

1. Barloworld Sustainable Procurement and Commitment to Suppliers

Barloworld Limited (“*Barloworld*”) its subsidiaries and divisions (together the “*Group*”), are committed to creating value for all its stakeholders. Our principles of sustainable development – comprising of value creation, sustainable environmental performance and corporate social responsibility – are integral to our business strategy. Our approach to sustainable development includes how we work with our Suppliers. We integrate sustainable development into our procurement strategy, our day-to-day operations and relationships with Suppliers. The subsidiaries and divisions of the Group are required to identify, prevent and manage risks pertaining to Workplace Human Rights, Labour practices, including Fair remuneration practices, Health and Safety (H & S), Social responsibility and the Environment in their supply chain.

For purposes of this Supplier Code of Conduct, a “*Supplier*” is deemed to be any third party in the form of a bidder, vendor, contractor, consultant, agent or intermediary that is supplying or making an offer to supply (in the form of a bid / tender / quotation or proposal) goods and/or services or has been awarded a contract for the supply of goods and/or services to any Group company or the Group.

The Group seeks to engage in long-term relationships with Suppliers that are committed to sustainable development and ethical practices. Our goal is to partner with Suppliers to deliver value-for-cost procurement for the Group and its customers, and to demonstrate responsible supply chain management.

▪ **Business Conduct**

When carrying out procurement duties and responsibilities, Barloworld employees are required to demonstrate their commitment to the Group’s values as defined in the Barloworld Worldwide Code of Conduct. This is the minimum standard that our employees are required to adhere to with respect to ethical conduct, conflicts of interest, corruption, competition law and the handling of confidential and personal information, among other aspects. The Group’s employees and stakeholders are encouraged to raise ethical issues and concerns using the

appropriate communication and whistle-blowing channels provided by the Group.

▪ **Supplier Relationship Management**

Barloworld has established decentralised procurement functions across various divisions to conduct strategic sourcing and procurement activities in order to effectively and consistently manage relationships with Suppliers across the Group. The methodologies adopted ensure fairness, equitability, transparency, competitiveness and cost-effectiveness sourcing and contracting process, according to the Barloworld policies and values.

2. Compliance with the Supplier Code of Conduct

The scope of this Code of Conduct is global and it applies to all Suppliers appointed in the Group and will be communicated to new and existing Suppliers. As part of the qualification and selection process, new suppliers will be assessed (through the Supplier Due Diligence process) to ensure adherence to the ethical standards within its supply chain and international best practices in human rights, health, safety, social responsibility and environmental standards, when undertaking its contractual obligations towards the Group or any Group company. Current Suppliers are prioritised for assessment based on the potential sustainability risk ranking associated with the goods and services delivered and including potential reputational risks from adverse media news coverage.

We enter into business relationships with Suppliers, who demonstrate our strong values of integrity, excellence, teamwork, commitment, and sustainability. Suppliers are required to commit to and uphold the ethical principles outlined in this Code of Conduct and to comply with sound business practices the Group embraces, comply with the law and conduct activities in a manner that respects human rights and is mindful of their impact on the environment. In an effort to promote fair competition among our Suppliers, the purchase of Barloworld products will not be imposed on Suppliers as a pre-requisite of doing business. Suppliers may, from time to time, be required to offer or use Barloworld products as part of their service-offerings to our customers or Barloworld related projects subject to appropriate consultation and mutual agreement.

All suppliers are required to ensure that they understand and comply with this Code of Conduct and to communicate the contents of this Code of Conduct to their employees, subcontractors and other business partners, who are involved in supplying products and services to the Group and to ensure their adherence.

Barloworld and any Group company reserves the right, upon reasonable notice, to make such enquiries as it may deem appropriate to confirm compliance with the Code of Conduct. Suppliers shall cooperate with the Group to provide the information requested in a timely and clear manner.

In the spirit of transparency and open reporting, if a Supplier becomes aware of any circumstance or action that is or may be a breach of this Code of Conduct, the Supplier will be required to report the matter to the Barloworld Group Ethics and Compliance department (or divisional equivalent) at barloworld@ethics-line.com. Barloworld reserves the right to investigate any alleged or actual breach of this Supplier Code of Conduct and a Supplier must

not unreasonably refuse to cooperate in any such investigation. In this regard, Suppliers are required to provide Barloworld (or an appropriate third party appointed by Barloworld) with information and records that are reasonably required to investigate concern and grant reasonable access to their employees to provide statements and clarification if required as part of an investigations.

