

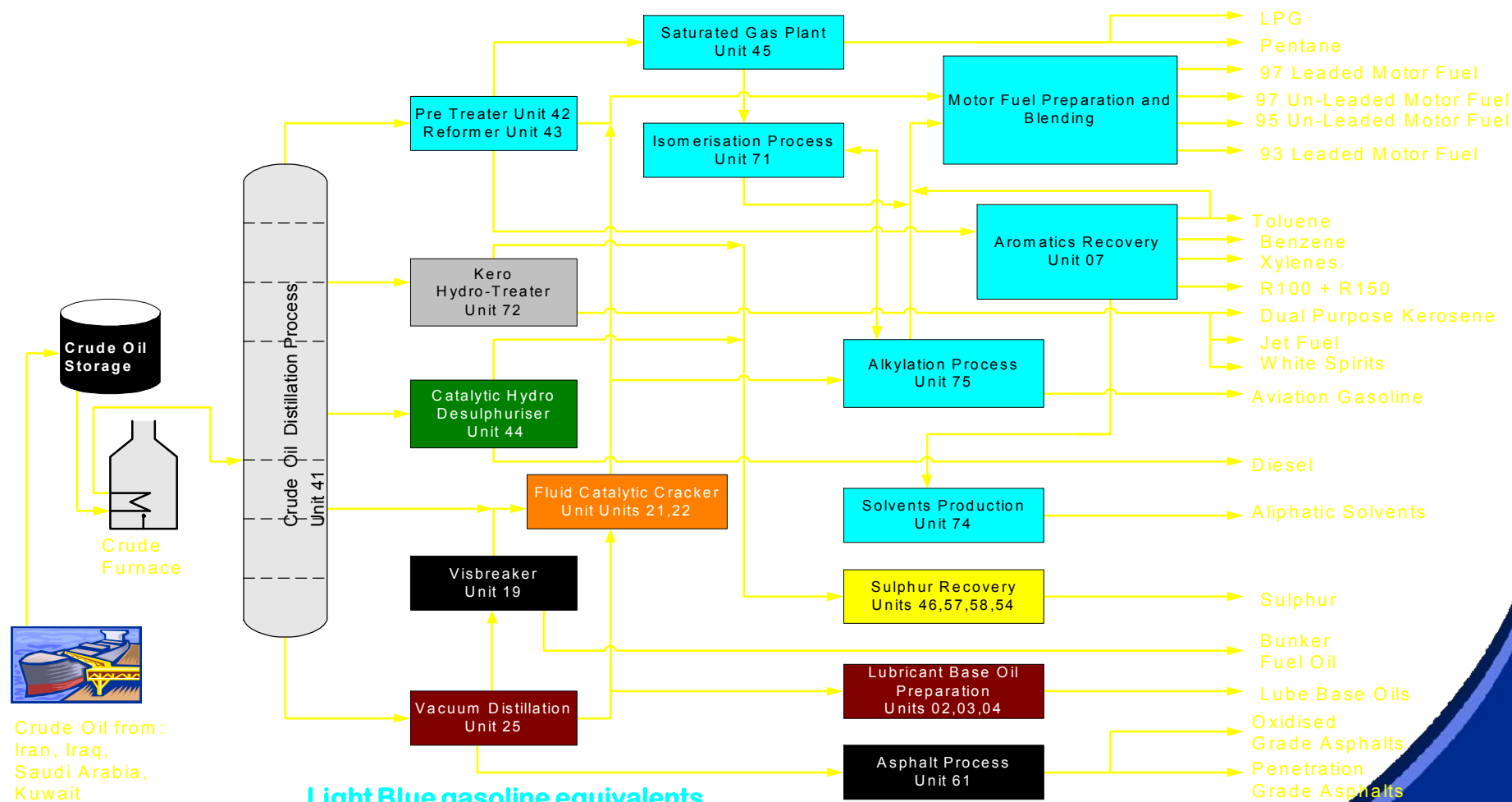
Engen Refinery



Refinery today: Complex, encroached, busy



The Refinery



Light Blue gasoline equivalents

Grey jet fuel equivalents

Green diesel

Black Tar and BFO

Brown lube oil



Enref vs Modern lean-mean refinery

Enref, Chevref, Sapref	Ultra modern
Low margin from 73% white oil (\$4.5/barrel)	High Margin from 90% white oil (\$10/barrel)
High complexity, many units	Low complexity
High cost	Low cost
Big staff, many contractors	Small staff and few contractors
Many diverse products including lube oil, Asphalt, Solvents and Ship fuel	Only core products
Many related business opportunities. Integrated into localised economy.	Only fuel on-selling and Maintenance opportunities



Optimum CF2 for Enref would be to retain diverse production nature but increase rate and yield: Keep jobs. Make profit



Image risk: VOC Passive Monitoring



**All VOC results meet WHO
and EU standards !!!!**



How to be a good neighbour

- Refinery contribution to South Durban is about **R1.5billion** in expenses and salaries
- Base oil, Bitumen, Solvents, Wax, Sulphur and other smaller-scale products used in **smaller industries**
- Base business for many small suppliers and **contractors** in South Durban
- All our replacement and new equipment with exception of rotating equipment **sourced locally** (R1 billion/year while constructing supply infrastructure)
- **No imported labour** for projects and construction
- 5 to 10 specialist expats on salary budget out of 1200 headcount outside construction and Turnarounds 50% + toward BEE spend
- Fluor-Igoda formed on this site Local construction company D&M started here and are now also serving Natref (**BEE development**)



A few BEE success stories: Fluor-Igoda

- Fluor and Igoda joined into one company at Enref
- Now doing all Fluor business in KZN
- Reasons or success
 - Willing to learn from Fluor
 - Good existing Electrical and Instrumentation skills base
 - Put in the hard hours when needed



A few BEE success stories: D&M

- Started as small BEE mechanical and Welding contract
- Partnered with Kentz to increase business know-how
- Contracts in Durban, Secunda and Sasolburg
- Reasons or success
 - Very good skills base. Best Chrome welding in KZN
 - Hard working owners
 - Ability to work in a team of contractors
 - Willingness to learn and adapt



A few BEE success stories: Miza

- Women from Wentworth who identified niche
- Ongoing clearing of railway siding for Enref, SAPREF and Mondi
- Part of Income used for betterment of community
- Success factors
 - Identified niche
 - Willing to work
 - Adapt to new challenges



Summary of BEE success factors at Enref

- Identify niche where few other BEE's operate
- Find a good skills match
- Patience
- Willingness to learn and adapt
- Do the business basics well



Thank you!

