



WELCOME

MEMBER INFORMATION SESSION

11 AUGUST 2022, 14:00-16:00

COMPETITION STATEMENT

We the Members of PETCO will always conduct our business affairs in accordance with the law, taking into account principles of good corporate governance.

In particular, we are cognisant of competition law and as a company are committed, at every level, to complying with both the letter and spirit of competition laws.

PETCO will not engage in or tolerate any form of conduct which fails to comply with the requirements of competition laws. Forms of anti-competitive conduct include, but are not limited to, agreements or discussions with competitors relating to pricing, allocating or dividing geographic markets, customers or tenders.

We are committed to free and fair competition. If there is any doubt about the legality of certain actions or decisions being taken at our meetings, then this will be referred to our legal counsel or advisers for further investigation or action.

This statement is intended to support our uncompromising company policy to comply in all respects with competition laws.





Agenda Item	Time
Welcome	14:00-14:05
Competition Statement	14:05-14:10
PETCO updates	
Overview of PETCO team and membership	14:10-14:20
Implementation of EPR schemes	14:20-14:35
Collection value chain support	14:35-14:45
Stakeholder Engagement	14:45-15:00
Legal and regulatory	15:00-15:10
Member communication	15:10-15:25
Review of key upcoming timelines	15:25-15:30
Questions and answer	15:30-16:00
Adjourn	16:00

OVERVIEW OF PETCO

Plastic bottles
are not trash.



PROUD SPONSORS OF



All WASTE RECYCLING

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MEET THE TEAM



MEET OUR INTERIM BOARD OF DIRECTORS



MEET OUR MEMBERS



ALPLA

THE
BESPOKE
AMENITIES
CO

BEVCO
THE BEVERAGE COMPANY

Coca-Cola Peninsula
Beverages



DIAGEO



Coca-Cola Beverages
South Africa



*Happy
Culture*

JUMBO
BRANDS

**MADU
MAGEU**
SINCE 1979

mpact
smarter, sustainable solutions

N
Nampak
Rigids
packaging excellence

NIORO
plastics (PTY) LTD

 **PEPSICO**

Pick n Pay

 **POLYOAK**
PACKAGING

SUNTORY
BEVERAGE & FOOD GB&I



THIRSTI



TSITSIKAMMA
Spring Water

Twizza


Unilever

W
WOOLWORTHS

OUR EPR SCHEMES

Closures
(HD and PP)

Labels
(PET and
BOPP)



