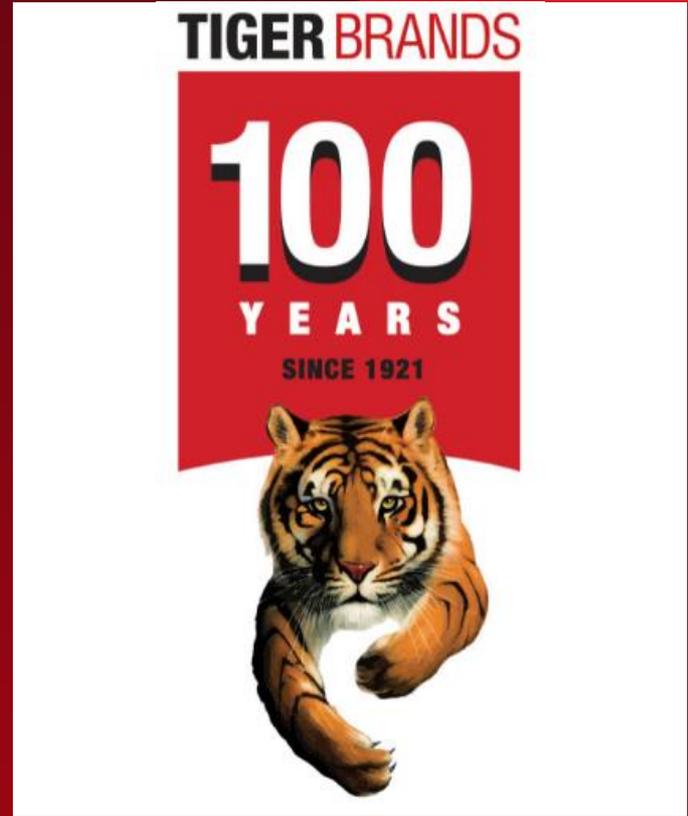




Sustainable Future Strategy Tiger Brands 2022





About Tiger Brands

Tiger Brands is one of Africa's largest listed manufacturers of fast-moving consumer goods (FMCG).

Our core business is the manufacture, marketing and distribution of everyday branded food and beverages. Our products are relevant across every meal occasion and are well positioned to grow.

The portfolio also includes leading brands in the home and personal care segments and we have a growing presence in Africa.



Our Purpose

Our vision is to be the most admired consumer goods company in and from Africa. By meeting more of the everyday needs of our consumers, with an abundance of loved and trusted, quality brands, we help them feel fully nourished and able to take on each day with confidence. Backing Africa to thrive as a people and continent.

Our Purpose: To nourish and nurture more lives every day.



What is sustainability?

“Our ability to meet the needs of the present without compromising the ability of the future generation to meet their own needs”

*Brundtland 1987
World Economic Forum*

What is ESG?





What is ESG?

Assessment of the company's non-financial performance and its contribution to the common good using the following key elements:

E

nvironment:

How you treat the environment and the impacts of your business on the environment

PLANET

S

ocial:

How you treat People/Society

PEOPLE & PROSPERITY

G

overnance:

How you police/Govern yourself in terms of the E and S

PRINCIPLES OF GOVERNANCE



How we manage sustainability



Environmental



Climate change
Greenhouse gas emissions
Energy, Water & Waste
Pollution
Environmental compliance
Biodiversity
Resource scarcity

Board Committee roles & responsibilities in ESG matters

Audit	SET	Risk & Sustainability	Remuneration	Nomination & Governance



How we manage sustainability

Social



- Employee relations
- Training and Education
- Diversity and equal opportunity
- Non-discrimination
- Human Rights
- Health and Safety
- Privacy and security
- Labour relations
- Local Community impact

Board Committee roles & responsibilities in ESG matters

Audit	SET	Risk & Sustainability	Remuneration	Nomination & Governance



How we manage sustainability



Governance



- Board diversity and structure
- Executive pay
- Bribery and corruption
- Stakeholder engagement
- Procurement practice
- Risk management
- Internal policies

