

# COMMUNICATION ON PROGRESS ON THE UN GLOBAL COMPACT

The United Nations Global Compact is a voluntary initiative that addresses human rights, labour, environment and corruption issues through a commitment to ten principles derived from authoritative sources of international law, such as the Universal Declaration of Human Rights, the core declarations of the International Labour Organisation, the Rio Declaration on Environment and Development, and the United Nations

Convention against Corruption. Tongaat Hulett became a signatory to the UN Global Compact in April 2012.

The following table provides a brief overview of our implementation of the ten principles. More detailed information is available throughout the 2017 Integrated Annual Report.

Global Compact Principle	Brief COP Statement	Reference in Tongaat Hulett's Integrated Annual Report 2017
1. Businesses should support and respect the protection of international human rights within their sphere of influence.	The underlying principle of respecting human rights informs our business practices and procedures, and is embedded in our strategic objectives. Our commitment to human rights is described in the Company's Code of Ethics.	A general overview of our approach to human rights is provided on page 44 to 45
2. Businesses should make sure their own corporations are not complicit in human rights abuses.	The business strives to uphold this principle through our focus on ensuring compliance with all applicable legislation and by encouraging rigorous implementation of the Company Code of Ethics.	A general overview of our approach to human rights is provided on page 44 to 45
3. Businesses should uphold freedom of association and the effective recognition of the right to collective bargaining.	The company recognises the right of employees to collective bargaining and freedom of association in accordance with all relevant local labour legislation, and we strive to provide an environment that fosters open, honest and effective relations between management, employees and elected union representatives.	A general overview of our approach to Freedom of Association and Collective Bargaining is provided on page 44
4. Businesses should uphold the elimination of all forms of forced and compulsory labour.	All our labour is sourced from the open labour market, and all employees are provided with contracts in accordance with local labour legislation; they are free to resign at any time in accordance with legal processes.	A general overview of our approach to Forced and Compulsory Labour is provided on page 45
5. Businesses should uphold the effective abolition of child labour	Tongaat Hulett does not make use of child labour in any of its operations. It monitors and ensure our compliance with the labour legislation in the six countries within which we operate. We have not detected any significant risks of child labour being used.	A general overview of our approach to Child Labour is provided on page 45
6. Businesses should uphold the elimination of discrimination in respect of employment and occupation.	We strive to eliminate discrimination in all forms throughout our workforce, and are committed to promoting employment equity and diversity.	A review of our employment equity performance and initiatives on this issue is provided in page 40
7. Businesses should support a precautionary approach to environmental challenges.	As a company involved in agriculture and agri-processing we inevitably have an impact on the natural environment. We believe, however, that through promoting sustainable agriculture practices, and through the nature of our resulting investments in social and human capital, we have a net positive impact on society.	The approach to promoting environmental stewardship is described on pages 54 to 58
8. Businesses should undertake initiatives to promote greater environmental responsibility.	Tongaat Hulett has adopted numerous initiatives aimed at promoting environmental responsibility. These include policies and programmes relating to: optimising energy usage and promoting security of supply; promoting sustainable water use and reducing pollution; reducing GHG emission; responding to risks and opportunities brought about by climate change; ensuring effective land management and promoting biodiversity; managing our waste streams; and striving to reduce environmental incidents.	A general overview of our approach to Environmental Stewardship is provided on page 56 to 60
9. Businesses should undertake initiatives to promote greater environmental responsibility. Businesses should encourage the development and diffusion of environmentally friendly technologies.	Tongaat Hulett is continuously identifying and where appropriate, implementing opportunities to reduce the energy and water footprints in each of its operations, with its factory operations being prioritised.	A general overview of our approach to Energy is provided on page 58
10. Businesses should work against corruption in all its forms, including extortion and bribery.	Tongaat Hulett has a zero tolerance stance on fraud and corruption. We require our employees, business partners, contractors and associates to conduct themselves in accordance with Tongaat Hulett's Code of Ethics.	A general overview of our approach to Anti-bribery and Corruption is provided on page 45