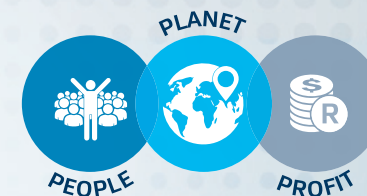




**sasol**



# **SASOL LIMITED** **CLIMATE CHANGE REPORT**

for the year ended 30 June 2021

*Purpose*  
Innovating for a better world

CCR

## About this report

This year, we launch the Future Sasol strategy, our Just Transition plan to achieve a Net Zero greenhouse gas (GHG) emissions ambition by 2050 and our associated emission reduction roadmaps. From a previous target of at least 10% reduction by 2030 on our scope 1 and 2 emissions, off a 2017 baseline, our roadmaps now target a reduction of 30% by 2030.

Sasol's 2021 Climate Change Report is our third report aligned to the Task Force on Climate-related Financial Disclosures (TCFD). We committed to TCFD in 2018. Since then, we have seen numerous benefits, ranging from how we embed climate change management into our strategy to how our stakeholders think about our response. Now our journey is focused on execution and the implementation of our roadmaps to achieve the targets and Net Zero ambition of Future Sasol.

We apply best practice global reporting frameworks and continuously evaluate the applicability of other reporting standards. Our evaluation indicates that the Global Reporting Initiative (GRI), TCFD and United Nations (UN) Sustainable Development Goals (SDGs) and their reporting criteria, cover the spectrum of reporting requirements. Sasol also responds to CDP and our submissions are available online at [www.sasol.com](http://www.sasol.com).

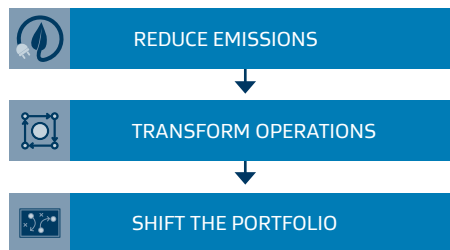
This report should be read in conjunction with our suite of annual reports. In addition, a TCFD index is located at the back of this report to assist with navigation.

Our suite of reports complies with the following reporting standards and frameworks:

The International Integrated Reporting <IR> Framework	<input checked="" type="checkbox"/>
South African Companies Act 71 of 2008, as amended	<input checked="" type="checkbox"/>
Johannesburg Stock Exchange (JSE) Listings Requirements	<input checked="" type="checkbox"/>
King IV™ Report on Corporate Governance for South Africa, 2016	<input checked="" type="checkbox"/>
International Financial Reporting Standards (IFRS)	<input checked="" type="checkbox"/>
GRI	<input checked="" type="checkbox"/>
TCFD	<input checked="" type="checkbox"/>
UN SDGs and reporting criteria	<input checked="" type="checkbox"/>
United States Securities and Exchange Commission (SEC) rules and regulations	<input type="checkbox"/>
Sarbanes-Oxley Act of 2002	<input type="checkbox"/>

Reports  IR  SR  CCR  AFS  20-F

## OUR THREE-PILLAR EMISSION-REDUCTION FRAMEWORK




### Our prioritised SDGs\*

- SDG 8:** Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- SDG 12:** Ensure sustainable consumption and production patterns
- SDG 13:** Take urgent action to combat climate change and its impacts
- SDG 17:** Strengthen the means of implementation and revitalise the global partnership for sustainable development

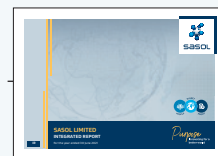
1. Net zero for Sasol is to significantly reduce emissions to the point where only hard-to-abate emissions remain or are zero. Any residual emissions will be neutralised using Carbon Dioxide Removal offsets.  
2. This report only focuses on SDG 13 and 17.

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	<b>DIRECTORS' APPROVAL</b>	
	The Safety, Social and Ethics Committee (SSEC) is responsible for ensuring the integrity of Sasol's climate change reporting. We confirm that the 2021 Climate Change Report addresses all material issues and matters related to our climate change journey, and fairly represents Sasol Limited and all of its direct and indirect subsidiaries (Group) climate change performance. The SSEC, authorised by the Board, approved this report and its publication on 20 September 2021. Signed on behalf of the SSEC.	
		
	<b>Muriel Dube</b> Chair of the SSEC	
	20 September 2021	

## OUR SUITE OF REPORTS

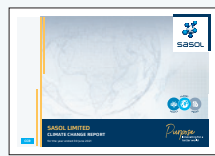
These reports are available on our website, [www.sasol.com](http://www.sasol.com), or on request from Investor Relations. Contact details are on page 52.



**IR**  
**Integrated Report**  
Concise communication about how Sasol's strategy, governance, performance and outlook lead to the preservation and creation of value over the short, medium and long term.



**SR**  
**Sustainability Report**  
Communication about Sasol's environmental, social and governance (ESG) performance.



**CCR**  
**Climate Change Report**  
Information about Sasol's climate change risk management process, response strategy and summary of work underway to address our climate change risks.



**AFS**  
**Annual Financial Statements**  
Contain complete analysis of the Group's financial results, with detailed financial statements, as well as the Remuneration Report and Report of the Audit Committee.



**20-F**  
**Form 20-F**  
Our annual report filed with the United States Securities and Exchange Commission (SEC), pursuant to our New York Stock Exchange listing.

# Our targets and approach at a glance



## SASOL'S JUST TRANSITION APPROACH

### THREE-PILLAR EMISSION-REDUCTION FRAMEWORK

### ADAPTATION RESPONSE

### OUR AMBITION AND TARGETS



#### REDUCE our emissions

- Short to medium term reductions, including switching to low-carbon-intensive energy sources (renewable energy) and additional energy and process efficiency improvements.



#### TRANSFORM our operations

- Integration of cleaner alternative feedstocks, eg gas and green hydrogen.
- Employing new processes and sustainable carbon feedstocks to modify our emissions profile.
- Collaboratively finding opportunities to benefitiate our concentrated carbon dioxide (CO<sub>2</sub>) sources for unlocking broader societal value.



#### SHIFT our portfolio

- Creating sustainable products for new value pools using our Fischer-Tropsch (FT) technology.
- Actively reviewing equity in assets not aligned with our long-term strategy.<sup>1</sup>
- Creating a notable green hydrogen production and market footprint.



#### RESILIENCE to physical weather impacts

- Proactively responding to the physical risks associated with climate change.
- Continuing to take steps to understand and respond to current and projected future weather and climate risk for our business, employees and surrounding communities.

Reduction in scope 1, 2 and 3 GHG emissions to achieve a net zero emissions ambition by 2050 for the Energy and International Chemicals Businesses<sup>3, 4, 5</sup>

Targeting a 30% reduction in absolute scope 1 and 2 emissions by 2030 for the Energy<sup>6</sup> and International Chemicals Businesses

Targeting a 20% reduction in absolute scope 3 emissions by 2030 for Category 11: Use of our sold energy products<sup>7</sup>

1 200 MW renewable energy target for the Energy Business by 2030<sup>8</sup>

100% purchased renewable electricity target for the International Chemicals Business by 2030<sup>9</sup>

GHG targets have been incorporated into our incentive scheme (see page 37).

3. Scope 1 and 2 targets represent 95% of Group scope 1 and 2 emissions.
4. Target includes Energy Business scope 3 Category 11 (>80% of Group scope 3 emissions); scope 3 Category 12 for International Chemicals Business may be relevant for integration into the target once the baseline is finalised.
5. Net Zero targets follow a strict mitigation hierarchy prioritising on-site reduction before offsets.
6. Scope 1 and 2: baseline 2017, excluding National Petroleum Refiners of South Africa (Pty) Ltd (Natref).
7. Scope 3: baseline 2019.
8. Excluding load factor and metric relates to the full Secunda site.
9. Excludes our operations in Nanjing due to lack of clarity on the regulatory landscape. These emissions are considered non-material. Self-generation of electricity is also excluded.



#### 2030 AND 2050 GHG EMISSION-REDUCTION ROADMAPS

- Assess and define interventions to reduce emissions in the short to medium term and transform our operations in the medium to long term.



#### ENABLING INITIATIVES AND PARTNERSHIPS

- Use of appropriate carbon offsetting as a last resort measure to complement our three-pillar emission-reduction framework.
- A Just Transition<sup>2</sup> plan, with prioritised interventions.
- A global network of research, partnerships and community initiatives to accelerate the change.
- Climate change disclosures to communicate with our stakeholders.

### PRIORITISED ACTIONS AND INTENDED OUTCOMES

Implement mitigation projects in line with our committed roadmaps, to significantly reduce our absolute scope 1 and 2 emissions from our Energy and International Chemicals Businesses progressing towards a **NET ZERO EMISSIONS AMBITION BY 2050**

**A Future Sasol, on a net zero emissions basis, operating in a thriving green hydrogen economy in 2050, creating shared value**

Read more on page 10-21, 26 and 27.

Implement mitigation actions to reduce absolute scope 3: Category 11 emissions from our Energy Business products progressing towards a **NET ZERO EMISSIONS AMBITION BY 2050**

**A shifted portfolio producing FT sustainable fuels and chemicals operating in a low-carbon net zero future by 2050**

Read more on page 12, 13, 15 and 22.

Grow **FT SUSTAINABLE SOLUTIONS INTO A BUSINESS** that is contributing to South Africa's **GREEN HYDROGEN** economy by producing sustainable fuels and chemicals

**A successful FT sustainable solutions business that is delivering growing returns**

Read more on page 12 and 22 - 23.

Sign requisite **RENEWABLE ELECTRICITY** Virtual Power Purchase Agreements (VPPAs) and Power Purchase Agreements (PPAs), source **TRANSITION GAS** and develop **GREEN HYDROGEN**

**A foundation laid for green hydrogen at scale in the medium term to decarbonise operations**

Read more on page 11 - 13 and 18.

**REDUCE PHYSICAL VULNERABILITY** to climate change impacts by implementing proactive measures for our people, communities and infrastructure

**A sustainable business, fenceline community and society that is resilient to the impacts of climate change**

Read more on page 26 and 34 - 35.



#### PARTNERSHIPS: BE A CHANGE AGENT FOR CLIMATE CHANGE ACTION

Progress partnerships to unlock technology opportunities and markets. Advocate for progressive and enabling climate change policy cognisant of national circumstances. Report on climate change matters using TCFD.

Read more on page 17 - 18, 38 - 42 and 49.



1. Climate change risks are considered as part of the asset review process and might be pursued to exceed ambition or meet targets.

2. A framework that has been developed by the trade union movement to encompass a range of social interventions needed to secure workers' jobs and livelihoods when economies are shifting to sustainable production, including management of climate change, protecting biodiversity and ending war, among other challenges.



INTRODUCTION

Future Sasol: The global operating context



This year we launch our 2050 net zero<sup>3</sup> emissions ambition ("Net Zero") and Future Sasol strategy, which places us on a trajectory towards a significantly reduced GHG emissions profile. We have plans to deliver significant reductions in scope 1, 2 and 3 (Category 11) emissions by 2030.

Future Sasol is premised on producing sustainable fuels and chemicals, using our proprietary technology and expertise, while contributing to a thriving planet, society and enterprise. This will see Sasol transform and decarbonise, in particular our Secunda and Sasolburg Operations as outlined in our roadmaps.

With this vision in mind, we have:

- significantly increased our 2030 target from at least 10% to 30% for scope 1 and 2 emissions for our Energy Business as we progress towards Net Zero by 2050;
- set a 2030 scope 3 target, aiming for a 20% emission reduction from the use of energy products for our Energy Business as we progress towards Net Zero for these emissions by 2050; and
- set a target to achieve a 30% reduction of scope 1 and 2 emissions by 2030 for our International Chemicals Business as we progress towards Net Zero<sup>4</sup> by 2050.

Sasol's target for a 30% scope 1 and 2 emission reduction by 2030 is in support of accelerated action to curb climate change. We have concrete plans to directly reduce emissions by ~25%, through known, available technologies. With additional improvements in technology, efficiencies in our process and the introduction of lower-carbon feedstocks, we are confident that more reductions are possible. In addition, we are progressing partnerships, seeking to leverage technology and market development opportunities, and have a capital allocation framework in place that facilitates the transition to a low-carbon future, while preserving value. We are executing against our targets and will continue to keep our stakeholders updated on our progress in future reports.

Climate change is a defining challenge of our time, with impacts threatening our critical ecosystems, habitats and resources. Sasol supports the Paris Agreement and its calls for higher ambition. We have deepened our commitment to this cause through our updated and newly-developed roadmaps, targets and ambition for the short, medium and long term.

Global GHG emissions must halve by 2030 and reach net zero carbon dioxide emissions (CO<sub>2</sub>) by 2050<sup>1</sup>. Countries and companies are required to contribute to meet these global reduction requirements, with differences anticipated in the reduction trajectory and timing depending on national circumstances. In August 2021, the Intergovernmental Panel on Climate Change (IPCC) released its 6<sup>th</sup> Assessment Report (6<sup>th</sup> AR), which confirms that human-induced warming is unequivocal and that if we achieve net zero and stay at net zero, warming will stabilise<sup>2</sup>. Today, the global community is out of sync with this goal given where global emissions are and where they need to be. **THIS REQUIRES CONCERTED EFFORT FROM US ALL TO ACHIEVE THIS GOAL.** Developed and developing countries alike are stepping up their ambitions to do more, faster. In addition, developed countries are required to support developing countries to achieve greater emission reductions.

In September 2020, the South African government approved the establishment of a Presidential Climate Commission (PCC) to coordinate the country's transition. It proposed an increase to the national target for higher emission reductions by 2030. This national ambition will need to be met while addressing poverty, inequality and unemployment, which is at an all-time high in a COVID-impacted environment. An enabling and conducive environment that accelerates climate action is slowly developing. We believe that the PCC will provide the imperative for more directives, such as the recent positive announcement increasing the licence-free threshold for embedded generation to 100 MW. Sasol is steadfast in our commitment to reducing GHG emissions. We believe that the transition to net zero is for and about people, as supported by the International Energy Agency (IEA). The energy transition holds promise for South Africa and Sasol as we pivot away from coal and contribute to a sustainable future.

Sasol's largest GHG emissions originate from our coal-to-liquids (CTL) facility in Secunda, South Africa. To reduce these emissions, we have developed a Just Transition Approach (see page 2) that considers South Africa's national context.

Our decarbonisation strategy is integrated into the fabric of the South African economy. We see opportunities to leverage some of the country's greatest endowments, including wind and sun for energy, Platinum Group Metals, our mining expertise and relatively young population – to successfully transition to a more sustainable energy future. This positions a just transition and potentially unlocks new value chains and economic activity to move South Africa forward.

As an energy champion in the country, we are focusing on unlocking opportunities for a net zero and justly transitioned economy. We are laying the foundation to grow a green hydrogen economy in South Africa and using Sasol's ecoFT business to potentially grow into attractive local and global sustainable fuel and chemical markets. In light of this, achieving Net Zero offers win-win opportunities, whereby mutually beneficial mitigation options are being prioritised for Sasol and South Africa.

Climate change management is central to our strategy. Reducing GHG emissions, transforming our operations and shifting our portfolio to products more suited to a low-carbon world are the cornerstones of our strategic plans. We have explored many routes to decarbonise and create value, integrating technical aspects and socio-economic benefits to deliver the most plausible pathways to achieve Net Zero for our operations by 2050.

Our International Chemicals Business is actively developing products and solutions that meet customer needs in a low-carbon society. Our chemical products positively contribute to sustainability and demonstrate circularity within the value chain. The recent sale of a portion of our Base Chemicals assets in Louisiana, United States to LyondellBasell strengthens our balance sheet and allows us to grow our speciality chemicals focus. Our Ziegler alcohol value chain is a key enabler to help our customers meet consumer demand for sustainable products. In addition, this technology enables our customers' products to work in less energy-intensive applications.

Our strategic outlook takes into account the changing requirements of our stakeholders, the markets in which we operate and our current financial and operating environment. Future Sasol is guided by key SDGs to deliver on our purpose of 'Innovating for a better world'.

We prioritise SDG 13 and 17; taking action to combat climate change and partnerships to help us achieve greater climate ambition, respectively. We also contribute to SDG 7, which includes increasing our share of renewable energy, improvements in energy efficiency and enabling growth of clean energy technologies. We aim to procure 1 200 MW of renewable electricity for our Secunda site by 2030 and 100% purchased renewable electricity in our European and American operations by 2026.

We are excited by the possibilities that come with embracing climate action as an opportunity.

1. Global warming of 1,5°C: an IPCC Special Report on the impacts of global warming of 1,5°C above pre-industrial levels and related global GHG emission pathways, in the context of strengthening the global response to the threat of climate change, sustainable development, and efforts to eradicate poverty (Special Report on 1,5°C).

2. IPCC, 2021: Summary for Policymakers. In: Climate Change 2021: The Physical Science Basis. Contribution of Working Group I to the Sixth Assessment Report of the IPCC.

3. Net zero for Sasol is to significantly reduce emissions to the point where only hard-to-abate emissions remain or are zero. Any residual emissions will be neutralised using Carbon Dioxide Removal offsets.

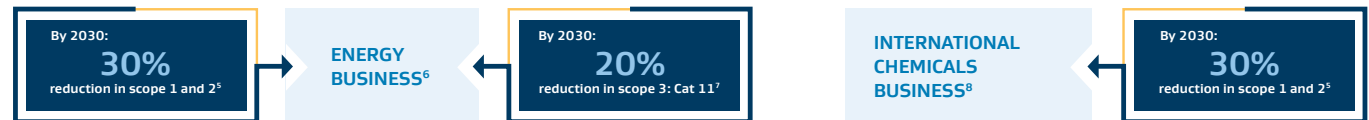
4. Excluding scope 3 emissions.

5. Off a 2017 baseline and excluding Natref.

6. The Chemicals Business operating units situated in Secunda and Sasolburg are integrated into the energy value chain and are therefore included in the Energy Business target.

7. Off a 2019 baseline.

8. Excluding the South African Chemicals operations.



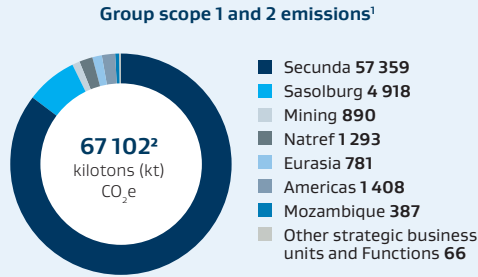


INTRODUCTION

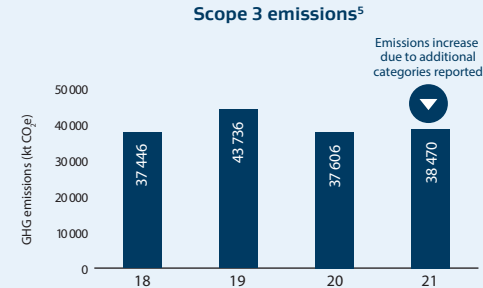
The year in review

Key milestones achieved in 2021

- 1 Committed to a Net Zero ambition by 2050 for scope 1, 2 and 3 (Category 11) emissions for the Energy Business.
- 2 Significantly increased our Energy Business scope 1 and 2 emission reduction target from at least 10% reduction to 30% by 2030.
- 3 Set a new 2030 GHG emission target for our International Chemicals Business to reduce scope 1 and 2 emissions by 30% and committed to Net Zero ambition by 2050 for these emissions.
- 4 Increased our renewable energy procurement drive for the Secunda site from 900 to 1200 MW by 2030.
- 5 Launched our 2030 GHG emission reduction roadmaps for the Energy and Chemicals Businesses and the 2050 roadmap for the Energy Business.
- 6 Procured ~4,3 million tonnes (Mt) allowable carbon credits to offset our South African carbon tax liability.
- 7 Set a 20% scope 3: Category 11 reduction target by 2030 for the Energy Business.
- 8 Entered into three technology and financing partnership to catalyse our ambitions for a South African green hydrogen economy (see page 18).
- 9 Establishing a FT sustainable solutions business: Sasol ecoFT to drive global Power-to-X (PtX) applications.

