



**sasol**



**SUPPLIER CODE  
OF CONDUCT**  
2018

**Content Overview**

<b>1</b>	Purpose and Scope.....	<b>3</b>
<b>2</b>	Supplier Code of Conduct principles.....	<b>3</b>
<b>2.1</b>	Respecting, protecting and enhancing human rights .....	<b>3</b>
<b>2.2</b>	Providing accurate and complete information on quality and safety of products and services .....	<b>6</b>
<b>2.3</b>	Accurate record keeping .....	<b>7</b>
<b>2.4</b>	Legal Compliance .....	<b>7</b>
<b>3</b>	Audits and inspections.....	<b>8</b>
<b>4</b>	Report violations.....	<b>8</b>
<b>5</b>	Penalties for non-compliances.....	<b>8</b>
<b>6</b>	Acceptance of the Code of Conduct for Suppliers.....	<b>8</b>

## 1. Purpose and scope

The way in which we conduct business is informed by our seven shared values and behaviours, 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 behaviours comparable to ours and in a manner which is consistent with prudent business practice.

This 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.

### 1.1. Ethical Interaction

Our shared value of, INTEGRITY and Respect commits us to always do what is right and to maintain the highest level of ethical conduct in our interactions with each other. This Code of Conduct provides clarity on our commitment to integrity and ethical behaviour between Sasol and its current and prospective Suppliers and vice versa.

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 whether the consequences are big or small.

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.

Sasol's 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 the support of trusted Suppliers and Service Providers, which require the highest professional and personal ethics in our relationships with each other.

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

## 2. Supplier Code of Conduct Principles

### 2.1. Respecting, protecting and enhancing Human Rights

All human beings have the right to be respected and treated with dignity, regardless of their race, gender, sexual orientation, language, religion, political or other opinion, national or social origin. Suppliers must undertake to respect, protect and enhance human rights by exhibiting the following behaviours.

### 2.1.1. Avoid forced labour and child labour

All human beings have the right to work in freedom, and of their own free will, in accordance with the current legislation.

Suppliers must not participate in, or benefit from, any form of forced labour – which is work performed involuntarily under threat of penalty. Forced labour includes bonded labour, debt bondage, forced prison labour, slavery, servitude or human trafficking.

Suppliers must work to eradicate child labour and must not allow the employment or use of such labour at any of their business centres, when it does not comply with agreements and recommendations of the International Labour Organisation regarding the worst forms of child labour.

The use of legitimate workplace apprenticeships programmes, 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.

### 2.1.2. Preventing harassment, retaliation and bullying

Suppliers shall treat every employee with respect and dignity and shall not subject any employee to intimidation, humiliation, mobbing, false accusation, physical, sexual or racially abusive comments, gestures, materials whether in print, electronic or any other form, psychological or verbal harassment or abuse and any form of bullying. The Supplier should have mechanisms to hear, process, and settle the grievances of workers.

### 2.1.3. Respecting diversity and avoiding discrimination

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 political opinion, trade union membership, age, language, nationality, ethnicity, culture, race, gender, religion, disability, marital status, sexual orientation, health status and disabilities and so forth.

Offering fair and competitive wages/benefits drives employment equity and economic empowerment. The Supplier's compensation, benefit plans, skills development and training and employment related decisions must be based on relevant and objective criteria. The supplier should promote equal opportunity, employment equity and economic empowerment and provide a living wage which enables workers to meet their basic needs and that of their dependents. Workers should be granted paid holiday and sick leave each year as well as parental leave for the care of a new-born or newly adopted child.

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 ILO (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 ILO (International Labour Organisation) standard.

#### 2.1.4. Respecting freedom of association and rights to collective bargaining

Our Suppliers must maintain their employees' right to trade union and collective bargaining, respecting their freedom to join trade unions and the right to bargain collectively. 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 law prohibits the right to unionize and bargain collectively, or where only state-controlled organizations are allowed, the Supplier should ensure that other forms of worker meetings and representation are allowed.

In addition, the supplier must take measures to ensure open channels of communication and negotiation between management and employees concerning all work related issues.

#### 2.1.5. Offering a safe and healthy working environment and conditions

The Supplier is expected to place the necessary emphasis on safety, health and environment. It must provide safe and healthy working conditions for workers. This includes the following:

- Providing safe, suitable and sanitary work facilities and supplying its workers with the protective equipment and training necessary to perform their tasks safely.
- Prevent alcohol, **drug and other controlled substances abuse. The supplier should ensure that all its employees do not** conduct business with Sasol whilst under the influence of alcohol, drugs and other controlled substances. Suppliers that do business with Sasol should not distribute, manufacture, possess or use drugs or alcohol in an unlawful or unauthorized manner in any way connected to Sasol. Suppliers should have measures to detect and prevent alcohol, drugs and other substance abuse. Sasol is allowed to test any person who wants access to our workplaces for intoxication. If they refuse to be tested, or if we discover they are intoxicated, we will deny them entry.

#### 2.1.6. Protecting the Environment and respect the rights of local communities

The Supplier is expected to conduct its operations in a manner that minimizes its impact on natural resources and protects the environment.

The Supplier shall comply with all applicable environmental laws, regulations and standards. All required environmental permits and registrations are to be kept current.

