



BARLOWORLD ENERGY EFFICIENCY POLICY

Preamble

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

By representing leading global original equipment manufacturers (OEMs) and brands, Barloworld participates in supply chains that support and align to our environmental and sustainability objectives.

The group understands the importance of energy consumption and related costs in both its operations and integrated customer solutions. It also appreciates the risks associated with the extraction and combustion of fossil fuels as well as their non-renewable nature. Reducing its environmental impact through improved energy efficiency 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:

- Recognises with concern the causal link between the combustion of fossil fuel energy sources and climate change
- Acknowledges that sourcing, extraction and processing reserves of non-renewable energy sources as well as increasing prices thereof pose a significant risk to society and business
- Acknowledges, that as an international organisation, it has a role to play in implementing measures that will contribute to the improved efficiency of energy consumption and the mitigation of the associated negative impacts of non-renewable energy
- Appreciates the need to contribute towards a lower carbon future
- Encourages all its stakeholders to consider positive steps they may take with regards to improved energy efficiency and related impacts
- Participates in its value-chain to promote energy efficiency awareness and appropriate responses
- Strives where practicable to switch to alternate / renewable energy sources
- Principally supports the local national energy efficiency goals and objectives in its regions of operations
- Incorporates energy efficiency and related considerations in its strategic framework.

This approach aligns with the group’s Code of Ethics, its Worldwide Code of Conduct, the Barloworld Environmental Policy, the Barloworld Climate Change Policy, the Barloworld Water Use and Management Policy, the Barloworld Waste Management Policy and with its commitment to being a responsible corporate.

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Policy

As part of its business model, Barloworld strives to optimise the efficiency with which it consumes all forms of energy. Energy efficiency considerations form an integral part of daily business activities including risk management, strategic planning, capital expenditure, investments and operating procedures.

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 Risk and Sustainability Committee, and thereafter to the Board of Directors.

In all its divisions throughout the group, Barloworld will publish divisional Energy Efficiency Policies appropriate to the business of each division, subordinate to this company policy, which will, inter alia:

- Establish clear accountability for energy efficiency performance with top management, as a part of good corporate governance
- Require compliance with relevant energy efficiency legislation, other standards and codes of practice to which the company subscribes
- Ensure that energy consumption and efficiency considerations form part of the company's overall risk management processes
- Ensure environmental considerations, including energy efficiency are incorporated into its facilities and maintenance cycles, as well as expansion projects and acquisitions.
- Promote energy efficiency awareness within company operations
- Require the maintenance of open dialogue with stakeholders, including customers and suppliers to promote energy efficiency
- Develop contingency procedures to deal with unscheduled occurrences and community concerns relating to energy consumption and efficiency improvement initiatives
- Entrench monitoring and reporting its consumption of all energy sources, including non-renewable energy and fossil fuels, and its energy efficiency improvement initiatives and progress.

Appropriate Energy Management Systems will be implemented in all divisions to guide responsibility and accountability for energy consumption at all levels of management and to facilitate continual improvement of energy efficiency performance through self-assessment and auditing.

Barloworld will continue to assess its physical, regulatory, reputational and financial risks associated with energy and, where practicable, adapt its operations, processes and procedures accordingly. It will also pursue relevant identified opportunities to improve energy efficiency where practicable.

Material aspects related to energy, including efficiency, are reportable to the Barloworld Risk and Sustainability Committee, a sub-committee of the Barloworld Board of Directors.

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Barloworld

Leading brands

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 Barloworld Environmental Policy, the Barloworld Climate Change Policy, the Barloworld Water Use and Management Policy and the Barloworld Waste Management Policy.

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

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GUIDING PRINCIPLES THAT GOVERN BARLOWORLD

ENERGY EFFICIENCY

1. The Chief Executive Officer and Board of Directors in each division are the environmental champions and are responsible and accountable for energy management.
2. Energy efficiency aspects are an integral part of management in the company and are recognised as a corporate priority. Implemented processes ensure that the Chief Executive Officer and Board of Directors remain fully informed about all pertinent environmental issues, including energy consumption and efficiency.
3. Relevant energy efficiency indicators are measured and monitored. Each division should continuously seek ways to improve energy efficiency and to mitigate against risks associated with energy consumption, particularly those associated with fossil fuels.
4. Barloworld appreciates the role and responsibilities it has to improving energy efficiency and is cognisant of its responsibility for all its operations. Accordingly, Barloworld promotes the efficient and optimal use of finite resources and energy, thereby conserving such resources, and wherever practicable, the use of renewable or recyclable energy sources.
5. All operations shall comply with the following principles and initiatives:
 - Measurement and reporting of material environmental indicators including their energy consumption
 - Appropriate targets are set and initiatives implemented once reliable baselines have been achieved for applicable indicators
 - Monitoring and reporting mechanisms track progress made against set targets
 - Aspirational efficiency improvement targets set for non-renewable energy consumption and greenhouse gas emissions
 - Monitoring of global energy trends, related impacts and risks
 - Independent verification of reported energy consumption data through internal and external audits
 - Optimise energy efficiency and switch to renewable energy sources where appropriate and practicable.
6. Energy assessments will form part of significant new projects and of the planning phase for modifications to existing operations.
7. 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 through energy consumption.

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