
APPLICABLE PRICING SUPPLEMENT



Barloworld
Leading brands

BARLOWORLD LIMITED

(Incorporated in the Republic of South Africa with limited liability under registration number 1918/000095/06)

Issue of ZAR785,000,000 Senior Unsecured Floating Rate Notes due 12 July 2027 Under its ZAR15,000,000,000 Domestic Medium Term Note Programme

This Applicable Pricing Supplement must be read in conjunction with the amended and restated Programme Memorandum, dated 21 December 2020, prepared by Barloworld Limited in connection with the Barloworld Limited ZAR15,000,000,000 Domestic Medium Term Note Programme, as amended and/or supplemented from time to time (the **Programme Memorandum**).

Any capitalised terms not defined in this Applicable Pricing Supplement shall have the meanings ascribed to them in the section of the Programme Memorandum headed “*Terms and Conditions of the Notes*”.

This document constitutes the Applicable Pricing Supplement relating to the issue of Notes described herein. The Notes described herein are issued on and subject to the Terms and Conditions as amended and/or supplemented by the Terms and Conditions contained in this Applicable Pricing Supplement. To the extent that there is any conflict or inconsistency between the contents of this Applicable Pricing Supplement and the Programme Memorandum, the provisions of this Applicable Pricing Supplement shall prevail.

PARTIES

1. Issuer	Barloworld Limited
2. Dealer	The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division
Specified Office	3 Simmonds Street, Johannesburg, 2001
3. Managers	N/A
Specified Office	N/A
4. Debt Sponsor	Nedbank Limited, acting through its Nedbank Corporate and Investment Banking division
Specified Office	135 Rivonia Road, Nedbank 135 Rivonia Campus, Fourth Floor, Block F, Sandton, 2196
5. Paying Agent	The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division
Specified Office	3 Simmonds Street, Johannesburg, 2001
6. Calculation Agent	The Issuer
Specified Office	Barloworld Corporate Office 61 Katherine Street, Sandton, 2146

7.	Transfer Agent Specified Office	The Issuer Barloworld Corporate Office 61 Katherine Street, Sandton, 2146
8.	Settlement Agent Specified Office	The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division 3 Simmonds Street, Johannesburg, 2001
9.	Issuer Agent Specified Office	The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division 3 Simmonds Street, Johannesburg, 2001

PROVISIONS RELATING TO THE NOTES

10.	Status of Notes	Senior Unsecured
11.	Form of Notes	The Notes in this Tranche are listed Notes, issued in uncertificated form and held by the CSD
12.	Series Number	38
13.	Tranche Number	1
14.	Aggregate Nominal Amount:	
	(a) Series	ZAR785,000,000
	(b) Tranche	ZAR785,000,000
15.	Interest	Interest bearing
16.	Interest Payment Basis	Floating Rate
17.	Automatic/Optional Conversion from one Interest/Redemption/Payment Basis to another	N/A
18.	Issue Date	12 July 2022
19.	Nominal Amount per Note	ZAR1,000,000
20.	Specified Denomination	ZAR1,000,000
21.	Specified Currency	ZAR
22.	Issue Price	100%
23.	Interest Commencement Date	12 July 2022
24.	Maturity Date	12 July 2027
25.	Applicable Business Day Convention	Following Business Day
26.	Final Redemption Amount	100% of Nominal Amount
27.	Last Day to Register	By 17h00 on 1 July, 1 October, 1 January and 1 April, or if such day is not a Business Day, the Business Day before each Books Closed Period, in each year until the Maturity Date
28.	Books Closed Period(s)	The Register will be closed from 2 July to 11 July, 2 October to 11 October, 2 January to 11 January and from 2 April

