



**BARLOWORLD GROUP POLICY ON
STAKEHOLDER CONSULTATION AND RELATIONSHIP MANAGEMENT**

Barloworld is a distributor of leading international brands providing integrated rental, fleet management, product support and logistics solutions.

Responsible corporate citizenship, social responsibility, sound business practice and natural resource management are fundamental to Barloworld's sustainability, as are stakeholder trust and confidence.

In terms of its value based management philosophy, the group is committed to adding sustainable value for identified key stakeholders. These specifically include: shareholders, customers, principals and suppliers, employees, and communities in the context of broader society.

Underscoring stakeholder value creation are ongoing stakeholder relationships, the central tenets of which are inclusivity, materiality and responsiveness, as well as the understanding that stakeholder perceptions affect the group's reputation.

Such relationships ensure open, transparent and efficient communication with identified stakeholders and inform group strategy and related activities.

In the context of sustained value creation for all its stakeholders, Barloworld's engagement with its stakeholders includes:

- An inclusive approach: consultation with stakeholders in developing and achieving an accountable and strategic response to sustainability
- Materiality: determining the relevance and significance of issues to both the group and its stakeholders. The materiality of issues concerns the legitimate interests and expectations of stakeholders in the context of the legal and strategic considerations of the business.
- Responding appropriately to stakeholder issues through decisions, actions and performance, and communication.

The group delegates responsibility for proactively dealing with stakeholder relationships to its divisions and group functionaries. Barloworld ensures that appropriate stakeholder consultation policies, practices and reporting procedures are formulated and aligned to this policy in order to:

- Establish clear accountability for effective stakeholder engagement
- Comply with relevant laws governing stakeholder relationships, and the standards and codes of practice to which Barloworld subscribes
- Promote awareness in group operations and functions of the importance, value and methodologies for stakeholder consultation and relationship management, underpinned by adherence to the principles of inclusiveness, materiality and responsiveness.

Stakeholder consultation and relationship management as well as reporting systems are implemented in all divisions and group functions to guide responsibility and accountability for stakeholder engagement at all levels of management.

The group strives to continually improve its stakeholder engagement performance, which processes are appropriately assessed through self-assurance and, when necessary or appropriate, independent assurance.

All Barloworld divisions and group functionaries strive to achieve the standards reflected in the AA1000 Assurance and Stakeholder Engagement Standards regarding their respective stakeholder engagements and relationship management initiatives.

Non-adherence to this group policy will be reported to the Barloworld Limited Executive, to the appropriate Barloworld board sub-committee, and thereafter to the Board of Directors.

Barloworld is committed to measuring and reporting its progress in terms of this policy.

GUIDING PRINCIPLES THAT GOVERN BARLOWORLD
STAKEHOLDER CONSULTATION / RELATIONSHIP MANAGEMENT

1. Stakeholder engagement and relationship management is integrated into the ongoing management activities of the divisions and group functionaries.
2. The Chief Executive Officer and Board of Directors in each division are responsible and accountable for stakeholder engagement. Responsibility for group functions rests with the relevant directors and heads of group functions.
3. In each division and group function, key stakeholders are identified by objective criteria including:
 - a. Role and/or Responsibility: stakeholders to which Barloworld has, or in the future may have, legal, financial or operational responsibilities enshrined in regulations, contracts, policies or codes of conduct.
 - b. Influence: Stakeholders that influence, or in future may be able to influence, the ability of Barloworld to meet its goals;
 - c. Proximity: Stakeholders with whom Barloworld interacts most, including internal stakeholders, those with longstanding relationships, those on whom the group depends most in its day-to-day operations, and those living in proximity to its operating sites;
 - d. Dependency: Stakeholders that are most dependent on Barloworld, for example employees and their families, customers who are dependent on its products and services for their safety, livelihood, health or welfare, and principals/suppliers for whom Barloworld is a dominant customer; and
 - e. Representation: stakeholders that are, through regulatory structures or culture/tradition, entrusted to represent other individuals; e.g. representatives of government, local communities, trade unions and membership-based organisations.
 - f. Significant changes to business strategies and/or the business environment may indicate additional sets of stakeholders to be engaged.
4. Appropriate initiatives are implemented by each division and group function to ensure a process for proactively identifying and addressing the significant issues and concerns of their key stakeholders.
5. Appropriate stakeholder engagement methodologies and processes and systems are developed, recorded and implemented at divisional and group functional level.
6. Engagements, both formal and informal, direct and indirect, are appropriately recorded and reported by:
 - a. Stakeholder group
 - b. Frequency
 - c. Type of engagement
 - d. Issues raised and addressed.
7. Each division and group function continuously seeks ways to better manage and improve their stakeholder engagement procedures and performance.
8. Established risk management processes at divisional and functional levels ensure that stakeholder risks are continually assessed, evaluated and addressed.
9. Through ongoing and appropriate stakeholder engagements, Barloworld strives to inform, in an appropriate and timely manner, stakeholders at group, divisional and functional levels of the implications and impacts of its activities in a fair and transparent manner. Also, to ensure that any disputes are resolved as effectively, efficiently and as expeditiously as possible.

Processes are implemented and sustained to ensure that the Chief Executive Officer and Board of Directors are fully informed about pertinent stakeholder concerns as well as the risks and opportunities which may emanate from these.