

W0. Introduction

W0.1

(W0.1) Give a general description of and introduction to your organization.

The SPAR Group Ltd (hereafter referred to as "SPAR" or "the Group") is a warehousing and distribution business listed on the Johannesburg Stock Exchange (JSE) in the food and drug retail sector. Through its voluntary trading model, it services a variety of store formats that are independently and corporately owned. SPAR develops products and concepts as part of its independent retailer support offering. These in-house developed products and concepts are called house brands, showcasing SPAR's innovation and quality at competitive prices. SPAR-branded products are included within in-house brands. These are the products that compete with proprietary brands on shelf. Our purpose is to inspire people to do and be more. This is why we exist and why we want to be the first-choice brand in the communities we serve.

The Group held the following country licences in 2022: Botswana, Mozambique, Namibia, South Africa, South West England, Ireland, Poland, Switzerland and Sri Lanka.

The Group is a member of SPAR International which granted SPAR its South African licence in 1963. The Group, headquartered in Durban, South Africa, has 15 Distribution Centres (DCs) based in 4 countries that serve 4 500 retail stores through 15 store formats.

Of our turnover, 35% is generated in foreign currency. SPAR Head Office is based in Pinetown, Durban, South Africa and provides centralised services to the distribution centres throughout South Africa. SPAR in Ireland, Switzerland and Poland operate as standalone businesses and report through their own governance structures to the SPAR Board.

SPAR Southern Africa has six regional distribution centres, and the Build it (building material imports) and S Buys (pharmaceutical) distribution centres. Distribution centres serve regions from a centralised location and usually consist of warehousing, cold storage and packing stations. Satellite warehousing hubs reduce transport costs on certain routes.

We have a total of 2509 stores in the following formats in Southern Africa: SPAR, SUPERSPAR, KWIKSPAR, SPAR Express, Build it, SaveMor, Pharmacy at SPAR and TOPS at SPAR. We distribute goods to stores with a fleet of trucks and trailers owned by the Group.

We acquire corporate-owned stores as they constitute strategically important sites. These stores are often refurbished and sold to new retailers. In the meantime, they offer the Group a unique opportunity to offer practical retail training and serve as a testing group for experimental products and services.

This CDP report focuses on Southern African operations only.

Note: throughout the report, the term "distribution centres" is often abbreviated to DCs.

W0.2

(W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
Reporting year	October 1 2021	September 30 2022

W0.3

(W0.3) Select the countries/areas in which you operate.

- Botswana
- Ireland
- Mozambique
- Namibia
- Poland
- South Africa
- Sri Lanka
- Switzerland
- United Kingdom of Great Britain and Northern Ireland

W0.4

(W0.4) Select the currency used for all financial information disclosed throughout your response.

ZAR

W0.5

(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.

Companies, entities or groups over which operational control is exercised

W0.6

(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?

Yes

W0.6a

(W0.6a) Please report the exclusions.

Exclusion	Please explain
Stores owned by the SPAR Group	<p>The SPAR Group's focus is on supporting voluntary traders; however, the Group owns a few stores. These stores are purchased primarily to secure key retail sites and are not kept as long-term assets. Therefore, the Group only temporarily owns these stores when there is no immediate sale from one store owner to the next. This results in the Group's organisational boundary changing almost annually. SPAR considers volume of water use in corporate-owned stores compared with the total water withdrawn to be minimal.</p> <p>The SPAR Group's sustainability journey has evolved over time and initially, efforts were focused on facilities, on which water-related issues could have the greatest impact, specifically, the Group's Head Office and distribution centres. Over the past 3 years, the Group has started considering impacts on the corporate owned stores from water-related issues and integrating them into the Group's strategy and risk assessments. The SPAR Group aims to include corporate owned stores in the Group's CDP Water Submission within the next five years.</p>
SPAR Group operations outside of South Africa	The scope of the SPAR Group's disclosure is limited to the Group's operations within South Africa because SPAR operations are predominantly located in South Africa. SPAR in Ireland, Switzerland and Poland operate as standalone businesses and report through their own governance structures to SPAR's Board. The SPAR Group anticipates SPAR businesses outside of South Africa to be incorporated into SPAR CDP Water Response within the next five years.

W0.7

(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, an ISIN code	ZAE000058517
Yes, a Ticker symbol	SPP

W1. Current state

W1.1

(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Important	<p>Affordable and nutritious food is one of the SPAR Group's strategic outcomes, and sufficient availability of good quality water is always important to achieve this strategic outcome.</p> <p>Direct use: Freshwater quality and supply is vital to SPAR's direct operations in stores and distribution centres. SPAR is a food retailer, managing large volumes of fresh produce and prepared food. The Group has to comply with food safety and hygiene requirements and standards for storing and selling food and to ensure clean water usage in refrigeration systems. Therefore, it is vital that current and future water supply and quality is of potable standards. Disruptions to water supply and water quality hold a potential for operational and financial risks to the Group and could incur significant costs.</p> <p>Indirect use: Freshwater quality and supply is important to SPAR's value chain, mainly for the agricultural activities of SPAR's supply chain. SPAR's suppliers need sufficient availability of water to grow and supply produce for SPAR's stores. Insufficient water supply could impact SPAR through increased price of products which SPAR would have to either absorb or pass onto the consumers. The Group has started prioritising suppliers with good water management practices. SPAR suppliers are required to test water quality where necessary to ensure that products meet food safety requirements.</p> <p>SPAR considers importance rating for availability of sufficient amounts of good quality freshwater as 'Important' when insufficient availability could have an impact on business operations and as 'Vital' when it could have a critical impact for continued business operations.</p> <p>SPAR anticipates that future dependency on freshwater for direct and indirect operations is likely to decrease as SPAR has started investing in water efficient technologies and alternative water solutions. The Group is working with suppliers to promote more sustainable farming methods, which encourage reduced water consumption.</p>
Sufficient amounts of recycled, brackish and/or produced water available for use	Important	Neutral	<p>Sufficient quantity and quality of recycled and produced water available for use is important to the Group's business operations but would not necessarily have significant impact on SPAR's suppliers.</p> <p>Direct use: SPAR uses recycled/produced water for washing trucks, in ablation facilities and watering across five out of seven SPAR's distribution centres. The supply and quality of recycled/produced water is important to SPAR's operations as it reduces operating costs and reliance on municipal water sources. SPAR's water efficient technologies (example: adiabatic cooling system) utilise recycled water until water quality becomes too poor, resulting in significant (up to 98% reduction per condenser in adiabatic cooling system) water reductions.</p> <p>Indirect use: Indirect use of recycled/produced water relates to SPAR's suppliers use of grey water in their operations. At this point, SPAR regards importance of recycled/produced water supply and quality to SPAR suppliers as neutral. SPAR has primary and secondary suppliers for all its products. The Group's suppliers are encouraged to uptake recycled/produced water technologies and are assisted with loans.</p> <p>SPAR considers importance rating for availability of sufficient amounts of good quality freshwater as 'Important' when insufficient availability could have an impact on business operations and 'Neutral' is considered when insufficient amounts of recycled/produced water would have a considerable impact on SPAR's business operations but not impact all the Group's distribution centres.</p> <p>SPAR anticipates that future dependency on supply of recycled/produced water will increase as SPAR continues to invest in alternative water solutions and adopt water efficient technologies. The Group is working with suppliers to promote more sustainable farming methods, which encourage reduced water consumption and could lead to increased use of recycled/produced water.</p>

W1.2

(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
Water withdrawals – total volumes	100%	Monthly	Direct monitoring and secondary sources.	This water aspect is measured and monitored for all SPAR's distribution centres and the Head Office. Water withdrawals from municipal water sources are measured and monitored monthly, capturing information from municipal bills. Rainwater, borehole and recycled water usage is measured using a water meter which is placed on the outlet of the rainwater tank, providing combined water withdrawal volumes for rainwater, borehole and recycled water.
Water withdrawals – volumes by source	100%	Monthly	Direct monitoring and secondary sources.	This water aspect is measured and monitored for all SPAR's distribution centres and the Head Office. Water withdrawals from municipal water sources are measured and monitored monthly, capturing information from municipal bills. Rainwater, borehole and recycled water usage is measured using a water meter which is placed on the outlet of the rainwater tank, providing combined water withdrawal volumes for rainwater, borehole and recycled water. Water used for food preparation is tested on an ad-hoc basis by an accredited laboratory to ensure that it is safe to use and meets food safety requirements. SPAR's suppliers are also required to test the quality of water to ensure that products received by SPAR are safe to consume and meets stringent food safety requirements.
Entrained water associated with your metals & mining and/or coal sector activities - total volumes [only metals and mining and coal sectors]	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Produced water associated with your oil & gas sector activities - total volumes [only oil and gas sector]	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Water withdrawals quality	100%	Continuously	Direct monitoring and secondary sources.	As a food retailer, high quality water is of paramount importance. We rely on municipal water being delivered in accordance with the South African National Standards (SANS) 241 Drinking Water Specification. Water quality therefore meets drinking water standards and meets food safety standards. SPAR monitors recycled water withdrawals quality at the Western Cape and Eastern Cape distribution centres, once the water has been through filtration plants on a continual basis. Recycled water which is used for cleaning of trucks, in warehouses and in refrigeration systems is checked visually for high levels of silt as often as the water is utilised for these purposes.
Water discharges – total volumes	100%	Monthly	Secondary sources.	Water discharges volumes are measured for all distribution centres and the Head Office. SPAR measures discharged water volume monthly using estimates included in municipal water bills (estimated as a percentage of municipal withdrawals) as all water discharges are destined for municipal sewage networks. For all distribution centres and the Head Office, discharges are estimated at 90% of total water withdrawal volumes. Discharges are captured as a percentage of combined municipal, borehole and rainwater/recycled water withdrawals volumes.
Water discharges – volumes by destination	100%	Monthly	Secondary sources.	Water discharges volumes are measured for all distribution centres and the Head Office. SPAR measures discharged water volume monthly using estimates included in municipal water bills (estimated as a percentage of municipal withdrawals) as all water discharges are destined for municipal sewage networks. For all distribution centres and the Head Office, discharges are estimated at 90% of total water withdrawal volumes. Discharges are captured as a percentage of combined municipal, borehole and rainwater/recycled water withdrawals volumes.
Water discharges – volumes by treatment method	100%	Monthly	Secondary sources.	Water discharges volumes by treatment method are measured and monitored for all SPAR's distribution centres and the Head Office on a monthly basis. Currently, all wastewater is discharged directly to municipal sewerage system and is then treated at municipal wastewater treatment plants. For all distribution centres and the Head Office, discharges are estimated at 90% of total water withdrawal volumes. Discharges are captured as a percentage of combined municipal, borehole and rainwater/recycled water withdrawals volumes.
Water discharge quality – by standard effluent parameters	100%	Monthly	Secondary sources.	All wastewater is discharged directly to municipal sewerage systems and is then treated at municipal wastewater treatment plants. The quality of the effluent discharge from SPAR facilities is tested on a monthly basis by the agencies responsible the local/ municipal wastewater treatment plants to which the discharge is sent.
Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)	Not relevant	<Not Applicable>	<Not Applicable>	Natural water sources can only manage a limited pollution load. Before a water services institution allowed SPAR to connect to its sewerage system, it considered the effect of effluent discharge based on the quantity and the quality of the effluent discharged to understand the total contaminant load. Every organisation that discharges effluent into a water body (river, stream, lake, and reservoir) must have an authorisation to do so from the Department of Water and Sanitation. The authorisation sets out the types and maximum levels of pollutants that the effluent is permitted to contain. Water Services institutions monitor the effluent discharge by business consumers on a regular basis in order to ensure compliance is maintained on an ongoing basis. However, as SPAR is a retailer (food and staples), the release of nitrates, phosphates, pesticides, and/or other priority substances is not relevant within its direct operations.
Water discharge quality – temperature	100%	Monthly	Secondary sources.	All water discharge enters municipal sewerage systems and is treated at municipal wastewater treatment plants. The temperature of the effluent discharge from SPAR facilities is tested on a monthly basis by the agencies responsible i.e., the local/ municipal wastewater treatment plants to which the discharge is sent.
Water consumption – total volume	100%	Monthly	Secondary sources.	This water aspect is calculated monthly for all SPAR's distribution centres and the Head Office, based on the formula, where water consumption is total water withdrawals minus total water discharges.
Water recycled/reused	100%	Monthly	Direct monitoring and secondary sources.	The SPAR Group has water reuse/recycling systems implemented in five of its distribution centres, specifically, at Western Cape, Eastern Cape, South Rand, KwaZulu-Natal and Lowveld distribution centres. Recycled/reused water is measured separately in South Rand and KwaZulu-Natal distribution centres. For Western Cape distribution, recycled/reused water is measured together with borehole withdrawals. In other SPAR's distribution centres reused/recycled water is measured together with municipal water withdrawals. As part of ongoing SPAR's efforts to improve water data accuracy and completeness, SPAR is in the process of installing meters that will allow measuring recycled water separately in all remaining distribution centres where water recycling systems are installed. Measurements typically occur on a monthly basis.
The provision of fully-functioning, safely managed WASH services to all workers	100%	Yearly	Direct monitoring and secondary sources.	WASH services data is measured and monitored to comply with the Occupational Health and Safety Act and its regulations. This water aspect is managed by each region's risk department and monitored internally and is a subject to regular health and safety audits, according to the requirements established by the Occupational Health and Safety Act. Data is collected for review annually.

