FOREVER FOCUSED ON
THE CIRCULAR ECONOMY

mpact

smarter, sustainable solutions

2025

SUSTAINABILITY REPORT

for the year ended 31 December 2025

Mpact – Closing the loop

Over the course of this financial year, Mpact Recycling's 14 facilities across South Africa have collected 639 million kilograms (2024: 588 million kilograms) of recyclable materials, including paper, glass, beverage cans, plastic, and liquid board packaging, from both pre- and post-consumer sources. By diverting this waste from landfill sites, our approach not only supports environmental sustainability but also creates income opportunities for waste collectors, who sell recyclables to Mpact's buy-back centres.

Paper fibre, which can be recycled up to seven times before degrading, plays a key role in this process. Each tonne of recovered paper saves approximately three cubic metres of landfill space. Around 75% of the cardboard and paper collected by Mpact Recycling is repurposed at Mpact's own paper mills to produce new paper and board products. The remainder is sold to external customers.

Mpact Plastics incorporates recycled polyethylene terephthalate (rPET) and other recycled materials based on customer requirements. The Bins & Crates business operates a buy-back and exchange model, encouraging customers to return products at the end of their lifecycle for recycling. Approximately 30% of the polymer used in this business is sourced from recovered items.

By selling recyclable plastics to external customers for further processing, Mpact Recycling actively supports the development of a circular economy, minimising waste, conserving resources, and extending the lifecycle of materials. This approach is not only environmentally responsible but also central to our strategic vision and ESG ethos, reinforcing our commitment to sustainable growth and social impact.

Contents

Mpact's 2025 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 on the company's website: www.mpact.co.za

About this Report

Our Sustainability Report, as part of our 2025 annual reporting suite, provides stakeholders with specific information about the Group's sustainability initiatives and their performance for the financial year ended 31 December 2025. This report should be read in conjunction with the 2025 Integrated Report.

Materiality and material matters

Our Integrated and Sustainability Reports are guided by the principle of materiality, i.e., where a matter is considered material if it has the potential to significantly influence the Group's ability to create and preserve value over the short, medium, or long term. These material matters encompass both financial and non-financial dimensions and are rigorously assessed and approved by the Executive Committee and the Board to ensure strategic relevance and stakeholder alignment.

We identify our material matters by reviewing a range of internal and external sources, which include the risk assessment process, our engagements with primary stakeholders, operational issues, management interviews, and developments in legislation. This process is outlined on @ **page 21** of the Integrated Report. Matters 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. Our social and environmental initiatives are outlined in detail throughout this report.

Environment

Our business model is grounded in the principles of the circular economy and a deep respect for the environment. Responsible environmental management is not only a key operational focus but also a vital component of our value creation strategy. We are committed to legal compliance, reducing our environmental footprint, and advancing circular economy practices.

To support this, Group operations are equipped with structured systems and engage assurance service providers at various levels to ensure adherence to complex environmental regulations. These systems also drive greater efficiency in energy use, carbon emissions, water consumption, and waste management by implementing appropriate environmental management frameworks.

Climate change

We are working towards fully aligning our climate change reporting with the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards, in particular, IFRS S2: *Climate-related Disclosures*.

Social

At Mpact, we place strong emphasis on the safety, health, skills development, and overall well-being of our people. We actively promote a diverse and representative workforce and ownership structure, recognising these as essential to our long-term sustainability. As a responsible corporate citizen, we support our surrounding communities through proactive CSI initiatives and enterprise development as tangible expressions of our values 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.

Guidelines and frameworks

Until clarity is reached on the mandatory adoption in South Africa of the IFRS climate reporting standards, our efforts remain aligned with the GRI Standards and the JSE Sustainability and Climate Disclosure Guidance as outlined below:

- IFRS Accounting Standards;
- the Companies Act;
- the JSE Listings Requirements;
- the 2025 King Code of Governance Principles for South Africa (King IV™);
- the JSE Sustainability and Climate Disclosure Guidance;
- the Global Reporting Initiative (GRI) Standards; and
- the United Nations Sustainable Development Goals (UN SDGs) as relevant and applicable to the Group.

This Sustainability Report is prepared in accordance with GRI 101: *Foundation*; GRI 102: *General Disclosures*; and GRI 103: *Management Approach*. We also continue to align with those UN SDGs we consider applicable to our business and have updated our progress during 2025 accordingly.

Assurance

Although the Group's energy, carbon emissions, water use, and safety numbers reported were verified by Catalyst Verification Solutions (CVS), a certified measurement and verification body, with further ESG-related assurance details provided on page 13 of this report, the Sustainability Report as a whole was not independently assured.

Contact and feedback

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

01

OUR PERFORMANCE

Key metrics

Financial performance from continuing operations

Group revenue	▲	**R14.0 billion** (2024: R13.3 billion)
Underlying EBIT	▼	**R914 million** (2024: R923 million)
HEPS	▼	**307 cents** (2024: 324 cents)
Total dividend per share	▼	**60 cents** (2024: 105 cents)
Net debt	▲	**R2.5 billion** (2024: R2.4 billion)
ROCE	▼	**10.9%** (2024: 11.7%)

Non-financial performance

63 full university bursaries awarded through the Mpact Foundation Trust since inception in 2016

Solar PV installed to date
17.7MWp
(2024: 16.0MWp)

Recovered recyclables (paper, glass, beverage cans, plastic, and liquid board packaging)
639 million kilograms
(2024: 588 million kilograms)

Mpact Operations retained its
Level 1 B-BBEE rating

CSI spend
R12.6 million
(2024: R10.8 million)

Training and skills development
76,159 man-hours
(2024: 56,115 man-hours)

Energy consumption for manufacturing operations
5.90GJ/t
(2024: 6.05GJ/t)

Serious Injury Frequency Rate (SIFR)
0.38 per 200,000 man-hours worked
(2024: 0.50 per 200,000 man-hours worked)

Scope 1 and 2 GHG emissions for manufacturing operations
0.812tCO_2e/t
(2024: 0.838tCO_2e/t)

Water consumption for manufacturing operations
5.32kℓ/t
(2024: 5.49kℓ/t)

Value Added Statement[1]

	2025 R'm	2024 R'm	2023 R'm	2022 R'm	2021 R'm
Value created					
Value created by operating activities	**3,883.8**	3,708.6	3,813.0	3,613.7	3,272.5
– Revenue	**13,954.6**	13,290.7	12,823.1	12,373.2	11,548.8
– Expenses	**(10,070.8)**	(9,582.1)	(9,010.1)	(8,759.5)	(8,276.3)
Finance income	**18.1**	24.5	15.6	8.6	8.0
Share of associate profit	**13.6**	18.5	18.3	15.5	7.1
Total value created	**3,915.5**	3,751.6	3,846.9	3,637.8	3,287.6
Value distributed	**(2,817.3)**	(2,780.9)	(2,816.8)	(2,586.4)	(2,403.2)
Staff costs	**(2,290.3)**	(2,153.1)	(2,068.8)	(1,941.1)	(1,838.3)
Payments to providers of capital					
– Finance costs	**(262.5)**	(321.7)	(299.6)	(192.4)	(147.5)
– Dividends and shares repurchased	**(187.6)**	(214.0)	(235.3)	(181.1)	(301.7)
Payments to government					
– Income tax paid	**(76.9)**	(92.1)	(213.1)	(271.8)	(115.7)
Value reinvested	**(708.8)**	(591.7)	(596.0)	(510.6)	(612.6)
Depreciation, amortisation and impairment	**(608.1)**	(575.6)	(627.2)	(508.4)	(500.2)
Deferred tax	**(100.7)**	(16.1)	31.2	(2.2)	(112.4)
Profit retained	**(389.4)**	(379.0)	(434.1)	(540.8)	(271.8)
	(3,915.5)	(3,751.6)	(3,846.9)	(3,637.8)	(3,287.6)

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

02

OUR ESG STRATEGY

Our approach

Our values of being resolute, trustworthy, and responsible in everything we do are the basis of our process. Our governance framework embeds the principles of good governance throughout the business, while our commitment to our employees, including their health, safety and wellness, as well as ensuring environmental and social sustainability, is central to achieving operational excellence. These priorities remain integral to our overall approach, supporting the long-term resilience of Mpact.

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 vision is supported by our ESG strategy, which encapsulates and operationalises our efforts in this regard. Sustainable development and continual improvement initiatives across the Group's operations are centrally monitored to ensure progress against our targets.

Our approach is guided by our ESG strategy, which is linked to our strategic pillars:

- Customer focused
- Leading market position
- Focus on performance

These are outlined in more detail on pages 19 and 20 of the Integrated Report.

The strategy also takes into account our material matters, which are grouped into four themes, i.e.:

- **Market dynamics and customer focus**
- **Operational excellence and resilience**
- **Financial health and value creation**
- **People and communities**
- **Environmental sustainability and climate action**
- **Ethical governance and compliance**

Details on our material matters can be found on pages 22 to 24 of the Integrated Report.

The strategy at a glance

Environment

Climate and energy

- We have set challenging targets for energy and carbon reductions.
- We focus on the integration of clean electricity, such as on-site Solar PV, as well as the wheeling of green power to our plants.
- Energy efficiency is a critical factor in driving down our environmental impact and increasing value creation for customers.

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 of biodiversity in the areas in which we operate.

The circular economy

- Our business model is rooted in the circular economy, from the way we design products to the material we use, how we manufacture, and recover and recycle products.

Social

Health and safety

- We are committed to providing a safe and secure working environment in which our employees fulfil their ambitions and aspire to continually improve their circumstances.
- Mpact and our customers are supported by our Food Safety research team in Stellenbosch to ensure our products comply with world-class standards.

Development and transformation

- Mpact holds a B-BBEE level 1 certificate and runs a bursary scheme for young school leavers.
- We actively engage with several programmes to contribute to the communities in which we operate.