Board Committee roles & responsibilities in ESG matters

Audit	SET	Risk & Sustainability	Remuneration	Nomination & Governance

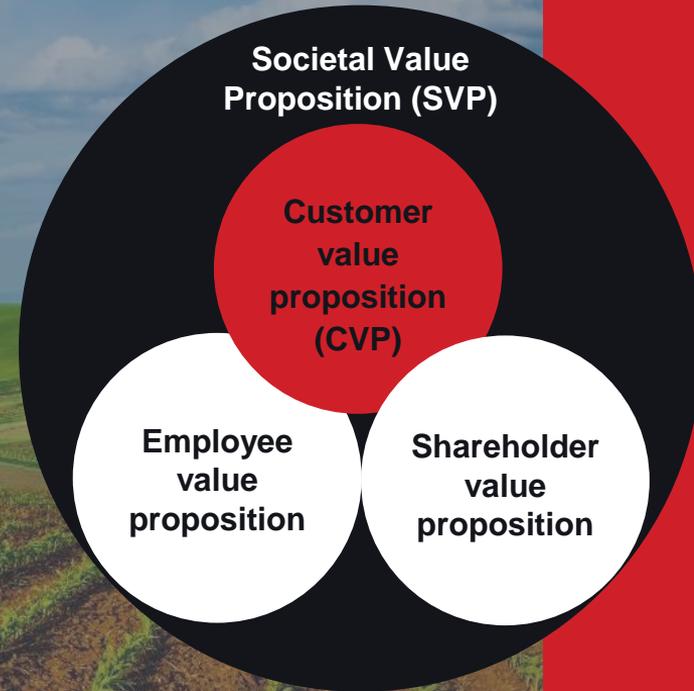


Our Societal Value Proposition

Our Sustainable Future strategy ensures **alignment** and **effective co-ordination** of all our **activities** to optimise **societal value** and ensure our **long-term success**

As Africa's largest food company we believe there are three broad interventions to optimise societal value:

- Addressing the **triple-burden of nutrition** (malnutrition, obesity and NCD) across our markets
- Stimulating economic activity through **inclusive business** to create **sustainable livelihoods**
- Contributing to addressing regional **environmental challenges**





Tiger Brands Sustainable Future – Three Strategic Pillars



Health and Nutrition

We will enable consumers to improve their health and wellbeing by providing affordable good nutrition



Enhanced Livelihoods

We will improve the livelihoods of thousands of people by providing opportunities across our value chain for inclusive economic participation



Environmental Stewardship

We will significantly reduce our environmental impact through innovative solutions

Our contribution to the UN SDGs



Our anchors

an embedded purpose-driven win-win culture

robust food safety and food quality system

ethical supply chain practices

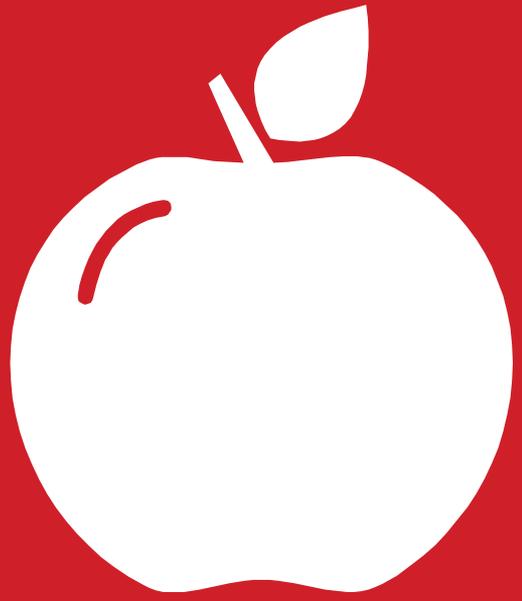
safety, health and environmental systems

responsible marketing and communication practices

transparency, stakeholder responsiveness and partnerships



Health and Nutrition





The context

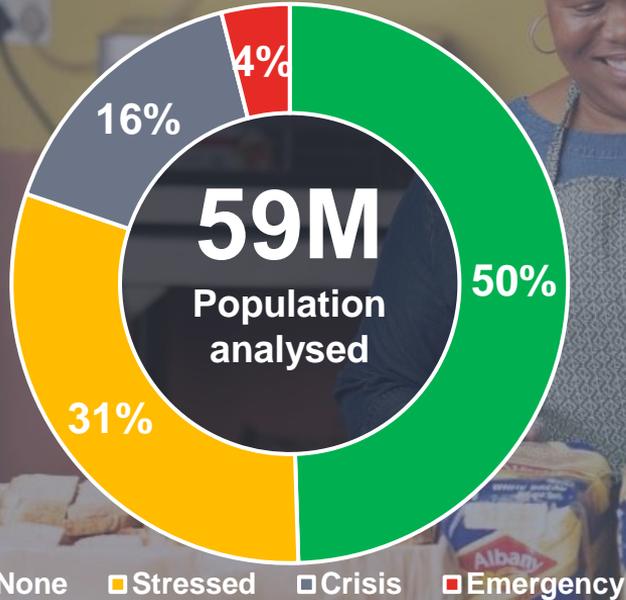
Food is the single strongest lever to optimise human health and environmental sustainability on Earth¹

South Africa faces the double burden of malnutrition.