W1.2b

(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?

	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Please explain
Total withdrawals	150.5	Much lower	Increase/decrease in efficiency	Lower	Investment in water-smart technology/process	<p>In FY2022, SPAR withdrew 148.26 MI from municipal sources, 0.31 MI from rainwater/recycled water and 1.92 MI from groundwater sources. In FY2021, there was 210.28 MI of total water withdrawals.</p> <p>The Eastern Cape region has been severely impacted over FY2022 due to drought conditions. Gauteng has also been identified as a high-risk area, as there are no local water sources. Therefore, water efficiency and alternative water source solutions were prioritised for these distribution centres (South Rand, North Rand, Eastern Cape distribution centres).</p> <p>Overall, the SPAR Group anticipates total water withdrawals to decrease in future. The Group has implemented a number of water-saving initiatives in all distribution centres to increase water efficiency and reduce water usage and will continue to implement water saving strategies in future.</p> <p>SPAR defines comparison 'lower/higher' when there is <15% change and 'much lower/much higher' when there is ≥15% change.</p>
Total discharges	135.45	Much lower	Increase/decrease in efficiency	Lower	Investment in water-smart technology/process	<p>In FY2022, total discharges were 135.45 MI and in FY2021 total discharges were 189.52 MI. The Group discharges water directly to municipal sewerage systems. Discharged water is treated by local municipalities. For all SPAR's distribution centres water discharges are estimated at 90% of combined municipal, recycled/reused, rainwater and borehole water withdrawals.</p> <p>Since discharges are estimated as a percentage of total municipal withdrawals, a decrease in municipal withdrawals this year has resulted in a decrease in total discharges. For further reasoning as to the decrease please see the previous row.</p> <p>As total discharges are estimated using total withdrawal figures, the SPAR Group anticipates that the Group's total discharges will decrease in future, in line with anticipated reductions in total withdrawals. The Group has implemented a number of water-saving initiatives in all distribution centres to increase water efficiency and reduce water usage and will continue to implement water saving strategies in future.</p> <p>SPAR defines comparison 'lower/higher' when there is <15% change and 'much lower/much higher' when there is ≥15% change.</p>
Total consumption	15.05	Much lower	Increase/decrease in efficiency	Lower	Investment in water-smart technology/process	<p>In FY2022, total consumption was 15.05 MI and in FY2021 total consumption was 21.06 MI. Total water consumption is estimated using CDP's definition wherein total water discharges are subtracted from total water withdrawals. Total withdrawals are much lower this year compared to last year and total discharges have also decreased accordingly, leading to an overall decrease in total consumption.</p> <p>As total consumption is calculated using total withdrawal and total discharge figures, the SPAR Group anticipates that the Group's total consumption will decrease in future, in line with anticipated reductions in total withdrawals and total discharges.</p> <p>The Group has implemented a number of water-saving initiatives in all distribution centres to increase water efficiency and reduce water usage and will continue to implement water saving strategies in future.</p> <p>SPAR defines comparison 'lower/higher' when there is <15% change and 'much lower/much higher' when there is ≥15% change.</p>

W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress, provide the proportion, how it compares with the previous reporting year, and how it is forecasted to change.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Identification tool	Please explain
Row 1	Yes	76-99	Higher	Increase/decrease in efficiency	About the same	Increase/decrease in efficiency	WWF Water Risk Filter	<p>The SPAR Group has identified that 4 facilities (out of 8) are from areas of water stress, namely:</p> <ol style="list-style-type: none"> 1. Eastern Cape - DC 2. North Rand - DC 3. South Rand 4. Western Cape - DC <p>Based on the volume of water withdrawn in a stressed area compared to the total volume for company-wide withdrawals, resulted in a value of 87% in FY2022 compared to 70% in FY2021. The volume of water withdrawals was almost the same across the years, except there was a lower total volume of company-wide withdrawals in FY2022 thus resulting in a higher percentage.</p> <p>The threshold of water stress was derived using the WWF Water Risk Filter wherein water scarcity is equal to/greater than risk score 3, which is based on a multi-model approach including global risk indicators of: water depletion, baseline water stress, blue water scarcity, and available water remaining (AWARE).</p> <p>Data was based on the location of facilities as the exact location of all withdrawal sources are unknown and assumed to be in the same water basin.</p>

W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	0.31	Much lower	Increase/decrease in efficiency	<p>In FY2022, SPAR withdrew 0.31 MI from rainwater/recycled water compared to 0.39 MI in FY2021 i.e., -20.87% change between FY2021 and FY2022.</p> <p>The Eastern Cape region has been severely impacted over FY2022 due to drought conditions. Gauteng has also been identified as a high-risk area, as there are no local water sources. Therefore, water efficiency and alternative water source solutions were prioritised for these distribution centres (South Rand, North Rand, Eastern Cape distribution centres). Furthermore, SPAR has a target to increase the installation of water efficient technology, thus, initiatives to meet this target have contributed to lower water withdrawals in FY2022.</p> <p>SPAR defines comparison 'lower/higher' when there is <15% change and 'much lower/much higher' when there is ≥15% change.</p>
Brackish surface water/Seawater	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	SPAR does not withdraw water from this source.
Groundwater – renewable	Relevant	1.92	Much lower	Increase/decrease in efficiency	<p>In FY2022, SPAR withdrew 1.92 MI of borehole water compared to 3.91 MI in FY2021 i.e., -50.91% change between FY2021 and FY2022.</p> <p>The Eastern Cape region has been severely impacted over FY2022 due to drought conditions. Gauteng has also been identified as a high-risk area, as there are no local water sources. Therefore, water efficiency and alternative water source solutions were prioritised for these distribution centres (South Rand, North Rand, Eastern Cape distribution centres). Furthermore, SPAR has a target to increase the installation of water efficient technology, thus, initiatives to meet this target have contributed to lower water withdrawals in FY2022. There was also a high usage of borehole water for main warehouse floor washing in SPAR's distribution centres in FY2021.</p> <p>SPAR defines comparison 'lower/higher' when there is <15% change and 'much lower/much higher' when there is ≥15% change.</p>
Groundwater – non-renewable	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	SPAR does not withdraw water from this source.
Produced/Entrained water	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	SPAR does not withdraw water from this source.
Third party sources	Relevant	148.26	Much lower	Increase/decrease in efficiency	<p>In FY2022, SPAR withdrew 148.26 MI of municipal water compared to 206.28 MI in FY2021 i.e., -28.12% change between FY2021 and FY2022.</p> <p>The Eastern Cape region has been severely impacted over FY2022 due to drought conditions. Gauteng has also been identified as a high-risk area, as there are no local water sources. Therefore, water efficiency and alternative water source solutions were prioritised for these distribution centres (South Rand, North Rand, Eastern Cape distribution centres). Furthermore, SPAR has a target to increase the installation of water efficient technology, thus, initiatives to meet this target have contributed to lower water withdrawals in FY2022.</p> <p>SPAR defines comparison 'lower/higher' when there is <15% change and 'much lower/much higher' when there is ≥15% change.</p>

W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	SPAR does not discharge water into fresh surface water destinations.
Brackish surface water/seawater	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	SPAR does not discharge water into brackish surface water or seawater destinations.
Groundwater	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	SPAR does not discharge water into groundwater destinations.
Third-party destinations	Relevant	135.45	Much lower	Increase/decrease in efficiency	<p>In FY2022, total discharges were 135.45 MI and in FY2021 total discharges were 189.25 MI.</p> <p>Since discharges are estimated as a percentage of total municipal withdrawals, a decrease in municipal withdrawals this year has resulted in a decrease in total discharges. For further reasoning as to the decrease please see question W1.2b.</p> <p>SPAR defines comparison 'lower/higher' when there is <15% change and 'much lower/much higher' when there is ≥15% change.</p>

W1.2j

(W1.2) Within your direct operations, indicate the highest level(s) to which you treat your discharge.

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	Primary reason for comparison with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	SPAR only discharges to municipal water treatment systems.
Secondary treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	SPAR only discharges to municipal water treatment systems.
Primary treatment only	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	SPAR only discharges to municipal water treatment systems.
Discharge to the natural environment without treatment	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	SPAR discharges water into municipal sewage systems and then water is treated by relevant local municipalities. SPAR discharges all water to municipal wastewater treatment systems.
Discharge to a third party without treatment	Relevant	135.45	Much lower	Increase/decrease in efficiency	100%	SPAR discharges water into municipal sewage systems and then water is treated by relevant local municipalities. SPAR discharges all water to municipal wastewater treatment systems through the piped sewage infrastructure. For four of SPAR's distribution centres, sewage is billed as 90% of municipal withdrawals, and therefore water discharges were estimated for all sites as 90% of all withdrawals. SPAR complies with the regulatory standards as set out in South Africa's National Environmental Management: Waste Act 59 of 2008.
Other	Not relevant	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	SPAR discharges water into municipal sewage systems and then water is treated by relevant local municipalities. SPAR discharges all water to municipal wastewater treatment systems.

W1.3

(W1.3) Provide a figure for your organization's total water withdrawal efficiency.

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	8628910000	150.5	573349501.66113	The anticipated forward trend is to increase water withdrawal efficiency (i.e., be more water efficient) as the Group continues to implement water-saving initiatives and water storage infrastructure in distribution centres.

