	56,071
Percentage of waste generated by operations recovered for recycling		62%	60%

1. Environmental performance indicators restated to exclude the performance of Versapak, a discontinued operation (sale concluded 4 November 2024).

2. Per saleable manufactured tonne; manufacturing operations exclude the Recycling division as there is a low correlation between environmental parameters and tonnes of output from these operations.

ADDENDUM 2: ESG SUMMARY REPORT *(continued)*

SOCIAL¹

	Unit of measure	2024	2023
Human Capital			
Number of employees – permanent	number	4,557	5,095
Number of employees – temporary	number	78	50
Number of employees and contractors operating in South Africa	number	4,434	4,973
Percentage of employees and contractors operating in South Africa	%	97.3%	97.6%
Percentage of management (top and senior) deemed HDSA ²	%	35%	36%
Percentage of management (top and senior) who are women (SA only)	%	13.5%	15%
Percentage of employees who are deemed HDSA ²	%	91.8%	92.1%
Percentage of employees who are women	%	27%	27%
Percentage of HDSA ² employees in skilled and supervisory positions	%	83.4%	82.7%
B-BBEE level		1	1
Number of allegations and confirmed incidents of discrimination and/or human rights incidents relating to employees	number	0	0
Number of employees with disabilities	number	121	135
Percentage of employees covered by collective bargaining agreements	%	47%	53%
Value of employee training spend	Rand	R26.9 million	R37.6 million
Total number of training hours	man-hours	56,115	57,581

	Unit of measure	2024	2023
Health and Safety			
Percent of employees undergoing medical assessments	%	99%	97%
Target – percent of employees undergoing medical assessments	%	100%	100%
Percent of employees making use of the Employee Wellness Programme call centre	%	7.9%	8%
Target – percent of employees making use of the Employee Wellness Programme call centre	%	7%	7%
Percent of identified chronic disease identified that are under control	%	94%	84%
Target – percent of identified chronic disease identified that are under control	%	80%	80%
New cases of NIHL ³ (employees and contractors)	number	0	0
Deaths due to occupational disease	number	0	0
Fatalities (i.e. injuries on duty leading to death, excluding the deaths of workers not occurring “at work”) (employees and contractors)	number	1	0
First aid cases (FACs, i.e. injuries on duty leading to minor treatments, such as a plaster or a pain tablet) (employees and contractors)	number	148	154
Medical treatment cases (MTCs), i.e. injuries on duty leading to medical treatment, but no lost days) (employees and contractors)	number	63	77

ADDENDUM 2: ESG SUMMARY REPORT *(continued)***SOCIAL** *(continued)*

	Unit of measure	2024	2023
Lost time injuries (LTIs), i.e. injuries on duty leading to at least one lost day (employees and contractors)	number	29	22
Restricted work cases (RWCs)		7	8
Total serious injuries (fatalities, lost time injuries (LTI) and restricted work cases (RWC))		36	30
Permanent disabilities (employees and contractors)	number	0	0
Number of employees receiving voluntary counselling and testing (VCT) for HIV/AIDS (i.e. counselled)	number	1,528	1,949
Employees knowing their HIV status		Most HIV-positive employees do not declare their status as they are treated by state services	Most HIV-positive employees do not declare their status as they are treated by state services
Total number of employees currently HIV positive	%	Most HIV-positive employees do not declare their status as they are treated by state services	Most HIV-positive employees do not declare their status as they are treated by state services
Employees currently receiving company-provided HIV/AIDS monitoring and treatment programme	number	7	6
Cost of HIV/AIDS monitoring and treatment programme	Rand	R7,848/month	R6,727/month
CSI/SED expenditure			
Corporate social investments (CSI)/socio-economic development (SED) expenditures	Rand	R10.8 million	R13.6 million
CSI/SED spend as a percentage of net profit after tax	%	1.8%	1.8%
Percentage of total CSI/SED spend in South Africa	%	100%	100%
Enterprise and supplier development spend (i.e. support for small business)	Rand	R43.1 million	R65.2 million

1. Non-financial performance indicators restated to exclude the performance of Versapak, a discontinued operation (sale concluded 4 November 2024), with the exception of the B-BBEE rating and scores.

