



CODE OF BUSINESS CONDUCT AND ETHICS

1. INTRODUCTION

- 1.1 As the focal point and custodian of corporate governance in the organisation, the Tongaat Hulett Board of Directors (“the Board”) confirms its commitment to lead the organisation ethically and effectively; and to ensure that the ethics of the organisation are governed in a way that supports the establishment of an ethical culture.
- 1.2 Tongaat Hulett and all its subsidiaries and associates are committed to a policy of ethical leadership, fair dealing and integrity in the conduct of their business. This commitment, which is actively endorsed by the Board, is based on a fundamental belief that business should be conducted honestly, fairly and legally. The Code of Business Conduct and Ethics (“the Code”) is intended to nurture a culture of integrity, responsibility, accountability, transparency and fairness, and to sustain the confidence and trust of all Tongaat Hulett stakeholders.
- 1.3 The Code applies equally to the directors, employees, (including seasonal employees and contract workers), service providers, suppliers, and other representatives of the company (stakeholders). The Code is designed to inform and guide all stakeholders of ethical behaviour standards and the company’s expectations in all business activities and decisions that affect communities, competitors, the environment, government and regulators, shareholders and investors.
- 1.3 Compliance with the Code by all employees and stakeholders is mandatory. If employees become aware of, or suspect, a contravention of the Code, they must promptly and confidentially report the matter as set out in Section 10 of this document. The matter will be investigated and dealt with as set out in the relevant section.
- 1.4 The company will take all reasonable steps to ensure that all employees and other stakeholders are informed of the principles embodied in the Code. In turn, all Tongaat Hulett employees have a responsibility to read, understand and comply with the Code and other applicable company policies.
- 1.5 If employees are in doubt about the application of the Code, or wish to raise good faith concerns, they should discuss the matter with the person to whom they report or a person at management level responsible for Human Resources, or the Managing Director of the operation concerned, or the Company Secretary of the company.
- 1.6 Tongaat Hulett strictly prohibits any intimidation, victimisation, retaliation or harassment of any stakeholders (including employees, business partners and

suppliers) who in good faith raise or report a concern that they reasonably believe is a violation of the Code. No employee, regardless of the country of operation, will be dismissed, suspended, threatened or retaliated against as a result of reporting the violation of the Code.

2. COMPLIANCE WITH LAWS AND REGULATIONS

- 2.1 Tongaat Hulett complies with all applicable laws and regulations which relate to its operations. Any violation of the law or unethical business dealing by any employee activities will not be condoned. Employees must ensure that their conduct cannot be interpreted as being in any way in contravention of applicable laws and regulations.
- 2.2 Tongaat Hulett is committed to detecting, preventing and combating fraud, theft and other forms of economic crime such as corruption, bribery or money laundering that may affect its business. The company takes a zero tolerance approach towards such activities and will institute legal proceedings against perpetrators on a consistent basis. Agents and other non-employees cannot be used to circumvent the law.
- 2.3 Employees should bear in mind that the perception of their actions by others is important, and should therefore act accordingly to ensure that their conduct complies with the principles set out in the Code, as should directors, business partners and other affected parties.

3 POLICY ON HUMAN RIGHTS

As a signatory of the Universal Declaration of Human Rights, the company commits to respect internationally recognised human rights expressed in the International Bill of Human Rights and by the International Labour Organisation. This includes a commitment to avoid causing or contributing towards adverse human rights impacts through business activities, and seeking to prevent or mitigate adverse human rights impacts that are directly linked to Tongaat Hulett operations, products or services by business relationships.

Tongaat Hulett confirms its commitment to ongoing transparent engagement with stakeholders in response to specific human rights concerns that may be raised from time to time. Reporting in accordance with the Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI) Standards is covered in the company's integrated annual report.

4 CONFLICT OF INTEREST

It is expected that employees will perform their duties conscientiously, honestly and in accordance with the best interest of the company.