Any breach of this Code of Conduct will be considered a material breach of contract by the Supplier and Barloworld and any Group company reserves its right of action under the terms of the relevant contract.

3. Legal and Ethical Standards

Suppliers are expected to be aware of and shall comply with all laws applicable to their businesses, the laws of the countries in which they conduct businesses, and the laws applicable to the delivery of goods and services to Barloworld and any Group Company in the specific circumstances.

As a responsible corporate, Barloworld upholds the principles contained in the United Nations Global Compact (“*UNGC*”), and require Suppliers to support the 10 principles, as well as, the United Nations’ Universal Declaration on Human Rights, the International Labour Organisation’s Declaration of Fundamental Principles and Rights at Work.

Suppliers are also required to comply with applicable local and international anti-bribery and corruption legislation, as applicable to the delivery of goods and supply of services to Barloworld and any Group company in the specific circumstances.

Specifically, Suppliers are required to comply with the following minimum standards:

- **Health, Safety and Environment**

The Supplier shall comply with applicable health, safety and environmental laws. This includes other requirements e.g. standards, policies and instructions designed to minimize negative impact to employee health and the work environment. The Supplier recognises its responsibility towards the environment and maintains proper systems to prevent and/or minimise potential hazards, reduce its greenhouse gas emissions, improve efficiency of energy consumption, prevent pollution, drive responsible waste management and disposal practices, enhance resource efficiency, reduce negative impacts on biodiversity, promote land conservation and reforestation. Suppliers shall provide a safe and healthy workplace for their employees and contractors. Suppliers must have documented health and safety policies and/or procedures in place together with appropriate safety infrastructure and equipment. This shall form part of the SHEQ file submitted to Barloworld and maintained continuously for relevance. Periodic reviews shall be conducted.
- **Physical Security**

Suppliers shall ensure that all necessary security arrangements are in place to protect their employees / contractors performing work at their sites, as well as their assets, especially in areas of political conflict. In particular, Suppliers are expected to have an actionable crisis management policy in place to be able to respond to emergencies (including national states of emergency) timely and efficiently.
- **Working Conditions**

Suppliers shall uphold fair and decent working conditions. Employees shall be paid at least the local industry rate or minimum wage stipulated by national law, whichever is higher, and benefit from social security schemes according to national legal standards. Should there be no legal minimum wage in the country of operation, fair and decent conditions imply that Suppliers shall pay their employees’ wages benchmarked against the average wages earned in the country, the cost of living, social security benefits and the relative living standards.
- **Freedom of Association and Non-Retaliation**

Suppliers shall not interfere with employees’ freedom of association. Employee representatives shall not be subject to discrimination or termination of contract in retaliation for exercising employee rights, submitting grievances, participating in union activities, or reporting suspected legal violations. Where applicable, the Supplier should ensure that all employees are permitted to participate in collective bargaining, without fear of intimidation or reprisal and be free to choose whether or not to do so.
- **Forced Labour**

Suppliers shall not use work that is performed involuntarily under threat of penalty, including forced overtime, human trafficking, debt bondage, forced prison labour, slavery or servitude. Suppliers shall not withhold migrants’ workers’ identification documents without a reasonable and rational legal basis.
- **Child Labour**

Suppliers shall not employ children at an age where education is still compulsory. Children under the age of 15 (in the absence of a legal stipulation) or below the stipulated legal minimum age, shall not be employed.
- **Non-Discrimination**

Employment-related decisions shall be based on relevant and objective criteria. Suppliers shall make no distinctions on grounds including, but not limited to: age, disability, gender, sexual orientation, political or other opinion, ethnic or social origin or religion. Employment-related decisions include, but are not limited to: hiring, promotion, termination and relocation of employees, training and skills development, health and safety, any policy related to working conditions like working hours and remuneration.

▪ **Environmental Regulatory Compliance**

Suppliers shall respect and comply with environmental regulatory requirements at all levels of regulation (local, national and international). Suppliers shall be covered by the required environmental permits and licenses, and support a precautionary approach to environmental challenges in all their regulated environmental activities.

