

Social responsibility: Being a responsible corporate citizen

Mpact is committed to sound business practices, and we believe that ethical behaviour and responsible conduct are essential to all our endeavours. We believe that responsible business includes embracing and creating value for the communities in which we operate, and we regard community engagement and socioeconomic development as both a business imperative and a cornerstone of sustainable business practices.

As the largest paper and plastics packaging and recycling group in Southern Africa, Mpact has a key role in closing the loop on the circular economy. Recycling has important social and environmental benefits including diverting recyclable paper, paper-based packaging and plastic away from landfills, creating jobs for waste pickers, replacing virgin fibre from trees with recycled fibre in the paper-manufacturing process, reducing GHG emissions and preventing the incineration of recyclable paper.

Corporate social investment

Mpact's corporate social investment (CSI) initiatives support socioeconomic development in local communities and aim to build self-esteem, dignity and the will for change. We focus on supporting education, health, entrepreneurship and enterprise development as we believe these areas maximise our positive impact.

Mpact allocates a minimum of 1% of Group net profit after tax to CSI initiatives. The divisional CSI budget is allocated from head office and operations choose the projects they support in their local communities. The Group invested R11.8 million in CSI programmes in 2022 (2021: R11.8 million).

Community projects

Mpact operations are active in their local communities to implement CSI projects, other initiatives and campaigns to raise awareness of the importance of recycling.

Mpact Paper

Recognising that tertiary education can provide an important gateway to employment, in 2022 the **Felixton Mill** launched a financial assistance programme, which pays the registration fees for community members wanting to apply to study at tertiary education institutions. This gives local students access to often expensive registration fees, frequently outside of the affordability of their families. A cap of R10,000 per applicant has been set, with no criteria other than that the applicant must be from the mill's neighbouring communities and must have been accepted to study at the tertiary institution in question. There is also no stipulation regarding what course students register to study for. Once accepted at the institution, students will need to apply for a bursary from another institution or for financial assistance from the National Student Funding Aid Scheme (NSFSAS). The mill is targeting students around the 19 local wards.

The mill also continues to strengthen its relationship with the local Madlebe Tribal Authority; and this year enrolled community members for a two-week skills programme with a local training institution, which comprises of hand tools, power tools, basic rigging/slinging/lifting of loads, basic fire fighting, manual handling and gas cutting. These are the essential skills required by the local industry during maintenance shuts. Upon completion, the community members were issued with certificates enabling them to be employable and have a meaningful participation in the economy. The learners who successfully completed the training were used during the scheduled shut at the mill.

University registration fees for community members



Social responsibility: Being a responsible corporate citizen (continued)

Mpact Paper (continued)

- The **Felixton Mill** donated food packages to **Umusawenkosi Orphanage** located in kwaMthethwa reserve in Empangeni, and also commemorated the World Aids Day on with a Wellness Day for the local community of Iniwe in KZN. Several partners which included LIFE Occupational Health, the Department of Health, KwaZulu Private Ambulance Service and the non-government organisation, Espanini, joined the days' proceedings. The event was well attended by the community who were addressed by health professionals on topics such as HIV/ Aids, coronavirus, circumcision, breast and prostate cancer. Stations were setup for health screening where the community members were screened for hypertension, diabetes and HIV. A mobile COVID-19 vaccination clinic was also on-site for community members who needed to get vaccinated. Over 100 community members were in attendance and all of them went for health screening with 24 people opting for a COVID-19 vaccination.
- The mill's **Transformation Committee** this year engaged with local vegetable market gardeners giving them a four-hectare plot of non-operational land to use to grow vegetables on for subsistence purposes and sell some at the local market as a source of income. In addition, they are given the opportunity to sell their vegetable produce at the mill gate entrance to employees once a month. The mill handed over an Mpact composter and various seedlings to the gardeners to stimulate the gardening initiative
- **Felixton Mill** also built a multi-purpose facility with ablutions, storeroom and kitchenette for **Amile Amazulu Foundation**. The facility will be utilised daily by local children from child-headed homes as a library, recreational centre and a soup kitchen.
- Our **Mkhondo Mill** supports the **Asibambisane Impact Platform**, a programme aiming to activate communities towards restoration, resilience and growth through capacity building and entrepreneurship. Through this programme, community organisations are able to access a web-based skills portal to receive soft skills training. Furthermore, youth entrepreneurship is a core initiative. Twenty young entrepreneurs were recruited for the first round of training, all of whom have started business and are now participating in practical sessions where they are guided in developing a business model and to pitch to potential investors.
- The **Mkhondo Mill** also assists nearby communities to become self-sufficient by equipping them with meaningful skills, having identified **sewing training** as far back as 2014 as one of the initiatives that could be implemented to help alleviate poverty in the area. Having appointed a third party to facilitate the three-year course, over the years we have witnessed people completing their training and using their skills to earn a living, donating additional equipment to help them kick-start their journey of self-sustainability. There are currently plans in place to assist with registering a sewing company and to help these women become efficient entrepreneurs by providing them with financial training and business management skills to help grow their businesses and so provide more jobs for the community.
- Also, at **Mkhondo Mill**, there is a **summer holiday programme** in place to provide field work opportunities for local engineering students. Students are exposed to manufacturing plant processes and potential challenges that require problem-solving. This is aimed at having them focus on the first engineering principle of decision making. In addition to cultivating their own creativity and innovation, students are taught practical methods to integrate theory which they learn at university with established standards for decision-making applicable in industry. In 2022, two students Judhai Reins, a third-year electronics student at the University of Stellenbosch and Malibongwe Dube, a third-year mechanical engineering student from Wits University, participated in the programme which has amongst other deliverables, the requirement that students end their training periods with boardroom presentations offering solutions to certain plant issues as well as business case summaries.