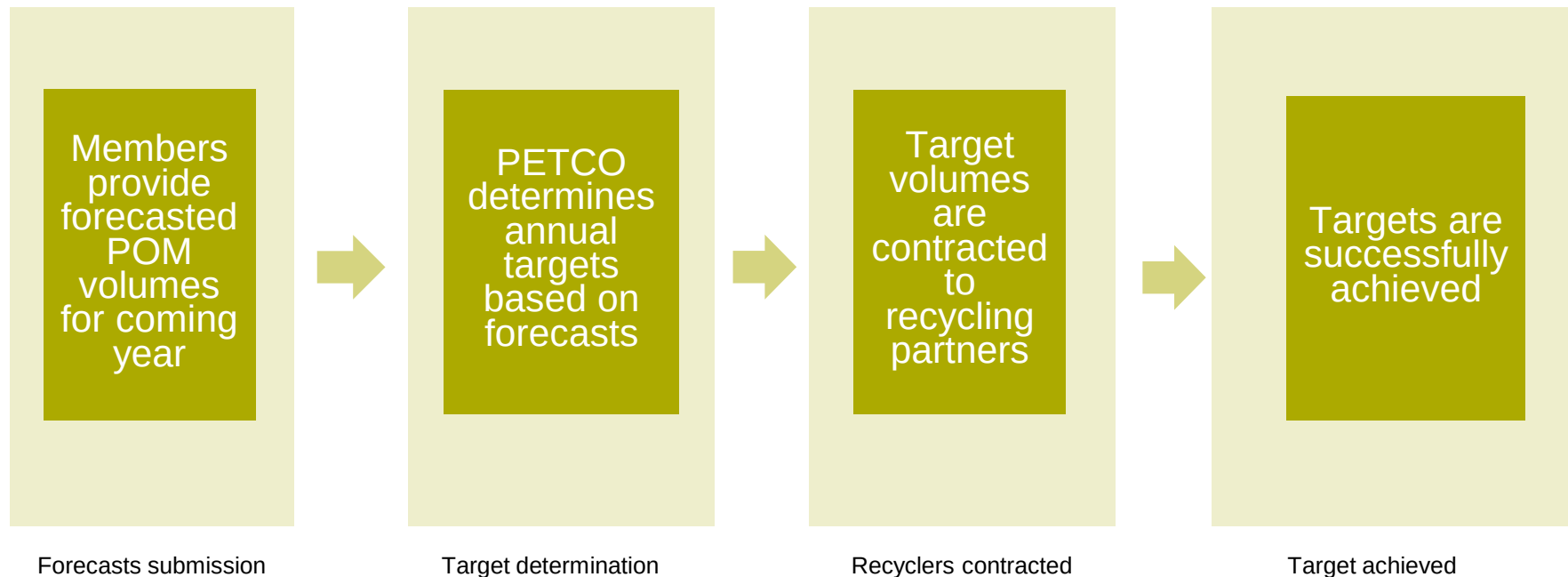
Closed loop
PET
strapping





IMPLEMENTATION OF EPR SCHEMES

PETCO MODEL



EPR FEE CALCULATION

- EPR funding is largely determined by collection target
- Higher collection increases quantum of funding req.
- Collection target is expressed as % of members vol.
- Higher membership = higher targets = more funding
- Funding is thus dependent on final membership



Understanding what members place on the market is critical to determining the job to be done, i.e. **the collection target and the cost!**

