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1 Introduction

The Companies within the Tiger Brands Group (“Tiger Brands”) are committed to ensuring adherence to the highest moral, legal and ethical standards and strive for integrity in all their dealings. Our Code of Ethics represents a clear, conscious and personal commitment to doing what is right and all employees are accountable for the performance and reputation of Tiger Brands.

Tiger Brands Ethical Sourcing is an extension of our Code of Ethics and is an uncompromising commitment to working with our suppliers to build a sustainable future anchored in sound governance. Our Ethical Sourcing Position (ESP) encompasses the responsibilities of Tiger staff and our suppliers to mitigate supply chain risk and build consumer and stakeholder trust. We recognise the vital role that our ESP plays in ensuring that our value chains contribute to the well-being of the planet and the people we interact with.

Ethical Sourcing is a key tenet of our commercial processes and is subject to continuous improvement as we refine our supply chains. To this end, Tiger Brands expects that suppliers collaborate with us to progressively graduate our standards.

2 Purpose

The purpose of this policy is to outline Tiger Brands’ Ethical Sourcing Position (ESP) by stating the principles and standards of ethical sourcing and the accountabilities and responsibilities for implementing and monitoring compliance.

3 Scope and Objective of the Policy

This Policy applies to all employees, temporary employees, contractors, service providers, suppliers and consultants of Tiger Brands Limited, including all Tiger Brands Limited wholly owned subsidiaries within South Africa and outside of South Africa, but excluding its associate companies.

The objective of this Tiger Brands ESP is to outline the minimum requirements expected of

- our suppliers in order to do business with Tiger Brands;
- our employees in their engagements with suppliers; and
- specific technical standards that Tiger Brands will comply with.

4 Policy Statement

The Tiger Brands ESP requires Tiger employees and suppliers to conduct business lawfully and with integrity by respecting and upholding ethical principles, applicable legislation and Tiger Brands policies related to:

- a. Sound Business Practice
- b. Human Rights and Labour Practices
- c. Environmental Legislation and Standards



- d. Geo-political Responsibility
- e. Procurement Ethics
- f. Preferential Procurement
- g. Product Safety and Quality standards

4.1 Sound Business Practice

4.1.1 Respect for the Law

4.1.1.1 Tiger Brands suppliers and staff will comply with all laws and regulations in the countries in which they operate and will ensure integrity in all business dealings.

4.1.1.2 International laws and regulations governing international trade (such as those relating to sanctions, export controls and reporting obligations), data protection and antitrust/competition law will be upheld.

4.1.2 Information Protection and Privacy

4.1.2.1 Tiger Brands suppliers and employees will respect the confidentiality of information transmitted between the parties in the course of doing business.

4.1.2.2 Suppliers will respect and safeguard Tiger Brands' confidential information, know-how and intellectual property. For the avoidance of doubt, all information obtained by both suppliers and Tiger employees that is not in the public domain is deemed confidential and will only be used for its intended and designated purpose.

4.1.2.3 Suppliers' and Tiger employees will refrain from divulging or requesting any information regarding Tiger Brands' competitors, other than as set out in the applicable laws.

4.1.2.4 Any personal information about individuals in the employ of either Tiger Brands or the Supplier, will be kept confidential with due consideration given to the protection of their privacy and for all relevant privacy laws and regulations.

4.1.3 Bribery and Corruption

4.1.3.1 The Companies within the Tiger Brands Group ("Tiger Brands") are committed to ensuring adherence to the highest moral, legal and ethical standards and strive for integrity by conducting business in an ethical and honest manner without the use of corrupt practices or acts of bribery to obtain any unfair advantages and / or benefits.

4.1.3.2 Tiger Brands has a zero-tolerance approach to bribery and corruption and is committed to acting professionally, fairly and with integrity in all business dealings.

4.1.4 Conflicts of Interest

4.1.4.1 Tiger Brands is committed to conducting business in a manner that ensures business judgment and decision making is not influenced by undue personal interests.

4.1.4.2 Employees are expected to recognize when they have, potentially have, or could be perceived as having, a conflict of interest.



- 4.1.4.3 Suppliers are obliged to declare any potential conflicts of interest and/or report suspected conflicts of interest to the Tiger Brands Group Company Secretary.