2. HDSA – historically disadvantaged South Africans.

3. NIHL – noise-induced hearing loss.

ADDENDUM 2: ESG SUMMARY REPORT *(continued)*GOVERNANCE¹

	Unit of measure	2024	2023
Board members	number	8	8
Non-executive Board members	number	6	6
Percentage of non-executive Board members	%	75%	75%
Executive Board members	number	2	2
Independent Board members	number	6	6
Percentage of independent Board members	%	75%	75%
Female Board members	number	3	2
Average length of executive director service	years	12.8	12.5
Average length of non-executive director service	years	7.3	6.3
Average length of full Board service	years	8.7	8
Average age of directors	number	58.5	63.4
Overall Board and committee meeting attendance:			
Board meeting attendance	%	92%	100%
Audit and Risk Committee meeting attendance ¹	%	92%	100%
Social and Ethics Committee meeting attendance ¹	%	100%	100%
Remuneration and Nomination Committee meeting attendance ¹	%	94%	100%

	Unit of measure	2024	2023
Length of current auditor's service	years	2	1
Independence of Board Chairman	Y/N	Y	Y
Publicly available policy on Board conflicts of interest and PEP ²	Y/N	N	N
Public disclosure on any/all Board member conflicts of interest	Y/N	N	N
Public disclosure on any/all Board member (PEP) ²	Y/N	N	N
Publicly available climate-related financial disclosures, as per TCFD	Y/N	Y	Y
Publicly available Human Rights policy	Y/N	N	N
ESG included in service-level agreements with suppliers	Y/N	N	N
Shareholders vote (non-binding) on executive remuneration	Y/N/P	Y	Y

1. Excluding: Tim Ross (retired 6 June 2024); Brett Clark (retired 31 May 2024); Neo Dongwana (retired 1 June 2023).

2. PEP – politically exposed persons.

ADDENDUM 3: COMPLIANCE WITH TCFD RECOMMENDATIONS

OUR COMMITMENT TO IFRS S2 VIA COMPLIANCE WITH TCFD RECOMMENDATIONS

As outlined earlier in this report, we are working on aligning our climate change reporting with the IFRS Sustainability Disclosure Standards, in particular, IFRS S2 Climate-related Disclosures.

As shown below, the Group is working towards full compliance with the IFRS S2 recommendations.

GOVERNANCE DISCLOSURES

(a) Describe the Board's oversight of climate-related risks and opportunities, including:

Processes and frequency by which the Board is informed about climate-related issues.	The Audit and Risk Committee and the Social and Ethics Committee of the Board meet quarterly. Climate-related risks are reported to both committees via the Risk Register reviews. In addition, reports on environmental performance are presented to the Social and Ethics Committee and address issues related to climate change such as CO ₂ e emissions.
How Board members consider climate-related issues when guiding strategy.	On review of risk and environmental reports, the Board members ask pertinent questions of management regarding climate change issues raised. The Board committees also report on matters at the Board meetings and deliberate on climate change issues pertinent to Mpact including such issues as drought, floods, and extreme weather, and their impact on our operation, customers, and supply chain.
How progress is measured.	Changes in key climate change risks, and energy and carbon emission trends, are reported quarterly to the Board. Any significant weather-related impact on our operations or customers and supply chain is also discussed. We have also made submissions to the CDP and EcoVadis platforms. We will monitor improvements in the outcome scores in the years ahead.

