



Est. 1892

# TongaatHulett®

## CLIMATE CHANGE POLICY



We succeed  
through  
excellence and  
innovation



We grow and  
win in teams



We take  
accountability



Integrity and  
ethics guide  
our way



We care and do  
our best



Safely home  
every day

**Table of Contents**

- 1. Introduction ..... 3
- 2. Purpose ..... 3
- 3. Objective ..... 3
- 4. Definitions ..... 4
- 5. Scope..... 4
- 6. Regulatory Framework ..... 4
- 7. Management of Climate Change Impacts ..... 4
- 8. Non-compliance ..... 5
- 9. Communication of Policy..... 5
- 10. Administration ..... 5
- 11. Policy Review..... 6
- 12. Implementation date..... 6

## 1. Introduction

- 1.1. Tongaat Hulett Limited (“TH” or “the Company”) views environmental management as a critical component of its commitment to corporate social responsibility.
- 1.2. Our climate change policy is owned and endorsed by the Social & Ethics Committee of the Board of Directors.
- 1.3. Responsibility for implementing this policy resides with every TH employee, where management of the policy is the responsibility of the Corporate Sustainability Department, the Safety, Health & Environment (SHE) teams at each of our operations as well as the leadership teams of each operation.
- 1.4. Our impacts on climate change include greenhouse gas emissions from our operations, as well as the way in which land and water is used for agricultural and/or agri-processing activities.
- 1.5. We believe that it is our responsibility to work with key stakeholders to identify sustainable solutions for mitigating short, medium and long-term climate change risks.

## 2. Purpose

- 2.1. The purpose of this policy is to limit company impacts on climate change, as well as maximise the company’s management of climate change impacts on our businesses, inclusive of the communities in which we operate.

## 3. Objective

- 3.1. The primary objectives of this policy are:
  - To ensure that processes are in place to duly inform our stakeholders of the climate change risks the company faces.
  - To ensure that our stakeholders are aware of the commitments the company has made to identify, prioritise and mitigate the most material climate change risks the company faces.
  - To ensure that employees, contractors and suppliers are aware of their shared responsibility in helping the company meet its climate change goals.
  - To ensure that targets for reducing climate change impacts are set, monitored, measured and communicated in a manner that will allow the company to demonstrate progress against the targets.
  - To ensure that the reporting of greenhouse gas emissions, impacts on areas of high ecological and/or biodiversity sensitivity, and water

consumption are aligned to all relevant local and international standards, regulations and/or protocols, inclusive of, but not limited to South Africa's Carbon Tax Act 15 of 2019, the Greenhouse Gas Protocol, and the Taskforce on Climate Related Financial Disclosures (TCFD) reporting requirements.

#### 4. Definitions

- 4.1. **Climate** refers to the collective conditions of an area or region over a prolonged period of time. Unlike climate, **weather** refers to a spot incidence of a condition such as rain, wind, heat, humidity, air pressure or cloudiness, Weather can change from one day to the next, while a change in climate is evolutionary that occurs over several years.
- 4.2. **Climate Change** refers to a system or process of change in average climate conditions over a period of several years, typically measured as averages in temperature and precipitation.
- 4.3. **Global Warming** refers to an increase in average temperatures resulting from a build-up of greenhouse gases in the atmosphere, resulting in heat being trapped on or near the surface of Earth.
- 4.4. **Greenhouse gases (GHGs)** are those that absorb and emit infrared radiation in the wavelength range emitted by Earth.

Although there are many others, Carbon Dioxide (CO<sub>2</sub>), Methane (CH<sub>4</sub>) and Nitrous Oxide (N<sub>2</sub>O) are the most frequently discussed GHGs, and all three are by-product gases that are emitted from the company's processes.

#### 5. Scope

- 5.1. This policy applies to all Tongaat Hulett operations.

#### 6. Regulatory Framework

- 6.1. This policy is drafted in accordance Tongaat Hulett policies, procedures and best practice to ensure compliance with relevant legislation. If local laws or regulations establish stricter requirements, we will comply with such stricter requirements.

#### 7. Management of Climate Change Impacts

- 7.1. The company manages its collective impacts on climate change through the monitoring, measurement and target setting of:
  - 7.1.1. Land use, as set out within the company's Responsible Land Use Policy;
  - 7.1.2. Water use, inclusive of process improvements in water efficiency including re-use, as per the company's Sustainable Sugar Policy;

- 7.1.3. Energy consumption and conversion of processes to allow for reduced use of non-renewable energy resources (e.g., coal), and either improvement in energy efficiency or increased use of renewable energy sources (e.g. bagasse/wood chips), as per the company's Sustainable Sugar Policy;
  - 7.2. The company encourages all contractors and suppliers to adopt a similar stance on climate change, and endeavours to assist its supply chain partners where knowledge, experience and/or specific skills are required, as per the requirements of the Sustainable Procurement Policy.
  - 7.3. The company provides annual progress reporting to stakeholders on the management of climate change impacts through the following mechanisms:
    - 7.3.1. The Integrated Annual Report and/or Annual Sustainable Development Report;
    - 7.3.2. The Annual Climate Change Risk Report;
    - 7.3.3. Annual Carbon Taxation disclosure and payment to government; and,
    - 7.3.4. Regular updating of information in the Sustainability portal of the company's website ([www.tongaat.com](http://www.tongaat.com)).

## 8. Non-compliance

- 8.1. Non-compliance with this policy and the procedures associated with it may result in disciplinary action and even dismissal.

## 9. Communication of Policy

- 9.1. In order for the policy to be sustainable, it must be supported by a structured education, communication and awareness programme.
- 9.2. This policy is to be communicated to all employees through awareness campaigns and/or specialised training for those employees who are directly responsible for assisting in the monitoring, measurement and reporting of climate change impacts.
- 9.3. This policy will be made available to all stakeholders via the Sustainability portal on the company's website ([www.tongaat.com](http://www.tongaat.com)).

## 10. Administration

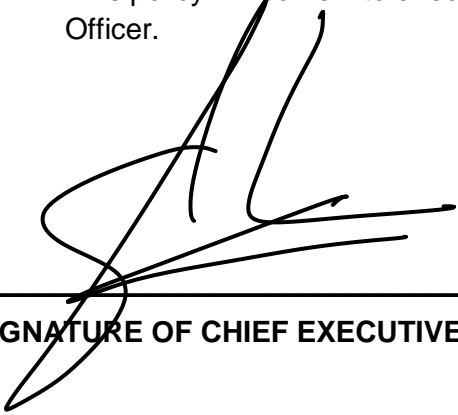
- 10.1. Tongaat Hulett has the overall responsibility for the maintenance and operation of this policy.

11. Policy Review

11.1. This policy shall be reviewed annually and as and when required to factor in any changes in legal frameworks, organisational development and economic trends.

12. Implementation date

12.1. This policy will come into effect on the date of signature by the Chief Executive Officer.



\_\_\_\_\_

SIGNATURE OF CHIEF EXECUTIVE OFFICER

7/12/20

\_\_\_\_\_

DATE

# CLIMATE CHANGE POLICY

## DOCUMENT CONTROL DATA



VERSION 1

LAST REVISION DATE: 24/10/2020

FIRST IMPLEMENTATION DATE: 04/12/2020

DOC. REF. NR. THL15/2020

## APPROVAL RECORD

	DESIGNATION	SIGNATURE	DATE
<b>AUTHOR</b>	Business Assurance Executive		24/10/2020
<b>REVIEWED BY</b>	Group Company Secretary		16/11/2020
<b>APPROVED BY</b>	Board of Directors	Resolution: 2020/041	30/11/2020

