

ANNEXURE A

STRATEGY FACILITATION SCOPE OF WORK

1. INTRODUCTION

CEF (SOC) Ltd is the holding company for a number of subsidiaries, which make up the CEF Group of companies. All of these subsidiaries operate in the energy sector with commercial, strategic, regulatory and developmental roles. As the parent company for the Group, and as a strategic investor, CEF (SOC) Ltd.'s focus is to provide an oversight, strategic direction and guidance role as a holding company to its subsidiaries in terms of growth, commercial viability, sustainability, synergy optimisation, developmental objectives, governance and overall business performance improvement.

The Mandate of CEF SOC is derived from the CEF Act (No 38 of 1977) and its articles. **The mandate is in essence to contribute to the security of energy supply** for the country. This is the overarching mandate for all CEF Group entities, as they are subsidiaries.

The **vision** is to be a leading diversified energy company that provides sustainable energy solutions for Southern Africa. This way CEF contributes to national energy security.

The **mission** is to grow our footprint in the energy sector, to be the catalyst for economic growth and energy poverty alleviation through security of supply, and access to acceptable affordable energy in Southern Africa.

As part of South Africa's broader strategic vision, CEF plays a pivotal role in regional energy expansion by investing in critical energy infrastructure and fostering economic resilience. Cross-border infrastructure projects, including gas pipelines and power transmission networks, are being developed to strengthen energy security and facilitate trade with neighboring countries. In addition, CEF's investments in Mozambique LNG, hydrogen initiatives, and refining capacity enhancements support the reduction of energy import reliance and bolster self-sufficiency in the region.

Through these efforts, CEF aims to modernise refining capacity, increase domestic energy production, and support regional economic growth. These initiatives not only enhance Africa's long-term energy security but also position South Africa as a leading driver of innovation and industrialisation in the continent's energy landscape.

Thus, the **strategic role** of the CEF Group is to search for appropriate energy solutions to meet the **current and future energy needs** of South Africa, the Southern African

Development Community and the Sub-Saharan African region, including oil, gas, electrical power, solar energy, low-smoke fuels, biomass, wind and other renewable energy sources. Entities that make up the CEF Group include:

Entity	Business Focus	Location
CEF SOC Ltd "CEF"	Holding company with an integrated energy investment focus	Sandton, Johannesburg
The Petroleum Oil and Gas Corporation of South Africa "PetroSA"	Oil and Gas, National Oil Company. The current focus of PetroSA is to turnaround ailing assets so that they can be incorporated into the SA NPC as part of the merger.	Cape Town and Mosselbay
The Strategic Fuel Fund Association "SFF"	Strategic stock and pollution control	Cape Town
Petroleum Agency SA "PASA"	Promotion, Licensing and Regulating the exploration and production of the country's natural oil and gas resources.	Cape Town
African Exploration Mining and Finance Corporation "AEMFC"	Mining and supply of Coal.	Waterfall, Johannesburg
The South African Gas Development Company "iGas"	Gas and Gas infrastructure.	Sandton, Johannesburg
The South African National Petroleum Company "SANPC"	Southern African energy champion supporting the region's energy needs, energy security and just transition.	Waterfall, Johannesburg The SA NPC is recently launched during Q1 of FY 2025/26.
Energy Projects Division "EPD"	Clean and Renewable Energy.	Sandton, Johannesburg

Entity	Business Focus	Location
SA NPC Refinery (Acquired during 2024/25 FY)	Currently, the focus the wheeling of both finished product and crude. The refinery is newly acquired, and its future is envisaged to include full-fledged refinery operations, and wheeling,	Durban, KZN
CEF Carbon (Was under construction, but started operation during Q3 of FY 2024/ 25)	Clean energy generation. CEF is a shareholder of this valuable operating asset, but with no operational responsibility.	Postmasburg, Northern Cape

NB: The parent company CEF SOC is currently supporting the operationalization of the SANPC, through the lease and assign model of the merger. Additionally, CEF SOC is leading the conclusion of outstanding activities that will lead to conclusion of the merger for the legacy entities iGAS, PetroSA, and SFF. Concurrently, CEF SOC needs to reposition itself in the industry to unlock further value. This will be informed by the CEF Act, the mandate of the shareholder, and current Group strategic emphasis on **Scaling up for Growth**.