W1.4

(W1.4) Do any of your products contain substances classified as hazardous by a regulatory authority?

	Products contain hazardous substances	Comment
Row 1	No	Given the products sold as a food and staples retailer, SPAR does not sell products that contain substances classified as hazardous by a regulatory authority.

W1.5

(W1.5) Do you engage with your value chain on water-related issues?

	Engagement	Primary reason for no engagement	Please explain
Suppliers	Yes	<Not Applicable>	<Not Applicable>
Other value chain partners (e.g., customers)	Yes	<Not Applicable>	<Not Applicable>

W1.5a

(W1.5a) Do you assess your suppliers according to their impact on water security?

Row 1

Assessment of supplier impact

No, we do not currently assess the impact of our suppliers, but we plan to do so within the next two years

Considered in assessment

<Not Applicable>

Number of suppliers identified as having a substantive impact

<Not Applicable>

% of total suppliers identified as having a substantive impact

<Not Applicable>

Please explain

Suppliers/primary growers are currently being surveyed in terms of water information (water savings, consumption, pollution, water conservation) and this will flow into an understanding of supplier's impact on water security within the next reporting period of FY2023.

W1.5b

(W1.5b) Do your suppliers have to meet water-related requirements as part of your organization's purchasing process?

	Suppliers have to meet specific water-related requirements	Comment
Row 1	Yes, water-related requirements are included in our supplier contracts	<Not Applicable>

W1.5c

(W1.5c) Provide details of the water-related requirements that suppliers have to meet as part of your organization's purchasing process, and the compliance measures in place.

Water-related requirement

Complying with a water-related certification

% of suppliers with a substantive impact required to comply with this water-related requirement

<Not Applicable>

% of suppliers with a substantive impact in compliance with this water-related requirement

<Not Applicable>

Mechanisms for monitoring compliance with this water-related requirement

Certification

Response to supplier non-compliance with this water-related requirement

Exclude

Comment

Suppliers need to meet the Global G.A.P. Chain of Custody Standard and receive certification that sets out various control points and compliance criteria for the supply chain from the producer to retail stores. It contains stipulations around potable water quality, blood water and effluent from fish farming and slaughter activities and broader themes of water quality testing, food safety and legal water licensing requirements.

W1.5d

(W1.5d) Provide details of any other water-related supplier engagement activity.

Type of engagement

Innovation & collaboration

Details of engagement

Educate suppliers about water stewardship and collaboration

% of suppliers by number

51-75

% of suppliers with a substantive impact

<Not Applicable>

Rationale for your engagement

The SPAR Group recognises the importance of collective responsibility towards sustainable supply chain. SPAR engages with the Group's fresh produce suppliers that supply for SPAR's House Brand – Freshline. As fresh produce farmers are major water users, SPAR engages with suppliers around water saving practices and sustainable farming methods, providing training and assistance.

With Freshline suppliers there are number of supplier agreements in place. Questions around those suppliers' business operations are not uncommon and suppliers are willing to provide information. Some of house brand suppliers already report to CDP and have information requested by SPAR available.

We continue to make significant progress with our suppliers to source responsibly, reduce waste and implement sustainable farming practices. Our Freshline team, for example, assists local farmers in the Freshline supply chain to adopt more sustainable farming methods.

Impact of the engagement and measures of success

Among the key Group's actions around achieving resilience in the supply chain is training suppliers on sustainable farming methods. Such methods promote water efficiency and increased water retention through better soil management practices, resulting in reduced water usage in comparison to conventional farming practises.

Small scale farmers that supply Freshline through the SPAR Rural Hub receive a variety of training interventions including training in sustainable farming practices which is provided by our in-house technical team.

The success of this engagement is measured by the number of Freshline suppliers that have been trained on sustainable farming methods and SPAR aims to train 100% of SPAR Freshline brand suppliers in these methods in the next two years. To date, 75% of the Group's Freshline suppliers have been trained in sustainable farming methods. All Freshline suppliers adopt Good Agricultural Practices and are Global G.A.P. certified, which incorporates sustainable water consumption and other sustainable agriculture practises.

Comment

W1.5e

(W1.5e) Provide details of any water-related engagement activity with customers or other value chain partners.

Type of stakeholder

Customers

Type of engagement

Innovation & collaboration

Details of engagement

Collaborate with stakeholders on innovations to reduce water impacts in products and services

Rationale for your engagement

Creation of sustainable value for all SPAR stakeholders is one of the SPAR Group's strategic outcomes. SPAR's customers/retailers are among the key Group's stakeholders and engagements with customers are guided by SPAR's sustainability commitment and sustainability goals. Creation of sustainable value for customers/retailers is linked to resource stewardship through improved water management practices and water resilience, and water stewardship has been set out as one of the Group's climate goals.

Impact of the engagement and measures of success

SPAR stores, especially, independent ones, are considered as SPAR's customers. The Group is planning to prioritise water efficient technologies, practices and data management tools in the corporate-owned stores over the next two years. 36% of SPAR stores have been engaged with around green building practices, which include energy and water management. Out of the 36% of SPAR stores, 19% have installed solar PV panels.

W2. Business impacts

W2.1

(W2.1) Has your organization experienced any detrimental water-related impacts?

Yes

W2.1a

(W2.1a) Describe the water-related detrimental impacts experienced by your organization, your response, and the total financial impact.

Country/Area & River basin

South Africa	Mzimvubu-Tsitsikamma
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Type of impact driver & Primary impact driver

Acute physical	Flood (coastal, fluvial, pluvial, groundwater)
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Primary impact

Closure of operations

Description of impact

In April and May 2022, parts of the Eastern Cape and KwaZulu-Natal suffered catastrophic flooding and billions of rands of damage to buildings, roads and infrastructure. Coming relatively soon after the civil unrest in KwaZulu-Natal of July 2021, some SPAR retailers were only just reopening their stores when the flooding event occurred, leading to further store damage. SPAR ensured that all employees and retailers were safe, and provided assistance where needed to ensure that the stores were operational within the shortest possible turnaround time.

Effectively, only nine stores were impacted (four SPAR format stores, four TOPS at SPAR stores and one Pharmacy at SPAR store). Many other stores had to close for a few hours to clean up; however, this did not significantly impact trade as many people were not shopping due to the floods. The worst case was a store that closed for 12 days while cleaning up for reopening. In total, across the region, 22.5 days were lost for trading due to the floods. Individually, the stores also had to deal with employee members unable to arrive at work, loss of electricity and water supplies, etc.

Primary response

Engage with customers

Total financial impact

3461779.5

Description of response

SPAR stores, especially, independent ones, are considered as SPAR's customers. Where stores were badly affected by the floods, the distribution centre made individual agreements such as extended payment arrangements and guild fee relief.

In total, across the region, 22.5 days were lost for trading due to the floods. If SPAR stores were unable to trade, on average R4 615 706 a month in sales could be lost by each store equating to R153 856 per day. Using the 22.5 days that were lost for trading due to the floods, this equates to R3 461 779.50.

W2.2

(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?

	Water-related regulatory violations	Fines, enforcement orders, and/or other penalties	Comment
Row 1	No	<Not Applicable>	

W3. Procedures

W3.1

(W3.1) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?

	Identification and classification of potential water pollutants	How potential water pollutants are identified and classified	Please explain
Row 1	Yes, we identify and classify our potential water pollutants	SPAR conducts site visits and collects data on our South African house brand suppliers' environmental management systems. This includes energy use, transport, GHGs, waste and wastewater, water use, emissions, pollution prevention, and treatment of hazardous substances. This is in line with ISO 14001 standard, internal Group Water Policy and national legislation such as the National Environmental Management: Waste Act 59 of 2008.	<Not Applicable>

W3.1a

(W3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.

Water pollutant category

Microplastics and plastic particles

Description of water pollutant and potential impacts

SPAR has a focus on plastics pollution largely connected to packaging and product use. Potential impacts include GHG emissions associated with plastics ending up in landfills and plastic particles from packaging and products ending up in natural river courses and water bodies having a negative ecosystem and human health impact.

Value chain stage

Supply chain

Product use phase

Actions and procedures to minimize adverse impacts

Beyond compliance with regulatory requirements

Provision of best practice instructions on product use

Please explain

Provision of best practice instructions on product use:

SPAR's approach to packaging includes a circular economy approach when designing packaging that adheres to the standard of providing clear communication on labels regarding recycling and the materials used. SPAR has been involved with other industry leaders to create a clear, collective and commonly accepted approach to On-Pack Recycling Labelling (OPRL) which SPAR endorses.

Beyond compliance with regulatory requirements:

SPAR is one of the founding members of the Pact in South Africa. The Pact aims to create a circular economy that drives investment in infrastructure, supports livelihoods and keeps our environment free of plastic pollution.

Success is measured and evaluated through the suite of plastic-related environmental targets (and its related KPIs) that SPAR has set:

- 100% of plastic packaging to be reusable, recyclable or compostable by 2025.
 - 70% of plastic packaging effectively recycled.
 - 30% average recycled content across all plastic packaging.
-

W3.3

(W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

W3.3a

(W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

Value chain stage

- Direct operations
- Supply chain
- Product use phase

Coverage

Full

Risk assessment procedure

Water risks are assessed as part of other company-wide risk assessment system

Frequency of assessment

More than once a year

How far into the future are risks considered?

More than 6 years

Type of tools and methods used

- Enterprise risk management
- International methodologies and standards

Tools and methods used

- Enterprise Risk Management
- IPCC Climate Change Projections
- Other, please specify (Internal Company methods – Enterprise Risk Management process)

Contextual issues considered

- Water availability at a basin/catchment level
- Water quality at a basin/catchment level
- Impact on human health
- Implications of water on your key commodities/raw materials
- Water regulatory frameworks
- Status of ecosystems and habitats
- Access to fully-functioning, safely managed WASH services for all employees

Stakeholders considered

- Customers
- Employees
- Investors
- Local communities
- Suppliers

Comment

W3.3b

(W3.3b) Describe your organization’s process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.

	Rationale for approach to risk assessment	Explanation of contextual issues considered	Explanation of stakeholders considered	Decision-making process for risk response
Row 1	<p>The SPAR Group’s risk management ability is integral to the achievement of strategic objectives. The Group utilises an Enterprise Risk Management framework to identify, assess, manage and respond to water-related risks and opportunities.</p> <p>SPAR’s ERM framework includes a series of inter-connected processes to identify, assess, prioritise, and respond to risks and opportunities at strategic, functional and operational levels. Climate change and related water risks are considered in the scope of our ERM processes, and has been identified as a key strategic risk for the business, yet there is scope to further integrate water-related risks and opportunities into group risk management processes.</p> <p>Furthermore, SPAR has embarked on a climate scenario analysis process (inclusive of water risks) in response to and in line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations that is based on international standards and methods such as IPCC Climate Change Projections.</p>	<p>All water-related risks are considered in the context of all value chains stages for the SPAR Group, namely direct operations, supply chain and product use phase. The contextual issues considered in W3.3a align with the focus areas covered in the Group’s Water Policy.</p>	<p>Water risks were identified and evaluated as long-term infrastructure failure could negatively affect business and investor relations as well as have a negative impact on retailers, suppliers, consumers and communities as water is a shared resource. Primary water risks assessed and prioritised for the Group and the value chain include reduced water availability in the short-, medium- and long-term and disruptions to business activities associated with reduced water availability.</p>	<p>Managing risks and opportunities:</p> <p>Each risk on the risk register is assigned an executive risk owner, who drives risk management and mitigation at operational level, together with the sustainability team. The Chief ESG Officer, a member of the Risk Committee, drives risk management and mitigation at strategic- and group-level, engaging regularly with the Executive Committee, and reporting quarterly into the Risk Committee. The Risk Committee meets between three to four times a year, and makes quarterly reports to the board and the Social, Ethics and Sustainability Committee, providing updates on risk assessments, the risk register, and progress against the key strategic risk focus areas.</p>

W4. Risks and opportunities

W4.1

(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes, both in direct operations and the rest of our value chain

W4.1a

(W4.1a) How does your organization define substantive financial or strategic impact on your business?