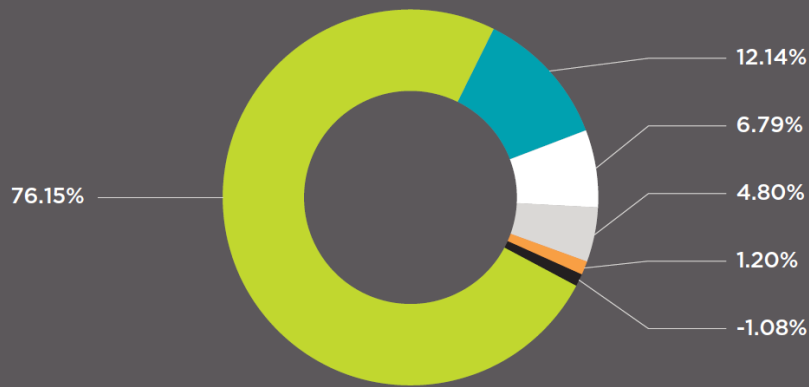


**Collection Target = EPR Target %
* Members Volume**



FINANCIAL HIGHLIGHTS 2021

2021 UTILISATION OF FUNDS *



COLLECTION AND RECYCLING VALUE
CHAIN FINANCIAL SUPPORT

ADMINISTRATION AND
OPERATING COSTS

EDUCATION AND
AWARENESS

EQUIPMENT, INFRASTRUCTURE
AND TRAINING

SECTION 18
COMPLIANCE

ADDED TO (UTILISED FROM)
RETAINED SURPLUS **

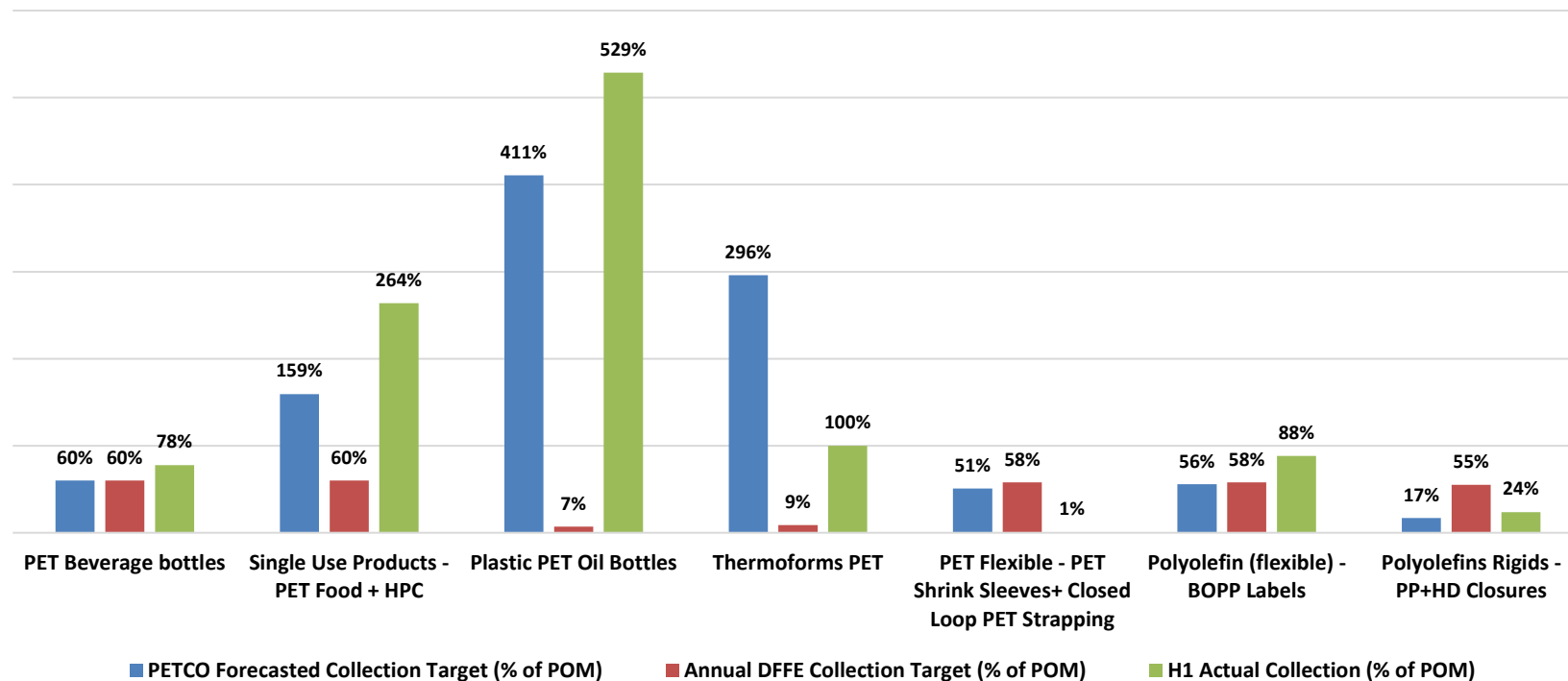
* As percentage of income received
** 1.08% funded from retained income in 2021

- All funding received deployed in 2021
- **76%** towards collection and recycling value chain
- Only **12%** went to admin and operating



2022 COLLECTION PROGRESS

2022 Collection Targets vs. H1 (Jan - Jun) -2022 YTD Actuals



2022 COLLECTION PROGRESS

DFFE Identified Products	PETCO Forecasted Collection Target (% of POM)	Annual DFFE Collection Target (% of POM)	H1-2022 YTD Collections (% of annual target)	H1-2022 DFFE Collection Target based on forecasted annual POM (%)	H1-2022 YTD Collections based on H1 POM (%)
PET Beverage bottles	59,6%	60,0%	44,8%	30,0%	77,9%
Single Use PET Products - Food + HPC bottles	159,5%	60,0%	35,4%	30,0%	263,7%
PET Oil Bottles	410,7%	7,0%	45,5%	3,5%	528,7%
Thermoform PET	296,0%	9,0%	0,0%	4,5%	0,0%
PET Flexible - PET Shrink Sleeves + Closed Loop PET Strapping	51,0%	58,0%	29,1%	29,0%	0,8%
Polyolefin (flexible) - BOPP Labels	55,8%	58,0%	37,1%	29,0%	88,2%
Polyolefins Rigids - PP + HD Closures	17,1%	55,0%	42,0%	27,5%	23,9%
Grand Totals					





