



This year marks 116 years of contribution to the communities and societies we belong to. It is a proud history that we are committed to upholding and reflects the sustainability of the group and its approach to stakeholder value creation.

As Barloworld, our Purpose is: *Inspiring a world of difference, enabling growth and progress in society.*

In order to fulfil this, we strive to carefully balance the six capitals we are responsible to manage: Intellectual; Financial; Manufactured; Social/Relationship; Human; and Natural.

We understand that we need to make trade-offs between these capitals during our strategic journey, and that different phases will require different trade-offs to ensure sustainable value creation for our stakeholders.

We have defined ambitions for each of the capitals, and where relevant, we have set aspirational targets to focus attention and underscore our commitment to them.

Our strategy seeks to balance our long-term growth ambitions with medium-term returns for our stakeholders, underpinned by our responsible citizenship programme.

In the short-to medium-term we are focusing on our Financial capital, addressing three critical levers:

- Fix and optimise our existing portfolio
- Implement a more active shareholder operating model
- Add high growth businesses to our portfolio.

While focusing on our Financial capital, we will be balancing the interests of our stakeholders as well as considering and managing the impacts on our other capitals.

Our Code of Ethics and Worldwide Code of Conduct are central to our responsible citizenship programme and inform the manner in which we pursue our strategic ambitions

and address these critical levers. *Protect the environment* is in our Code of Ethics, and *Sustainability* is one of our five core Values in our Worldwide Code of Conduct. By actively engaging our stakeholders we will optimally manage our capitals, make the wisest trade-offs we can, and balance their interests to ensure sustainable value creation.

The health and safety of others and ourselves is our foremost consideration. We put safety first in our work environment and promote safe practices throughout our value chain. Sadly we had two work-related fatalities during our FY2018 which have heightened our awareness on safety at work.

Our responsible citizenship programme includes climate change, environmental considerations and managing our Natural capital. We are mindful of the environmental consequences of our activities, and committed to conducting our operations in an environmentally responsible manner. We also offer innovative customer solutions that enable our customers to achieve their own objectives including minimising environmental impacts.

We consider our responsibilities in our value chain and have implemented a number of initiatives to assess and limit any potential risks emanating through our supply chain.

As a large, multi-national organisation, our purchasing power has the potential to create meaningful change in the communities in which we operate. By being mindful of where we spend our money, we can deliver on our localisation and supplier diversity objectives.

Our supplier diversity and localisation initiatives create legitimacy and credibility in the eyes of our stakeholders. This enhances our reputation while creating commercial opportunities for both our suppliers and ourselves.

I believe through our strategic approach, the purposeful stewardship of our six capitals and balancing our stakeholders' interests we will achieve ongoing creation of shared value for our stakeholders.

I am determined that by following our approach and fulfilling our ambitions, we will make a world of difference to the communities where we operate, and they will be better-off having Barloworld operations than they would be without us.

**Dominic Sewela**  
Chief Executive