

SUPPLIER CODE OF CONDUCT

SASOL SUPPLIER AWARENESS TRAINING



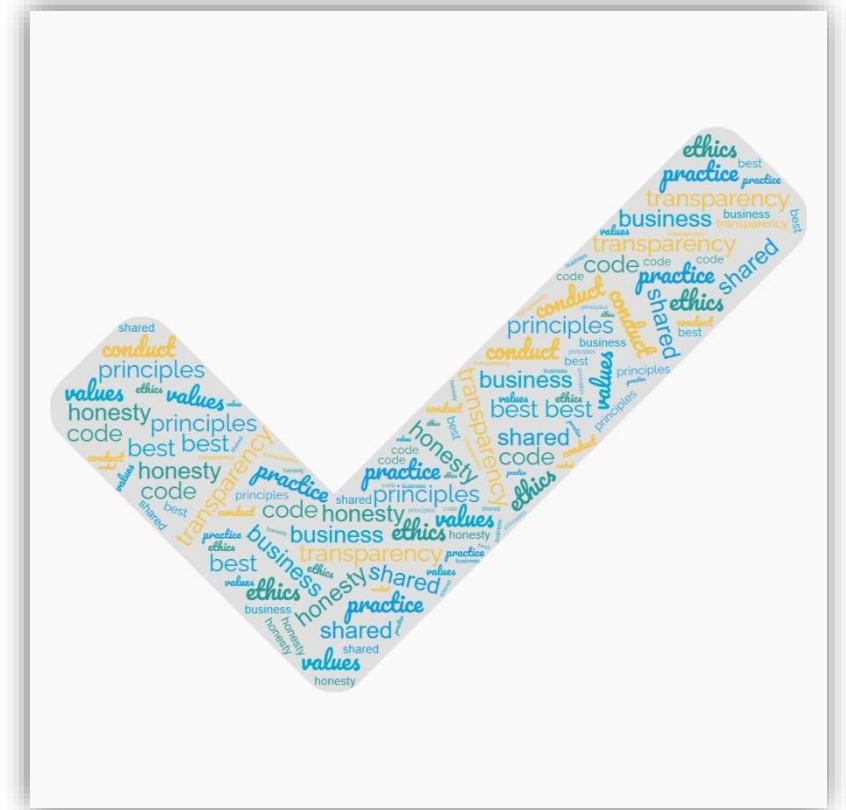
sasol

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Overview



- The way in which we conduct business is informed by our shared values and behaviors, which are translated into principles that are described in our Code of Conduct. Our Suppliers are expected to follow the Supplier Code of Conduct which is supported by Sasol's Code of Conduct.
- Suppliers are also expected to operate in accordance with values and behaviors comparable to ours and in a manner which is consistent with prudent business practice.
- The Supplier Code of Conduct sets out Sasol's principles and expectations on how our suppliers of goods and services, including their representatives and employees, are to conduct business with and deal with us. This Supplier Code of Conduct is applicable to all current and prospective suppliers. Our suppliers are expected to assist Sasol in enforcing this Code of Conduct by communicating its principles to their employees and other relevant parties.
- Suppliers should speak up about any suspicious behaviours for example Unethical, Bribery and Corruption.



Sasol Supplier Code of Conduct are available in different languages on Sasol.com Supplier Management Ethics Page
<https://www.sasol.com/suppliers/ethics>

How and when do I speak up?

Quick Test

If you are in doubt, the following questions will help you to determine if you should **speak up**.

Safety

Could it directly or indirectly endanger someone or cause them physical or mental harm?

Will it be unsafe for people or in any way damage any property or the environment?

Legal

Will my decision conflict with any company policies and procedures or will I be breaking any laws?

Personal Values

Does it fit with my personal values?

Does your intuition or 'gut feel' say it's wrong then it probably is wrong?

What would I tell my mother, child or a friend to do?

Media

How would you feel if the decision you're considering was reported in the news?

Do I need to hide it from my boss, colleagues or family?

Contact Us

Sasol Ethics Line

Toll free 0800 016 017

Email: sasol@ethics-line.com

Content



1. Human Rights and Labour
2. Environment
3. Ethics and Transparency
4. Ethical interaction
5. Acceptance of the Code of Conduct for Suppliers
6. Audits and Inspection
7. Violations
8. Penalties for Non – Conformance





1. Human Rights and Labour



Human Rights and Labour

Suppliers must undertake to ensure that all employees comply with labor legislation in order to 'create an environment of respect, equity and safety observance of the following process:

