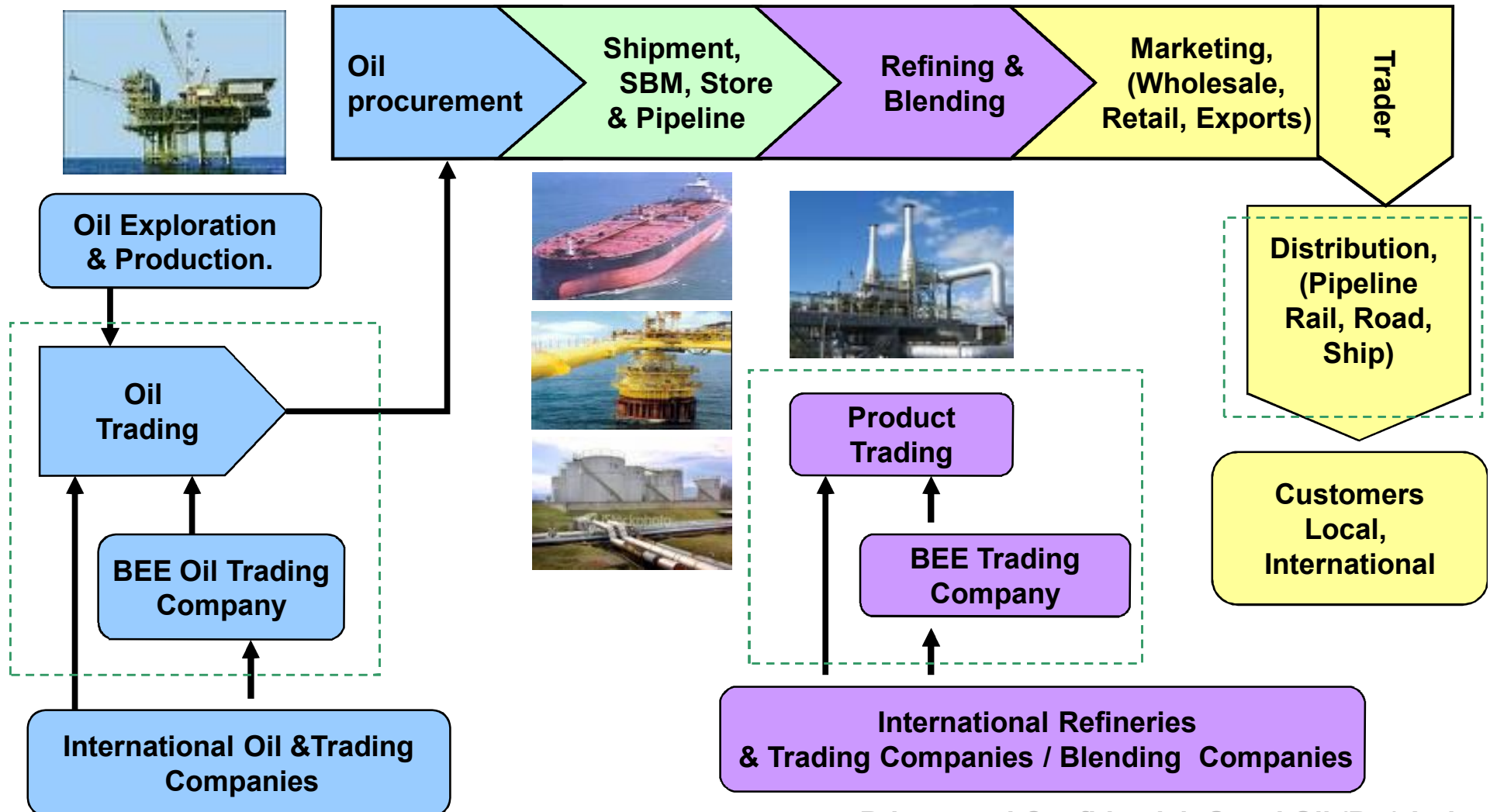


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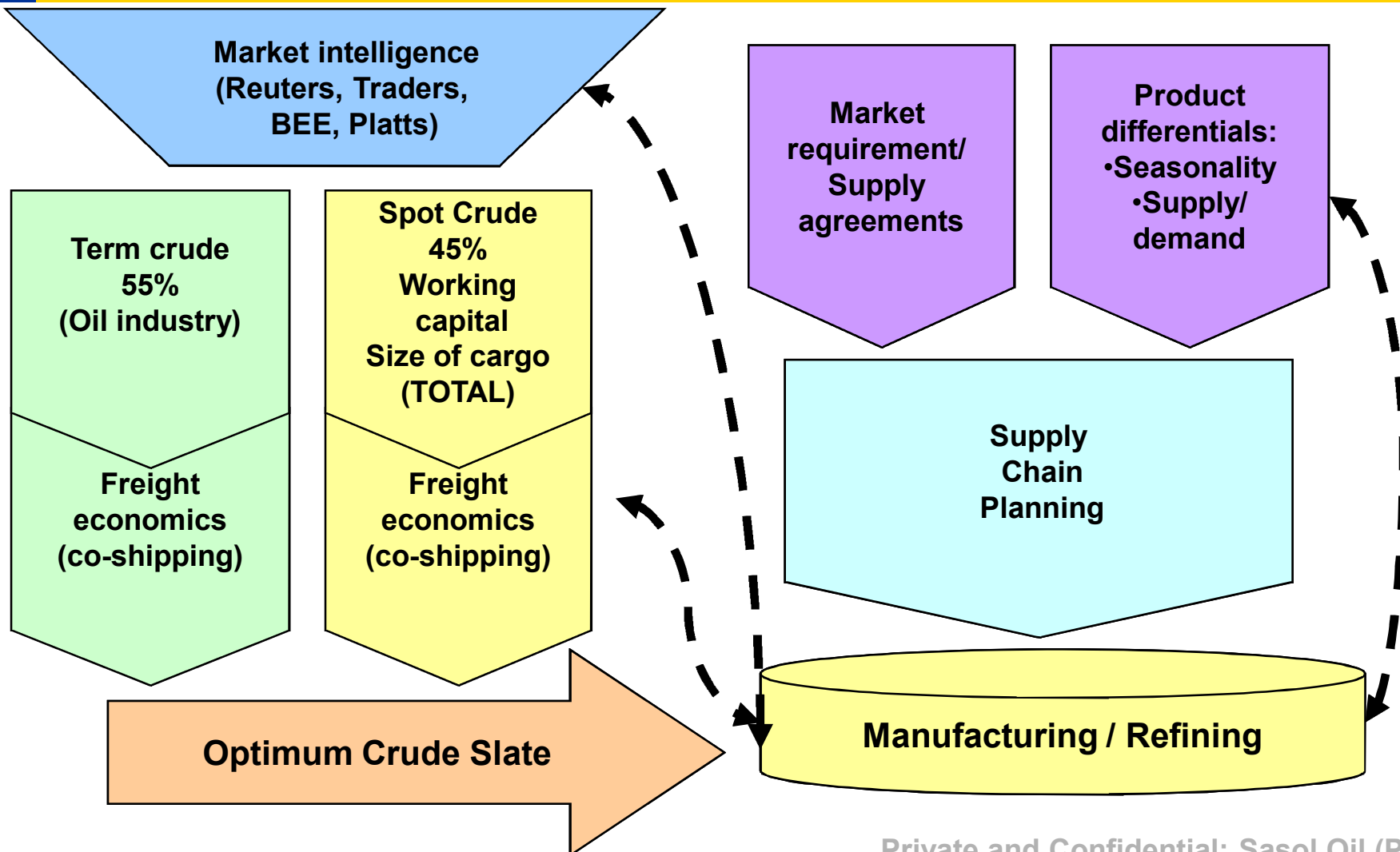
BEE OPPORTUNITIES IN THE OIL VALUE CHAIN

SASOL OIL VALUE CHAIN – HIGHLY INTEGRATED





INTERNAL PROCESS (INFORMATION & DECISION FLOW)





OIL / PRODUCT PROCUREMENT IN CONTEXT

- Crude Oil is the single greatest cost component and an integral part of the supply chain.
- Sasol Oil's refinery is designed and built to refine crude from Iran and Saudi Arabia (50% of our procurement)
- "Most economical" oil / product imports dependent on:
 - Constant changing crude price differentials
 - Freight economics
 - Changing product prices
 - Ability to manage / mitigate price risk exposure
 - Securing relevant guarantees
 - Operational challenges
 - Market requirements
 - Refinery constraints

Product marketing integrates back to oil procurement



OIL AND PRODUCT PROCUREMENT CONSIDERATIONS

- Many potential players in a too small market
 - Sustainability of BEE counterparties
- Margins are relatively small
 - Risk is high
- Ability of the counterparty to manage all entire procurement process
 - Procurement / Cost of Guarantees / Execution



WHERE IS SASOL OIL TODAY ON CRUDE PROCUREMENT

- Oil and Product Imports
 - Have 7 approved BEE suppliers
 - Sasol supports short list of active BEE counterparties, providing for skills transfer in contractual, financial, legal, trading and negotiation areas
 - Focus on selection for CY10 was woman
 - From BEE approved suppliers
 - In FY10, achieved 68% of spend on spot crude oil requirements (target = 50% of spend)
 - In FY10, achieved 32% of spend on Product Imports (target was 25%)



WHERE IS SASOL OIL TODAY ON INDIRECT PROCUREMENT

- Other Procurement (logistics + indirect)
 - Have many approved BEE suppliers
 - Supplier development programmes aimed at specific sectors
 - Achieved 16 out of 20 points for procurement in FY10

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THANK YOU