(b) Outline management's role in assessing and managing risks and opportunities, including:

Which climate-related responsibilities are assigned to management-level positions, who do they report to, and what do those tasks include?	Energy management, and related CO₂ emissions, are delegated to the GRSM and the Group Energy Manager. Monitoring the impact of climate on customers is delegated to divisional management of the Paper and Plastics businesses as they deal with external customers with a particular focus on the agricultural market that is most at risk of the impact of climate change. Extreme weather resilience of operations is delegated to the General Managers of the operations who are responsible for ensuring a high level of maintenance of buildings and infrastructure to resist the impact of extreme weather events. They are also responsible for the resilience of operations to droughts.
A description of the associated organisational structure(s).	General Managers at operations report to MDs of divisions who report up to the CEO who reports to the Board. The Group Energy Manager and Environmental Manager report to the GRSM on issues related to energy, carbon emissions, water, and waste as well as the legal frameworks relevant to these. The GRSM also manages the Group Risk Register with input from divisional and functional Risk Registers and reports to the Executive through the Risk Management Committee and SHE Management Committee, and to the Board through the Audit and Risk Committee and Social and Ethics Committee.

ADDENDUM 3: COMPLIANCE WITH TCFD RECOMMENDATIONS *(continued)*

A breakdown of the processes used to inform management of climate-related issues.	Divisional Risk Champions are in place and divisional management teams are required to analyse risks annually. Climate change risks are included in these divisional registers. Similarly, Risk Registers have been developed for corporate functions such as ICT and Shared Services (finance and HR services). The GRSM and the Group Energy Manager also circulate relevant information, gleaned from reliable media outlets, on climate change, carbon emissions, and the impact these could have on the business. These include but are not limited to notification of climate trends, the impact of carbon legislation both nationally and internationally, carbon emissions from operations, and the carbon footprint of products. They also assist with carbon disclosures when required by customers. Sales Managers and management of the Paper and Plastics businesses interact regularly with customers to understand their evolving needs and remain vigilant for the impacts of weather patterns on crops and generally on customers and their markets.
An outline of how management monitors climate-related issues.	The Group Energy Manager, Environmental Manager, and the GRSM are members of industry associations that discuss climate change issues. They also monitor media reports of trends in climate change and carbon reporting. Pertinent information is fed back to management via the Risk and SHE management committees and to the Board via the Audit and Risk Committee and Social and Ethics Committee. Energy use, carbon and other atmospheric emissions, water use, wastewater disposal, and waste recycling and disposal trends are reported to the SHE Management Committee and Social and Ethics Committee quarterly. Any impact of extreme weather events is also discussed at the Risk and/or SHE Management Committee and reported to the Board if significant. The impact, and potential impact, of evolving national and international legislation on the business, including the cost of Carbon Tax is reported to the Executive and Board.

RISK MANAGEMENT DISCLOSURES

(a) The Company's processes for identifying and assessing climate-related risks:

Describe how the potential size and scope of identified risk factors are assessed.	The Mpact Group Risk Register lists identified risks to the business. Divisional Risk Registers are also in place for similarly capturing risks as they affect the divisions' ability to meet their objectives. The GRSM compares inputs for each risk from the divisions and escalates these to the Group Risk Register. This can include newly identified risks, additional causes, consequences of controls, and the divisional inherent and residual risk ratings. Media reports, risk reports, such as the Global Economic Forum Risk Report, are scanned for emerging trends and risks that may be included in the Climate Change risk register if material. Risks such as climate change, drought, floods, and climate-related legislation are addressed with consideration given to the direct impact on Mpact's operations, logistics, customers, and supply chain. The GRSM has developed a Climate Change specific risk register, that digs into more detail than the Group Risk Register, that also provides a Climate resilience plan.
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ADDENDUM 3: COMPLIANCE WITH TCFD RECOMMENDATIONS *(continued)*