Stakeholder engagement

- Meeting and exceeding customers' requirements for product and service quality, innovation, as well as cost competitiveness, remains a commitment of our business. To this end, we engage with a range of stakeholders, including industry bodies such as Paper Manufacturers Association of South Africa (PAMSA), Fibre Circle, Packaging SA, The PET Recycling Company (PETCO), Polyco, and Plastics SA, etc.

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.

Governance

Ethical business conduct

- Our values of being trustworthy, resolute, and responsible drive our behaviour. We conduct business ethically and transparently.

Robust governance

- We set challenging targets and remain accountable, especially in the face of adversity.
- We are audited by global accreditation bodies across various disciplines to ensure trust in our processes and products.

Risk management

- We continuously identify and manage our ESG risks through our Enterprise Risk Management system.
- Our approach to risk is guided by ISO 31000.
- We have robust risk mitigation and contingencies in place.
- We maintain service stability and safeguard our customers' interests.

Board responsibility for ESG

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, energy, transformation, procurement, human resources, financial management, and maintenance, amongst others.

The Group's performance for the year is outlined in the Social and Ethics Committee Report on pages 51 to 53 of the 2025 Integrated Report, available online at www.mpact.co.za.


MPC Castleview

Mpact employee at a recycling site

ESG assurance

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

Risk Control Standards

Developed from international best practice with assistance from Marsh and address:

- Security
- Safety
- Fire defence
- Motor fleet
- Emergency response
- Risk control
- Environment

Health and Well-being

Clinics managed by Life HS and Health Impacts

Life EWP 24/7 call centre for health, psychosocial, financial, and legal consultation

Environmental

ISO 14001 certification for larger sites and compliance for smaller sites

We also have a site certificated to the ISO 50001 standard, with other sites compliant

FSC® Chain of Custody for Paper and Paper Converting sites: Mpact Paper: FSC®-C004834 Mpact Corrugated Division: FSC®-C133590

Detpak SA (Pty) Ltd: FSC®-C109574

Quality

ISO 9001 certification for manufacturing plants

Food Safety

ISO 22001, BRC, or FSSC 22000 for food contact products

Transformation

B-BBEE Scorecard

Independent third party assessment

Our energy, carbon emissions, water use, and safety statistics reported in this report were verified by CVS. To assess our ESG status, we also participated in the Marsh Global ESG Risk Rating survey, scoring an overall 8.1 out of 10 (2024: 8.0).

The Group engaged CVS in 2025 to develop a Scope 3 CO_2e assessment framework and calculate emissions for 2023 and 2024. This exercise provided us with a clearer view of our supply chain, which will greatly assist in assessing ESG performance in this function. We also developed a Net Zero journey plan for 2050, as well as a climate change risk register that gives guidance to our mitigation and adaptation plan.

03

ENVIRONMENT

Our commitment to the environment

At Mpact, our business model is deeply embedded in the principles of the circular economy. These principles guide our operations and are integral to how we conduct business. As southern Africa's leading paper and plastics packaging and recycling company, responsible environmental management is central to our strategy for creating long-term value.

We view environmental responsibility not only as a strategic priority but also as a key driver of value creation. Our manufacturing processes require energy and water and result in atmospheric emissions, including carbon, as well as waste and wastewater generation, all of which we actively monitor and manage.

Our commitment to process optimisation and environmental stewardship ensures ongoing focus on energy and water efficiency, waste reduction, emission reduction, and the responsible sourcing and use of raw materials throughout their lifecycle. Through Mpact Recycling, we collect paper, plastics, and other recyclable materials, playing a vital role in reducing landfill waste and creating employment opportunities through the collection process.

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 Business Unity South Africa (BUSA), regarding evolving environmental and energy legislation.

In compliance with the Mpact Environmental Management Standard and Environmental Management Systems (EMS), operations that could have a significant environmental impact are externally certificated to the ISO 14001 standard, while smaller sites have EMS systems compliant with this standard. Legal Consulting Services (LCS) 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 environmental lawyers or specialists at set intervals.

The Libryo Legal Register platform maintains an up-to-date legal register to ensure alignment with the latest changes in legislation at national, provincial, and municipal levels. There were no incidents of material non-compliance with environmental or health and safety regulations reported during 2025.

Rewarding 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 LCS's 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.

Our commitment to the environment *(continued)*

Environmental targets

Targets for water, energy, and carbon emissions for 2027, against a baseline year of 2019, are embedded in management KPIs. These were developed using a bottom-up approach and five-year plans for energy, CO_2e, and water reductions.

Our five-year energy management plans, which address both fossil fuel and electricity use, also inform the development of our statutory Greenhouse Gas Pollution Prevention Plan (GHG PPP) and Carbon Budget.

Several factors in 2025 significantly affected energy and water efficiency. These included: the Mkhondo paper mill project, restructuring of the Plastics Wadeville product offering, and structural challenges at Paper Converting Brakpan and Springs. The rebuild at Mkhondo was extensive, resulting in unavoidable production disruptions. For this reason, the months most affected by the shut have been excluded from environmental target calculations.

Energy use for the year decreased by 2.55%, Scope 1 and 2 CO_2e emissions decreased by 3.19%, and water use decreased 3.14% per manufactured tonne (relative to 2024).

Our progress towards meeting our 2027 targets is illustrated below in terms of percentage improvement in specific energy use, CO_2e emissions, and water use.

Year-on-year reduction %

	Energy		Scope 1 and 2 CO_2e		Water	
Mpact Environmental Targets	Target Cumulative	**Achieved Cumulative**	Target Cumulative	**Achieved Cumulative**	Target Cumulative	**Achieved Cumulative**
2019						
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%	**8.99%**	8.12%	**8.73%**	2.56%	**5.05%**
2026	11.25%		11.25%		3.67%	
2027	15.00%		15.00%		5.00%	

Climate and energy

We have set challenging targets for energy and carbon reductions, and engage in energy-efficient practices, installing solar PV systems, and focusing 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 GHG PPP and are used to calculate CO_2e reduction targets and ultimately to derive Mpact's carbon budget. They also contribute to our Net Zero journey plan for 2050.

Key energy reduction initiatives include continued focus on energy-efficient motors, compressed air systems, boiler and steam systems optimisation, training and awareness, 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. The "Best Boiler" competition drives boiler operating efficiency and steam systems optimisation, resulting in significant improvements each year.

Mpact has installed 17.7MWp of solar PV at 14 sites with further projects in the pipeline. Over 5% of the total electricity consumed was from the solar PV installations.

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.

We also wheel green energy, derived from biofuels, to our Felixton and Mkhondo paper mills through the national grid and in the process of finalising a wheeling arrangement to provide solar power.

The ISO 50001 Energy Management System (EnMS) standard guides our approach and practice across the Group, with Plastics Atlantis certificated to the standard. We have developed an energy management course aligned to ISO 50001 that is available to all employees on the Mpact e-Learning Academy platform.

Grid electricity consumption, solar PV generation, steam turbine, and generator output at our operations are measured and monitored by an online metering system hosted by an independent service provider. This provides high-resolution, real-time, and historical data on electricity use and generation that is proving invaluable in managing grid electricity use, Solar PV generation, power factor correction, 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 4,763TJ (2024: 4,695TJ), with energy use in manufacturing operations per tonne of production decreasing by 2.55% to 5.90GJ/t (2024: 6.05GJ/t).

Carbon dioxide emissions

CO_2e 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.

Climate and energy *(continued)*

Developments in 2025

Performance

Scope 1 emissions increased by 3.27% to 327ktCO_2e (2024: 316ktCO_2e), while Scope 2 emissions decreased by 3.17% to 323ktCO_2e (2024: 334ktCO_2e). Hence, Group combined Scope 1 and 2 emissions decreased 0.04% to 649.9ktCO_2e (2024: 650.2ktCO_2e).

For manufacturing operations, combined Scope 1 and 2 specific emissions decreased by 3.19% to 0.812tCO_2e/t per manufactured product (2024: 0.838tCO_2e/t).

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

In 2025, CVS conducted an extensive exercise to complete a Scope 3 emissions inventory in accordance with 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 585,483tCO_2e (in 2024). Most of our emissions come from the production of goods that we procure for use in our manufacturing processes. This exercise has given Mpact insights into our supply chain and what would need to happen for Scope 3 emissions to be reduced substantively. In 2026, we aim to consolidate this understanding and start developing an approach to influencing Scope 3 emissions.

Net Zero journey

Mpact has a Net Zero journey plan with a target horizon of 2050. The caveat is that alternative energy sources are not available, and essential alternative energy technologies are not yet commercially sufficiently developed for this target to be achieved. This Net Zero journey plan will be adapted and revised as technologies and alternative energy sources become available.

The plan includes:

- **Ongoing energy efficiency improvements**
- **Replacement of coal and HFO with Natural Gas in the medium term (if it becomes available)**
- **Long-term replacement of fossil fuels for thermal (boiler) applications with Green Hydrogen, electrified steam generation, and heat storage driven by renewable energy (if it can be procured cost-effectively)**
- **Increased green energy installations such as solar PV and wind**
- **Wheeling green energy through the grid**
- **Adoption of green hydrogen for vehicle fuel, and generation of electricity using fuel cells and/or generators**
- **Buying carbon offsets**

Climate change adaptation and mitigation

Mpact has developed a climate risk register focusing 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 as climate risks develop and adaptation and mitigation technologies emerge.

Major 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 the direct impact on our 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

Planning for new or upgraded plant and equipment includes an emphasis on improving energy and water use efficiency and consideration for 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 standard water-saving methods. Nonetheless, we continue to assess applicable technologies to improve water efficiency further at all operations.

Water supply and quality are concerns across South Africa and are included as such in our Group 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, as well as water supply challenges in Gauteng, have driven increased focus on water quality and quantity.

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.