4.1.5 Gifts and Hospitality

- 4.1.5.1 Tiger Brands recognises the importance of supplier relationships in building resilient supply chains. It is important that these relationships have a strong ethical basis and any decisions are made on sound commercial grounds.
- 4.1.5.2 Tiger Brands recognises that gifts and entertainment can help maintain relationships and build goodwill but there is a danger that the improper giving or receiving of gifts or entertainment can lead to a conflict of interest and damage both the business and reputation of both Tiger Brands and the supplier. Tiger Brands' employees and suppliers must consult the Tiger Brands Gifts, Entertainment and Hospitality Policy prior to the giving and receiving of any gratuities.

4.1.6 Financial Standards

- 4.1.6.1 Commercial transactions will adhere to internationally recognised accounting standards (GAAP and IFRS) with the requisite transparency and accuracy of financial records.
- 4.1.6.2 Tiger Brands employees and Suppliers will exercise care with sensitive trading information to prevent engaging in or supporting insider trading.

4.2 Human Rights and Labour Practices

Suppliers must comply with all labour law requirements and treat their employees fairly and justly in terms of the legislative framework of South Africa or the laws of the country which governs the employment relationship to qualify to do business with Tiger Brands. The Supplier shall be bound by and conduct itself in accordance with the Tiger Brands Human Rights Policy.

4.2.1 Employment and Compensation

- 4.2.1.1 Suppliers' staff (both permanent and casual) must be employed in accordance with their legal and contractual rights and voluntarily engage to be employed. Staff should be issued with employment documentation (employment contracts and payslips).
- 4.2.1.2 Employees must be afforded fair compensation comprising salaries or wages, allowances, overtime pay, benefits and paid leave at least in accordance with prescribed legislated or industry agreed minimums.
- 4.2.1.3 Employers shall ensure that all mandatory deductions are made from employee's compensation and paid over to the relevant authorities, example South African Revenue Services and Unemployment Insurance Fund.
- 4.2.1.4 All foreign employees must meet the legal requirements for being employed within the country of employment and also possess valid documentation.

4.2.2 Zero Tolerance for Child and Forced Labour

- 4.2.2.1 Tiger Brands' suppliers are prohibited from employing under-age workers as defined by local legislation.



4.2.2.2 There will be zero tolerance for any child, indentured, bonded, compulsory or trafficked labour. Human trafficking, slavery and any form of coercion of Employees is prohibited.

4.2.3 Workplace Conditions

4.2.3.1 Suppliers will ensure that the workplace complies with health and safety legislation and that safety protocols are in place to prevent workplace accidents and injury.

4.2.3.2 Employees will have access to adequate facilities (change-rooms, ablution) with hygiene standards that uphold human dignity.

4.2.4 Working Practices

4.2.4.1 The maximum allowable working hours (regular and overtime) as stipulated by local legislation shall apply.

4.2.4.2 Employees have the right to freedom of association, to establish or join trade unions or to refrain from doing so and to bargain collectively.

4.2.4.3 All employees will be afforded fair and transparent grievance and dispute resolution procedures. Performance review processes shall be documented and clearly communicated to all staff to ensure consistent and fair application of performance management.

4.2.4.4 Employees will not be subject to any physical, sexual, psychological or verbal harassment, abuse or other form of intimidation.

4.2.5 Discrimination

4.2.5.1 Tiger Brands does not tolerate any form of discrimination in the workplace. Suppliers must ensure that there is no discrimination in employment, including hiring, compensation, advancement, discipline, termination or retirement.

4.2.5.2 Discrimination based on race, ethnicity, religion, disability, nationality, sexual orientation, disability, union affiliation or political views is prohibited.

4.3 Respect for the Environment

4.3.1 Environmental Impact

4.3.1.1 Tiger Brands is committed to ensuring that the value chains associated with all materials and services procured are managed with due care for the environment and in accordance with all applicable environmental laws, regulations, policies, codes, best practices and guidelines.

4.3.1.2 Tiger Brands will expect suppliers to report on their environmental practice and improvement initiatives and to demonstrate progress in improving their current environmental efficiency (Carbon Emissions, Water conservation, Energy Efficiency and Waste management).