All identified strategic risks are included in the SPAR Group's strategic risk register and risk rated and ranked according to impact categories, with each category having a distinct set of criteria to determine the severity of impact. Each risk is given a ranking on the risk register, based on likelihood and impact criteria. The severity of impact score ranges from (1) insignificant to (7) catastrophic, and the likelihood score ranges from (1) improbable to (6) certain. The Executive Committee make an individual assessment on the likelihood and impact of the risk, and the average score across all inputs determines the final risk rating. All risks are plotted on a risk matrix based on the likelihood and impact scores. A risk is considered to have a substantive strategic impact when the likelihood score is (4-6) and the impact score is (4-7). An environmental incident (including water-related incidents) that would be considered catastrophic to the SPAR Group is an incident that causes disastrous environmental or societal impact with long-term effects (> 12 months) requiring major remediation and will result in large-scale prolonged class-action.

W4.1b

(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	4	51-75	<p>The SPAR Group has identified that 4 facilities (out of 8) are exposed to water risks with the potential to have a substantive financial or strategic impact on the business, namely:</p> <ol style="list-style-type: none">1. Built It DC2. Eastern Cape DC3. KwaZulu Natal DC4. Western Cape DC <p>The WWF's Water Risk Filter is applied, using the country data set. A risk threshold of above 3.4 is applied (high risk and very high risk) for overall basin physical risk (BPH).</p> <p>Note that for the purpose of reporting, our definition of 'facility' is the same as our definition for a site i.e., for which there could be several different types of DCs/ buildings operating in the same location.</p>

W4.1c

(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?

Country/Area & River basin

South Africa	Berg-Olifants
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Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

11-20

Comment

Western Cape distribution centre is located within Berg-Olifants river basin. The % of company's global revenue has been estimated using the total number of cases dispatched as total number of cases dispatched is a representative measure of the distribution centre's contribution to the total SPAR revenue.

Country/Area & River basin

South Africa	Mzimvubu-Tsitsikamma
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Number of facilities exposed to water risk

1

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

11-20

Comment

SPAR's Eastern Cape distribution centre is located within Mzimvubu-Tsitsikamma river basin. The % of company's global revenue has been estimated using the total number of cases dispatched as total number of cases dispatched is a representative measure of the distribution centre's contribution to the total SPAR revenue.

Country/Area & River basin

South Africa	Pongola-Uzimkulu
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Number of facilities exposed to water risk

2

% company-wide facilities this represents

1-25

Production value for the metals & mining activities associated with these facilities

<Not Applicable>

% company's annual electricity generation that could be affected by these facilities

<Not Applicable>

% company's global oil & gas production volume that could be affected by these facilities

<Not Applicable>

% company's total global revenue that could be affected

21-30

Comment

SPAR's KwaZulu-Natal distribution centre and Built It distribution centre is located within Pongola-Uzimkulu river basin. The % of company's global revenue has been estimated using the total number of cases dispatched as total number of cases dispatched is a representative measure of the distribution centre's contribution to the total SPAR revenue.

(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

South Africa	Mzimvubu-Tsitsikamma
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Type of risk & Primary risk driver

Acute physical	Drought
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Primary potential impact

Disruption to sales

Company-specific description

Drought and associated reduced water availability is a risk to the SPAR Group. Climate change projections for South Africa, which is a water scarce country, suggest that more frequent and intense drought events would occur in future. SPAR uses the WWF Water Risk Filter to establish risk exposure to drought in different provinces in South Africa, using the water scarcity indicator. The Eastern Cape, Western Cape and Gauteng provinces have been identified as areas at high risk for water scarcity. Reduced water availability due to drought and potential water supply disruptions pose a significant risk to SPAR's distribution centres located in the Eastern Cape (Eastern Cape distribution centre), Western Cape (Western Cape distribution centre) and Gauteng (North Rand and South Rand distribution centres).

Drought conditions impact SPAR's direct operations in our distribution centres as water is vital for business operations that are central to stock control and distribution. Business continuity interruptions at the distribution centres pose negative knock-on effects downstream to our stores receiving the products and upstream to our suppliers providing the product. Drought conditions at our distribution centres necessitates the increased need for supplemental water.

In 2018, South Africa experienced the worst in 100 years drought, and Western Cape and Eastern Cape provinces were the most affected. Western Cape distribution centre experienced significant water restrictions and water tariff increases during FY2018, which continued into FY2019. While water restrictions have been revised down in FY2022, long-term risk associated with water availability and water cost impacts from drought remains.

Even though, SPAR Eastern Cape distribution centre was acutely affected by drought in FY2021, all SPAR distribution centres and increasingly stores prioritise water efficient and alternative water technologies.

Timeframe

Current up to one year

Magnitude of potential impact

Medium-high

Likelihood

Virtually certain

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

257758.12

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact

SPAR considers that a 5% increase in water tariffs would have a material impact on the operating costs for the business. If current year's average water tariff rate of 34.77 R/kl was 5% higher and was 36.51 R/kl, it would have resulted in total cost of water of ZAR 5 412 920.56 (current cost is ZAR 5 155 162.43), leading to the increased water cost of R257 758.12.

Primary response to risk

Adopt water efficiency, water reuse, recycling and conservation practices

Description of response

All SPAR distribution centres are working to increase resilience to reduced water availability and options for supplemental water supply. SPAR has implemented water efficiency systems which allow to reduce water usage and increase water supply from alternative sources. Additionally, the Group has installed rainwater collection systems/recycling systems in five of SPAR's distribution centres. SPAR has already completed water assessments for two of its facilities, specifically, Western Cape and KwaZulu-Natal distribution centres.

Western Cape distribution centre has installed a borehole to withdraw water from groundwater sources and together with rainwater uses that water to wash trucks, floors and in ablution blocks. SPAR's South Rand distribution centre is currently exploring this alternative water source options.

Western Cape distribution centre has installed an adiabatic cooling system which reduces the amount of water required for cooling by up to 98%. SPAR's Western Cape distribution centre has also installed a water monitoring tool to detect any leaks on site so water wastages can be resolved timeously.

SPAR's Eastern Cape distribution centre has a water system installed which collects water from the ozone system in the NH3 plant and then the distribution centre uses such water to wash trucks and in ablutions facilities. Furthermore, Eastern Cape distribution centre has installed more efficient water condensers, which previously were used in the Western Cape distribution centre. SPAR stores in Eastern Cape installed boreholes and rainwater tanks and is currently installing additional water meters in order to better understand water usage and identify leaks. South Rand distribution centre has a 40 000 litre capacity for water harvesting; this water is collected from the NH3 plant and rainwater.

In FY2021, as the Eastern Cape distribution centre water supply was interrupted due to drought conditions, immediate alternative water had to be sourced through trucking water for ablution facilities and using SPAR stock of bottled water for drinking.

The SPAR Group in line the Group's Sustainability Policy and Water Policy has set water goal of "Installation of Water Efficient Technology", which going forward puts greater emphasis for future technological interventions to be water efficient. These measures are current and was continued to be implemented in FY2022 and beyond as drought becomes more severe and frequent.

Cost of response

1734862

Explanation of cost of response

In FY2022, R10 358 was used to purchase a 200L water tank. Also, in Kwa-Zulu Natal, R 1 285 199 was used for a water recycling plant. Furthermore, R439 305 was spent on a backup water system.

Country/Area & River basin

South Africa	Pongola-Uzimkulu
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Type of risk & Primary risk driver

Acute physical	Flood (coastal, fluvial, pluvial, groundwater)
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Primary potential impact

Disruption to sales

Company-specific description

Flooding is a risk to the SPAR Group. Climate change projections for South Africa suggest increased frequency and intensity of flood and flash flood events. SPAR uses the WWF Water Risk Filter to establish risk exposure to flooding in different provinces in South Africa, wherein flooding risk is greater than 3.4 i.e., high and very high risk. This includes Kwa-Zulu Natal (Built It - DC, Central Office and KwaZulu Natal - DC), Gauteng (North Rand - DC and South Rand - DC) and Western Cape (Western Cape - DC). In FY2022, SPAR experienced a severe flooding event in KwaZulu-Natal during April 2022.

Flooding impacts our direct operations in our distribution centres through: service delivery disruption; damage to physical assets; damage to infrastructure (roads, waterworks, etc.); increased sewage spillage (health consequences for employees and consumers) and increased insurance costs.

Timeframe

1-3 years

Magnitude of potential impact

Medium-high

Likelihood

Very likely

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

3461779.5

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact

If SPAR stores were unable to trade, on average R4 615 706 a month in sales could be lost by each store equating to R153 856 per day. Using the 22.5 days that were lost for trading due to the floods in FY2022, this equates to R3 461 779.50.

Primary response to risk

Engage with suppliers

Description of response

SPAR's strategy is to identify high risk flood areas and mitigate potential impacts on the Group's operations associated with flooding. SPAR has used the WWF Water Risk Filter Data and methodology to identify areas which have the highest risk of flooding, incorporating occurrence of floods and projected change in occurrence of floods risk indicators. Western Cape, KwaZulu-Natal and Gauteng provinces have been identified as areas under high risk to flooding. Information from our Scenario Planning Analysis linked to TCFD has also informed this risk identification and response.

SPAR holds a regional Sustainability Day which is a platform for retailers together with divisional risk teams to discuss water-related issues, such as flooding, identify new water risks and opportunities and share best practices on mitigation actions. Such days have already been held in KwaZulu-Natal province and for the Eastern Cape, which are both high flood risk areas.

Mitigation of potential impacts on the Group's operations includes addressing potential disruptions to the supply chain. SPAR annually engages with suppliers to collect through a questionnaire information around suppliers' sustainability practices, climate risks identification and mitigation actions. Collected information helps SPAR to understand suppliers' preparedness for natural disasters such as flooding and to use their site location to identify areas most vulnerable to flooding. Through this engagement SPAR can mitigate flooding risks by utilising alternative routes, minimising the volume of perishables transported and assisting vulnerable suppliers.

Cost of response

1192023

Explanation of cost of response

The cost of 3 internal staff, including a risk manager, a sustainability manager and a sustainability specialist, amounts to R1 192 023 annually. SPAR anticipates that going forward there will be additional costs from undertaking scenario planning analysis, but this will be fully evaluated at the close of the project expected in 2024.

(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.

