



Barloworld Environmental Policy

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PREAMBLE

Barloworld is an industrial processing, distribution and service company which distributes leading international brands. In our Original Equipment Manufacturers (OEM) businesses we provide integrated sales, rental, fleet management and product support through offering flexible, value adding, and innovative business solutions to our customers backed by leading global brands.

One of Barloworld’s core competencies is its ability to leverage systems and best practices across its chosen business segments. As an organisation we are committed to sustainable development, which remains a corporate priority.

The group appreciates the impact its business activities including the use of its products and services have on the environment and understands the need for it to be addressed. Reducing its environmental impact is central to its strategic ambitions, its sustainable value creation approach and making a world of difference to its stakeholders.

As a responsible corporate citizen Barloworld:

- Appreciates the importance of good environmental stewardship
- Recognises that abuse of the environment is a serious threat to sustainability
- Encourages all its stakeholders to consider positive steps they may take with regards to environmental stewardship
- Participates in its value-chain to promote environmental awareness, good environmental stewardship and appropriate responses
- Recognises that environmental stewardship supports Shared Value creation
- Has clear accountability for environmental management with the group’s Board and Executive, as a part of good corporate governance
- Incorporates environmental stewardship and related considerations in its strategic framework, which is underpinned by sustainable development

PURPOSE

As part of its business model, Barloworld strives to minimise the impacts of its operations on Natural Capital, and the environment. Environmental considerations form an integral part of daily business activities, including risk management, strategic planning, capital expenditure, investments and operating procedures.

The objective of this policy is to position Environmental considerations within the Barloworld operating context and to outline the minimum expectations across Barloworld to better understand, manage and limit its environmental impact within its direct operations and within the communities in which it operates.

SCOPE

The policy applies to all Barloworld employees, across all its operations and territories.

REGULATORY BACKGROUND

Across the various jurisdictions where Barloworld operates environmental regulations are in place that serve to govern and regulate activities that impact on the environment and surrounding communities.

At a minimum, all Barloworld operations are expected to comply with their relevant local legislative framework and regulations, including those related to the environment.

Examples within the South African jurisdiction include: National Environmental Management Act (NEMA), supported by various Specific Environmental Management Acts, namely the NEMA: Water Act, Waste Act, Air Quality Act, Biodiversity Act, Integrated Coastal Management Act, and the Protected Areas Act.

POLICY STATEMENT

P1.	Commitment
	<ul style="list-style-type: none"> • Environmental management is an integral part of the management of the company and is recognised as one of the corporate priorities. • Barloworld appreciates its role in addressing environmental aspects and strives to minimise the impacts of its operations. • In all its divisions throughout the group, Barloworld will publish divisional Environmental Policies appropriate to the business of each division, subordinate to this company policy, which will, inter alia: <ul style="list-style-type: none"> ○ Establish clear accountability for environmental performance with divisional Executives and top management, as a part of good corporate governance ○ Require compliance with relevant environmental laws, other standards and codes of practice to which the company subscribes

	<ul style="list-style-type: none"> ○ Where practicable, ensure optimisation of resource utilisation and minimise greenhouse gas emissions and waste ○ Ensure that environmental considerations form part of the company's overall risk management processes ○ Ensure environmental considerations are incorporated into its facilities and maintenance cycles, its strategic plans as well as expansion projects and acquisitions ○ Promote environmental awareness within company operations ○ Require the maintenance of open dialogue with stakeholders, including customers and suppliers to promote environmental protection and rehabilitation ○ Develop contingency procedures to deal with unscheduled occurrences and community concerns. ● Appropriate Environmental Management Systems will be implemented in all divisions to guide environmental responsibility and accountability at all levels of management and continual improvement of environmental performance through self-assessment and assurance. ● Barloworld will continue to assess its physical, regulatory, reputational and financial risks associated with the environment and, where practicable, adapt its operations, processes and procedures accordingly. It will also pursue relevant identified opportunities where practicable.
P2.	Guiding Principles
	<ul style="list-style-type: none"> ● Relevant and quantifiable objectives and targets are set by each division to address significant environmental impacts that have been identified. ● Environmental performance indicators are measured and monitored. Each division should continuously seek ways to better manage and improve its environmental performance. ● Barloworld is cognisant of its responsibility for all its products and services, raw material usage and disposal of waste products after use. Where practicable Barloworld will make sustainable use of renewable resources and, wherever practicable, use renewable or recyclable materials. In addition, the company will promote the efficient and optimal use of finite resources and energy, thereby conserving such resources. In this regard: <ul style="list-style-type: none"> ○ All divisions will strive to conserve energy and improve the energy efficiency of the operation and of the products and services sold ○ Barloworld will strive to make continual progress towards eliminating the release of substances that may cause environmental pollution, and damage to air, water or soil, ecosystems and people ○ The company will reduce and, where practicable, eliminate waste through source reduction and recycling. All waste will be handled and disposed of through safe and responsible methods. ○ All divisions will strive to conserve water and improve the water efficiency of their operations. ● Environmental risk assessments will form part of significant new projects and of the planning phase for modifications to existing operations. ● Barloworld will strive to minimise the environmental, health and safety risks to employees and the communities in which the company operates through safe technologies, facilities and operating procedures. ● All operations will be prepared for emergencies. Barloworld divisions will strive to appropriately communicate with those affected by conditions caused by the company that endangers the environment.

