

Black Economic Empowerment Procurement Policy.

SAPREF regards Black Economic Empowerment [BEE] to be one of the supporting pillars of the Transformation Process in South Africa and recognises that for all SAPREF employees, the following aspects of BEE are vital towards achieving its BEE commitments:

- Create a culture of acceptance.
- Communicate and foster common values.
- Meet the expectations of the South African Liquid Fuels Industry Charter.

Policy expectations:

The policy recognises the need to redress the imbalances of the past by seeking to contribute towards the transfer and confer the ownership, management and control of South Africa's financial and economic resources to the majority of its citizens.

Commitment to Black Economic Empowerment :

SAPREF's commitment to Black Economic Empowerment is to facilitate and promote new opportunities for meaningful participation by Historically Disadvantaged South Africans (HDSA's) in the SAPREF Procurement spend.

SAPREF will align itself with the commitment made by its Shareholders in achieving the targets set out in the South African Petroleum and Liquid Fuels Industry Charter within the given time frame.

Areas of spend which are not able to be included in this commitment are: Process Chemicals, International Service Fees, Parastatal Spend and Internationally Manufactured Capital Equipment.

Our commitment is to:

- Gain the support of Leaders and actively promote a culture of utilising BEE Vendors by SAPREF spenders.
- Create awareness amongst Vendors of our commitments and of their role in contributing towards us achieving our commitment.
- Ensure SAPREF's own staff, as well as our Core Contractors & Alliance Partner staff are aware of and trained in the aims and objectives of this policy and will feature it in training and induction programmes.
- Continuously identify non BEE compliant Vendors and influence them towards becoming BEE compliant, without compromising our own standards in any way.
- Implement a process of Vendor accreditation and compliance assurance.

- Adopt a systematic approach to BEE management, by measuring performance against targets through staff and contractor appraisal and recognition schemes.
- Contribute towards job creation by procuring Goods and Services from BEE Enterprises residing within the SAPREF community.
- Work with others in the Oil Industry and Business Community to develop potential Vendors in areas where needs exist.
- Conform to Industry and Government guidelines.

Definitions:

SAPREF will align itself with definitions of BEE Enterprises as outlined and published in the Broad-Based Black Economic Empowerment Bill [B 27B -2003].

Misrepresentation:

SAPREF will penalise any Vendor or potential Vendor that misrepresents the facts in order to gain advantage using SAPREF's BEE Procurement Programme.

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