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Waste Minimisation & Recycling

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contents

- 1. Recycling Rates
- 2. Head Office
- 3. Store Operations
- 4. Packaging

vision

To be a top performing, international retailer.

purpose

To add value to our customers' lives and worth to our partners' lives, while caring for the communities and environments in which we operate.

values

passion

Passion means ordinary people doing extraordinary things. It's our engine and the positive attitude and enthusiasm of all our associates who approach each day smiling and projecting a positive image – believing that work is fun!

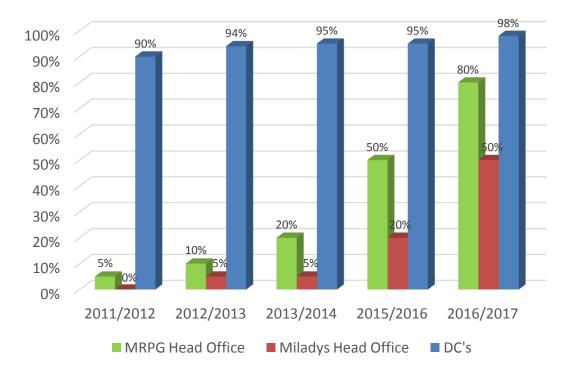
value

Value is the heart of our business. Our success has been built on our ability to add value to our customers' lives. It is more than just price – it's about quality, fashion, being in stock of the wanted item and delighting our customers by going the extra mile and always overdelivering.

partnership

Mutual respect is integral to the culture of the Group. We therefore refer to our co-workers as "associates" and, once they own shares or share options, they are referred to as "partners". Partnership is sharing the ownership and success of the Company with all our associates and fostering solid and long term relationships with our suppliers. Without our customers, we wouldn't have a business, and they are one of our most valued partners. We also partner with communities, by investing in strategic initiatives that will improve the lives of those who are less fortunate, particularly children and youth.

recycling rates



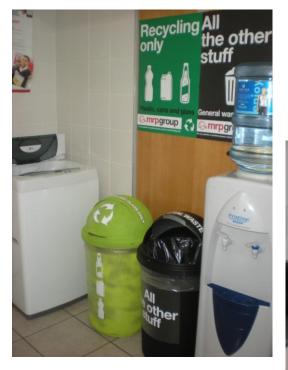
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- In 2014 we engaged with a Recycling Consultant who conducted a waste assessment to get a better understanding of:
 - Current waste and recycling system in place
 - Volumes of waste
 - What is being recycled and not
 - Waste management collections
 - Waste management data
- Based on the findings of the report, various improvement opportunities were highlighted and addressed:
 - Ensure same recycling/waste containers are used and labelled throughout the site
 - Fresh recycling campaign for staff to recycle
 - Hazardous waste management
 - Management of waste and recycling service provider, data compilation and establishment of a Recycling Committee with quarterly meetings
 - Potential procurement changes to benefit the environment

- Recycling relaunch in 2014 with new posters and temporary recycling bins to promote separation at source
- Communication with staff through in person activation throughout the building by a crew of 'recycling activators' who rebranded the bins, put up fresh posters and trained staff
- Communication through our intranet as well as on email
- Communication and training with our contracted cleaning service provider



Recycling Relaunch 2014



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New Bins in 2016



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- Rooftop garden established in 2011 which supplies the canteen with fresh vegetables and herbs (staff are allowed to pick if they want as long as they do some weeding too!
- Introduced an additional larger worm farm which uses about 50kg per month (600kg per year) thus diverting some canteen waste but also produces worm tea which aids in the veggie garden.



