

The Supplier Journey at Sasol

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Our Transformation Approach



Our Procurement Approach to supplier diversification is centered around **Connection and Inclusion**



Support

Find, connect and develop new small suppliers



Include

Embrace smaller suppliers and drive supply chain integration



Transform

Drive empowerment within the supplier base

The Sasol ESD policy exists to drive our strategic transformation imperatives

Enterprise and Supplier Development (ESD) Policy



OUR GOAL IS TO

- Create meaningful opportunities for transformed businesses to work with Sasol.
- Accelerate the development of transformed small businesses, enabling meaningful participation within Sasol's supply chain.
- Stimulate "township industrialisation" in the areas where we operate.
- Better the lives of the communities in which we operate.

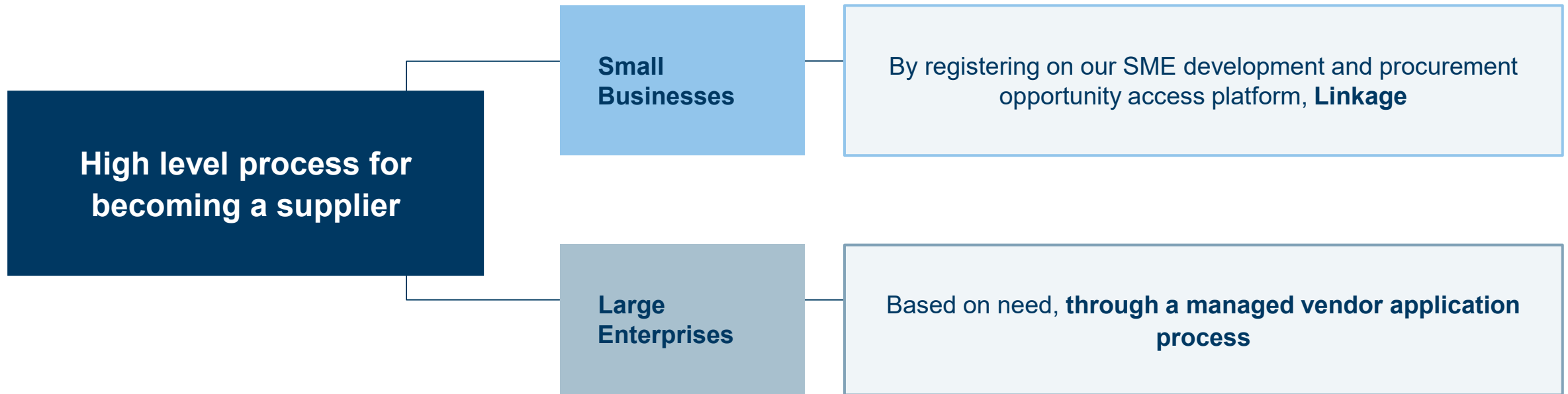
OUR EXPECTATIONS OF SUPPLIERS

- Uphold sound business practices and not participate in any form of corruption or fronting.
- Act ethically and comply with all applicable laws, policies and regulations.
- Contribute to social cohesion and economic participation by employing people from local communities.
- Comply with agreed commercial commitments.

OUR ESD PRINCIPLES

- We comply with all laws and associated Codes in the various sectors that we operate.
- We pursue focused and tailor-fit enterprise and supplier development initiatives for SMMEs and HDP-owned firms.
- We drive localisation and local procurement through set-asides in selected procurement categories.
- We implement sub-contracting requirements for the advancement of fence-line SMMEs and HDP-owned firms in the areas where we operate.
- We publish selected regional procurement opportunities through appropriate channels.
- We discourage anti-competitive conduct between companies.
- We implement processes and systems to improve the experience of SMMEs and HDP-owned firms with Sasol.

Becoming a Sasol supplier



- Transition from a fully open vendor application process to a managed vendor application process.
- Under the new managed vendor registration process;
 - For **Large Enterprises**, Sasol will proactively invite potential suppliers to register as vendors based on a particular need or opportunity.
 - For **Small businesses**, the Linkage Platform remains open and registration on the SAP Ariba system is triggered by the Linkage Grading indicating Procurement readiness.
- Closed bidding process followed for all opportunities.

A black laptop is shown from a front-facing perspective, slightly angled. The screen is a solid dark blue color. In the center of the screen, the word "Linkage" is written in a white, sans-serif font. The letter 'i' in "Linkage" has a small blue dot above it. To the right of the text, a white mouse cursor arrow points towards the screen. The background of the entire image is a light blue color with a repeating pattern of white, stylized geometric lines that resemble a circuit board or a maze.

Linkage

Sasol differentiates between two types of opportunities:
Development Opportunities and **Procurement Opportunities**

Linkage Grading



* Platinum Plus minimum based on scope complexity and on-site services

Development Support | Qualifying Criteria



- **Businesses with 51% or more Black Ownership**
- **With an annual turnover of less than R50 million**
- **Registered with CIPC as a legal entity**
- **The business must be tax registered**
- **Must be operating for at least 6 months**
- **Must have a turnover that substantiates that the business is fully operational**
- **Must have a business growth plan**

Our integrated development approach is supported by a fit-for-purpose suite of interventions aimed at addressing the unique challenges and requirements of SMEs. We offer SMEs a wide range of structured development support interventions, encompassing fit-for-purpose development and funding assistance.