Ethical business practices require that employees and officials make fair, honest and objective decisions in the company's best interests. Therefore, all situations that may result in undue actual or perceived conflict of interest must be declared in writing,

registered in the gifts register, and their impact assessed and/or mitigated in accordance with this Code.

Knowledge gained through employment must not be used for private or personal advantage or in such a manner that a conflict or an appearance of conflict arises between the company's interest and personal interests. A conflict could arise where an employee, a member of an employee's family or friend, or a business with which the employee or family is associated obtains a gain, advantage or profit by virtue of the employee's position with the company or knowledge gained through that position.

Any form of nepotism or preferential treatment involving family or friend/associate represents an unacceptable conflict of interest and will not be tolerated. To this end, Tongaat Hulett Limited employees are prohibited from transacting with the company for personal gain.

If employees feel that a course of action which they have pursued, are pursuing or are contemplating pursuing, may involve a conflict of interest situation or a perceived conflict of interest situation, they should immediately make all the facts known to the person to whom they report to obtain guidance. Where further guidance and/or clarity is sought, the office of the Company Secretary should be notified.

4.1 Outside Activities, Employment and Directorships

We all share a very real responsibility to contribute to our local communities, and the participation of employees in religious, charitable, educational and civic activities is encouraged. Employees should, however, avoid acquiring any business interest or participating in any activity which would create, or appear to create:

- (a) an excessive demand upon their time, attention and energy which would reduce their best efforts on the job; or
- (b) a conflict of interest - that is, an obligation, interest or distraction which would interfere or appear to interfere with their independent exercise of judgement in the company's best interest; or
- (c) harm to the name, image or reputation of Tongaat Hulett or bring the company into disrepute. Employees at all levels, and in particular senior management and executives, must avoid being affiliated with any companies, groupings or factions that could compromise the integrity or reputation of the company.

Outside employment may not be taken up without the prior written approval of the Human Resources Executive concerned. Employees who hold, or have been invited to hold, outside directorships should take particular care to ensure compliance with all provisions of this Code. When outside business directorships are being considered, prior written approval must be obtained from the Human Resources Executive concerned, or the relevant line manager.

3.2 Relationships with Clients, Customers and Suppliers

It is recognised that relationships with clients, customers and suppliers give rise to many potential situations where conflict of interest, real or perceived, may arise.

Employees should ensure that they are independent, and are seen to be independent, from any business organisation having a contractual relationship or providing goods or services to the company, if such relationship might influence or create the impression of influencing their decisions in the performance of their duties. In such circumstances, employees should not invest in, nor acquire a financial interest, directly or indirectly, in such an organisation.

3.3 Gifts, Hospitality and Favours

Conflicts of interests can arise where employees offer or accept gifts, hospitality or other favours which might, or could be perceived to, influence their judgement or objectivity or create an expectation or obligation to reciprocate in any way, in relation to business transactions such as the placing of orders and contracts.

Employees are advised not to offer or accept gifts, hospitality or other favours from suppliers of goods or services, or any other category of person or institution, in return for any kind of favour, service or treatment offered by virtue of being an employee of the company. The receiving of cash or cash equivalent is strictly prohibited, as well as giving or receiving gifts that break the law.

However, acceptance of the following would not be considered contrary to such policy:

- (a) Promotional and advertising matter of a limited commercial value, that does not impact on independence or judgment, and does not exceed R500;
- (b) Business entertaining such as lunches, cocktail parties or dinners, provided that such entertainment is occasional and not excessive;
- (c) Occasional personal hospitality such as tickets to local sporting events or theatres, provided that the cost of any accommodation and air tickets (where applicable) are borne by the recipient;
- (d) There may be occasions where it is appropriate for employees to offer or accept a gift as a token of appreciation for a service rendered or received in which case a gift not exceeding the above guidelines would be acceptable. Gifts exceeding this require the approval of the Tongaat Hulett executive responsible for the operation concerned.
- (e) Gifts received by employees must be declared in the gifts register maintained by the relevant HR department. The said register shall outline the details of the relevant employee, nature of gift, source and value of the gift and date received.