Review of Onsite Waste Management

- Robust tender process which resulted in the selection of the right partner and service provider for waste management
- Implemented a scale for weighing of general waste (not just using averages) to ensure accurate reporting
- All streams of recyclables are accounted for, sorted and weighed
- Correct management of hazardous waste



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Procurement Changes and Minimisation

- Removal of polystyrene cups from the canteen all staff use their own mugs and disposable cups are charged for
- Removal of polystyrene containers from the canteen which have been replaced with "biodegradable" containers made from natural recycled fibre, however staff are encouraged to take their own plates and bowls
- Overall reduction in the amount of containers used in the canteen has resulted in less waste, an environmental and a cost saving.
- All network printers and default print settings are automatically set to double-sided printing



Fri 08/08/2014 12:46 Sustainability Mailbox Mr Price Group Sustainability - Recycling and Canteen news To @ MRPG.All Users; @ MRPS.All Users; @ @SS.All Users; @ @MRPH.All Users; @ @MRPG.Group Distribution Centre.All Users ⑦ You forwarded this message on 18/08/2014 15:36. Dear Associates,

Our recycling re-launch of posters and bins is now complete and you will be happy to see bins for recycling plastic, cans and glass in all kitchens and canteens. The main canteen also has a wormery for some of the food waste we generate.

Our canteen is also continuing its drive to reduce waste and promote sustainable practices. The first phase will start with removal of packaging items that are unnecessary, wasteful and also not recyclable, these will be implemented from Monday as follows:

- There will no longer be paper cups or sipper lids, please bring you own mug in future
- There will no longer be plastic stirrers, please use the plastic spoons provided
- There will no longer be polystyrene trays for your take-away sandwiches unless required by the respective take-away order

By making these small changes we will be eliminating approximately 17,000 items from our waste each month.

The next phase will look at further opportunities to eliminate unnecessary packaging items, possible re-usable containers and cutlery as well as an additional wormery to deal with the large amount of food waste we generate.

All of the above initiatives are to help us meet the Group target recycling rate of 20% for F2015

Please help us by using the right bins and encouraging these sustainable practices.

We thank you for your support.

The Sustainability Team sustain@mrpg.com

From: Sustainability Mailbox Sent: 18 March 2016 9:21 AM To: <u>@MRPG.AII</u> Users; @MRP.AII Users ; @MRPH.AII Users ; @MRPS.AII Users ; @MIL.AII Users ; @SS.AII Users Subject: Mr. Price Group - Sustainability - Earth Hour - Going beyond the hour...





Examples of email communication

Dear Associates.

We all hold the power to impact what the future of our beautiful planet looks like. Which is good news, since the place we call home is under pressure and the clock against climate change is licking. Through all of us making conscious decisions to walk a cleaner path today, we can all help save planet earth for tomorrow.

One easy way to care for the planet is by supporting Earth Hour, a global movement that shines a light on climate change by connecting millions of people from around the world to switch off all non-essential lights and electronics on March 19 between 8.30pm and 9.30pm.

Mr Price Group has also chosen to protect our planet by going well beyond just the hour. Through integrating sustainable business solutions - some simple and others more complex - we aim to reduce our impact on Earth's resources.

Sparking energy solutions

Were busy rolling out a plan to generate thousands of kilowatts of renewable energy annually through solar power, captured by PV panels placed on the Head Office rooftop. By converting the sunlight into energy for the building we save costs, decrease our reliance on coal fired power stations and reduce our carbon footprint

Be water wise

South Africa is in the midst of a dire drought, which means we need to take every action to conserve water. One way we're saving this precious resource is by installing water restrictors to lessen the amount of water flowing through our taps. Look out for informational posters with water saving tips placed throughout the building.

Reduce, reuse, recycle:

We're on a mission to reduce the amount of our waste that ends up in landfill. Simple changes like introducing mugs instead of polystyrene cups in the canteen and placing colourful sorting bins at strategic points around the building has already led to vast improvements in our recycling rates.

This is our time to #ChangeClimateChange so <u>switch on your social power</u> and shine a light on climate action. What action will you take? Find out more at <u>www.earthhour.org</u> or watch <u>here</u>

store operations

- In 2011 and 2014 we ran a recycling survey of stores through our POS (point-of-sale) to ascertain the level of recycling at our store locations
- Many stores are located in shopping centres and thus use shopping centre waste management
- Although the recycling rate of stores increased from 2011 to 2014 the outcome of the survey indicated the need for further communication, awareness and education as well as processes and procedures to be documented
- We developed a Store Recycling Manual which was rolled out via POS as part of the Store Operations and Procedures in 2014 and again in 2015.
- We are in the process of revising and simplifying the manual with a fresh communication and drive planned for later in the year

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STORE RECYCLING MANUAL

This manual serves as a guide to stores on what can and can't be recycled, what to do with recycled items as well as guidance for different store locations.

