

## Pick n Pay 2017 Pick n Pay Communication on Progress

The below report presents our response and alignment to the United Nations Sustainable Development Goals (SDGs)

<p><b>2</b> ZERO HUNGER</p> 	<p>SDG 2030 GLOBAL TARGET <b>NO ONE WILL GO HUNGRY ANYWHERE IN THE WORLD</b></p>	<p><b>WHAT WE ARE DOING TOGETHER WITH OUR PARTNERS</b></p> <ul style="list-style-type: none"> <li>• We donate more than <b>2 000 tonnes</b> of surplus food to FoodForward SA per year, which is used to make <b>20 000 meals</b> every day for those in need. Page 23</li> <li>• Since 2013 the PnP Ackerman Foundation has worked with communities across <b>62 municipalities</b> in the establishment of <b>362 community food gardens</b>, enabling <b>4 000 families</b> to feed themselves. Page 32</li> </ul>
<p><b>3</b> GOOD HEALTH AND WELL-BEING</p> 	<p>SDG 2030 GLOBAL TARGET <b>REDUCE DEATHS THROUGH NON-COMMUNICABLE DISEASES SUCH AS HEART ATTACK, OBESITY AND DIABETES</b></p>	<p><b>WHAT WE ARE DOING TOGETHER WITH OUR PARTNERS</b></p> <ul style="list-style-type: none"> <li>• <b>Reduced salt</b> content in <b>96</b> private label products. Page 16</li> <li>• Launched new PnP <b>"Live Well"</b> and <b>"Free From"</b> brands with specific nutrition or health attributes. Page 16</li> <li>• <b>PnP HealthyFood™</b> programme offers discounts to Vitality members. Page 17</li> </ul>
<p><b>4</b> QUALITY EDUCATION</p> 	<p>SDG 2030 GLOBAL TARGET <b>ALL BOYS AND GIRLS WILL HAVE ACCESS TO QUALITY EARLY CHILDHOOD DEVELOPMENT, PRIMARY AND SECONDARY EDUCATION</b></p>	<p><b>WHAT WE ARE DOING TOGETHER WITH OUR PARTNERS</b></p> <ul style="list-style-type: none"> <li>• The PnP Schools Club works together with HDI Youth Marketeers in the provision of educational resources to <b>3 025 local schools</b>, reaching <b>5.7 million learners, teachers and caregivers</b></li> <li>• Launched a pilot project called Sifunda Ngokuthetha ('We learn by talking together') at one store, <b>turning the store into a learning centre</b>. Page 33</li> <li>• Every year, the partnership between Pick n Pay and SANParks allows <b>5 000 children</b> the opportunity to visit National Parks through the Kids in Parks Programme</li> </ul>
<p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p> 	<p>SDG 2030 GLOBAL TARGET <b>EVERYONE WILL HAVE A DECENT JOB</b></p>	<p><b>WHAT WE ARE DOING TOGETHER WITH OUR PARTNERS</b></p> <ul style="list-style-type: none"> <li>• We work with <b>10 000 suppliers</b> in our supply chain with a total procurement spend of <b>R67.7 billion</b>, which provides employment to more than <b>400 000 people</b></li> <li>• We worked with ABSA, the Gauteng Department of Economic Development (GDED), the Old Mutual Foundation and the Masisizane Fund to convert <b>five independent township grocers</b> into thriving convenience stores creating <b>45 jobs</b>. Page 10 and 11</li> </ul>
<p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 	<p>SDG 2030 GLOBAL TARGET <b>WE'LL HALVE GLOBAL FOOD WASTE AND ACHIEVE EFFICIENT USE OF RESOURCES</b></p>	<p><b>WHAT WE ARE DOING TOGETHER WITH OUR PARTNERS</b></p> <ul style="list-style-type: none"> <li>• We worked closely with a number of partners to launch an ambitious food waste composting project, which will process up to <b>4 tonnes</b> of food waste from PnP Stores every day. Pages 24 and 25</li> <li>• BioGreen Diesel has worked closely with Pick n Pay since 2010. Through this partnership, <b>2.3 million litres</b> of used cooking oil have been converted into <b>biodiesel</b>. Page 23</li> <li>• Over the past financial year, we sold <b>1.35 million reusable bags</b> and recycled <b>5 000 tonnes</b> of waste in our reverse logistics project. Page 22</li> </ul>
<p><b>13</b> CLIMATE ACTION</p> 	<p>SDG 2030 GLOBAL TARGET <b>WE'LL STRENGTHEN RESILIENCE AND IMPROVE AWARENESS OF CLIMATE CHANGE</b></p>	<p><b>WHAT WE ARE DOING TOGETHER WITH OUR PARTNERS</b></p> <ul style="list-style-type: none"> <li>• Our partnership with Energy Partners has yielded a reduction in energy intensity of 34% since 2008, generating savings of <b>R1.3 billion</b>. Page 20</li> <li>• We installed <b>low-emission hybrid refrigeration systems</b> at all new and refurbished stores (60 stores to date). Page 20</li> <li>• We installed <b>solar PV</b> at two distribution centres and one major store, with more to come in 2018. Page 20</li> </ul>
<p><b>14</b> LIFE BELOW WATER</p> 	<p>SDG 2030 GLOBAL TARGET <b>WE'LL END OVERFISHING AND DESTRUCTIVE FISHING PRACTICES</b></p>	<p><b>WHAT WE ARE DOING TOGETHER WITH OUR PARTNERS</b></p> <ul style="list-style-type: none"> <li>• Since 2010 we have invested <b>R15 million</b> in the WWF Sustainable Fisheries Programme. Page 8</li> <li>• More than <b>1 500 local fishers</b> have been trained through the Responsible Fishing alliance</li> <li>• <b>83%</b> of all of our products by sales meet our seafood sustainability targets. Page 8</li> </ul>

Our 2017 Sustainable Living Report, including Chairman support of the SDGs are available at: <http://www.picknpayinvestor.co.za/downloads/doing-good/sustainable-living-report/2017/sustainable-living-report-2017-new.pdf>