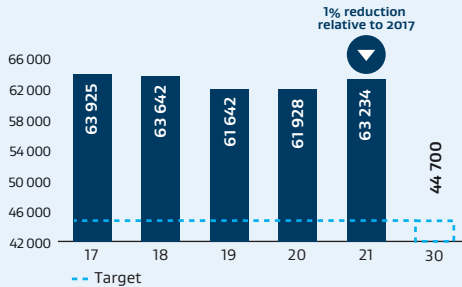


1. GHG emissions have been calculated and reported in accordance with the GHG Protocol (www.ghgprotocol.org) and the IPCC 2006 Guidelines, data breakdown provided on page 45.  
 2. See text in 'Reducing Emissions' below for an explanation of our emissions increase.



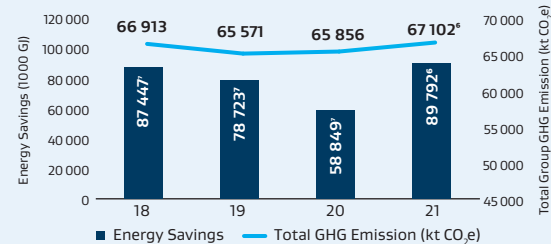
5. See page 32 - 33 for detail on our calculated scope 3 categories.

**South African scope 1 and 2 emissions, excluding Natref<sup>3</sup>**



3. Natref is excluded from our 2030 GHG target. Target setting will be undertaken in consultation with our Joint Venture (JV) partners.  
 4. See page 5 for further detail.

**Group energy savings**



6. See text in 'Reducing Emissions' below for an explanation of our improvements.  
 7. Numbers have been restated due to re-baselining related to asset changes (FT Wax Expansion Project and Lake Charles). Production volumes have been normalised to accommodate for these changes.

Group GHG Performance for 2021

Performance against our targets for 2021

MEASURING PROGRESS AGAINST OUR THREE-PILLAR EMISSION-REDUCTION FRAMEWORK



**Progressing development opportunities and implementing short and medium term reductions.**

- Higher GHG emissions due to more operating days, higher production and no shutdowns (see page 5).
- Reported emission reductions are 1% below the 2017 baseline.
- Increased overall energy efficiency improvements to 22,8% for Group operations, moving closer to our Energy Productivity (EPI100) target of a 30% improvement by 2030. For 2021, the improvement was 8,5% because of an increase in net production volumes and using energy more efficiently.

**Continue to evaluate integration of cleaner alternative feedstocks.**

- Issued a Request for Proposals (RFP) to procure 600 MW of renewable energy by 2025 in partnership with Air Liquide.
- Evaluated the feasibility of using Liquefied Natural Gas (LNG) before 2030.
- Developed plans to convert Secunda Operations to more gas, moving away from coal.
- Advanced four proof-of-concept green hydrogen projects for decarbonisation (see page 13).
- Committed to no investments in new coal mines.

**Driving value creation with low- and lower-carbon businesses.**

- Identified opportunities to reduce absolute scope 3 emissions.
- Started setting up a FT sustainable solutions business.
- Started exploring demonstration of PtX assets with partners.
- Formed a partnership with Linde PLC, ENERTRAG AG and Navitas Holdings (Pty) Ltd (LEN) Consortium to demonstrate production of Sustainable Aviation Fuel (SAF) in Secunda.
- Formed a private-private partnership to explore a green hydrogen mobility ecosystem.

Progress to date

INTRODUCTION

# Deep dive into our 2021 GHG performance

## Explaining our performance

Sasol's GHG emissions increased in 2021, eroding progress made against our target since 2017. At the end of the financial year 2021, our progress stands at 1% from 2017. This is compared to our performance in 2020, when we had achieved a 3% reduction from 2017.

The increase was largely as a result of no shutdowns at our Secunda Operations in 2021. Normal operations involve an annual shutdown of large parts of the plant for maintenance every September.

In 2020 two shutdowns were undertaken, taking advantage of depressed production during COVID-19, which allowed for additional maintenance. As a result, a maintenance shutdown was not required in 2021.

Nonetheless steady gains in efficiencies were achieved in 2021 as we recovered from losses experienced in 2020. This is evidenced by our improved energy efficiency data and less coal and gas usage, while maintaining a higher production output.

### Mitigation actions to date

Since 2017, we have implemented various mitigation projects which continued delivering results in 2021. We also submitted details of these projects to the Department of Forestry, Fisheries and the Environment (DFFE) as part of our mandatory Pollution Prevention Plan for the period 2016 to 2020. They include:

- Steam recovery from internal plants (26 kt CO<sub>2</sub>e reduction from 2017);
- Compressor efficiency optimisation (6 kt CO<sub>2</sub>e reduction from 2018);
- Occasional partial shutdown of power stations 1 and 2 (183 kt CO<sub>2</sub>e reduction from 2020);
- Heat integration utilising waste heat from the gas engines (82 kt CO<sub>2</sub>e reduction from 2016); and
- Energy efficiency improvements (362 kt CO<sub>2</sub>e reduction from 2017).

Our Sasolburg Operations achieved further reductions compared to 2020. These reductions were however somewhat overshadowed by the higher emissions at our Secunda facility.

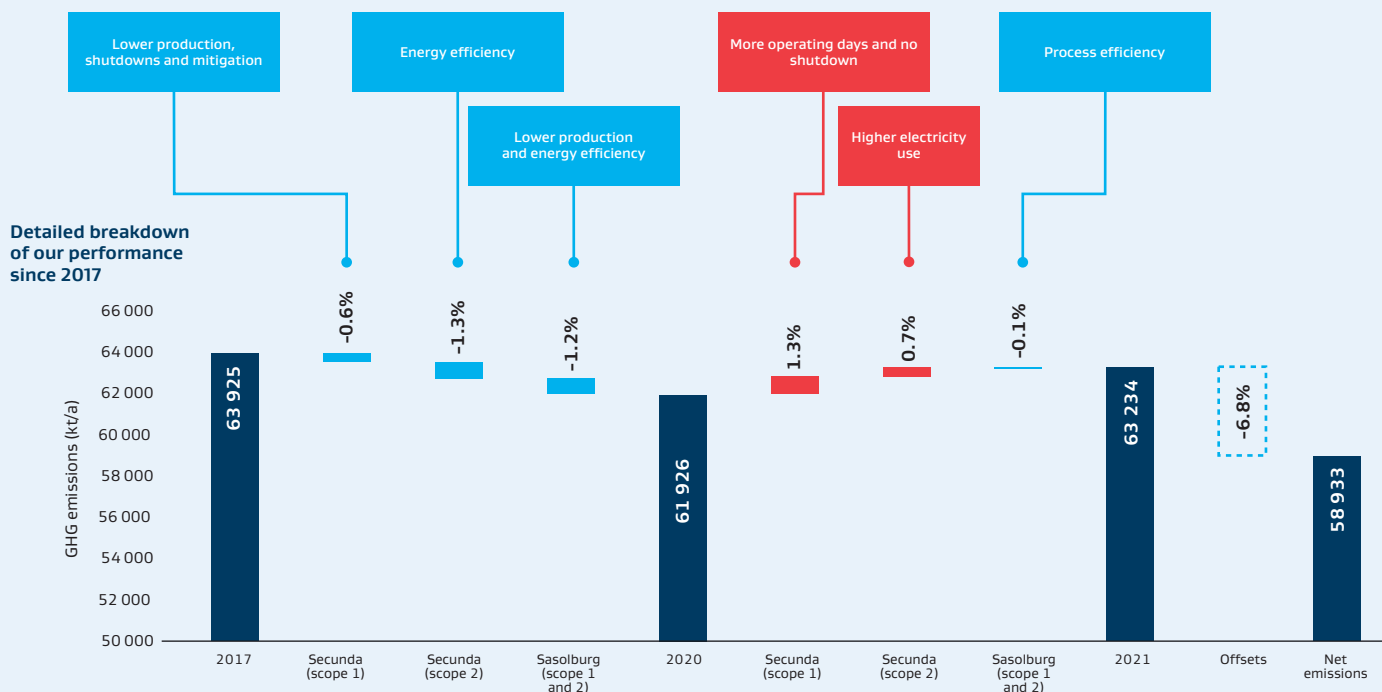
### Future re-baselining of our 2017 emissions

Sasol's 2017 baseline, due to the sale of the Air Separation Units (ASUs) in Secunda, requires a re-baselining in terms of the GHG Protocol. The ASUs sale was finalised in June 2021 and therefore re-baselining was not able to be actioned this year. In 2022, the ASU emissions (~1,8 Mt scope 2 emissions) will be excluded from our baseline and re-allocated to Air Liquide. Importantly, this action is not a GHG reduction activity and does not count towards meeting our target.

Details of the increases and decreases of GHG emissions at Secunda and Sasolburg since 2017, are logged below. We also normalised the data to assess if reductions would still be evident and sustained during a year with normal operations. This yielded the following insights:

- Emissions in 2020, excluding COVID-19 and two shutdowns, would have been ~62.5 MtCO<sub>2</sub>e as opposed to ~61.9 MtCO<sub>2</sub>e;
- Emissions in 2021, including a shutdown, would have been approximately ~62.6 MtCO<sub>2</sub>e as opposed to ~63.2 MtCO<sub>2</sub>e; and
- Reductions against our target in 2021 would have been ~2% instead of 1% if we had a shutdown.

This allowed us to conclude that in 2020, we would not have seen as high a reduction in GHG emissions as we did if we had only one shutdown instead of two. Overall the impact of the shutdowns played a key role in our emissions profile in 2020 and 2021.



1. Publicly available GHG information for 2020 differs from figures reflected in the graph above due to restatements undertaken this year, refer to page 45 for further information.

### Clawing back loss of progress

In accordance with our risk management and business processes, we are rolling out corrective measures to recover from the progress lost. We are also implementing preventative measures to ensure preparedness should future events, such as COVID-19, compromise our ability to meet the targets.

We have prioritised projects that deliver higher emission reductions to restore our downward emissions trajectory. Our aim is to achieve a 5% reduction sooner, but no later than 2026. In addition, we are targeting the accelerated deployment of renewable energy, as well as the reinstatement of our nitrous oxide (N<sub>2</sub>O) abatement catalyst at Secunda.

Our GHG performance is tracked across all levels of the company and reported to the Group Executive Committee (GEC) and the Sasol Board of Directors (Board). Quarter-on-quarter and month-on-month data analysis will help us flag these issues as they occur. We are also managing, on a more frequent basis, our performance by tracking live dashboards at relevant GEC and other governance meetings.

INTRODUCTION

Message from the Chair of the SSEC



“ Climate change is at the centre of Sasol’s strategy and is a top risk for which the Board has ultimate accountability. ”

Muriel Dube  
Chair of the SSEC



Dear stakeholders,

As the world continues to grapple with a new normal, Sasol has reached a crucial and defining phase in its climate change management response. We have taken bold decisions aimed at positioning Sasol as future fit and to enable a just transition.

In my inaugural message as Chairman of the SSEC, Sasol acknowledged the step-change required to contribute to a decarbonised future. We undertook to draw on our legacy of turning challenges into opportunities through technological innovation. We further undertook to investigate pathways to substantially increase our level of ambition underpinned by climate science and commercially viable technological options. In this report, Sasol outlines the actions that underpin its commitment to decarbonisation and a just transition.

Decarbonising for a sustainable future means Sasol is fundamentally transforming itself to be resilient and sustainable for the future. In line with the former commitment to increase ambition, the Sasol Board approved a significant increase in the 2030 GHG target for the Energy Business, from at least 10% to 30% off a 2017 baseline, excluding Natref. We also approved a target of a 30% emission reduction for our International Chemicals Business by 2030 and, most importantly, the company’s ambition to achieve Net Zero emissions by 2050. These targets are reflected in our associated roadmaps and bodes well for our response to the global urgency to reduce GHG emissions and meet the Paris Agreement goal.

Through our engagement with our stakeholders, we continue to deepen our understanding and broaden our response to tackling climate change and shape our strategy for long term value creation. We value our engagement with stakeholders and thank them for their perspectives, which goes a long way toward improving our management of ESG issues, as well as our disclosure and reporting.

Over the past year, Sasol has been actively engaging shareholders, including Climate Action 100+ (CA 100+). These engagements have shaped our climate change management approach.

The Board continues to manage climate change as a Group top risk. The company is pursuing a roadmap to achieve an ambition of Net Zero emission by 2050 and address uncertainty into the future. Core to our climate change response is meaningfully reducing, in absolute terms, scope 1, 2 and 3<sup>1</sup> emissions as we reduce our exposure to business transitional risks. In a similar vein, we are developing and implementing solutions that reduce the physical risk of climate change and increase the resilience of our communities.

In the recent while and in the immediate aftermath of the publication of the IPCC 6<sup>th</sup> AR, there have been innumerable reports globally of severe weather events, such as extreme fires and devastating floods that have had catastrophic impacts on communities and societies. The ability of countries to respond to these disasters varies disproportionately resulting in wealthier nations being better equipped to respond. Africa and the majority of developing countries face acute vulnerabilities and are less able to respond, recover and adapt, underscoring the vital need for public-private partnerships and collective action.

Dealing with climate change is multi-faceted and complex. However, the Board is well-equipped with the requisite skills to manage this strategic issue. The Board also regularly undertakes the necessary upskilling

and training, with expertise at our disposal should it be needed.

Since 2018, we have strengthened our governance of climate change matters. Through my chairmanship of the SSEC, the Board committee responsible for managing sustainability, climate change is placed at the centre of our decision-making in exercising our fiduciary duties.

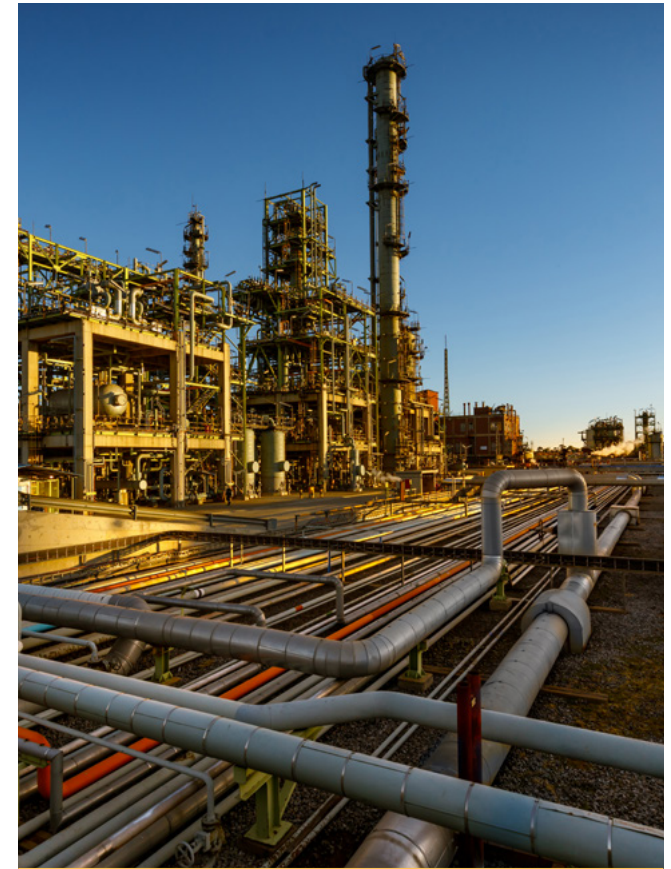
Targets have been implemented to which management will be held to account by the Board. We have strengthened our oversight through robust governance and are implementing remuneration measures as part of a deepening commitment to combat climate change.

In support of the IPCC 6th AR, which indicates that large-scale reductions in GHG emissions are required to ensure that the Paris Agreement goal is still within reach, Sasol is grasping the window of opportunity that remains to act and contribute towards the global effort to achieve a Net Zero emissions ambition by 2050.

Muriel Dube  
Chair of the SSEC

20 September 2021

1. Category 11: Use of sold energy products





INTRODUCTION

Message from the President and Chief Executive Officer



Purpose  
Innovating for a better world.

“ We are on a path toward a Net Zero emissions ambition by 2050 in support of the Paris Agreement. We are meeting calls for greater ambition by increasing our 2030 emission reduction target to 30%. We also have a vision for a fossil-fuel-free Energy Business and are acting to make this a reality. ”

Fleetwood Grobler  
President and Chief Executive Officer



Dear stakeholders

Our plan for Future Sasol is to be sustainable, focused, streamlined and successful. To achieve this, we are undergoing a just transition to achieve an ambition of Net Zero emissions for our relevant operations by 2050. There is no doubt that this will be a difficult transformation, but we are rising to the challenge. Key to our success will be what we know best: our FT technology which we believe will play an important role in delivering a sustainable future. We recognise that partnerships will be increasingly important as we seek to enhance our competitive position and accelerate our transition through collaboration, with both the public and private sectors.

In 2021, we sharply increased our scope 1 and 2 2030 emission reduction target for the Energy Business<sup>1</sup> from at least 10% to a 30% reduction and set an additional 30% scope 1 and 2 emissions reduction target for our International Chemicals Business. Both targets are off a 2017 baseline. We have concrete plans to directly reduce emissions by ~25%, through known, available technologies. With additional improvements in technology, efficiencies in our process and the introduction of lower-carbon feedstocks, we are confident that more reductions are possible.

In the past year, we worked hard to chart a course based on action and tangible proof points. As a result, the 2030 target and our ambition for Net Zero emissions by 2050 are supported by clear plans, informed by scenario testing that provides robustness and credibility.

As a business that largely depends on coal, we are acutely aware that this reliance cannot continue. We have therefore intensified our pursuit of sustainable alternative feedstocks, as well as cleaner technologies. Our International Chemicals Business has a smaller emissions profile and already uses lower-carbon feedstocks. However, we know we must do more. This includes focusing on renewable energy deployment and green hydrogen opportunities.

To achieve Net Zero means transforming through the use of green hydrogen and sustainable carbon sources in large quantities. Today, Sasol Secunda Operations is the world's largest producer of grey hydrogen from coal-based feedstocks. It is this hydrogen-production process that is responsible for around half our GHG emissions. If we can source affordable gas soon, we will be able to reduce emissions without delay and lay the foundation for the use of green hydrogen, once we can replace grey with green hydrogen on an economic basis.