Human Rights and Labour

Forced Labour

Human Rights

Child Labour

Harassment & Abuse

Non-Discrimination

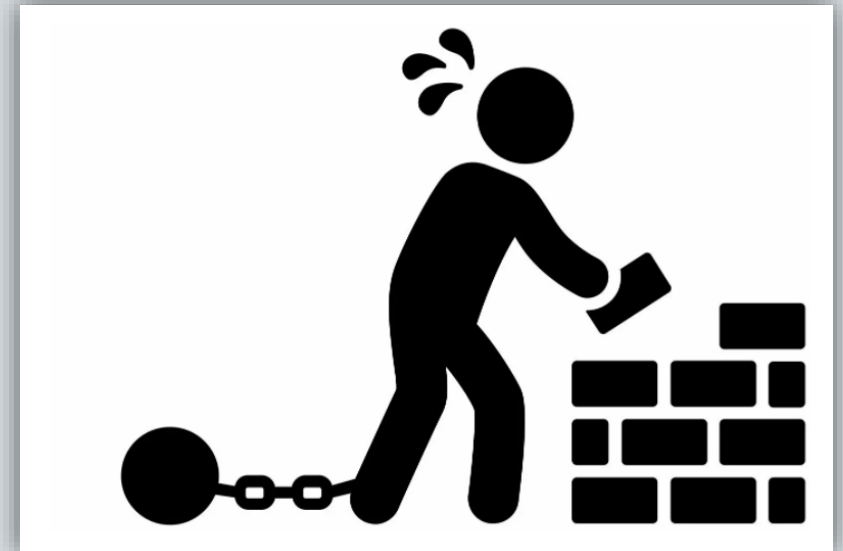
Wages & Benefits

Workplace Health & Safety

Freedom of Association & Collective Bargaining

Conditions of Employment & Work

- All human beings have the right to work in freedom and of their own free will, in accordance with the current legislation, where their activities may not be carried out as forced labor or under duress.
- Suppliers must not participate in, or benefit from any form of forced labor – which is work performed involuntarily under threat of penalty. Forced labor includes bonded labor, debt bondage, forced prison labor, slavery, servitude or human trafficking.



Human Rights and Labour

Forced Labour

Human Rights

Child Labour

Harassment
& Abuse

Non-Discrimination

Wages &
Benefits

Workplace
Health & Safety

Freedom of
Association &
Collective Bargaining

Conditions of
Employment & Work

- All human beings have the right to be respected and treated with dignity regardless of their sex, color, sexual orientation, language, religion, political or other opinion national or social origin.



Forced Labour

Human Rights

Child Labour

Harassment
& Abuse

Non-Discrimination

Wages &
Benefits

Workplace
Health & Safety

Freedom of
Association &
Collective Bargaining

Conditions of
Employment & Work

- Suppliers must work to eradicate child labour and must not allow the employment or use of such labour at any of their business centers when it doesn't comply with agreements and recommendations of the International Labour Organisation regarding the worst forms of child labour.
- The use of legitimate workplace apprenticeship programs, which comply with all laws and regulations, are permitted. Children aged 15 to 18 may not be employed to perform work that is hazardous or harmful to their health, safety or morals, nor should they perform work that interferes with their education.



Forced Labour

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Child Labour

Harassment
& Abuse

Non-Discrimination

Wages &
Benefits

Workplace
Health & Safety

Freedom of
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Collective Bargaining

Conditions of
Employment & Work

- Suppliers shall treat every employee with respect and dignity and shall not subject any employee to physical, sexual, psychological or verbal harassment or abuse.



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Wages &
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Association &
Collective Bargaining

Conditions of
Employment & Work

- Suppliers are expected to judge their employees based upon their ability to do their jobs and not upon their physical and/or personal characteristics or beliefs affirming the principle of no unlawful discrimination based on age, nationality, ethnicity, race, color, gender, religion, disability, mental status, sexual orientation and so forth.



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Health & Safety

Freedom of
Association &
Collective Bargaining

Conditions of
Employment & Work

- The Suppliers compensation, benefits plans and employment related decisions must be based on relevant and objective criteria.



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Conditions of
Employment & Work

- The Suppliers must ensure that it provides its workers with safe, suitable and sanitary work facilities. It must also supply its workers with the protective equipment and training necessary to perform their tasks safely.



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Conditions of
Employment & Work

- The Supplier must comply with the local laws and regulations governing the legal rights of their workers to join or not join worker organizations including trade unions and the right to bargain collectively.
- Where local laws prohibit the right to unionise and bargain collectively, or where only state-controlled organizations are allowed, the Supplier should ensure that other forms of workers' meetings and representation are allowed.
- In addition, the Supplier should take measures to ensure open channels of communication and negotiation between management and employees concerning all work-related issues.



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Conditions of
Employment & Work

- The Supplier should provide a living wage which enables workers to meet the basic needs of themselves and their dependents. Workers should be granted paid holiday and sick leave each year as well as personal leave in accordance to the Basic Conditions of Employment.
- Working hours, overtime, breaks and rest periods as set by local law should be complied with. Where local law or industry standards fall below the provisions of the International Labour Organisation which limits a work week to 48 –hours and no more than 12 hours overtime per week, the Supplier should comply with the International Labour Organisation standard.
- The privacy rights of workers should be respected by the Supplier when it gathers private information or implement monitoring practices.
- The Supplier should have mechanisms to hear, process and settle the grievance of workers.





