

Waste Policy

Introduction

Reducing waste is a core component of our sustainability strategy. According to estimates, up to 30% of food produced goes to waste, resulting in significant economic, environmental, and food security impacts. Sending waste to landfill also contributes to global warming and results in wasted resources such as water, labour and energy.

There is an opportunity to reduce hunger levels in South Africa by effectively managing excess food and redirecting safe, edible food for human consumption rather than sending it to landfill. We have partnered with various organisations to meet this goal and are becoming more accurate in our procurement and replenishment, steadily reducing the amount of food that goes to waste in our stores. We are actively working toward increasing the recycling and recoveries we do at store level, and thereby diverting as much general waste from landfill as possible.

Pick n Pay is a member of the international 10x20x30 initiative and is a founding member of the Consumer Goods Council's South African Voluntary Food Waste Initiative. Through these initiatives our aim is to extend our impact beyond our own operations and positively impact our broader value chain.

This policy document covers the work Pick n Pay is doing to reduce food waste as well as our efforts to increase diversion of general waste from landfill and increase the recycling of cardboard, plastic, metal and glass that we do at stores.

PICK N PAY HAS THE FOLLOWING FOOD WASTE AND RECYCLING TARGETS

- To reduce food waste produced in our operations by 50% by 2030*
- To work with 20 of our largest suppliers to reduce food waste in our shared value chain by 50% by 2030
- To divert 75% of general waste produced in our operations from landfill by 2025 through recycling and recoveries
- To donate 3000 tonnes of excess food per year to charities by 2025

OUR STRATEGY

We have a four-tiered approach to managing waste:

1. Reducing waste generated in our supply chain

- 2. Reducing waste generated in our operations**
- 3. Diverting waste from landfill**
- 4. Increasing consumer awareness**

Reducing waste in our supply chain:

- Pick n Pay was the first South African retailer to sign up to the international 10x20x30 initiative which brings together 10+ of the world's largest food retailers, each engaging at least 20 suppliers to halve food loss and waste by 2030
- We will work closely with our largest suppliers and the World Resources Institute (WRI) to ensure that food waste is reduced and minimized in our supply chain

Reducing waste in operations:

- Optimizing our ordering and handling process and ensuring cold chain management
- More accurate demand planning
- Reducing the prices of products in store as they get closer to their sell-by date via the 'reduced to clear' policy
- Improving the accuracy of our waste data by quantifying food waste in line with the WRI Food Waste and Loss Protocol

Diverting waste from landfill:

- Recovering cardboard, paper, glass, and plastic waste through separation at source and partnering with waste management companies and recyclers to ensure that these materials are recycled
- Any food that has passed its sell-by date, but not its expiry date, is donated to our NGO partner organisations, which is then re-directed to people in need
- Recovering fats and oils generated in food preparation processes and turning them into biofuels
- Exploring and trialling new technologies including anaerobic digestion for capturing nutrient and energy value from food waste
- Using analytics to improve the benchmarking our stores on their recycling performance

Increasing consumer awareness:

- Providing in-store recycling services in selected stores
- Educating 2 million learners and their teachers about recycling through the Pick n Pay School Club Programme
- Raising awareness through regular beach and inland clean-ups
- Educating our customers through our marketing channels about the importance of minimizing food waste



SUSTAINABILITY POLICY DOCUMENT



*Pick n Pay had set its own initial internal target to reduce food waste by 50% by 2025, this target was adjusted in 2021 - from 2025 to 2030 - due to the impacts of Covid, increasing loadshedding and alignment with the WRI 10x20x30 target