Suppliers shall systematically manage their environmental impacts with respect to, but not limited to, energy, water, waste, chemicals, air pollution and biodiversity and set objectives and targets to reduce such impacts. Suppliers identified by environmental authorities as having a high environmental impact shall take action and demonstrate proof of continuous improvement towards having a recognized Environmental Management System in place.

▪ **Anti-Bribery and Corruption**

Barloworld prohibits all forms of bribery and corruption. It will not seek to influence others, or seek to be influenced by others, either directly or indirectly, by paying or receiving bribes or kickbacks, including but not limited to payments to government/public officials by Barloworld employees, agents and/or Suppliers for the completion of routine governmental administrative actions (commonly known as facilitation payments), to win or retain business or any business advantage, or to otherwise unduly benefit Barloworld in a manner that is illegal. It will also not seek to do so any other measure that is illegal, unethical or that will tarnish the reputation of Barloworld or any Group company for honesty and integrity. Suppliers are equally prohibited from doing so on behalf of Barloworld.

Suppliers shall **not** –

- Bribe or pay any form of kickbacks (whether monetary or otherwise) to any employee or representative of Barloworld or any Group company in order to win work from or any undue advantage for the Supplier.
- Bribe or pay any form of kickbacks (whether monetary or otherwise) to any third-party in order to win or retain business or any business advantage for Barloworld or any Group Company, or to otherwise unduly benefit Barloworld or any Group Company in a manner that is illegal.
- Make any facilitation payment whilst acting for or on behalf of Barloworld or any Group Company unless the specific circumstances render such payments permissible by law. For example, where the health or safety of a person is in imminent danger the applicable laws may render such payments permissible. If any such payments are made, the supplier shall notify Barloworld in writing.
- Provide any third-party with any gift, hospitality, sponsorship, grant, donation, political donation, CSI support or other similar benefit on behalf of Barloworld or any Group company or any Barloworld employees without the prior written consent of Barloworld and without complying with all requirements imposed in the consent of Barloworld.
- Use any third-parties to circumnavigate the prohibitions detailed above. In other words, Suppliers cannot do any of the above through a third-party.

Suppliers **shall** –

- Comply with applicable laws (as stipulated above).
- Adopt adequate procedures to prevent bribery and corruption (and notify Barloworld if they require clarification on what adequate procedures entail).
- Notify Barloworld Group Ethics and Compliance department of any suspected breach of this Code of Conduct (as stipulated above).
- Provide Barloworld with reasonably required cooperation during investigations (as stipulated above).
- Take reasonable steps to ensure that the specific anti-bribery and corruption requirements of this Code of Conduct are communicated to subcontractors and other business partners, who are involved in supplying products and services to the Group and to ensure their adherence to the requirements (as stipulated above).

▪ **Fraud**

Barloworld has a zero-tolerance approach to all forms of fraud. The supplier must ensure that they have an adequate fraud risk management process in place to include the prevention, detection and the investigations of all fraud related incidents. The supplier must also have a monitoring process to evaluate, remedy and continuously improve fraud prevention controls. If a supplier becomes aware of, or reasonable suspects fraud, they should report it to the Barloworld Ethics Line – by email: barloworld@ethics-line.com or via website: www.tip-offs.com

▪ **Competition Laws**

Barloworld believes that fair competition is fundamental to free enterprise. We do not engage in anti-competitive practices and we encourage fair competition among our suppliers and potential suppliers. Suppliers shall comply with all applicable anti-trust and competition laws in the performance of their contractual obligations with Barloworld and, to this effect; we have a zero-tolerance policy towards any form of anti-competitive conduct. Suppliers shall not be permitted to introduce any conditions that would be in breach of competition or anti-trust laws in their contractual agreements with Barloworld and any company in the Group. Our Suppliers will not be involved in any arrangements, understandings or agreements with competitors affecting prices, terms upon which products are repaired or sold, or the number and type of products repaired or sold.

▪ **Data Privacy and Data Protection**

The Supplier acknowledges that by entering into an agreement or by its engagement with Barloworld and any company in the Group, the Supplier may provide Barloworld and any company in the Group with personal information, which may be protected by relevant privacy and data protection legislation, including amongst others, the Protection of Personal Information Act, 2013 (“POPIA”) applicable in the Republic of South Africa. Barloworld and any company in the Group may collect and manage the Supplier’s personal information as set out in the Barloworld’s Privacy Statement contained on Barloworld websites, and any amendments or updates thereto.

