



TFG Non- Merchandise Supplier Code of Conduct

[for all Suppliers of Non-Merchandise goods & services]

AFRICA

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1 TERMS USED

- 1.1 **“Applicable Law/s”** means from time to time, any law (including statutory, common or customary law), statute, constitution, decree, judgement, treaty regulation, directive, by-law, order, other legislative measure, or any directive, requirement, request or guideline (whether or not having the force of law but, if not having the force of law, generally complied with by the persons to whom it is addressed or applied) of any government, statutory, regulatory, self-regulatory body or similar body, authority or court, in any territory or jurisdiction to which a party is subject to, as same may be amended, replaced, re-enacted, restated or reinterpreted;
- 1.2 **“Code”** means this Non-Merchandise Supplier Code of Conduct;
- 1.3 **“Employees”** means all workers and vice versa;
- 1.4 **“NM Goods and services”** means goods and services not included in TFG’s merchandise offering for sale to its customers in stores or online;
- 1.5 **“Policy/ies”** means any of TFG’s policies, practices, guidelines, codes of conduct and procedures, including in relation to Broad Based Black Economic Empowerment, security, information technology, health, safety and environmental policies applicable to suppliers, and international principles or recommendations governing human rights, the environment, labour and corruption such as the United Nations Global Compact;
- 1.6 **“Standard Terms”** means the standard terms and conditions of The Foschini Group Limited, all its subsidiaries and associated companies for local or international suppliers of non-merchandise goods and services as may be applicable;
- 1.7 **“Suppliers”** means all manufacturers, suppliers and service providers, their directors, management, employees, agents and subcontractors that participate, directly or indirectly, in purchasing, manufacturing, sourcing and supplying NM goods and services to TFG;
- 1.8 **“TFG”** means The Foschini Group Limited as operated through its African subsidiaries in Africa.

2 INTRODUCTION

This Non-Merchandise Supplier Code of Conduct applies to all suppliers of goods and services used in The Foschini Group Limited’s business in Africa as operated through its African subsidiaries.

This Code defines the minimum standards of ethical and responsible conduct which must be met by the manufacturers and suppliers of NM goods & services, in line with TFG’s respect for both human and labour rights, its corporate culture, and values (We put our Customer First, we work Smart and Fast, we do the Right Thing).

TFG will ensure that its Suppliers are acquainted with and understand this Code.

2.1 Scope

This Code applies to all TFG’s Suppliers of Non-Merchandise goods and services.

All Suppliers must read, understand, and comply with this Code.

2.2 Purpose

The purpose of this Code is to help Suppliers to identify and avoid situations which could result in a breach of Applicable Laws, Policies, human rights or ethical violations and business practises contrary to the standards of behaviour TFG requires from its Suppliers. It must be read with the contract between you and TFG, whether the contract is the Standard Terms or separate negotiated agreement signed by both parties, Applicable Laws and Policies *including*:

- TFG Code of Ethical Conduct
- TFG Anti-Corruption Policy
- TFG Human rights Declaration
- TFG Conflict of Interest Policy
- TFG's Migrant Worker Policy
- TFG Acceptable use of generative AI policy
- United Nations Global Compact

which can be made available on request.

2.3 Contact us

Any queries relating to the content of this document can be directed to the TFG NMP team by emailing us at fuseshareservices@tfg.co.za

3 SUSTAINABILITY GOALS

The Sustainable Development Goals (SDGs) set by the United Nations in 2015 (SDGs) define global priorities and aspirations for 2030. TFG is committed to supporting the SDGs through its business activities and requires its Suppliers to use their best efforts in relation to the SDGs.



4 HUMAN RIGHTS AND LABOUR PRACTICES

4.1 No harsh or inhumane treatment

TFG strongly condemns, and does not tolerate, physical, sexual, racial, religious, psychological, verbal or any other form of harassment (including bullying), threat or abuse.

Suppliers must treat their workers with dignity and respect. Under no circumstances must physical punishment, sexual or racial harassment, verbal or power abuse or any other form of harassment or intimidation be permitted.

- All workers have the right to have their dignity respected and protected.
- Working conditions and practices must be fair and not infringe on the inherent dignity of workers.
- Corporal punishment, mental or physical coercion or verbal abuse must not be tolerated.
- Termination of workers' services must be lawful and fair.