4.3.2 Certifications

4.3.2.1 Tiger Brands will, where commercially feasible, favour sources of agricultural produce and ingredients that are certified as environmentally responsible by, inter alia:



- RSPO - Roundtable Sustainable Palm Oil
- ICCO – International Cocoa Organisation
- WCF – World Cocoa Foundation
- Fairtrade
- GAFTA - International Standards of the Grain and Feed Trade Association

4.3.2.2 Tiger Brands packaging material suppliers will be required to be SEDEX certified (Supplier Ethical Data Exchange).

4.4 Geo-political Responsibility

4.4.1.1 Tiger Brands Procurement will respect International sanctions that are endorsed by the South African Government by not sourcing from globally recognised conflict areas and areas upon which sanctions have been placed.

4.4.1.2 Tiger Brands suppliers warrant that materials will not originate from recognised conflict areas and will provide the requisite certifications to confirm this

4.4.1.3 The rights and title to property and land of the individual, indigenous people and local communities are respected. All negotiations with regard to their property or land, including the use of and transfers of it, adhere to the principles of free, prior and informed consent, contract transparency and disclosure. Suppliers warrant that they have a legal right of ownership or use of the land on which the supplied products are farmed or produced.

4.5 Procurement Ethics

4.5.1 Tiger Brands Procurement Standards

4.5.1.1 Tiger Procurement will ensure fair and equitable procurement practice by ensuring that proper due diligence is applied in all procurement processes and awards of business conform to approved Tiger Brands Policies.

4.5.1.2 Tiger Brands equally expects all suppliers to maintain ethical and honest practices when dealing with Tiger Brands employees. Any supplier found to have enticed or encouraged a Tiger Brands employee to engage in unethical practice may be disqualified from doing business with Tiger Brands.

4.5.1.3 Tiger Brands reserves the right to conduct inspections and /or audits of the Suppliers' premises with or without notice and to request any relevant information from the supplier in order to verify compliance with this policy.

4.5.2 Preferential Procurement

4.5.2.1 Tiger Brands is committed to supporting Black Economic Empowerment and will prioritise procurement awards in South Africa to suitably qualified suppliers in accordance with the Broad-Based Black Economic Empowerment Act (53/2013) (B-BBEE) of the Republic of South Africa.

4.5.2.2 Tiger Brands is committed to supply chain transformation and will prioritise the support of black owned and black women owned enterprises. Tiger Brands will implement a Procurement Set-



Aside Programme, where designated spend or spend areas will be identified and be set aside in part or in whole for the benefit of at least 51% black owned and black women owned EME and QSE. The beneficiaries of the Procurement Set-Aside Programme will also be integrated into Tiger Brands Enterprise Development Programme to build their operational and financial capacity.

- 4.5.2.3 All current and new suppliers (South African or international with local presence) are required to provide proof of their B-BBEE credentials (this includes B-BBEE certificates or B-BBEE affidavit) annually.
 - 4.5.2.3.1 For QSE and EME suppliers, Tiger Brands will accept a B-BBEE affidavit signed by a commissioner of oath.
 - 4.5.2.3.2 For Generic suppliers, only rating certificates from SANAS (South African Accreditation System) accredited B-BBEE verification agencies will be accepted.
 - 4.5.2.3.3 Tiger Brands endeavours to conduct business with suppliers that are B-BBEE verified. Tiger Brands reserves the right to give Preference to suppliers with B-BBEE credentials of B-BBEE Level 4 or better and those that qualify as black owned.
- 4.5.2.4 It is compulsory for all suppliers with any B-BBEE levels lower than B-BBEE Level 4 to supply B-BBEE Improvement Plans annually to demonstrate their transformation plans to achieve and maintain B-BBEE level 4. Tiger Brands reserves the right to monitor and evaluate implementation of the B-BBEE improvement plans annually.
- 4.5.2.5 Supplier B-BBEE credentials (B-BBEE certificates or B-BBEE affidavit) will be valid until their expiry date. Thereafter, the supplier will be given a grace period of two months to provide updated B-BBEE credentials (B-BBEE certificates or B-BBEE affidavit). Tiger Brands reserves the right to suspend trading with a supplier that fails to submit their B-BBEE credentials, once the grace period has lapsed.
- 4.5.2.6 B-BBEE suppliers will be given preference amongst competing bidders where all other selection criteria are met.
- 4.5.2.7 Suppliers that misrepresent material facts regarding their B-BBEE statuses, may at Tiger Brands' sole discretion be subject to the following penalties;
 - 4.5.2.8.1 Disqualification as a supplier to Tiger Brands
 - 4.5.2.8.2 Refusal to register any new companies that may be formed by directors or owners of businesses that have been so deregistered
 - 4.5.2.8.3 Termination or Partial termination of current contracts or a combination of the above.