Country/Area & River basin

South Africa	Other, please specify (South Africa Water Management Areas)
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Stage of value chain

Supply chain

Type of risk & Primary risk driver

Acute physical	Drought
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Primary potential impact

Other, please specify (Water supply disruption)

Company-specific description

Drought and associated reductions in water availability is a risk to SPAR’s supply chain. Climate change projections for South Africa, which is a water scarce country, suggest that more frequent and intense drought events would recur in future. SPAR uses the WWF Water Risk Filter to establish risk exposure to drought in different provinces in South Africa, using the water scarcity indicator. The Eastern Cape, Western Cape and Gauteng provinces have been identified as areas at high risk for water scarcity.

During the TCFD process, it has been evaluated that drought affects indirect operations (retail outlets) through the following: increased need for supplemental water; increased costs of foodstuffs to both retailers and consumers; job losses in agricultural sector affecting consumer purchasing power.

While supply remained relatively consistent for SPAR’s Freshline Brand, certain produce such as tomatoes and potatoes were a subject to price volatility. Furthermore, SPAR’s Freshline suppliers in Eastern Cape are looking to diversify operations and acquire new farming land in different climatic zones in South Africa.

Timeframe

4-6 years

Magnitude of potential impact

High

Likelihood

More likely than not

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure - minimum (currency)

24517000

Potential financial impact figure - maximum (currency)

49034000

Explanation of financial impact

It is estimated that drought events could lead to an estimated 1-2% decrease in SPAR Southern Africa FY2022 operating profit of ZAR 2 451.7 million, which would amount to between ZAR 24 517 000 to ZAR 49 034 000.

Primary response to risk

Supplier engagement	Promote investment in infrastructure and technologies for water saving, re-use and recycling among suppliers
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Description of response

To mitigate potential drought impacts across the supply chain, the SPAR Group engages with the Group’s suppliers to increase their resilience to reduced water availability. SPAR’s Freshline team assists local farmers in the Freshline supply chain to adopt more sustainable farming methods. To date, SPAR has trained 75% of Freshline suppliers and continues to offer training around sustainable farming. When new suppliers are selected, farmers must demonstrate that they are using sustainable farming practises to be able to supply to SPAR Brands. Currently, all Freshline farmers are required to be GlobalG.A.P. certified which incorporates sustainable water consumption and other sustainable agriculture practises. Additionally, potential new sites for farming development that have more consistent access to water were assessed.

In 2022, SPAR has trained 10 small scale farmers in sustainable farming practices. Three small scale farmers were trained in localg.a.p which is a stepping stone to safe and sustainable agriculture, and is a capacity building program towards GlobalG.A.P Certification. In addition, 7 farmers were trained in GlobalG.A.P. The GlobalG.A.P. Certification includes requirements around sustainable water consumption and sustainable farming practices.

SPAR has also assisted suppliers with R13 400 000 of investment in water efficient infrastructure. SPAR has offered loans for water efficient infrastructure, specifically, for undercover hydroponic lettuce production system, as it enables SPAR’s lettuce producers to mitigate the impacts of climate change and reduce required water for lettuce production. Additionally in 2021 the Group in partnership with our investment partner, Kagiso trust, invested R3.4 million in net house infrastructure and water efficient irrigation infrastructure at 5 farms as part of the Rural Hub programme. The Group’s seeks to increase procurement programmes as far as possible to support water, fertilizer, chemical savings by the Group’s suppliers and make the farming and production process more sustainable. Crops grown under cover(tunnels/net houses) are a big focus for SPAR’s suppliers as they can provide more consistent growing climates and protect crops during extreme climatic events.

Cost of response

3515250

Explanation of cost of response

In 2022, training of small scale farmers on sustainable farming practises, localg.a.p and GlobalG.A.P including 1 technical manager and 3 agricultural advisors cost R1 200 000. Freshline supplier training costs on sustainable farming methods, including 2 internal staff managing Freshline and SPAR House Brands amounts to R2 315 250 annually. This totals R3 315 250.

Country/Area & River basin

South Africa	Other, please specify (South Africa Water Management Areas)
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Stage of value chain

Supply chain

Type of risk & Primary risk driver

Acute physical	Flood (coastal, fluvial, pluvial, groundwater)
----------------	------------------------------------------------

Primary potential impact

Supply chain disruption

Company-specific description

The SPAR Group identifies increased occurrence of flooding events and disruptions to the supply chain as one of the water-related risks. Climate change projections for South Africa suggest increased frequency and intensity of flood and flash flood events. SPAR uses the WWF Water Risk Filter to establish risk exposure to flooding in different provinces in South Africa, using flooding risk indicators.

During the TCFD process, it has been evaluated that flooding impacts our indirect operations in our retail outlets through: service delivery disruption; damage to physical assets; damage to infrastructure (roads, stormwater systems, etc.); increased costs of supply; increased sewage spillage (health consequences for employees and consumers) and increased insurance costs.

In April and May 2022, parts of the Eastern Cape and KwaZulu-Natal suffered catastrophic flooding and billions of rands of damage to buildings, roads and infrastructure. Effectively, only nine stores were impacted (four SPAR format stores, four TOPS at SPAR stores and one Pharmacy at SPAR store). Many other stores had to close for a few hours to clean up; however, this did not significantly impact trade as many people weren't shopping either. The worst case was a store that closed for 12 days while cleaning up for reopening. In total, across the region, 22.5 days were lost for trading due to the floods. Individually, the stores also had to deal with employee members unable to arrive at work, loss of electricity and water supplies, etc.

Timeframe

4-6 years

Magnitude of potential impact

Medium

Likelihood

About as likely as not

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

3461779.5

Potential financial impact figure - minimum (currency)

<Not Applicable>

Potential financial impact figure - maximum (currency)

<Not Applicable>

Explanation of financial impact

If SPAR stores were unable to trade, on average R4 615 706 a month in sales could be lost by each store equating to R153 856 per day. Using the 22.5 days that were lost for trading due to the floods in FY2022, this equates to R3 461 779.50.

Primary response to risk

Downstream	Other, please specify (Map suppliers water risk)
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Description of response

SPAR's strategy is to identify high risk flood areas and mitigate potential impacts on the Group's operations associated with flooding. This requires the SPAR Group to address potential disruptions across the supply chain. SPAR engages with suppliers through an annual questionnaire to understand their preparedness for natural disasters such as flooding and to use their site location to identify areas most vulnerable to flooding. Through this engagement SPAR can mitigate flooding risks by utilising alternative routes, minimising the volume of perishables transported and assisting vulnerable suppliers.

SPAR's Rural Hub model, a small-scale emerging farmer development programme which has been in operation since 2016, supports local emerging farmers in the Limpopo province. SPAR's Rural Hub model supports small-scale farmers by providing technical support to the farmers, input finance to the farmers, consolidation, packaging and distribution of fresh produce supplied by the farmers, and by providing a guaranteed market for the produce grown by the farmers. This SPAR Rural Hub contributes towards food security, job creation, income generation, infrastructure development and skills transfer. Through the model, SPAR is developing small scale suppliers in rural areas and mitigating impacts from extreme weather events such as flooding.

The farmland supplying under the Rural Hub Model had 52ha (including 3.5ha of nethouses) of vegetable production in the last financial year. 12 farmers are supplying to Rural Hubs and 148 full time and seasonal jobs are being created. SPAR has identified the iLembe district in KwaZulu-Natal, with a large number of small-scale farmers, infrastructure and local technical support as an area for a new Rural Hub (KwaZulu-Natal is an area of high risk to flooding).

Cost of response

1979523

Explanation of cost of response

The cost of 6 internal staff, including a risk manager, a sustainability manager, a sustainability specialist and 3 agricultural advisors, amounts to R1 979 523 annually. SPAR anticipates that going forward there will be additional costs, involving cost of data monitoring tool and undertaking scenario modelling, however, these costs have not been calculated yet.

W4.3

(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes, we have identified opportunities, and some/all are being realized

W4.3a

(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.

Type of opportunity

Efficiency

Primary water-related opportunity

Improved water efficiency in operations

Company-specific description & strategy to realize opportunity

The Group's water efficiency opportunity is linked to SPAR's focus on increasing water efficiency evidenced by the target to increase the percentage technology that is water efficient versus traditional water usage appliances. This opportunity is considered strategic for SPAR as water efficiency interventions can help SPAR to reduce water consumption and costs associated with procuring water from local municipalities and increase resilience to continuous water supply. Furthermore, our distribution centres in the Western Cape, Eastern Cape and Gauteng are located in water-scarce areas that experienced severe drought and where rainfall is likely to decrease in the future. For this reason, water efficiency and alternative water source solutions were prioritised for these distribution centres.

There are various water efficiency actions being taken. At the Western Cape distribution centre, adiabatic cooling systems, water collection measures and drilled boreholes to mitigate water risk were installed. The Eastern Cape distribution centre has installed water storage tanks. SPAR implemented waterless solutions for cleaning trucks and warehouses. We are working with suppliers to promote more sustainable farming methods, which encourage reduced water consumption. SPAR has water recycling systems implemented at five of its facilities: the Western Cape, Eastern Cape, South Rand, KwaZulu-Natal and Lowveld distribution centres.

The drought Western Cape drought, prompted us to invest more into water efficiency technologies and increased water harvesting infrastructure at our Western Cape distribution centre. The distribution centre implemented water harvesting from the defrost cycle, specifically diverting water from defrosting drain to rainwater collection tanks as part of a centralised water collection system. The water is then put through a water filtration system and used to clean trucks and in ablution facilities.

The system recycles water until the water quality is too poor to be used and is then discharged. This allowed the Western Cape distribution centre to achieve a 98% reduction in water usage per condenser. The distribution centre also installed a borehole to withdraw water from groundwater sources to reduce municipal water withdrawals. The related timescale of implementation takes place on in 1-3 years.

Estimated timeframe for realization

1 to 3 years

Magnitude of potential financial impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

2577581

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact

If SPAR was to reduce total municipal water withdrawals by 50% (from current 148 264.67 kl down to 74 132.34 kl) across the Group's operations, assuming that an average municipal water tariff is at 34.77 R/kl, SPAR could save ZAR 2 577 581 annually.

Type of opportunity

Resilience

Primary water-related opportunity

Increased resilience to impacts of climate change

Company-specific description & strategy to realize opportunity

SPAR measures and monitors water withdrawals, including volume and sources, and therefore, is able to manage water usage and identify opportunities for water efficiencies. This data is also crucial to further define and develop water-related targets and goals. A reduction in SPAR's water consumption is reduction in emissions and in the Group's impact on the environment. The SPAR Group reports water withdrawals as part of SPAR's Scope 3 emissions under category 1 "purchased goods and services". Therefore, water savings can be expressed as kilolitres saved as well as emissions reduced. Since FY2020, SPAR has verified the Group's Scope 3 emissions, which include water related emissions.

SPAR collects and tracks water consumption figures monthly which are further reviewed quarterly. The Group is installing smart water meters for distribution centres and SPAR corporate stores, with distribution centres being prioritised first. For example, in FY2021 the KwaZulu Natal distribution centre installed a water monitoring system and sub water meter totalling ZAR 328 642 within a 1-year timeframe.

Estimated timeframe for realization

Current - up to 1 year

Magnitude of potential financial impact

Low-medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

77571.87

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact

During the current reporting period, 2 231 kl water came from non-municipal supply (borehole or rainwater/recycling) and using average municipal water tariff rate of 34.77 R/kl, savings amount to ZAR 77 571.87.

W5. Facility-level water accounting

W5.1

(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.