		to 11 April (all dates inclusive) in each year until the Maturity Date
29.	Default Rate	Margin plus 2%
	FIXED RATE NOTES	N/A
	FLOATING RATE NOTES	
30.	(a) Floating Interest Payment Date(s)	12 October, 12 January, 12 April and 12 July in each year until the Maturity Date, or, if such day is not a Business Day, the Business Day on which interest will be paid, as determined in accordance with the Applicable Business Day Convention (as specified in this Applicable Pricing Supplement) with the first Floating Interest Payment Date being 12 October 2022, or, if such day is not a Business Day, the Business Day on which interest will be paid, as determined in accordance with the Applicable Business Day Convention (as specified in this Applicable Pricing Supplement)
	(b) Interest Period(s)	From and including the applicable Floating Interest Payment Date and ending on but excluding the following Floating Interest Payment Date, with the first Interest Period commencing on and including the Interest Commencement Date and ending on but excluding the next Floating Interest Payment Date (each Floating Interest Payment Date as adjusted in accordance with the Applicable Business Day Convention)
	(c) Definition of Business Day (if different from that set out in Condition 1 (Interpretation))	N/A
	(d) Minimum Rate of Interest	N/A
	(e) Maximum Rate of Interest	N/A
	(f) Other terms relating to the method of calculating interest (e.g.: Day Count Fraction, rounding up provision/Base CPI)	Day Count Fraction is Actual/365
31.	Rate of Interest and manner in which the Rate of Interest is to be determined	Screen Rate Determination (Reference Rate plus Margin)
32.	Margin	Subject to paragraph 2 of Appendix 1, 165 basis points to be added to the relevant Reference Rate
33.	If ISDA Determination	
	(a) Floating Rate	N/A
	(b) Floating Rate Option	N/A

(c)	Designated Maturity	N/A
(d)	Reset Date(s)	N/A
(e)	ISDA Definitions to apply	N/A
34.	If Screen Rate Determination:	
(a)	Reference Rate (including relevant period by reference to which the Rate of Interest is to be calculated)	3 Month ZAR-JIBAR
(b)	Interest Rate Determination Date(s)	12 October, 12 January, 12 April and 12 July in each year until the Maturity Date with the first Interest Rate Determination Date being 7 July 2022.
(c)	Relevant Screen Page and Reference Code	Reuters page 0#SFXMM or any successor page
35.	If Rate of Interest to be calculated otherwise than by ISDA Determination or Screen Rate Determination, insert basis for determining Rate of Interest/Margin/ Fallback provisions	N/A
36.	Calculation Agent responsible for calculating amount of principal and interest	The Issuer
	ZERO COUPON NOTES	N/A
	PARTLY PAID NOTES	N/A
	INSTALMENT NOTES	N/A
	MIXED RATE NOTES	N/A
	INDEX-LINKED NOTES	N/A
	DUAL CURRENCY NOTES	N/A
	EXCHANGEABLE NOTES	N/A
	OTHER NOTES	N/A
	PROVISIONS REGARDING REDEMPTION/MATURITY	
37.	Redemption at the option of the Issuer:	No
38.	Redemption at the option of the Senior Noteholders:	No
39.	Redemption in the event of a Change of Control at the election of Noteholders pursuant to Condition 10.5 (<i>Redemption in the event of a Change of Control</i>) or any other terms applicable to a Change of Control.	Yes
40.	Redemption in the event of a failure to maintain JSE Listing and Rating at the election of the Noteholders pursuant to Condition 10.6 (<i>Redemption in the event of a failure to maintain JSE Listing and Rating</i>).	Yes
41.	Early Redemption Amount(s) payable on redemption for taxation reasons pursuant to Condition 10.2 (<i>Redemption for Tax Reasons</i>), on Event of Default pursuant to Condition 17 (<i>Events of Default</i>), on a Change of Control	N/A

pursuant to Condition 10.5 (*Redemption in the event of a Change of Control*), in relation to a failure to maintain a JSE Listing and Rating pursuant to Condition 10.6 (*Redemption in the event of a failure to maintain JSE Listing and Rating*) (if different from that set out in the relevant Conditions).