Total water consumption for 2025 increased by 2.4% to 4,346Mℓ (2024: 4,244Mℓ). Specific water usage for manufacturing sites, however, decreased by 3.14% to 5.32kℓ/t of production (2024: 5.49kℓ/t).

Wastewater

Total metered wastewater discharged by the Group in 2025 increased to 2,974Mℓ (2024: 2,651Mℓ), and specific wastewater discharge for the manufacturing operations decreased by 0.36% to 3.46kℓ/t (2024: 3.47kℓ/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 focused on improved boiler and steam system efficiencies.

Mpact's operations release other emissions into the atmosphere, in addition to CO_2e, in the form of SO_2, NOx, and particulates largely from the coal-fired boilers. These emissions are also controlled by ensuring that boilers run efficiently. As such, all of our boilers comply with atmospheric emission regulations.

The Mkhondo paper mill is the only site requiring an Atmospheric Emissions Licence; the listed activities identified in the licence include the Copeland Reactor that incinerates black liquor from the wood pulping process, and the coal-fired boilers. Other mill operations comply with section 23 of NEM: AQA, which prescribes requirements for controlled emitters. The boilers at Paper Converting operations are below the threshold for section 23 controlled emitters.

Biodiversity

To contribute to the protection of biodiversity, we purchase raw materials from responsible sources, and most of the recycled fibre used in our paper mills is supplied by the Recycling business. Wood for pulp manufacture at the Mkhondo paper mill is sourced from responsibly managed plantations. Our Paper mills and Paper Converting plants are certified to Forest Stewardship Council® (FSC®) standards (FSC®) License Codes – Mpact Paper: FSC®-C004834; Mpact Corrugated Division: FSC®-C133590; Detpak SA (Pty) Ltd: FSC®-C109574). FSC® promotes responsible management of the world's forests.

At Mkhondo, 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.

Mpact relies on water from natural resources at our operations in Mkhondo and Felixton. Through our operations, we ensure that the water that is released back to nature is of good quality to preserve biodiversity. The treated waste water at Mkhondo is released through the plantation and it is carefully controlled to ensure that the water quality supports the trees growth, and it is within legal specification limits. The Felixton paper mill has ponds that were historically used for operational processes; these have been cleaned and allowed to fill with rainwater. This has facilitated the emergence and reintroduction of indigenous fauna, including fish, birds, reptiles, and amphibians, and flora, to populate these ponds. Surrounding land has been planted with indigenous trees.

We also support biodiversity through the control of invasive alien species and responsible land management practices like good hazardous chemicals management, waste management and the protection of storm water.

Mpact is engaging with the Government, through PAMSA and BUSA, on the development of biodiversity assessments and promotion protocol.

The circular economy

Our business model is rooted in the circular economy – from the way we design products, to the materials we use, to how we manufacture, recover, and recycle products.

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.

The paper, packaging and some single use products extended producer responsibility scheme, under the extended producer responsibility regulations was implemented in 2021. Mpact is a member of Producer Responsible Organisations (PROs) such as Fibre Circle, Polyco and PETCO. Mpact plays an integral role in ensuring that the collection, reuse and recycling targets for these materials are met.

Raw materials

Materials used in our manufacturing operations include paper, pulp, logs, pine chips, and plastic polymers. We buy raw materials from responsible sources. Felixton uses only recycled fibre, while Mkhondo purchases sawdust, offcuts, and logs from local sawmills and plantations to produce virgin fibre as its primary source of fibre, supplemented with recycled fibre. The mill has been repositioned as a predominantly virgin fibre mill to meet the growing demand for semi-chemical fibre-corrugated papers. This project included initiatives to reduce the overall environmental footprint of the mill and produce sodium lignosulphonate (SLS), a cement additive, from the wood extractives removed from the fibre during cooking.

The bulk of the paper produced at Springs mill was derived from recycled fibre, with white virgin pulp from local and international suppliers used for the outer layers of its folding boxboard products. Our Paper mills and Paper Converting plants are certified to Forest Stewardship Council® (FSC®) standards License Codes – Mpact Paper: FSC®-C004834; Mpact Corrugated Division: FSC®-C133590; Detpak SA (Pty) Ltd: FSC®-C109574).

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. Some recycled PET and high-density polyethylene (HDPE) are also used where possible in non-primary food contact packaging. In the Bins & Crates business, in particular, an increasing percentage of on-site recycled HDPE is used in the manufacture of non-food contact products.

Recycling

Mpact Recycling collects waste paper, plastics, and other recyclable materials from pre- and post-consumer sources. From these sources, the business 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 639 million kilograms of material for recycling in 2025 (2024: 588 million kilograms).

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

Mpact supports the Extended Producer Responsibility (EPR) regulations by contributing to both the paper and plastics 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 HDPE. Some customers participate in a service exchange programme for their end-of-life products. The division collects, grinds, washes, and pelletises the material for use in next-generation products. Bins & Crates recycles about six million kilograms of this material annually at its Brits facility and purchases approximately three million kilograms of additional recycled material that is blended with virgin polymer in certain products. Products made from recycled material account for approximately 30% of their production.