All hazardous materials and chemicals, including waste water and solid waste, must be disposed of using environmentally responsible practices.

#### 2.1.7. Avoiding Conflicts of Interest including giving and receiving of gifts, entertainment and hospitality

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.

With respect to suppliers, a conflict of interest may arise if a supplier has a personal relationship such as a family relationship, a business/commercial/financial relationship, a romantic/sexual relationship with Sasol employee who can influence the award of a business tender to the supplier or if the supplier works for another Sasol supplier, customer or competitor.

Suppliers must disclose actual or potential conflicts of interest and discuss them with Sasol's management. Any transaction that is approved, despite the actual or potential conflict, must be documented and communicated to Sasol.

#### 2.1.8. Gifts, entertainment and hospitality

The Supplier is prohibited from giving Sasol employees any gifts, entertainment and hospitality where there is a possibility of creating a conflict of interest. Gifts, entertainment or hospitality must be customary and proper under the circumstances and no obligation must be created.

The suppliers must have a process in place for managing the risk associated with the giving and receiving of gifts, entertainment and hospitality. As a minimum the suppliers should avoid the following situations with respect to gifts, entertainment and hospitality:

- Avoid expectations of reciprocity
- Never offer or receive gifts, entertainment, travel benefits or hospitality from people (including their partners, family members or close friends) engaged in a tender, competitive bidding, commercial negotiation or selling process
- Never accept or give cash or cash equivalents like shares, vouchers and gift cards
- Avoid the offering of gifts, entertainment, travel benefits or hospitality to public officials unless it is lawful, reasonable and directly related to business activities
- Any gift or entertainment that would constitute a contravention of any law

In addition, the supplier should have a process in place to declare all gifts, entertainment and hospitality offered or received that could be perceived to create a conflict of interest or are of significant value (US\$ 100).

#### 2.2. Providing accurate and complete information on quality and safety of products and services

The Supplier must protect against defects 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 likely to be affected by the defective product.

Suppliers involved in any aspect of developing, handling, packaging or storing our 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 including intellectual property laws
- Report issues that could negatively affect the quality or perception of products
- Deliver what is promised to customers and to keep commitments to customers
- Not use social media to embarrass Sasol or to harm the company's reputation

### 2.3. Accurate record keeping

The Supplier must keep accurate records of its business activities and products and is expected to:

- cooperate with any legal requests for information
- provide truthful and complete information with respect to product claims or attributes, financial information and non-financial information
- promote cybersecurity and not be involved in cybercrimes

### 2.4. Legal Compliance

The supplier must ensure the ongoing compliance with all applicable regulatory and legislative requirements. Key among these are the following:

#### 2.4.1. Anti-Bribery and Corruption and Money Laundering

The supplier shall put measures in place to guard against bribery, corruption, fraud, money laundering and terrorism.

The Supplier shall comply with international and local anti-bribery and corruption laws and regulations. This includes offering, giving, promising, requesting, agreeing to receive or accepting a benefit from anyone with the intention of receiving an unfair advantage, even if it is via a third-party.

In particular the Supplier will, during the existence of the contractual relationship with Sasol, not offer, or authorize 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. any person holding a legislative, administrative or judicial office) or any political party or political party official, where such payment, gift, promise or advantage would violate the applicable anti-bribery standards.

Facilitation payments, bribes, kickbacks, and similar payments are strictly prohibited. This applies even when local laws may permit such activity.

Suppliers must, as far as it is linked to its relationship with Sasol, keep proper accounting records of all payments (including any gifts, meals, entertainment, hospitality or anything else of value) made or received on behalf of Sasol.

Money laundering is prohibited. This include trying to hide where unlawful money comes from and where it goes and anyone who has an interest in hiding this information and any money that finances terrorism.

#### 2.4.2. Fair competition and antitrust

Sasol is firmly committed to free and competitive enterprise. Suppliers, agents or other individuals representing Sasol are expected to comply with all applicable antitrust and competition laws and regulations. Suppliers who are also competitors of Sasol shall not solicit any of Sasol's competitively sensitive information.

### 2.4.3. Trade sanctions

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 person or entities as referred to in the aforesaid sanction laws and regulations.

### 2.4.4. Protecting confidential information and intellectual property

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 confidentiality or non-disclosure agreement and must comply with their obligation not to disclose the confidential information, not use the information except as permitted by the agreement, and to protect the 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.
- Suppliers must protect personal information and ensure confidentiality and privacy rights of workers are respected by the Supplier when it gathers private information or implements monitoring practices.

## 3. 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 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 cancellation of orders, discontinued services or termination of the business relationship.

## 4. Report violations

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

Suppliers must provide reasonable assistance to any investigation by Sasol of a violation of this 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.

## 5. Penalties for non-compliance

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 violate this Code. Sasol also reserves the right to terminate its business relationship with Suppliers who 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 this Code.

## 6. Acceptance of the Code of Conduct for Suppliers

In the present and future commercial relations between Sasol and its Suppliers, the supplier will be requested to accept and sign a written commitment to the principles provided in this Code of Conduct.



The background of the page features a faint, light-colored molecular structure composed of spheres connected by lines, resembling a chemical network or a complex molecule. The spheres vary in size and are connected by thin, light-colored lines, creating a subtle, scientific aesthetic.

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