COLLECTION VALUE CHAIN SUPPORT

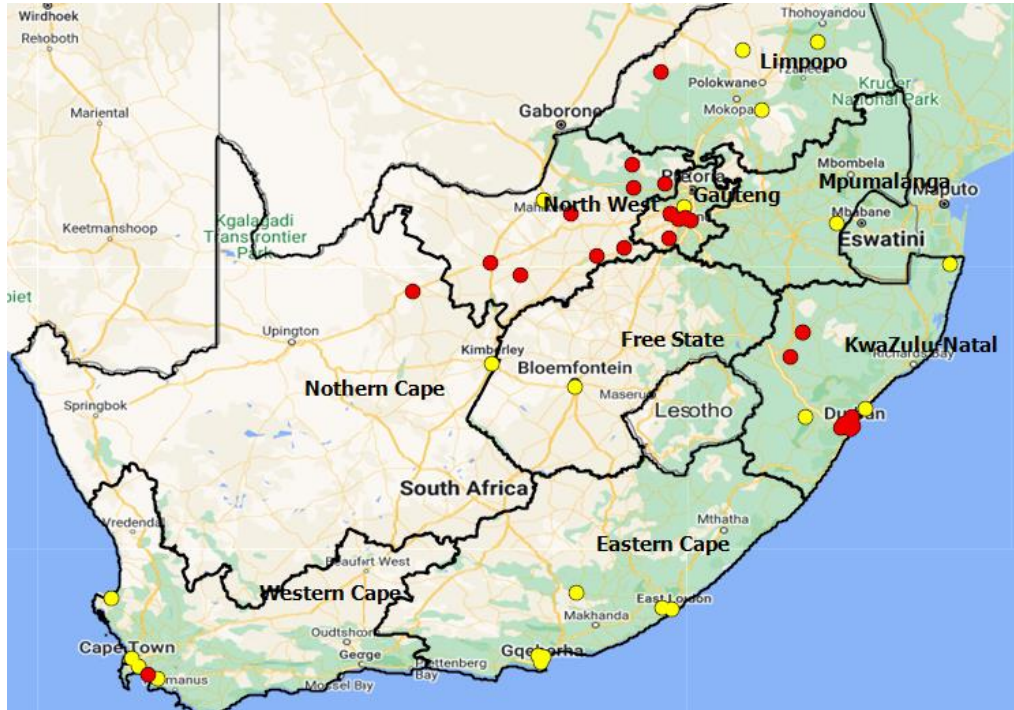
2022 TRAINING COURSES



Support	No.
Q1 Recycling Workshops	5
Q2 Recycling Workshops	8
Accredited training	1