Facility reference number

Facility 1

Facility name (optional)

Western Cape distribution centre

Country/Area & River basin

South Africa	Berg-Olifants
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Latitude

-34.005011

Longitude

18.53543

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

30.36

Comparison of total withdrawals with previous reporting year

Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

1.92

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

28.44

Total water discharges at this facility (megaliters/year)

27.32

Comparison of total discharges with previous reporting year

Much lower

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

27.32

Total water consumption at this facility (megaliters/year)

3.04

Comparison of total consumption with previous reporting year

Much lower

Please explain

For the Western Cape distribution centre, water withdrawals, water discharge and water consumption values are much lower compared to FY2021 which is largely due to water efficiency measures and data differences between FY2021 and FY2022. SPAR defines comparison "lower/higher" when there is <15% change and "much lower/much higher" when there is ≥15% change. As discharge and consumption are calculated based on the water withdrawal figure, year on year comparisons for these activities are also "much lower".

Water withdrawal is measured either through on-site water meters or municipal bills. For all distribution centres and office facilities, water discharge is estimated at 90% of total water withdrawal volumes. Water discharge is calculated from historical records as a percentage of combined municipal, borehole and rainwater water withdrawals volumes. Water consumption figures are based on CDP's definition wherein total water discharges are subtracted from total water withdrawals.

Facility reference number

Facility 2

Facility name (optional)

Eastern Cape distribution centre

Country/Area & River basin

South Africa	Mzimvubu-Tsitsikamma
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Latitude

-33.844324

Longitude

25.556147

Located in area with water stress

Yes

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

1.79

Comparison of total withdrawals with previous reporting year

Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

1.79

Total water discharges at this facility (megaliters/year)

1.61

Comparison of total discharges with previous reporting year

Much lower

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

1.61

Total water consumption at this facility (megaliters/year)

0.18

Comparison of total consumption with previous reporting year

Much lower

Please explain

For the Eastern Cape distribution centre, water withdrawals, water discharge and water consumption values are much lower compared to FY2021 which is largely due to water efficiency measures and data differences between FY2021 and FY2022. SPAR defines comparison "lower/higher" when there is <15% change and "much lower/much higher" when there is ≥15% change. As discharge and consumption are calculated based on the water withdrawal figure, year on year comparisons for these activities are also "much lower".

Water withdrawal is measured either through on-site water meters or municipal bills. For all distribution centres and office facilities, water discharge is estimated at 90% of total water withdrawal volumes. Water discharge is calculated from historical records as a percentage of combined municipal, borehole and rainwater water withdrawals volumes. Water consumption figures are based on CDP's definition wherein total water discharges are subtracted from total water withdrawals.

Facility reference number

Facility 3

Facility name (optional)

KwaZulu-Natal distribution centre

Country/Area & River basin

South Africa	Pongola-Uzimkulu
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Latitude

-29.721605

Longitude

30.995508

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

0.22

Comparison of total withdrawals with previous reporting year

Much lower

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0.22

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

0

Total water discharges at this facility (megaliters/year)

0.19

Comparison of total discharges with previous reporting year

Much lower

Discharges to fresh surface water

0.19

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

0.19

Total water consumption at this facility (megaliters/year)

0.02

Comparison of total consumption with previous reporting year

Much lower

Please explain

For the KwaZulu Natal distribution centre, water withdrawals, water discharge and water consumption values are much lower compared to FY2021 which is largely due to water efficiency measures and data differences between FY2021 and FY2022. SPAR defines comparison "lower/higher" when there is <15% change and "much lower/much higher" when there is ≥15% change. As discharge and consumption are calculated based on the water withdrawal figure, year on year comparisons for these activities are also "much lower".

Water withdrawal is measured either through on-site water meters or municipal bills. For all distribution centres and office facilities, water discharge is estimated at 90% of total water withdrawal volumes. Water discharge is calculated from historical records as a percentage of combined municipal, borehole and rainwater water withdrawals volumes. Water consumption figures are based on CDP's definition wherein total water discharges are subtracted from total water withdrawals.

Facility reference number

Facility 4

Facility name (optional)

Built It distribution centre

Country/Area & River basin

South Africa	Pongola-Uzimkulu
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Latitude

-29.815638

Longitude

30.866501

Located in area with water stress

No

Primary power generation source for your electricity generation at this facility

<Not Applicable>

Oil & gas sector business division

<Not Applicable>

Total water withdrawals at this facility (megaliters/year)

1.8

Comparison of total withdrawals with previous reporting year

Much higher

Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes

0

Withdrawals from brackish surface water/seawater

0

Withdrawals from groundwater - renewable

0

Withdrawals from groundwater - non-renewable

0

Withdrawals from produced/entrained water

0

Withdrawals from third party sources

1.8

Total water discharges at this facility (megaliters/year)

1.62

Comparison of total discharges with previous reporting year

Much higher

Discharges to fresh surface water

0

Discharges to brackish surface water/seawater

0

Discharges to groundwater

0

Discharges to third party destinations

1.62

Total water consumption at this facility (megaliters/year)

0.18

Comparison of total consumption with previous reporting year

Much higher

Please explain

For the Built It distribution centre, water withdrawals, water discharge and water consumption values are much higher compared to FY2021 which is largely due to

increased water needs and data differences between FY2021 and FY2022. SPAR defines comparison "lower/higher" when there is <15% change and "much lower/much higher" when there is ≥15% change. As discharge and consumption are calculated based on the water withdrawal figure, year on year comparisons for these activities are also "much higher".

Water withdrawal is measured either through on-site water meters or municipal bills. For all distribution centres and office facilities, water discharge is estimated at 90% of total water withdrawal volumes. Water discharge is calculated from historical records as a percentage of combined municipal, borehole and rainwater water withdrawals volumes. Water consumption figures are based on CDP's definition wherein total water discharges are subtracted from total water withdrawals.

W5.1a

(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?

Water withdrawals – total volumes

% verified

76-100

Verification standard used

Water withdrawals data is verified as part of SPAR's Scope 3 GHG emissions data verification based on the ISO 14064-3: 2006 standard.

Please explain

<Not Applicable>

Water withdrawals – volume by source

% verified

76-100

Verification standard used

Water withdrawals data is verified as part of SPAR's Scope 3 GHG emissions data verification based on the ISO 14064-3:2006 standard.

Please explain

<Not Applicable>

Water withdrawals – quality by standard water quality parameters

% verified

76-100

Verification standard used

SANS241:2015 - South African National Standard on Drinking Water Part 1: Microbiological, physical, aesthetic and chemical determinants.

Please explain

<Not Applicable>

Water discharges – total volumes

% verified

76-100

Verification standard used

According to local water authorities, discharged water is treated in accordance with municipal wastewater treatment works.

Please explain

<Not Applicable>

Water discharges – volume by destination

% verified

76-100

Verification standard used

According to local water authorities, discharged water is treated in accordance with municipal wastewater treatment works.

Please explain

<Not Applicable>

Water discharges – volume by final treatment level

% verified

76-100

Verification standard used

As per local water authority regulations and practices, discharged water is treated in accordance with municipal wastewater treatment works.

Please explain

<Not Applicable>

Water discharges – quality by standard water quality parameters

% verified

76-100

Verification standard used

According to local water authorities, discharged water is treated in accordance with municipal wastewater treatment works. These authorities are responsible for monthly testing of the effluent quality.

Please explain

<Not Applicable>

Water consumption – total volume

% verified

Not verified

Verification standard used

<Not Applicable>

Please explain

W6. Governance

W6.1

(W6.1) Does your organization have a water policy?

Yes, we have a documented water policy, but it is not publicly available

W6.1a

(W6.1a) Select the options that best describe the scope and content of your water policy.

	Scope	Content	Please explain
Row 1	Company-wide	Description of business dependency on water Description of business impact on water Commitment to prevent, minimize, and control pollution Commitment to reduce water withdrawal and/or consumption volumes in direct operations Commitment to stakeholder education and capacity building on water security Commitment to water stewardship and/or collective action Commitment to the conservation of freshwater ecosystems Commitments beyond regulatory compliance Reference to company water-related targets Acknowledgement of the human right to water and sanitation Recognition of environmental linkages, for example, due to climate change	The SPAR Group has developed a Water Policy during FY2021 applicable to company-wide activities identified as "the Group". The policy was internally approved in Q3 2021. The SPAR Group's Water Policy is a subject to an annual review by the Social, Ethics and Sustainability Committee and SPAR Sustainability team to track and report on progress. Additionally, the Group has developed an internal Sustainability Policy wherein SPAR's targets for water usage and implementation actions are outlined in the Group's Sustainability Policy. The target on the installation of water efficient technology is linked to SDGs 6, 8, 12 and 13. South Africa is a water scarce country which is exacerbated by inequitable distribution of water, the continuous degradation of water quality and climate change. SPAR recognises that water scarcity is a crisis that threatens socio-economic development and the livelihoods of the communities we serve. As such we are committed to addressing these challenges. SPAR acknowledges that we heavily rely on large water usages directly and indirectly throughout our supply chain. Through the Group's Water Policy, SPAR is committed to water-related innovation, to stakeholder awareness and education and to water stewardship and collective action. SPAR is committed to the responsible use of our local water sources and water stewardship across our operations. As part of our efforts to protect local water sources and address water scarcity challenges in South Africa, we will continue to invest in alternative water sources including, but not limited to, rainwater collection, water efficient technologies and sustainable water management practises. We are committed to reducing absolute water usage. SPAR is committed to participating in local water user associations and to improving the quality of our water through pollution removal and prevention, alien invasive species removal, etc. SPAR acknowledges that water is a shared resource, and we must ensure that water is equitably and justly distributed throughout our communities.

W6.2

(W6.2) Is there board level oversight of water-related issues within your organization?

Yes

W6.2a

(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.

Position of individual or committee	Responsibilities for water-related issues
Board-level committee	<p>The SPAR Group's Social, Ethics and Sustainability Committee is appointed by the Board and has the highest level of responsibility for the Group's social and organisational activities relating to the environment, climate change and its stakeholders.</p> <p>The Social, Ethics and Sustainability Committee is accountable for overseeing strategy, management, compliance and performance regarding the company's environmental, social and governance (ESG) issues, including water. It monitors the company's sustainability performance and ensures the company's ethics support its culture, it is seen as a responsible citizen, and that there is a balance between the company and the needs, interests and expectations of all stakeholders. The Social, Ethics and Sustainability Committee meets twice a year, and reports to the board at every scheduled board meeting.</p> <p>The Chief ESG Officer is responsible for driving the management of ESG issues, including water issues, and is a member of the Social, Ethics and Sustainability Committee. The Chief Executive Officer (CEO) is also a member of the Social, Ethics and Sustainability Committee. The Chairman of the board, Lead Independent Director, and the Human Resources Executive also attend Social, Ethics and Sustainability Committee meetings by permanent invitation.</p> <p>During FY2021, the committee considered and recommended to the board for approval the Water Policy and during FY2022 the Sustainability Policy.</p>

W6.2b

(W6.2b) Provide further details on the board's oversight of water-related issues.