Greater use of gas is indeed a critical step in the transition away from coal. However, some of our stakeholders are opposed to this because it is a fossil fuel and – although it emits far less carbon than coal - it has upstream emissions. In our transition to using more renewable energy as a prerequisite for green

hydrogen, we are looking to source gas and – where possible – offset or mitigate these upstream emissions.

We have made good progress with Air Liquide to jointly procure 900 MW of renewable energy for our Secunda Operations of a total 1 200 MW target. Sasol will procure the remaining 300 MW for the site by 2030. By directing effort towards renewable energy usage, we support the growth of the local industry and its potential for job creation. Through renewable energy, Sasol

is uniquely positioned to use our FT technology to play a leading role in South Africa's green hydrogen economy. We have extensive experience in the production, use and marketing of grey hydrogen and own and operate FT facilities that can be used to consume green hydrogen.

Our progress in securing significant supplies of renewable energy is the first proof point signalling our just transition. The second is our partnership with Linde, ENERTRAG and Navitas to bid to produce SAF<sup>2</sup> at our Secunda Operations in an auction funded by the German Federal Government.

We see hydrogen mobility as a real opportunity for South Africa to decarbonise long-haul and heavy-duty transport, as well as mining and other sectors where abatement is typically considered difficult. We aim to provide a comprehensive sustainable mobility solution through the creation of hydrogen hubs or an ecosystem as a practical and affordable way to scale the deployment of hydrogen in the transport sector. To this end, we are collaborating to jointly develop proof-of-concept demonstration projects for the green hydrogen mobility ecosystem in South Africa, including the main freight corridor between Durban and Johannesburg. This private-private partnership is the third proof point in our just transition.

Green hydrogen is not yet cost effective and requires further progression along the electrolyser and renewable energy learning curves. However with scale, partnerships and greater financing opportunities, its affordability can be significantly improved. As our fourth proof point, we have partnered with the Industrial Development Cooperation (IDC) which – like Sasol – aims to develop and shape an enabling environment to advance South Africa's green hydrogen economy. The country has all the key ingredients to play a prominent role in the global green hydrogen economy. We are also working to establish a public-private South African Energy Council to remove barriers and accelerate low-carbon technology deployment.

In South Africa, a clear national vision and just transition plan is needed, enabled by sound policy, requisite financing and partnerships. We are an active participant in the National Business Initiative (NBI) and Business Unity South Africa's (BUSA) first-of-a-kind analysis of the most optimal just transition pathway for the country to aid in the development of this plan. In addition, this work aligns with our own findings regarding net zero pathways and the importance of green hydrogen to us all. There is no doubt that the transition is a national and global imperative. We are acutely aware of the country's developmental challenges and these must be a key consideration in the discussion and plan for a just transition.

Sasol's journey to decarbonise our operations is guided by our purpose "Innovating for a better world". We are invigorated by the potential opportunities presented by the transition and look forward to making a difference together.

Fleetwood Grobler  
President and Chief Executive Officer  
20 September 2021



1. Excluding Natref.  
2. SAF is a drop-in sustainable alternative to fossil jet fuel, requiring no change to existing aircrafts or supporting infrastructure, produced using the FT technology.

A NET ZERO AMBITION

Future Sasol: A sustainable agenda  
Support of the Paris Agreement

Sasol's climate change positions:

- We support the objectives of the Paris Agreement;
- We accept mainstream climate science assessed by the IPCC for net zero CO<sub>2</sub> to be reached by 2050;
- We acknowledge that business has a role to play in addressing and managing the risks and uncertainties of climate change; and
- We also recognise the importance of adaptation and resilience to a changing climate.

Accordingly, we are reducing our GHG emissions and have placed ourselves on an accelerated path to take action and progressively improve our performance.

Sasol's emission reduction approach is holistic and takes into account the national context within which we operate. The availability of mitigation, regulatory landscape and incentive structures differ across the geographies – either accelerating or slowing the pace of transition.

Our International Chemicals Business' response in developed countries is informed by the developments in these regions. Emerging technology, evolving policy and the regulatory and financial landscape, as well as market drivers will significantly shape our emission reduction roadmaps into the future. Notable regulatory developments in the last year include the United States re-joining the Paris Agreement, China's announced ambition to be carbon neutral by 2060 and the agreement by the European Union to more ambitious reduction targets by 2030. In collaboration with the chemical industry associations to which we belong, we are developing responses which consider the context of our many operations.

Sasol's GHG emission profile is largely associated with our operations in South Africa (more than 95% of emissions). South Africa is a developing country, where climate change challenges must be addressed amid national priorities for the alleviation of poverty and unemployment, which are both significant, considering very low rates of economic growth. These are further complicated by the country's lack of transition fuels. Our national context therefore informs a measured, balanced and orderly approach to our transition journey.

Our strategy focuses on decarbonising while preserving and growing value, and minimising social and economic impacts. Our carbon-intensive operations are the focus of our decarbonisation drive, yet are also necessary to fund our efforts and contribute to national imperatives. As such, a multitude of factors were considered in shaping our targets and roadmap development, while addressing complex and often conflicting stakeholder expectations and requirements.

Our target setting and roadmap development was informed by three broad elements; benchmarking, top-down modelling and a bottom-up analysis. Benchmarking and top-down analyses determined ambition levels for input into the bottom-up techno-economic analyses. Financial and just transition considerations played a role in the phasing-in of technologies and the reduction in feedstock use. We endeavoured to ensure that affordability, impacts on employment and emission reductions were positively considered. These processes were then collated to inform the targets and ambition we set.



1. Science-based target initiative (SBTI) is still in the process of finalising an oil and gas and chemicals module, which was not available for use. Other science-based approaches were used. We continue to monitor the landscape and will assess the applicability of these methodologies once released.

# Future Sasol: A sustainable agenda (CONTINUED)

## Support of the Paris Agreement

Internationally recognised modelling approaches were used to inform a top-down view of expected reductions:

- 1 **Fair Share:** aligned with the Paris Agreement, Article 4.1. and is a science-based approach that assumes countries will act collectively for the common goal but tempered by national circumstances (ie developed countries will decarbonise at a faster rate to allow carbon space for developing countries to grow and transition). This was a useful tool to understand national target setting into the future; and
- 2 **Other science-based:** agnostic to national circumstances and targets are aligned with the science of climate change (IPCC 1,5 degree report). Assumes all countries and companies have equal responsibility and capability to decarbonise.

Other science-based approaches, such as absolute contraction techniques were used. Varying rates of reductions were applied to assess expected reductions. Sectoral decarbonisation methodologies from the SBTi for both the Chemical's and Oil and Gas sectors were not available for use. In addition, two Fair Share models were assessed, Climate Action Tracker and Climate Equity Reference Calculator. These models provided national indicative trajectories based on factors, such as responsibility for historical emissions, economic development, per capita emissions, financial, technological and other capacity to reduce emissions. This work was supplemented by taking additional views on country NDC expectations which aided in benchmarking, given the significance of Sasol South Africa's emissions.

Our bottom-up analysis focused on mitigation potential (plotted as marginal abatement cost curves (MACC)). The MACC highlighted abatement size, cost and associated implementation time frames. We aimed to understand how reductions could be achieved, together with phasing in of technologies to realise net zero. These approaches informed our roadmaps. Work on our Chemicals 2050 roadmap is underway and will be communicated in due course.

In this way, we determined the gap between science-based target reductions, mitigation potential and technology availability. Our targets therefore account for the availability and maturity of mitigation measures, reducing emissions in line with expectations and accelerating action to achieve more ambitious reductions by 2030 and net zero by 2050.



## Reducing our Scope 3 emissions

Scope 3 emissions are other indirect emissions that occur within a company's value chain and outside of owned assets. This precludes direct control and reduction management over these emissions. By-and-large, a collaborative approach is required across the value chain to ensure reductions occur with suppliers and customers. In other words, Sasol's scope 3 emissions are our suppliers' and customers' scope 1 and 2 emissions.

Generally, scope 3 emissions are larger than a company's scope 1 and 2 emissions. However, this is not the case for us. We own and operate a significant portion of our value chain, most notably the majority of our feedstocks, utilities and to some degree our distribution networks. In addition, our operating assets in South Africa are particularly energy intensive because of the use of coal, resulting in a higher emissions profile. Nonetheless, scope 3 emission reductions are still key to Sasol's climate change management approach for our most relevant emissions. Our scope 3 targets aim for:

- an absolute 20% reduction in Category 11: Use of Sold Energy Products by 2030, off a 2019 baseline; and
- Net Zero by 2050 for these same emissions.



Sasol's scope 3 target is set from a 2019 baseline and not 2017 as is the case for our scope 1 and 2 emissions. 2019 represents the most complete and accurate year post our accounting improvement process. Our baseline year includes emissions associated with export coal, gas, liquid fuels and oil energy products.

In addition to the GHG Protocol – Corporate Value Chain (Scope 3) Accounting and Reporting Standard, we used the 2020 latest guidance provided by the SBTi for scope 3 target setting. Key principles that helped shape our approach to manage our scope 3 emissions are:

- **Scope 3 screening** – company's must complete a scope 3 screening for all relevant categories to determine their significance (materiality);
- **Requirement to have a scope 3 target** – (1) if emissions are greater than or equal to 40% of total emissions a target should be set, or (2) if fossil fuel products are being placed in the market, a target should be set for Category 11, irrespective of the percentage contribution to the total;
- **Boundary** – companies must set one or more emission reduction targets and/or supplier or customer engagement targets that collectively cover at least 2/3 of total scope 3 emissions. Targets need not be set on all scope 3 categories;
- **Timeframe** – targets must cover a minimum of five years and companies are encouraged to develop plans for targets up to 2050; and
- **Type of target** – intensity or absolute reduction targets, focusing on meaningful reductions.

Our scope 3 emissions account for ~39% (average over the last three years) of our total scope 1, 2 and 3 emissions. Sasol's most significant scope 3 emissions category is associated with customers' combustion of our sold energy products (ie Category 11: use of sold products); this is also the most mature category from an accounting perspective. In total this category accounts for ~80% of total scope 3 emissions and therefore represents more than 2/3 of our profile. We are focusing as a start on reducing Category 11 emissions to have the most impact. We are in the process of building a comparable and accurate baseline for our chemicals products (Category 12) and will be reporting on these emissions in the coming year, with a view to assessing whether a target should be set.



A NET ZERO AMBITION

Future Sasol: A sustainable agenda (CONTINUED)

Managing the transition within our corporate portfolio



In the short term, by **resetting** our business, we are laying the foundation for our just transition and growing value. In the medium term, we will gain momentum in our **transition**, drive quality earnings from the existing businesses and in parallel seed new businesses through disciplined capital allocation to **reinvent** ourselves.

Future Sasol leverages our existing businesses and scale, while developing the FT sustainable solutions business to advance growth.

The existing **Energy Business** is a key component of our portfolio today, a large revenue generator and the biggest coal consumer. It is also the most climate-exposed business (transition risk).

Our **Chemicals Business** is located in South Africa, Europe, Asia and North America. In South Africa, chemicals are produced from our integrated Energy value chain. Emissions associated with this part of the Chemicals Business are incorporated in the Energy Business GHG target and roadmaps. The International Chemicals Business is a growing part of our portfolio, has a smaller GHG emissions profile, mainly uses lower-carbon feedstocks and is more vulnerable to climate change weather impacts. Despite the smaller emission profile, we have also set ourselves emission reduction targets for 2030.

We are aiming to establish a business to grow **FT sustainable solutions: Sasol ecoFT** that is dedicated to accelerating sustainably certified PtX products, focusing on the SAF and sustainable chemicals markets. With over 70 years of innovation, research, commercialisation and operations experience, we have a competitive advantage to provide cost effective end-to-end solutions to meet projected global sustainable product demand. We are leveraging our partnership with Haldor-Topsøe and Technip Energy to develop proprietary technology solutions to maximise carbon efficiency in the PtX arena. We have also identified incubator projects for further development.

Our capital allocation framework is adapting to address Future Sasol's strategy and the changing priorities facing our business, aligned with our purpose.

**Our strategic targets**

A holistic set of People, Planet and Profit targets, milestones and ambitions have been set for shaping Future Sasol and tracking our transition. [IR](#) For the full set of metrics, please see pages 5 and 14.

Our planet targets, milestones and ambitions provide a set of metrics against which stakeholders can measure our progress. We have chosen four planet metrics for our climate change response and found that in addressing climate change, we also can address other ESG issues. Hence, the stronger bias to climate change metrics.

**Our planet metrics**

Metric	Business	Point of Departure
Sustainability capex <sup>1</sup>	Energy and Chemicals	-
Scope 1 and 2 emissions	Energy <sup>3</sup>	63,9 Mt CO <sub>2</sub> e (2017)
	Chemicals	1,1 Mt CO <sub>2</sub> e (2017 Eurasia) 1,7 <sup>4</sup> Mt CO <sub>2</sub> e (2017 Americas)
Scope 3 emissions	Energy <sup>5</sup>	35,6 Mt CO <sub>2</sub> e (2019)
	Chemicals	TBC
% renewable electricity <sup>6</sup>	Energy	-
	Chemicals <sup>7</sup>	-

1. Sustainability capex refers to capital associated with sustaining through lower-carbon feedstocks, transforming the existing portfolio and investments in new sustainable businesses.

2. Equates to ~ R25 - R35 billion (bn) cumulative total capital up to 2030, inclusive of gas feedstock and the Energy Business roadmap costs (Transform capital).

3. Excludes Natref which will be addressed together with Total our JV partner.

4. 1,1 Mt CO<sub>2</sub>e baseline + 0,6 Mt CO<sub>2</sub>e for Lake Charles Chemical Project (LCCP) growth.

5. Scope 3 emissions relates to sold energy products only (ie Category 11).

6. Energy and Chemicals business targets cover >70% total electricity demand for the Sasol Group.

7. Renewable electricity: excludes our operations in Nanjing and self-generation.

8. Excluding load factor and metric relates to the full Secunda site.

2026 Milestone	2030 Target	2050 Ambition
-	10 - 15% <sup>2</sup>	Vast majority
5%	30%	Net zero
20%	30%	Net zero
-	20%	Net zero
Scope 3 baseline development underway		
40%	80% <sup>8</sup>	100%
100%		

A NET ZERO AMBITION

Our Energy Business

Energy strategy



Sasol's Energy Business is a key part of Future Sasol's journey to achieve Net Zero by 2050. Shaped by global and local megatrends, energy demand is expected to grow, with supply needing to be more sustainable. Our response and strategy takes into account an accelerated journey, as our just transition gets underway.

South Africa is under pressure to decarbonise and so is Sasol. In response, we are advancing the deployment of mitigation opportunities. These are also creating new growth opportunities for us and the country, with focus placed on developing value pools centred on renewable energy, hydrogen and low-carbon solutions.

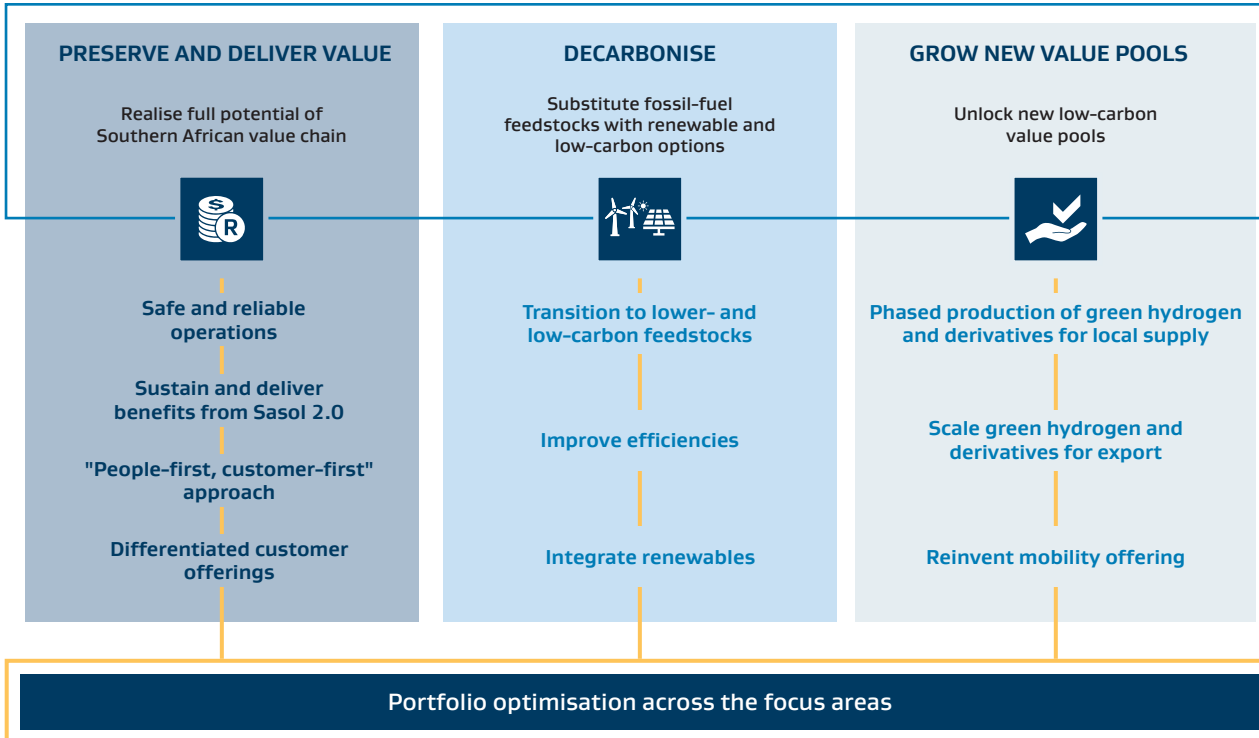
Through our repositioned strategy, we are poised to take a leadership role in South Africa's energy transition by leveraging our unique asset base, technological know-how and human talent, while preserving and growing value.



Key messages

- No investments in new coal mines
- Gas as a transition feedstock, with optionality
- Intensified investment in renewables
- Green hydrogen at scale

Sasol's Energy Business strategy: three focus areas



Preserve, create and deliver value

Through our Sasol 2.0 transformation programme, we have strengthened our balance sheet with key financial targets as we move towards Future Sasol. This strategic reset enables us to self-fund our transition and preserve and grow value for our stakeholders. In the spirit of enabling an environment conducive for economic growth and prosperity amid our transitioning, we continue to engage and collaborate with the South African government. Further details on this focus area can be found on [IR](#) pages 47 and 50.

Decarbonise

To achieve our ambition of Net Zero by 2050, we increased our 2030 scope 1 and 2 reduction target to 30% from the previously set at least 10% as measured off a 2017 baseline. This represents ~ 3x increase in our ambition delivering an ~ 19 Mt reduction in nine years from 2017's emissions of 63,9 Mt CO<sub>2</sub>e. This is over and above the already achieved ~10 Mt reduction since 2004.

Increasing our 2030 target and defining our 2050 Net Zero ambition, including our interim milestone, was a complex task. It involved detailed process modelling, assessments of feedstock alternatives and varying our product slate within the confines of a highly integrated facility and aged assets. But we identified opportunities that exceeded expectations. We followed a tailored target setting and roadmap approach to ensure a scientifically sound, robust and credible process. See page 16 for our process.