Any relevant definitions of risk terminology used or references to existing frameworks used.	Terminology such as climate change, extreme weather, drought, floods, carbon tax, carbon emissions, green energy, etc. are used in the risk descriptions. Carbon emissions are calculated using the IPCC method as adopted by the DFFE for the calculation of carbon tax liability.
(b) The process by which these risks are managed:	
How decisions to mitigate, transfer, accept, or control risks are made.	Key controls to address risks are developed based on the businesses' appetite and tolerance levels as defined in the risk management system and Mpact's resources and ability to address the risk. Management has identified various mitigations which are listed in the Risk Register. Risk is also transferred to insurance where appropriate. Key to Mpact's approach is to monitor the market closely and continue to build innovation capacity to facilitate adaptation to changing market requirements. Mpact has built excellent innovation capacity through our various innovation teams in both the Paper and Plastics businesses. Excellence in customer service and building strong relationships with customers is critical to ensuring that Mpact remains closely aligned with changing customer requirements and expectations and meets these with innovative and sustainable solutions.
The process by which climate-related risks are prioritised.	As with all risks, climate-related risks are assessed on scales of impact and likelihood providing risk ratings at both inherent and residual risk levels. These risk ratings, along with management's sense of urgency, capacity, and resource availability are considered in determining if further or more urgent action is required. Risks are discussed at the divisional and functional management committee levels and escalated to the Group Risk level, if material, to be discussed at the executive and Board level.
How materiality determinations are made within your companies.	The risk management system defines impact and likelihood parameters, as well as appetite and tolerance levels (included for various types of impact in the impact table), to determine materiality. In effect, risk is deemed material if there is a reasonable likelihood that it will impact the business's ability to meet its objectives.
(c) Alignment with the Company's overall risk management strategy:	
How climate-related factors are integrated into projects and business decisions.	Energy and water use efficiency of plant and processes are key considerations in planning any major project whether it is an upgrade of existing equipment, replacing it with new equipment, an acquisition, or is purchase of new plant or equipment. Energy use and Carbon emissions are reported quarterly to the SHE Management Committee (Executive) and the Social and Ethics Committee (Board). Targets have been set for energy, carbon, and water and our performance against these is tracked ongoingly and linked to management KPIs. Climate change risk is identified in the Risk Register as is the impact of drought, floods, or extreme weather on agricultural and other customers as well as the supply chain and logistics. This is reported to the Risk Management Committee (Executive), the Audit and Risk Committee (Board) and the Social and Ethics Committee (Board) quarterly.
Processes of engagement with investee companies on climate-related risks and metrics.	Mpact has engaged with local banks and has negotiated a "green loan" with preferential rates linked to water and CO ₂ e emission (and by implication, energy use) performance.

ADDENDUM 3: COMPLIANCE WITH TCFD RECOMMENDATIONS *(continued)*

How climate is considered in organisational risk management processes alongside other ESG risk factors.

Climate change risk is identified in the Risk Register as a direct and indirect risk to the operations and customers, for example the risk of drought affecting agricultural customers. This is reported to the Risk Management Committee (Executive), the Audit and Risk Committee (Board) and the Social and Ethics Committee (Board) quarterly. Climate change risk is reported in the annual Integrated Reports.

STRATEGY DISCLOSURES

(a) Climate-related risks and opportunities over the short, medium, and long term:

Factors considered relevant in the short, medium, and long term for your business, industry, and geography.

Carbon emission monitoring and reporting is externally assured for public disclosure and carbon tax purposes. The impact of floods and droughts is well understood from the experience of these within the business in the past few years. Further to this, Old Mutual Insure conducted Natural Catastrophe Assessments on Mpact's operations it considers to be at risk and found no red flags.

Mpact liaises closely with the agricultural community through our marketing networks and senior management interaction to remain abreast of the impact of climate on that sector.

Mpact has invested heavily in innovation through facilities and people to ensure that both the Paper and Plastics businesses are ahead of the game about changing customer packaging requirements.

Specific climate-related issues potentially arising from different phases of the transition.

Climate legislation is likely to impact the business. We pay carbon tax for Scope 1 emissions and have a carbon budget and a GHG PPP registered with the DFFE. The National Climate Change Act is likely to have further impacts.