GENERAL

42.	Financial Exchange	Interest Rate Market of the JSE
43.	Additional selling restrictions	N/A
44.	ISIN No.	ZAG000188020
45.	Bond Code	BAW38
46.	Stabilising manager	N/A
47.	Provisions relating to stabilisation	N/A
48.	Method of distribution	Private Placement
49.	Rating assigned to the Issuer and the Notes	“Aa2.za” long term rating as at 6 April 2022
50.	Applicable Rating Agency	Moody’s Investors Service South Africa (Pty) Ltd
51.	Governing law (if the laws of South Africa are not applicable)	N/A
52.	Total nominal value of Notes in issue as at the Issue Date	N/A
53.	Other provisions	See Appendix 1 headed “ <i>Additional Terms and Conditions relating to the BAW38 Notes - ESG</i> ”.
54.	Independent External Reviewer	IBIS Environmental Social Governance Consulting Africa Proprietary Limited
	(a) Contact Details	1st Floor, Acacia House The Avenues Office Park, 45 Homestead Rd, Rivonia, Johannesburg, 2191 South Africa Tel: +27 10 020 7343 Email: petrus.gildenhuis@ibisconsulting.com Attention: Director - IBIS ESG Consulting Africa Proprietary Limited

DISCLOSURE REQUIREMENTS IN TERMS OF PARAGRAPH 3(5) OF THE COMMERCIAL PAPER REGULATIONS IN RELATION TO THE ISSUE OF NOTES

- 55. Paragraph 3(5)(a)
The “*ultimate borrower*” (as defined in the Commercial Paper Regulations) is the Issuer.
- 56. Paragraph 3(5)(b)
The Issuer is a going concern and can in all circumstances be reasonably expected to meet its commitments under the Notes.
- 57. Paragraph 3(5)(c)

The auditor of the Issuer is Ernst & Young Inc.

58. Paragraph 3(5)(d)

As at the date of this issue

- (i) the Issuer has issued ZAR3,396,000,000.00 (exclusive of this issue of Notes and the issue of Notes under Bond Code BAW37); and
- (ii) the Issuer estimates that it may still issue ZAR1,500,000,000.00 of Bonds and Commercial Paper (exclusive of this issue of Notes and the issue of Notes under Bond Code BAW37) during the current financial year, ending 30 September 2022.

59. Paragraph 3(5)(e)

All information that may reasonably be necessary to enable the investor to ascertain the nature of the financial and commercial risk of its investment in the Notes is contained in the Programme Memorandum and this Applicable Pricing Supplement.

60. Paragraph 3(5)(f)

The Issuer refers Noteholders to the SENS announcements which were published on 23 May 2022 which provide Barloworld's interim results as at 31 March 2022.

The Issuer continues to consider the impact of material events, including COVID-19, on the Issuer's financial position and is engaging with its funders to ensure that facilities remain in place. As at the date of this Applicable Pricing Supplement, based on the Issuer's current assessment, there has been no material adverse change in the Issuer's financial position since the date of its last audited financial statements.

61. Paragraph 3(5)(g)

The Notes issued will be listed.

62. Paragraph 3(5)(h)

The funds to be raised through the issue of the Notes are to be used by the Issuer for its general corporate purposes.

63. Paragraph 3(5)(i)

The obligations of the Issuer in respect of the Notes are unsecured.

64. Paragraph 3(5)(j)

Ernst & Young Inc., the statutory auditor of the Issuer, have confirmed that nothing has come to their attention which indicates that this issue of Notes issued under the Programme does not comply in all material respects with the relevant provisions of the Commercial Paper Regulations.

