

<u>Governance outcomes</u> <u>Status evaluation</u>	<u>Principles</u>	<u>Applicable policies and processes</u>
Ethical Culture	<p><u>Principle 1:</u></p> <p>The governing body should lead ethically and effectively.</p>	<p>The board leads ethically and effectively. The group is governed by the Barloworld Worldwide Code of Conduct and Code of Ethics which applies to all directors and employees to ensure the highest level of corporate governance and ethical behavior is practiced in the day-to-day activities of the Group. In execution of its duties, it ensures that each director is competent, acts with integrity and fairness, is transparent and there is both individual and collective responsibility and accountability. The role of the chairman and the board collectively includes ensuring that the conduct of the board and that of management is aligned with the group's values and the code of ethics. This is also measured as part of the board effectiveness assessment and in the evaluation of performance of the executives.</p>
Ethical Culture	<p><u>Principle 2:</u></p> <p>The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.</p>	<p>The group Social, Ethics and Transformation Committee (SETC) has oversight over the implementation, reporting, training and awareness of the group's values and code of ethics. It monitors the conduct of the group, ensuring that it is in line with the group's strategic value drivers. The responsibility for incorporating the spirit of the group's code of ethics has been delegated to management and the group ethics executive, who are the formal custodians of the code and are ultimately responsible for entrenching an ethical culture.</p>
Performance and value creation	<p><u>Principle 3:</u></p> <p>The governing body should ensure that the organisation is and is seen to be a responsible corporate citizen.</p>	<p>The board ensures that the company is and is seen to be a responsible corporate citizen. In formulating the group's strategy, it considers a full range of issues that influence the sustainability of the business, create value over the long term and takes into account the social, economic, and natural environments in which the group operates. The SETC assists the Board with the monitoring and ensuring social, ethical and transformational practices that are consistent with responsible corporate citizenship.</p>
Performance and value creation	<p><u>Principle 4:</u></p> <p>The governing body should appreciate that the organisation's core purpose, its risks and</p>	<p>In approving the group's strategy, the board considers the interconnectedness between the organisation's purpose, vision, values and legitimacy to the risks and opportunities, the group's architecture and performance.</p>

	<p>opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.</p>	<p>The group's strategy is consistent with integrated thinking, it links strategic value drivers to ensure overall good performance resulting in shared social, economic and environmental value.</p> <p>At the board's annual strategy session, the board deliberates on the group's strategy, assesses the risks and opportunities, considers progress on implementation of the strategy and ensures that overall conduct is in line with group's values to ensure long term success and sustainability. The Risk Committees assist with the governance of risk by continuously monitoring risks and ensuring appropriate controls are in place.</p>
<p>Performance and value creation</p>	<p><u>Principle 5:</u></p> <p>The governing body should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short-, medium- and long-term prospects.</p>	<p>The board ensures that the reporting framework complies with the Companies Act 2008, as amended and the JSE listing requirements.</p> <p>The group produces a full suite of reporting publications to cater for diverse needs of key stakeholders. All external reports are considered and approved by the board prior to publication and include:</p> <ul style="list-style-type: none"> • Annual Integrated Report – Provides a holistic assessment of the group's ability to create value. It considers the issues that are material to our commercial viability and social relevance, which are required to achieve our strategy in the medium to long term. These include the macroeconomic and socio-political conditions in which the group operates. • Governance and remuneration report – provides a detailed review of the group's governance and remuneration practices, including the group's remuneration policy. • Annual financial statements – set out the group's full audited annual financial statements, including the report of the group audit and risk committee. • Risk report – provides a detailed view of the management of risks relating to the group's operations. • Social, Ethics and Transformation report – provides an account of the group's social, economic and environmental impacts and how these contribute to the group's sustainability and its ability to achieve its purpose. <p>The board acknowledges its responsibility over the integrity of external reports issued, and takes into account the statutory, regulatory and best practice when preparing them.</p>