Should you have any queries or questions with regards to this manual please contact Kim Burgess in the Sustainability Department on 031 310 8049.

A key aspect of recycling is separation of waste. This eliminates contamination from items that cannot be recycled and makes for an easier process when allocating the various recyclables to the correct waste streams.

The following items CAN be recycled	What to do			
White office paper	Keep this separate from your other waste in a box or old			
Mixed paper	shopper bag			
Confidential documents (white and mixed paper)	Keep in storage for secure collection by service provider. Communication will take place closer to the time of collection			
Cardboard	Flatten boxes and keep in neat movable piles			
PET plastic bottles				
High Density (HD) plastic bottles	Keep all plastic bottles, plastic packaging, cans and glass in an old cardboard box or shopper bag			
Low Density (LD) plastic packaging				
Cans				
Glass	Glass that is <u>not</u> broken is suitable for recycling. If it is broken, wrap in old paper to be thrown away			
Hangers	Keep in a box and call Hangerman to collect your broke used or unwanted hangers. Contact details can be four in Annexure A			
Printer toner and cartridges	Contact Green Office when you have 10 or more cartridges on 0860 000 444. Alternatively send them to your base store. Please refer to Annexure B for further details			
Scrap metal	Keep aside for recycling by scrap metal service provider			

The following items CANNOT be recycled

Food waste Polystyrene packaging or containers Fluorescent tubes/ light bulbs Floor sweepings

store operations

- The survey also resulted in some excellent suggestions which have since been implemented:
 - Packaging optimisation and minimisation assessment (done for mrpHome)
 - Introduction of emailed till slips vs printed slips
 - Use of iPads instore for visual merchandising (VM) and other internal instore communications vs VM pack that needs to be printed
 - Paperless Admin Project (mrp)
 - This allows reports that were automatically printed at the start of day for signature and filing to now be viewed on the POS system. Since April 2016 to date, the project has saved 414,000 pages of paper, 274 printer cartridges as well as many environmental and cost savings. Annualised savings are projected at 2.9 million pages

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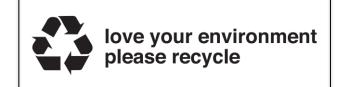
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packaging

Optimisation and Minimisation

- Chose the division with the most packaging (in-store and in-transit), mrpHome
- Undertook assessments of packaging at a store level of merchandise as well as how it is received
- Next was an assessment of packaging in the supply chain and at a supplier level (top category contributors were used for assessment)
- Both assessments resulted in various opportunities for improvement including labelling of recyclable packaging, updates to our Supplier Packaging Manual as well as reduced packaging opportunities at supplier sites
- Key findings for improvements at supplier sites were:
 - Avoid repackaging of items at supplier site
 - Ensure most efficient quantities are packed
 - Eliminate over packaging
 - Use lighter packaging (lower micron) where appropriate
 - Reduce void space to obtain box efficiencies and reduce breakages
 - Use packaging which can be recycled and is made from recycled content
 - Re-use packaging

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New logo on packaging



Supplier Packaging Examples

Compression System



No void space



Polystyrene vs cardboard corners





Too much vs. too little





vs

Over packaged -Inner, outer and bubble wrap

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Critical Success Factors

- Management buy-in and support
- Communication, awareness and training
- Accurate measurement, monitoring and reporting
- Allocation of space for recycling
- Choosing the right partners
- Appropriate budget

Current and Future Focus Areas

- Improved recycling at stores
- Miladys and mrpMoney
- The other 20% at the MRPG Head Office
- Packaging assessments in other divisions



thank you

Kim Burgess Sustainability Coordinator ⊠: <u>kburgess@mrpg.com</u> ☎: 031 310 8049