Further pressure is anticipated to reduce dependence on coal and HFO as thermal fuels. Increasing pressure on Sasol to reduce emissions concurrent with a tailing off of Natural Gas (NG) supply from Mozambique. This led them to announce that NG would not be available after July 2027 which is concerning as NG which is the preferred transition fuel in Mpact's "Net Zero" vision to reduce emissions and eventually move to reliance on green energy. Significant effort is going in, at business and national level, to fast track the availability of Liquefied Natural Gas (LNG) imported from international suppliers via our ports.

The processes used to determine which risks and opportunities could have a material financial impact.

The challenges of climate change regulations, and energy availability, as well as the likely direct and indirect impact of climate change on the business, are regular topics of conversation at both the Executive and Board levels. These issues are raised through relevant risks on the Risk Register and assessed against various impact parameters including financial impact. Materiality is determined using our Risk Impact and tolerance levels assessment table.

ADDENDUM 3: COMPLIANCE WITH TCFD RECOMMENDATIONS *(continued)*

(b) Impact of climate-related risks and opportunities on businesses, strategy, and financial planning:

Products and services.	Climate change, especially extreme droughts, floods, and heat, poses a particular threat to the agricultural sector which represents a significant percent of Mpact's market for both the Paper and Plastics businesses. Mpact has invested in innovation facilities and people to ensure we can adapt efficiently and effectively to the changing packaging needs of customers.
Supply chain and/or value chain.	Extreme weather events pose a threat to transport infrastructure and could impact our ability to move materials and goods by road and sea. Mpact, in building our business on the concept of the circular economy, is highly integrated from the Recycling business to the paper mills to the Paper Converting operations and back to Recycling. An impact on any of these businesses is felt by all. For the Plastics business, the dependence on fossil fuel-derived polymers is a concern as increasing pressure to reduce extraction of fossil fuels could affect polymer availability and price. Being reliant on trucking for most of our logistics means that Mpact could be affected by pressure for the logistics industry to reduce fossil fuel dependence. We are receiving increasing numbers of requests for public disclosure reporting through the CDP and EcoVadis and made submissions through both platforms in 2024. Mpact has also commissioned an accredited measurement and verification body to independently assess our Scope 3 emissions for 2023 and 2024. This is giving us good insights into materiality in our supply chain. Through our ISO certified systems, we also conduct supplier audits. Through these we have insight into our supply chain ESG performance but there is work to be done to enhance this.
Adaptation and mitigation activities.	We have developed a Climate Change specific risk register that also serves as a climate change adaptation and mitigation plan. Innovation of equipment, processes, and products is essential in enabling Mpact to adapt to the changing needs of customers as the climate changes. Mpact is also investing in green energy (particularly solar PV) and energy efficiency to reduce our carbon footprint.
Investment in research and development.	Mpact has invested heavily in innovation through facilities and people to ensure that both the Paper and Plastics businesses are ahead of the game in meeting changing customer packaging requirements. Innovation in plant and equipment design, processes, and products all contribute to climate resilience and reduced carbon footprint. Mpact has installed over 16MWp of solar PV and wheels in some biofuel generated green power to reduce Scope 2 carbon emissions.

ADDENDUM 3: COMPLIANCE WITH TCFD RECOMMENDATIONS *(continued)*

Operations.	Extensive investment in operations over the years has ensured that Mpact has kept abreast of technology ensuring plant, equipment, processes, and products are efficient and adaptable.
Acquisitions and/or divestments.	Mpact is focusing on building a business on the concept of the circular economy and therefore aims to be able to recycle all of the products we produce. To this end, Mpact has sold the Versapak business as it did not align with the Group strategy.
Access to capital.	Mpact's robust performance in environmental and risk management has made it an attractive investment option for banks and other investors. Mpact has a "green loan" facility with a local bank.

