



Est. 1892

TongaatHulett®

STAKEHOLDER RELATIONSHIP MANAGEMENT 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.....	5
6.	Regulatory Framework	6
7.	Stakeholder Mapping	6
8.	Stakeholder Engagement Risks	7
9.	Measuring Engagement Value and Output.....	7
10.	Stakeholder Engagement Responsibility	8
11.	Non-compliance	8
12.	Communication of Policy.....	8
13.	Administration	9
14.	Policy Review.....	9
15.	Implementation date.....	9

1. Introduction

- 1.1. Tongaat Hulett Limited (“the Company”) recognises that it exists within a universe of diverse groups and interests. The company operates within a social, economic and political context and is subject to regulatory and institutional conventions. The company is therefore expected to do more than simply react to social, economic, environmental and political dynamics occurring around it.
- 1.2. A proactive stakeholder relationship management policy gives Tongaat Hulett a framework for consistently applied understanding of mutual interests and influences, as well as execution of interventions that improves alignment and mutual value adding relationship with its stakeholders.
- 1.3. It enables the company to build trust; manage expectations, alert stakeholders to periodic fluctuations within the land, agriculture and Agri-processing sector; and align with government developmental priorities.
- 1.4. Proactive and meaningful stakeholder engagement can also reduce potential conflict and allow multiple parties to achieve long-lasting outcomes and results.

2. Purpose

- 2.1. The purpose of this policy is to direct Tongaat Hulett’s stakeholder relationship management in all our engagements towards the desired outcomes of;
 - Communicating a Tongaat Hulett value proposition to our stakeholders
 - Building a caring, trusting, honest, ethical and open relationship that advance mutual co-existence and shared value creation with our stakeholders
 - Promoting good corporate citizenship and cooperation in the community of our stakeholders.
 - Managing risk, reputation, legitimacy and relationship building to create a sustainable future for all stakeholders.
 - Restore Tongaat Hulett’s governance integrity and reputation among stakeholders

3. Objective

- 3.1. The primary objectives of this policy are:
 - to bring about consistency across the various business units in the various regions on issues relating to stakeholder interests and engagement;
 - to raise mutual awareness of TH and stakeholder interests and build trust based-based relationships through effective engagements with all stakeholders while ensuring transparent and honest communication to understand and address stakeholder issues and concerns;

- to proactively analyse stakeholder needs, interests in relation to TH interests and potential impact on decision making as well as reducing expectation gap and misunderstandings, and
- to create a caring, empowering and consensus building environment that promotes co-existence, partnership and shared prosperity.

3.2. What success would look like

We will know we are successful in managing stakeholder relationships when:

- There is regular communication and positive feedback from stakeholders
- Tongaat Hulett is regarded as business partner of choice by our stakeholders
- Structured and effective engagement platforms and processes at all Business Units
- There's an integrated Corporate Stakeholder Relationship Management Programme with Stakeholder Engagement Plans at Country, Operating Company and Business Unit levels
- Individual and team goals include awareness of and clear role as appropriate, in stakeholder relations management.
- Effective partnership with our value chain stakeholders driving mutually beneficial outcomes
- Tongaat Hulett standing as a corporate citizen is well respected by peers and stakeholders.

3.3. Our Values

We have a set of six core values that guide our behaviour as we engage with our stakeholders:

- 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

4. Definitions

4.1. **Stakeholders** mean persons, groups or institutions with an interest in the company or the ability to influence the company's operations, either positively or negatively. The range of potential stakeholders is diverse and for purposes of this policy they include employees, affected communities or individuals, growers, traditional authorities, local, provincial and/or national government, non-governmental organisations, the academic community, employees; media; customers; suppliers; contractors; investors; regulatory agencies, special interest groups and trade unions.

4.2. **Stakeholder Relationship Management (SRM)** a structured systematic process by which you organise, monitor and improve your relationships with

your stakeholders through stakeholder identification and profiling; analysing their needs and expectations; influences and impact on the business and planning and implementing various tasks to engage with them.

- 4.3. **Stakeholder mapping** is a tool for identifying and prioritising key stakeholders in the areas where the company operates. The process involves identifying all individuals who have an interest in and/or are affected by the company. The stakeholder mapping is done according to the following two levels: the level of interest (these are stakeholder affected by the company); and the level of influence (these are stakeholders that have the power in setting and modifying the company’s operational plans).
- 4.4. **Stakeholder engagement** means a process used by companies to engage relevant stakeholders for a clear purpose to achieve agreed outcomes. This engagement is recognised as a fundamental accountability mechanism, since it obliges the company to involve stakeholders in identifying, understanding and responding to issues and/or concerns, and to report, explain and answer to stakeholders for decisions, actions and performance.