- **Access to Markets**



- **Business and Leadership support**



- **Technical Capability Building: Industry Compliance & Accreditation**



- **Access to Business Infrastructure**



- **Access to Finance**



- **Access to our Partnership Network**



Grant Funding



Grants

Up to 100k
Non-Sasol supplier (ED)

Grant Fund Offering

Grant fund as part of ED development:
Acquire Tools, Equipment; Technical Accreditation and Software Management Programmes

Access

As part of ESD development journey

Siyakha Fund Offering

Sasol Supplier Development Fund



Loans

Repayable funds disbursed to beneficiaries

Standard Interest-bearing term loan

- Asset financing
- Working capital financing
- Debt consolidation

Interest free loans

- PO funding up to R5m
- Low value loans up to R2m

SME Benefit

- Competitive interest rates
- Ease cash flow burden for SMEs
- Reduce entity indebtedness
- Growing SMEs with a cash injection to scale up and create jobs
- Facilitate growth of entities through post investment support to ensure sustainability



Tailored solutions

Tailored funding solutions to target specific SME challenges

- Women empowerment finance
- Township development finance
- Transporter development finance
- Retail fuel station solution
 - Property developer finance
 - Franchisee finance



Post Investment

Funded entities received post investment support

- Dedicated one-one mentors / advisory boards
- Compliance support
 - SARS
 - CIPC
 - AFS
- Business Marketing support
- Financial management support
- Embedding good governance

Women-centred development approach

- Women-owned businesses face barriers to growth and procurement opportunities, limiting economic empowerment for women entrepreneurs and hindering their participation in supply chains.
- We have launched a suite of programmes aimed at fostering women's economic inclusion in hard-to-access sectors within our value chain (Engineering, Mining, Power, Energy and Transport) through active mentorship and intentional development support.
- This initiative aims to expand their reach, enhance their capabilities, and contribute to a pool of credible, future-fit, female-owned and led businesses in these sectors.



- **Women In Engineering Incubation Programme**
- **25** women, **2** cohorts, **8** engineering disciplines. (Electrical, Mechanical, Civil, Input Materials, Mining, Facilities, Professional Services and Renewable Energy)



- **Women In Mining Incubation Programme**
- **13** women, across **3** pillars of the mining value chain (Mining Operations, Processing and Transportation)



- **Women of Tomorrow SME Sustainability Summit**
- **200** WO SMEs, 35 Female leaders driving the conversation.



- **Transporter Development Programme**
- Women-owned transporters across **3** current programmes: Salt, Coal & Liquid Fuels transport. New scopes in the development.



- **Sasol Convenience Centres support**
- Franchisee and site land development support.



- **Plastic and Ash to eco-bricks sustainability project**
- Supporting 100% BWO entity employing plastic and ash to create eco-bricks. More than R4m investment on this project to date.

Other Development Programmes to support strategic levers

- **Township Economy**
 - Ekandustria Business Centre
 - Fenceline Community Development
 - PPE Upcycling
- **Youth Empowerment**
 - Additive Manufacturing (3D Printing)
 - Transporter Development Programme



Ekandustria Business Centre

The aim of the project is to provide business support services to a selected cohort of 4 internet café SMEs around Ekandustria in order to capacitate them to improve the quality of their business offerings.



Fenceline Community Development Programme

Programme launched to stimulate township economy through set aside opportunities for qualifying fenceline community suppliers specifically in Zamdela, Embalenhle and Ekangala, through the redirecting of procurement spend to small businesses in our fenceline region.



PPE Upcycling Project

The pilot project aims to demonstrate innovative ways in which used Sasol PPE that is no longer fit-for-use in the plant area can be upcycled to create high-quality, long-lasting products to maintain value and create jobs



Additive Manufacturing (3D Printing)

The programme (in partnership with Nashua and Elogium) is designed to develop black and young entrepreneurs in 3D printing and related fields advance to more complex additive manufacturing.

ESD Development Impact



Business Development Support Impact



R38.8 million

sme development spend
vs target of R36.4 million

191

small businesses
under development

3

SME Sustainability Summit

4

Supplier Connect Events
(SME supplier days)

17

SME training interventions



201

Temporary and permanent jobs created from interventions



9

Demonstrated Growth of SMEs
ED to Large Enterprise

5

market access event opportunities for SMEs e.g. Exhibitions

**SASOL
SIYAKHA
TRUST**

Sasol Siyakha Funding Impact

Grant Funding

R924 000

11 beneficiaries supported

Temporary and permanent jobs created from Siyakha funding interventions

Siyakha Loan Book

R641 Million

vs target of R999 million

47 beneficiaries on loan book



FY23 Jobs Created

Improvement on loan funding performance

FY23 Approved Funding
Up from R18m in FY22

New entrants funded

859

FY22/3 Jobs Sustained

R98.5 million

11

2050

Interest rate saving due to Siyakha's lower interest rate

R23.7 million



Revenue Growth as a result of funding interventions



18%