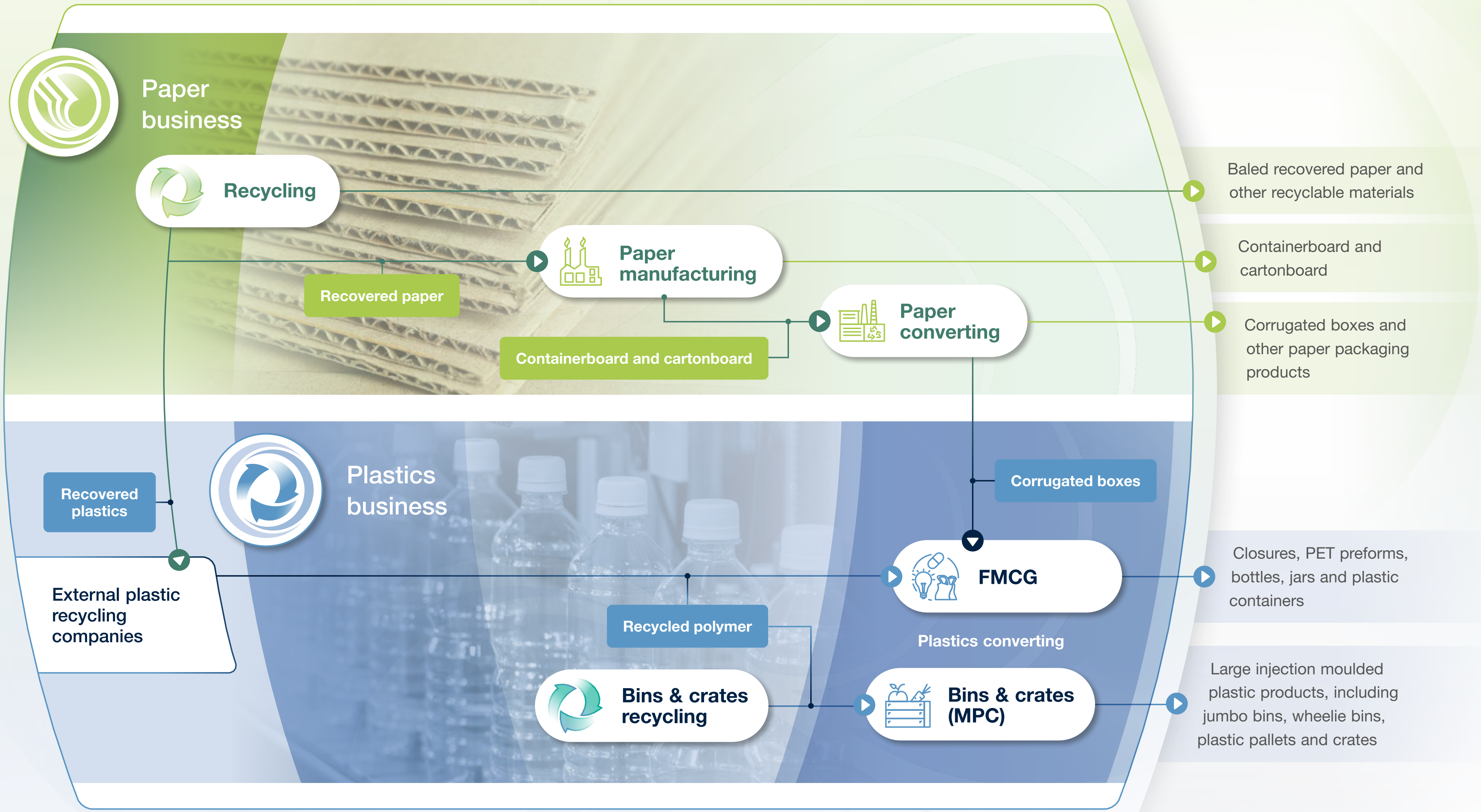
Waste

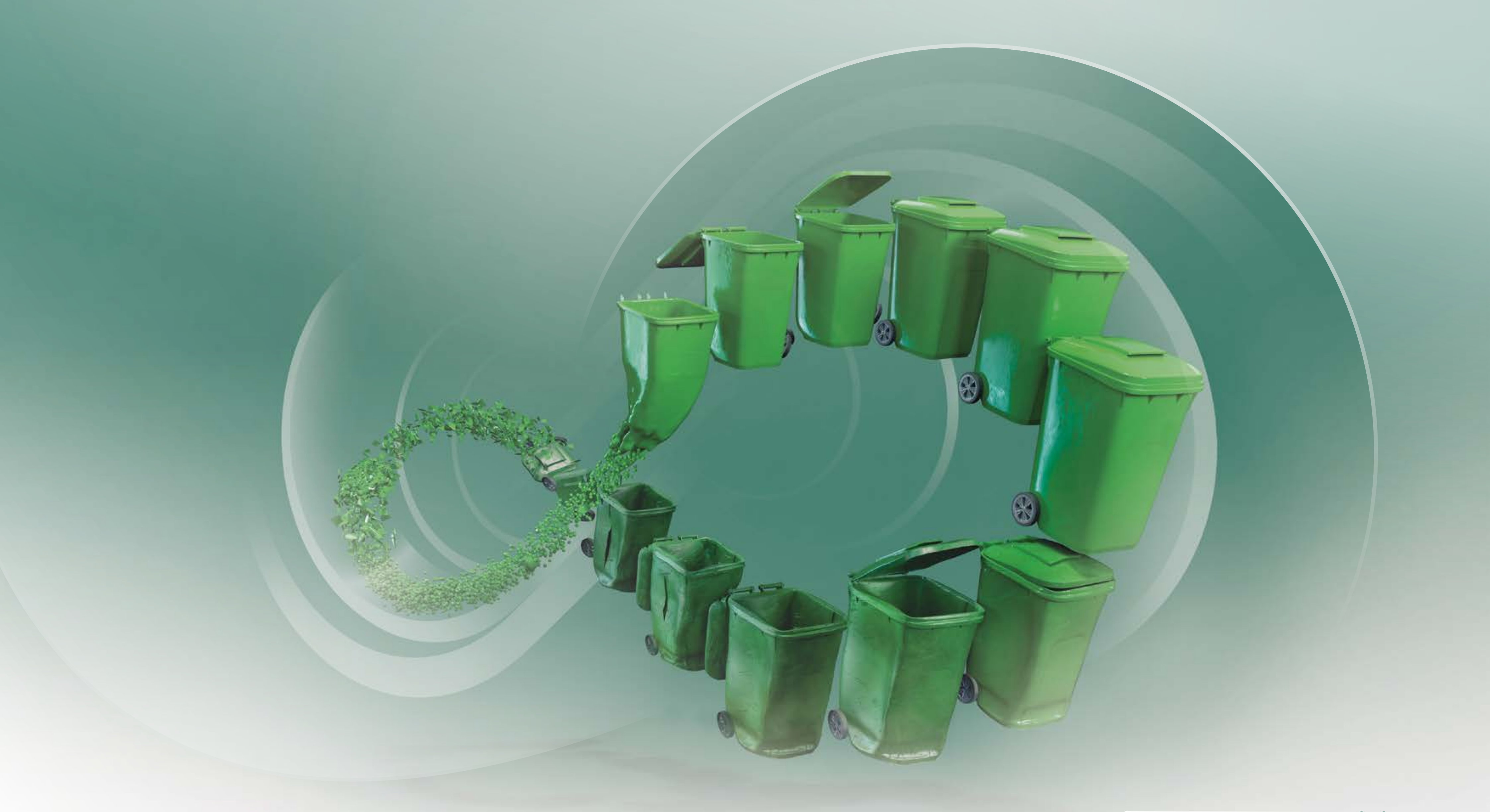
The Group's manufacturing operations generate waste that is segregated, sorted, and then recycled where possible, while the Recycling operations also discard recovered materials that are not recyclable. The waste materials are disposed of through licensed waste service providers or municipalities, according to their waste categories.

The total amount of non-hazardous waste disposed of by the Group was 39 million kilograms for 2025 (2024: 36 million kilograms). Waste disposed to landfill comes largely from the Paper business 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 increased to 46.6kg/t in 2024 (2024: 45.0kg/t).

Hazardous waste disposed of decreased to 732 million kilograms for the Group (2024: 877 million kilograms).

The circular economy *(continued)*





04

SOCIAL

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 improve their circumstances continually. Mpact and our customers are supported by our Food Safety research team in Stellenbosch to ensure our products comply with world-class standards. The safety and well-being of our people, employees, and contractors alike remain a top priority, with a clear goal of achieving “zero incidents”.

Mpact’s safety framework is guided by the Mpact Safety Manual and Risk Control Standards, which outline protocols for health, fire protection, security, emergency preparedness, vehicle control, and environmental management. These are reinforced by the Fire and Safety Rules to Live By and Hand Safety Guidelines, which address specific safety risks.

Apart from being addressed in our operations induction and annual reinduction programmes, several courses addressing these topics in detail are presented on our internal Mpact e-Learning Academy. Compliance and progress are guided, and progress is tracked, using the annual Mpact Safety Plan. The Safety Plan provides the framework of safety initiatives required at all operations by the CEO, who, in terms of the Occupational Health and Safety (OHS) Act, is the Section 16.1 designate (the individual with overall responsibility for safety). Each operation has the flexibility to interpret and apply the Safety Plan according to the nuances of its operating environment. Progress on fulfilling the Safety Plan is one of the factors in our Safety Leading Indicators, which in turn is a KPI in management’s performance bonus system.

Safety performance is reviewed quarterly by the SHE Management Committee and Social and Ethics Committee, using both leading indicators (across six metrics) and lagging indicators such as the serious injury frequency rate (SIFR). Routine occupational hygiene surveys ensure compliance with standards for noise, lighting, dust, and other workplace conditions.

The Life HS Employee Wellness Programme (EWP) call centre provides essential health, psychosocial, legal, and financial support to employees and their dependants. This is considered a core feature of our safety programme, as anxiety and depression are critical factors in increasing an individual’s probability of suffering an occupational injury. On-site clinics at our larger sites offer annual medical assessments, chronic disease monitoring, primary health consultations, and treatment for workplace injuries. Smaller sites make use of mobile clinics to provide annual medical surveillance of employees.

The Safety Culture Renewal Programme promotes a culture-focused approach to safety, supported by retraining safety practitioners through a SAQA-accredited OHSPRAC course that emphasises safety leadership. This Safety Culture Renewal Programme also includes tools such as Behaviour-Based Safety, Visible Felt Leadership, safety culture cartoons, safety culture surveys, Sam the Safety Mascot, the Mpact e-Learning Academy, and access to the Life Health Solutions EWP call centre.

All significant safety incidents are investigated using Mpact’s incident investigation guide to identify root causes. Senior managers chair investigations into fatalities, LTIs, and RWCs, with findings shared across the Group to promote learning.

Safety, health, and environmental training is mandatory for all new employees, contractors, and visitors, and is refreshed annually through annual reinduction programmes. Additional training and awareness campaigns are held throughout the year. There are also several safety, health, and environmental courses on the Mpact e-Learning Academy. Safety Legal Liability training is conducted as required to ensure that managers and supervisors are made aware of their obligations to the safety and health of the people that report to them. A contractor safety management programme ensures contractors receive the same level of care as employees, as per the Mpact CEO’s SHE Philosophy.

Marsh Risk Consulting audits a selection of sites annually against the Risk Control Standards, while other sites conduct internal audits. External legal compliance audits are also performed annually. Sites are recognised with Excellence in Safety Awards in platinum, gold, silver, or bronze based on performance, with the top site receiving the prestigious Mongoose Safety Award.

An annual safety culture survey provides insights into attitudes and leadership effectiveness. The Safety Culture Standard, part of the Risk Control Standards, helps managers foster a strong safety culture. A course on Safety Culture Leadership, based on the standard, is available on the Mpact e-Learning Academy.

Leading indicators used to assess proactive safety efforts include legal compliance, safety plan implementation, behaviour-based safety scores, audit results, use of safety culture cartoons, and survey outcomes. These, along with lagging indicators, are incorporated into the Group's bonus system.

Concerning the food safety of our products, Mpact and our customers are supported by the Food Safety research unit within our Innovation Research & Development team in Stellenbosch to ensure our products are in compliance with world-class standards. This research unit is equipped with high-end chemical analytical equipment and staffed by highly trained and skilled scientists. This food safety team closely monitors international trends and technologies in food safety and taste and odour detection, giving Mpact and our customers confidence that our food packaging products are safe and fit for purpose.

Safety in 2025

The Serious Injury Frequency Rate (SIFR), which includes Restricted Work Cases (RWC), Lost Time Injury (LTI), and fatalities, decreased to 0.38 (2024: 0.50), and LTIFR (Lost Time Injury Frequency Rate) decreased to 0.26 (2024: 0.40) over the period reported. The number of LTIs decreased to 17 (2024: 29), and RWCs increased to 9 (2024: 7).

It is with deep sadness that we report the loss of Derric Anthony Plaatjies in a work-related accident at our Paper Converting Epping plant. Derric was contracted by a third-party company to cover truck loads with tarpaulins. Despite wearing full fall arrest equipment, he was not clipped into the available lifelines and fell from a truck. A full investigation was conducted, and lessons learned were shared across all operations with particular focus on the few that still use tarpaulins. In Mpact, we have moved wherever possible to the use of tautliner trucks to minimise the use of tarpaulins; however, some transporters are still using flatbeds, requiring that loads are tarped.

Firefighting at Mpact – *ensuring our people's safety through first-line defence*

An internal firefighting competition was held on 26 September 2025 at the Modderfontein Fire Training Centre, showcasing Mpact's strong commitment to fire defence excellence and the vital role firefighters play in protecting lives and operations. The Group prioritises both employee safety and the continuity of its operations through robust fire defence measures.

This initiative forms part of Mpact's first-line fire defence training for all employees and contractors in the use of fire extinguishers and the primary response to fire incidents. To date, approximately 5,000 people, including contractors, have been trained.

Additionally, specialised volunteer fire teams receive advanced training in firefighting techniques such as using fire hydrants, often dedicating personal time to refine their skills. The aim is to have expert teams on every shift at every operation in Mpact.

This competition provided a valuable platform for these teams to demonstrate their expertise, foster mutual learning, and inspire ongoing skill development. It aims to recognise Mpact's best firefighting team, promoting a culture of excellence and teamwork.

Health and safety *(continued)*

Employee health and wellness

The Employee Wellness Programme (EWP) provides support to employees and their households for health, psychosocial, and financial advice, as well as legal support. A total of 426 employees and their family members consulted the EWP in 2025.