<p>Adequate and effective control</p>	<p><u>Principle 6:</u></p> <p>The governing body should serve as the focal point and custodian of corporate governance in the organisation.</p>	<p>The board has overall responsibility for corporate governance across the group. It operates within a clearly defined governance framework. It retains effective control through this framework and provides for delegation of authority with clearly defined mandates and authorities. The board has delegated the role of oversight over implementation of corporate governance across the group to the Nomination Committee.</p>
<p>Adequate and effective control</p>	<p><u>Principle 7:</u></p> <p>The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively</p>	<p>The board has 11 Directors, comprising nine independent non-executive directors and two executive directors.</p> <p>The board is considered of appropriate size to enable it to meet and fulfil its governance role and responsibilities objectively and effectively. Non-executive directors bring diverse perspectives to board deliberations, and constructively challenge management. The collective background of the board members provide for a balanced mix of attributes and skills that enable the board to fulfil its duties and responsibilities. The board's breadth of experience includes:</p> <ul style="list-style-type: none"> • Accounting / auditing • Asset management • Business development • Corporate Affairs • Digital and IT • Finance, mergers and acquisitions • Culture/conduct • People development/diversity and inclusion • Remuneration • Governance/risk and compliance • Investment banking • Strategy • Social development • Board experience <p>Annually on recommendation from Nomination Committee, the board deliberates and approves the categorisation of directors as independent using the criteria set out in the King Code. Emphasis is placed on ensuring that the board composition</p>

		<p>reflects diversity in the broadest sense. The board is committed to ensuring diversity, including that of backgrounds, experience, skills, geography, race, age, and gender.</p>
<p>Adequate and effective control</p>	<p><u>Principle 8:</u></p> <p>The governing body should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.</p>	<p>The board has delegated certain functions to its committees in line with the corporate governance framework and relevant legislation. The board committees include:</p> <ul style="list-style-type: none"> • Audit (Audit); • Risk (Risk) • Nomination (Nomco); • Remuneration (RemCo); • Social, Ethics and Transformation (SETC) and • Strategy and investment (SIC) <p>Each committee has a board approved mandate. In determining the composition of committees, the board considers the skills and experience of its members, applicable regulations, and the committee mandate. Except for SIC and SETC which has executive director as a member, committees only comprise independent non-executive directors. Committee chairmen are accountable for the effective functioning of the committees. They provide verbal updates to the board on committee activities at each board meeting and submit chairmen reports highlighting matters for board attention. The minutes of meetings are also included in the Board Pack for noting.</p> <p>The review of the board's compliance with the provisions of the respective mandates is done annually.</p>
<p>Adequate and effective control</p>	<p><u>Principle 9:</u></p> <p>The governing body should ensure that the evaluation of its own performance and that of its committees, its chair and its individual members, support continued improvement in its performance and effectiveness</p>	<p>The performance of the board as a whole, the board committees and individual members is evaluated every two years either internally or by an external service provider. Action plans are drawn from evaluation findings which are agreed by the board and tracked by the company secretary.</p> <p>The 2021 evaluation was externally facilitated. Overall, the review concluded that governance is sound in the company.</p>

		<p>The board ensured that it worked on the areas of improvement that were highlighted, these included:</p> <ul style="list-style-type: none"> a. Board members who were over boarded were released of some of their responsibilities to ensure that sufficient attention is paid to the Company. b. There should be a focus on digital transformation. c. A decision was taken to separate the Audit and Risk Committee and have them as standalone Committees and this was to ensure that sufficient time is spent on all audit as well as risk issues.
<p>Adequate and effective control</p>	<p><u>Principle 10:</u></p> <p>The governing body should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities</p>	<p>The board is responsible for appointing the group chief executive and through Nomination Committee, ensures that the board is kept abreast of executive management succession plans. It has delegated the authority in writing to the Group Chief Executive to manage the business and affairs of the group. The Group Chief Executive is held accountable for the performance of the group. The group has in place a delegation of authority framework, which is reviewed annually in consultation with the group finance function to ensure that the financial limits remain appropriate.</p>