5. Scope

- 5.1. This policy applies to all, Executives, General Managers and their teams within all Tongaat Hulett’s countries of operation, working with all key internal and external stakeholders, including employees, affected communities or individuals, growers, traditional authorities, local, provincial and/or national government, non-governmental organisations, the academic community, employees; media; customers; suppliers; contractors; investors; regulatory agencies and trade unions.

ACCOUNTABILITY		CATEGORY LEVELS	EXAMPLES OF TOPICS OF INTEREST TO TH
CORPORATE	COUNTRY HEAD	Global	Sustainability Development Goals
		Continental and Regional	Protocols and Agreements, Food Security, Health, population migration,
	BUSINESS UNIT HEAD	Country	Bilateral Agreements and Protocols, National calendar, policies, regulations, programmes, Budget Plans, key Departments
		Industry	Regulations, lobbying, programmes
		Province	Regulations, Programmes, Budget Plans, key Departments
		Municipal	By-laws, Programmes, Services, Budget Plans, Key Departments
		Local	Business Units, Communities, Interest Groups, Councillors, Traditional Leaders

6. Regulatory Framework

- 6.1. This policy is drafted in accordance to Tongaat Hulett policies, procedures and best practice to ensure compliance with relevant legislations. If local laws or regulations establish stricter requirements, we will comply with such stricter requirements.
- 6.2. In line with the recommendations of King IV™, the Tongaat Hulett Board will adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of the material stakeholders with the interest of the company through a stakeholder-inclusive approach.
- 6.3. Tongaat Hulett will observe, respect and comply with diverse regulatory frameworks, protocols and guidelines in various operating jurisdictions that are legal, ethical and consistent with its values and governance.

7. Stakeholder Mapping

- 7.1. The company recognises that stakeholder mapping is crucial to successful stakeholder engagement and the effective allocation of company resources. Stakeholder Engagement Champions at both the Group and Operations levels will use the following criteria to identify, assess and prioritise stakeholders:

Framing Tool from As Is to Desired level

- 7.1.1. Stakeholder interest
- 7.1.2. Stakeholder key internal and external issues and concerns
- 7.1.3. Stakeholder expertise on material issues
- 7.1.4. Stakeholder level of influence
- 7.1.5. Stakeholder willingness to engage with Tongaat Hulett management
- 7.1.6. Stakeholder expectations of engagement with Tongaat Hulett
- 7.1.7. Stakeholder dependence on Tongaat Hulett
- 7.1.8. Value for Tongaat Hulett of engaging with this stakeholder

ARE Model

- **Awareness** of TH and Stakeholder Interests/issues, impacts and influences. As is landscape, desired level and gap analysis. This will assist in being interest and outcomes-driven in engagement process
- **Relationship** between interests/issues and stakeholders. Who has what relationship with which stakeholder? Interpersonal relationship, trust, conflict/cooperation, communication health and channels
- **Engagement** platforms, processes and approaches (bargaining, transactional, collaborative/partnership, etc.)

- 7.2. The stakeholder mapping exercise will be conducted annually at a Corporate level and rolled out to the respective stakeholder champions for implementation. The mapping exercise will also be conducted by the respective Business Unit Managers responsible for stakeholder engagement at operational levels across all countries of operation. Bi-annual reviews should be conducted to assess the effectiveness of the mapping exercise and to update and continuously improve accordingly.

- 7.3. Stakeholder mapping will be succeeded by an operational plan on the engagement approach for each prioritised stakeholder to align the process and principles of engagement across the teams. The operational plan will ensure alignment of key messages to stakeholders across the business unit. The operational plan and approach to engagement should consider the following:
- 7.3.1. Identify key messages to manage stakeholder expectations.
 - 7.3.2. Define the appropriate communication channels, timelines and medium of communication per stakeholder.
 - 7.3.3. Define clear indicators and measurement of successful engagement outcomes.
 - 7.3.4. Develop the “rules of engagement” to provide the business unit with a clear base communication.
 - 7.3.5. Identify potential risks of engagement and formulating mitigation strategies.
 - 7.3.6. Continuously refining the messages and communication channels to address the outcomes of previous engagement.