Over 100 community members of Iniwe in KZN attended a Wellness Day for health screenings.

Four-hectare plot of non-operational land to grow vegetables.



Mpact Recycling

The **Mpact Recycling schools programme** was adversely affected by the COVID-19 pandemic as schools adopted online learning and rotational attendance. However, this did not deter Mpact from continuing to raise recycling awareness in schools and Ronnie Recycler remained active. Mpact adapted its awareness programmes by educating learners through online Ronnie Recycler videos in 2021.

Further to this, the schools competition was rolled out across Gauteng, KZN and the Western Cape. Building on the success of its Schools Recycling Competition for the last few years around the country, Mpact Recycling honoured schools that demonstrated consistent commitment to the initiative and increased their recycling figures significantly every year.

The competition, which runs every year, encourages nursery schools, primary schools and high schools in Gauteng (including Pretoria and Midrand), KZN (including Richards Bay) and the Western Cape to collect as much recyclables as possible. The schools are paid per tonne collected, which they can use to fund various school initiatives such as creating vegetable gardens, painting classrooms or buying books.

Mpact Recycling's mascot, Ronnie Recycler, has been published. To coincide with **International Children's Book Day** on 2 April 2023, Mpact Recycling partnered with Qualibooks, a small publisher who shares our vision of making recycling a good habit from an early age. In the Miss Sibiyi's Clever Kids' series, Ronnie Recycler partners with Miss Sibiyi and her class to show them how recycling keeps the earth clean and healthy. The children learn about the three R's of recycling and how to create an exciting toy from the waste materials that cannot be recycled.

To get a copy of the book "Recycling Heroes" visit the website: www.kibooks.online



Mpact Paper Converting

Paper Converting, **Mbombela** reached out to two orphanages during the Christmas season last year in the Santa Shoe Box project. Gifts were handed to children at **Bettie's Haven** in Nelsville and **Michael Children's Village** in Plaston. Each gift box contained stationery, toiletries, an outfit for Christmas, sweets and a toy. The operation also supported an orphanage in **Kamagugu**, the **SOS Children's Village Nelspruit**, which accommodates over 65 children between the ages of two and 21. The village comprises nine houses and children live in groups of eight or nine in each house with a caretaker. The team delivered various donations and also fixed broken furniture at some of the houses.

Detpak has supported the **Umbuyisa School of Arts** for over five years and in 2022 invited the school to showcase the skills of its learners by redesigning Detpak's sample room based in Aeroton. The chosen artist, **Sabelo Mgenge**, painted a beautiful mural of hands holding the earth with Detpak's slogan 'Responsible By Design' under it. This design was chosen because it resonates with Detpak's philosophy of taking care of the environment.

Paper Converting, **Kuils River team** has committed to purchasing supplies once a month for local **Kalkfontein Primary School**, since 2020. Items such as maize meal, samp, beans, rice, pilchards, sugar, dried as well as fresh vegetables etc. are sourced and bought by the Mpact CSI team and delivered to the school once a month. The school is able to cater for more than 40% of learners.



Bettie's Haven and Michael Children's Village in Plaston caters for children between the ages of two and 21.

Detpak has supported the Umbuyisa School of Arts for over five years.



Kuils River team committed to purchasing supplies for local Kalkfontein Primary School since 2020.

Social responsibility: Being a responsible corporate citizen (continued)

Mpact Plastics

- **Plastics Wadeville** hosted a charity event for employees to support the **Siyakholwa Support Care Centre**, with all proceeds raised donated to the organisation.
- **Plastics Wadeville** also identified **Vumbeni Primary School** for their annual painting school drive, to help improve the look and feel of the facilities. The school has also been adopted by the team for further requirements going forward.
- **Mpact Versapak** employees form part of the volunteers from Fisantekraal and surrounding communities who participate in a clean-up operation every year to remove waste that flows into the Mosselbank River. The clean-up, organised by **Mosselbank River Conservation**, marked World Clean-Up Day. The Mosselbank team tackled environmental issues in the Greenville and Fisantekraal communities. Volunteers remove solid waste such as plastics, papers, tins and bottles from the river once a month to prevent blockages and harm to the ecosystem.
- **Plastics Atlantis** employees pulled up their sleeves and went the extra mile for needy children. They visited **Saxon Sea Primary School** where they treated learners with a sandwich and at the Grosvenor Primary School they donated reusable water bottles. The team had great fun working together and was pleased with the impact they made on the lives of many children.



Volunteers remove solid waste such as plastics, papers, tins and bottles from the river to **prevent blockages and harm to the ecosystem.**