At our larger sites, we operate on-site clinics where employees have access to primary health and chronic disease consultations, and all employees undergo annual occupational health medical examinations. These examinations evaluate an employee's fitness for their specific job requirements and are conducted on engagement, annually, and on termination of employment. Our clinic service providers also attend to Injuries on Duty, conduct occupational health and safety surveys, and 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 87% of cases are considered to be under control against our internal target of 80%. When necessary, employees are referred to occupational health doctors. We diligently collect and report statistics on key health indicators, including HIV/AIDS, chronic diseases, and primary health conditions. At smaller sites, we deploy mobile clinics to conduct occupational health assessments and gather data on chronic disease and lifestyle health parameters.

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 on-site clinics reported 6,397 (2024: 2,845) 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.

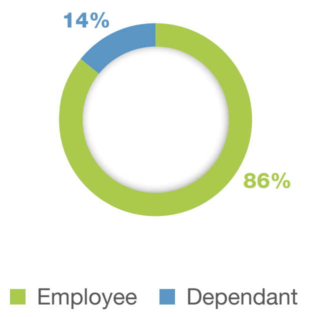
Our Employee Wellness call centre continues to provide advice and counselling to our employees and their households for health, psychosocial, financial, and legal challenges. This service also allows for management referrals so that managers and supervisors can refer employees to the call centre if they become aware that their people are dealing with challenges. Our annual utilisation rate in 2025 was 10% against our target of 7%.

CEO Imbizo, Brakpan

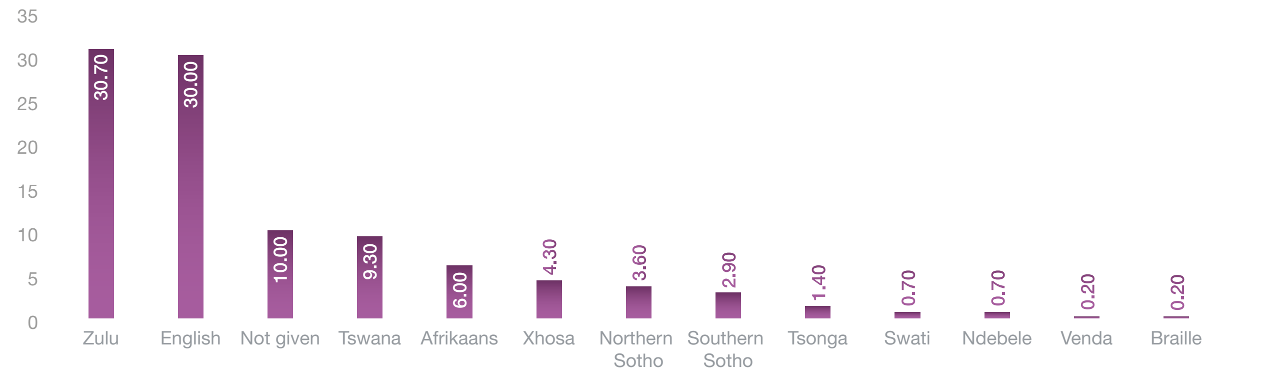

Blood donation drive, Wadeville

The demographics of the users are illustrated in the graphs below:

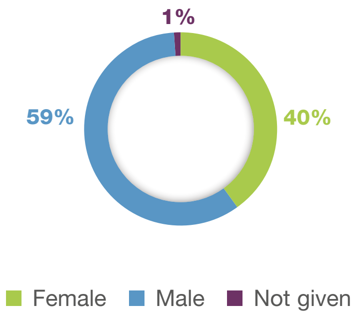
Service user (%)



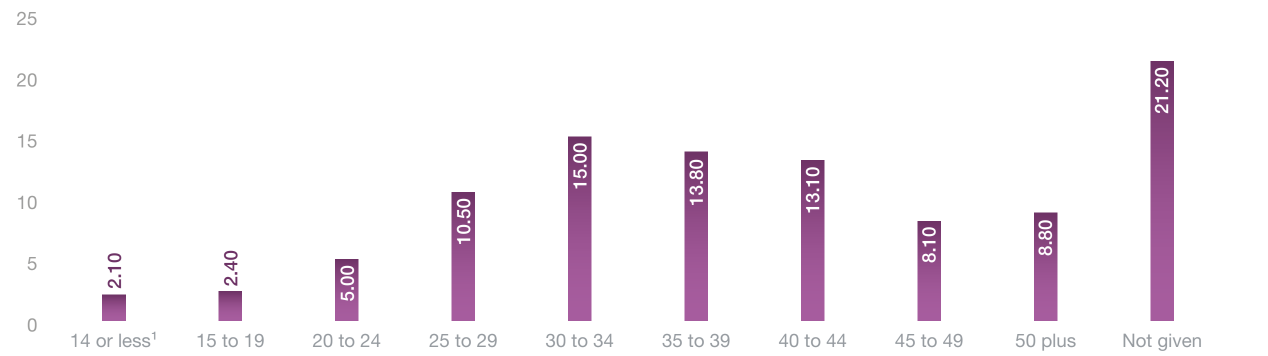
Primary language spoken (%)



Gender profile (%)



Age profile (%)



1. *In the "Age profile" graph above, please note that users on the lower end of the age demographic would be dependants and not employees.*

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 or consultations.

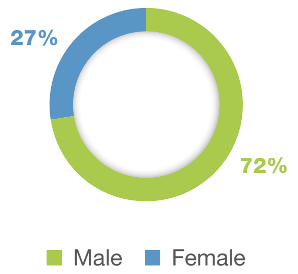
In 2025, 4,457 medical assessments were conducted (2024: 6,604), including induction, annual, transfer, and exit assessments; 3,970 employees (2024: 1,528) opted for VCT.

Development and transformation

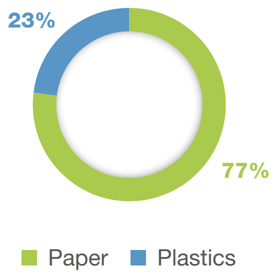
We aim to be an employer of choice by offering a competitive employee value proposition, given that our ability to create value for stakeholders depends on our ability to continue to attract, develop, and retain talent and experience in the business.

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.

Workforce by gender



Workforce by business



In 2025, we had a workforce of 4,856 people at our operations, with R2 billion allocated towards salaries, wages, and benefits. The Group currently employs 115 disabled people.

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 2025, one employee development centre was held as part of our talent management programme, with Group Management Committee members participating in the assessments, along with expert psychologists who administer the programme. Of the nine high-potential employees who attended, four were PDIs, and one was a woman (2024: 21, 13, and 8, respectively).

During this financial year, Mpact sponsored 50 unemployed disabled learners (2024: 50), 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, the manufacture of clothing and other items, training in business administration, IT, and entrepreneurship.

	2025	2024	2023	2022	2021	2020	2019	2018
Employees trained	**4,001**	2,991	3,448	3,360	3,075	3,608	4,018	4,497
Hours of training (man-hours)	**76,159**	56,115	57,581	54,506	38,311	49,983	65,207	63,031
Learners and apprenticeships	**210**	251	260	239	182	215	163	191
% PDI	**85%**	92%	94%	93%	91%	91%	95%	92%
% Black women	**32%**	34%	31%	28%	23%	44%	43%	31%
Investment in skills development (R'm)	**28.1**	26.9	37.8	22.7	20.6	16.5	15.5	12.5

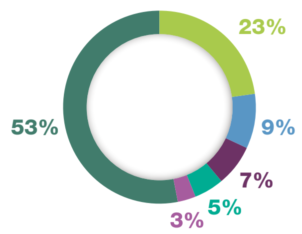
The Mpact e-Learning Academy provides free online courses to employees and permanent contractors. There are over 130 courses available on a wide range of topics from wellness, safety, and environment to management and leadership. In 2025, 4,163 people made use of the Academy, with 4,786 course completions being registered. 17,858 hours of training were logged.

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% (2024: 47%) of the workforce is unionised, broken down as follows:



Child labour

As per our statement on human rights on page 41 and the Group's Code of Ethics, Mpact does not support or condone child labour and has a zero-tolerance approach towards any human rights transgressions.

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.

Development and transformation *(continued)*

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 28%, and women at the senior management level decreased from 17% to 16%.

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.

The Group's Harassment Policy, which includes how we deal with workplace bullying, has been updated 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 2025, externally verified by mPowerRatings. The full B-BBEE certificates for Mpact Operations (incorporating all South African operations) and Mpact 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 is not to 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.

The beneficiaries include matriculants and tertiary students who demonstrate the ability to work hard and succeed academically. To date, 63 bursaries have been awarded to qualifying dependants of Mpact's employees.

More information on the goals and activities of the Trust is available in the Mpact Foundation Trust Report on pages 54 to 57 of the 2025 Integrated Report.

Total ownership of Mpact Operations by Black individuals was 35.4% at the date of verification for the 2025 certificate (2024: 33.7%) and 20.2% ownership by Black women (2024: 18.6%). 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 (2024: 32) points out of the B-BBEE target of 37 for Black ownership.

Element	Target	2025	2024	2023	2022	2021	2020	2019
Ownership	37	**32.00**	32.00	31.72	31.91	28.54	30.87	30.46
Management control	19	**11.49**	10.99	12.03	11.14	11.61	9.05	11.11
Skills development	25	**17.44**	15.40	15.30	14.28	15.75	16.42	14.83
Enterprise and supplier development	49	**44.35**	44.53	43.69	39.66	36.29	39.18	36.56
Socio-economic development	8	**7.57**	6.76	6.28	8.00	8.00	8.00	8.00
Total	138	**112.84**	109.68	109.02	104.99	100.19	103.52	100.95
B-BBEE status level		**1**	1	1	1	1	1	1

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 the senior management level, from 61% to 64% at middle management, and from 78% to 85% at junior management. Over the same period, women in the workforce increased from 26% to 28%, and women at the senior management level decreased from 17% to 16%.

