

BARLOWORLD GROUP POLICY ON DEALING WITH: PUBLIC OFFICIALS AGENTS, DISTRIBUTORS, INTERMEDIARIES; TRADE RESTRICTIONS, EXPORT CONTROLS AND SANCTIONS

The purpose of this document is to regulate and explain Barloworld's policy on how its officers and employees should deal with agents, intermediaries, public officials and trade related restrictions. It is not possible in this document to deal with all of the circumstances that may arise. Therefore, when you apply this policy, you must take account of the intention behind it. Should you be uncertain about any aspects of this document, it is recommended that you discuss these aspects with your manager for advice.

General

- You may not make or offer to make any payment or inducement of any kind to any individual, company or entity which may be regarded under relevant laws or internationally accepted business practices, as being improper and/or illegal.
- You may not offer anything of value to obtain any advantage when selling Barloworld's goods or providing services, conducting financial transactions, or in your interaction with any political or government representative.
- A payment to gain advantage in a situation that is construed as unacceptable by the community in a particular country or under relevant laws exposes you and Barloworld to reputational, financial and criminal risk. Barloworld does not condone improper payments in any business dealings, in any country, to either governments or the private sector.
- Improper payments should not be confused with reasonable and necessary limited expenditure for gifts and business entertainment directly related to the promotion of products or services or the execution of a contract, and permitted by practice and law.
- You should ensure that consultants, agents, sales representatives, distributors and contractors are aware of this policy and have acknowledged in writing that they will abide by the conditions of this policy.

- A violation of this policy may result in disciplinary action being taken against you and could result in your dismissal from the employ of the Barloworld group of companies or in termination of the contract with the Barloworld group of companies.
- You will not be adversely affected if you report any violation of this policy by others. Should you wish to report any violation of this policy, you may report the violation to the Barloworld Group's General Counsel or Group Risk Manager. Alternatively, you may report the violation using the Barloworld Ethics Line.

Government and Public Officials

- Barloworld conducts business with governments and government owned enterprises. In the course of this business, Barloworld frequently interacts with government, quasi-government and public officials and therefore in every instance you should apply the highest ethical standards and comply with applicable laws and regulations, including certain special regulatory requirements associated with government or public transactions.
- You may not make, offer, or authorise payments or inducements to political candidates, legislators, political parties, party officials, government officials or employees or their family members, whether locally, provincially, federally or nationally, in order to obtain or retain business or for any improper purpose. This prohibition includes officials and employees of government owned enterprises and of public international organisations and their family members.
- You are advised to use caution when giving or receiving a gift, anything of value or providing entertainment to or accepting entertainment from any public official or their family members in any country. This may be strictly prohibited in some countries.
- All Barloworld's dealings with political and government officials or employees and their family members should be on a strictly commercial basis.
- You may not offer or make any payment, gift, bribe, secret commission or give any other benefit to influence the decision or action of any government or quasi-government employee, public official, candidate or political party.

- Entertainment of government, quasi-government and public officials is frequently prohibited or restricted in certain countries and it is your responsibility to understand all such prohibitions and restrictions in each individual country in which you do business and to comply with all laws, regulations and policies applicable in a particular country.
- In any transaction with a government or quasi-government department or agency, you should adhere to the highest standards of honesty and integrity.
- A register must be kept specifying the nature and value of gifts and entertainment provided to and accepted from government, quasi-government and public officials by any employee, agent, distributor and/or intermediary and must be made available to Barloworld's internal auditors for inspection when requested.

Bribery and Corruption

- The direct or indirect offer, payment, solicitation or acceptance of bribes in any form is unacceptable. Such payments include actions that may be construed as unethical and/or violate any anti-corruption or bribery laws in that particular country, including laws relating to foreign corrupt practices.
- You may not suggest (even indirectly), offer, accept or give a bribe or kickback for any reason whatsoever. A bribe or kickback includes the giving or accepting of money, gifts, loans, services, favourable treatment or anything of value which is either directly or indirectly provided in return for favourable treatment. This should not be confused with reasonable and necessary limited expenditure for gifts and business entertainment directly related to the promotion of products or services or the execution of a contract, and permitted by practice and law.
- Most countries have laws that prohibit corruption. In some instances countries have adopted laws prohibiting bribery even when it is committed outside the borders of those countries. Indirect and unsuccessful attempts to procure undue influence and the offering or suggesting of a bribe are generally treated in the same way as bribery.
- A breach of any of these laws is a serious offence which can result in penalties or fines for companies and imprisonment for employees.