		The Group Chief Executive's role is in writing and evaluation against his performance is carried out by the Chairman in consultation with the board.
Adequate and effective control	<p><u>Principle 11:</u></p> <p>The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives.</p>	The board's responsibility for risk governance is expressed in the board charter and risk policy and plan and is aligned to the principles of King IV and ISO. Formal processes are in place reflecting the board's leadership with regard to the governance of risk. This ensures that risks and opportunities are adequately identified, evaluated and managed (and where possible transferred) in each division and their individual and joint impact on the group is considered. On the behalf of the board, Audit as well as the Risk committee ensures oversight over the governance of risk by setting the direction for how risk should be approached and addressed in the group. It regularly reviews and assesses the adequacy and effectiveness of the risk management & governance framework by ensuring that risk standards and policies are in place, and they support the group strategy, are fit for purpose and effective operationally. It evaluates and agrees the nature and extent of opportunities and the associated risks that the group is willing to take in pursuit of its strategic objectives and supports a climate of discipline and control. An on-going systematic, enterprise-wide risk assessment process supports the group risk philosophy and the desire for a risk intelligent organization that is hazard resilient.
Adequate and effective control	<p><u>Principle 12:</u></p> <p>The governing body should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.</p>	The board understands that information and technology is an integral component of the group's strategy. The board delegated the oversight over the governance of information management and technology to the Group's Risk committee. It is ensuring that prudent and reasonable steps are being taken with regards to information and technology governance, including aligning the IT strategy with the group's strategic objectives, performance targets and ensuring that it contributes to the sustainability of the group. It monitors and evaluates significant IT investment and expenditure. The committee has delegated the day-to-day management, and tasked management with the implementation of the IT governance framework. Technology and information risk is integrated in the company's risk management and is considered as part of its oversight of operational risk.
Adequate and effective control	<p><u>Principle 13:</u></p> <p>The governing body should govern compliance with applicable laws</p>	The board is responsible for ensuring that the group complies with applicable laws and considers adhering to non-binding rules, codes and standards, and recognises the challenges associated with the fact that the group's operations are located in many jurisdictions which are at different levels of maturity. The board, with the

	and adopted, non-binding rules, codes and standards in a way that supports the organisation in being ethical and a good corporate citizen.	assistance of the Risk committee (less significantly by the SETC), ensures that the group complies with applicable laws and regulations, as well as adopted nonbinding rules, codes and standards. The group has identified the laws, codes and standards that impact its operations and continues to test these for compliance. The board has delegated the responsibility for implementing compliance to the legal department.
Adequate and effective control	<p><u>Principle 14:</u></p> <p>The governing body should ensure that the organisation remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short-, medium and long-term.</p>	Through the group remuneration committee, the board ensures that the group adopts remuneration policies and practices that are aligned with the group strategy, promote sound risk management in line with group's values and code of ethics whilst creating value for the group over the long term. It reviews the remuneration policies regularly to ensure that the design and management of remuneration practices motivate sustained high performance, promote appropriate risk-taking behavior and are linked to individual and corporate performance in a fair and responsible manner. It also ensures transparency and disclosure to enable a reasonable assessment by stakeholders of reward practices and governance processes within the group. Detail on the remuneration practices including remuneration policy is contained in the Group Remuneration Report.
Adequate and effective control	<p><u>Principle 15:</u></p> <p>The governing body should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the organisation's external reports.</p>	Both the Audit committee ensure that the group applies a combined assurance model and ensures a coordinated approach to all assurance activities. They review the plans and work outputs of the external and internal auditors as well as work on the compliance and group integrated operation risk and concludes on their adequacy to address all significant financial risks facing the business which can impair the integrity of information used for decision making and external reporting. The Audit committee is responsible for overseeing the group internal audit function. It reviews and approves the annual internal audit charter and audit plan, and evaluates the independence, effectiveness and performance of outsourced audit services and its compliance with its charter; it also reviews significant issues raised in the internal audit processes and the adequacy of corrective action in response to such findings; it assesses the adequacy of the performance of the internal audit function and adequacy of the available internal audit resources. In respect of the external auditors and the external audit, the Audit Committee recommends the appointment of auditors to the shareholders and oversees the external audit process.

Trust, good reputation and legitimacy	<p><u>Principle 16:</u></p> <p>In the execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the organisation over time.</p>	<p>The board through SETC ensures the development of appropriate policies that appreciate that stakeholders' perceptions affect the group's reputation. Stakeholder engagement activities are governed by a stakeholder engagement policy approved by the board which delegates the management of relationships with specific stakeholder groups to management. Key stakeholders are identified by management and the board. Management pursues appropriate stakeholder relationships with material stakeholders with a view to balance their legitimate and reasonable needs, interests and expectations and those of the group.</p>
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