Workforce diversity profile (South Africa only)

	African		Coloured		Indian		White		
	Male	Female	Male	Female	Male	Female	Male	Female	**Total**
Top management	–	–	–	–	–	–	2	–	**2**
Senior management	2	–	1	1	5	1	24	4	**38**
Middle management	41	20	27	7	41	15	109	45	**305**
Junior management	525	147	144	48	102	29	190	90	**1,275**
Semi-skilled	1,211	337	240	69	45	11	30	40	**1,983**
Unskilled	394	272	153	134	12	5	6	–	**976**
Temp	74	39	27	4	2	1	2	2	**151**
Total	2,247	815	592	263	207	62	363	181	**4,730**

Representation of previously disadvantaged individuals (PDIs) (South African operations only)

	2025	2024	2023	2022	2021	2020	2019
Junior management	**85%**	83%	83%	81%	80%	79%	78%
Middle management	**64%**	65%	63%	65%	62%	60%	61%
Senior management	**37%**	37%	38%	37%	33%	31%	26%


Mpact Paper Converting


Mpact Research and Development Laboratory


Mpact Paper Converting

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 2025, the forum again hosted activities across our operations to encourage women to celebrate, address issues that affect them in the workplace, and support local communities.

mpact WOMEN'S FORUM

Mpact Recycling Women's Forum

Detpak Women's Day Race

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.

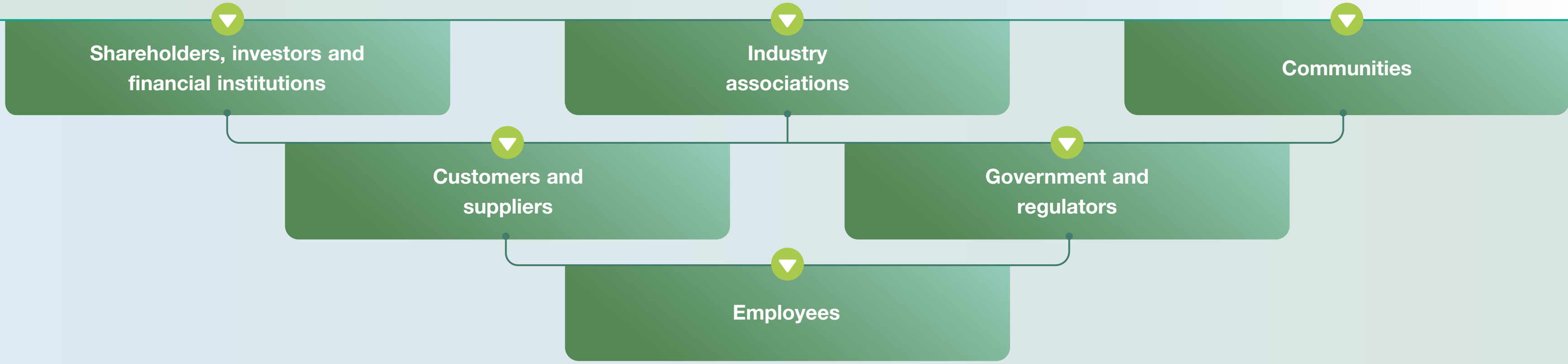
We support economic development by providing opportunities for small businesses through our enterprise development programme and for suppliers in the recycling value chain. Recycling's 14 sites buy recyclable waste from buy-back centres and small enterprises, promoting local beneficiation of raw materials,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

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.

Mpact's primary stakeholder groups



Key engagements for 2025

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.

Engaging our employees

Each year, our CEO Imbizo Roadshows 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 PAMSA, the Forestry Charter Council, Fibre Circle, Packaging SA, PETCO, and Polyco, amongst others.

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. • 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.

	How we engage	Stakeholder expectations and concerns	How Mpact addresses these
Government institutions and regulatory authorities	• Meetings. • Representation on industry bodies, forums, and regulatory bodies. • Active engagement on key projects.	• 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.	• Commitment to regulatory compliance. • Ongoing engagements with regulators to ensure compliance.
Communities	• Local community development projects. • Active involvement in local communities and support for community initiatives.	• Support for socio-economic development in local communities. • Skills development and job opportunities.	• Continued commitment to socio-economic development and corporate responsibility. • Active involvement in local communities and support for community initiatives. • CSI spend was R12.6 million. • Various projects. • Education and training.
Industry associations	• Committee meetings with various industry associations. • Industry associations Mpact participates in include: – PRASA – PAMSA – Fibre Circle – The Manufacturing Circle – Polyco – PETCO	• To promote industry-wide issues on a regional and national basis. • Packaging SA. • Printing South Africa. • Statutory Council. • The Institute of Packaging.	• Ongoing engagements with industry peers, other industry representative bodies, and the government.

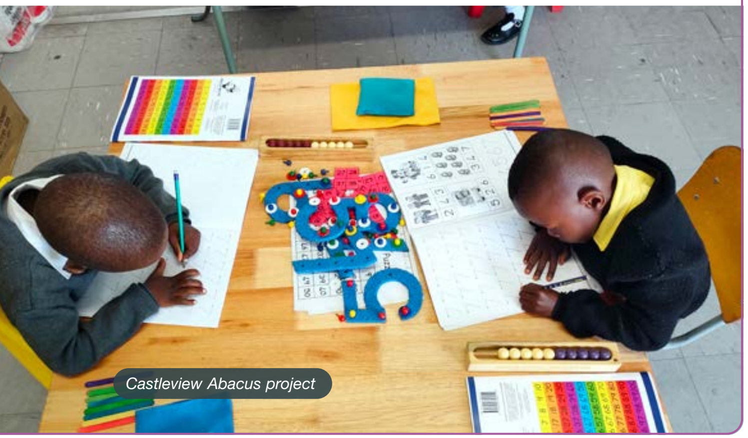
Social responsibility

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 GBV. In 2025, R12.6 million was invested across our community projects.

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



Castleview Abacus project

The following table details some of the major projects the Group is involved in across our operations:

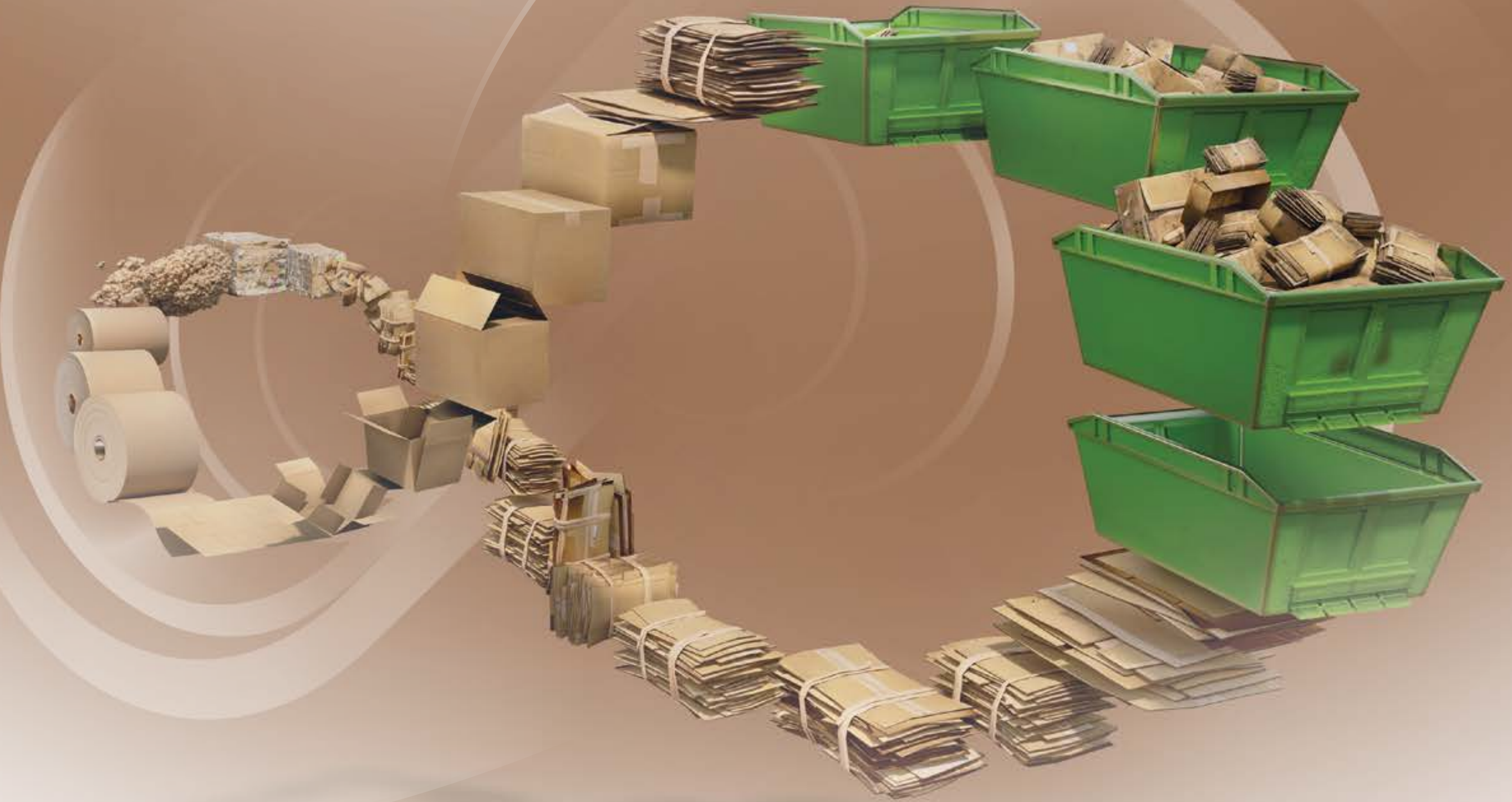
Castleview *Abacus project*	Abacus Maths focuses on early childhood development. This plays a critical role in preparing young children for formal education. These centres provide a structured environment where children can develop essential cognitive, emotional, and social skills. Castleview pays for such training at Witsand Primary School and the Ulwazi Crèche.
Felixton mill *Matshana Community Hall*	Felixton mill started Phase 1 of paving at Matshana Community Hall in January 2024. The hall is used by the community for school educational gatherings, women's sewing societies, and community meetings. The project remains ongoing.
Mkhondo mill *The Greater Rape Intervention Project (GRIP)*	Mkhondo provides financial support to GRIP to ensure that it continues to provide confidential, sensitive, and comprehensive trauma counselling and support to rape, sexual assault, and domestic violence survivors from the local community.
Mkhondo mill *Siphamandla Centre*	The mill works with a facilitator who provides sewing training at the company's premises to women from the eMaphepheni community and nearby areas, with eight students currently. Mkhondo is responsible for all associated costs of this project (training material, buying and maintenance of the machines, and facilitator fees).
West Coast Paper Traders *Hout Bay United Football Community*	A monthly grant that seeks to unite the diverse community through the power of sport. The community uses football as a catalyst to stimulate social change and also provides educational and vocational opportunities.