4.2 No discrimination

Discrimination is any practice or behaviour, based on prohibited grounds (for example race, ethnicity, age, disability or gender), whether intentional or not, that has a negative effect on an individual or group.

Discrimination may arise from direct or indirect unequal treatment, or it may arise from the effect of unequal treatment of individuals or groups.

- Suppliers must not allow any unfair discrimination in relation to employment based on any prohibited grounds.
- Suppliers must put procedures in place for workers to report any unfair discrimination and to lodge grievances regarding unfair discrimination without fear of victimisation.

The above talks to aspects commonly included in Applicable Laws, but there are other areas where discrimination in employment and occupation may occur in work-related activities such as:

- Recruitment
- Remuneration
- Benefits
- Hours of work and rest/paid holidays
- Security of tenure
- Job assignments
- Performance assessment and advancement
- Training and opportunities

The above is not a closed list.

Women and men must receive equal remuneration for work of equal value, equal evaluation of the quality of their work and equal opportunities to fill all positions open.

4.3 Uphold freedom of association and collective bargaining

Suppliers should encourage open communication between workers and management, while respecting the right of Employees to associate, organise and bargain collectively.

Suppliers must ensure that their workers have the right to freedom of association, union membership and collective bargaining. No retaliation may arise from the exercise of such rights and no remuneration or payment whatsoever may be offered to the workers to hinder the exercise of such rights nor threaten, penalise, restrict or interfere with Employees' lawful efforts to join associations. Suppliers must adopt an open and collaborative attitude towards the activities of trade unions.

Workers' representatives must be protected from any type of discrimination and must be free to carry out their representative functions in their workplace. Where the rights to freedom of association and collective bargaining are restricted under law, appropriate channels to ensure a reasonable and independent exercise of such rights must be designed and adhered to.

4.4 No forced and compulsory labour

TFG does not allow any form of forced or involuntary labour in their supply chain. Suppliers may not require their Employees to make any kind of "deposits" to secure work, nor are they entitled to retain Employees' government issued identification, passports or work permits as a condition of employment.

Employees must be free to leave the Supplier premises at all times and the freedom of movement of those who live in Supplier -controlled residences must not be restricted.

Suppliers must acknowledge the right of their Employees to leave their employment after reasonable notice.

Suppliers must be aware that forced labour can take many forms (per the UNGC principle 4) including:

- Bonded labour or debt bondage, where both adults and children are obliged to work to repay debts of their own or their parents or relatives.
- The work or service of prisoners, if they are hired to or placed at the disposal of private individuals, companies or associations involuntarily and without supervision of public authorities as part of their sentence and for which they are not compensated.
- Indentured Labour, where work is performed by a worker who is bound to an employer for a certain period of time through a contract.
- Slavery (i.e., by birth/ descent into “slave” or bonded status)
- Child labour which involves the labour of children under the minimum legal age for employment and particularly in abusive conditions where the child has no choice about whether to work.
- Physical abduction or kidnapping.
- Sale of a person into the ownership of another
- Physical confinement in the work location (in prison or in private detention)
- Exploitative practices such as forced overtime.
- The lodging of deposits (financial or personal documents) for employment
- Physical or psychological (including sexual) violence as a means of keeping someone in forced labour (direct or as a threat against worker, family, or close associates)
- Full or partial restrictions on freedom of movement
- Withholding and non-payment of wages (linked to manipulated debt payments, exploitation, and other forms of extortion)

4.5 No child labour

The term “child labour” should not be confused with “youth employment” or “student work.” All official documentation stating each worker’s age must be available for review. In those countries where official documents are not available to confirm exact date of birth, Suppliers must confirm age using appropriate and reliable assessment methods.

Suppliers must develop or participate in and contribute to policies and programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.

4.6 Wages are paid

Minimum wages are the minimum amount of remuneration that an employer is required to pay wage earners for the work performed during a given period, which cannot be reduced by collective agreement or an individual contract.

Suppliers must ensure that the principle of equal remuneration for men and women workers for work of equal value is applied with reference to

- Applicable Laws;
- Policies;
- collective agreements; or
- a combination of these various means.

Wages paid must meet at least the minimum legal wage as determined by Applicable Laws or collective bargaining council agreement (whichever is higher).

All workers shall be provided with written and understandable information about their employment conditions, including wages and benefits.

Suppliers must not make any withholdings and/or deductions from wages for disciplinary purposes unless in accordance with Applicable Laws. All disciplinary measures should be recorded.

