

PROGRESS AGAINST OUR WAR ON WASTE ENVIRONMENTAL COMMITMENTS

2020 target	FY2019 performance
50% reduction in our energy use per square metre (2008 baseline)	36.9%
25% reduction in our CO₂ emissions per square metre (2015 baseline)	6.4%
20% reduction in the amount of food waste we send to landfill (2015 baseline)	11.4%

REDUCING FOOD WASTE

Food waste is one of the most vital social, economic and environmental issues facing our planet.

There is a huge opportunity to reduce hunger levels in South Africa by effectively managing excess food and redirecting safe edible food for human consumption rather than sending food waste to landfills. This is a strong focus for Pick n Pay. In 2015, we set goals to deliver significant shifts in waste reduction by 2020, including diverting 20% of our food waste from going to landfill. We have partnered with various organisations to meet this goal. We are getting more accurate in our procurement and replenishment, and we are steadily reducing the amount of food which goes to waste in our stores. Any food that has passed its sell-by date, but not its expiry date, is donated. Our donation of more than 1 600 tonnes of food every year to NGOs reduces our carbon footprint by more than 5 000 tonnes each year. Details about our collective efforts in partnership with FoodForward SA to target hunger are provided on page 44.

BEING WATER WISE

South Africa is a water-scarce country and the steady decline in the availability and quality of water is heightening water security as a social and business risk.

The prolonged droughts in recent years have had a severe impact on farmers and communities throughout South Africa. In the Western Cape, which experienced its worst drought in 2018 since 1904, we engaged with our fresh produce suppliers to evaluate the potential impact the drought might have on our supply chain. We implemented diverse water-saving initiatives as well as water awareness campaigns for our staff and customers. We achieved and have maintained a 40% reduction in our water usage in the Western Cape. Interventions at stores included installing water tanks, aerators and restrictors that reduce the water flow, and online water meters. We are rolling out real-time monitoring and leak detection to all our stores nationally. Outside our operations, our contribution to promoting water resilience in communities is reviewed on page 45. In FY2019 we consumed an estimated 1 128 megalitres of water, in line with last year (FY2018: 1 161 megalitres). Pick n Pay was one of the best-performing retailers globally in the 2018 CDP water disclosure, with a B rating. We tied with Sainsbury's as the best-performing food retailer in the water category.

In addition to our focus on reusing plastic, we have various initiatives supporting our commitment to recycling and reusing. We provide collection points for customers wishing to recycle light bulbs, batteries, plastic bags and ink cartridges, and we continue to introduce enterprising recycling initiatives, many of which create opportunities for employment.

As examples of our initiatives and outcomes, this year we sold 300 000 items of clothing that included recycled content in our Ladies' leggings, kids' fleece tops, men's track suits and pullover ranges. Used cooking oil from our stores was used locally to manufacture 300 000 litres of biodiesel in FY2019. During the past year, we recycled 4 800 tonnes of waste in our reverse logistics project. The project involves Pick n Pay trucks transporting recyclable materials from stores back to our distribution centres to be recycled. Our ongoing support of the Phahama Project in Gauteng provides tricycles, clothing and training to informal recyclers. We measure the amount of recycling we do and have significantly increased levels in all areas. In FY2019 we recycled a total of 17 100 tonnes of store waste, accounting for 50% of waste generated at stores. This comprised:

A DECADE OF PARTNERING WITH TOWNSHIP PATTERNS

Since 2009, we have proudly partnered with Township Patterns, a women-owned cooperative operating in the Western Cape that employs more than 70 women. To date it has supplied Pick n Pay with more than a million reusable bags made from non-genetically modified cotton. Bag sales over the last three years have generated R2.4 million in commission for the cooperative. The partnership continues to grow and unlock opportunities to deliver positive outcomes.



 **15 211 TONNES**
of paper and cardboard

 **138 TONNES**
of organic waste (composting)

 **18 TONNES**
of metal

 **1 738 TONNES**
of plastic

 **67 TONNES**
of glass

 **2 TONNES**
of e-waste