Our priority in this process was to reduce scope 1, 2 and 3 (Category 11) emissions. Beyond 2030, we identified several actions to achieve our ambition. These include:

- Substituting more coal with gas;
- Large-scale introduction of renewable energy;
- Utilising large volumes of affordable green hydrogen;
- Utilising affordable and sustainable carbon feedstocks;
- Responsibly scaling down coal exports and transitioning to sustainable fuels;
- Deploying affordable carbon capture, utilisation and storage (CCUS); and
- CDR offsets, including technology and nature-based sequestration.

Details of our 2030 and 2050 roadmaps are presented on page 14 and 15 of this report. Given the uncertainty to 2050, we have identified key signposts to inform our decision-making on the most optimal long-term pathway. The pace at which technology evolves - particularly cost reductions for green hydrogen and developments in biogenic carbon sources, CCUS and potential market premiums that sustainable products could attract - are key signposts. Up to 2030, technology opportunities are more certain.



We see the biggest opportunities for our Energy Business in green hydrogen for road transportation (heavy duty trucking and commercial vehicles), renewable energy, SAF and sustainable chemicals.

These opportunities, which are directly tied to our own decarbonisation, will be more aggressively pursued closer to the 2030 time horizon. In the interim, we are advancing proof-of-concept projects through partnerships to stimulate demand, assess viability and accelerate growth.

Green hydrogen

Green hydrogen is dubbed the fuel of the future to decarbonise hard-to-abate sectors, such as cement, iron and steel and transport. Its growth is dependent on abundant renewable energy resources and water to undertake electrolysis. Once produced, green hydrogen can be combined with a sustainable carbon source (biogenic, transition industrial or atmospheric carbon) to deliver net zero fuels and chemicals. These net zero products are necessary for a low-carbon future. South Africa, together with Sasol, have the requisite ingredients to produce and convert green hydrogen for local and global demand.

The conversion process for green hydrogen to sustainable fuels and chemicals is termed PtX and is the most effective route for producing these products. Green hydrogen reduces GHG emissions, is highly efficient from a feedstock perspective and the PtX process can be scaled to meet global SAF market demand, which has a corresponding green hydrogen demand of up to 90 Mt/a by 2050 in a 1,5°C scenario.

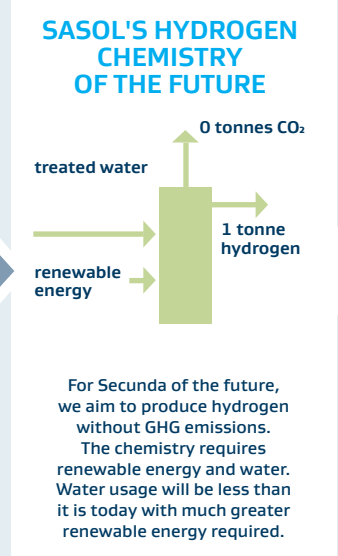
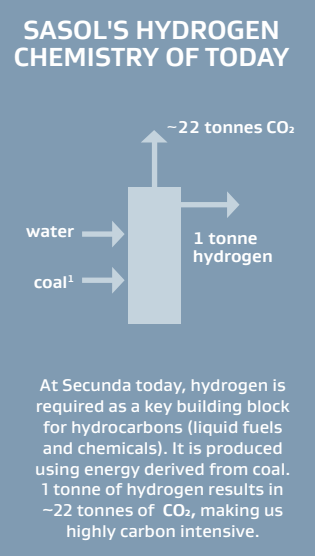
FISCHER-TROPSCH TECHNOLOGY IS AT THE CORE OF POWER-TO-X SOLUTIONS

Green hydrogen, FT and Secunda

The FT process is dependent on hydrogen and carbon to make high-value liquid fuels and chemicals. Large quantities of grey hydrogen are produced from gasification of coal and the water gas shift reaction (WGSR). The downside of the WGSR is the production of excess CO<sub>2</sub>, which is a key reason for our large volumes of GHG emissions. Here lies our sizable reduction opportunity, to replace grey hydrogen with green hydrogen. This also presents a significant value creation proposition.

Producing SAF at Secunda requires the production of green hydrogen using renewable energy and electrolysis. However, a sustainable carbon source is required. Biogenic sources are limited in South Africa as they compete with food; however, industrial carbon sources are plentiful and can be utilised as a transition source. While production of SAF in Secunda is technically feasible, it requires a hydrogen cost reduction to below ~\$2/kg. Government incentive schemes and product premiums are a means to bridge this cost divide. Today, green hydrogen costs are five to eight times higher than grey hydrogen. Globally, governments are incentivising green hydrogen to accelerate this cost reduction.

Using the existing Secunda facility presents a scale advantage. Internal analysis indicates scaled production results in a greater than 30% cost advantage compared to a greenfield facility. South Africa's endowment of renewable resources has the potential to unlock a further 20% cost benefit. This places Sasol at the top of the leader board when it comes to producing the lowest cost green hydrogen-enabled products in the country.



- 'MUST NEEDS' TO WIN IN THIS SPACE**
- Key factors that must materialise for Sasol to lead in sustainable fuels and chemicals:
- Reduction in the cost of renewable energy and green hydrogen to below ~\$2/kg;
  - Development of enabling policies and incentives for renewable energy and green hydrogen;
  - Ability to secure requisite product premiums for sustainably certified fuels and chemicals;
  - Recognition for flexible and transition product accounting rules for emerging economy players to maximise high product volumes;
  - Access to affordable green financing; and
  - Development of the necessary infrastructure for cost effective and sustainable transport.

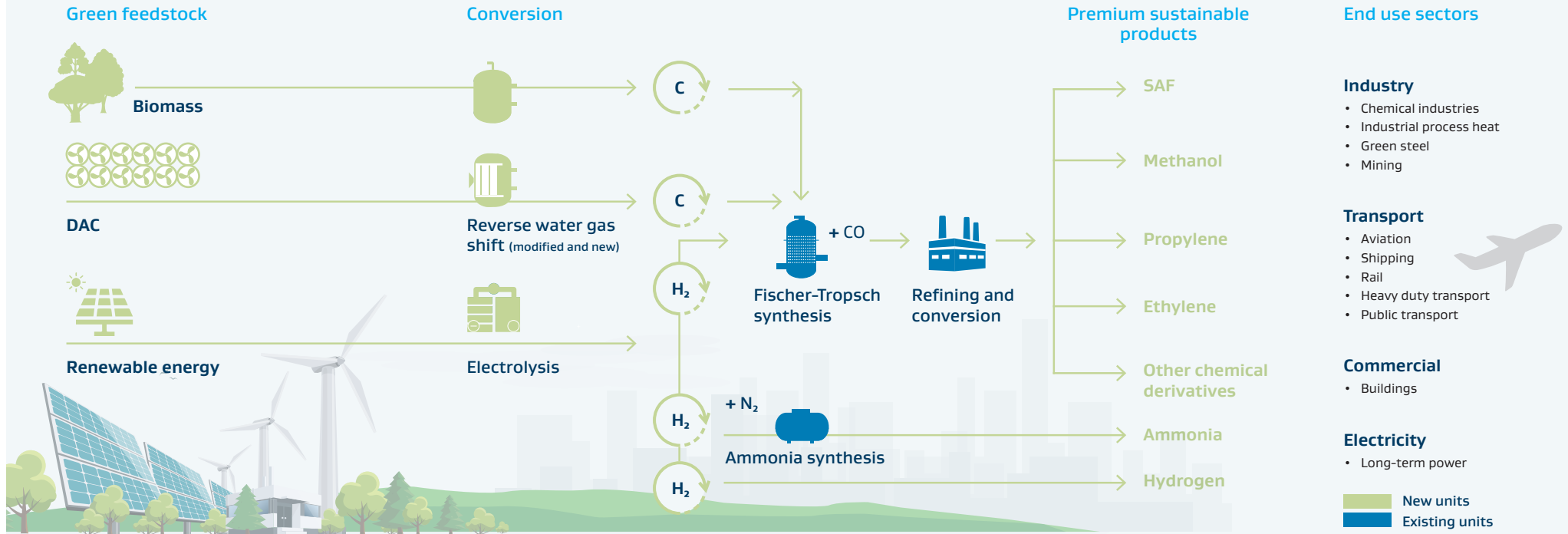


1. The bulk of hydrogen is produced from coal but Sasol also produces hydrogen from gas at a lower intensity.





Leveraging our existing assets to supply green products for hard-to-abate sectors is a competitive advantage



The time is right for South Africa to establish and grow the green hydrogen economy to realise a clean, secure and affordable energy future. The country has the key building blocks to move faster than others in developing a competitive green hydrogen economy. These ingredients are rich mineral resources, technical capabilities, FT technology and complementary renewable energy endowments. Sasol is a key player in accelerating green hydrogen development for our own and the country's decarbonisation.

A Net Zero ambition for our South African operations was thought to be impossible by many of our stakeholders. Against the backdrop of highly energy- and carbon-intensive CTL and gas-to-chemical operations, it may be difficult to imagine a future where Sasol produces sustainable fuels and chemicals.

But ironically, converting green hydrogen to SAF is easier for Sasol compared to others. Sasol is unique in this respect as we are one of the few companies globally that has the ability to re-purpose existing assets.

Reinventing Secunda and Sasolburg

Our existing Secunda FT technology is agnostic to the source of carbon and hydrogen allowing us to pivot away from coal in the long term. Today we use carbon and hydrogen produced from coal and gas. In the long term this can be replaced with biogenic carbon, unavoidable industrial streams and direct air capture combined with green hydrogen to completely decarbonise our operations.

Our Secunda facility is already configured to allow the introduction of sustainable sources of hydrogen and carbon in incremental quantities. Introducing these sustainable inputs in this way allows us to progressively move towards a future without fossil fuel feedstocks and GHG emissions. We are also able to maximise the opportunity by increasing market demand for sustainable products, including chemicals that command a premium.

Currently, we can produce up to 8 000 bbl/d of fossil jet fuel, which can be converted into producing the same amount of SAF. Progressively, we can ratchet up the production of SAF through the introduction of sustainable carbon feedstocks and green hydrogen. The benefits of using green hydrogen for decarbonisation and as a business growth engine is an attractive proposition.

Specific units at our Sasolburg facility can also be re-purposed to produce sustainable chemicals. We are investigating projects that use our existing infrastructure to potentially commercialise production of green hydrogen within the next 24 months.

Four proof-of-concept projects are being investigated. The first project focuses on our Secunda assets through the LEN consortium, where we aim to integrate small quantities of sustainable carbon feedstocks and green hydrogen to produce SAF. At our Sasolburg Operations, using our existing electrolyser, we aim to produce up to 5 tonnes/d of green hydrogen. For both these projects renewable energy procurement is necessary. Two other projects are being explored to utilise our FT catalyst for PtX solutions.

Incentives and financing

Various countries are incentivising the production of SAF. Most recently the German government announced a global hydrogen auction, called the H2Global auction. Sasol is preparing to participate with the twofold intention of accelerating our decarbonisation at Secunda and taking our first steps to producing SAF at scale.

We have announced partnerships and continue to explore green financing to expedite project implementation. We are monitoring the green hydrogen landscape and believe its cost will reduce significantly in the next decade, facilitating increased usage, enabling decarbonisation and the production of sustainable products.

Our 2030 roadmap

A pathway to higher ambition by 2030

Scope 1 and 2 emissions

Decarbonising over the next decade is of critical importance. Sasol's two main challenges in the period to 2030 are air quality compliance and GHG reductions. A re-evaluation of our existing 2030 GHG emission reduction roadmap and target was prompted by a deeper understanding of our decarbonisation path to 2050. In doing so, we took a holistic view of how we respond to air quality and GHG management. This resulted in new-found synergistic opportunities; decommissioning of boilers, renewable energy and LNG use, all of which improve air quality and reduce GHG emissions.

The introduction of LNG in incremental amounts, approximately 40 - 60 petajoules (PJ) per annum reduces our reliance on coal, allows us to avoid potential infrastructure lock-in, while maintaining plant production at today's levels (see page 17 for further details of our LNG sourcing plan). In order to accommodate the increased natural gas, we will debottleneck existing gas reforming capacity at our Secunda Operations. This will allow us to reduce coal intake.

A further important reduction lever that we are focusing on is increasing the use of renewable energy at our facilities. Previously we had considered replacing 600 MW of Eskom<sup>1</sup> imports and now we are aiming for 1 200 MW. This increase is enabled by the proposed decommissioning of boilers thereby reducing self-generation of electricity on the site. By switching from steam to electric drives we will also allow for a further increase in the amount of renewable energy that can be incorporated. Important to note is that grid electricity will still be required depending on renewable energy load factors.

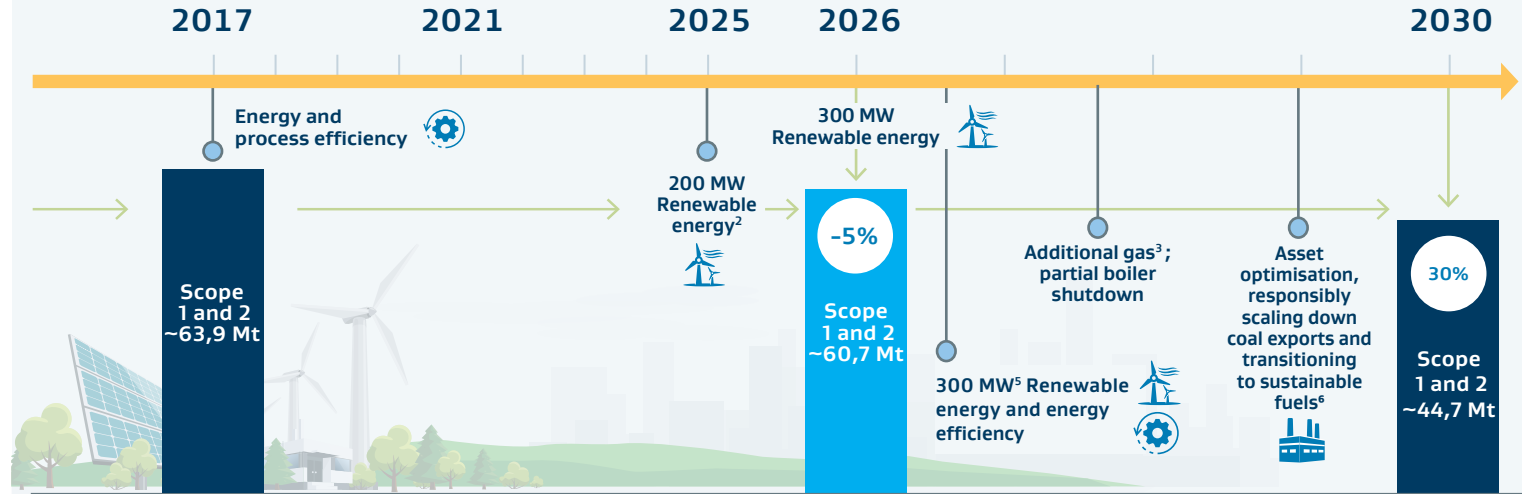
Scope 3 emissions

Our Energy Business's most material scope 3 emissions are from the combustion of our energy products by our customers, once sold (Category 1). These products include export coal, oil, gas and liquid fuels. Reducing these emissions entail product-type changes and curtailment of existing production volumes. In addition, we are looking to grow new product lines associated with green hydrogen and sustainable carbon feedstocks, which we will then be able to substitute for fossil fuel products, materially growing in the next decade.

In support of Net Zero by 2050, we also set a 20% scope 3 absolute reduction target to be achieved by 2030, relating to our sold energy products, off a 2019 baseline. We identified asset and product optimisation levers, such as responsibly scaling down our coal exports and transitioning to sustainable fuels to reduce these emissions. These options we aim to start implementing post 2025.

We have a clear plan based on known technologies to reduce emissions to 2030

Our 2030 GHG emissions reduction roadmap



GHGs covered: CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O

~R15 - 25bn cumulative total capital expenditure to 2030<sup>4</sup>

30% Scope 1 and 2 target  
20% Scope 3 target

Scope 1 and 2	63,9 Mt	~44,7 Mt
Scope 3	35,6 Mt	~28,5 Mt
Coal intake	40 Mt	~31 Mt
Renewable energy	0 MW	1 200 MW

of which Air Liquide is allocated 400 MW

- South Africa's public electricity provider.
- Sasol's portion of the initial 600 MW we are contracting from Independent Power Producers (IPPs) in partnership with Air Liquide.
- An additional -40 - 60PJ/y gas.
- Transform capital to deliver GHG reduction ambition (see page 10 for full sustainability capex).
- Having sold part of the ASUs to Air Liquide, 800 MW represents Sasol's consumption of the total 1 200 MW target for the Secunda site.
- Reduces scope 1, 2 and 3 emissions.

A NET ZERO AMBITION

Our Energy Business (CONTINUED)

2050

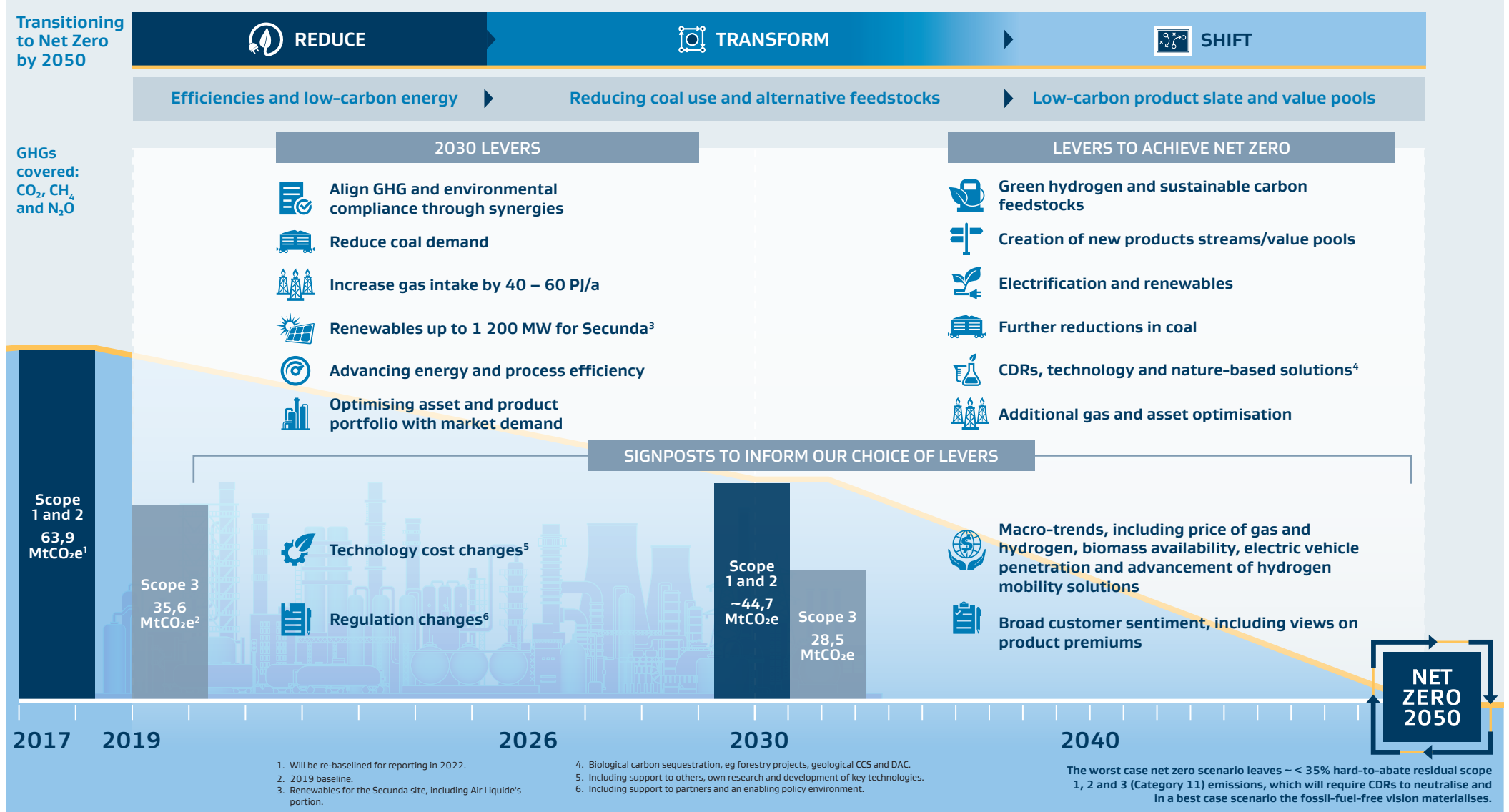
Our 2050 roadmap

A flexible roadmap has been developed that offers optionality in how we achieve our 2050 ambition

Post 2030, the future is uncertain with a number of variables needing to hold true from a technological, affordability and market perspective to achieve our 2050 ambitions. To deal with uncertainty, optionality and flexibility have been intentionally built into our emissions roadmap. Our fossil-fuel-free vision is predicated on affordable green hydrogen at scale for zero scope 1 and 2 emissions, however, achieving Net Zero by 2050 is not.