(c) Resilience of the Company's strategy, taking into consideration different climate-related scenarios:

Where your strategy may be affected by changes in climate-related factors.	Mpact has built innovation capacity to enable the business to adapt quickly to change. Over the longer term, climate change may affect Mpact's strategy relating to the agricultural market, but we anticipate being able to adapt to that sector's changing needs.
How your plans might change to address these factors.	We aim to be able to adapt products to meet the changing needs of the agricultural sector if climate change drives the adoption of alternative agricultural products.
Potential impact of climate-related issues on financial performance and positioning.	If climate change has a net negative impact on the agricultural sector, Mpact will adapt to increasing its focus on the industrial sector of our business to retain or grow overall market share.
Which climate-related scenarios and associated time horizons have been considered?	Mpact is aware that climate change could lead to more extreme weather events including droughts, floods, storms, and heat. These are most likely to affect Mpact's agricultural customers in the long term. Mpact anticipates that the agricultural sector will adapt crops and practices to maintain their businesses and Mpact will be there with innovative packaging solutions to support them. Short and medium-term impacts on our properties and logistics infrastructure have been considered in the Risk Register.

METRICS AND PERFORMANCE DISCLOSURES

(a) Metrics used to assess climate-related risks and opportunities:

Key information on metrics disclosed in mainstream financial reports.	Targets are set and published in the annual Sustainability Report. Current targets, measured against tonnes of manufactured product, for achievement by 2027 against the 2019 baseline are as follows: • Energy: 15% • CO₂e: 15% • Water use: 5% • Solar PV implementation by 2027: 25MWp
Metrics and targets complemented with the context of relevant projects or targets.	
Most impactful metrics as identified with investors and key stakeholders.	

ADDENDUM 3: COMPLIANCE WITH TCFD RECOMMENDATIONS *(continued)*

(b) Relevant Scopes 1, 2, and 3 emissions and related risks:

Scope 1 and Scope 2 GHG emissions in addition to Scope 3 calculations, including downstream emissions.	Currently Mpac reports on Scope 1 and Scope 2 emissions. We engaged a certified Carbon M&V practitioner to develop a Scope 3 model for us and assess Scope 3 emissions for 2023 and 2024 within the parameters of the model. The GRSM and Group Energy Manager have developed a Climate Change specific risk register that also provides a Climate resilience plan.
All reference methodologies and standards used to measure emissions.	The IPCC methodology, as adopted by DFFE and the National Treasury for carbon tax calculation, is used.
Risks that relate to your largest sources of emissions.	The largest source of emission is coal burned in the boilers at the three paper mills and one corrugated plant. The risk of coal being banned as a fuel source is considered and Mpac is looking to replace it in the medium term with NG and later, once the technology is mature, with Green Hydrogen in line with our Net Zero vision.

(c) Targets to manage climate-related risks and opportunities:

All basic features of a target, such as base year, target year, GHGs, and geographies in scope.	Targets are set and published in the annual Sustainability Report. Current targets, measured against tonnes of manufactured product, for achievement by 2027 against the 2019 baseline are as follows: • Energy: 15% • CO₂e: 15% • Water use: 5% • Solar PV implementation by 2027: 25MWp
Key performance indicators for climate targets and progress over time.	Our performance against the targets is reported in our annual Sustainability Reports.
Links between management compensation and specific targets.	Reductions in carbon emissions and water are included in Mpac's performance agreement protocols.