¹ Source: EAT-Lancet Commission: Healthy Diets from Sustainable Food Systems



Food, hunger & malnutrition in SA



11.8M South Africans were classified as being in crisis or worse due to food insecurity between January and March 2021

South Africa has one of Africa's highest rates of obesity



while





2030 Targets

Empowering Good Nutrition choices for 100m African consumers annually

By executing our plans across multiple areas that include:

- Eat Well Live Well (EWLW)
- Product innovation and renovation
- Brand messaging and activities
- Nutrition programmes
- Food donations
- Investment in healthy food companies through our VC Fund
- Portfolio shifts through M&A



75% of our food basket meeting the EWLW standards





Health and Nutrition

Our commitments (2019)



Develop nutritional standards for our products that meet or exceed globally recognised nutritional guidelines

2020 Achievements

- Standards formalised through NICUS¹
- Introduced a 3-tier categorisation of product range against the set criteria

2021 Achievements

- Standards formalised through NICUS
- Nutritional standards included in the product lifecycle management (PLM)
- Introduced a three-tier nutritional categorisation of our product
- Commenced categorisation of product range against criteria

Our commitments (2019)



Develop more nutritious affordable products, including fortification of new and existing products

2020 Achievements

- Begun implementation of a PLM², which will support establishing a baseline
- Launched new more nutritious and affordable products
- Micronutrient enrichment delivered across >30% of our portfolio to date

2021 Achievements

- PLM system baseline set
- Revised health and nutrition strategy
- Commenced renovations of existing products
- Launched new nutritious and affordable products
- Micronutrient enrichment across >30% of our portfolio

¹ NICUS: Nutrition Information Centre University of Stellenbosch ² PLM: Product Lifecycle Management



Health and Nutrition

Our commitments (2019)



Leverage our brand & marketing activities to promote consumer nutrition & health awareness and inspire positive behaviour change

2020 Achievements

- Setting of baseline and 2030 target in progress
- Refreshed the EWLW3 programme
- Began re-positioning key brands and products in relation to their flagship health and nutrition attributes

2021 Achievements

- R3,3 million EWLW spend
- Published State of Nutrition report in December 2020
- Published State of Nutrition in South Africa report in September 2021
- Repositioned KOO to promote fruit and vegetable consumption
- Launched “Colour Your Plate with KOO” TV show

Our commitments (2019)



Play a leading role in modern food labelling practices

2020 Achievements

- Setting of baseline and 2030 target in progress
- Compliance with our EWLW¹ and Be-Nutrient-Wise standards
- Began re-structuring label architectures to accommodate for more nutrition information

2021 Achievements

- Achieved compliance with EPR regulations.
- 100% adherence to EWLW and Be-Nutrient-Wise standards
- Restructured label architectures to accommodate additional on-pack nutrition information
- Launched clean-label pouches through Project Step-Up
- Explored portion-control messaging for chocolates



Enhanced Livelihoods





The context

There is growing evidence of the market opportunities in addressing societal challenges, including specifically in food.

“Our research shows that achieving the SDGs in just four economic systems could open up **60 market ‘hot spots’** worth an **estimated US\$12 trillion** by 2030 in business savings and revenue.”

Business and Sustainable Development Commission



The need to promote economic & social inclusion in SA



0.63 Gini coefficient

55,5% Population living in poverty

35,3% Unemployment rate

18.3M Number of people on social grants





Enhanced Livelihoods

2030 Targets

Enable sustainable livelihoods

- **1 000** black enterprises supported
- **20** community enterprises supported
- **4 000** jobs created
- **R400m** Enterprise and Supplier Development fund through partnerships

Shared value creation through our supply chain

- Prioritise local/regional sourcing of agricultural raw materials
 - **50%** of our total procurement spend towards black / black-woman owned suppliers
 - **100%** of our products ethically sourced

Employee Diversity

- **50%** female representation
- **80%** ACI representation at Junior to Top Management





Enhanced Livelihoods



Our commitments (2019)



Annually contribute at least 1.5% of Net Profit After Tax towards socio-economic development activities that promote sustainable and thriving communities

2020 Achievements

- 8 food community gardens
- 200+ school gardens (EduPlant)
- 4 500 hampers across five universities (Plates4Days)
- 105 648 food hampers distributed
- Community bakery established at ACFS
- 20 community members trained in bread baking

2021 Achievements

- R2,9 million SED spend
- 200+ schools reached through EduPlant
- 5 200 food hampers across seven universities (Plates4Days)
- 30 000 reached through Family Food programme
- R3 million spend on disaster food relief