2. Environment



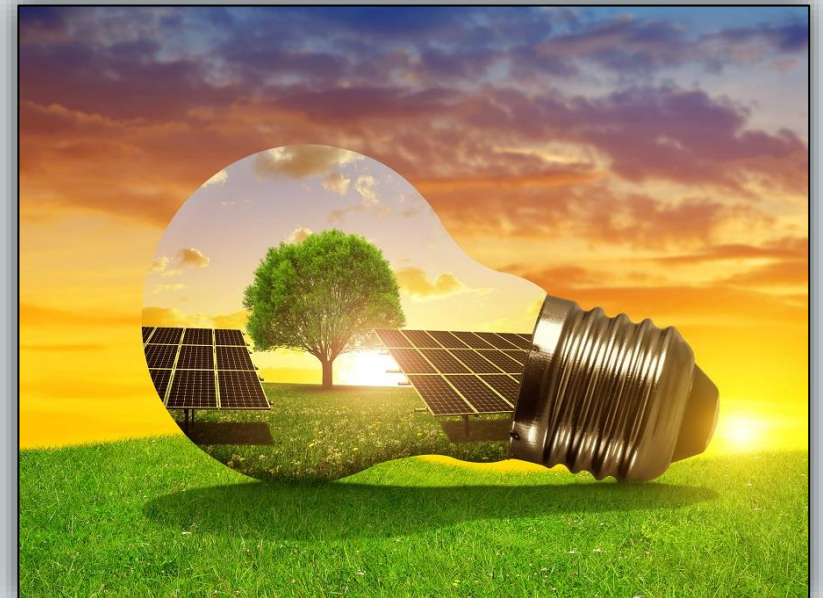
Environment

Suppliers are expected to conduct their operations in a manner that minimizes its impact on natural resources and protects the environment.

Respect for the Environment

Quality and safety of products & services

- The Supplier shall comply with all applicable environmental laws, regulations and standards. All required environmental permits and registrations are to be kept up to date.
- All hazardous materials and chemicals, including wastewater and solid waste, must be disposed of using environmentally responsible process.



Respect for the Environment

Quality and safety of products & services

- The Supplier must protect against defaults in all stages of product development, including design, manufacturing and marketing to protect against product defects which could harm the life, health or safety of the consumer or other entity likely to be affected by the defective product.
- Suppliers involved in any aspect of developing, handling, packaging or storing Sasol's products are expected to:
 - Know and comply with the product quality standards, policies, specifications, and procedures that apply;
 - Follow and adhere to good practices and testing protocols;
 - Comply with all applicable laws and regulations;
 - Report issues that could negatively affect the quality or perception of a product.





3. Ethics and Transparency



Ethics and Transparency

Suppliers must undertake to and ensure that all employees comply with labour legislation in order to create an environment of respect, equity and safety observance of the following aspects.

Bribery & Corruption

Conflict of Interest

Gifts & Entertainment

Fair Competition & Anti-Trust

Trade Sanctions

Confidential Information

- The Supplier shall comply with international anti-bribery standards as well as with local anti – corruption and bribery laws.
- In particular, the Supplier will, during the existence of the contractual relationship with Sasol not make, offer **or** authorize any payment, gift, promise or other advantage, whether directly or indirectly, through any other person or entity, to or for the use or benefit of any Sasol officer or employee or any public official (i.e. including any person holding a legislative, administrative or judicial office) or any political party or political party official, where such payment, gift, promise or other advantage would violate the applicable anti-bribery standards.
- Facilitation payments, bribes, kickbacks, and similar payments are strictly prohibited. This applies even where local laws may permit such activity.
- A Supplier must, as far as it is linked to its relationship with Sasol, keep proper accounting records of all payments (including any gifts , meals, entertainment or anything else of value) made or received on behalf of Sasol



Bribery & Corruption

Conflict of Interest

Gifts & Entertainment

Fair Competition &
Anti-Trust

Trade Sanctions

Confidential Information

- A conflict of interest arises when a person's interests or activities influence or appear to influence the ability to act in the best interests of Sasol. Entering into an arrangement that conflicts with your responsibility to Sasol must be avoided.
- In certain situations, the work activities of family members can create a conflict of interest. A conflict of interest may arise in situations where a family member works or performs services for Sasol, a Sasol competitor, customer or another Sasol supplier.
- Suppliers must disclose all actual and potential conflicts and discuss them with Sasol's management. All declared conflicts of interests (currently approved and potentially new) must be documented properly.



