

STRATEGY AND OBJECTIVES

Mpact's strategy comprises three core pillars supported by key principles that aim 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

Scale

- 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

Capability

- Invest in sectors where Mpac has sustainable competitive advantages or at least has the prospect of developing them

Products and geographies

- Rigid plastics and paper-based packaging in sub-Saharan Africa



CUSTOMER-FOCUSED

Decentralised structure

- Customer-centric
- Responsive
- Accountable
- Flexible
- Effectively execute differing strategies or even hybrids across business units

Innovation and capability

- 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

Intimate understanding of the Value Chain

- 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



FOCUS ON PERFORMANCE

Financial returns

- 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

Skilled and motivated people

- 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

Sustainable practices

- Responsible environmental management
- Contributing to social upliftment in the areas in which we operate
- Rigorously pursuing the highest ethical standards in governance