Our commitments (2019)



Support new black / black-woman owned enterprises and create sustainable livelihood opportunities by 2030

2020 Achievements

- R45 million initial capital investment Projects approved to the value of R12 million and disbursed R8,4 million
- 100+ new jobs created to date in small farmer sector
- Received four awards at Absa Supplier Development Awards 2020
- Supported 50 emerging entrepreneurs to date through business incubation training

2021 Achievements

- R85 million Dipuno Fund
- Projects approved to the value of R28,6 million
- 157 farmers supported under the aggregator model
- 843 jobs created to date in small farming sector
- Eight black aggregators cultivating white beans, groundnuts, tomatoes, wheat and sorghum
- Awards: First place for Empowerment of Women in the Community and Economic Empowerment



Enhanced Livelihoods

Our commitments (2019)



By 2030, 50% of our total local procurement spend will be towards black / black-woman owned suppliers

2020 Achievements

- Spent R816 million incrementally (up from R350 million in 2019)
- 63% of agricultural commodities sourced from local suppliers
- Successfully procured groundnuts (750 tons), small white beans (270 tons) wheat (3 216 tons) from local suppliers
- 25% of BBBEE procurement policy implemented

2021 Achievements

- R1,089 billion cumulative PP spend
- R13,5 billion total spend with BBBEE-verified suppliers
- R5,6 billion with suppliers that qualify as black-owned
- R4,3 billion with suppliers that qualify as black women-owned

Our commitments (2019)



To attract, source and develop a skilled and diverse workforce, create an inclusive and collaborative work environment where our people can thrive, grow and innovate

2020 Achievements

- 29,5% ACI* female workforce
- 4,3% ACI* black management in level C-F
- 0,32% people with disabilities

2021 Achievements

- 30% female workforce
- 63% ACI* management in junior to top management Top management 50%
 - ✓ Senior management 55%
 - ✓ Middle management 66%
 - ✓ Junior management 81%
- 0,3% people with disabilities
- Awards: Southern Africa Gender Mainstreaming Champion



Environmental Stewardship





The context

Africa faces growing environmental resource challenges and is highly vulnerable to climate change.

Climate change is projected to have net adverse impacts on crop yields (3 degrees Celsius warmer world)



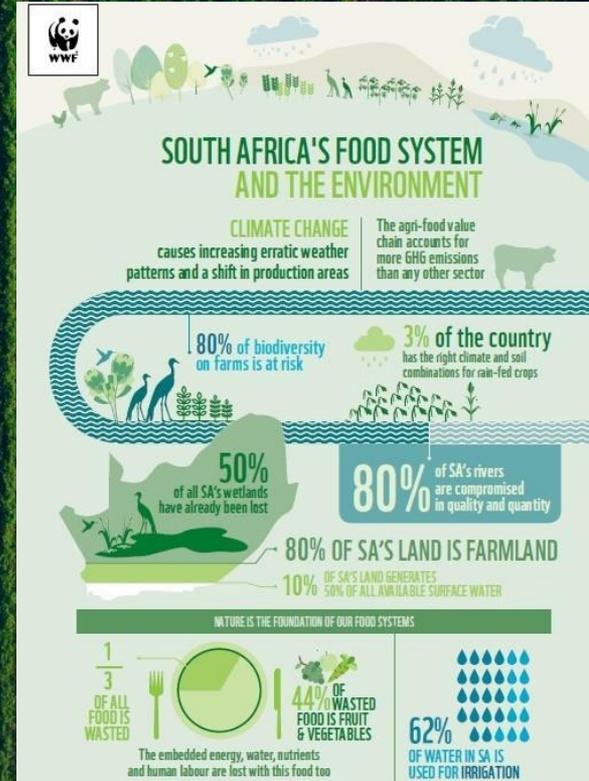
Agri-food systems: agriculture and natural resources

According to the WWF, our food system requires urgent change.

Climate change causes increasing erratic weather patterns and a shift in production areas

50% of all South Africa's wetlands have already been lost

A $\frac{1}{3}$ of all food is wasted, of which 44% is fruit and vegetables



Source: WWF Report 2019



Environmental Stewardship



2030 Targets

Sustainable manufacturing facilities

Energy

- 65% of electrical energy at manufacturing sites from sustainable energy solutions
- Reduced energy consumption through deep-dive optimisation at all sites against 2019 baseline:
 - 30% reduction in energy intensity [kWhr /Ton]

Water

- Reduced water consumption through deep-dive optimisation at all sites against 2019 baseline:
 - 30% reduction in water intensity [KL/Ton]
 - Water Intensity at 1.12 KL/Ton

GHG Emissions

- Net zero carbon emissions by 2050
- 45% reduction in emissions by 2030 against science-based targets.