2022 Q2 EQUIPMENT PROVISION

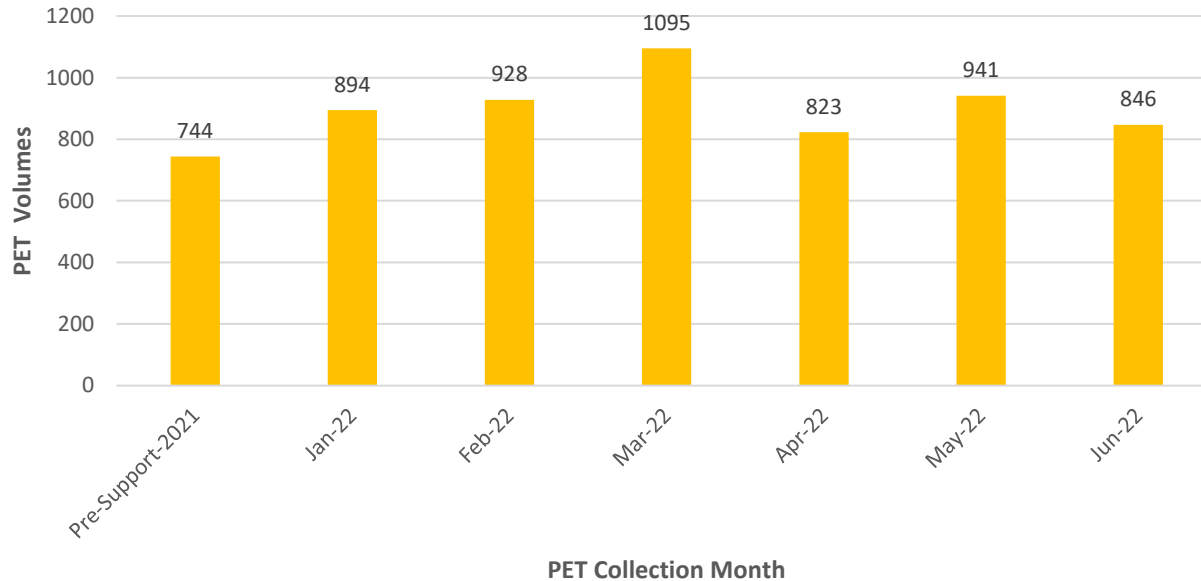


Support	No.
PETCO supported	21
PETCO and partners	35



2022 Q2 EQUIPMENT PROVISION

Pre & Post Support: Monthly PET Volumes



ROLLOUT OF PROJECT UP

- In October last year, PETCO partnered with BanQu for the pilot of Project Up, funded by TCCF.
- Project Up seeks to use blockchain technology to provide a digital record of transactions between WPs and BBCs.
- A partnership with 6DOT50 is being explored to introduce cashless payment systems.
- To date 92 buy-back centres and 6 114 waste pickers registered



Taking recycling to the next level.



ENTERPRISE DEVELOPMENT



- In partnership with various stakeholders, PETCO is seeking to invest in infrastructure that will increase the supply of rPET
- In 2021, we commenced with an enterprise development project based in KwaZulu-Natal, focusing on the flaking of PET recyclate.
- The goal is to have this flaked PET supply PETCO's contracted recycling partners as feedstock.
- Enabling the development of SMMEs involved in the waste value chain, thereby contributing to the transformation of the waste collection and recycling sector



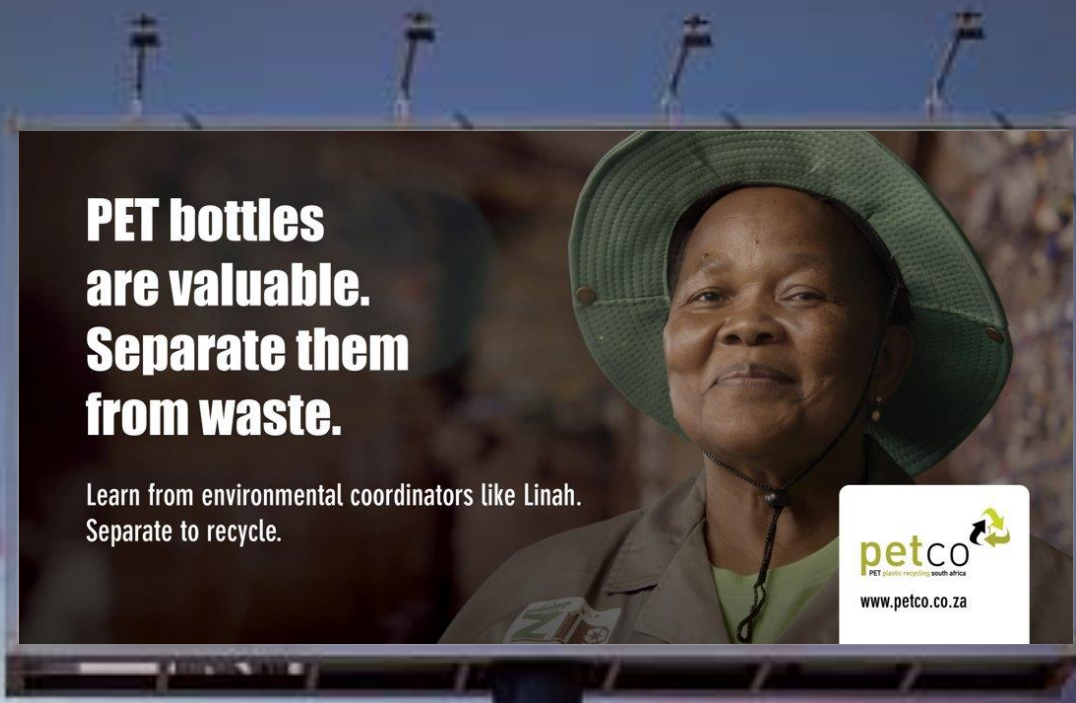


STAKEHOLDER ENGAGEMENT

Your trash. My treasure.

MESSAGE IN A BOTTLE





**PET bottles
are valuable.
Separate them
from waste.**

Learn from environmental coordinators like Linah.
Separate to recycle.



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WHATSAPP PETCO
ON 060 010 2077
FOR MORE



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**PET bottles
are valuable.
Don't mix them
with trash.**

Learn from entrepreneurs like Smanga.
Separate to recycle.

