

# MASSMART

## Frequently Asked Environmental Questions

### **Does Massmart have an environmental policy?**

Yes, the Massmart **environmental policy** recognizes the link between greenhouse gas emissions and climate change, and commits Massmart to a programme of operational, supplier and customer environmental advocacy. All Massmart divisions in Sub-Saharan Africa are required to comply with and report against the policy.

### **Who is responsible for environmental policy at Massmart?**

Environmental policy and objectives are developed by the Group Corporate Affairs Executive in collaboration with the Massmart Sustainability Committee. Divisional Chief Executives have overall accountability for environmental performance in their divisions. Specific responsibilities are documented in the Massmart **Sustainability Responsibilities Matrix**

### **How is environmental performance tracked?**

Environmental performance is tracked at Divisional level by the Divisional Risk Managers who are required to submit annual environmental reports to the Group Corporate Affairs Executive. In addition an independent operational environmental review is conducted by Grant Thornton who also submit their findings to the Group Corporate Affairs Executive.

### **Is Massmart a signatory to and independent environmental charters such as the ICC Charter for Sustainable Development?**

No, Massmart's environmental commitment is based primarily on the environmental principles contained in the JSE-Limited's Socially Responsible Investment Index and the reporting principles defined by the **GRI III Guidelines**.

Massmart also participates in the Carbon Disclosure Project (CDP) reporting process.

### **Has Massmart taken any specific action to reduce the negative environmental impact of the merchandise that it sells?**

Yes, a principle aspect of Massmart's environmental focus involves identifying opportunities to advocate environmentally responsible supplier behavior through the Group's **Eco-wise environmental labeling** programme. The programme encourages suppliers to achieve independently verified environmental accreditation from organizations such as Marine Stewardship Council, Forest Stewardship Council and others.

### **Does Massmart operate take-back schemes for the merchandise that it sells?**

Yes, Massmart has together with Fujitsu Siemens implemented an e-waste take back scheme which is currently being pilot tested in our Makro store in Woodmead. The Group also runs periodic merchandise promotions that incorporate a take back component. Previous **Take back promotions** have included taking back electric stoves as part of a marketing promotion to encourage a switchover to gas and taking back used batteries in a promotion to encourage customer take up of rechargeable batteries. In most instances these promotions include a financial incentive to the consumer.

### **Has Massmart implemented environmental management systems such as supplier screening, objective setting and internal operations audits?**

Yes, Massmart has implemented a variety of environmental management interventions. These include a Legal Compliance Audit by Grant Thornton, **Key Supplier Environmental Survey**, close tracking of the Group's **Carbon Footprint**, maintaining an **Environmental Scorecard**,

setting annual environmental objectives and running **Environmental Training Workshops** for selected employees. These systems typically cover all Massmart divisions.

**Does Massmart publish an environmental report?**

Yes, Massmart reports on its environmental performance and objectives in the **Massmart Sustainability Report** and on this website. The report covers all Massmart divisions.

**Is environmental data verified in any way?**

Yes, quantitative environmental data is verified by the Massmart Internal Audit department which has developed a **sustainability audit process** for this purpose. Certain aspects of the Group's environmental performance are prepared and verified by external organizations, such as **Massmart's Carbon Footprint** which is prepared and reported by Sustbrands. Legislative operational environmental compliance is assessed by Grant Thornton, an independent organization, for all divisions except Masdiscounters.

**What environmental key Performance Indicators does Massmart track?**

Massmart has compiled an **Environmental Scorecard** that comprises indicators such as electrical consumption, carbon footprint, waste disposed, waste re-cycled, supplier environmental partnerships, Eco-wise product endorsements and environmentally focused merchandise promotions.