Bribery & Corruption

Conflict of Interest

Gifts & Entertainment

Fair Competition &
Anti-Trust

Trade Sanctions

Confidential Information

- The Supplier is prohibited from giving Sasol employees any gifts or entertainment where there is a possibility of creating a conflict of interest. Gifts or Entertainment must be customary and proper under the circumstances and no obligation must be created.
- The following gifts or entertainment are strictly prohibited:
 - Cash or a cash equivalent
 - Any gift or entertainment that would constitute a contravention of any law.
 - Anything that creates an obligation to reciprocate.



Ethics and Transparency



Bribery & Corruption

Conflict of Interest

Gifts & Entertainment

Fair Competition &
Anti-Trust

Trade Sanctions

Confidential Information

- Sasol is freely committed to free and competitive enterprise. Suppliers, agents or other individuals representing Sasol are expected to comply with all applicable laws and regulations regarding fair competition and antitrust .



Ethics and Transparency



Bribery & Corruption

Conflict of Interest

Gifts & Entertainment

Fair Competition &
Anti-Trust

Trade Sanctions

Confidential Information

- The Supplier shall comply with all (and not contravene any) export control and sanction laws and regulations issued by the United Nations Security Council, the United States of America, The United Kingdom and The European Union regarding the export, distribution, sale, transfer and/or re-export and end use of certain goods and services to certain countries and/or certain persons or entities as referred to in the aforesaid sanction laws and regulations.



Bribery & Corruption

Conflict of Interest

Gifts & Entertainment

Fair Competition &
Anti-Trust

Trade Sanctions

Confidential Information

- Suppliers must protect all Sasol information, electronic data and intellectual property or technologies with appropriate safeguards.
- Suppliers may receive Sasol confidential information only as authorized by a confidential or non-disclosure agreement and must comply with their obligation not to disclose the confidential information from misuse or unauthorized disclosure.
- Suppliers may not use the Sasol trademark, images, or other materials to which Sasol owns the copyright, unless explicitly authorized.





4. Ethical Interaction



Ethical Interaction

As one of Sasol's shared values, INTEGRITY commits us to always do what is right and to maintain the highest level of ethical conduct in our interactions with each other, suppliers, customers and all other stakeholders. This Code of Conduct provides clarity on our commitment to integrity and ethical behaviour between Sasol and its Suppliers and vice versa.

Conduct

Values and Ethics

Suppliers

Relationships

- Sasol is honest and truthful in everything we do, Sasol rejects all forms of dishonesty and has a policy of zero tolerance of illegal or dishonest conduct, irrespective of the consequences are big or small.



Conduct

Values and Ethics

Suppliers

Relationships

- Sasol reserves the right to decide which entities to do business with and Sasol will only do business with companies or institutions that have integrity and that ascribe to similar values and ethics as Sasol.



Conduct

Values and Ethics

Suppliers

Relationships

- Sasol Suppliers play a critically important role in Sasol's ability to operate and provide products and services to its customers. Sasol can only achieve its objectives through trusted Suppliers, which requires the highest professional and personal ethics in our relationships with Suppliers.



Conduct

Values and Ethics

Suppliers

Relationships

- Sasol strives to develop relationships with Suppliers that share similar values and that conduct business in a manner consistent with Sasol's Code of Conduct and Values.





5. Acceptance of the Code of Conduct for Suppliers

Suppliers must undertake to and ensure that all employees comply with labor legislation to create an environment of respect, equity and safety observance of the afore mentioned processes.

AUDITS & INSPECTIONS



6. Audits and Inspection

Verification of compliance is subject to audits by Sasol, or a third party designated by or otherwise acceptable to Sasol. Failure of a Supplier to comply, or failure to work with Sasol or a third party engaged by Sasol, to correct non-complying situation(s) is a ground for cancelation of order, discontinued services or termination of the business relationship.



7. Violations

Suppliers must promptly report any concerns and actual or potential violation of the Code to the Sasol Group Ethics Office through the Ethics line.

Supplier must provide reasonable assistance to any investigation by Sasol of a violation of the Code and they must protect anyone who works for them, either as an employee or a contractor, from any form of retaliation for reporting actual or potential violations.



8. Penalties for Non-Conformance

Sasol reserves the right to terminate its business relationship with any Supplier who:

Violates this Code or if any of Supplier's employees , agents or subcontractors violates this Code and/or

Fail to provide written confirmation to Sasol, upon request by Sasol. That they have a program in place to monitor their Suppliers and Subcontractors for compliance with the Code.

ANTI-BRIBERY AND CORRUPTION

SASOL SUPPLIER AWARENESS TRAINING



Overview

- The Employees of Sasol and its wholly-owned and majority-owned affiliates are committed to compliance with the anti-corruption laws of all countries and territories in which the group operates or markets products. These laws generally prohibit bribes, kickbacks, or illegal payments to influence business transactions and require us to maintain accurate books, records and a system of internal controls.
- It is the responsibility of every Sasol Supplier to imbed the principles of the policy with their employees and ensure that all employees working directly or indirectly with Sasol know and understand the requirements and prohibitions of this policy.
- Suppliers are also encouraged to immediately report any non-compliance with the policy.



