

# 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

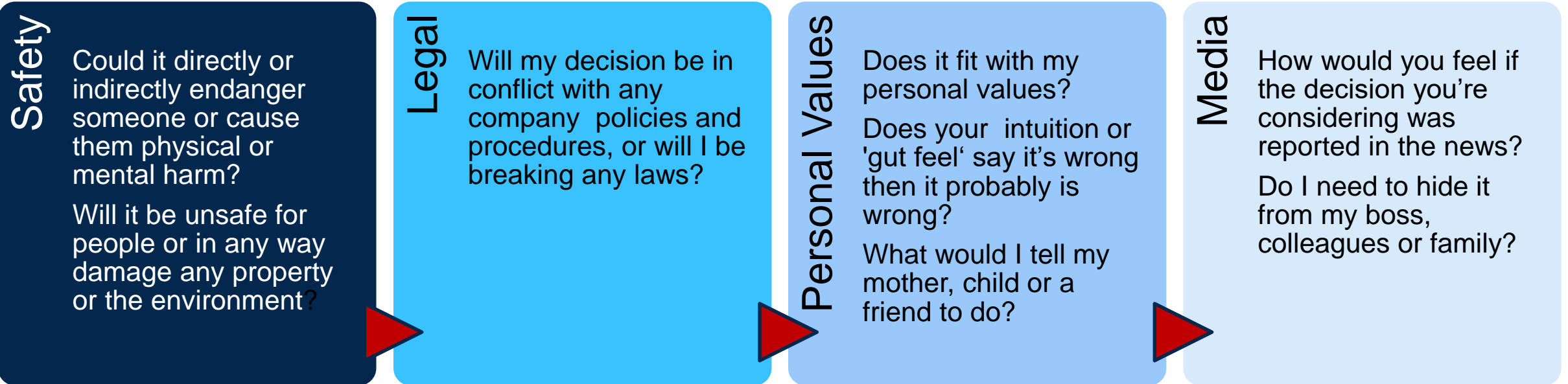
- The policy applies to the Sasol Group as a whole, inclusive of all Employees, legal entities and subsidiaries including joint ventures to the extent that Sasol has majority shareholding and/or management control and subject to the acceptance and approval of the policy by the respective entities' Board 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.



# 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**.



## Contact us

Sasol Ethics Line

Toll free 0800 016 017

Email: [sasol@ethics-line.com](mailto:sasol@ethics-line.com)

# 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

- Some countries have strict limitations on the gifts, training, accommodation, and travel expenses that can be accepted by their officials and Sasol will take these into account. Sasol does however **permit insignificant expenses** such as coffee, tea or Sasol branded items (e.g. pen, shirt, hat, or similar items) to be given to Government Officials as modest gifts in the ordinary course of business, provided:
  - presenting any such gift will be in conformity with written local laws**
  - such gift is not unduly provided to a single individual on numerous occasions; and**
  - such gift is not offered to the spouses, family members or guests of a foreign official.**



# 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

Prior to entering into 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. Sasol will further conduct a Corruption Risk Assessment by assessing all the key factors that could influence a corruption risk rating and implement proportionate controls based on the risk assessment.

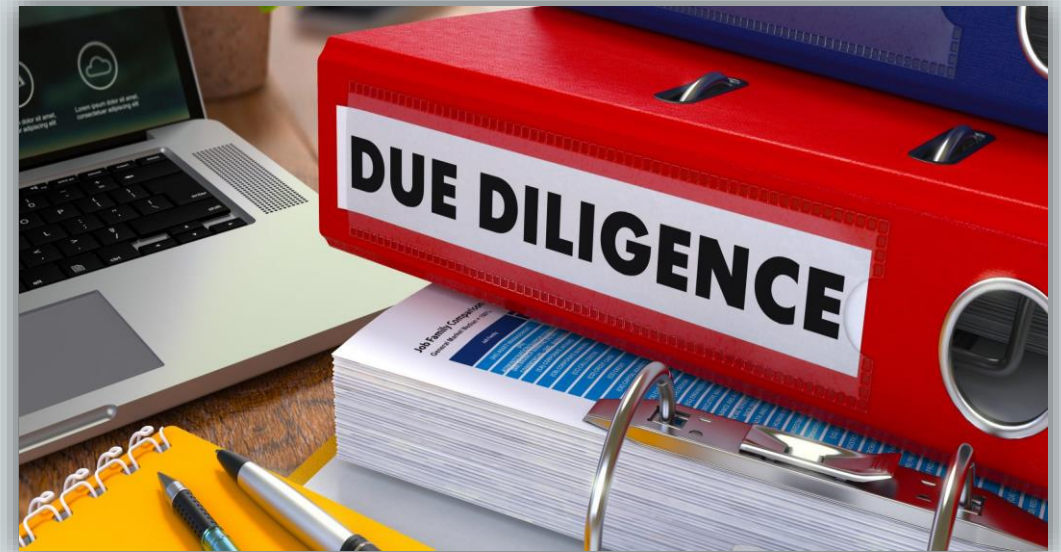
# Due diligence and risk assessment

## 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.



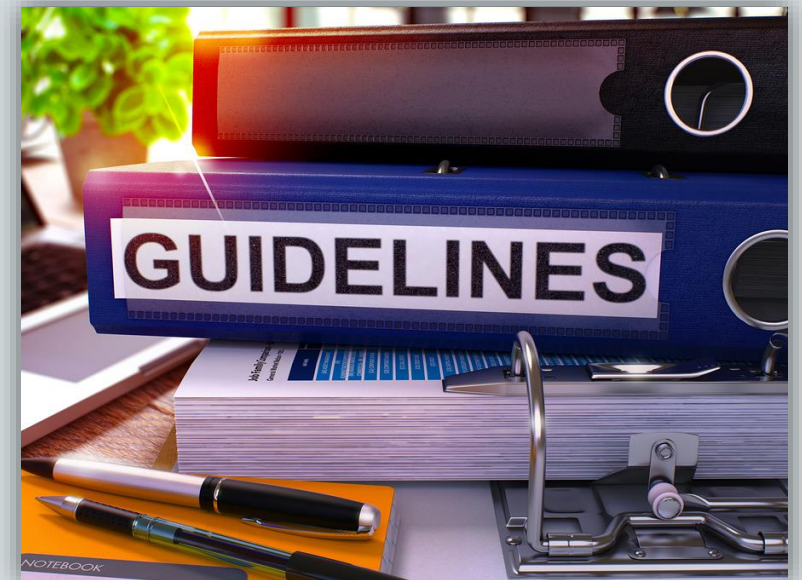
# Due diligence and risk assessment

## 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 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
  - Invoices
  - Credit or rebate
  - Unusual bonuses
  - External party payments
  - 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.







**THANK YOU**