Responsibility:

The Issuer certifies that to the best of its knowledge and belief there are no facts that have been omitted from the Programme Memorandum or this Applicable Pricing Supplement which would make any statement false or misleading, that all reasonable enquiries to ascertain such facts have been made and that the Programme Memorandum together with this Applicable Pricing Supplement contain all information required by law and the Debt Listings Requirements. The Issuer accepts full responsibility for the accuracy of the information contained in the Programme Memorandum, this Applicable Pricing Supplement and all documents incorporated by reference (see the section of the Programme Memorandum headed “Documents Incorporated by Reference”), except as otherwise stated therein.

The JSE takes no responsibility for the contents of the Programme Memorandum which include the annual financial statements, and this Applicable Pricing Supplement of the Issuer and any amendments or supplements to the aforementioned documents. The JSE makes no representation as to the accuracy or completeness of the Programme Memorandum, which include the annual financial statements, and this Applicable Pricing Supplement of the Issuer and any amendments or supplements to the aforementioned documents and expressly disclaims any liability for any loss arising from or in reliance upon the whole or any part of the aforementioned documents. The JSE’s approval of the registration of the Programme Memorandum and listing of the Notes is not to be taken in any way as an indication of the merits of the Issuer or of the Notes and that, to the extent permitted by law, the JSE will not be liable for any claim whatsoever.

Programme Amount:

As at the date of this Applicable Pricing Supplement, the Issuer confirms that the authorised Programme Amount of ZAR15,000,000,000 has not been exceeded.

Material Change:

As at the date of this Applicable Pricing Supplement, and after due and careful enquiry, there has been no material change in the financial or trading position of the Issuer and its Subsidiaries since the date of the Issuer’s latest audited financial statements. As at the date of this Applicable Pricing Supplement, there has been no involvement by Ernst & Young Inc. in making the aforementioned statement.

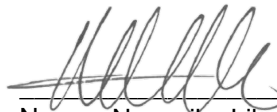
Application is hereby made to list this issue of Notes on 12 July 2022.

SIGNED at Sandton on this Eighth day of July 2022.

For and on behalf of
BARLOWORLD LIMITED



Name: Dominic Sewela
Capacity: Director
Who warrants his authority hereto



Name: Nopasika Lila
Capacity: Director
Who warrants his authority hereto

ADDITIONAL TERMS AND CONDITIONS RELATING TO THE BAW38 NOTES - ESG

The following are the additional terms and conditions (the **Additional Terms and Conditions**) which shall apply to the BAW38 Notes (the **BAW38 Notes**) and will be incorporated by reference into BAW38 Notes, except that all references in the Programme Memorandum to the Notes shall be deemed to be references to the BAW38 Notes.

1. Interpretation

Capitalised terms not defined in these Additional Terms and Conditions shall have the meanings ascribed to them in the section of the Programme Memorandum headed “*Terms and Conditions of the Notes*”.

- 1.1 **Baseline** means the baseline specified in the Margin Adjustment Table below in paragraph 1.12 (*Margin Adjustment Table*);
- 1.2 **Initial Margin** means the Margin specified in item 32 (*Margin*) of this Applicable Pricing Supplement;
- 1.3 **KPI** means key performance indicator and **KPI's** shall have the corresponding meaning;
- 1.4 **KPI Auditors** means an internationally recognised firm of independent auditors or consultants licensed to practice in South Africa;
- 1.5 **KPI Conditions** means the:
- 1.5.1 LTIFR Condition; and
- 1.5.2 Solar Power Condition,
- each as verified by the Issuer in the Sustainability Certificate;
- 1.6 **Limited Assurance Report** means a report from the KPI Auditors, which includes, amongst other things:
- 1.6.1 the value achieved in relation to each KPI Condition (the **SPT Realised Value**);
- 1.6.2 a certification that each KPI Condition has been correctly calculated;
- 1.6.3 detail (of reasonable substance) the manner in, and basis upon, which the SPT Realised Value was calculated,
- 1.7 **LTIFR or Lost-time Injury Frequency Rate** means the rate which shall be calculated as follows:

$$(\text{Number of LTIs} \times 200\,000) / \text{Total Hours Worked};$$

1.8 **LTIFR Condition** means the SPT to be achieved by the Issuer in respect of the decrease in the LTIFR from the Baseline to each SPT, each as expressed in paragraph of 1.12 (*Margin Adjustment Table*);