2. BACKGROUND

The purpose of this tender is to source the services of a strategy-facilitation service provider. This company with extensive knowledge will facilitate the development of strategies and corporate plans for CEF SOC and its subsidiaries, for the period from August 2025 to March 2028 inclusive. **It is necessarily expected that the service provider has experience with refinery operations, refinery refurbishment, upstream-midstream-downstream linkages, new business development in the energy sector, new venture creation, and post-merger integration support.** The actual deliverable is the facilitation of strategy sessions, and the positioning of identified strategies for effective implementation in line with the value proposition of each entity, respective mandates, and the parenting strategy of CEF SOC. Thus, the service provider will easily conduce the delivery of respective mandates for each entity and unlock synergies. The broad activities include:

- Facilitate the CEF Board strategy review session during August / Sept 2025. This will set the tone for subsequent entity strategy sessions within the planning cycle to February 2026, by informing planning instructions for respective entities.
- Facilitate the crafting of the Group strategy.
- Facilitate individual entity strategy review sessions, be they board sessions, or EXCO sessions.
- **Provide guidance to keep the turnaround-plan for PetroSA on track and improve the delivery timelines.** PetroSA is an oil and gas entity of CEF that needs turnaround, for reasons articulated later in this scope of work.
- **Conduct a KPI masterclass** to ensure that corporate KPIs for the various entities, as reflected in respective scorecards, are SMART, and focused on the achievement of Key Results.
- Guide the development of organizational scorecards.
- Share **overview of industry trends, as foundation for strategy review at each review-session** to inform strategy, this ensures that the corporate planning assumptions are grounded in the environmental reality.
- Share **updated planning assumptions** such as emerging industry risks, inflation rates, GDP growth rates, ZAR/USD exchange rates, crude oil prices, LNG prices and projections to inform the formulation of strategies and the understanding of planning scenarios.
- **Guide the development of entity operational plans.** Such operational plans will seek to expand on **only** the first-year deliverables, with emphasis on execution, and position such deliverables for quarterly progress monitoring, monthly directional discussion, and for effective cascading of deliverables. This informs the individual contracting for employees and ensures that employee effort is aligned to corporate goals.

Advisory resources available under this tender will assist the CEF Group by providing an integrated strategy facilitation service for each of the successive years, and by empowering CEF teams to own the execution of identified strategies.

The solution must empower CEF teams to easily deal with the imperative of ownership and effective execution.

The Service provider is expected to implement the facilitation process adequately and creatively for the CEF Group. The facilitation will take place mostly in Johannesburg, and Cape Town.

This across-the-Group facilitation of strategy will ease the collation and integration of strategies, draw on Group synergies, SOE-sectoral synergies, and address cross-cutting themes within the Group.

3. GENERAL REQUIREMENTS

The expected benefits of the services provided to the CEF Group under this agreement/tender will be based on the ability of the service provider to **facilitate the review and development** of CEF entities' strategies and consolidated Group

strategies. In light of the global and local business, environmental, social, technological, political current complexities, the CEF Group strategic trajectory requires coordinated calibration to take into effect both the internal and external core drivers. The recent Group strategic reviews have identified some of our key drivers as falling into the categories of Security of supply, Energy transition, financial independence, SANPC enablement, National economic development, Governance, and Strategic partnerships. It is therefore imperative that the CEF Group strategies, their implementation, supporting processes, and resourcing be aligned to the internal and external shifts currently taking place in our operating environment. This process also allows for an easy review of our planning assumptions whenever these are tested by environmental dynamics.

To enable more effective execution of the CEF mandate and the articulation of the Group mission and vision, the following imperatives will need to be in play:

- Clearly defined and relevant strategies for each entity, resulting in focused corporate plans that articulate our short, medium, and long-term strategic and operational initiatives.
- Insights of the external dynamics in the energy sector, and in the larger economy, including global megatrends (climate change, geopolitics, technological developments, policy shifts).
- Alignment of entities' mandates / strategies to the Group parenting strategy, and to the shareholder imperatives.
- Seamless integration to the operationalization of the SANPC through the merger of the three CEF entities iGAS, PetroSA, and SFF. This entails effective addressing of the issues created by the merger, and the integration imperative.
- Effective integration of entity strategies, resulting in increased efficiency and synergy optimization for the achievement of corporate initiatives.
- Collective engagement to support Group collaboration and the strengthening of our value proposition.
- Imperative for driving the Group growth agenda and long-term financial sustainability.
- Review of initiatives for each strategic theme to ensure ease of execution, alignment to relevant strategies, and the measurement for progress with each.
- **Make input to the review of the risks and the risk management process** to improve maturity management level, articulation of the Group risk appetite, and identification of emerging risks.
- Support of the delivery of Group objectives, by cascading of the Group and subsidiary scorecards.
- Improved ability to tap onto the supporting processes of budgeting, procurement, project execution, business development, legal management, merger support, internal audit, and board governance.
- Position the Group strategies for support with digital processes and systems.