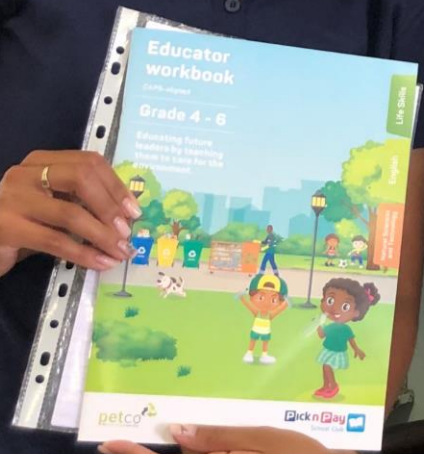


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"It's not the load
that breaks you
down, it's the
way you carry it"



EDUCATION & AWARENESS



- In partnership with the Pick ‘n Pay schools program, PETCO has developed content for Gr 1 – 3 aimed at creating awareness about recycling.
- A WhatsApp-for-Business platform is currently active to support waste pickers in establishing small businesses.
- PETCO also provides sponsorships to several events and beach clean-ups, such as those for International Coastal Cleanup Day.





Dear Junaid,

Driving improved packaging design, collection, reuse and recycling rates globally will require a paradigm shift in the way we think about and approach this task.

As you'll see in this newsletter, industry organisations are researching and implementing innovative approaches and new technologies to achieve ever-more strenuous goals. And the innovations are not just coming from the top-down but from small start-ups and entrepreneurs working at grassroots level.



COMMITTED PRO ALLIANCE MEMBER



- PETCO is a committed member of the Paper & Packaging PRO Alliance.
- We currently sit on the Alliance's board and have representatives at every meeting and working group
- The PRO Alliance is looking to undertake projects that aim to better support the informal collection sector, collaborate with municipalities and improve consumer awareness.





LEGAL AND REGULATORY

LEGAL AND REGULATORY UPDATE

- **EPR fee concurrence – 28 June:** Concurrence on the 2022 EPR fee was received on the 28 June 2022
- **EPR fee guiding methodology:** A panel of experts is being organised to inform implementation of EPR and develop a guiding methodology for EPR fees going forward.
- **Interim performance report – 31 August:** Our interim performance report will be submitted by the 31 August on the SAWIC EPR online system on behalf of all linked members.
- **2023 Annual Financial Plan and Budget – 31 Oct:** This due to DFFE on the 31 Oct, and therefore member forecasts are needed by no later than **15 September**.
- **Implementation of waste picker service fee – 01 November:** A waste picker service fee is to be implemented by 01 November



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All WASTE RECYCLING

MEMBER COMMUNICATION

MEMBER PORTAL

PETCO's EPR FEES

Learn more about PETCO's Extended Producer responsibility (EPR) fees.

[Learn More →](#)

WHY PETCO

Our 16-year track record speaks for itself, with many benefits for your company.

[Learn More →](#)

BECOME A MEMBER

Becoming a PETCO member has many benefits. Apply today.

[Learn More →](#)

CURRENT MEMBERS

View our current members here.

[Learn More →](#)

LEGISLATION

Familiarise yourself with waste management regulations in South Africa.

[Learn More →](#)

DESIGN FOR CIRCULARITY

It all starts with smart design. Our guide will help you improve circularity of PET products.

[Learn More →](#)



MEMBER ENGAGEMENTS

- One-on-one/individual member meetings with dashboard
- Collective PETCO member information sessions/themed webinar
- Member newsletters via email
- Member site visits
- Central repository for all key documentation

To be informed by member communication preference survey. Survey will be issued shortly.



KEY TIMELINES

- **18 August:** Board meeting
- **8 September:** Webinar – Section 18 update
- **15 September:** Submission of 2023 forecasts to PETCO
- **27 September:** Webinar – Informal sector integration
- **13 & 18 October:** Webinar – Design for Circularity, local and international best practice
- **31 October:** PETCO submission of Annual Financial Plan and Budget to DFFE
- **01 November:** Implementation of waste picker service fee
- **17 November:** Last board meeting for the year



HOW TO REACH AND FOLLOW US



junaid.francis@petco.co.za



@PETCO_SA



petco_sa



@PETPlasticRecyclingSA



PETCO South Africa

Thank you, any questions?

