



# **Environment Social Governance (ESG) and SMEs**

**Pick n Pay  
Presentation to Parliament**

**Wednesday 2 November 2022**

# Meet the ESG SME Team



**Vaughan Pierce**

*Retail Executive, Head of ESG  
(Sustainability, Stakeholder & Community)*



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*Head, Enterprise and Supplier Development*



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*Manager, Enterprise and Supplier  
Development*

# SME Overview and Principles



**Environment** tracks the *impact of a company* on its *environment*, for instance through its resource use or waste management, and whether that impact is positive or negative



**Social** refers to the companies' *societal impact*, including *how the company invests in employees*, through workplace health & safety, *training* as well as its wider *impact on communities* through its *corporate social responsibility*



**Governance** tracks whether a business operates according to *good business ethics*, for example, does a company have the *relevant policies* and processes in place to address bribery, corruption and ensure ethical procurement practices.

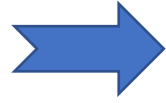
EQUIP

ENABLE





# The ESG Framework



[www.picknpayinvestor.co.za/doing-good.php](http://www.picknpayinvestor.co.za/doing-good.php)



ESG PERFORMANCE SUMMARY  
AND DATABOOK 2022

DOWNLOAD PDF →

Partnering to shift the food system

Reducing our environmental impact

Investing in people and communities

# Pick n Pay Enterprise and Supplier Development



Pick n Pay's Enterprise and Supplier Development Programme (ESD) **assists selected diverse and ethical small businesses** to enter the retail market by putting their products in front of our customers.

The Pick n Pay Enterprise and Supplier Development Programme provides a **platform for small businesses** to become successful and sustainable suppliers to the retail sector.

We help our customers lead healthy and sustainable lives by providing them with **access to safe, healthy and sustainable products**, and information with which to make informed choices about what they eat and how they live.

# Objectives



**Increase local procurement by accelerating small suppliers into the supply chain and creating jobs.**



## **SUPPORT**

**Empower and build entrepreneurs and small suppliers by providing them with mentorship and business development support.**

**Improve and develop great quality and range of local products at competitive prices.**



## **SCALE**

**Develop strategies and programmes with the aim to increase productivity and delivery of SME's within the Pick n Pay supply chain.**

**Provide small producers a national platform by increasing access to national and regional markets.**



## **SUSTAIN**

**Promote and facilitate all aspects of small supplier development within Pick n Pay.**

# Mentorship Plan



[www.pnpmentorship.co.za](http://www.pnpmentorship.co.za)



[OUR MENTORS](#) [OUR MENTEES](#) [MOBILE APP](#) [ABOUT](#)

Walking with you on  
the journey to  
become successful in  
everything you do.

150+

MENTORS

220+

MENTEES

40+

SUCCESS STORIES







### **Sales Marketing and buying plan**

1. Communication
2. Brand building
3. Online
4. Digital and Social Media
5. Innovation
6. New product development
7. Buying and planning



### **Financial Management Plan**

1. Pricing strategies
2. Accounting
3. Tax
4. Financial reporting
5. Income statement
6. Financial analyzing
7. Cash flow statements



