



## Media Statement

### **DP World and Makwande Supply & Distribution win the bid for bp Southern Africa's secondary transport operations.**

**Johannesburg, South Africa, 3 April 2024** - bp Southern Africa (bpSA) has entered into an agreement with two logistics companies – DP World and Makwande Supply & Distribution – to take over its secondary transport business.

“The outsourcing decision is aligned to the bp strategy of outsourcing highly specialised, important but non-core functions, as we transform from an International Oil Company to an Integrated Energy Company with a streamlined vision. Most importantly, this is a continuation of our laser focus on contributing meaningfully to the transformation of the industry,” says bpSA CEO Taelo Mojapelo.

Both companies are aligned to bpSA's transformation agenda. Makwande, which is 100% owned by black women, is a Level 1 B-BBEE contributor, while DP World's South African business is a Level 2 contributor.

DP World will be operating from Alrode (Alberton), Pretoria, Rustenburg and Cape Town depots, and Makwande will be operating from Durban, East London, Gqeberha and Rocky's Drift (White River) depots.

In terms of the agreement, a total of 226 bpSA employees will move to DP World and Makwande.

“We thought long and hard about this move because of the impact it would have on our colleagues, who have been an integral part of the business,” Mojapelo says. “We took great care and collaborated with labour unions to find the most feasible solution that would ensure we secured jobs for all impacted employees.

“In South Africa, we are among the last of the major industry players to operate an in-house secondary transport operation, and the rest of the global bp business also outsources its transport operations,” she added. “Outsourcing the secondary transport business to specialist entities helps improve our operating standards and efficiency, as third-party specialists have the depth and capacity to invest in world-class technologies, driver training and effective monitoring mechanisms.”

Makwande is not new to bpSA, having benefited in 2016 from bp's enterprise development program. “We subsequently supported bp's secondary transport business, which helped us to become more viable,” says Nona Chili, Makwande CEO. “This next stage of our relationship with bpSA is an exciting one for us, especially given how rigorous the selection process was. We are committed to creating value for bpSA as we continue to grow Makwande and further uplift communities through more job creation.”

“Underscored by our shared commitment to delivering long-term solutions and innovation, this partnership will reap the benefits of combining bpSA's established customer networks with our expertise in providing value-adding logistics solutions,” says Mark Rylance, Chief Operating Officer: Logistics for DP World in sub-Saharan Africa. “I look forward to this partnership unlocking new opportunities for growth and success for both organizations.”

“We have confidence in the calibre of partners we have selected and look forward to productive and mutually beneficial working relationships into the future,” says Mojapelo.