Environmental Stewardship



Our commitments (2019)



Optimise our energy usage through integrated and environmentally-friendly energy options

2020 Achievements

- Energy system optimisation (ESO) and energy management systems programmes launched
- Management interventions implemented
- 5,34% absolute energy-use reduction
- 5,69% reduction in energy intensity (kWh/ton)
- Resource Efficiency Cleaner Production (RECP) expert programme launched and implemented
- Experts appointed to assist in GHG-emissions reduction
- 4,18% reduction in absolute (Scope 1) carbon emissions
- 8,23% reduction in emissions intensity

2021 Achievements

- Energy system optimisation (ESO) and energy management systems (EnMS) programmes continued
- 20,4% YOY reduction in absolute energy use
- 2,83% YOY reduction in energy intensity
- 16% YOY reduction in absolute (Scope 1) carbon emissions
- 30% YOY reduction in emissions intensity.

Our commitments (2019)



Implement closed-loop / circular economy initiatives that stimulates sustainable economic opportunities

2020 Achievements

- Identified potential recycling projects and working on business plans

2021 Achievements

- Continued with value-adding of recycled plastic waste projects (circular economy) through the improvement of business plans, identifying risks and opportunities, and addressing these.



Environmental Stewardship

Our commitments (2019)



Optimise our water consumption through the evaluation of water re-use opportunities and responsible effluent discharges

2020 Achievements

- Industrial water-efficiency assessments completed
- Opportunities and responsible effluent discharges identified
- Water-saving projects implemented
- 8,84% absolute water-use reduction
- 5,86% reduction in water intensity (kl/ton)
- Installed smart metering for water and steam systems

2021 Achievements

- Industrial water efficiency (IWE) assessments conducted at most water-intensive operations
- 13% YOY reduction in absolute water use
- 6% increase in water-use intensity

Our commitments (2019)



Develop innovative product offerings that are “good for you” and “kind to the environment”

2020 Achievements

- Waste-stream mapping conducted
- RECP waste-reduction assessments conducted
- Circular-economy investment proposal received
- Zero-waste-to-landfill projects implemented
- 74% reduction of waste-to-landfill at Tastic site

2021 Achievements

- Continued with waste reduction projects at site level, diverting organic waste from landfill to animal food.



Environmental Stewardship

Our commitments (2019)



Provide innovative packaging solutions that minimise environmental impact

2020 Achievements

- Packaging footprint baseline 80% completed
- Non-recyclable items across all categories identified
- Packaging sustainability gap analysis conducted
- Light-weighted aerosol cans -10% material reduction

2021 Achievements

- Baseline assessment of packaging footprint completed representing 80% of volume and sales
- Light-weighting optimised across portfolio
- Committed to the SA Plastics Pact targets
- At least 70% of plastic packaging is recyclable, in line with the SA Plastics Pact 2025 target for all plastic packaging to be recyclable

Our commitments (2019)



Leverage our brand and marketing activities to inspire positive behaviour change in consumers

2020 Achievements

- On-pack information and declaration relating to environmental impact policy developed
- Working with the Consumer Goods Council South Africa (GCGSA) to set-up framework for Food Waste in South Africa, baseline to be set by 2022

2021 Achievements

- Continue to work through CGCSA to develop a voluntary industry food-waste reduction framework for South Africa



Tiger Brands Sustainable Future – Three Strategic Pillars



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Enhanced Livelihoods

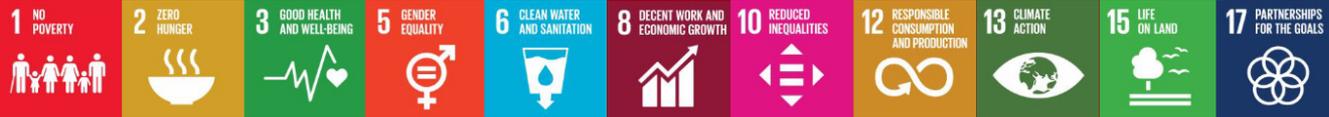
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Environmental Stewardship

We will significantly reduce our environmental impact through innovative solutions

Our contribution to the UN SDGs



Our anchors

an embedded purpose-driven win-win culture

robust food safety and food quality system

ethical supply chain practices

safety, health and environmental systems

responsible marketing and communication practices

transparency, stakeholder responsiveness and partnerships



Thank you!