Felixton: Making a tangible difference in local learners' lives

Our Felixton paper mill is donating four ablution facilities for two rural schools, Eniwe and Qhubandaba primary schools, both located in the immediate vicinity of the mill.

Both schools are in a state of severe disrepair, with classrooms having broken windows, potholes in the floors, and leaking roofs, among other structural issues. However, the ablution facilities were identified as an immediate priority, with the mill coming up with a solution that is quick to implement, sustainable, and effective, and can accommodate learners of both genders.

This project involves converting four containers and fully equipping them as suitable ablution facilities, with each school due to receive two containers, one for boys and one for girls.



05

GOVERNANCE

Robust governance

We set challenging targets and remain accountable, especially in the face of adversity. We are audited by global accreditation bodies across various disciplines to ensure trust in our processes and products.

Mpact's governance practices reflect a proactive stance on ESG-related risks, including climate change, energy supply, water scarcity, social cohesion, and regulatory compliance. The Board and its committees regularly review the Group Risk Register to ensure that material risks are accurately profiled and addressed. This includes oversight of ITC governance, ethical conduct, and transformation targets, all of which are essential to maintaining legitimacy and stakeholder trust. By integrating risk management into its governance processes, Mpact not only safeguards its operational integrity but also reinforces its strategic resilience in a dynamic and often unpredictable business environment.

The full Corporate Governance Report can be found on @ pages 59 to 67 of the 2025 Integrated Report.

Mkhondo paper mill

Ethical business

Our values of being Trustworthy, Resolute and Responsible drive our behaviour – we conduct business ethically and transparently.

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 applying 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.

Code of Ethics

The Board has set values to which the Group adheres, and these are incorporated into the Group's Code of Ethics, which includes our ethical values and our behavioural standards. This foundation remains the Board's platform to lead Mpact sincerely and honestly.

The Group's standards of integrity and ethics in dealing with its stakeholders at large are included in the Code. Integrity is fundamental to how the Group conducts its business and is expressed in its values and principles, and guides interactions with primary stakeholders.

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

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.

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

Fraud and corruption

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 Mpact 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.

Human rights

The Code of Ethics further stipulates Mpact's commitment to respecting and promoting human rights through 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.

It 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.

Risk management

We continuously identify and manage risks through our Enterprise Risk Management system, compliant with ISO 31000. With robust risk mitigation strategies and contingency plans, we maintain service stability and safeguard our customers' interests.

Risk management is a critical pillar of Mpact's governance framework, underpinning our commitment to ethical leadership, responsible corporate citizenship, and sustainable value creation.

The Board acknowledges that strategy, risk, performance, and sustainability are inseparable, and has embedded risk oversight into its governance structures, including the Audit and Risk Committee and Executive Committee. These bodies are tasked with identifying, assessing, and mitigating risks across operational, financial, environmental, and social domains.

This integrated approach ensures that decisions are made within a disciplined framework of policies and procedures, aligned with the principles of King IV™ and the Companies Act, and that the Group operates within acceptable risk parameters to protect stakeholder interests and long-term viability.

For more on our risks and risk management process, please refer to pages 68 to 74 in the 2025 Integrated Report.

06

ADDENDUMS

Addendum 1: The United Nations Sustainable Development Goals (UN SDGs)

Relevant UN SDG targets	Progress in 2025
End poverty in all its forms everywhere	In 2025, the Group employed 4,856 people at our operations, with R2 billion from total operations in value distributed to staff through salaries, wages, and benefits. We support economic development by providing opportunities for small businesses through our enterprise development programme and for suppliers in the recycling value chain. Mpact Recycling buys 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	For employees living with HIV/AIDS, our comprehensive occupational health and wellness programme provides support and treatment, including free antiretroviral therapy. Our clinics offer 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 2025, a total of 4,636 employee medicals were completed, with 3,970 employees receiving VCTs. The Life Health Solutions Employee Wellness Programme plays a pivotal role in Mpact'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.
Ensure inclusive and equitable quality education for all and promote lifelong learning for all	This year, Mpact invested R28.14 million in skills development over 76,159 man-hours of training for 4,001 employees. This investment enhances the human and intellectual capital available to the Group as well as contractors for 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. In 2025, one employee development centre was held as part of our talent management programme, with Group Management Committee members participating in the assessments, along with expert psychologists who administer the programme. Of the nine high-potential employees who attended, four were PDIs, and one was a woman (2024: 21, 13, and 8, respectively). Mpact provided 210 skills development and work experience opportunities through our apprentice and learnership programmes that aim to better the industry-relevant skills pool. 85.23% of candidates on these programmes are from previously disadvantaged backgrounds, and 32.4% 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 2025
Achieve gender equality and empower all women and girls	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 the senior management level, from 61% to 64% at middle management, and from 78% to 85% at junior management. Over the same period, women in the workforce increased from 26% to 28%, and women at the senior management level decreased from 17% to 16%. 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 a review of our Harassment Policy.
Ensure availability and sustainable administration of water and sanitation for all	Mpact actively measures, monitors, and manages water use and wastewater discharge and has successfully driven these volumes down over recent years.
Ensure access to affordable, reliable, sustainable, and modern energy for all	The Group has installed solar PV of 17.7MWp and has a Net Zero journey 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.
Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all	As of the end of 2025, the Group has provided 63 full university bursaries awarded through the Mpact Foundation Trust since its inception. 210 skills development and work experience opportunities through our apprentice and learnership programmes that aim to better the industry-relevant skills pool. 85.23% of candidates on these programmes are from previously disadvantaged backgrounds, and 32.4% are Black women. Mpact Recycling buys 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 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.

	Relevant UN SDG targets	Progress in 2025
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	**Build resilient infrastructure, promote inclusive and sustainable industrialisation, and foster innovation**	Innovation is a cornerstone of Mpact's vision, values, and strategy. We continue to make a significant investment in 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.
10 REDUCED INEQUALITIES	**Reduce inequality within and among countries**	Mpact Operations retained its Level 1 B-BBEE contributor under the amended Forest Sector Code.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**Ensure sustainable consumption and production patterns**	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 CO_2e 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.
13 CLIMATE ACTION	**Take urgent action to combat climate change and its impacts**	We have set environmental targets for energy, CO_2e, and water to be achieved by 2027 based on five-year plans for energy (and by implication CO_2e) and water reduction. The energy and CO_2e plans also form the basis for our regulated GHG PPP and Carbon Budget reported to the DFFE.

Addendum 2: ESG Summary Report

Environment

	Unit of measure	2025	2024	2023
Fuel consumption				
Thermal energy (coal, HFO, NG) consumption – non-renewables	TJ	**3,503**	3,416	3,292
Total diesel used for company vehicles, generators, and pumps	Kℓ	**2,378**	1,925	2,151
Electricity				
Electricity purchased	MWh	**343,222**	355,232	347,364
Electricity self-generated (steam turbine)	MWh	**14,697**	7,166	10,729
Electricity from Solar PV	MWh	**19,507**	20,881	11,404
Total energy				
Total energy efficiency achieved (manufacturing operations)	GJ/t	**5.90**	6.05	5.89
Target – total energy efficiency achieved (per tonne of production)	GJ/t	**5.95**	6.12	6.24
Carbon emissions				
Carbon emissions – scope 1	tCO_2-e	**326,563**	316,237	304,050
Carbon emissions – scope 2	tCO_2-e	**323,342**	333,918	326,523
Total carbon emissions – scope 1 and 2	tCO_2-e	**649,905**	650,155	630,572
Carbon emissions efficiency achieved	tCO_2e/t	**0.812**	0.838	0.819
Target – carbon emissions efficiency achieved	tCO_2e/t	**0.817**	0.839	0.856

	Unit of measure	2025	2024	2023
Water management				
Water is used across operations	Mℓ	**4,338**	4,244	3,994
Water consumption per tonne of production	Kℓ/t	**5.32**	5.49	5.22
Decrease in water used per manufactured tonne	%	**3.14%**	5.25%	0.60%
Target – water efficiency achieved	m^3/t	**5.46**	5.51	5.54
Waste				
Hazardous waste disposed of at appropriate facilities	Kilograms (m)	**732**	877	930
Non-hazardous waste sent to landfill	Kilograms (m)	**39**	36	37
Plastic recovered by Recycling and Plastic Containers	Kilograms (m)	**45**	48	41
Total recycled material recovered by Recycling – includes paper, glass, beverage cans, plastic, and liquid board packaging	Kilograms (m)	**639**	507	504
Waste recovered for recycling or reuse by operations	Kilograms (m)	**68**	59	56