▪ **Cyber-Security**

Barloworld expects its suppliers to ensure that:

- Any information asset(s) they may come into contact with during the course of executing their contracted services are protected as required. Appropriate cyber security arrangements must be in place both internally and externally amongst

the supplier's own suppliers and third parties. Appropriate cyber security arrangements include the governance and management measures necessary to manage risk, monitor compliance and report and respond to any incidents.

- The necessary steps are taken to effectively manage the handling, use, storage and disposal of confidential information related to Barloworld throughout its lifecycle.
 - No information not publicly available, including but not limited to information on system and process configurations and designs, is shared with anyone unless authorized to do so by Barloworld. This includes anecdotal sharing of information.
 - Any suspected or actual cyber security incidents with the potential to impact Barloworld information assets and/or IT environments are reported to the Barloworld contract owner with a copy of the notification to infosec@barloworld.com within 72 hours of becoming aware of said incident.
 - Where the supplier is selected for auditing and close monitoring based on risk profile, the related assessments and information are provided as stipulated.
- **Product Quality/ Safety**
Barloworld commitment to product quality and safety is not only limited to our facilities and employees but extend to our partners who provide services to us. This is in line with the requirements of ISO 45001:2018 and QMS ISO 9001:2015. Several other mandatory requirements shall be added if there are operational changes as part of continual improvement. Non-conformances shall be reported immediately to Barloworld responsible persons using internal reporting procedures and mitigation measures addressed timeously.
 - **Conflict Minerals**
Barloworld's high expectations of suppliers extend throughout the supply chain, including making products the right way, following all trade laws and regulations, in particular, suppliers must comply with all applicable conflict minerals laws and regulations. Suppliers are to ensure that products are not

produced—in whole or in part—in violation of the law or in a way that would cause Barloworld to violate the law. Suppliers must ensure that its use and sale of Conflict Minerals must not directly or indirectly finance armed groups or conflicts such as the ongoing conflict in conflict areas and adjoining countries.

- **Confidentiality**
The Group and the Supplier acknowledges that the confidential information of each (*"the Disclosing Party"*) is an asset belonging to the Disclosing Party. Both parties acknowledge that the confidential information is being made available to the other party for the purposes of giving effect to their commercial agreement or business engagement. Both parties agree that they shall not disclose the confidential information to any third party without the prior written consent of the other. Both parties agree that the Disclosing Party's confidential information will be duly protected using the same standards of care that it applies to its own proprietary, secret or confidential information, and in accordance with the requirements of relevant and applicable data protection laws.
- **Local Empowerment**
For Suppliers incorporated and operating in the Republic of South Africa, it is mandatory for the Supplier to submit its latest and valid Broad-Based Black Economic Empowerment (*"B-BBEE"*) certificate or affidavit as confirmation of its B-BBEE Status when tendering or bidding to do business with Barloworld and any company in the Group and when entering into a contract with Barloworld and any company in the Group. Suppliers contracted to supply goods or services to Barloworld on a continuous / long-term basis must ensure that the B-BBEE certificate or affidavit is submitted to Barloworld and any company in the Group annually or immediately after a new B-BBEE assessment is received from a recognised verification agency. For Suppliers incorporated and operating outside the Republic of South Africa, Barloworld will endeavour to ensure that the application of relevant local empowerment laws and regulations are incorporated into its local procurement practices.

4. Compliance Declaration

The Supplier hereby acknowledges its agreement to and acceptance of this Supplier Code of Conduct (and all the requirements imposed on the Supplier) by appending the authorised signature below:

Signed at _____ on this _____ day of _____ 20

Signature _____ Name _____

Designation _____

For and on behalf of _____ Full Name(s) of
Supplier Who warrants his/her authority hereto

5. Document Revision History

Date	Rev	Compilers	Remarks
	0	Dr Y Ndema	Initial Draft
November 2020	1	S Tshibubudze Dr Y Ndema Process Owners	Revision to include majority of minimum standards and align with One-Barloworld procurement operating model.
June 2023	2	S Tshibubudze Dr Y Ndema Process Owners	Revision to update certain wording and incorporate additional minimum standards to be complied by Suppliers.