



Barloworld Water Use and Management Policy

Classification	EXTERNAL
Document Type	Policy
Policy Reference Number	BW-GRP-ENV-005
Area of Applicability	Barloworld Group
Policy Owner	Group Sustainability Manager
Policy Owner Contact Information	Sustainability@barloworld.com
Version	V1.3
Date Approved	17 May 2023
Approved by	Social, Ethics and Transformation Committee
Policy Sponsor	Group Executive: Risk, Ethics and Governance
Effective Date	September 2012
Next Review Date	May 2025
Documentation Status	<input type="checkbox"/> Working draft <input type="checkbox"/> Consultation Release <input checked="" type="checkbox"/> Final version

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

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
V1.3	17 May 2023	Last review and approval by the Group Social, Ethics and Transformation Committee.	May 2025

Contents

APPROVAL AND OWNERSHIP 2

REVISION HISTORY 2

DEFINITIONS AND ABBREVIATIONS 4

1 PREAMBLE AND POLICY SUMMARY 4

2 PURPOSE AND OBJECTIVE 5

3 SCOPE 5

4 ROLES AND RESPONSIBILITIES 5

5 REGULATORY BACKGROUND 6

6 POLICY STATEMENT 6

 6.1 Commitment 6

 6.2 Guiding Principles 7

7 COMMUNICATION 8

8 RELATED POLICIES AND OTHER DOCUMENTS 8

9 RAISING CONCERNS AND SEEKING GUIDANCE 8

10 BREACH OF POLICY 9

11 DEVIATIONS FROM POLICY 9

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.

Barloworld is committed to being a responsible custodian and consumer of water through measuring, monitoring, managing and reporting its water usage as an aspect of standard business practice and, when and if necessary, to proactively implementing initiatives that conserve water or mitigate the effects of its usage as a consequence of business operations. Responsible water stewardship is a material element of reducing its environmental impact and central to its strategic ambitions, its sustainable value creation approach and making a world of difference to its stakeholders.

BW-GRP-ENV-005 Barloworld Water Use and Management Policy

As a responsible corporate citizen Barloworld:

- a) Appreciates the value of water as a finite and scarce natural resource, its necessity for social and economic development worldwide, and the potentially detrimental effect of polluting water or removing water from environmental systems, particularly in water stressed regions.
- b) Recognises that water constraints are a serious threat to sustainability and biodiversity.
- c) Encourages all its stakeholders to consider positive steps they may take with regards to water use and related impacts.
- d) Participates in its value-chain to promote water use awareness and appropriate responses.
- e) Incorporates water stewardship and related considerations in its strategic framework, which is underpinned by sustainable development.
- f) Recognises that sustainable water management practices provide opportunities for cost savings and support Shared Value creation.
- g) Has clear accountability for water use with the group's Board and Executive, as a part of good corporate governance.

2 Purpose and Objective

As part of its business model, Barloworld strives to minimise the impacts of its operations on Natural Capital, including water resources. Water use 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 drive water stewardship within the Barloworld operating context and to outline the minimum expectations across Barloworld to better understand, manage and enhance efficient use of water and responsible discharge within its direct operations, value chains and limit any negative impacts on biodiversity and on the communities in which it operates.

3 Scope

This policy is applicable 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 water use and management.

BW-GRP-ENV-005 Barloworld Water Use and Management Policy

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 are fully informed about pertinent environmental issues, including water use and management.

5 Regulatory Background

Across the various jurisdictions where Barloworld operates, water regulations are in place that serve to govern and regulate water withdrawal and discharge.

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

6 Policy Statement

6.1 Commitment

- a) Responsible water use and stewardship is an integral part of management in the company and is recognised as one of the corporate priorities.
- b) The group recognises that water is an increasingly scarce and critical global resource. Barloworld is committed to more efficient water usage through conservation, increased recycling and water harvesting initiatives.
- c) Through such initiatives the group strives to minimise the risk of any future water resource constraints and realise the commercial benefits of effective and efficient water usage.
- d) Throughout all its operations the group is committed to meeting regulatory standards regarding its water usage and transparent public reporting.
- e) In all its divisions Barloworld will publish divisional Water Use and Management policies appropriate to the business of each division, subordinate to this company policy, which will, inter alia:
 - i. Establish clear accountability for water use performance with divisional Executives and top management, as a part of good corporate governance
 - ii. Require compliance with relevant water laws, other standards and codes of practice to which the company subscribes
 - iii. Where practicable, ensure optimisation of water utilisation, recycling, harvesting and discharge

BW-GRP-ENV-005 Barloworld Water Use and Management Policy

- iv. Ensure that water use considerations form part of the company's overall risk management processes
 - v. Ensure responsible water stewardship is incorporated into its facilities and maintenance cycles, its strategic plans as well as expansion projects and acquisitions.
 - vi. Promote water use awareness in the company operations
 - vii. Require the maintenance of open dialogue with stakeholders, including customers and suppliers to promote sound water use practices
 - viii. Develop contingency procedures to deal with unscheduled occurrences and community concerns.
- f) Barloworld will continue to assess its physical, regulatory, reputational and financial risks associated with water usage, including discharge and, where practicable, adapt its operations, processes and procedures accordingly. It will also pursue relevant identified opportunities where practicable.

6.2 Guiding Principles

- a) Where relevant, quantifiable objectives and targets are set by each division to address significant environmental impacts that have been identified.
- b) Water use and management indicators are measured and monitored. Each division should continuously seek ways to better manage and improve its water use efficiency.
- c) All operations shall comply with the following principles and initiatives:
 - i. Measurement and reporting of material environmental indicators including their water usage
 - ii. Appropriate targets are set and initiatives implemented once reliable baselines have been achieved for applicable indicators
 - iii. Monitoring and reporting mechanisms track progress made against set targets
 - iv. Aspirational efficiency improvement targets set for water withdrawals
 - v. Monitoring of global water stress and scarcity trends, related impacts and risks
 - vi. Independent verification of reported water withdrawal data through internal and external assurance
 - vii. Conserve water and improve water use efficiency within their operations as well as relating to their products and services sold

BW-GRP-ENV-005 Barloworld Water Use and Management Policy

- viii. Eliminate the release of substances that may harm water or water sources
 - ix. Ensure all water discharges are within applicable legal and regulatory parameters
 - x. Optimise water recycling and harvesting initiatives.
- d) Water stewardship will form part of significant new projects and of the planning phase for modifications to existing operations.
- e) Barloworld strives to minimise the environmental, health and safety risks to employees and the communities in which the company operates through sound water stewardship practices.
- f) 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 including safe water consumption and discharge.

7 Communication

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

8 Related Policies and Other Documents

Document Name
Barloworld Worldwide Code of Conduct
Barloworld Climate Change Policy
Barloworld Environmental Policy
Barloworld Energy Efficiency 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 on bribery and corruption, 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 Divisional CEOs 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.