Social

	Unit of measure	2025	2024	2023
Human Capital				
Number of employees – permanent	Number	**4,856**	4,557	5,095
Number of employees – temporary	Number	**151**	78	50
Number of employees and contractors operating in South Africa	Number	**4,730**	4,434	4,973
Percentage of employees and contractors operating in South Africa	%	**97.4%**	97.3%	97.6%
Percentage of management (top and senior) deemed HDSA[1]	%	**35%**	35%	36%
Percentage of management (top and senior) who are women (SA only)	%	**15%**	13.5%	15%
Percentage of employees who are deemed HDSA[1]	%	**91.8%**	91.8%	92.1%
Percentage of employees who are women	%	**28%**	27%	27%
Percentage of HDSA[1] employees in skilled and supervisory positions	%	**85.1%**	83.4%	82.7%
B-BBEE level		**1**	1	1
Number of allegations and confirmed incidents of discrimination and/or human rights incidents relating to employees	Number	**0**	0	0
Number of employees with disabilities	Number	**115**	121	135

	Unit of measure	2025	2024	2023
Percentage of employees covered by collective bargaining agreements	%	**47%**	47%	53%
Value of employee training spend	Rand	**R28.1 million**	R26.9 million	R37.6 million
Total number of training hours	man-hours	**76,159**	56,115	57,581
Health and Safety				
Percent of employees undergoing medical assessments	%	**95%**	99%	97%
Target – percent of employees undergoing medical assessments	%	**100%**	100%	100%
Percent of employees making use of the Employee Wellness Programme call centre	%	**8.8%**	7.9%	8%
Target – percent of employees making use of the Employee Wellness Programme call centre	%	**7%**	7%	7%
Percent of identified chronic disease identified that are under control	%	**87%**	94%	84%
Target – percent of identified chronic disease identified that are under control	%	**80%**	80%	80%
New cases of NIHL[2] (employees and contractors)	Number	**0**	0	0
Deaths due to occupational disease	Number	**0**	0	0

Addendum 2: ESG Summary Report *(continued)*

	Unit of measure	**2025**	2024	2023
Fatalities (i.e., injuries on duty leading to death, excluding the deaths of workers not occurring "at work") (employees and contractors)	Number	**1**	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	**93**	148	154
Medical treatment cases (MTCs), i.e., injuries on duty leading to medical treatment, but no lost days. (employees and contractors)	Number	**53**	63	77
Lost time injuries (LTIs), i.e., injuries on duty leading to at least one lost day (employees and contractors)	Number	**17**	29	22
Restricted work cases (RWCs)		**9**	7	8
Total serious injuries (fatalities, lost time injuries (LTI), and restricted work cases (RWC))		**27**	36	30
Permanent disabilities (employees and contractors)	Number	**0**	0	0
Number of employees receiving voluntary counselling and testing (VCT) for HIV/AIDS (i.e., counselled)	Number	**3,970**	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.	Most HIV-positive employees do not declare their status, as they are treated by state services.
Total number of employees currently HIV positive	Number	**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.	Most HIV-positive employees do not declare their status, as they are treated by state services.
Employees currently receiving the company-provided HIV/AIDS monitoring and treatment programme	Number	**6**	7	6
Cost of HIV/AIDS monitoring and treatment programme	Rand	**R12,709/month**	R7,848/month	R6,727/month
CSI/SED expenditure				
Corporate social investments (CSI)/socio-economic development (SED) expenditures	Rand	**R12.6 million**	R10.8 million	R13.6 million
CSI/SED spend as a percentage of net profit after tax	%	**2.2%**	1.8%	1.8%
Percentage of total CSI/SED spend in South Africa	%	**100%**	100%	100%

1. HDSA – historically disadvantaged South Africans.
2. NIHL – noise-induced hearing loss.

Governance[1]

	Unit of measure	2025	2024	2023
Board members	Number	**9**	8	8
Non-executive Board members	Number	**7**	6	6
Percentage of non-executive Board members	%	**78%**	75%	75%
Executive Board members	Number	**2**	2	2
Independent Board members	Number	**7**	6	6
Percentage of independent Board members	%	**78%**	75%	75%
Female Board members	Number	**3**	3	2
Average length of executive director service	Years	**8.5**	12.8	12.5
Average length of non-executive director service	Years	**2.3**	7.3	6.3
Average length of full Board service	Years	**3.7**	8.7	8
Average age of directors	Number	**58.8**	58.5	63.4
Overall Board and committee meeting attendance:				
Board meeting attendance	%	**100%**	92%	100%
Audit and Risk Committee meeting attendance[1]	%	**100%**	92%	100%

	Unit of measure	2025	2024	2023
Social and Ethics Committee meeting attendance	%	**100%**	100%	100%
Remuneration and Nomination Committee meeting attendance	%	**100%**	94%	100%
Length of current auditor's service	Years	**3**	2	1
Independence of Board Chairman	Y/N	**Y**	Y	Y
Publicly available policy on Board conflicts of interest and PEP[1]	Y/N	**N**	N	N
Public disclosure of any/all Board member conflicts of interest	Y/N	**N**	N	N
Public disclosure on any/all Board member (PEP)[1]	Y/N	**N**	N	N
Publicly available Human Rights policy	Y/N	**N**	N	N
ESG included in service-level agreements with suppliers	Y/N	**N**	N	N
Shareholders vote (non-binding) on executive remuneration	Y/N/P	**Y**	Y	Y

1. PEP – politically exposed persons.

Addendum 3: Standards and assurance

Systems	Standards	Assurance providers
International		
Quality management	ISO 9001: Quality management standards applicable to all Mpact manufacturing operations.	**i-Cert, SABS BVC, DQS SGS**
Environmental management	ISO 14001: Environmental management standard applicable to the Group's Paper, Paper Converting, and Recycling operations.	**i-Cert, SABS BVC, DQS SGS**
Responsible wood products	FSC® standards applicable to the Group's paper mills and paper converting plants.	**SGS**
Food safety	**German Federal Institute for Risk Assessment (BfR) Recommendation XXXVI:** Food contact safety standard for packaging papers.	**Sai Global SABS, NSF International BVC, DQS, SGS, SABS**
	ISO and **FSSC 22000:** Food packaging safety standard applicable to plastics and corrugated containers used for the packaging of food.	
	British Retail Consortium (BRC): food safety certification and other customer-specific certification at some of the plastics and Detpak, as required by customers.	
Local/Mpact		
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**
	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.	**Internal review**
	Safety Legal Compliance (Mongoose Safety Award and Safety Merit awards)	**Legal consulting services**
	Mpact Environmental Standards Compliance (Scarab Environmental Award and Environmental Merit Awards)	**Legal consulting services**
Insurance risk	**Underwriting and MPL surveys**	**Marsh**

Systems	Standards	Assurance providers
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.	**Various fire**
	Six-monthly review audits of fire sprinkler defence systems at relevant sites.	**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
CEO	Chief Executive Officer
B-BBEE	Broad-Based Black Economic Empowerment
CSI	Corporate Social Investment
DFFE	Department of Forestry, Fisheries and the Environment
EE	Employment Equity
EPR	Extended Producer Responsibility
EPS	Earnings per share
ESG	Environmental, social, and governance
Exco	Executive Committee
FSC®	Forest Stewardship Council®
GHG	Greenhouse Gas
GHG PPP	Greenhouse Gas Pollution Prevention Plans
GJ	Gigajoules
GRI	Global Reporting Initiative
GRSM	Group Risk and Sustainability Manager
HEPS	Headline earnings per share – headline earnings divided by the weighted average number of ordinary shares in issue during the year
HR	Human resources
IFRS	International Financial Reporting Standards
ISSB	International Sustainability Standards Board
ICT	Information and Communication Technology
JSE	Johannesburg Stock Exchange Limited
King IV™	King Report on Corporate Governance for South Africa 2025
KPA	Key Performance Area
KPI	Key Performance Indicator
Listings Requirements	Listings Requirements of the JSE
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
LTIFR	Lost time injury frequency rates calculated as: LTIFR = (Work-related Fatality + LTIs)/man-hours worked x 200,000*
MD	Managing Director
MWp	Megawatt peak (i.e., peak direct current power possible during full sunshine)
PPP	Pollution Prevention Plan
ROCE	Return on Capital Employed
Solar PV	Use of solar photovoltaic materials and devices to convert sunlight into electrical energy
SHE	Safety, Health and Environment
UN SDGs	United Nations Sustainable Development Goals

Corporate information and advisers

Mpact Limited
(Incorporated in the Republic of South Africa)
(Registration number 2004/025229/06)
JSE share code: MPT
A2X share code: MPT

Mpact Operations (Pty) Ltd
(Incorporated in the Republic of South Africa)
(Registration number 1998/004341/07)

Mpact registered address
4th Floor
3 Melrose Arch Boulevard
Johannesburg
2196
South Africa

Postal address
4th Floor
3 Melrose Arch Boulevard
Johannesburg
2196
South Africa

Acting Group Company Secretary
M Vermeulen, representing CorpStat Governance Services Proprietary Limited

Registered office:
4th Floor, No. 3 Melrose Boulevard, Melrose Arch, 2196

Sponsors
The Standard Bank of South Africa Limited
(Registration number 1962/000738/06)
30 Baker Street
Rosebank
Johannesburg
2196

PO Box 61344
Marshalltown
2107

Directors
Independent Non-executive Directors:
PCS Luthuli (Chairman)
M Makanjee
DG Wilson
ABA Conrad
FC Futwa
S Mayet
CD Raphiri

Executive Directors:
BW Strong (Chief Executive Officer)
JJ Snyman (Chief Financial Officer)

Transfer Secretaries
JSE Investor Services (Pty) Ltd
One Exchange Square
2 Gwen Lane
Sandton
2196

PO Box 4844
Johannesburg
2000

Auditors
PricewaterhouseCoopers (PwC)
4 Lisbon Lane
Waterfall City
Jukskei View
2090

Private Bag X36
Sunninghill
2157

Investor Relations
Marlize Keyter
Keyter Rech Investor Solutions CC
PO Box 653078
Benmore
2010

www.mpact.co.za