

To: All customers of Rubicon

27 January 2023

RE: Notice of EPR Regulations Compliance

Dear Valued Customer,

As South Africa increasingly looks to renewables to help address the country's chronic energy crisis, the solar industry must ensure that the right systems are in place to manage the disposal or recycling of increasing volumes of equipment reaching the end of its lifecycle, in an environmentally responsible manner.

This requirement is not only best practice for sustainability, but is an obligation imposed upon the industry via the Department of Environment, Forestry and Fisheries' (DFFE) Extended Producer Responsibility (EPR) Regulations. These regulations place the responsibility for managing the recycling of various types of electronic goods on the importer of such goods (or the manufacturer, if locally manufactured), and the recovery of waste management costs from the end user of such products.

It should be noted that extended producer responsibility regulations are not a new concept – similar waste management regulations are commonplace in developed markets such as the UK and Europe. In South Africa, the plastics, paper and packaging market has been subject to such regulations for some time already. The EPR Regulations governing the electronic goods market in South Africa (which includes solar and lighting products) was introduced into law in November 2021.

To achieve full compliance with this law, Rubicon has implemented new processes with regards to electronic waste disposal and end-of-life management of the goods which we sell. We now have a means to recycle our inverters, batteries and solar panels in an ethical and environmentally friendly way. This recycling comes with costs which are based on the weight of the product, and which are determined independently by the DFFE in consultation with industry bodies.

From 1 February 2023, these costs are required to be included on customer invoices as a separate line item, as per legislative guidelines. This, of course, will slightly increase the price of selected items but will enable all inverters, batteries, and solar panels that are purchased from Rubicon to be returned to us for safe disposal at the end of their useful life. This is a value-added benefit to you our customers, as it removes the administrative burden of self-recycling or self-compliance, and gives you peace of mind that all batteries, inverters, and solar panels purchased from Rubicon will ultimately be recycled or disposed of in an environmentally conscious and sustainable manner, without any obligation on you.

Rubicon is proud to be one of the first fully EPR compliant energy companies in South Africa. Our commitment to sustainability is now extending beyond energy generation to the entire value chain, helping to ensure a greener future.

Regards,
Rubicon Management