

Strategy and objectives

Mpact's strategy aims to create value for stakeholders over the long term.

The core pillars of our strategy are:

Leading market positions

We aim to develop and selectively grow our leading market positions in rigid plastics, paper-based packaging and packaging paper in sub-Saharan Africa. We will grow by extracting value through business and operational management expertise as well as product application, design and market knowledge.

Customer focused

We will further develop our established manufacturing and service footprint to deliver superior solutions to our customers, underpinned by:

- A decentralised structure reflecting management depth and experience at all levels.
- Innovative customer-focused product offerings.
- Leading market positions that enable us to achieve sustainable cost-effectiveness through economies of scale.

Focus on performance

We will focus on performance through effective business excellence programmes and sound asset management, enabling us to sustainably:

- Provide our customers with quality products and services worth their price.
- Retain a motivated and skilled workforce.
- Deliver good returns to our shareholders.

The key principles underlying each strategy pillar are expanded upon in the following table:

 Leading market positions	 Customer-focused	 Focus on performance
<p>Scale</p> <ul style="list-style-type: none"> Maintain leading market positions in chosen geographies with scale to enable competitiveness at a decentralised level May consider entry below leading market position but always considering sectors where there is potential to lead in future 	<p>Decentralised structure</p> <ul style="list-style-type: none"> Customer-centric Responsive Accountable Flexible Leverage parenting advantage wherever possible Effectively execute differing strategies or even hybrids across business units 	<p>Financial returns</p> <ul style="list-style-type: none"> ROCE and profitable growth Disciplined capital allocation and spending Re-investment and capital allocation based on track record Stringent and continuous cost management Long-term view of investments Effective risk management and governance
<p>Capability</p> <ul style="list-style-type: none"> Invest in sectors where Mpact has sustainable competitive advantages or at least has the prospect of developing them 	<p>Innovation and capability</p> <ul style="list-style-type: none"> Applied to products and processes internally and externally Use of own R&D capabilities where feasible Investing to meet new and emerging demands of customers with good returns 	<p>Skilled and motivated people</p> <ul style="list-style-type: none"> Invest in support of management with a track record Reward performance and results and appreciate effort Commit resources to proactive training and development of staff Safety
<p>Products and geographies</p> <ul style="list-style-type: none"> Rigid plastics and paper-based packaging in sub-Saharan Africa 	<p>Intimate understanding of the Value Chain</p> <ul style="list-style-type: none"> Engage customers and other stakeholders to improve supply chain efficiency and anticipate changing requirements Product specification bodies, marketing and branding people, key distribution networks Make partnerships work 	<p>Sustainable practices</p> <ul style="list-style-type: none"> Responsible environmental management Contributing to social upliftment in the areas in which we operate Rigorously pursuing the highest ethical standards in governance

Specific strategic goals have been developed for the businesses and these are set out in detail in the respective operational reviews.

Anticipating customer needs

Mpact's customer-focused strategy is built around premium quality products and developing long-term relationships with our major customers to understand their business. We aim to anticipate their needs and create innovative packaging solutions leveraging our well-established research and development function.

Our company slogan challenges us to create Smarter, Sustainable Solutions and we work closely with customers to

develop and test products tailored to their specific requirements. Innovation centres at our operations focus on structural and graphic design, and value-added services. Our plastics design studio creates new designs and makes prototype forms for the development of new plastic containers.

Our ongoing commitment to innovation looks beyond incremental improvements to existing packaging to identify game-changing solutions and new product

classes. This deepens our relationships with industrial and agricultural customers and the range of packaging options we can offer has increased significantly. Customers are increasingly seeing the benefits of paper-based packaging as an environmentally-friendly alternative and the family sharing meal carton we developed for Fishaways was recognised with a Gold Award for Sustainability at the 2018 Gold Pack Awards for its cost-effective and fully-recyclable design.