4. CURRENT STRATEGY MANAGEMENT LANDSCAPE

- The CEF SOC as the holding company owns and executes a five-year strategy that articulates the parenting approach, and the various roles of respective subsidiaries. This strategy is adaptive and geared for growth. The strategy has three phases of **Reset**, **Scaling up for Growth**, and **Sustaining** the Growth trajectory. The current phase is that of scaling up for growth across the Group.
- The CEF Board review the Group strategy from which the Board shares planning instructions to subsidiaries. These planning instructions impose Group-wide alignment and the leverage of synergies.
- The strategy is underpinned by five pillars of Commercial sustainability, Strategy & Long-term Growth, Operational Excellence, Integration & Turnaround, and Human Performance & Organizational Alignment.
- An alignment process of all the Group corporate plans is undertaken including the formulation of strategic initiatives.
- The Group strategy review process which starts in August (2025) produces the Group and subsidiary corporate plans and scorecards which are approved during February (2026).
- The CEF Group has adopted the Objectives and Key Results (OKR) methodology to guide the delivery and measurement of strategic initiatives, key projects, and the supporting constructs.
- In accordance with the OKR-methodology for monitoring progress on initiatives, the Group initiatives are monitored on a monthly basis. The current process is manual and therefore cumbersome. However, a business system is newly acquired, and this is being operationalized.
- As a result of the depletion of the gas feedstock, and the GTL refinery being put on care and maintenance, PetroSA requires to develop a pragmatic plan to conserve cash, gear for sustainability, and is in urgent need of turnaround to address changes in its operating model.
- Effective from May 2025, three CEF Entities iGAS, SFF, and PetroSA are merged to form the South African National Petroleum Company (SA NPC). This future giant is envisaged to grow its footprint, and influence in the national oil and gas sector. The merger archetype employed is the lease-and-assign, which archetype is most suitable to the current circumstances where some legislative and commercial sustainability impediments are still being resolved for SFF, PetroSA, and iGAS.
- After conclusion of the corporate planning process and the submission of corporate plans to the National Treasury (NT) and the Department of Mineral and Petroleum Resources (DMPR) by end of February 2026, operational plans are compiled, during the month of March 2026. This is a way to create a sharp focus on the deliverables for the immediate year, and for effective cascading of the work. This cycle is repeated during the next FYs, namely 2026/27 and 2027/2028.
- Governance processes such as for legal management, internal audit, enterprise risk management, and board governance have all experienced a

steep improvement in recent years. But they are all still rather manual and could benefit to varying degrees from automation and digitization;

- The parent company is in the process of rolling out an automated business performance management system to improve reporting and accountability. This system is underpinned by the approved corporate plan.

5. SCOPE OF SERVICES

This tender is designed to source consulting services to implement strategy development / facilitation services for the CEF Group (and subsidiaries) under the overall management of the Group CEO and the CEF SOC Group Executive for Strategy and Subsidiary Management services and support of the corporate planning process. This scope of work will be carried in corresponding periods of the three FYs 2025/26, 2026/27, and 2027/28.

The scope of work is split into three core areas

- 5.1 Strategic Planning and Facilitation.
- 5.2 Support the development of the stabilization and turnaround plan for PetroSA.
- 5.3 Ease the post-merger integration of three CEF entities.
- 5.4 KPI workshops

5.1 Strategic Planning Facilitation

This packet of work entails the preparation and facilitation of the strategy review sessions across the Group, starting with the CEF Group Board strategy session. Subsequent to this main Board strategy session, the planning instructions will be compiled that inform the strategy review of the various subsidiaries. The strategy review is informed by the various inputs from the shareholder (DMPR Department of Mineral and Petroleum Resources), the Group objectives, the environmental scans and regulatory prescripts, among others. The key output is content that informs the selection of strategic objectives in the various corporate plans, including the initiatives, the resourcing and the positioning for execution management for such corporate plans.

Strategic Planning Process Flow

Process	Input	Source	Activity	Output
Strategic Planning	- Shareholder objectives - CEF Act - National Development Plan - Presidential 7-point plan	- CEF SOC and Its subsidiaries - Departments within CEF SOC - Shareholder	- Conducting of the strategy review sessions - Alignment and Prioritization of subsidiaries and group draft corporate plans, including scorecards.	Updated corporate plans with strategic themes and initiatives.

Process	Input	Source	Activity	Output
	- IRP 2019 - IEP - Shareholder Compact - Input corporate Plan. - Entities' inputs - Environmental scans - Various policies regulating the energy space in South Africa.		- Finalization of Corporate plans at a Strategy Workshop - Approval of Corporate plans by entities boards and CEF board - Finalization of consolidated group Corporate Plan - Share draft corporate plans with DMPR for shareholder input by November 2025 - Share draft Group corporate plans at the DMPR strategy sessions in the middle of December 2025	- Updated Group and subsidiaries corporate strategies - Group and subsidiaries scorecards. - Shareholder Compact - Input for Risk Plan - External environment analysis and impact on the Group. (Strategic opportunities and areas of collaboration)

