

FACT SHEET | SPAR'S INTERACTION WITH THE SIX CAPITALS

Capital of value creation	Capital input required to execute our business activities	Capital outputs (increased, decreased or transformed through our business activities)	Find more information and examples of value created through the capitals
Financial capital	We use this capital to procure goods and services, pay salaries and tax, develop new products, invest in facilities or operations, equipment and repairs, and pay our funders and shareholders. We also provide financial capital to our retailers as credit facilities and to assist with store acquisitions or refurbishments.	Changes in the availability and quality of the capital are evident from increased turnover, margins and operating profit. Financial capital is at risk through remuneration increases and wage negotiations, store closures, provisions and penalties. Positive impacts are delivered through efficiencies and cost savings.	Reports from our leaders Why invest in SPAR
Manufactured capital	We use this capital to establish, maintain and operate distribution centres (with cooling facilities, recycling and reclamation plants), warehouses, trucks, forklifts, road and port infrastructures.	We measure our impact through increased distribution centre space, trucks and volumes handled, stores opened, refurbished or closed. New markets, routes and product offerings impact manufactured capital. We reduce our reliance and negative impact on this capital through efficiency, optimisation and consolidation efforts.	Operational reports
Intellectual capital	We use this capital to develop the SPAR strategy, SPAR brand, the guild structure, promotions and marketing campaigns, pricing strategies, "learning journeys" and retailer conferences. It informs our values and culture, board and governance structures, category management capability and joint business planning with suppliers.	We measure our impact through increased sales of house brands, our delivery on strategic outcomes (through the ethics risk assessment), our ability to improve integration between functions, and collaboration between distribution centres and countries. Intellectual capital informs our audit programmes and certifications achieved, as well as the effectiveness of our enterprise risk management rollout.	Strategy and business model Governance
Human capital	We use the skills, capabilities and passion of employees, our management teams and board to execute business activities and form relationships.	We measure our impact through the increase/decrease in total employees, our training spend and access to increased skills. The quality of human capital input is informed by our health and safety measures, the number of injuries sustained, visits to our clinics and employee turnover.	Operational reports Our material relationships

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Social and relationship capital	We use our ability to create and sustain material relationships with key stakeholders (suppliers, retailers, employees, consumers and communities) to create an environment in which to perform our business activities, to partner for further value creation and to ensure a sustainable food network.	<p>We measure our impact through awards, sales volumes, retailers lost, customer satisfaction and market share, corporate social investment contributions, food safety incidents and GUEST programme successes.</p> <p>One of the key measures of success is the sustainability of the emerging farmer hubs.</p>	<p>Our material relationships</p> <p>Operational reports</p>
Natural capital	We use this capital as input of the products we distribute and sell, our properties and the water and energy we use in our operations (including electricity, diesel, fuel and gas).	We mainly decrease this capital through the manufacturing, distribution and consumption of goods. We mitigate this through reclamation and recycling, solar power, reducing the use of plastic, and through the targets set by our carbon reduction framework.	<p>Strategy and business model</p> <p>Operational reports</p>