



Environmental and Biodiversity Policy

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APPROVAL AND OWNERSHIP

Policy Owner	Date
Head: Group Sustainability	17 May 2023

Approved By	Date
Social, Ethics and Transformation Committee	17 May 2023

REVISION HISTORY

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DEFINITIONS AND ABBREVIATIONS

Table 1: Definitions

Terminology	Description
Barloworld, the Company, or the Group	<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>

Table 2: Abbreviations

Abbreviation	Description
Divisional CEO	Chief Executive Officer of a particular Division
Group CEO	Group Chief Executive Officer
Group FD	Group Finance Director

1 Preamble and Policy Summary

Barloworld is an industrial processing, distribution and services company with two primary areas of focus: Industrial Equipment & Services and Consumer Industries (food and ingredient solutions).

Our provision of Industrial Equipment and related services, offers earthmoving equipment, industrial services, and power systems, which enable the operation and maintenance of a large array of mining, construction, and power solutions for our customers, with whom we have built enduring relationships based on mutual trust. Through our Consumer Industries business, Ingrain, we provide large enterprises with the ingredients essential to the manufacturing of a range of products including food and beverages, paper, pharmaceuticals, building materials and adhesives, amongst others.

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, including biodiversity 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:

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

2 Purpose & Objective

As part of its business model, Barloworld strives to minimise the impacts of its operations on the natural environment and consequently biodiversity. 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.

3 Scope

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

4 Roles and Responsibilities

Divisional CEOs 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 the Barloworld Board of Directors remain fully informed about all pertinent environmental issues.

5 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, biodiversity 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 and biodiversity.

6 Policy Statement

6.1 Commitment

6.1.1 Environmental management is an integral part of the management of the company and is recognised as one of the corporate priorities.

6.1.2 Barloworld appreciates its role in addressing environmental aspects and strives to minimise the impacts of its operations on the natural environment and biodiversity.

6.1.3 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:

- a) Establish clear accountability for environmental performance with divisional Executives and top management, as a part of good corporate governance
- b) Require compliance with relevant environmental related laws, other standards and codes of practice to which the company subscribes
- c) Where practicable, ensure optimisation of resource utilisation, minimise greenhouse gas emissions and waste
- d) Ensure that environmental considerations form part of the company's overall risk management processes
- e) Ensure environmental considerations are incorporated into its facilities and maintenance cycles, its strategic plans as well as expansion projects and acquisitions
- f) Promote environmental awareness within company operations

- g) Require the maintenance of open dialogue with stakeholders, including customers and suppliers to promote environmental protection and rehabilitation
- h) Develop contingency procedures to deal with unscheduled occurrences and community concerns.

6.1.4 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.

6.1.5 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.

6.2 Guiding Principles

6.2.1 Relevant and quantifiable objectives and targets are set by each division to address significant environmental impacts that have been identified.

6.2.2 Environmental performance indicators are measured and monitored. Each division should continuously seek ways to better manage and improve its environmental performance.

6.2.3 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:

- a) All divisions will strive to conserve energy and improve the energy efficiency of the operation and of the products and services sold
- b) 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
- c) 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.
- d) All divisions will strive to conserve water and improve the water efficiency of their operations.

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- 6.2.4 Environmental risk assessments will form part of significant new projects and of the planning phase for modifications to existing operations.
- 6.2.5 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.
- 6.2.6 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.

7 Communication

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

8 Related Policies & Other Documents

Document Name
Barloworld Worldwide Code of Conduct
Barloworld Climate Change
Barloworld Energy Efficiency Policy
Barloworld Water Use and Management Policy
Barloworld Waste Management Policy

9 Raising Concerns and Seeking Guidance

If any person is seeking advice on aspects within this policy, they are encouraged to contact the Head: Group Sustainability (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, the Group General Counsel, the Group Compliance 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.

10 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.

11 Deviations from Policy

It is the responsibility of the executive management to ensure that this policy is adopted and approved by an appropriate executive committee.

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

Any deviations that add more specific requirements, and therefore raise the minimum standard required by this Barloworld policy, may be included at the discretion of executive management and then tabled, approved and recorded at a Divisional Executive Committee meeting.

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.