In addition, personal favours or other preferential treatment should not be accepted by any employee when they are offered because of the employee's position with the company, and, therefore, might tend to place the recipient under obligation.

Certain functions or operating areas such as procurement may have more detailed rules governing the receipt of gifts, hospitality or other favours.

If there is any doubt whether a gift, entertainment or hospitality is acceptable, the matter should be discussed with the relevant line management, the Tongaat Hulett executive responsible, HR department or clarity sought with the office of the Company Secretary. A conservative approach to giving and receiving gifts and hospitality must be adopted.

3.4 Solicitation of Gifts, Sponsorships and Money

No employee may solicit gifts, sponsorships or donations from any supplier or customer of the company without the written permission of the Tongaat Hulett executive responsible for the operation concerned, regardless of the cause for which gifts, sponsorships and donations may be required. This will include solicitations on behalf of any sporting, social or service club in circumstances where the employee may be perceived as holding a position within the company so that the supplier or customer concerned may feel in any way obliged to make a gift, sponsorship or donation on account of his relationship with the company.

Accordingly, when the permission of the Tongaat Hulett executive responsible for the operation concerned has been obtained for an employee to approach customers or suppliers it must be made abundantly clear to these customers and suppliers that the approach is not on behalf of the company or any part of it and the relationship of the customer or supplier to the company has no bearing on his response.

3.5 Personal Investments

The right of all employees to make personal investment decisions as they see fit is respected, as long as these decisions do not contravene the conflict of interest provisions of this Code, any applicable legislation, or any policies or procedures established by the various operating areas of the company, and provided these decisions are not made on the basis of material non-public information acquired by reason of any employee's connection with the company. Employees should not permit their personal investment transactions to have priority over transactions for the company and its clients.

When considering the application of this section, employees should ensure that no investment decision is made for their own account with anyone with whom they have a close relationship, or which could adversely influence their judgement or decisions in the performance of their duties. In addition, employees who are in possession of material non-public information pertaining to the company shall not use this information themselves nor pass such information on to others for their

use.

Employees involved in performing investment activities on behalf of the company and those who by the nature of their duties or positions are exposed to price-sensitive information, are subject to additional rules governing personal investments. These may be imposed by the Companies Act, Stock Exchanges, Securities Regulation Panel and other regulatory bodies, industry associations and management. The rules include requirements for employees to:

- (a) obtain prior approval for, and to report on their personal investment activity and the investment activity of those persons; and
- (b) refrain from dealing in the Tongaat Hulett shares during certain restricted periods.

3.6 Remuneration

No employee may receive commissions or other remuneration related to the sale of any product of the company, except as specifically provided under an individual's terms of employment.

4. SAFETY, HEALTH AND ENVIRONMENT RESPONSIBILITY

4.1 Health and Safety

The company is committed to ensuring a safe work environment for all its employees.

Employees who become aware of circumstances relating to the company's operations or activities which pose a real or potential health, safety or environment risk should report the matter as set out in Section 10 of this document.

4.2 Use of Resources

The company is committed to conserving resources used in its business operations. All employees should use their best efforts to make efficient use of resources and to re-use and recycle supplies and materials wherever practical.

4.3 Environmental Management

The company is committed to sound environment practices and endeavours to conduct itself in a manner having due regard for the environment and surrounding communities as a responsible and caring corporate citizen. Operating practices to address the environmental impact of its business activities have been developed by integrating pollution control, waste management and rehabilitation activities into operating procedures. Employees should give timely attention to environmental issues.

5. ANTI-TRUST AND COMPETITIVE BEHAVIOUR

Tongaat Hulett does not engage in any anti-competitive practices, agreements or understandings of any kind with competitors in all countries of operation. All business engagements shall be conducted honestly, transparently and in fair competition with competitors, agents and suppliers. All employees at all levels must refrain from any anti-competitive behaviour or even to be seen to be party to such behaviour. Examples of anti-competitive behaviour include instances where competitors try to source confidential information such as price or volumes, or customers, or engage in joint price fixing activities, or agreements on production capacities, or “gentlemen’s agreements” that are designed to restrict competition, amongst others.