8. Stakeholder Engagement Risks

- 8.1. Tongaat Hulett recognises that there are risks associated with poor stakeholder relations and expectation gap management at different levels of the business and its value chain including intra- and inter-stakeholder conflicts. While some of these stakeholder conflicts maybe indirect, their impact maybe direct to the business operations. Structured proactive stakeholder relations management using ARE model is key to sustainable shared value-based outcomes.
- 8.2. Capacity to effectively manage stakeholder relations maybe constrained either at stakeholder or within TH. Accounting executives at different (Corporate, Country, Business Unit) levels must ensure that TH is appropriately resourced and provide necessary support to facilitate capacitated stakeholders in engagement processes.
- 8.3. SRM will be embedded in TH business processes and be part of normal business reporting.
- 8.4. The company will explore various engagement methods that will ultimately promote meaningful and effective engagement with the relevant stakeholders.
- 8.5. We follow a Risk-Adjusted Approach to stakeholder mapping, resource allocation and engagement. This ensures that stakeholder interests/influences of high impact receive highest attention.

9. Measuring Engagement Value and Output

- 9.1. To ascertain the effectiveness of each engagement, Tongaat Hulett will evaluate the outcome of each engagement. The assessments will be conducted annually or as and when a breakdown in communication raises the

need to reconsider the frequency or the mode of communication employed for specific stakeholders. The (ARE model) evaluation will consider a wide range of issues including the following:

- whether the company and the stakeholder were aware of each other's interests/issues and were communicated and understood.
- whether the relationship on interests/issues, desired outcomes or personalities interfered with the engagements;
- whether the objectives, scope and process of the engagement was clearly stated and executed; and
- what could be improved in future engagement activities.

10. Stakeholder Engagement Responsibility

- 10.1. Every employee and stakeholder are a goodwill ambassador to the TH brand. Communication and engagements with various stakeholders are encouraged within the guidelines of the policies, capacity and mandates.
- 10.2. The Tongaat Hulett Board will have the overall responsibility for stakeholder engagement. The various operations across all countries of operation will have country operations-specific stakeholder engagement plans and the Business Unit Managers will be responsible for engagement at site level.
- 10.3. Responsibility for stakeholder engagement is coordinated through Accounting line management and exercised within the SRM framework and policy. Anyone acting on behalf of the company in stakeholder engagements should first ensure that they are empowered to do so. This includes the sharing of company information on social media platforms by employees, suppliers and/or contractors that have not been specifically empowered to act on behalf of the Company

11. Non-compliance

- 11.1. Non-compliance with this policy and the procedures associated with it may result in material, reputational and even commercial loss to the company and trigger disciplinary action and even dismissal.
- 11.2. Anyone acting on behalf of Tongaat Hulett in engaging with stakeholders will comply with this policy and non-compliance may result in the termination of their contract.

12. Communication of Policy

- 12.1. To ensure that stakeholder engagement meets the Company's objectives, this policy is supported by structured education and awareness programmes.

13. Administration

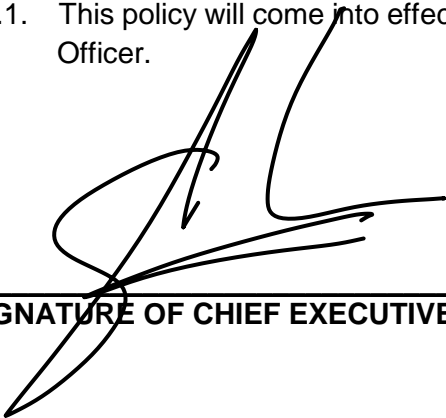
13.1. Tongaat Hulett Corporate Affairs Executive has the overall responsibility for the maintenance and operation of this policy.

14. Policy Review

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

15. Implementation date

15.1. 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

STAKEHOLDER RELATIONSHIP MANAGEMENT POLICY

DOCUMENT CONTROL DATA



VERSION 1

LAST REVISION DATE: 02/11/2020

FIRST IMPLEMENTATION DATE: 07/12/2020

DOC. REF. NR. THL36/2020

APPROVAL RECORD

	DESIGNATION	SIGNATURE	DATE
AUTHOR	Corporate Affairs Executive		02/11/2020
REVIEWED BY	Business Assurance Executive		16/11/2020
APPROVED BY	Board of Directors	Resolution: 2020/044	30/11/2020