1.9 **Margin Adjustment Event** means the notification by the Issuer through the Sustainability Certificate and the Limited Assurance Report as to whether the Issuer has or has not, as the case may be, achieved the KPI Conditions within the timeframes prescribed in paragraph 1.12 (*Margin Adjustment Table*);

1.10 **Margin Adjustment Date** means the first day of the next Interest Period following the delivery of the Sustainability Certificate and Limited Assurance Report, being the date on which the Step-Down Margin or the Step-up Margin, as the case may be, will become effective in respect of the BAW38 Notes, subject to the occurrence of the Margin Adjustment Event;

1.11 **Margin Adjustment Deadline** means:

1.11.1 31 December 2023 in respect of SPT 1; and

1.11.2 31 December 2024 in respect of SPT 2;

1.12 **Margin Adjustment Table** means, in relation to the KPI Conditions, the margin adjustment value set out in the table below headed "*Price Adjustment Mechanism*":

KPI Condition	Metric	Baseline (As at 30 September 2021)	SPT 1 (To be achieved on 30 September 2023)	SPT 2 (To be achieved on 30 September 2024)	Price Adjustment Mechanism	
					Step-up Margin	Step-down Margin
LTIFR Condition	LTIFR	0.37	≤ 0.35 (6% improvement from Baseline)	≤ 0.34 (7% improvement from Baseline)	2 bps	2 bps
Solar Power Condition	MWh	1 398	≥ 1 680 (20% improvement from Baseline)	≥ 1 764 (20% improvement from Baseline)	3 bps	3 bps

1.13 **MWh** means the megawatt consumption per hour generated from solar panels per annum;

1.14 **Number of LTI's** means the number of injuries which occur in a workplace that resulted in an employee's inability to work the following full work day;

- 1.15 **Solar Power Condition** means the SPT to be achieved by the Issuer in respect of the increase in the solar powered photovoltaic energy consumption (**MWh**) in the volume from the Baseline to each SPT, each as expressed in paragraph 1.12 (*Margin Adjustment Table*);
- 1.16 **SPT** means the relevant sustainability performance target to be achieved in respect of the KPI Conditions on the date set out in the Margin Adjustment Table in paragraph 1.12 (*Margin Adjustment Table*);
- 1.17 **SPT 1** means, in respect of the Margin Adjustment Date falling on 31 December 2023, the SPT set out in the Margin Adjustment Table in paragraph 1.12 (*Margin Adjustment Table*);
- 1.18 **SPT 2** means, in respect of the Margin Adjustment Date falling on 31 December 2024, the SPT set out in the Margin Adjustment Table in paragraph 1.12 (*Margin Adjustment Table*);
- 1.19 **Step-Down Margin** means the margin adjustment specified in the Margin Adjustment Table as may be applied in accordance with paragraph 2 (*Sustainability Margin Adjustments*) below;
- 1.20 **Step Up Margin** means the margin adjustment specified in the Margin Adjustment Table as may be applied in accordance with paragraph 2 (*Sustainability Margin Adjustments*) below;
- 1.21 **Sustainability Structuring Agent** means The Standard Bank of South Africa Limited, acting through its Corporate and Investment Banking division;
- 1.22 **Sustainability Certificate** means a certificate signed in the form set out in Schedule 1 attached hereto by the Issuer that shows the calculation or quantification of the KPI Conditions and whether or not the Issuer has achieved each of the KPI Conditions by no later than the Margin Adjustment Deadline; and
- 1.23 **Total Hours Worked** means the total number of hours worked in an accounting period per one million hours worked.