Employees are urged to report known practices and instances of anti-competitive behaviour. Equally, employees are urged to seek clarity if there are any questions on anti-competitive behaviour from their line manager, executive concerned, or office of the Company Secretary.

Serious known violations of this requirement must be reported directly to the CEO.

6. POLITICAL SUPPORT AND GOVERNMENT RELATIONS

The personal participation of employees in the political process is encouraged and the right to absolute privacy with regard to personal political activity is respected. No attempt to influence any such activity will be made, provided there is no disruption to work-place activities and it does not contribute to industrial unrest.

Employees at all levels, and in particular senior management and executives, must avoid being publicly affiliated or seen to be publicly affiliated with any political groupings or factions that could compromise the integrity or reputation of the company.

Company funds, goods or services, however, must not be used as contributions to political parties or their candidates, and facilities must not be made available to candidates or campaigns, unless specifically authorised by the Chief Executive Officer or the Board as appropriate.

The following points are highlighted:

- There is regular interface with government departments at local, provincial and national level, in the normal course of doing business in the various countries of operation. Such engagement at governmental must remain ethical in line with the principles and spirit of the Code.
- All employees, officials, and directors of the company shall interact at these forums with integrity, honesty, transparency and respect.
- No payments or contributions shall be made on behalf of Tongaat Hulett as an inducement for future benefits or interference with fair business dealings.
- Employees are urged to seek guidance or clarity and obtain required approvals before engaging in any government or political activities on behalf of the company.

7. FUNDS AND ASSETS

A number of internal controls to safeguard company assets and to prevent fraud and dishonesty have been developed. All employees who have access to funds in any form must at all times follow prescribed procedures for recording, handling and protecting such funds. Operating areas may implement policies and procedures relating to the safeguarding of company assets, including computer software.

Employees must, at all times, ensure that the company funds and assets are used only for legitimate business purposes. Where an employee's position requires funds to be spent, it is the individual's responsibility to use good judgement to ensure that appropriate value is received by the company for such expenditure.

If employees become aware of any evidence that funds or assets may have been used in a fraudulent or improper manner, they should immediately and confidentially advise the company as set out in Section 10 of this document.

8. RECORDS

Books and records should reflect all business transactions in an accurate and timely manner. Undisclosed or unrecorded revenues, expenses, assets or liabilities are not permissible, and the employees responsible for accounting and record-keeping functions are expected to be diligent in enforcing proper practices.

9. DEALING WITH OUTSIDE PERSONS AND ORGANISATIONS

9.1 Prompt Communications

The company strives to achieve complete, accurate and timely communications with all parties with whom it conducts business, as well as government authorities and the public. In addition, prompt internal communication is encouraged.

A prompt, courteous and accurate response should be made to all reasonable requests for information and other client communications. Any complaints should be dealt with in accordance with internal procedures established by various operating areas and applicable laws.

9.2 Media Relations

In addition to everyday communications with outside persons and organisations, the company will, on occasion, be asked to express its views to the media on certain issues. Employees approached by the media should immediately contact the Tongaat Hulett executive responsible for the operation concerned.

An employee, when dealing with anyone outside the company, including public officials, must take care not to compromise the integrity or damage the reputation of

any outside individual, business, or government body, or that of the company. As a general rule, the company's position on public policy or industry issues will be dealt with by senior management in consultation with the Tongaat Hulett executive responsible for the operation concerned. The text of articles for publication, public speeches and addresses about the company and its business should be reviewed in advance with the Tongaat Hulett executive responsible for the operation concerned.

Employees should separate their personal roles from the company's position when communicating on matters not involving company business. They should be especially careful to ensure that they are not identified with the company when pursuing personal or political activities, unless this identification has been specifically authorised in advance by the company.