Suppliers must also ensure that wages and any other allowances or benefits are paid on time and are rendered in full compliance with Applicable Laws and specifically, that payments are made in the manner that best suits the worker.

Suppliers must as a minimum provide to employees all legally mandated benefits inclusive of annual leave and holidays as stipulated by Applicable Law.

4.7 Working hours and rest

Suppliers must ensure that regular working hours or overtime do not exceed the legal maximum according to Applicable Law or industry standards, whichever affords greater protection.

Workers shall be provided with an uninterrupted weekly rest period in accordance with Applicable Law but never less than a consecutive period of 24 hours for each period of seven days.

Working time is allowed to be temporarily extended and the total hours worked in any seven-day period shall not exceed 60 hours, unless:

- It is allowed by Applicable Law and the Policies.
- It is allowed by a collective agreement freely negotiated with workers' organisation representing a significant percentage of the workforce.
- Appropriate measures are taken to protect the workers' health and safety.
- The Supplier can demonstrate that exceptional circumstances apply.

Suppliers must record all employees' working hours completely and accurately and time records for all workers must be available for review.

Overtime must be voluntary, must not be demanded on a regular basis and must always be compensated according to the provisions of Applicable Laws.

Paid leave is the annual period during which workers take time away from their work while continuing to receive an income and the benefits associated with employment.

Paid leave must be in addition to public holidays, sick leave, weekly rest, maternity, parental leave, etc. and is subject to the Applicable Laws.

4.8 Safe and hygienic working conditions

Suppliers must provide a safe and healthy workplace for their workers to prevent accidents and injury to health arising out of, linked with, or occurring in the course of work or as a result of the operation of Suppliers' facilities.

Suppliers must also ensure these same standards apply to any dormitory or canteen facilities provided by them.

This includes ensuring that Applicable Laws in relation to business or manufacturing premises including with regard to light, ventilation, hygiene, fire prevention, health and safety measures and access to drinking water are adhered to.

Workers must have access to clean toilet facilities. Where necessary, sanitary facilities for food storage must be provided.

Suppliers must take the required steps to prevent accidents and injuries to their workers, by minimizing the risks inherent to work.

Suppliers must provide their workers with regular training, in relevant languages, in relation to matters of health and safety at work. The Supplier must keep an appropriate record of the training courses completed.

Suppliers must appoint a person in charge of health and safety within management, who is duly authorised and has the appropriate decision-making power.

Where applicable, Suppliers must undertake and keep record of all the required health, safety and fire inspections required in terms of Applicable Laws.

4.9 Regular employment

Suppliers undertake that they do not impair the rights of workers by using schemes that have no real intention of promoting regular employment.

To every extent possible, work performed must be on the basis of a recognised employment relationship in accordance with Applicable Law.

Obligations to Employees under Applicable Laws arising from the regular employment relationship shall not be avoided through the use of labour-only contracting, sub-contracting, or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, nor shall any such obligations be avoided through the excessive use of fixed-term contracts of employment.

4.10 Foreign nationals and migrant workers

Suppliers must ensure that they at all times comply with Applicable Laws in relation to the employment of foreign nationals, including migrant workers, and the provisions of this Code apply equally to these workers.

If your business uses or is reliant on migrant workers, please specifically refer to TFG's Migrant Worker policy.

Applicable to suppliers operating in South Africa:

The rights of all workers within the Republic of South Africa are enshrined in the constitution and South Africa's labour laws accord the same standards and rights to workers who are South African citizens and foreign nationals

Suppliers may not employ undocumented foreign nationals and South African citizens where they are subjected to inferior and unlawful labour standards. All workers must be declared in the Supplier's books, and where required by Applicable Laws, they must receive social security benefits such as UIF and Compensation Fund.

The Employment Services Act, Act No 4 of 2014, is specific in terms of the roles of the Department

working with the Department of Home Affairs, in managing the employment of foreign nationals. The Employment Services Act specifically prohibits an employer from employing a foreign national in the South Africa prior to such a foreign national producing the applicable and valid work visa issued by the Department of Home Affairs.

5 ENVIRONMENTAL AWARENESS

Suppliers must ensure that they are always committed to the protection of the environment.

Suppliers, their subcontractors, and business partners must comply with Applicable Laws and where these do not exist, international guidelines and best practice standards regarding the environment relevant to the workplace, the products produced, methods of manufacture their locations of operation and materials used.

