



POLICY STATEMENT

FINANCIAL MANAGEMENT

REF NO. FIN-POL-008 V1.0

PROCUREMENT AND SUPPLY CHAIN POLICY

WSP is committed to a policy of procurement and supply chain management that embodies the principles of safety, quality and business excellence.

All suppliers are required to conform to our principles, which are outlined in WSP's Working with Third Parties Policy in conjunction with our Code of Conduct. These policies ensure that procurement procedures for selecting Suppliers and Sub-Contractors are open, fair and transparent.

All supplier purchases will be undertaken in line with agreed procedures, utilising approved suppliers which have been onboarded through our 3rd party onboarding process.

WSP, which is part of WSP Global, endorses this policy by:

- employing effective processes for procurement, risk management and supplier assessment
- sharing the best practice to build on the strengths of WSP and the supplier to optimise the whole supply chain
- not tolerating corrupt practices or the acceptance or payment of bribes, other unauthorised payments or inducements from or to suppliers or potential suppliers
- using contractual terms and conditions that support the implementation of this Policy and reviewing supplier performance in order to ensure compliance
- taking responsibility to ensure payment terms and other conditions are fulfilled
- supporting the use of local workforces and SME's (Small/Medium Enterprises) where practically possible
- contribute to economic empowerment as per the Broad-Based Black Economic Empowerment Act 53 of 2003. Preference are given **to South African legal entities** that are Level 1 – 4 BEE contributors. The Preferential Procurement Guide is annexed hereto.
- engaging with suppliers who have robust health and safety, ethical, environmental, sustainability and gifts & hospitality policies and strong social responsibility
- engaging with supplier who are committed to meeting the principles of anti-bribery, as detailed within the WSP South Africa Gifts, Entertainment and Hospitality Policy, the UK Bribery Act 2010 and the Prevention and Combatting of Corrupt Activities Act 12 of 2004

This policy is reviewed annually and was last reviewed in Janaury 2021.

Mathieu Du Plooy
Managing Director of WSP

Dhiren Singh
Finance Director



PREFERENTIAL PROCUREMENT GUIDE

- 1 In accordance with the Broad-Based Black Economic Empowerment Act (53/2003), the DTI's BBBEE Codes of Good Practice published in Government Gazette No. 36928 of 2013, all businesses are now required to comply with Section 9.1 BBBEE Codes or Section 9.5 Sector Codes (whichever is applicable).
- 2 WSP supports BBBEE as an integral part of its overall business and supplier strategy and as such, is implementing the following policy regarding preferential procurement progressively with respect to all WSP SA suppliers.
- 3 Suppliers shall submit to the Risk and Procurement Manager on an annual basis, a verified and valid BBBEE rating certificate. Preference shall be given to suppliers that are a Level 4 or better.
- 4 If suppliers fail to meet WSP's minimum requirement for Level 4 rating status or fail to provide a valid BBBEE rating certificate, WSP shall:
 - 4.1 Suspend trading and withhold payment to the supplier until such time that a valid BBBEE certificate is provided; or
 - 4.2 Appoint or use where possible an alternative supplier that complies with WSP's requirements until such time that the status or documentation has been rectified.
 - 4.3 If the services provided is of specialised nature and the only vendor available is a Level 5 – 8 or non-compliance contributor, then special authorisation will be required from the Risk & Procurement Manager and the Finance Director.
 - 4.4 An evaluation criterion will include, but not be limited to, the value of spend WSP will have with the vendor for the financial year. Spend in excess of R250 000 for the financial year will automatically disqualify the vendor.
 - 4.5 Exceptions to this guideline can only be approved by the Risk & Procurement Manager and Finance Director.
5. No supplier will be added to the WSP supplier listing without a BBBEE certificate. It is the responsibility of Procurement Team to ensure that the supplier has supplied a valid B-BBEE rating certificate as part of the supplier creation documentation required for vetting and registration on our ERP system.
6. In terms of tenders, the BBBEE weighting may not be reduced or adjusted to less than 30% without the approval of the Finance Director and must form part of all tender evaluations. Suppliers without a valid BBBEE rating certificate shall not be evaluated and may be disqualified from tender participation.