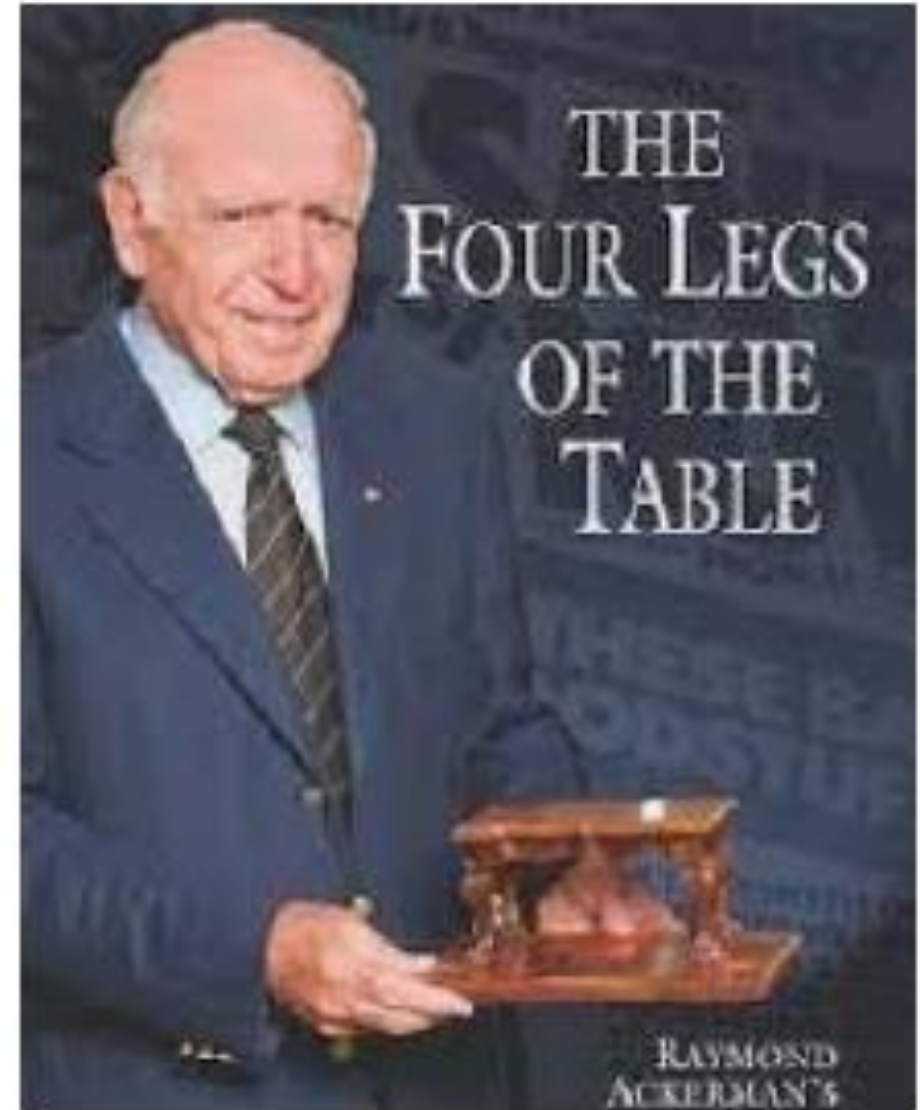
### **Admin Compliance Plan**

1. Governance and strategy
2. VAT and SARS regulations
3. B-BBEE
4. Laws and regulations
5. Health and safety
6. Food safety
7. Policies (internal & external)



### **Supply chain, Logistics & Delivery Management Plan Governance**

1. Organisational structures
2. Diversity and transformation
3. Laws and regulations
4. Payroll
5. Learning and development
6. Sustainability
7. Corporate Social investment





# Celebrating local innovation and entrepreneurship



## FY22 Support of SMMEs

	FY22	FY21
Total spend with SMMEs	R4.3bn	R4.5bn
Total number of SMMEs	2 178	2 123

## Supporting ethical and sustainable sourcing

We are committed to ensuring that our own brand products are grown, sourced and produced responsibly and sustainably. This includes promoting healthy oceans and fish stocks, animal welfare, and tracking ingredients with high environmental and social impacts.

### Achieving our ethical sourcing commitments

**100%** Sow crate friendly pork in all Pick n Pay branded products since 2019

**100%** Sustainably sourced palm oil in Pick n Pay branded products since 2021

**91%** of all seafood sales meet our sustainable seafood commitment

**90%** of our direct Clothing suppliers are members of SEDEX

**33%** of all clothing articles sold, are manufactured from waterwise or recycled materials

# Jobs Fund R20million Joint Project



**5 New  
Emerging  
Farmers**

**Treasure Trove  
Urban Grown  
Green Terrace  
Mo Lebotha  
Tshepalema**

**107 NEW  
JOBS  
CREATED**







**5 New  
Emerging  
Farmers**



**Treasure Trove  
Urban Grown  
Green Terrace  
Mo Lebotha  
Tshepalema**











## 7 Products supplied to Pick n Pay

- In 2019 | 1 Sku
  - PnP Spinach Bunch
- In 2020 | 3 Sku's
  - PnP Baby Marrows 350 grams
  - PnP Rapa Bunch
  - No Name Spinach
- In 2021 | 3 Sku's
  - PnP Soft Squash Selection 400 grams
  - No Name Baby Marrows 300 grams
  - No Name Soft Squash Selection 600 grams



Products to PnP & Boxer: Rapa Bunch | Spinach | Soft Squash Selection | Baby Marrows |



It's a wrap! Oven-fresh bakes  
delivered daily by Bilquees and  
Zoegdie Essa

A white curved arrow pointing from the left towards the Comessa Food Services text.

**COMESSA  
FOOD  
SERVICES**  
WORLD CLASS  
INNOVATION IN  
MUIZENBERG

**comessa**  
FOOD SERVICES





Pick n Pay's long-standing partnership with Comessa Food Services is built on **quality** and **trust**. Husband and wife Zoegdie and Bilqees Essa, along with their team of **91 employees**, have supplied us with freshly baked flatbreads, tortilla wraps, rotis, naan breads and even tasty popcorn daily for almost a decade.



**National Brand**



**Pick n Pay Own Brand Supplier**



# Sihle Magubane | Founder Roaster & Barista



In 2022, Sihle coffee products are now available in over 100 Pick n Pay stores nation wide.



**Sihle's Brew  
Signature  
Ground Coffee  
250gr**



**Sihle's Brew  
Espresso  
Ground Coffee  
250gr**



**Sihle's Brew  
Java Press  
Ground Coffee  
250gr**



## Professional Affiliations and Memberships





# Sihle launches flavoured coffees under Pick n Pay Own Brand



PNP FLAVOURED  
GROUND COFFEE  
**HAZELNUT**  
250G



PNP FLAVOURED  
GROUND COFFEE  
**VANILLA**  
250G



PNP FLAVOURED  
GROUND COFFEE  
**CARAMEL FUDGE**  
250G

In 2022, Sihle launched three new products under the Pick n Pay brand.

- Ground Hazel Nut
- Ground Vanilla
- Ground Caramel Fudge



# Eden All Natural



Debbie Ncube founded and runs the successful business of Eden All Natural as the managing director.





# Malie's Ice Cream



Dr. Tracey Nelwamondo MbBCH (Wits) is the founder of Modern Traditions, food coach and activist.



# Bakers Creationz



Durban-based entrepreneur Njabulo Sithole began his baking business by selling cakes to local schools and neighbors from a home kitchen in 2014.



# Cushy Lush



**Cushy Lush** was founded by Guylain and wife, Becky. In 2015 Cushy Lush started supplying the Pick Local 9's 2Ply in 57 stores inland and now they are supplying 325 stores nationally.





# Treasure Trove Farms

Sonto Mujukachi, the founder of Treasure Trove Farms, is a 3rd generation farmer in the family.





# Recommendations to Government



**REDUCE  
BUSINESS  
RED TAPE**



**FUNDING FOR  
FOOD, HEALTH  
AND SAFETY**



**START UP  
FUNDING  
FOR  
INNOVATION**



**DEDICATED  
SUPPORT TO  
ASSIST WITH  
SUPPLY CHAIN  
AND LOGISTICS  
MANAGEMENT**





**Thank you**