All required environmental permits, licences, information registrations and restrictions must be obtained, and their operational and reporting requirements followed.

Suppliers must implement appropriate methodologies to identify and assess the risks of harm in their own operations and those of their business partners. Management practices and targets should be put in place to prevent and mitigate environmental risk and impact, especially those which contributed to climate change.

The below practises and relating data should have targets in place and be recorded and shared with TFG for sites where TFG products or raw materials are manufactured.

5.1 Resource reduction

Suppliers must do their best to continuously minimise their resource consumption (e.g., fossil fuels, fossil-fuel based virgin plastics, water and virgin forest products).

5.2 Waste

Suppliers must identify significant sources of waste and manage waste responsibly.

Plans must be established, and targets set to reduce and recycle waste, and apply, where feasible, circular economy principles (reduce, reuse, recycle and recover). Waste must be disposed of in compliance with Applicable Laws or, where such laws do not exist, in line with international standards and best practice. Suppliers must use best efforts to prevent waste going to landfill.

5.3 Water

Wastewater must be treated and purified to comply with Applicable Laws or, where such laws do not exist, in line with international standards and best practice, and prevent pollution.

Suppliers located in water-scarce regions must have strong water management systems in place and collect data (e.g., water withdrawals, water consumption, wastewater and recycled water) to minimise adverse impacts to the local community.

5.4 Pollution prevention

Suppliers must establish plans and targets to prevent and reduce pollution.

Emissions and discharges of pollutants and generation of waste must be minimised or eliminated at the source, or by practices such as adding pollution control equipment, modifying production and maintenance processes, or by other means.

5.5 Energy usage and greenhouse gas (ghg) emissions

Suppliers must monitor their energy consumption and take actions to reduce their greenhouse gas emissions and combat climate change. Suppliers must establish plans and targets to continuously reduce the greenhouse gas emissions of their activities and demonstrably increase their use of renewable energy.

5.6 Chemicals

Suppliers must comply with Applicable Laws or, where such laws do not exist, with international standards and best practice regarding the restriction and registration and, where necessary, authorisation or notification of chemical substances contained in the end-product or production process.

In addition, Suppliers must adopt new processes and best practices, to reduce the environmental impact and health and safety concerns relating to chemical use.

Suppliers must maintain an inventory of hazardous substances at their facilities. Safety data sheets (or equivalent) shall be accessible wherever hazardous substances are used. Chemicals must be correctly labelled, and their associated risks shall be clearly and actively communicated to all employees who work with them.

5.7 Biodiversity

Suppliers must avoid and minimise their impact on biodiversity and seek opportunities for biodiversity conservation linked to their activity and make best efforts to generate positive impact on biodiversity and the livelihoods of local people.

6 SUPPLY CHAIN PRACTICES

6.1 Health and safety of products

Suppliers are responsible for all products supplied to TFG and warrant that their products comply with all Applicable Laws and safety standards.

Should Suppliers become aware of any defects that may cause harm, then Suppliers warrant to immediately notify TFG of such defect/s.

6.2 Environmental management systems

Manufacturing and raw material suppliers are recommended to establish an environmental management system (e.g., ISO 14001) to meet environmental compliance obligations and mitigate impacts. Suppliers

must have an environmental action plan and monitor their environmental impacts.

Manufacturing and raw material suppliers must share their environmental action plans with TFG upon request.

6.3 Forest products

Suppliers must ensure that their actions have no negative impact on forests. Measures must be put in place to ensure that no illegal forest products are placed in the supply chain and comply with Applicable Laws. Suppliers must be aware of their indirect impact on deforestation and actively work to not contribute to it. TFG reserves the right to obtain information on deforestation risks.

Suppliers are requested to source paper, packaging, and other timber-based products in a responsible manner, either recycled or from certified, sustainably managed forests. Any forestry-sourced product should be certified by the Forest Stewardship Council (FSC).

Where necessary, Suppliers must conduct due diligence on their own suppliers.

6.4 Plastics

Suppliers must avoid harmful and problematic plastics. No products containing PVC and cling film may be supplied. Products must be created using mono materials to increase the recyclability of the product and reduce post-consumer plastic waste.