- Where the appearance of a breach, as opposed to an actual breach, of such laws occurs, this could be extremely harmful to Barloworld's reputation and should be avoided.

Agents, Distributors and Intermediaries

- The use of agents, distributors and intermediaries may at times be necessary to conduct business due to the skills and assistance they provide. The intervention of these agents and intermediaries is justified only in this context and provided they provide real services.
- Be diligent and exercise the utmost good judgement in selecting and monitoring consultants, agents, sales representatives, distributors or contractors.
- Do not use any agent, distributor or intermediary who is in the employ of any government department or parastatal. Enquire into whether an agent, distributor and intermediary has left the employ of any government department or parastatal in the last three years or has a family member presently employed in any government department or parastatal. If the agent, distributor or intermediary has recently left the employ of any government department or parastatal or has a family member presently employed in such government department or parastatal, seek advice on whether the use of the agent, distributor or intermediary breaches any local law, and seek the advice of your line manager and senior management before using the agent, distributor or intermediary to ascertain whether the connection could be harmful to Barloworld's reputation.
- When retaining agents and intermediaries to represent Barloworld's direct or indirect interests in any country, ensure that payments are commensurate with the work to be undertaken, constitute no more than fair remuneration for actual services provided and are in accordance with the accepted legitimate market practice in that particular country.
- If possible, ensure that there is a written agreement in place when dealing with agents and intermediaries. Such agreement must be in compliance with the laws of South Africa, the laws of the countries in which the contracting parties are resident as well as the laws of the countries in which such business is conducted, and must clearly define the respective roles and responsibilities of the agent, distributor and intermediary as well as the basis of the remuneration. Such agreement should also ensure that agents, distributors and intermediaries comply with the intent of this policy document.

- A register must be kept giving the names and employment conditions of all agents, distributors and intermediaries and must be made available to Barloworld's internal auditors for inspection when requested.
- It must be a term of the written or oral agreement with any agent, distributor and/or intermediary that, wherever possible, he or she obtain approval from Barloworld in advance for all gifts and entertainment to be provided to and to be accepted from government and public officials by the agent, distributor and/or intermediary. Where it is not possible to obtain approval for this in advance, then immediately upon giving or receiving any such gift and/or entertainment, Barloworld must be advised of the nature and value of the gift and/or entertainment.
- You shall not permit an agent, distributor or intermediary to take questionable actions without proper scrutiny i.e. "by looking the other way".
- Where any agent, distributor or intermediary guarantees results without explaining what is to be done and/or requests advance cash payments, you should proceed with caution.
- When appointing or making payment to an agent, distributor or intermediary, ensure that you seek the advice of your line manager, legal advisor and senior management beforehand.

Trade Restrictions, Export Controls and Sanctions

- Trade restrictions, export controls and sanctions are factors that affect the transmission of goods, services and technology across national borders and apply to many aspects of Barloworld's operations.
- Exchanges of information across national borders, including e-mail and web access, may at times also be subject to such restrictions.
- A number of countries and public international organisations periodically impose restrictions on exports and other dealings with certain countries, entities or individuals. Serious penalties, fines and imprisonment can apply when these restrictions are broken.

- The list of prohibited countries, entities or individuals is subject to change. For this reason, if your work involves the sale or shipment of products, technologies or services across international borders, you are required to ensure that you are familiar with the latest rules, regulations and laws that apply in such instances and ensure full compliance.
- You should use extreme caution regarding the transfer or export of any products that could have a “dual use” as any sort of weapon or be used for military or terror purposes, any technology or any intellectual property, especially when dealing with countries, entities or individuals where restrictions may apply.

Should you have any doubts, queries or questions about the meaning, interpretation, implementation of or adherence to this policy, please contact the following persons for additional advice and information:-

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Relevant Divisional Legal Advisor