We have intentionally not locked ourselves into a single 2050 pathway today and in doing so we are able to optimise our costs, avoid large infrastructure lock-in and prevent the potential for stranded assets and regret capital spend. Incremental introduction of certain technologies and feedstocks in the short to medium term offers flexibility and optionality. Should a particular technology emerge as being more cost effective, we aim to swiftly integrate it into our operations.

This agile approach is supported by conclusions presented by reputable organisations such as the IEA in its 2021 Net Zero 2050 report.







The 2021 Net Zero IEA Roadmap for the energy sector highlights that more than 50% of the reductions will come from technologies yet to be developed and commercialised. Therefore, it is imperative that emissions are reduced at source in the short term, while action is taken to develop and mature future technologies.

Net zero requirements recommend an assessment of current and expected technologies, where real opportunities for reductions are prioritised in the earlier years. This principle was applied in developing our long and medium term roadmaps. We are accelerating our plans in the period to 2030 because of current understanding relating to technology uncertainties in the long term.

For 2050, we assessed multiple possible pathways to Net Zero, including combinations of CCUS, green hydrogen, sustainable carbon feedstocks, large-scale renewable energy and decommissioning of value chains. The choice of pathway will depend on how technologies mature. Regardless of the choices made, Net Zero is still the end state. The preferred pathway for Sasol is large-scale green hydrogen and renewables. We developed fall-back approaches that look to natural gas with CCUS and offsets, and as a last resort, closure of unviable value chains (turndown), should technology options not materialise. Particularly in South Africa, levers are not at the requisite scale or commercialised. Sasol is playing an active role to unlock and commercialise some of these technology options. Leaning on guidance provided by the United Nations in its blueprint for setting a Net Zero ambition, we have detailed actions that demonstrate credibility and commitment to technology development to achieve Net Zero (see page 17). These include:

- Communication on the feasibility of identified technologies to achieve Net Zero;
- Communication on the uncertainty of future technology solutions and its development; and
- Our plans to address these uncertainties.

**Specific attributes of our 2030 roadmap:**

1. Does not rely on unknown technologies
2. Prioritises on-site mitigation
3. Sets absolute reduction targets
4. Clearly identifies short term milestones and deliverables
5. Addresses scope 1, 2 and 3 (Category 11) emissions
6. Does not rely on offsetting to meet targets; well-vetted offsets could be considered if mitigation measures are unsuccessful
7. Not directly dependent on the independent actions of others to meet our targets and cost effective mitigation options have been prioritised

**Specific attributes of our 2050 roadmap:**

1. Prioritises on-site mitigation
2. Sets absolute reduction targets
3. Clearly identifies short and medium term milestones and deliverables
4. Addresses scope 1, 2 and 3 (Category 11) emissions
5. Does not use Avoidance/Reduction (A/R)<sup>1</sup> offsetting (see pages 27 - 28)
6. Plans include nature and technology-based CDRs to neutralise residual hard-to-abate emissions
7. Indicates and addresses technology maturity and uncertainty through proof points that demonstrate active involvement in encouraging technology development and economic viability



**Corroborating and assuring our roadmap**

**Deloitte & Touche**

Assurance of the on-site reduction of emissions in line with Sasol's GHG roadmap reduction calculation and reduction targets was undertaken by Deloitte & Touche. Using the International Standard on Assurance Engagements 3000 (Revised), the evaluation included the following:

- Understanding the control and reporting process and environment;
- Assessing the governance structure for the implementation of the roadmap;
- Assessing the methodology for suitability and appropriateness;
- Assessing the business strategy for the roadmap; and
- Assessing on-site projects necessary to achieve the roadmap.

The assessment indicated that "Nothing has come to our attention to indicate that the roadmap, in all material respects, is not fairly stated."

**NBI/BUSA Climate Pathways Study**

Sasol has been participating in a BUSA, NBI and Boston Consulting Group national study to determine optimal 2050 pathways for key emitting sectors in South Africa.

This independent study arrived at similar decarbonisation pathways utilising green hydrogen and transition gas for the petrochemical sector (ie Sasol).

For the petrochemical sector, the net zero pathway with least cost and minimal socio-economic impacts was found to be a combination of green hydrogen, renewable energy and DAC. A turndown pathway was also assessed. However, the negative socio-economic impacts far outweighed the reduction benefit achieved by reaching net zero this way. We used this study and its findings to validate our internal roadmap development work and fossil-fuel-free vision.

**IHS Markit Hydrogen Study**

IHS Markit concluded an independent fact-based study to test how green hydrogen feasibly supports South Africa's transition to net zero by 2050. The analysis included Sasol's operations and showed that multiple economic drivers modelled, support the progressive decarbonisation of our plants using green hydrogen.

It also showed that this can be done profitably while markedly reducing emissions. This supports our own findings, particularly the benefits relating to employment across direct, indirect and induced categories.

In principle, our Secunda plant was found to compete with greenfield FT plants, which come with extremely high capital costs. It also highlighted that Sasol has a major cost advantage for SAF production from existing Synfuel assets.

1. Reducing emissions from fossil fuel sources using lower-carbon technologies without storage.

A NET ZERO AMBITION

Our Energy Business (CONTINUED)

Working to unlock technology options

Renewable energy

Large-scale renewable energy is required to enable Net Zero by 2050 and our fossil-fuel-free vision. As a start to our journey by 2025, we are looking to integrate 600 MW towards our ~1 200 MW renewables target. Thereafter, we aim to complete the remaining 600 MW before 2030. This allows us to significantly decarbonise our utility scope 1 and 2 emissions by replacing electricity imports and own generation. Although South Africa possesses some of the best renewable energy resources globally, it is not possible for us to fully replace our own generation and grid-based electricity as renewables are not available 100% of the time. We continue to track and monitor developments related to energy storage that could enable this in the long term. For now our ambition is to replace as much as possible.

Progress to date has been accelerated by our partnership with Air Liquide to jointly decarbonise specific units on our Secunda site. Two 10 MW solar photo voltaic farms are also being procured for our Secunda and Sasolburg operations, with a strong focus on the social benefits. The applicable PPAs are likely to be concluded by the end of 2021. We are on track to have the facilities operational by 2023. In the medium term, we are preparing for development of renewable electricity projects at scale and on our own to meet our green hydrogen plans.



Sustainable carbon feedstocks

Sustainable carbon feedstocks are essential to realise our 2050 ambition. By progressively incorporating sustainable carbon sources into our operations, we will be able to gradually decrease our reliance on coal and transition gas. Sources of sustainable carbon include biogenic, recycled process CO<sub>2</sub> from industrial sources and captured atmospheric CO<sub>2</sub>. Today the cost of DAC is not sufficiently competitive for large-scale implementation, therefore we are prioritising biomass-derived carbon.

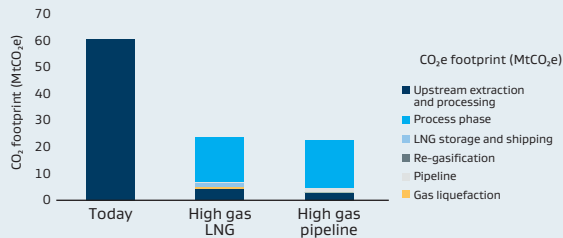
Small quantities of biomass can be accommodated in our current gasifiers, but at high percentages will require a new set of gasifiers. Sourcing of biomass requires further collaboration to achieve optimal land and water use, as well as addressing logistical concerns. Various opportunities for partnerships to drive this lever are being pursued and are detailed on page 18 of this report.



Sourcing for transition gas

Sasol sees gas as a transition fuel in the move away from coal. Discussions with respective governments, including South Africa, continue on potential transition gas for the South African economy. The benefits of using gas, either pipeline or LNG as a feedstock in Secunda is significantly better than coal, taking a lifecycle view.

Lifecycle CO<sub>2</sub>e footprint of coal vs gas

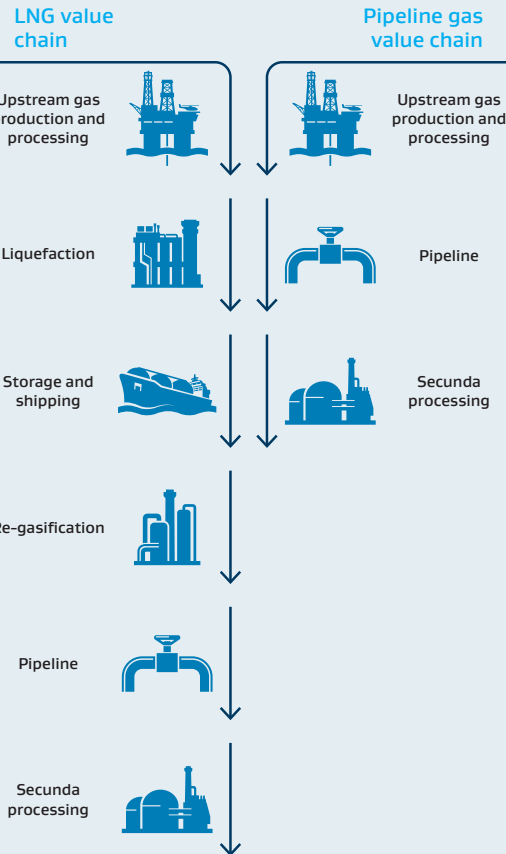


Two major sources of gas are available to Sasol: LNG and pipeline gas. Pipeline gas has a lower lifecycle footprint but could create stranded assets, resulting in lock-in, particularly if the hydrogen economy plays out faster. LNG could have a high lifecycle footprint depending on its source but offers flexibility and less risk of stranded assets.

For our gas-sourcing strategy, we undertook an evaluation of the GHG emissions from each step of the gas value chain. Importantly, we wanted to understand methane leakage potential, depending on where the gas was sourced and to find opportunities to mitigate or offset them.

The gas value chain is made up of upstream gas production, processing, transportation and use. We explored two gas-sourcing routes: LNG and pipeline gas from Mozambique. The analysis found that sourcing gas from reservoirs low in CO<sub>2</sub> and where methane leakage is monitored and minimised, is critical to reducing value chain emissions. We also found that globally significant strides have been made to improve operations and reduce methane leakage. On the other hand, pipeline gas supply showed a lower overall GHG footprint due to a simpler value chain.

Therefore, Sasol's sourcing strategy for LNG is focused on locations with new or advanced liquefaction technologies and the latest transportation technology to reduce emissions. We plan to introduce LNG in incremental amounts, approximately 40 – 60 PJ/a from 2027 onwards. This will allow us to effectively monitor the green hydrogen and low-carbon technology development landscape, avoiding infrastructure lock-in but still achieving lower emissions. Gas infrastructure can also be re-purposed for green hydrogen transport and has been shown to be a competitive advantage for countries.



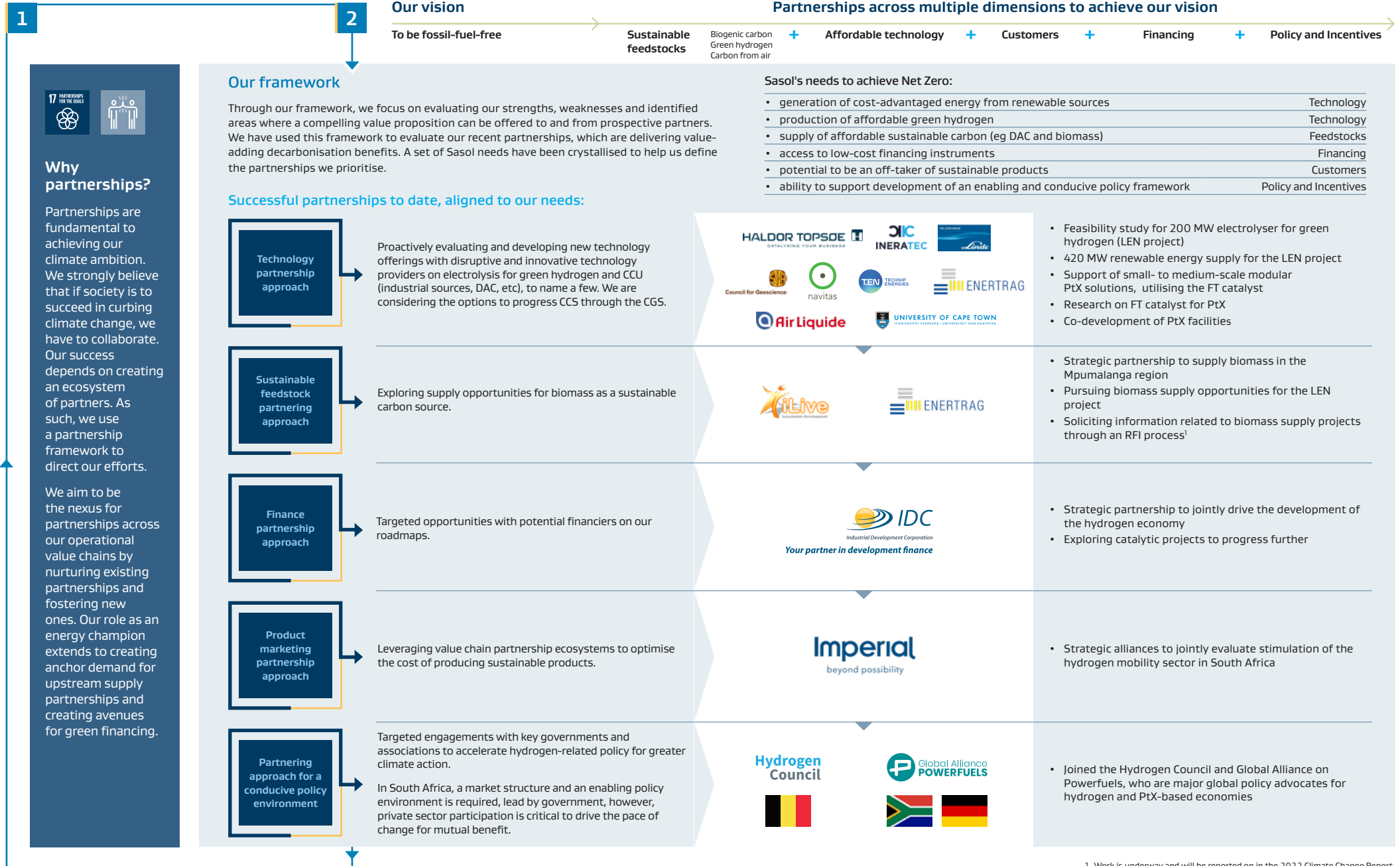
Carbon Capture, Utilisation and Storage

CCUS is a collective term referring to a number of technologies not yet developed at scale. The technologies of relevance to Sasol are CCS and DAC, both of which are currently prohibitively expensive and not proven in South Africa. However, across the world costs of these technologies are decreasing due to enabling policy frameworks and incentives.

In 2021, we issued a Request for Information (RFI), with the intention of unlocking breakthrough technologies to catalyse cost reductions and utilise our concentrated CO<sub>2</sub> streams. Unfortunately, no breakthrough technologies or process configurations have been identified to date.

CCS is in its infancy in South Africa. While Sasol has an advantage because our process CO<sub>2</sub> is already captured, we have yet to prove the viability of storage. The distance of storage sites from our facilities plays a significant role in influencing the cost and viability of CCS as an option for us. To this end, we are collaborating with the Council of Geosciences (CGS) and South African Centre for Carbon Capture and Storage which is focused on long-term storage of CO<sub>2</sub> in geological formations. We are supporting the CGS and the South African Department for Mineral Resources and Energy on the implementation of a Pilot Capture and Storage Project. This project aims to understand the technical feasibility of inland CCS at a demonstration site in Evander, Mpumalanga by ~2025. We are providing technical data and process CO<sub>2</sub> to enable assessment of sequestration potential at this site.

Advancing partnerships



1. Work is underway and will be reported on in the 2022 Climate Change Report.



A NET ZERO AMBITION

Our Chemicals Business

Chemicals strategy

Intensifying environmental pressures – largely through evolving consumer awareness and an ESG focus by investors – are impacting the chemicals industry, but also creating opportunities. There is an increasing focus on decarbonisation through feedstock shifts and efficiency of production. This is anticipated to ultimately affect demand for conventional products, but also to provide opportunities for waste reduction, efficiency-improving products and circular solutions.

The Chemicals Business is well-positioned to benefit from these trends, as our diverse range of products connect Sasol's unique chemistry to the needs of our customers and partners. We aim to create value and develop innovative solutions for a better and more sustainable world. Our strategy for chemicals is built on three pillars:

- ramp-up the Lake Charles assets to full potential and grow the business, leveraging our global footprint;
- build on our market leadership positions for high-value growth; and
- innovate with customers for sustainable, circular solutions.

The urgency to respond to climate change is being felt through our value chain and collaboration with our suppliers and customers is critical. To support our strategy, we are aiming for:

- an ambition for Net Zero scope 1 and 2 emissions by 2050;
- an absolute scope 1 and 2 emission reduction of 30% by 2030, from a 2017 baseline for Eurasia and Americas; and
- our 100% purchased renewable electricity usage by 2026 for our Europe and Americas operations.

In the short term, we are targeting a 20% reduction in scope 1 and 2 emissions by 2026. Key levers are detailed in our roadmaps on page 21. In terms of scope 3 emissions, we are progressing work on a baseline for Category 12 and will communicate on this in future reports.