In addition, Suppliers shall do their best to reduce the environmental impact of plastics by:

- Avoiding harmful plastics (e.g., ABS, PS and PU).
- Reducing to a minimum virgin fossil fuel-based plastic.
- Using recyclable and increasing the use of recycled plastics (e.g., GRS-certified).
- Extending the life of and improving the end-of-life management of plastic.

7 ANTI-CORRUPTION

7.1 Transparency

Suppliers must carry out their activities in an honest and transparent way. In line with these requirements, Suppliers must have appropriate accounting systems and records. In addition, they must have a clear policy and procedure to prevent and detect instances of corruption.

Suppliers must not manipulate or forge any files or records to alter the verification process regarding compliance with this Code.

7.2 Provision and receipt of gifts

TFG Employees may not accept or receive gifts from Suppliers, which supply or could supply services or goods to TFG, as specified in the TFG Gift Policy.

TFG's Gift Policy includes that no gifts are accepted by TFG employees from Suppliers but rather that the funds which would be used for that purpose be donated to charity.

Suppliers must not offer (nor accept) remuneration of any kind which seeks to affect the impartial

judgment, or the objectivity of parties appointed by TFG to carry out inspections and compliance audits, or may be perceived as such.

Suppliers are prohibited from making or receiving any payment, gifts, offers or promises to/from TFG employees which might infringe the provisions of TFG's Gift Policy.

7.3 Reporting bad behaviour

Unlawful and unethical behaviour, if left unreported can have an adverse effect on the economy, reputations, trustworthiness, organisational culture and sustainability. In accordance with TFG's Code of Ethical Conduct, we have an obligation to report unethical conduct, discriminatory conduct, harmful or criminal activity. TFG will protect those who report such behaviour in good faith.

Suppliers, their workers or other interested third parties, who may choose to remain anonymous, may report unethical conduct, discriminatory conduct, harmful or unlawful activity to the Deloitte Tip-Off Line which is available 24 hours a day every day of the year. We will investigate every report received. Reports may be made anonymously to:

FUSE (ALL COUNTRIES)

Whatsapp: +27 (0) 79 192 5376

synergy@tfg.co.za

DELOITTE TIP OFF LINE (ALL COUNTRIES) Email: tfg@tip-offs.com

Website: www.tip-offs.com South Africa - Toll Free 0800 118 444

Namibia – Toll Free 0800 003 313 (Namibia Telecoms), 081 91847 (MTC)

Botswana – Toll Free 0800 600 644 (BTC), 1144 (Orange), 71119602 (Mascom)

Lesotho – Toll Free 80022055 (Econet)

Eswatini – Toll Free 8007006 (SPTC)

Zambia – email tfg@tip-offs.com

8 CONFIDENTIALITY OF INFORMATION

Suppliers must preserve the integrity and confidentiality of all information they receive as a consequence of their commercial relationship with TFG.

The obligation of confidentiality remains even after the relationship with TFG is terminated and it will include the obligation to return or destroy any material or confidential information related to TFG held by the Supplier.

9 CODE IMPLEMENTATION

Suppliers must implement and maintain programmes to comply with this Code, which includes the UN Global Compact Principles. They must appoint a senior member of management, who will be responsible for the implementation and enforcement of this Code.

Suppliers must communicate this Code to all their workers and those parties, in any way involved in TFG's procurement chain.

9.1 Reference to applicable laws conventions and agreements

Suppliers must comply with all Applicable Laws of the countries in which they operate and implement appropriate systems and controls to ensure continued compliance.

The provisions of this Code constitute only minimum standards.

If any Applicable Law or any other applicable industry code or standard or any other commitments undertaken or applicable to the Supplier, including collective bargaining agreements, govern the same issue or are in conflict with this Code, the provision which offers the greater protection for workers will apply.

9.2 Verification of compliance

Suppliers authorise TFG and/or any third parties appointed by TFG to monitor their compliance with this Code. Suppliers must provide reasonable and appropriate access to the facilities and documentation required for this verification.

9.3 Approval of this code

Action	Name and title	Contact Details
Approved by	Group Policy Forum	fusesharedservices@tfg.co.za
Owned by	Stephen Abrahams - Head of TFG Non-Merchandise Procurement	fusesharedservices@tfg.co.za
Administered by	Sarah-Jane Walther – Head of Procurement Enablement	fusesharedservices@tfg.co.za

10 REVIEW OF THE CODE

This Code will be reviewed as and when necessary.