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - all meetings	Monitoring implementation and performance Monitoring progress towards corporate targets Overseeing and guiding public policy engagement Overseeing and guiding scenario analysis Overseeing major capital expenditures Overseeing the setting of corporate targets Providing employee incentives Reviewing and guiding annual budgets Reviewing and guiding business plans Reviewing and guiding corporate responsibility strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding strategy Reviewing innovation/R&D priorities	<p>The Social, Ethics and Sustainability Committee is mandated to consider the impact the company's performance has on employees, society, economy and the natural environment. During FY2022, the Social and Ethics Committee received feedback on the following environment-related matters:</p> <ul style="list-style-type: none"> • SPAR's CDP submissions for climate change, water and forestry • Sustainability initiatives undertaken by SPAR, include climate resilience, packaging, food waste, nutrition and wellness. <p>The Social, Ethics and Sustainability Committee is responsible for reviewing and approving the Group's policies relating to ethics, social and economic development, good corporate citizenship, sustainable development and stakeholder relationships. During FY2022, the committee considered and recommended to the board for approval the Sustainability Policy.</p> <p>The Committee also monitors how availability of natural capital and climate resilience contribute towards the achievement of the Group's strategic outcomes.</p>

W6.2d

(W6.2d) Does your organization have at least one board member with competence on water-related issues?

Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues	Primary reason for no board-level competence on water-related issues	Explain why your organization does not have at least one board member with competence on water-related issues and any plans to address board-level competence in the future
Row 1	<p>The Chief ESG Officer has a permanent invitation to meetings of the Social, Ethics and Sustainability Committee, which report directly to the board on environmental issues (inclusive of water). The Chief ESG Officer holds a Master's degree in sustainability and has significant experience in managing environmental impacts and risks for the group.</p> <p>The board attended training on the TCFD recommendations, climate change risk, and climate scenario analysis in November 2022, as part of the climate change scenario process currently underway. The training built awareness of the specific climate change drivers relevant to SPAR, the climate related risks and opportunities that affect SPAR and its supply chain, the need to prioritise a just transition, and the associated expectations of stakeholders. It outlined SPAR's climate response to the impacts, risks and opportunities identified, and facilitated board input on SPAR's climate response. Within this content on climate drivers, risks and opportunities, water was a cross-cutting theme.</p>	<Not Applicable>	<Not Applicable>

W6.3

(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).

Name of the position(s) and/or committee(s)

Other C-Suite Officer, please specify (Chief ESG Officer)

Water-related responsibilities of this position

- Assessing future trends in water demand
- Assessing water-related risks and opportunities
- Managing water-related risks and opportunities
- Setting water-related corporate targets
- Monitoring progress against water-related corporate targets
- Managing public policy engagement that may impact water security
- Integrating water-related issues into business strategy
- Managing annual budgets relating to water security

Frequency of reporting to the board on water-related issues

Quarterly

Please explain

Water is a key strategic issue that falls under the management responsibility of the Chief ESG Officer, who sits on the Executive Committee, and reports directly to the Chief Executive Officer (CEO) on sustainability- and water-related issues. The CEO is responsible for leading the implementation and execution of approved strategy, policy and operational planning, and serves as the link between executive management and the board.

The Chief ESG Officer has an ultimate responsibility of the integration of SPAR's Sustainability Strategy and Group Water Policy into the Group's overall strategy and achievement of strategic outcomes and report feedback to the Social, Ethics and Sustainability Committee. The topics that are covered by the Group Water Policy are outlined in C6.1a.

W6.4

(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?

	Provide incentives for management of water-related issues	Comment
Row 1	Yes	

W6.4a

(W6.4a) What incentives are provided to C-suite employees or board members for the management of water-related issues (do not include the names of individuals)?

	Role(s) entitled to incentive	Performance indicator	Contribution of incentives to the achievement of your organization's water commitments	Please explain
Monetary reward	Other C-suite Officer (Chief ESG Officer and Group's Logistics Executive)	Reduction of water withdrawals – direct operations Reduction in water consumption volumes – direct operations Improvements in water efficiency – direct operations Improvements in wastewater quality – direct operations Reduction of water pollution incidents	The Group's Chief ESG Officer has a monetary incentive linked to the Short-Term Incentive (STI) Plan to motivate and incentivise delivery of performance, financial and non-financial, consistent with the group's strategy over the financial year. This includes targets as set out in SPAR's Sustainability Policy that covers: Installation of water efficient technology Actions/ policies in place at the warehouse that demonstrate water stewardship within the organisation. The Group's Logistics Executive is incentivised to achieve reduction in water withdrawals and consumption as well achieving efficiencies across direct operations and supply chain. This contributes towards achieving water-related targets as set out in SPAR's Sustainability Policy that covers: Installation of water efficient technology Actions/ policies in place at the warehouse that demonstrate water stewardship within the organisation.	The Group's Chief ESG Officer and the Group's Logistics Executive has a monetary incentive linked to the Short-Term Incentive (STI) Plan to motivate and incentivise delivery of performance, financial and non-financial, consistent with the group's strategy over the financial year.
Non-monetary reward	No one is entitled to these incentives	<Not Applicable>	<Not Applicable>	

W6.5

(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?

- Yes, direct engagement with policy makers
- Yes, trade associations
- Yes, funding research organizations

W6.5a

(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?

Sustainable Development Goals (SDGs) are integrated into SPAR's Sustainability Policy and underpin the Group's Strategy, guiding all SPAR's public policy engagements and activities seeking to influence policy. SPAR's water commitments are guided by the Group's strategy and therefore, by the SDGs. As such, SPAR ensures that all its public policy engagements are aligned with the Group's strategic commitments, including, commitments towards water. While the Group does not have procedures or guidelines for actions that have to be taken if a breach or an inconsistency with the strategy (or the SDGs) occur in place yet, SPAR is actively considering the process and anticipates having it in place in the near future.

Currently, SPAR engages with the Consumer Goods Council of South Africa (CGCSA), and through the CGCSA engages with government and policy makers on all issues relating to the industry, among which is water security. One of the SPAR Group's executives is on the board of the CGCSA.

The National Business Initiative (NBI) engages with the government on water regulation and policy. As a member of the NBI, SPAR attends discussions on water regulation, uses NBI as a platform to make comments around relevant current and emerging water legislation and enables other NBI members to learn from SPAR's experiences.

W6.6

(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?

Yes (you may attach the report - this is optional)

SPAR_IAR_2022_Singles.pdf

W7. Business strategy

W7.1

(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	11-15	<p>One of the SPAR Group's overarching strategic outcomes is creation of sustainable stakeholder value, which is inextricably linked to the Group's commitment to responsible living and resource stewardship, guiding all the Group's business activities, including products that SPAR offers.</p> <p>Achieving of this strategic outcome in the long-term (11-15 years) and meeting SPAR's sustainability commitment compels the Group to take actions to preserve natural capital and mitigate negative environmental impact from business activities. SPAR recognises water importance to operations and takes actions to achieve water efficiency. Simultaneously, uninterrupted water supply is critical for business continuity, and SPAR continues to invest and implement alternative water solutions and closed loop systems where no water is wasted.</p> <p>Ensuring nutritious and affordable food is another long-term strategic outcome that the Group has set out. This long-term strategic objective is also considered for the time period of 11-15 years. Sufficient availability and good quality water are integral for ensuring nutritious and affordable food and SPAR plays an active role in building resilience among SPAR's suppliers to changing climate conditions and water scarcity. For example, SPAR trains small commercial suppliers on sustainable farming methods that includes ways to reduce water requirements and financial assistance to install water-efficient technologies such as hydroponic systems or tunnels.</p>
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	11-15	<p>The SPAR Group believes that there is an extricable link between the Group's strategy, risk and sustainability and performance management. Identifying and mitigating water risks enable business continuity in the short, medium and long-term. Water-related issues such as water availability could significantly disrupt direct operations and supply chain. The Group's Sustainability Policy and Water Policy sets out these objectives and water goals and KPIs.</p> <p>The Group requires good quality water to comply with food safety standards in food preparation processes. SPAR's distribution centres require water for washing of trucks, in cooling facilities and to provide hygienic working environment for employees. Sufficient quantity of water is required for the supply chain to grow fresh produce which is sold at SPAR stores.</p> <p>Decreasing water supply can introduce increased water pricing in South Africa, which would increase the Group's operational costs. Addressing such water risks requires SPAR to take actions to achieve water efficiencies and build resilience around water scarcity in the supply chain.</p> <p>For example, all SPAR's distribution centres have either water recycling or rainwater collection systems installed to optimise water usage. To mitigate impacts from reduced water availability in the supply chain, the Group prioritises suppliers using environmental criteria and assesses potential new sites for farming development that have more consistent access to water.</p>
Financial planning	Yes, water-related issues are integrated	11-15	<p>The SPAR Group believes that there is an extricable link between the Group's strategy, risk and sustainability and performance management. Identifying and mitigating water risks enable business continuity in the short, medium and long-term. Water-related issues such as water availability could significantly disrupt direct operations and supply chain. The Group's Sustainability Policy and Water Policy sets out these objectives and water goals and KPIs and budget is accordingly planned to meet these objectives in the long-term.</p> <p>The Group requires good quality water to comply with food safety standards in food preparation processes. SPAR's distribution centres require water for washing of trucks, in cooling facilities and to provide hygienic working environment for employees. Sufficient quantity of water is required for the supply chain to grow fresh produce which is sold at SPAR stores.</p> <p>Decreasing water supply can introduce increased water pricing in South Africa, which would increase the Group's operational costs. Addressing such water risks requires SPAR to take actions to achieve water efficiencies and build resilience around water scarcity in the supply chain.</p> <p>For example, the Group has a target in place to install water efficient technology and investment in the water efficient technologies are tracked as a total CAPEX and/or OPEX expenditure.</p>

W7.2

(W7.2) What is the trend in your organization's water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?

Row 1

Water-related CAPEX (+/- % change)

28.6

Anticipated forward trend for CAPEX (+/- % change)

25

Water-related OPEX (+/- % change)

12.1

Anticipated forward trend for OPEX (+/- % change)

15

Please explain

Using the Group's CAPEX expenditure as a proxy, 1.4 billion ZAR was allocated to capital expenditure in FY2021 and 1.8 billion ZAR in FY2022, resulting in a 28.6% increase between FY2021 and FY2022.

Using SPAR Southern Africa's OPEX as a proxy, 6.7 billion ZAR was spent in FY2021 and 7.6 billion ZAR in FY2022, resulting in a 12.1% increase between FY2021 and FY2022.

For example during 2022, the distribution centre in North Rand invested in a water storage tank to ensure more consistent access to water. This ensures that WASH (water, sanitation and hygiene) services are available and ensures the protection of the refrigeration plant. Water-related CAPEX and OPEX increase year-on-year due to further water risk and water saving initiatives being implemented with larger maintenance/ operating costs as a result.

Group anticipates the long-term trend for OPEX and CAPEX to be in a similar region as this reporting year i.e., 25% increase in CAPEX and 15% increase in OPEX.

W7.3

(W7.3) Does your organization use scenario analysis to inform its business strategy?

	Use of scenario analysis	Comment
Row 1	Yes	<p>SPAR has embarked on a climate scenario analysis process in response to and in line with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. The TCFD process is being implemented across the Group in three phases. Phase 1 has been completed, with Phase 2 currently underway, and Phase 3 forthcoming.</p> <p>The scenario analysis process (Phase 1) has been highly successful in supporting the development of a SPAR strategic climate change response (inclusive of water considerations), with executive-level sponsorship being a key success factor. The process has deepened SPAR's understanding of the climate- and water-related risks and opportunities most material to our South African operations and value chain, and the impact these have on the business.</p> <p>This process includes different transition scenarios using RCP1.9, RCP2.6, RCP4.5 and RCP8.5 and the probable physical risks that includes water-related issues such as drought, flooding and water scarcity.</p>

W7.3a

(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization's business strategy.