5.2 Review the stabilization and turnaround plan for PetroSA

Process	Input	Source	Activity	Output
Strategic Planning	- Shareholder objectives - CEF Act - National Development Plan	- CEF SOC and - PetroSA	- Review of the PetroSA strategy to ensure strong accentuation towards turnaround - Expert input from Service Provider to rejig - The finances, strategy, supplier relationships, customer	- Fresh and effective PetroSA turnaround plan - Strengthened focus on the strategic
Turnaround Planning Process (from	Presidential 7-point plan			

Process	Input	Source	Activity	Output
Service Provider)	- PetroSA updated strategy - PetroSA risk plan - Environmental scans		relationships, people, internal processes. Identify practical, and meaningful milestones for the turnaround. 3. Expert input from previous turnarounds to ensure optimal business integration while driving the re-instatement of the refinery	initiatives / activities that move the dial.

5.3 Ease the Post-Merger Integration for the three CEF Entities

Process	Input	Source	Activity	Output
Strategic Planning Turnaround Planning Process (from Service Provider)	- Shareholder objectives - CEF Act - National Development Plan - Presidential 7-point plan - SANPC, PetroSA, SFF, & iGAS corporate plans - SANPC, PetroSA, SFF, & iGAS risk plans. - SANPC Memorandum of Incorporation (MOI) - Environmental scans - Corporate culture for the three input entities, especially SFF and PetroSA.	- CEF SOC and - PetroSA - SFF - iGAS - SANPC	- Identify ways to speed up the post-merger integration, and smooth sailing of the SANPC - Expert input from Service Provider to rejig - The finances, strategy, supplier relationships, customer relationships, people, internal processes, and ways of engaging the larger oil and gas market. - Identify practical, and meaningful milestones for concluding the integration. - Expert input from previous post-merger integration interventions to ensure optimal business integration	- Specific documents for easing of the post-merger integration. These include: - Input to the risk plans of SANPC, PetroSA, and SFF. - Corporate culture guidance for a thriving SANPC

Process	Input	Source	Activity	Output
			while positioning the SANPC for rapid growth.	

5.4 Facilitation of Scorecard / KPI workshops

The scorecard workshops are held with the primary objective of easing the measurement of performance against predetermined objectives. With the entity strategic objectives, and environmental scans as input, the process delivers the objectives to be measured, clarifies the measurement process, and clarifies the ownership. Thus, the final output is achieved, which is the various scorecards with their SMART KPIs, and. In the subsequent year, the KPIs are utilized as tools to improve and make progress with execution of identified strategic initiatives.

Process	Input	Source	Activity	Output
KPI / Scorecard workshop	Draft scorecard as informed by the emerging strategies and corporate plans	Updated corporate plans	- Rationalize the KPIs on respective corporate scorecards on a Pareto-basis - Tighten the KPIs and Targets in line with SMART principles	- Scorecards that reflect the delivery capability and the ambition of Group entities. - Scorecards and KPIs that conform to SMART principles.

6 Non-Functional Requirements

- The facilitation work should be efficiently executed and keep delivery timelines.
- Guaranteed confidentiality.

G. Service level agreement for the period from August 2025 to March 2028 (Attach copy of draft SLA), allowing for any mopping up work beyond March 2025.

- Monitors and resolve queries.
- Meet delivery timelines.
- Deliver quality of work that will maintain and improve the current competitiveness of CEF SOC Group Entities.
- Support turnaround of PetroSA.

7 SPECIAL CONDITIONS

- Oil, Gas and Mining Experience. Including downstream.
- Turnaround experience in the energy sector.
- Post-merger integration experience.
- Service delivery levels and quality of the work will be a measure of appointment and retention as service provider.
- Fees shall be charged in accordance with the CEF Group Service Level Agreement/Statement of Work and Milestones mentioned herein. The Service Level Agreement/Statement of Work will be drafted after the proposals have been received and considered.
- In line with the CEF Group's developmental objectives, consulting companies may be required to partner with a strategic BEE Partner as part of Supplier Development and Skills transfer.
- The firm shall have at least 10 years' experience in the facilitation and execution-support for business strategies, in the energy sector, covering a combination of at least three of
 - Oil and gas,
 - Gas and Gas infrastructure
 - Coal
 - Renewable Energy
 - Merger and Acquisitions especially post-merger integration
 - Corporate Turnaround
 or in related sectors with a proven record of accomplishment.
- Bidder must have local country-presence in South Africa.
- Proposal must include project methodology and project plan with deliverables and milestones.

8 PROJECT METHODOLOGY

- Bidders are required to submit an agile project methodology demonstrating facilitation of strategy review and drafting of corporate plans.
- Project methodology should include an optimized project plan indicating deliverables with timelines.
- Submit structure or composition of team who'll be working on this project.

- Submit a skills transfer plan. Winning bidder will be required to ensure transfer of skills to in-house business strategy teams or designated teams of CEF.