Overview

- The policy applies to the Sasol Group as a whole, inclusive of all Employees, legal entities and subsidiaries including joint ventures to the extent that Sasol has majority shareholding and/or management control and subject to the acceptance and approval of the policy by the respective entities' Board of Directors or other responsible corporate decision-making body.
- Our suppliers are expected to adhere to these standards and support us by communicating this policy to their employees and other relevant parties.
- Suppliers can support the perception of any Bribery and Corruption by speaking up about any suspicious behaviours and circumstances.



Content

1. Introduction
2. Responsibilities and authorities
3. Definition of bribery and corruption
4. Prohibited Activities
5. Prohibited Expenses
6. Due diligence and risk assessment
7. Recordkeeping
8. Payments made under Duress
9. Business Associates
10. Red Flags
11. Reporting Violations





1. Introduction

- Corrupt or dishonest practice
- Inducement

The Employees of Sasol and its wholly-owned and majority-owned affiliates are committed to compliance with the anti-corruption laws of all countries and territories in which the group operates or markets products. These laws generally prohibit bribes, kickbacks, or illegal payments to influence business transactions with its Suppliers and require us to maintain accurate books, records and system of internal controls.



Corrupt or dishonest practice



Inducement



Corrupt or dishonest practice

Inducement

- No Sasol Employee may engage in, condone or tolerate any corrupt or dishonest practice. It is unacceptable for any employee, business partner, supplier, consumer, or any other stakeholder to offer, pay, solicit or accept bribes in any form, whether it is done directly or indirectly, or whether the benefit is to the Employee or any third party, whether related to the Employee or not.



Corrupt or dishonest practice

Inducement

- No employee nor supplier may offer or accept any form of inducement, regardless of whether the other party to the transaction is an individual, a company or a government agency, nor may they accept or offer any benefit that could be construed as an attempt to improperly influence or induce business decisions and contractual relationships with Suppliers.





2. Responsibilities and Authorities

- Responsibilities
- Authorities

The Sasol Anti-bribery and Corruption (ABAC) Policy applies to the Sasol Group as a whole, inclusive of all employees, legal entities and subsidiaries, including joint ventures to the extent that Sasol has majority shareholding and/or management control and subject to the acceptance and approval of the policy by the respective entities' Board of Directors or other responsible corporate decision-making body.



Responsibilities



Authorities



Responsibilities and Authorities

Responsibilities

Authorities

- It is the responsibility of every employee in Sasol to know and understand the requirements and prohibitions of the policy.
- Supplier are also required to familiarize themselves and their employees with the requirements and prohibitions of the [Sasol Anti-bribery and Corruption \(ABAC\) Policy](#)



Responsibilities and Authorities

Responsibilities

Authorities

- All employees and suppliers are encouraged to immediately report any non-compliance to the policy to their line manager, legal advisor, compliance officer, contracts specialist or the Sasol Ethics line.





3. Bribery

- Definition of Bribery
- Examples of Bribery
- Violations

What is Bribery?

Definition of Bribery

Examples of Bribery

Violations

- Offering, giving or promising financial or other benefit to another person with the intention to induce or reward them or another person to perform their responsibilities or duties improperly.
- Agreeing to receive or accepting a financial or other advantage with the intention of inducing or rewarding a person to perform his/her responsibilities or duties inappropriately.
- It does not matter whether the bribe is:
 - **Promised, given or received directly or through a third party** (such as someone acting on Sasol's behalf, for example an agent, distributor, supplier, joint venture partner or other intermediary); or
 - **For the benefit of the recipient or some other person.**



What is Bribery?

Definition of Bribery

Examples of Bribery

Violations

- **Bribes can take many forms.**

For example:

- Money (or cash equivalent such as shares);
- Unreasonable or excessive gifts, entertainment or hospitality;
- Kickbacks;
- Unwarranted rebates.
- Unwarranted allowances or expenses;
- Facilitation Payments;
- Inappropriate political or charitable contributions;
- Unjustified appointment of politically exposed persons as Sasol or Supplier Employees;
- Uncompensated use of company or third-party services or facilities; or
- anything else of value.



What is Bribery?

Definition of Bribery

Examples of Bribery

Violations

- Violations by any Sasol Employee or Supplier, of anti-bribery laws or this policy may lead to disciplinary action including dismissal, and criminal liability of the individual involved (including imprisonment).
- Violations by any Sasol Employee or Supplier can also result in severe penalties for both Sasol and such individuals.





4. Prohibited Activities

- Offering Benefits
- Receiving benefits
- Other Prohibited Benefits

Prohibited Activities

Offering Benefits

Receiving benefits

Other Prohibited Benefits

- No Sasol Employee or Supplier has the authority to offer benefits, whether directly or indirectly, to another person with the intention to influence or induce that person to affect any act or decision in a manner that will inappropriately assist Sasol or any of its subsidiaries or divisions, or any of its associates or agents, to obtain or retain business.