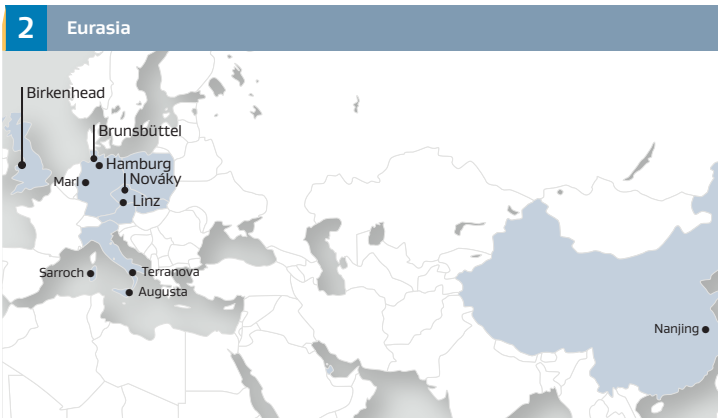
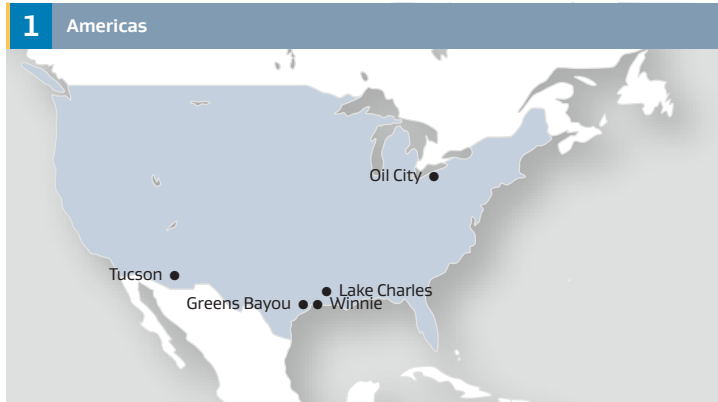
Offering solutions to customers that sometimes seem impossible  
Emission control catalyst using our aluminas are able to eliminate more than 90% of harmful components in vehicle emissions.



Unique chemistry creating partnerships that last  
Unique single branch surfactants used in detergents enhance cold wash performance, contributing to reduced energy consumption.

Key messages

- Clear focus on sustainability, circularity, and specialty solutions
- Developing solutions for our customers, using our unique chemistry
- Leveraging renewable electricity
- Renewable<sup>1</sup> and circular<sup>2</sup> drop-in feedstocks



Our 2030 roadmaps

Sasol's International Chemicals Business GHG response is underpinned by two objectives; reducing emissions and securing our future business competitiveness and licence to operate. To support the 2030 target we developed scope 1 and 2 GHG emission-reduction roadmaps as a first step to defining the path to 2050. Our emissions profile originates from two main regional business platforms, namely Eurasia and the Americas. We chose 2017 as the baseline year for our target as it was the year with the greatest production rates and sales. The Lake Charles Chemical Complex (LCCC) expansion project is in the process of reaching full production and therefore our emissions data is based on the facilities design information.

The Chemicals Business operating units situated in Secunda and Sasolburg are integrated into the Energy value chain and are therefore addressed in those roadmaps.

Our emissions profile for Eurasia and the Americas are:

Regional Business Platform	Production Year	Scope 1 Mt CO <sub>2</sub> e	Scope 2 Mt CO <sub>2</sub> e	Total Scope 1 and 2 Mt CO <sub>2</sub> e
<b>Americas</b>				
LCCC and other surrounding areas	2017	0,9	0,2 <sup>4</sup>	1,1
LCCP <sup>3</sup>	Start-up commenced in 2019; ramp-up in progress	0,3	0,3 <sup>4</sup>	0,6
<b>Eurasia</b>				
Europe and Asia sites	2017	0,8	0,3	1,1

1 Feedstocks of biological origin that have been responsibly / sustainably sourced. Examples are bio-ethylene from bio-ethanol, biogas, biomethane, vegetable oils, algal oils.  
 2 Feedstocks derived from recycled carbon from the technosphere. The most well know example of a circular feedstock are hydrocarbons derived from plastic waste.  
 3 Note: Plant is operational but not fully ramped-up for purposes of baseline accounting, project reference is still included. This excludes the emissions associated with the facilities included in the Louisiana Integrated PolyEthylene (LIP) IV, which came into effect in December 2020 as Sasol does not have operational control. These emissions have been included as part of scope 3: Category 15.  
 4 Scope 2 emissions are based on the most current grid emission factors. This update accounts for the difference in previous years reporting but updated this year.



A NET ZERO AMBITION

Our Chemicals Business (CONTINUED)

Chemicals strategy

The Chemicals Business incorporated the three-pillar emission-reduction framework as a basis for target and roadmap development. The business has the following characteristics that are pertinent for climate change management:

- significantly lower emissions base;
- able to access renewable electricity resources;
- newer assets fitted with best available emission-control technologies already reducing emissions;
- integrated with lower CO<sub>2</sub> intensity feedstocks, particularly in the United States;
- able to utilise CCS technologies, which are being incentivised by the United States government; and
- expected acceleration and incentivisation towards net zero emissions, particularly in the EU.

Partnerships and collaboration with our customers and suppliers are critically important to unlock reduction opportunities, in line with government requirements.



We identified six primary reduction levers to achieve our 2030 target categorised as part of the Reduce and Transform pillars. Our 2030 Chemicals roadmap sets the foundation for greater reductions, using known technologies, on the path to achieve Net Zero by 2050.

We have not included carbon offsetting, except for the use of Renewable Energy Certificates (REC) in the 2030 time period, with on-site mitigation prioritised. However, should technology changes not occur at the pace and scale required, we might leverage offsetting to achieve last-mile decarbonisation or greater ambition. Additionally, alternative reduction levers may become commercially or technically feasible and, if attractive, will be included in our roadmap as we progress on our journey.

For the Americas, the procurement of renewable electricity through VPPAs allows us to accelerate ambition toward achieving the 30% target. We are pursuing the usage of RECs, which offset CO<sub>2</sub> related to electricity imported from the local grid. We will maximise our process optimisation efforts, as well as connection to local CCS hubs in the United States Gulf Coast. We are also exploring other business opportunities to utilise concentrated CO<sub>2</sub> streams for sustainable fuels and chemicals production, if feasible.

For Eurasia, we will maximise the direct procurement of renewables, as well as process and energy efficiency improvements. Where possible, we will pursue installation of process electrification technology. CCU is also a possibility and will be implemented, if feasible.

There are a number of key enablers that support the achievement of our targets. From a technology perspective, access to affordable and sufficient renewable electricity in our operating regions is essential in the near term (to 2026) and supports process electrification in the medium term. We continuously monitor renewable power developments and seek to exploit these opportunities as they arise. In the near to medium term, CCUS technology development will be key. In this respect, Sasol's FT technology offers a potential solution to utilise CO<sub>2</sub> streams.

The evolving policy and regulatory landscape, funding opportunities and collaborative partnerships will shape our roadmap development to 2030.

Progressing our roadmaps

We are already taking our first steps towards the implementation of our roadmaps. Our Brunsbüttel facility has been utilising low-carbon biomass-derived steam since 2014. We are in negotiations with the supplier to significantly increase biomass-derived steam and have also entered into PPA negotiations with wind power producers in the vicinity of Brunsbüttel. The official opening of the NordLink undersea power cable between Norway and Germany, in May 2021, represents a milestone in international energy collaboration. This 623 km cable enables the exchange of renewable electricity between the two countries. We are actively trying to leverage this unique opportunity in close proximity to our Brunsbüttel facility to accelerate scope 2 emission reductions.

Hydrogen is expected to play a critical role in achieving our Net Zero ambition. In Italy, Sasol Chemicals and Sonatrach Raffineria Italiana have formed a Temporary Association of Companies to collaborate on developing hydrogen production projects in Sicily. The Polytechnic of Turin is conducting a feasibility study on the use of CCUS technology in the industrial processes of the two production sites at Augusta, Sicily in Italy on behalf of the partners. An application for funding support is planned for the end of the calendar year.

Shifting to sustainable chemicals

Lower- and low-carbon feedstocks serve as the basis for growth of our International Chemicals Business. Significant growth in our Americas business is backward integrated into lower CO<sub>2</sub> intensity natural gas feedstock, with a facility designed with best-available emission-control technology. Feedstock flexibility in our Eurasian operations coupled with a rapidly developing sustainability driven ecosystem presents an opportunity to pioneer the production of lower-carbon chemicals. We are currently advancing the development of renewable and circular drop-in feedstocks in collaboration with our customers and supply partners, which will support reduction of scope 3 GHG emissions over time. To this end, we are progressing work to define a scope 3 emissions baseline for our chemicals products. Many of our chemical products have a number of different applications, each of which has a different conversion, use and disposal-related emissions profile. This process is therefore complex to define and requires engagement with our extensive customer base. Once the baseline is established, we will be in a position to assess whether a target is required. However, interventions are still being investigated and implemented to reduce or avoid these emissions through projects and participation in industry associations, see below.

- 1 We offer Roundtable for Sustainable Palm Oil (RSPO) Certified products like PARAFOL 14 RSPO- mass balance (MB)<sup>1</sup>



1. PARAFOL 14 RSPO-MB is a high pure paraffin produced from oleochemical resourced under RSPO-MB requirements. It is a clear, colourless liquid. PARAFOL 14 RSPO-MB is a very light and highly spreading emollient and a readily biodegradable alternative to D5 silicone oils.

- 2 International Sustainability and Carbon Certification (ISCC) of the Marl site for Renewable Ethylene



- 3 Industry Associations (ACC, Cefic, CAIA)



- 4 Sasol Steering Member of the Hydrogen Council



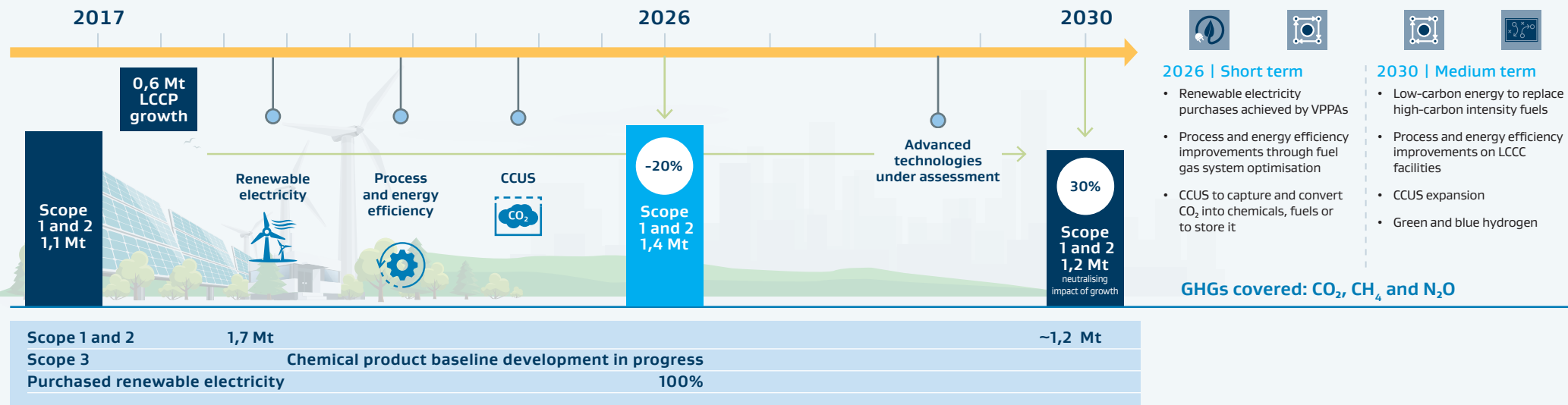


Our 2030 roadmaps

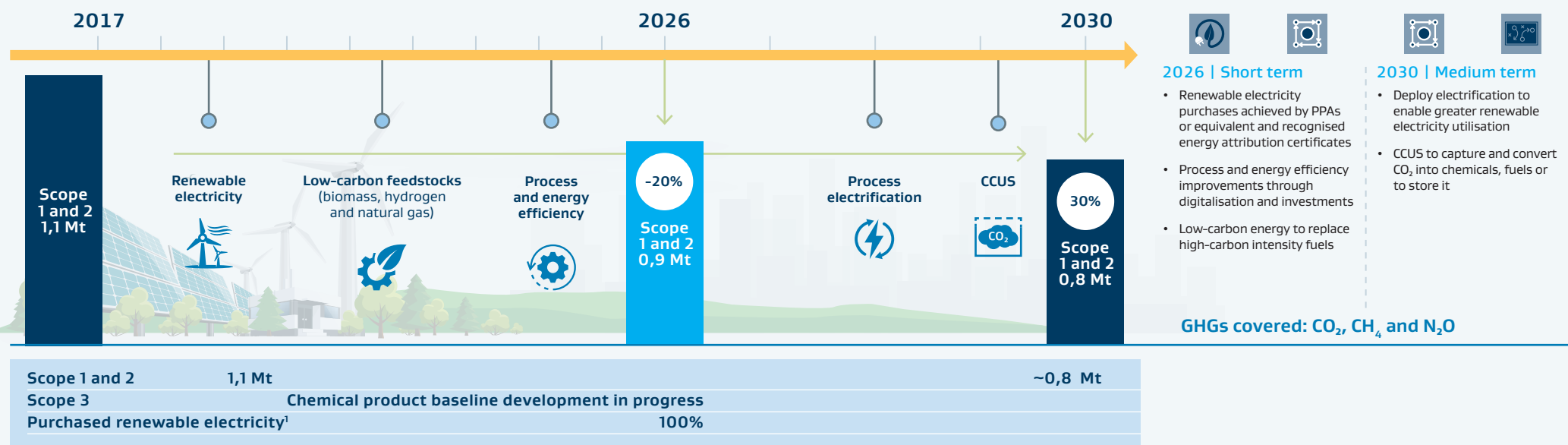
We have plans using known technologies to reduce emissions to 2030

Our 2030 GHG emission-reduction roadmaps

Americas



Eurasia



1. Excludes Nanjing and self-generation.



A NET ZERO AMBITION

Establishing an FT sustainable solution business: Sasol ecoFT

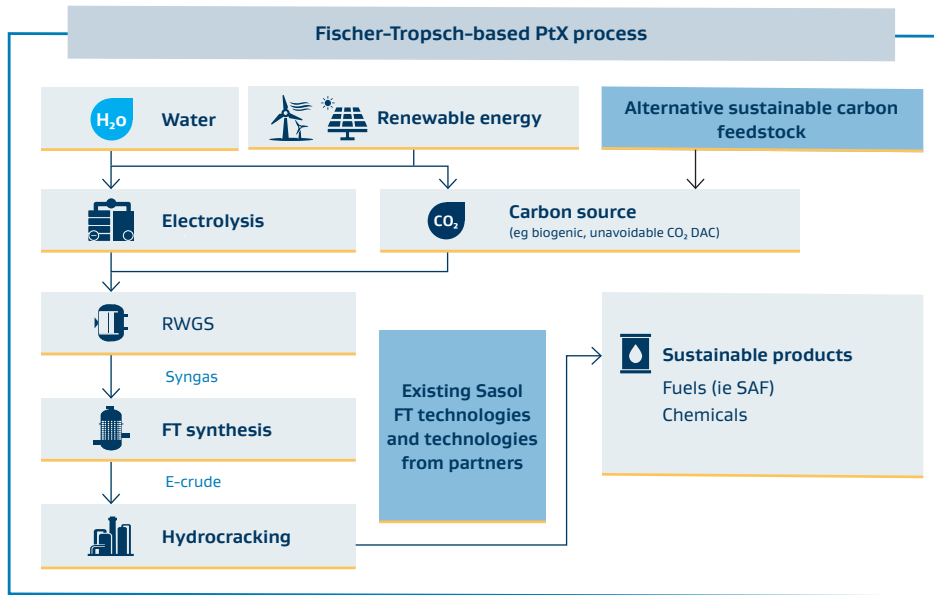
FT technology has exceptional potential in a low-carbon future. It is agnostic to feedstock and can produce both fuels and chemicals with net zero emissions through renewable energy and sustainable carbon sources. GHG emission reductions in the road transport sector are expected to come from electrification and hydrogen fuel cells. However, air transportation will be much more difficult to abate. Policy and industry's efforts have led to efficiency improvements in aviation (for example fuel burn per passenger has dropped significantly over the past 20 years) but these benefits have been outpaced by the sustained growth in air traffic.

As a result, emissions from this sector have risen rapidly over the past two decades, reaching ~1 Gt in 2019, or ~3% of global GHG emissions. Furthermore, with the number of aviation passengers expected to double by 2050, unabated emissions will continue to rise contributing to climate change. This is where SAF becomes critically important for the aviation sector to also meet expected global climate targets.

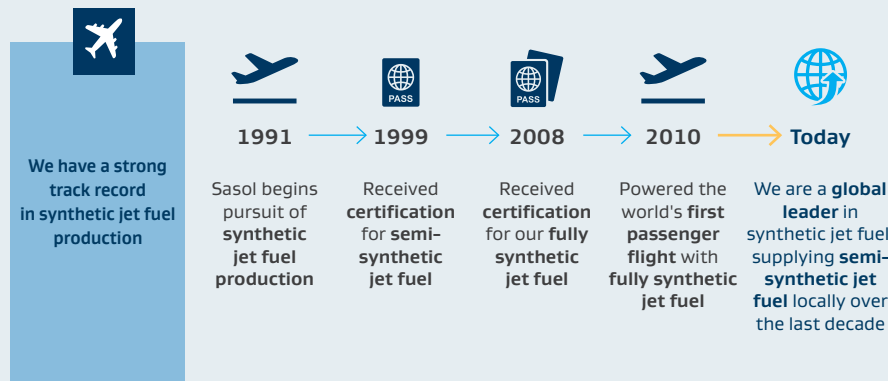
What is Sustainable Aviation Fuel?



SAF is a drop-in sustainable alternative to fossil jet fuel, requiring no change to existing aircrafts or supporting infrastructure. Sasol's FT process is particularly well-suited to produce SAF.



Sasol's unique FT technology is deployed at scale in Africa, the Middle East and Eurasia representing the largest installed capacity of this technology in the world. We have over 70 years of innovation and operational experience on our side to exploit the PtX opportunity to deliver higher yields at lower costs. Leveraging strong partnerships is a critical lever and in this instance, our relationship with Haldor-Topsøe (for Syngas production and Hydro Processing technology) and Technip Energies (Licensor Support Engineer) positions us well to develop a successful PtX business. We will leverage our advantages to continue to innovate and provide world-class technical solutions.



Having pioneered the adoption of synthetic jet fuel, Sasol is also the global leader in developing, certifying, producing and marketing synthetic jet fuel, which prepares us for the SAF opportunity.

We have mobilised an entrepreneurial team to pursue PtX ventures globally and within the next 12 months, we plan to:

- Establish key leadership positions and strengthen technology partnerships;
- Develop other key partnerships in selected value plays to close value chain and capability gaps;
- Advance catalytic PtX projects with preferred partners in attractive markets;
- Update the PtX product portfolio offering (including most recent technology developments);
- Generate a pipeline of project opportunities with partners expressing an interest in developing PtX projects with Sasol and Haldor-Topsøe and Technip Energies beyond demonstration units; and
- Advance monetisation offerings across licensing, catalyst sales, specialised technical services and equity positions in PtX value chains.