2. Sustainability Margin Adjustments

LTIFR Condition Adjustments

- 2.1 For any Interest Period commencing on or after the Margin Adjustment Date following the occurrence of the Margin Adjustment Event (as notified by the Issuer in the Sustainability Certificate and the Limited Assurance Report) in relation to the LTIFR Condition, the Initial Margin (subject to the adjustment pursuant to paragraph 2.2 below) shall be:
- 2.1.1 decreased by the applicable Step-Down Margin on the Issuer satisfying the LTIFR Condition; or
- 2.1.2 increased by the applicable Step-Up Margin on the Issuer's failure to (a) satisfy the LTIFR Condition or (b) deliver the Sustainability Certificate and Limited Assurance Report;

Solar Power Condition Adjustments

- 2.2 For any Interest Period commencing on or after the Margin Adjustment Date following the occurrence of the Margin Adjustment Event (as may be notified by the Issuer in the Sustainability Certificate and Limited Assurance Report), in relation to the Solar Power Condition, the Initial Margin (subject to the adjustment pursuant to paragraph 2.1 above) shall be:
- 2.2.1 decreased by the applicable Step-Down Margin on the Issuer satisfying the Solar Power Condition; or
 - 2.2.2 increased by the applicable Step-Up Margin on the Issuer's failure to (a) satisfy the Solar Power Condition or (b) deliver the Sustainability Certificate and the Limited Assurance Report.
- 2.3 The Issuer will cause the occurrence of a Margin Adjustment Event to be notified to the Dealer, Sustainability Structuring Agent, Debt Sponsor and Noteholders, in accordance with Condition 19 (*Notices*) and the Applicable Procedures, as soon as reasonably practicable after such occurrence or satisfaction (as applicable) and in any event, by no later than the Margin Adjustment Deadline. Such notice shall be irrevocable and shall:
- 2.3.1 specify the applicable Step-up Margin or the applicable Step-down Margin, as the case may be, and the Margin Adjustment Date;
 - 2.3.2 be signed by two directors or authorised officers of the Issuer; and
 - 2.3.3 be accompanied by a Sustainability Certificate and Limited Assurance Report.
- 2.4 Neither the Dealer, the Sustainability Structuring Agent nor the Noteholders shall be obliged to monitor or inquire as to whether a Margin Adjustment Event has occurred and the Dealer and the Sustainability Structuring Agent shall be entitled to rely absolutely on any notice given to them by the Issuer without further enquiry or liability.

Schedule 1 to Appendix 1

From: **BARLOWORLD LIMITED** (the Issuer)

To: [Noteholders]

CC: Debt Sponsor

[insert date]

Dear Sirs,

1. We refer to the BAW38 Notes. This is a Sustainability Certificate as contemplated in the applicable pricing supplement dated [•] (the **BAW38 APS**). Terms and expressions defined in the BAW38 APS shall, unless otherwise defined in this Sustainability Certificate, have the same meanings in this Sustainability Certificate, unless inconsistent with the context.
2. We confirm that as at [*insert relevant testing date*] the LTIFR Condition [has been/ has not been] achieved by the Issuer.
3. We confirm that as at [*insert relevant testing date*] the Solar Power Condition [has been/ has not been] achieved by the Issuer.

KPI Condition	Metric	Baseline (As at 30 September 2021)	SPT 1 (To be achieved on 30 September 2023)	SPT 2 (To be achieved on 30 September 2024)	SPT Realised Value	Price Adjustment Mechanism	
						Step-up Margin	Step-down Margin
LTIFR Condition	LTIFR	0.37	≤ 0.35 (6% improvement from Baseline)	≤ 0.34 (7% improvement from Baseline)		2bps	2bps
Solar Power Condition	MWh	1 398	≥ 1 680 (20% improvement from Baseline)	≥ 1 764 (20% improvement from Baseline)		3bps	3bps

For and on behalf of
BARLOWORLD LIMITED

Name: [•]
Capacity: [•]
Who warrants her/his authority hereto

Name: [•]
Capacity: [•]
Who warrants her/his authority hereto