



## SOFT CONTROL INTEGRATION

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### PROCUREMENT POLICY

We aim to develop permanent relationships with a limited number of suppliers who have been screened and selected to supply our materials. We strive to be an important customer to a few suppliers in every category rather than to be an insignificant one for many suppliers. We will however diversify to ensure contingency and constant supply.

When selecting our suppliers, we consider the following particular attributes to be a critical factor to comply to:

Price

Quality

Service

Black empowerment

We give preference to local suppliers, local meaning Gauteng and the immediate vicinity of Middelburg.

For our most crucial materials we are careful to refrain from too small suppliers. We give preference to the most direct line of supply, that means preferring factory to wholesaler as a general rule. We spell out the powers of the procurement officer ruling the extent of his power to bind the company contractually.

We maintain an image of objectivity with our suppliers and we develop mutual trust between them and ourselves by regular, efficient communication.

We control our stock by:

- Regular and on time purchases
- Stock control in house as well as with our suppliers
- A good relationship with our suppliers to maintain consistent and reliable supply

Payments to our suppliers will be made within pre-determined periods.