10. PRIVACY AND CONFIDENTIALITY

In the regular course of business, a considerable amount of information is accumulated. The following principles are to be observed:

10.1 Obtaining and Safeguarding Information

Only such information as is necessary to the company's business should be collected, used and retained. When personal information is needed, wherever possible it should be obtained directly from the person concerned. Only reputable and reliable sources should be used to supplement this information.

Information should only be retained as long as it is needed or as required by law, and such information should be physically secured and protected;

10.2 Access to Information

Information with respect to any confidential product, plan or business transaction, or personal information regarding employees, including their salaries, must not be disclosed by any employee unless and until proper authorisation for such disclosure has been obtained. In addition, operating areas may implement policies and procedures to prevent improper transmission within the company of material non-public information concerning publicly traded companies.

11. CONTRAVENTION OF THE CODE

11.1 Any contravention of this Code is a serious matter. At the same time, any suspected or alleged contravention under investigation must be treated with utmost confidentiality.

11.2 If employees believe that their own actions have, or may have, contravened the Code, they should either advise the person to whom they report or to a person at management level responsible for Human Resources, or to the Tongaat Hulett executive responsible for the operation concerned, or to the Company Secretary.

- 11.3 If employees suspect that a contravention of the Code has been committed by another employee, they should promptly and confidentially report this, preferably in writing, to the person to whom they report or one of the management level persons referred to above. They must not confront the individual concerned. By following this process, confidentiality will be maintained and the matter will be investigated impartially.
- 11.4 As contravention of the Code is a serious matter, it may result in disciplinary action, including termination of employment. Certain breaches of the Code could also result in civil or criminal proceedings.
- 11.4 Employees may also utilise the Tip-Off Anonymous hotline on a confidential and anonymous basis. The 24 hour hotline is operated by Deloitte and they may be contacted by the following means:

<p style="text-align: center;">South Africa</p> <p>FreeCall: 0800 212 187 FreeFax: 0800 00 77 88 Email: Tongaats@tip-offs.com FreePost: KZN 138, Umhlanga Rocks, 4320 www.tip-offs.com <u>SMS: 32840</u></p>	<p style="text-align: center;">Botswana</p> <p>FreeCall: 0800 600 644 FreeCell: 1144 - Orange only FreeCell: 7111 9761- Mascom only FreeFax: 0800 00 77 88 Email: Tongaats@tip-offs.com FreePost: KZN 138, Umhlanga Rocks, 4320 www.tip-offs.com <u>SMS: 32840</u></p>	<p style="text-align: center;">Mozambique</p> <p>FreeCall: 82 3 450 FreeFax: 0800 00 77 88 Email: Tongaats@tip-offs.com FreePost: KZN 138, Umhlanga Rocks, 4320 www.tip-offs.com <u>SMS: 32840</u></p>
<p style="text-align: center;">Namibia</p> <p>FreeCall: 0800 212 187 FreeFax: 0800 00 77 88 Email: Tongaats@tip-offs.com FreePost: KZN 138, Umhlanga Rocks, 4320 www.tip-offs.com <u>SMS: 32840</u></p>	<p style="text-align: center;">Swaziland</p> <p>FreeCall: 0800 212 187 FreeFax: 0800 00 77 88 Email: Tongaats@tip-offs.com FreePost: KZN 138, Umhlanga Rocks, 4320 www.tip-offs.com <u>SMS: 32840</u></p>	<p style="text-align: center;">Zimbabwe</p> <p>FreeCall: 0800 4100/1/3/4/5/6/61 FreeCell: 0808 5500 / 0808 4146 (Econet only) FreeFax: 0800 4146 Email: reportszw@tip-offs.com FreePost: The Call Centre, P.O. Box HG883, Highlands, Harare www.tip-offs.com <u>SMS: 32840</u></p>

THE IMPLEMENTATION OF THE CODE OF ETHICS

Operations are to ensure:

- a) the monitoring and enforcement of the Code;
- b) communication/consultation with all employees regarding standards of ethical behaviour and compliance procedures;
- c) the enforcement of discipline in relation to breaches of the Code.