Advocacy for green hydrogen

An enabling and conducive policy environment is critically important to mainstream the use of green hydrogen and associated products. Benchmarking and other studies indicate that countries with a clear vision for hydrogen have been able to accelerate its deployment and position competitively. In the same vein, the South African government and private sector are working together to put in place the key building blocks for green hydrogen. Government through a presidentially constituted Hydrogen Panel are progressing the development of a national green hydrogen strategy.

At a global level, Sasol is participating in the 'Fit for 55' European Union policy commenting process. We are exploring options for product certification and engaging stakeholders to ensure market readiness for placement of FT sustainable fuels and chemicals.

There are technologies other than PtX to produce SAF from renewable sources, such as waste biomass or used oils. While these technologies are prevalent, supply is limited with SAF making up less than 1% of total global jet fuel demand. Furthermore, a limit exists on the amount of SAF that can be produced from biomass and oils given land availability constraints, competing food priorities and water usage concerns. Emissions from these processes are also not fully compatible with a net zero emissions future.

On the other hand, the PtX process is fully compatible with a net zero emissions future as it allows for 100% CO<sub>2</sub> emission reductions. Currently, it is a more costly technology option relative to oil and biomass<sup>1</sup>. However, these costs are expected to decrease rapidly this decade on the back of technology advances and manufacturing commoditisation, which will make the PtX process more cost competitive. Furthermore, it is not constrained by feedstock limitations and can supply the significant global jet fuel projected demand of ~7 million barrels per day. SAF is therefore likely to be one of the first and most attractive sustainable applications for Sasol's FT technology. This represents an exciting growth opportunity for us.

The recent EU Commission announcement on proposed SAF blending mandates from 2025 is setting the pace for transformation in the aviation fuel industry. The FT sustainable solutions business is well positioned in this regard.

1. Based on literature reviews including those documented by the European Commission relating to sustainable air transport.

A NET ZERO AMBITION

Capital allocation

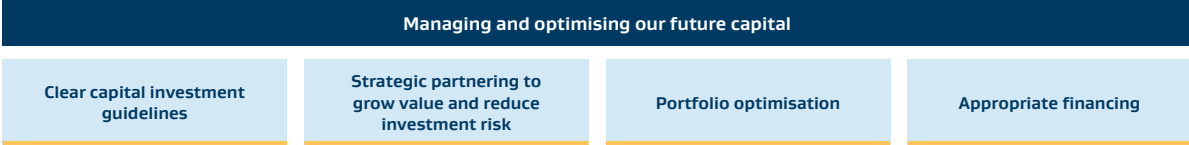
Sasol's financial position over the past two years has been constrained due to significant capital expenditure on our United States LCCP investment and challenges presented by the COVID-19 pandemic. Through our immediate response plan last year and our Sasol 2.0 transformation programme, we are on track to restore and build attractive shareholder returns and fund our transition. Our gearing is approaching more manageable levels as Net debt:EBITDA<sup>1</sup> has reduced to 1,5 times in 2021 (4,3 times in 2020), which is well below our covenant of 3,0 times.

Our disciplined approach to capital allocation

Over the year, Sasol has amended our capital allocation priorities in line with our decarbonisation approach and emission-reduction roadmaps. Transform capital to deliver our GHG reduction targets has been prioritised and forms part of first order capital allocation, while 'maintaining our asset base'. We have strategically evaluated our reduction levers using a decision-making framework that considered capital availability, technology maturity and cost, emission-reduction requirements and the carbon tax. Our green hydrogen aspirations, which are directly tied to our own decarbonisation, will be more aggressively pursued closer to the 2030 time horizon.

Our growth priorities, including our FT sustainable solutions business and circular solutions are being phased in over time as per our capital allocation framework (see below and refer to pages 44).

Post 2030, our emission-reduction roadmaps with identified signposts will allow us to pivot efficiently and effectively to reach our long-term ambition while creating value for our shareholders.



Key capital allocation principles



**Our first order capital will be allocated to:**

- Maintaining our asset base;
- Decarbonising our existing business to deliver on our GHG reduction targets (Transform capital) and protecting returns;
- Selective new growth/improve capital and funds for smaller high return, short payback projects and potential sustainable businesses;
- Deleveraging and maintaining a robust balance sheet (<\$4bn Net Debt and 1,0 times - 1,5 times Net Debt: EBITDA); and
- Restoring the dividend and stepping up the payout level, subject to leverage and debt-level thresholds.

**Our second order capital will be allocated to:**

- Expansionary growth and potential sustainable businesses; and
- Additional shareholder returns.

1. Earnings before interest, taxes, depreciation and amortisation  
 2. Core headline earnings per share



Our coal exposure

Sasol's major revenue streams come from a combination of coal, natural gas and oil-based derivatives. Over the past four years, the percentage of revenue from coal-derived products was on average between 39 - 41%. The Secunda Operations are directly linked to coal and limited to the products within the affected value chains. This translates to more than 90% of liquid fuels and chemicals produced in Secunda and all export coal. Note that some chemicals produced in South Africa are from natural gas feedstock. None of the chemicals or fuels produced outside of South Africa are coal-derived.

This calculation is sensitive to oil price, currency exchange rate, production volumes and international chemical prices. As we progress our Future Sasol strategy and integrate larger volumes of sustainable fuels and chemicals, our coal exposure will naturally reduce.



Sustainability-linked, transitional and green financing



The landscape of funding mechanisms has evolved significantly over the last few years. Sasol has put in place a strategy and Key Performance Indicators (KPIs) that are supported by a capital allocation framework that will facilitate capital expenditure towards decarbonisation and new low-carbon value pools. This will in turn improve access to not only sustainability-linked and transitional finance, but also green financing opportunities.



A NET ZERO AMBITION

Sasol's climate scenarios

Development of Sasol's climate scenarios

In light of prevailing uncertainties and complexities, it is difficult to accurately predict the global response to climate change. To inform our approach, we have undertaken rigorous modelling through plausible long-term scenarios to assess Future Sasol's strategic imperatives, test robustness and inform potential responses to mitigate risks. This includes alignment with the 1,5°C scenario and addressing associated physical risks.

Annually, Sasol undertakes detailed analysis to develop a bottom-up view of the global energy landscape. This includes a full global value chain analysis from upstream supply to chemical feedstock production, and chemicals and fuels market demand, such as customer preferences, buying patterns and industry plant utilisation. From this analysis, we determine price sets for coal, oil, refined products, gas and chemicals, to name a few. These are key inputs used in our scenario process.

In 2021, Sasol revised our previous scenarios, considering new developments in the global landscape. Three almost new scenarios were constructed, which we named the Current Pathway, Cooperative World and Accelerating to 1,5°C. The updated scenarios are much more challenging than the previous year and are not comparable to last year's assessment. Changes made to our current scenarios include:

- much lower oil prices;
  - reduced market demand for products;
  - transformed and new industry structures, such as electric vehicles and related infrastructure, solar and wind power and hydrogen economy developments; and
  - new refineries with higher chemical yield.
- We considered various sources including the 2020 IEA Sustainable Development Scenario (SDS)<sup>1</sup>, supplemented by other 1,5°C-type scenarios to develop our Accelerating to 1,5°C scenario. The future is uncertain and there are still many unknowns in terms of technology availability and readiness, adoption rates, affordability and government and personal priorities. Our scenarios are therefore regularly reviewed and updated as required.
- Analysis of the information sources revealed differences in the storylines necessitating further interpretation and assessment. Our scenarios

stretched the range of potential outcomes from favourable to unfavourable for us, with potential futures ranging from a world wrestling to recover from the economic challenges of COVID-19 to one strongly focused on curbing climate change. Key characteristics of each scenario are detailed below.

Given the vulnerabilities of the Energy Business to shifts in micro- and macro-trends, we also spent time building scenario views of the local context - how industry sectors could be impacted and what new sectors could emerge. This was particularly important for our FT sustainable solutions business and development of the green hydrogen economy.

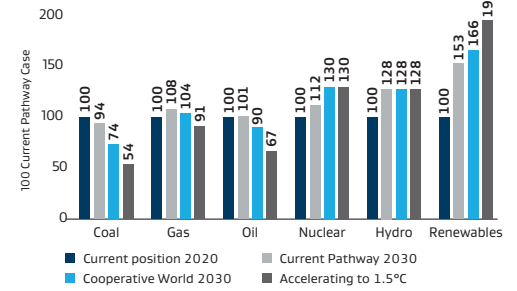
Importantly, the Accelerating to 1,5°C scenario, as highlighted above, is aspirational. It was developed taking an endpoint of 1,5°C as the basis and working it back to today.

Global oil price assumptions for each scenario in 2030

	Current pathway	Cooperative world	Accelerating to 1,5°C
Oil price (\$/bbl, real 2021)	57	48	36

High level overview of the global total primary energy consumption in each of the scenarios in 2030

(Indexed: 100 Current Pathway Case)



### 1 Current pathway

- Economic challenges are disproportionately distributed across the globe, with a few countries prospering more than others
- Approximate temperature range 2,5°C - 3,2°C
- Climate action gains momentum in more prosperous regions like Europe, United States and China, and slower progress in economically challenged countries
- New technologies assist the energy transition but with stark regional differences. Electric vehicle penetration in Europe, United States and China reduces global gasoline demand; in other areas, progress is hampered by affordability and infrastructure roll-out. Global transport fuel demand peaks in the mid-2030s. Global fossil jet fuel still grows but slower than pre-COVID-19, due to efficiency improvements, as well as new aviation fuel options. These fuels start to influence the industry later in the period
- Global demand for petrochemicals increase due to rising population and the growing middle class
- Financing and funding opportunities are available for transition activities
- The world is on track to overshoot the 1,5°C temperature goal. Much more effort on adaptation is required

### 2 Cooperative world

- More global climate action cooperation than today but not universal
- A faster, green transition, driven by strengthened policy, legislation and more behaviour change
- Approximate temperature range 1,7°C - 2°C
- Rapid technology advances and transfer of technology to developing regions resulting in cost decreases
- Global coal consumption comes under higher pressure and global liquids demand for transport peaks in ~2025, driven by increased penetration of new technology vehicles where affordability is spurred by technology sharing and subsidies. Fossil jet fuel demand is flatter due to changing behaviour, increases in consumption efficiency and penetration of SAF
- Demand for petrochemicals is tempered by increased recycling, somewhat offset by lightweighting<sup>2</sup> of materials
- Higher efficiency gains and lifestyle changes
- Increased reliance on electricity networks to provide the main source of energy, with a higher contribution of solar, wind and new technologies
- Increased technological, financial and capacity building support for transition activities
- The world slightly misses the 1,5°C temperature goal but physical impacts are less marked due to higher mitigation efforts

### 3 Accelerating to 1,5°C

- All countries are working to achieve the 1,5°C temperature goal, in support of the Paris Agreement. Progress towards 1,5°C accelerates post 2030, as new technologies are implemented and effects become visible
- Maximum use of available technologies, with innovation towards developing new technology options, including CCUS to assist in reducing emissions
- Approximate temperature range 1,5°C - 1,7°C
- Consumption patterns are modified by strong legislation, high penalties and significant behaviour change towards sustainability
- Large investments in the new energy sector and sharing of technologies, with a larger reliance on green electricity to drive the transition
- Fossil fuel consumption is under severe pressure and global liquids demand for transport peaks in 2019. This is driven by high penetration of electric, hybrid and fuel-cell vehicles. Fossil jet fuel demand is reduced by behaviour change and strong penetration of SAF, including PtL
- Demand for petrochemicals is dampened by strong recycling and circular economy options
- Demand for coal and liquid fuels decrease rapidly, replaced by renewables growth and adoption
- Much stronger technological, financial and capacity building support for transition activities
- All countries are investing extensively in mitigation efforts, resulting in fewer adaptation requirements



Sasol's physical risk modelling

Two GHG emission scenarios were modelled to understand physical impacts on our operations. The IPCC's high emission scenarios (referred to as "Representative Concentration Pathway (RCP)" 8,5) and an intermediate emission scenario (RCP 4,5). RCP 4,5 and 8,5 were chosen based on the wide range of changes in GHG emissions. These pathways informed the development of downscaled climate models developed by the Council for Scientific and Industrial Research (CSIR), providing an 8 km spatial resolution for Southern Africa and 50 km for the United States. Our prioritised sites for understanding physical weather impacts were the Central Processing Facility (CPF) (Mozambique), Secunda and Sasolburg (South Africa) and Lake Charles (United States).

We supplemented and bias-corrected the modelling with site-specific historical weather data. Our modelling simulations spanned 1960 to 2099, which encompasses the timeframe for Future Sasol's strategy. In general, the modelling indicated that surface temperatures will increase by 1 - 4 °C by 2050, with an increasing number of extreme hot days. Projected rainfall patterns differ between the sites. For the Energy Business in Mozambique, rainfall is projected to increase, while for sites in South Africa, no change in average rainfall is projected, but rather an increase in intensity and frequency of extreme rainfall events. For the International Chemicals Business in the United States, a similar rainfall trend to South Africa is likely to be experienced. Specific to Mozambique and United States, cyclones and hurricanes are expected to become more intense. These results have informed the development of proactive climate change responses. In addition, the downscaled modelling results have been incorporated into our scenarios:

- **Accelerating to 1,5°C:** Weather-related impacts on Sasol's people, communities and assets are lower, with fewer production losses and lower costs for adaptation measures;
- **Cooperative World:** Sasol's people, communities and assets are exposed to some physical impacts of climate change and would have to invest in more adaptation measures; and
- **Current Pathway:** Sasol's investment costs in adaptation are higher to build resilience of our people, communities and assets.

**Our Energy Business incorporates adaptation response measures, such as emergency preparedness, updating design specifications and tailored maintenance schedules. These measures incur additional costs when compared to our United States assets, due to their age and not having been built with a rapidly changing climate in mind (for further information on our risk exposure please see Risk management page 44).**

1. The IEA Net Zero scenario was not included due to its release date but will be included in future scenario updates and related disclosures.  
 2. Lightweighting refers to replacing heavier components with light weighted plastic materials.



A NET ZERO AMBITION

Sasol's climate scenarios (CONTINUED)

Robustness testing against our scenarios to 2030

Sasol undertook robustness testing of the businesses within our portfolio. The framework we used tested our resilience across key lenses, namely:

- market demand;
- consumer preferences;
- stakeholder acceptance;
- affordability and ability to mitigate;
- feedstock acceptability;
- executability of the strategy; and
- just transition implications.

These lenses tie back to our risk management approach detailed on page 44.

Our annual stress test aimed to provide steer on the robustness of each business and the overall portfolio. It was inclusive of our 30% scope 1 and 2 emission reduction target, the physical impacts of a changing climate on our business and Sasol's opportunities in a low-carbon future.

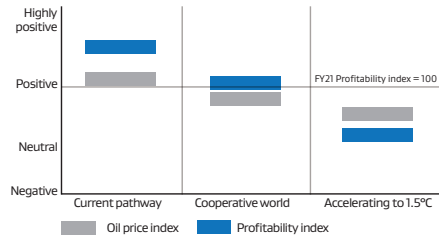
Our qualitative robustness testing is reflected alongside and revealed the following key focus areas that directly shaped our strategy:

- **Fossil fuel feedstock acceptability is constrained as you move from the Current Pathway to the Accelerating to 1,5°C scenario.** In response, Sasol is reducing our coal feedstock exposure over time, contributing to a lower emissions profile from our existing operations. We are also focusing on a flexible strategy that incorporates incremental gas, with an ability to pivot to green hydrogen, when affordable.
- **Local market demand for liquid fuels, while slowly declining in the Accelerating to 1,5°C scenario compared to the Current Pathway, is still relevant to 2030.** In response, Sasol is choosing to be a partner of choice for mobility and commercial customers to preserve returns. We are also considering taking positions in advanced mobility aligned to our strengths. Progressively over time, we will expand opportunities into growing the local green hydrogen economy and participating in the global economy. Examples of areas of interest include, green hydrogen for long distance freight transport and own use, and green ammonia production, locally and for export.

- **The physical impacts of a changing climate on production loss, infrastructure damage and supply chain interruptions are fewer in the Accelerating to 1,5°C scenario compared to the Current Pathway** (see 2021 CDP, www.sasol.com). Our resilience in the Accelerating to 1,5°C scenario is higher resulting in less sustenance capital expenditure.

Using the Sasol scenarios, we undertook a quantitative evaluation to assess the financial impact of the various outcomes on Sasol's business. This evaluation is indicated below.

Quantitative robustness testing of Sasol's 2030 earnings relative to today (with mitigation)



The analysis highlighted several areas that we will track and monitor to reduce vulnerabilities in our strategy. These areas or signposts are indicated below (for additional risk information, see page 44):

- Pace of technology development and implementation, access to new technologies and an enabling environment;
- Carbon tax design uncertainty, especially in the South African context;
- Multiple sustainability obligations and associated costs or investments required; and
- Macro-economic drivers, such as oil and rand/dollar exchange rate.

The introduction and implementation of GHG reduction targets for our affected value chains, particularly in South African mitigates vulnerabilities of our business into the future.

Carbon pricing at Sasol

Sasol believes that carbon pricing is a critical part of the suite of policy interventions required to achieve the transition to a low-carbon future and the Paris Agreement. An effectively designed, nationally determined and efficiently implemented carbon pricing signal is a suitable mechanism to 'justly transition'. A global carbon price has been mooted by the climate negotiations. However, internal analysis indicates that regional carbon prices are more than likely to persist, especially in a COVID-impacted environment.

As such, Sasol has applied a tailored carbon price assumption for the South African context in our scenario assessment. One of the considered inputs was the IEA SDS carbon price for developing countries, which we found to be unrealistic for the current national context as it shocked a fragile economy and did not support the much-needed just transition. For the South African segment of our assessment, we had to factor in the lack of pricing certainty given the Carbon Tax: Phase 1 ends in 2022. Government has yet to confirm the carbon tax design and therefore the rate in 2022 escalated in real terms to 2030 was used; progressively removing existing rebates. This started at a price of R19/tonne in 2020, increasing to R170/tonne by 2030 in real terms.

In addition, carbon price forecasts are used in our Decision-Making Framework to inform project and strategic choices, as well as in investment decisions and asset valuations.