4.6 Safety and Quality Standards

4.6.1 Product Specifications

- 4.6.1.1 Tiger Brands Suppliers will maintain their operations in accordance with the quality, safety and hygiene standards and certifications as prescribed by Tiger Brands.



- 4.6.1.2 Products and services delivered to Tiger Brands will meet the agreed specifications, quality and safety criteria specified by Tiger Brands.
- 4.6.1.3 Suppliers have a duty to ensure that all materials conform to International standards governing consumer safety. Suppliers will notify Tiger Brands immediately should there be any risk to Tiger Brands products.
- 4.6.1.4 Suppliers attest that all research and development practices and methods comply with International standards governing good clinical practice and generally accepted scientific, technological and ethical principles.

5 Accountabilities and Responsibilities

5.1 Tiger Brands Board of Directors

Although ultimate accountability resides with the Tiger Brands Board of Directors, the Board of Directors has granted authority to the Chief Supply Chain Officer and Chief Procurement Officer to act on its behalf in matters relating to Ethical Sourcing.

5.2 Tiger Brands Executive Committee

Management are responsible for ensuring that all staff that deal with suppliers are aware of and comply with this policy and other related policies.

5.3 Functional Areas within Tiger Brands

Responsibilities

- The Chief Procurement Officer (CPO) is primarily responsible for the implementation of this policy and monitoring compliance thereto.
- Tiger Brands employees that are involved in procurement or product development must ensure policy compliance.

5.4 Suppliers

All Tiger Brands suppliers must comply with the principles defined in this policy and report any violations and / or non-compliance or suspected violations and / or non-compliance with this policy. Tier 1 Suppliers (Top 500 suppliers determined by value of purchase) will be required to submit an annual declaration to Tiger Brands confirming that they comply with this Policy.

6 Related Policies and Standards

6.1 Tiger Brands Code of Ethics

6.2 Tiger Brands Anti-Bribery & Corruption Policy

6.3 Tiger Brands Gifts, Entertainment and Hospitality Policy



- 6.4 **Tiger Brands Declaration of Interest Policy**
- 6.5 **Tiger Brands Procurement Policy**
- 6.6 **Tiger Brands Information Privacy Policy**
- 6.7 **Tiger Brands Competition Law Policy**
- 6.8 **Tiger Brands Human Rights Policy**

7 Compliance, Monitoring and Reporting

- 7.1.1.1 The Tiger Brands Procurement function will be responsible for implementation of this policy by ensuring that annual declarations by Tier 1 suppliers are received.
- 7.1.1.2 The Tiger Brands Legal department will ensure that Tiger Brands contracts with suppliers stipulate the supplier accountabilities to ensure compliance.
- 7.1.1.3 The Tiger Brands Corporate Affairs function will be responsible for monitoring and reporting on implementation of this policy in lieu of B-BBEE supply chain transformation.
- 7.1.1.4 Tiger Brands' policies, standards, procedures and guidelines comply with legal, regulatory and statutory requirements.
- 7.1.1.5 This Policy may be amended from time to time in the sole discretion of Tiger Brands.
- 7.1.1.6 Legal action may be instituted where deemed necessary.
- 7.1.1.7 In the event of a supplier not complying with this policy, Tiger Brands reserves the right to cancel any / all contracts with the supplier and claim for any damages suffered by Tiger.
- 7.1.1.8 Any non-compliance on the part of Tiger Brands employees will result in disciplinary action which may result in dismissal.



POLICY

Ethical Sourcing

8 Document Control Information

8.1 Document Details

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8.2 Document Approval

Policy Owner	Patrick Sithole
Policy Approver	Tiger Brands - Group Executive Committee
Approval Committee	Governance Forum
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8.3 Document Revision History

Version	Date	Updated By	Approved By	Change Detail