RELATED POLICIES

All operations within the Barloworld Group are expected to uphold the principles contained within this policy which is to be read in conjunction with the policies as detailed below:

Policy name	Summary of Purpose
Barloworld Worldwide Code of Conduct	To set out the Barloworld Values expected to be upheld by all Barloworld employees
Barloworld Climate Change	To set out the minimum required standards for understanding and limiting our contribution to Climate Change within the Barloworld operating context
Barloworld Energy Efficiency Policy	To set out the minimum required standards for Energy related aspects within the Barloworld operating context
Barloworld Water Use and Management Policy	To set out the minimum required standards for Water use, management and related aspects within the Barloworld operating context
Barloworld Waste Management Policy	To set out the minimum required standards for Waste management and related aspects within the Barloworld operating context

COMMUNICATION

This policy should be communicated to all Barloworld employees, across all its operations and regions.

ROLES AND RESPONSIBILITIES

The Chief Executive Officer and Board of Directors in each division are the environmental champions and are responsible and accountable for environmental management.

Divisional Executive management have the responsibility to ensure compliance with this policy and at their discretion to define the processes, procedures and other mechanisms by which the policy is implemented.

Implemented processes ensure that the Barloworld Group Chief Executive Officer and Board of Directors remain fully informed about all pertinent environmental issues.

RAISING CONCERNS AND SEEKING GUIDANCE

If any person is seeking advice on aspects within this policy, they are encouraged to contact the Barloworld Group Sustainability Manager (sustainability@barloworld.com)

If any person becomes aware of a circumstance or action that violates or appears to violate this policy, they are encouraged to contact their manager, or alternatively the Barloworld Ethics Line at www.tip-offs.com.

The Barloworld Ethics Line is an independent and confidential system for reporting allegations of unethical behaviour, illegal actions, or actions that violate the Barloworld Worldwide Code of Conduct.

The Barloworld Global Whistleblowing Policy applies to the use of the Barloworld Ethics Line and it contains the contact details pertaining to each company, division, or business unit.

Barloworld is committed to ensuring that no employee suffers any occupational detriment as a result of reporting a genuine concern in good faith.

BREACH OF POLICY

Barloworld has established clear reporting structures in all divisions that culminate in compliance with relevant legislation and adherence to this policy. Material non-compliance will be reported to the respective divisional Executive Committee and other relevant divisional governance structure/s and thereafter to the

group Executive Committee, and to the group Social, Ethics and Transformation Committee, a sub-committee to the Board of Directors.

It is the responsibility of Chief Executive Officer and Board of Directors in each division to comply with this policy and failure to do so by any employee could amount to disciplinary action and a material breach of the contract of employment.

DEVIATIONS FROM POLICY

It is the responsibility of divisional Executive management to ensure that this policy is adopted and approved by an appropriate divisional Executive Committee.

Any deviations to this Barloworld group policy that amend the meaning or raise the minimum standard of the group policy requirements must be tabled, approved and recorded at an appropriate divisional Executive meeting, and thereafter tabled, approved and recorded at the Group Social, Ethics and Transformation Committee.

Language translations of Barloworld policies must be conducted or checked by a professional language translator to avoid translation errors that may change the meaning of the policy requirements.

DEFINITIONS

D1.	Barloworld
	<p>Barloworld means Barloworld Limited and its subsidiaries, divisions, and business units in all countries in which it does business, or any individual subsidiary in its own capacity.</p> <p>It does not include joint ventures, other than those where Barloworld exercises management control, nor does it include investments where Barloworld owns less than 50%.</p>

APPROVAL AND OWNERSHIP

Owner	Title	Date
Kavendrin Naidoo	Group Sustainability Manager	22 April 2021
Approved By		Date
Group Executive Committee		23 April 2021
Social, Ethics and Transformation Committee		19 May 2021

REVISION HISTORY

Version	Revision Date	Description	Next review Date
V1.0	25 September 2012	Policy was originally published in May 2012 and was approved by the Barloworld Group Risk and Sustainability Committee	
V1.1	14 May 2019	Last review and approval date by the Group Risk and Sustainability Committee	May 2021
V1.2	19 May 2021	Last review and approval by the Group Social, Ethics and Transformation Committee	May 2023