



# Purposeful procurement

The SARB’s procurement strategy is designed to ensure the timely delivery of goods and services in a manner that is fair, equitable, transparent, competitive and cost-effective.

The Procurement Division is responsible for ensuring that all procurement activities adhere to the SARB Group Procurement and Supplier Management Policy and the procurement strategy.

Procurement Committee (PC) approval is required for all transactions exceeding R10 million, while transactions above R65 million are approved by the GEC.

The PC provides governance and oversight over procurement processes. The committee consists of 10 senior employees and is chaired by the COO.

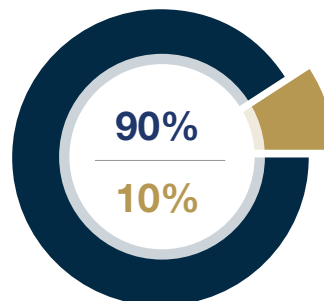
Although the SARB is not governed by the Public Finance Management Act 1 of 1999 (PFMA) and the Preferential Procurement Policy Framework Act 5 of 2000 (PPFFA), it adheres to preferential procurement principles. The SARB has incorporated specific elements of the PPFFA and implemented a three-year B-BBEE strategy to enhance spending with eligible suppliers. This strategy uses the B-BBEE Generic Codes of Good Practice scorecard, under which the SARB achieved 24.93 out of a possible 29 for B-BBEE-recognised spend.

## Spending

Supplier spend for the 2025/26 financial year totalled R5.2 billion. This figure excludes municipal rates and taxes, electricity and intercompany spend, as these items do not follow competitive procurement process. The top 20 suppliers accounted for 49% of the total spend.

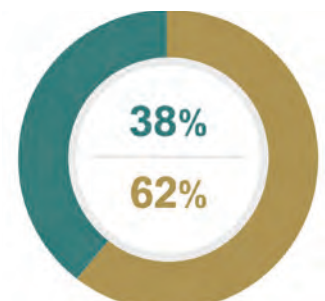
- The majority – or 90% – of total third-party spend was with local suppliers, while 10% was directed to foreign suppliers.
- The breakdown between operational expenditure and capital expenditure was 62% and 38% respectively.

**Local spend**  
**R4.7 billion**  
 2024/25 R5.6 billion



**Foreign spend**  
**R0.5 billion**  
 2024/25 R0.6 billion

**Spend: CAPEX**  
**R2 billion**  
 2024/25 R3 billion



**Spend: OPEX**  
**R3.2 billion**  
 2024/25 R3.2 billion

**SARB's score based on the B-BBEE Generic Codes of Good Practice scorecard**

Category of spend	Maximum points that can be achieved	SARB score achieved in the past FY
<b>B-BBEE recognised spend</b>	5	5
<b>Black-owned</b> (spend with entities in which black people hold more than 51% of the exercisable voting rights and economic interest)	11	11
<b>Black women-owned</b> (spend with entities in which black women hold more than 30% of the exercisable voting rights and economic interest)	4	4
<b>Qualifying small enterprise</b> (spend with entities with revenue between R10 million and R50 million)	3	2.02
<b>Exempted micro enterprise</b> (spend with entities with revenue <R10 million)	4	0.91
<b>Black designated group</b> (spend with entities in which designated groups hold more than 51% of the exercisable voting rights and economic interest)	2	2
<b>Weighted score out of 29 points</b>	<b>29</b>	<b>24.93</b>

**29** Number of strategic suppliers on the SRM Programme

Strategic supplier relationship management (SRM) is essential for the SARB, as most of our spending is directed towards meeting critical supply requirements through strategic partnerships. This approach ensures continuous service delivery, drives cost efficiencies, mitigates risk exposure and presents innovative solutions to challenges. All interactions with suppliers are conducted ethically and transparently, in line with good governance and compliance with relevant policies and procedures, with supplier relationships being closely managed for performance.

**67%**

**Average supplier performance score (which means suppliers are delivering according to expectations)**

