

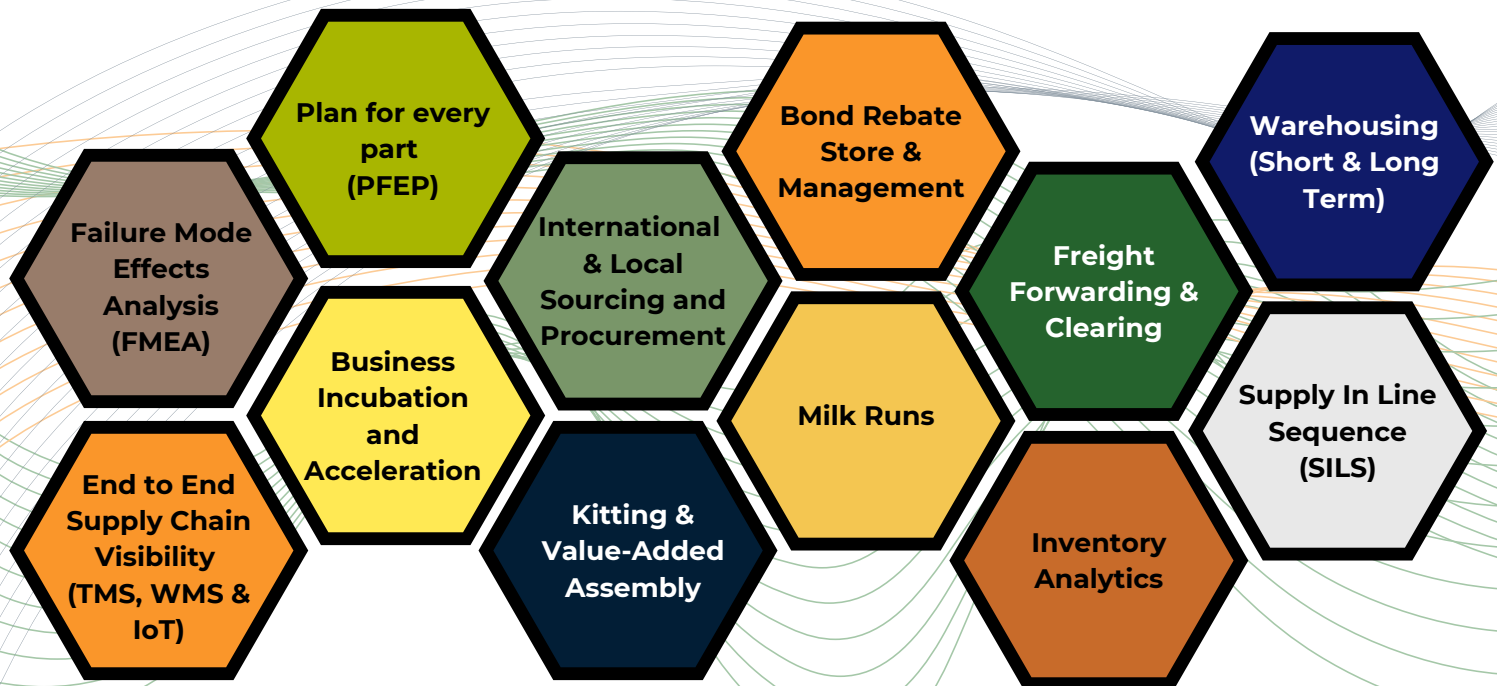
ENGELI SUPPLY CHAIN SOLUTIONS

Procurement, Warehousing, Value Added Assembly and Distribution Service

Time is money! Engeli Supply Chain Solutions (ESCS) has a unique service offering that allows you to focus on your business, reducing the management overhead of your Supply Chain Management.

ESCS can assist your business by taking over the responsibility and management of multiple vendors on your behalf as an outsourced service.

SCOPE OF MULTI-VENDOR FACILITY



KEY BUSINESS PRINCIPLES

CUSTOMER BENEFITS

- Focus on your core business
- Free up working capital
- Free up operational space through offsite warehousing or optimisation of third party (Engeli) managed facility
- Reduce stock redundancy
- Optimised source to line solution (Process Mapping)
- Packaging optimisation to achieve reduced shipping costs

ESCS INVOLVEMENT

- ESCS to take beneficial ownership of sourced products
- ESCS to invest in the required resources and infrastructure to effectively manage your supply chain
- ESCS to derive a market related return on investment
- ESCS to ensure BBEE Compliance (Level 2, 51% Black and 30% Black Woman Owned)

COMMODITY FOCUS



PROCUREMENT IMPACT

By choosing to engage with Engeli Supply Chain Solutions, there will be an organic benefit to the Procurement Outcomes on your B-BBEE Scorecard

In the South African economic landscape, it is highly recommended to measure the impact on the B-BBEE outcomes for any amendments to a Company's supply chain. The Black Ownership Profile of a company's supply chain is as important as the Cost, Quality and Delivery of your Suppliers

Example for illustrative purposes - Multi-National Company (TMPS = R1,2 Billion; Value of Procured Commodity = R133 million)

Preferential Procurement 2013 General Generic Amanded Codes	Points Allocated	Target	BEFORE ESCS SOLUTION		AFTER ESCS SOLUTION	
			Actual	Points Scored	Points Scored	Improvement %
B-BBEE Spend from all Empowering Suppliers	5	80%	75.79%	4.74	5	5.56%
B-BBEE Spend from QSE Suppliers	3	15%	0.22%	0.04	0.04	0.00%
B-BBEE Spend from EME Suppliers	4	15%	1.55%	0.41	4	868.48%
B-BBEE Spend from 51% Black Owned Suppliers	11	50%	2.17%	0.48	5.05	956.53%
B-BBEE Spend from 30% Black Woman Owned Suppliers	4	12%	0.60%	0.2	4	1916.02%
Bonus Points - B-BBEE Spend from 51% Black Designated Group Suppliers	2	2%	0.33%	0.33	0.33	0.00%
TOTAL POINTS AWARDED	29			6.2	18.42	1.97

Before engaging ESCS, scoring for Procurement was 6.2 (below the 40% sub-minimum of 10.8) and resulted in the Measured Entity being penalised and dropping one B-BBEE level

After implementation of the ESCS Model, the Measured Entity had an improved Procurement Score of 197%

The Measured Entity can now plan around a finite procurement score in order to optimise required points in other B-BBEE elements.

**Want to find out how your company can benefit from this solution?
Get in touch with one of our expert consultants!**