Prohibited Activities

Offering Benefits

Receiving benefits

Other Prohibited Benefits

- No Sasol Employee or Supplier has the authority to receive benefits, whether directly or indirectly, from another person where it is the intention to reward that Employee or agent for the improper performance of a relevant function or activity by the Employee.
- Sasol does not permit any facilitation payments.



Prohibited Activities

Offering Benefits

Receiving benefits

Other Prohibited Benefits

- Excessive or unreasonable gifts, travel, meals, entertainment or other hospitality expenses;
- Contributions to any political party, campaign, or campaign official; or
- Inappropriate charitable contributions and sponsorships.





5. Prohibited Expenses

- Government Officials
- Suppliers

Prohibited Expenses



Government Officials

Suppliers

- Sasol also permits the payment of reasonable expenses for travel, meals and entertainment legitimately and **directly related to tours of Sasol's facilities, training in the use of Sasol's products and services, or otherwise related directly to Sasol's promotion of its products and services**, provide that:
 - Such expenditure will be in conformity with written local laws;
 - Such expenditure is reasonable and not excessive;
 - Such expenditure is not unduly provided to a single individual on numerous occasions;
 - Such expenditure is not offered to the spouses, family members or guests of foreign officials;
 - Prior to incurring such expenditure, the Employee must obtain approval from his/her line manager (at least Senior Manager level) by **recording the details of the gift in the Declaration system or within the business unit, operation hub or group business unit /function's gift register** if he/she does not have access to the declaration system. Suppliers are required to follow the same protocols.
- **It will never be acceptable for Employees or Suppliers to offer any gift, or incur any expense in expectation of receiving something in return. Cash does not constitute a valid and permissible gift.**

Prohibited Expenses

Government Officials

Suppliers

- Gifts or other benefits that are given or received with corrupt intent will be regarded as inappropriate no matter what the value of the gift or benefit. Sasol permits the acceptance of proportionate and reasonable gifts and expenditure for travel, meals and entertainment legitimately designed to show appreciation to existing commercial partners, present products and services, or establish cordial business relations, provided that such expenditure:
 - Is not excessive and always appropriate to the nature of the business relationship with the recipient;
 - Conforms to the laws and customs (as recognized by the written local or a published judicial decision) of the country in which the expenditure is incurred, as well as the rules or codes of conduct of the recipient;
 - Does not place the recipient under an obligation or expectation to confer any improper business advantage in return for such hospitality (*quid pro quo*), or create an impression that the recipient's independence will be affected;
 - Is incurred only occasionally;
 - The Employee offering or receiving such gifts or expense records the detail in the Declaration system or within the business unit; operating hub or group function's gift register if he/she does not have access to the Declaration system prior to presenting such gift.





5. Due diligence and risk assessment

- Due Diligence
- Risk Assessment
- Minimum Requirement Factors



Due diligence and risk assessment

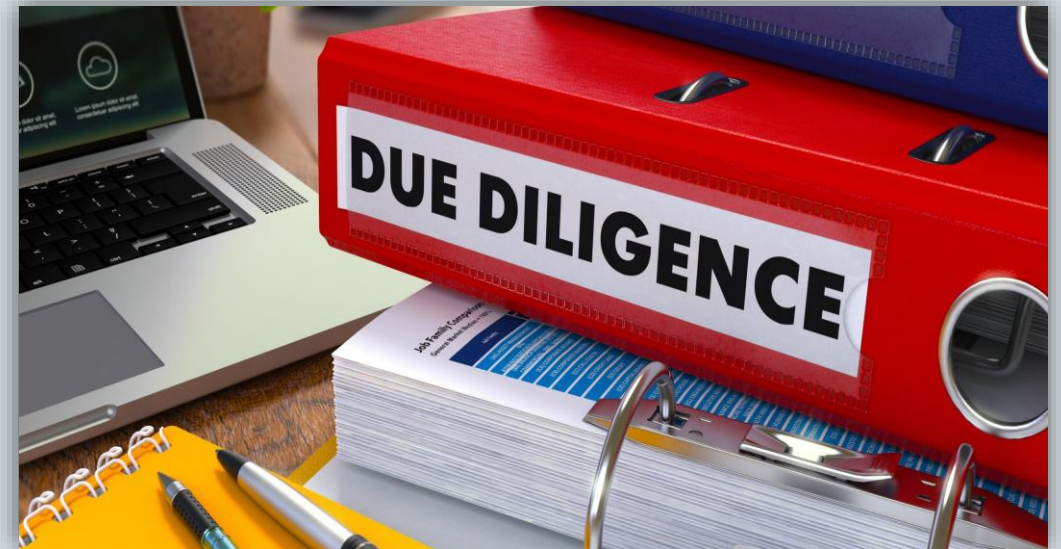
Due diligence and risk assessment

Due Diligence

Risk Assessment

Minimum Requirement Factors

- Prior to entering any business relationship, Sasol will conduct a **Due Diligence** with its Suppliers to ensure that Sasol is informed of the industry/ies of the party/ies involved in the proposed transaction.