ADDENDUM 4: STANDARDS AND ASSURANCE

Systems	Standards	Assurance providers
International		
Quality management	ISO 9001: Quality management standards applicable to all Mpack manufacturing operations.	i-Cert, SABS BV, DQS SGS
Environmental management	ISO 14001: Environmental management standard applicable to the Group's Paper, Paper Converting, and Recycling operations.	i-Cert, SABS BV, DQS SGS
Responsible wood products	FSC standards applicable to the Group's paper mills and corrugated plants.	SGS
Food safety	German Federal Institute for Risk Assessment (BfR) Recommendation XXXVI: Food contact safety standard for packaging papers. ISO 22000: 2005: Food packaging safety standard applicable to plastics and corrugated containers used for the packaging of food. British Retail Consortium (BRC): FSSC food safety certification and other customer-specific certification at some of the plastics and corrugated plants as required by customers.	Sai Global SABS, NSF International DQS
Local/Mpack		
Risk management	Enterprise Risk Management Guidelines: Guidelines for managing business risks and insurance.	Risk Maturity by KPMG
Safety, security, emergency response, motor fleet, fire defence	Risk Control Standards: Guidelines for risk control, fire defence, safety and health, motor vehicles, and environmental management.	Marsh and internal review

Systems	Standards	Assurance providers
	Safety Plan: The safety plan is reviewed annually and rolled out to all operations where site-specific action plans are developed to meet the plan's requirements. Safety Legal Compliance (Mongoose Safety Award and Safety Merit awards) Mpack Environmental Standards Compliance (Scarab Environmental Award and Environmental Merit Awards)	Internal review Legal consulting services Legal consulting services
Insurance risk	Underwriting and MPL surveys	Marsh
Ignition sources	IRIS Infrared Scans IR detection of electrical and mechanical faults that could lead to fires.	IRIS
Fire defence specialists	Fire Defence Standards including National Building Regulations and municipal bylaws. Six-monthly review audits of fire sprinkler defence systems at relevant sites.	Various fire ASIB ISIC
Occupational health	Medicals Medical surveillance and fitness for work assessments are done on new and departing employees and annually on current employees.	Life Health Solutions
Occupational hygiene	Occupational Hygiene and Ergonomics Surveys Identifying conditions that could lead to health issues including lighting, noise, chemical, biological, and work strain assessments.	OCSA, OHEM, OHE Monitoring, Safranin, NEHC, Ergosaf

GLOSSARY OF TERMS

The following acronyms and terms are used throughout the Sustainability Report

AGM	Annual General Meeting	ISSB	International Sustainability Standards Board
CEO	Chief Executive Officer	ICT	Information and Communication Technology
B-BBEE	Broad-based Black Economic Empowerment	JSE	Johannesburg Stock Exchange Limited
CSI	Corporate Social Investment	King IV™	King Report on Corporate Governance for South Africa 2016
DFFE	Department of Forestry, Fisheries and the Environment	KPA	Key Performance Area
EE	Employment Equity	KPI	Key Performance Indicator
EPR	Extended Producer Responsibility	Listings Requirements	Listings Requirements of the JSE
EPS	Earnings per share	LTI	Lost Time Injury – a lost time injury (LTI) occurs when a person is injured while at work and as a result of this injury is unable to return to work for his/her next shift
ESG	Environmental, social and governance	LTIFR	Lost time injury frequency rates calculated as: $LTIFR = \frac{\text{Work-related Fatality} + \text{LTIs}}{\text{man-hours worked}} \times 200,000^*$
Exco	Executive Committee	MD	Managing Director
FSC	Forest Stewardship Council	MWp	Megawatt peak (i.e. peak direct current power possible during full sunshine)
GHG	Greenhouse Gas	PPP	Pollution Prevention Plan
GHG PPP	Greenhouse Gas Pollution Prevention Plans	ROCE	Return on Capital Employed
GJ	Gigajoules	Solar PV	Use of solar photovoltaic materials and devices to convert sunlight into electrical energy
GRI	Global Reporting Initiative	SHE	Safety, Health and Environment
GRSM	Group Risk and Sustainability Manager	TFCD	Task Force on Climate-related Financial Disclosures
HEPS	Headline earnings per share – headline earnings divided by the weighted average number of ordinary shares in issue during the year	UNSDGs	United Nations Sustainable Development Goals
HR	Human resources		
IFC	Inside front cover		
IFRS	International Financial Reporting Standards		

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