

# 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:

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

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