Due diligence and risk assessment

Due Diligence

Risk Assessment

Minimum Requirement Factors

- Sasol will further conduct a corruption risk assessment by assessing all the key factors that could influence a corruption risk rating and will implement proportionate controls based on the risk assessment.



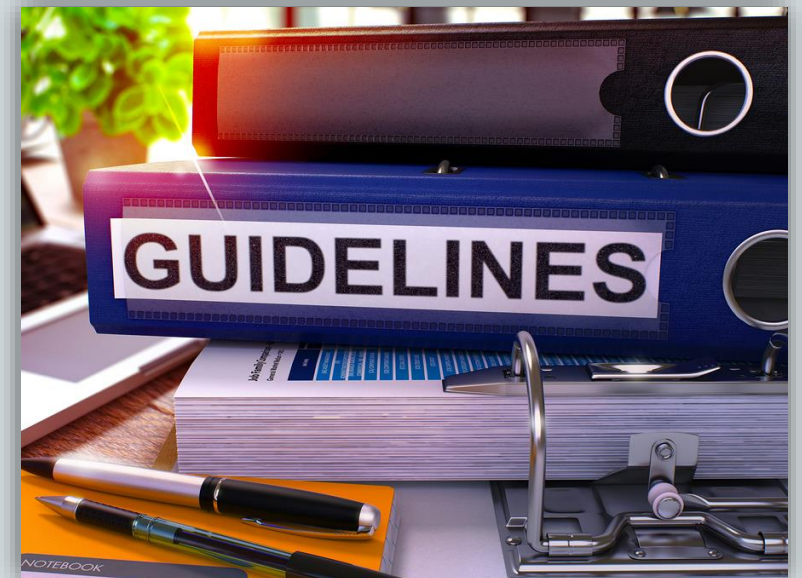
Due diligence and risk assessment

Due Diligence

Risk Assessment

Minimum Requirement Factors

- As a minimum requirement, the following factors have been assessed during the corruption risk assessment:
 - the type of entity involved;
 - the industry in which the counterparty/Supplier operates;
 - the country where the contract will be performed;
 - the country of registration/incorporation of the counterparty/Supplier;
 - the business address of the counterparty/Supplier;
 - the counterparty/Supplier exposure to government officials or politically exposed persons;
 - the type of contract;
 - the compensation structure;
 - the existence of “red flags”.





7. Recordkeeping

Recordkeeping

- Every Sasol Employee and agent has the obligation to record accurately and fairly all of their transactions involving any expense on behalf of Sasol or any other transaction involving the disposal or transfer of Sasol assets.
- Any gift, entertainment or hospitality received by a Sasol Employee that is valued at above the agreed Reporting Threshold /value must be declared and accurately recorded in the conflict-of-interest Declaration system as soon as reasonably possible after the receipt of the gift, entertainment or hospitality.
- Where Employees do not have access to the Declaration system, the gift, entertainment or hospitality offered or received by a Sasol Employee must be recorded in the business unit, operating hub or group function's gift register.
- Record must be kept of the initial third party due diligence and risk assessment as well as any subsequent amendments to the due diligence or risk assessment.





8. Payments made under Duress

Payments made under Duress

- Your safety is Sasol's primary concern and Sasol understands that there may be circumstances in which you have no alternative but to make an inappropriate payment in order to protect yourself against loss of life, limb or liberty. Any request for such payment or actual payment made under duress should be reported to your CFO and Sasol Ethics line as soon as possible, include sufficient details regarding the circumstances surrounding the request.
- Duress payments must be correctly recorded as such in the financial accounts and details of the circumstances must be retained for future use.
- An inappropriate payment that is made to avoid a business delay is not regarded as a payment under duress and could expose the individual and company making the payment to prosecution





9. Business Associates

Business Associates

- Sasol's obligation to ethical and legal behavior includes and encompasses the activities of Sasol's associates and parties acting on behalf or in the interest of Sasol. These Associates can amongst others include agents, consultants, Suppliers and commercial partners (including joint ventures to the extent relevant). Sasol could be accountable for the actions of third parties doing business in any market on behalf of Sasol.
- Before establishing or extending a business relationship with any third party to represent Sasol in any marketplace, sufficient due diligence/risk assessments must be performed to determine that the third party's commitment to ethical business practices is consistent with Sasol's standards and this policy, **this includes acquiring a business**. Any arrangements with such third party should include proper contractual provisions and monitoring procedures to **ensure compliance with anti-bribery laws and Sasol's policy standards**. Areas of due diligence inquiry, as well as appropriate contractual provisions to include in any agreement with these third parties, are available on request from the COE for Governance Laws or legal advisers.
- All applicable Sasol associates (Suppliers) must remain vigilant to ensure a third party's compliance with the policy. Willful and/or negligent ignorance of facts or circumstances regarding any bribery and corrupt practice by **Sasol Employees or suppliers** will be treated as a violation of this policy and anti- bribery laws.