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Climate-related	<p>The transition component of the scenario analysis was informed by the International Energy Agency (IEA) global energy scenarios (including their recent Net Zero scenario), the work undertaken by the South African National Business Initiative (NBI) as part of its 'Just Transitions' project exploring net zero pathways in the South African context, and various research reports relevant to SPAR's value chain. The analysis explored risks relating to policy, legal, technology, market, reputational aspects, and opportunities relating to resource efficiency, energy source, products and services, and markets and resilience.</p> <p>Furthermore, a suite of physical climate scenarios (RCP1.9, RCP2.6, RCP4.5 and RCP8.5) are used in connection with the below outlined scenarios.</p> <p>Three scenarios are currently being evaluated by SPAR as part of the TCFD process as set out below:</p> <p>Scenario 1 is coined the "proactive climate world" with the following characteristics:</p> <ul style="list-style-type: none"> • Net-zero GHG emissions by 2050 • 1.5°C average global temperature increase by 2100 (RCP 1.9) • Rapid changes to 2030 • Supportive environment: high availability of mitigation technologies, financial incentives for SPAR, markets for low carbon products, more "carrots" than "sticks". <p>Scenario 2 is coined the "delayed response" with the following characteristics:</p> <ul style="list-style-type: none"> • Net-zero GHG by 2060/70 • 2°C average global temperature increase by 2100 (RCP 2.6) • Limited changes to 2030 and then drastic changes • Low to moderate physical climate disruptions and associated costs • Unsupportive environment: high transition costs, limited availability of feasible mitigation technologies, more "sticks" than "carrots". <p>Scenario 3 is coined the "limited response" with the following characteristics:</p> <ul style="list-style-type: none"> • Dangerous climate change • 2.7°C-4°C average global temperature increase by 2100 (RCP 4.5 and 8.5) • High physical climate disruptions and associated costs. 	<p>The SPAR Group is a food provider and the Group's main business activities relate to procurement, distribution and warehousing of food and produce. Outcomes from climate-related scenarios are considered to understand what operating landscape might look like in the medium- to long-term.</p> <p>For example, due to increasing temperatures, under RCP2.6 and RCP8.5, drought events are projected to be more frequent and more intense in water scarce areas in South Africa (Eastern Cape and Western Cape provinces). Such projected changes to extreme weather events compel the Group to start taking further actions and changing business practices to mitigate potential impacts.</p> <p>Outcomes from climate-related scenario analysis, specifically, projected changes to water availability, supply, quality or extreme water-related weather events under RCP2.6 and RCP8.5, are also considered when identifying and evaluating strategic and operational risks that could impact the SPAR Group and its supply chain. An example of water specific risk is SPAR's supply chain's resilience to water availability where reduced water availability could limit the yield of crops, reduce the area of land suitable for growing crops and as a result, lead to an increase in the cost of produce and food prices.</p>	<p>SPAR has published a draft Climate Change Strategic Roadmap that considers response measures identified in the TCFD scenario analysis process, with reference to SPAR's strategy as well as local and international climate and development objectives. This process aimed to prioritise and inform the extent of effort associated with different strategic actions, to ensure alignment with SPAR's strategic vision as well as broader societal needs and objectives.</p> <p>For potential water-related outcomes, SPAR has considered the following actions with plans to FY2025, FY2030 and FY2050 (this list is not exhaustive):</p> <ul style="list-style-type: none"> • Respond to changing markets • Invest in climate resilient operations • Facilitate climate-resilient supply chains • Facilitate climate-resilient retailers <p>The climatic impacts impact water-related outcomes on issues such as water insecurity tied to increased temperatures, very hot days and heatwave events and increased incidences of drought, flooding and flash food events.</p>

W7.4

(W7.4) Does your company use an internal price on water?

Row 1

Does your company use an internal price on water?

No, but we are currently exploring water valuation practices

Please explain

The majority of SPAR's operations are situated in a water scarce country (South Africa), and several facilities have been directly affected by water shortages caused by drought that was experienced in some provinces since FY2018. The SPAR Group has identified reduced water availability as a high risk to the company's operations, and the Group is exploring water valuation practices that could be used in financial planning and strategic decision making in the near-term.

W7.5

(W7.5) Do you classify any of your current products and/or services as low water impact?

	Products and/or services classified as low water impact	Definition used to classify low water impact	Primary reason for not classifying any of your current products and/or services as low water impact	Please explain
Row 1	No, but we plan to address this within the next two years	<Not Applicable>	Important but not an immediate business priority	<p>SPAR does not classifying any of our products as low water impact and will evaluate this in the near-term.</p> <p>For FY2022, our focus in the product arena has been on food waste and packaging and low water impact products have not been an immediate business priority for FY2022.</p>

W8. Targets

W8.1

(W8.1) Do you have any water-related targets?

Yes

W8.1a

(W8.1a) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.

	Target set in this category	Please explain
Water pollution	No, but we plan to within the next two years	The current quantitative target focuses on the installation of water efficient technology. There is also a qualitative goal to have water management practices in place that demonstrate water stewardship. The category of water pollution will be explored in the near-term.
Water withdrawals	Yes	<Not Applicable>
Water, Sanitation, and Hygiene (WASH) services	No, but we plan to within the next two years	The current quantitative target focuses on the installation of water efficient technology. There is also a qualitative goal to have water management practices in place that demonstrate water stewardship. The category of WASH services will be explored in the near-term.
Other	No, and we do not plan to within the next two years	The current quantitative target focuses on the installation of water efficient technology. There is also a qualitative goal to have water management practices in place that demonstrate water stewardship. Other targets will not be explored in the near-term.

W8.1b

(W8.1b) Provide details of your water-related targets and the progress made.

Target reference number

Target 1

Category of target

Water withdrawals

Target coverage

Company-wide (direct operations only)

Quantitative metric

Other, please specify (% of technology that is water efficient versus traditional water usage appliances)

Year target was set

2021

Base year

2021

Base year figure

97.35

Target year

2023

Target year figure

100

Reporting year figure

64.75

% of target achieved relative to base year

-1230.18867924528

Target status in reporting year

Underway

Please explain

The monetary spend on water efficient CAPEX was higher in FY2022 versus FY2021 although the ratio between water efficient versus traditional water usage appliances was lower.

W9. Verification

W9.1

(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?

No, but we are actively considering verifying within the next two years

W10. Plastics

W10.1

(W10.1) Have you mapped where in your value chain plastics are used and/or produced?

	Plastics mapping	Value chain stage	Please explain
Row 1	Yes	Direct operations Supply chain Product use phase	SPAR employs a circular economy approach within its packaging policy to ensure that the plastics/packaging created are reusable, recyclable or compostable. In connection with the below targets on packaging, SPAR has investigated plastics within the product use phase and supply chain: <ul style="list-style-type: none"> • 100% of plastic packaging to be reusable, recyclable or compostable by 2025. • 70% of plastic packaging effectively recycled. • 30% average recycled content across all plastic packaging. Furthermore, SPAR has recycled 17 989 tonnes of cardboard and plastic recycled through its distribution centres (direct operations) in South Africa

W10.2

(W10.2) Across your value chain, have you assessed the potential environmental and human health impacts of your use and/or production of plastics?

	Impact assessment	Value chain stage	Please explain
Row 1	Yes	Direct operations Supply chain Product use phase	Environmental and human health impacts of plastics is integrated into SPAR's packaging policy inclusive of our approach to packaging, principles and rules and being grounded on circular economy principles. This is evidenced by: <ul style="list-style-type: none"> • SPAR repurposed recycled brown plastic from its signature ginger beer carbonated soft drink (CSD) bottles into reusable shopping bags. Recycled polyethylene terephthalate (RPET) is weaved into a polyester fabric to craft sustainable shopping bags. The solution resulted in a manufacturing process that empowers 30 local women within a 100% black-owned business. The bags are locally designed, sourced and manufactured. The long-term aspiration is to keep these bags away from landfill sites at the end of their lifecycle by returning them to a recycling station in store and transforming them into blankets. • SPAR shopper trolley made from recycled 2L plastic milk bottles. Each trolley is crafted from 150 used milk bottles that would otherwise have landed up in landfill or in the local environment. • SPAR's Eastern Cape distribution centre is a major stakeholder in the Bluewater Bay catchment and a member of the community that uses water in the catchment. This distribution centre continues to invest in the rehabilitation of the Zwartkops River and assists with the removal of plastic and other rubbish from the river through awareness campaigns and donations.

W10.3

(W10.3) Across your value chain, are you exposed to plastics-related risks with the potential to have a substantive financial or strategic impact on your business? If so, provide details.

	Risk exposure	Value chain stage	Type of risk	Please explain
Row 1	Not assessed – but we plan to within the next two years	<Not Applicable>	<Not Applicable>	Risk assessment for the last two reporting periods has been focused on climate-related risks and opportunities in relation to TCFD. The cross-cutting theme of plastics will likely become more evident as the TCFD work progresses in relation to climate change and resource efficiency and availability.

W10.4

(W10.4) Do you have plastics-related targets, and if so what type?

	Targets in place	Target type	Target metric	Please explain
Row 1	Yes	Plastic packaging	Increase the proportion of post-consumer recycled content in plastic packaging Increase the proportion of plastic packaging that is recyclable in practice and at scale Increase the proportion of plastic packaging that is reusable Increase the proportion of plastic packaging that is compostable	SPAR has the following targets related to plastics in place: <ul style="list-style-type: none"> • 100% of plastic packaging to be reusable, recyclable or compostable by 2025. • 70% of plastic packaging effectively recycled. • 30% average recycled content across all plastic packaging.

W10.5

(W10.5) Indicate whether your organization engages in the following activities.

	Activity applies	Comment
Production of plastic polymers	No	
Production of durable plastic components	No	
Production / commercialization of durable plastic goods (including mixed materials)	No	
Production / commercialization of plastic packaging	No	
Production of goods packaged in plastics	No	
Provision / commercialization of services or goods that use plastic packaging (e.g., retail and food services)	Yes	

W10.8

(W10.8) Provide the total weight of plastic packaging sold and/or used, and indicate the raw material content.

	Total weight of plastic packaging sold / used during the reporting year (Metric tonnes)	Raw material content percentages available to report	% virgin fossil-based content	% virgin renewable content	% post-industrial recycled content	% post-consumer recycled content	Please explain
Plastic packaging sold	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Plastic packaging used		Please select	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	SPAR currently does not have data available for the total weight of plastic packaging sold and/or used, and the raw material content.

W10.8a

(W10.8a) Indicate the circularity potential of the plastic packaging you sold and/or used.

	Percentages available to report for circularity potential	% of plastic packaging that is reusable	% of plastic packaging that is technically recyclable	% of plastic packaging that is recyclable in practice at scale	Please explain
Plastic packaging sold	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Plastic packaging used	Please select	<Not Applicable>	<Not Applicable>	<Not Applicable>	SPAR currently does not have data available for the circularity potential of the plastic packaging sold and/or used in disaggregated percentages.

W11. Sign off

W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Chief ESG Officer	Other C-Suite Officer

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.

Yes, CDP may share our Main User contact details with the Pacific Institute

Please confirm below

I have read and accept the applicable Terms