10. Red Flags

- Amongst others the following situations, whether or not involving a Government official, can be an indication of possible wrong-doing and can expose Sasol and the individuals involved, to an increased risk of non-compliance with anti-corruption requirements. In the event that Employees or Suppliers become aware of any of these “red flags” they must report it to their CFO or their delegated official within Sasol as soon as possible.
 - Bribes
 - Charitable donations
 - Employment
 - Local representative
 - Significant relationships
 - Questionable Invoices
 - Credit or rebate
 - Unusual bonuses
 - Unusual payments
 - Remuneration rates





11. Reporting Violations

Reporting Violations

- Sasol is committed to ensuring that Employees and our Suppliers are able to speak up with confidence if they have any concerns or need to ask for help.
- If you suspect or observe anything that you might think might be in contravention of this policy, you have an obligation to report it. Raise your concerns with your line manager, legal advisor or through the Sasol Ethics line, anonymously if required.





B-BBEE TRANSFORMATION

SASOL SUPPLIER AWARENESS TRAINING



Overview



- Sasol's transformation is closely aligned to the objectives of the B-BBEE Codes, and we take an integrated approach to accelerate transformation across all five pillars
- One important step to bring about a more inclusive economy is through opportunities that enable previously disadvantaged Groups
- We strive to drive partnership between local and multinationals to improve the long-term economic growth with suppliers in the regions in which we operate.
- We have implemented a fence-line community supplier strategy to accelerate the achievement of our preferential procurement targets towards Exempted Micro Enterprises and Qualifying Small Enterprises.
- We provide support to SMMEs including loan funding through the Sasol Siyakha, business development initiatives and incubation support through the Sasol Business Incubator in Sasolburg.



B-BBEE Fronting

- Sasol aims to ensure that we do business with compliant B-BBEE suppliers in pursuit of our B-BBEE transformation objectives.
- Fronting means a deliberate circumvention or attempted circumvention of the B-BBEE Act, 2003 (hereafter referred to as the Act) and the B-BBEE Codes of Good Practice (hereafter referred to as the Codes) as amended in 2013. Fronting commonly involves reliance on data or claims of compliance based on misrepresentations of facts, whether made by the party claiming compliance or by any other person.
- There is currently a lot of publicity around BEE fronting. Fronting and BEE ownership can easily overlap. At the 2019 B-BBEE Ownership conference the Minister of Trade and Industry (custodian of the B-BBEE Commission) stated that fronting is hampering economic transformation. There is a moral and legal obligation on corporate South Africa to improve economic opportunity amongst previously disadvantaged communities and to alleviate poverty.



B-BBEE Fronting



- Sasol expects its suppliers to comply with the requirements of the Codes of Good Practice as amended from time to time ("Codes"), issued in terms of the Broad-Based Black Economic Empowerment Act, 53 of 2003
- Sasol requires that all its suppliers submit via Ariba valid B-BBEE certificates and/or B-BBEE sworn affidavits on expiry of the current one
- Sasol expects its suppliers to achieve at least a minimum Level Four (4) B-BBEE Contributor status and to use its best endeavors to improve its B-BBEE compliance status
- Sasol's suppliers are expected to conduct the necessary due diligence to ensure they approach SANAS accredited verification agencies for B-BBEE certificates. There is zero tolerance for fraudulent B-BBEE certificates.
- In terms of section 1 of the B-BBEE Act 53 of 2003, "fronting" is defined as any initiative or practice that frustrates or undermines the objectives of the B-BBEE Act. Sasol upholds ethical business practices and expects the same from its suppliers. Suppliers are encouraged to speak up should they suspect fronting practices to be at play



What are the common risk indicators associated with fronting?

- **The following fronting risk indicators might be indicative of a fronting practice:**
- Black people serving as shareholders, executives or management are unaware/ uncertain of their roles within an enterprise, or the black persons serving in roles are paid significant less than other people serving in similar roles in the enterprise;
- Black people at top management level are not actively involved in the strategic decision-making of an enterprise;
- An enterprise does not perform core functions, cannot operate independently, and only performs peripheral functions;
- An enterprise buys goods or services or obtained a loan at a non-market-related rate from a related person or entity;
- An enterprise shares premises and infrastructure with a related person or other entities without a B-BBEE status where the cost of such premises and infrastructure is not market related; and
- An enterprise in general displays evidence of circumvention or attempted circumvention.



**Thank
You**

THE END