Qualitative robustness testing relative to today (with mitigation)

2030

	Current	Cooperative World	Accelerating to 1,5°C	
<b>MARKET SENSITIVITY</b>	▲	▲	▲	
<b>Energy Business (including South African Chemicals)</b>	Fuels Chemicals	Fuels Chemicals	Fuels Chemicals	<p>Coal is not a growth area in any of our scenarios. Further investment in the coal mining value chain does not take place with a commensurate reduction in the volume of mined coal. Gas and coal remains challenged in the Accelerating to 1,5°C scenario and its continued use within the value chain continues to garner negative sentiments. In both the Current Pathway and the Cooperative World, gas is expected to create growth opportunities. Here, gas is used to balance the flexibility of renewables. The Accelerating to 1,5°C scenario considers renewable energy with energy storage as a more favourable option. In South Africa, gasoline and diesel market demand for Sasol's products remain robust in the Current Pathway and the Cooperative World. However, these products face challenges due to their carbon footprint in the Accelerating to 1,5°C scenario. South Africa's chemicals are likely to face carbon border tax adjustments when exporting to certain regions, which limit product competitiveness. Chemical products are able to be placed, but experience margin impacts.</p>
<b>Chemicals</b>	Chemicals	Chemicals	Chemicals	<p>There is continued growth in the Chemicals value chain, with increased environmental emphasis on recycling, re-use and downgauging. The differentiated and specialty aspects of our portfolio, particularly with regards to products that increase efficiency, reduce waste and conserve resources, are complementary to these considerations. Additionally, products within our portfolio facilitate lightweighting, and are also utilised in food packaging and care chemicals in which a focus on personal hygiene is expected to drive consumption. Demand for chemical products grows in all scenarios. Physical risks of climate change are lower than in South Africa due to existing preparedness and greater local support.</p>
<b>FT sustainable solutions: Sasol ecoFT</b>	Sustainable Fuels and Chemicals	Sustainable Fuels and Chemicals	Sustainable Fuels and Chemicals	<p>Sasol is in a strong competitive position in this business area with over 70 years of innovation and operational experience, a differentiated technology, strong partnerships and a track record of delivering value in FT technology licensing. SAF shows good growth potential to assist with decarbonisation in the aviation industry.</p> <p>This potential business relies on legislated blending mandates to assist in adoption of new products. There is also reliance on availability of incentives to assist business. It takes time to decrease costs of production and to increase product demand levels. Production costs will remain at multiples of fossil fuel alternatives until renewable energy and green hydrogen cost curves reduce. There could also possibly be some execution risks, which are considered normal for new business ventures. This business would enjoy the benefits of utilising greener feedstocks and significantly lower emissions. The new industry sector has the potential to contribute to South Africa's future economic growth and employment base.</p>
<b>APPROXIMATE TEMPERATURE TARGET (°C)</b>	2,5-3,2	1,7-2	1,5-1,7	
<b>Market sensitivity to climate change</b>	▼ Market declining	▲ Market growing	▶ Neutral market	
<b>Overall attractiveness for investment</b>	● Focus for investment	● Maintain with limited investment	● Maintain with no further investment	

A NET ZERO AMBITION

Future Sasol: Enabling activities

Just transition

A flexible Net Zero reduction roadmap to 2050, with optionality engrained by design, allows us to continue creating value and 'justly transition'. We aim to achieve this by sustaining employment, addressing negative socio-economic impacts and contributing to more resilient communities. By and large, we attribute this to our People, Planet, Profit framework, which is at the core of our strategy and governance approach.

Fossil fuel-dominated economies are particularly exposed to climate change transition impacts and the cost of inaction is likely to be more severe than responding to climate change. Importantly, an effective just transition should be supported by national financing and policy frameworks.

For Sasol, our transition is about our people and communities and therefore is being undertaken in a just manner. The principle of leaving no one behind continues to shape our thinking. Future reports will focus on our just transition plans and programmes as these mature through our recently constituted Just Transition Office.

Particularly in South Africa, our transition will result in negative socio-economic impacts, if unplanned and left unmitigated. This requires a coordinated response from the early stages of our transition and must account for issues of inequality, poverty and unemployment alleviation.

The Paris Agreement articulates the criticality of a transition that accounts for the impacts on workers as economies shift towards a low-carbon future. We are transitioning in a responsible manner and, to support our roadmaps, are also developing plans to grow jobs through new low-carbon sectors, developing skills of the future and mitigating induced impacts in the areas in which we operate.

**Balancing negative impacts by delivering positive benefits** through a tailored just transition response and leaving no one behind.

**Leveraging public and private partnerships** to deliver economies of scale benefits across our operational regions.

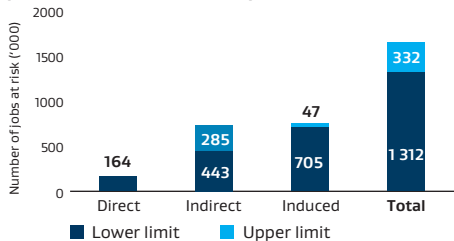
**Chemicals**

Sasol's International Chemical Business has a smaller, more highly skilled workforce that is not exposed from a coal perspective. Therefore, our socio-economic impacts are anticipated to be low to 2030. These operations are in developed countries and we aim to leverage the stronger economic frameworks available should there be impacts.

**Energy**

Sasol's Energy Business will see socio-economic impacts as we progress to our 2050 Net Zero ambition that are being managed through detailed plans under development. Up to 2030, we do not foresee material socio-economic impacts based on the manner in which the mitigation levers are being implemented. Unmitigated impacts could be appreciable post 2035 for our Mining and Secunda operations, hence our concerted effort in planning for the transition. Plans and interventions are being investigated and deployed to reach critical mass to minimise negative impacts. The NBI/BUSA Climate Pathways Study evaluated job loss for the coal mining sector to be as large as 270 000 - 320 000 on a direct, indirect and induced basis. It also highlights the importance of localised plans being targeted at the areas where impacts are felt, in this case Mpumalanga. In addition, noteworthy is that other mining sectors may also experience some growth. This concurs with findings based on our own analysis.

NBI/BUSA Climate Pathways Study: petrochemicals sector analysis



Source: NBI/BUSA Climate Pathways Study, Petrochemical Sector



Within the company and where possible worker transition will be enabled through six well-established mechanisms:

- Redeployment
- Early retirement
- Income protection and social welfare
- Re-skilling programmes
- Revision to technical and academic programmes
- Relocation incentives

These mechanisms, however, do not address the glut of skills needed for a low-carbon future in the sectors of green hydrogen, renewables and other low-carbon technologies. Targeted programmes and partnerships are being prioritised and are under development.

**Skills development**

- Leveraging our Sasol Foundation and re-directing its focus towards securing skills for the future.
- Driving, with other business bodies, national just transition studies to contribute to evidence-based policy development and decision-making.
- Working closely with tertiary institutions for vocational level labour force development for the future.
- Redirecting a portion of Sasol's entrepreneurship, apprenticeship and internship programmes towards growing skills of the future. In 2021, we spent a total of R175,7 million<sup>1</sup> on skills development.

1. Total spend which covers South Africa and Mozambique

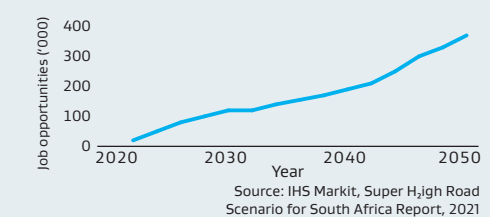
**Partnerships**

- Signed a **Memorandum of Cooperation** with the IDC to accelerate commercialisation of the green hydrogen economy in South Africa. From a just transition perspective, this partnership will focus on skill-set development and job creation benefits.
- Signed a **Memorandum of Understanding** with Eskom to collaborate on synergistic just transition opportunities.
- Pursuing 40% localisation in South Africa in our renewable energy procurement programme.
- Investigating opportunities associated with declaring Renewable Energy Development Zones in Mpumalanga and the possibility for solar and wind manufacturing hubs.

**Growth opportunities in FT sustainable solutions**

- Identified future value pools, which present opportunities for job creation and positive contribution to the growth of the South African economy (see graph below for potential job creation opportunities). These plans will be detailed in future reports.

SA hydrogen economy



**Creating Shared Value**

- Leveraging on-going programmes within our communities. Engagements will begin to co-develop targeted transition programmes with our affected employees and communities.
- Established a Centre for Shared Value Management (CSVM), which will help realise our shared value aspirations. The CSVM facilitates the creation of socio-economic value mostly for our employees and communities through partnerships while creating business value for Sasol.

A NET ZERO AMBITION

Future Sasol: Enabling activities (CONTINUED)

Carbon offsets



Real, verifiable and permanent offsets

Certain GHG emissions are prohibitively expensive to reduce today and others are hard-to-abate - this is where carbon offsets play a key role.

At Sasol, offsets offer a solution in the transition towards Net Zero emissions ambition and can also realise other environmental and social benefits. We are developing a pipeline of eligible offset credits and projects to meet compliance obligations in the short to medium term. In the long term, we aim to evolve the type of offsets we use, focusing primarily on CDRs and technology interventions to:

- achieve Net Zero; and
- promote the development of low-carbon technology solutions.

Sasol's core carbon offset principles

Offsets can uplift communities and contribute positively towards national imperatives of alleviating poverty, unemployment and inequality. Without rigorous governance however, offset projects can have unintended negative consequences<sup>1</sup>. Sasol's offset approach focuses investment on credible offset credits only, that are subject to a high degree of verification and assurance. The following core set of offset principles embed this thinking:

- Offsets must be used according to Sasol's mitigation hierarchy, ie on-site mitigation is prioritised, and only as a last resort to meet targets and for compliance where allowed;
- Carbon offsets must be preferentially sourced<sup>2</sup> in line with our shared value remit;
- Offsets must be assured to be real (supported by robust methodologies and independently verified), additional (reductions would not have occurred in the absence of the offset market) and permanent (on-going and will not be reversed in the future or for which risk mitigation has been established);
- Offsets procured and developed must adhere to regulatory eligibility criteria; and
- Retired offsets must be transparently disclosed to ensure no double counting of emissions.

Offsetting for net zero emissions

Sasol is pursuing two different types of carbon offsetting:

- (1) **A/R** offsets and
- (2) **CDR** offsets.

There is a role for both types of offsets. A/R offsets should ideally be used in the path towards a net zero ambition, while CDRs are required to achieve a net zero emissions end state. A/R offsets are used to compensate for on-site emission reductions on the path to a net zero ambition and must meet strict standards in their use. CDRs are required to neutralise hard-to-abate residual emissions, after significant absolute reductions have already been achieved, to claim net zero. Simply put, to claim net zero emissions, the amount of GHGs added is no more than the amount taken away following the mitigation hierarchy.

1 A/R Projects – "CO<sub>2</sub> kept out of the air"

Reducing emissions from fossil sources using lower-carbon technologies without storage.



Newer technology carbon offsets could include green hydrogen and SAF (still to be proven).

2 CDR Projects – "CO<sub>2</sub> removed from the air"

Taking CO<sub>2</sub> out of the atmosphere using NbS or Tbs with storage.

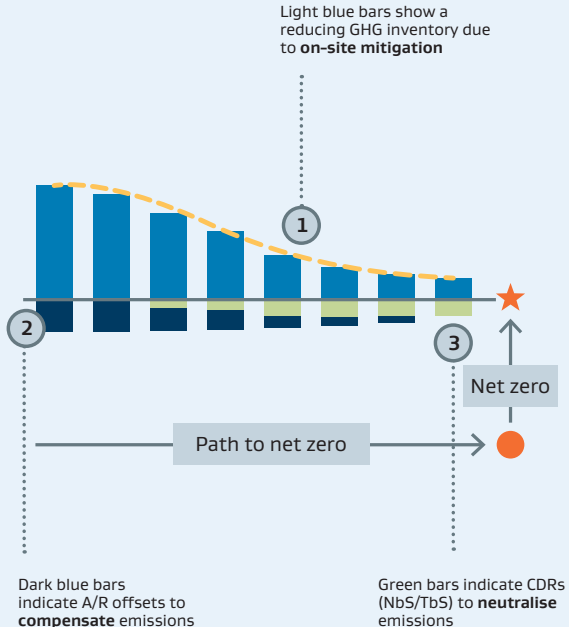


Net zero emissions is achieved if an equal amount of removal offsets are generated compared to operational emissions.

Using offsets and CDRs to make credible reduction claims

We aim to progressively shift our offset portfolio from A/R to CDR offsets as we get closer to Net Zero. Therefore, credibly claiming a net zero end state involves:

1. **Decarbonising our own operations** and value chain in line with our targets;
2. **Compensating** for hard-to-abate emissions using A/R offsets in the short to medium-term and CDR in the medium- to long-term; and
3. **Progressively increasing the use of CDRs to neutralise 100% of residual emissions** remaining after significant on-site absolute reductions.



Dark blue bars indicate A/R offsets to compensate emissions

Green bars indicate CDRs (NbS/Tbs) to neutralise emissions

**ALIGNING WITH OUR SHARED VALUE REMIT**

- Preferential sourcing of carbon credits support our shared value aspirations by realising socio-economic value for Sasol's fenceline communities and ecosystems.
- For us, socio-economic value includes facilitating the creation of jobs, stimulating entrepreneurial activity, implementing skills development initiatives and driving empowerment.

Refer to [SR](#) page 37 for further details.

1. Issues relating to improper accounting and perverse consequences, such as increasing GHG emissions instead of reducing them.  
 2. Sourced means direct purchase through off-take agreements or project development, where Sasol is a partner.

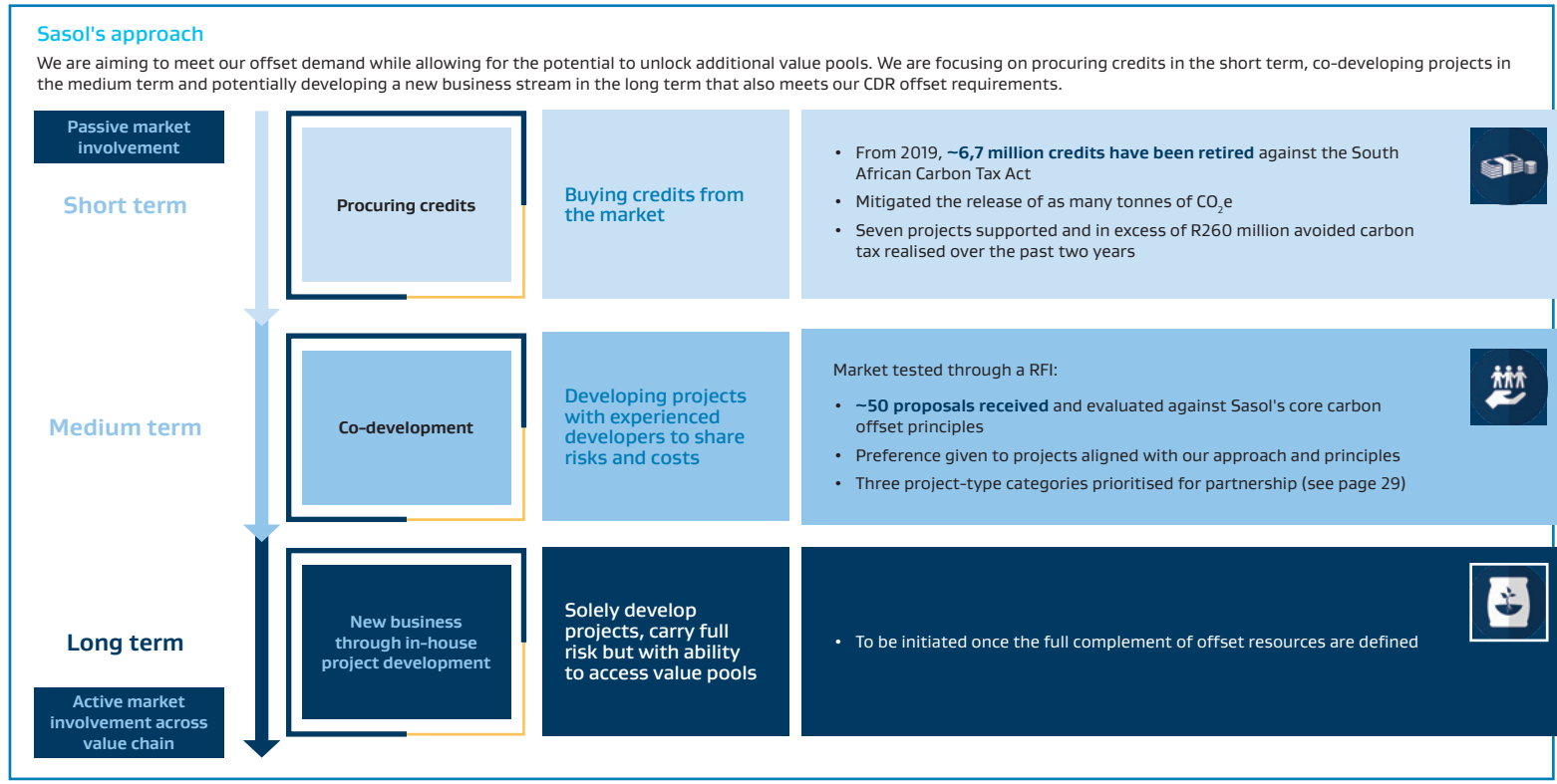


Future Sasol: Enabling activities (CONTINUED)

Carbon offsets



Sasol's offset and CDR requirements		Sasol's evolving offset demand profile					AR:CDR
In line with our offset approach and principles, our requirements evolve from primarily procuring A/R offsets to prioritising Sasol-developed CDRs. A/R offsets are being used to meet compliance requirements under the South African Carbon Tax Act, 15 of 2019 and if necessary, as a last resort to meet our targets.		DEMAND PHASE	DEMAND DRIVER/S	SCOPE 1 (ROADMAP) MtCO <sub>2</sub> e/a	SCOPE 1 AND 2 (ROADMAP) MtCO <sub>2</sub> e/a	SCOPE 3 (ROADMAP) MtCO <sub>2</sub> e/a	
1	2019	Carbon Tax Phase 1	-4,3 annually	No offset requirement	No offset requirement	AR	
2	2022	Carbon Tax Phase 2	-4,3 annually	No offset requirement	No offset requirement	AR + CDR (NbS)	
3	2027	Carbon Tax Phase 3	Offset benefit likely reduced if allowed	Offset requirement TBC	Offset requirement TBC	AR + CDR (NbS)	
4	2032	Scope 1 and 2 roadmap	Unlikely to be an offset allowance			AR + CDR (NbS + TbS)	
5	2040	Scope 1, 2 and 3 roadmap	Unlikely to be an offset allowance			CDR (NbS + TbS)	
	2050	Net Zero ambition					



### Developing the international market

Scaling the global carbon market and developing transparent rules is integral to global ambitions to reach net zero emissions.

Globally, various studies and work activities are underway to develop the market to meet projected demand for offsets.

Accordingly, we welcomed the request to participate in and be a member of Mark Carney's Taskforce on Scaling Voluntary Carbon Markets, a private sector-led initiative working to scale an effective and efficient voluntary carbon market to help meet the goals of the Paris Agreement.

Sasol is a member of Working Group D – Credit-level Integrity, aimed at defining core carbon principles and a taxonomy of additional attributes to ensure credible offset claims are made and met.

A NET ZERO AMBITION

Future Sasol: Enabling activities (CONTINUED)

Carbon offsets



Carbon offsetting: a tool for social good



Heat-retention cooking

- Heat-retention cooking is energy efficient slow-cooking of meals, in thermally insulated devices.
- Traditional cooking methods are retained, lowering barriers to behaviour change, resulting in higher adoption rates.
- Reduced consumption of traditional fuels (eg wood, coal) results in GHG emissions savings, which are converted to carbon credits.
- Health and environmental benefits are also realised, such as local air quality improvements and reduced deforestation.
- Additionally, social benefits related to alleviation of time poverty creates the opportunity for the pursuit of education and employment. This is especially relevant in South Africa for women and young girls, who are disproportionately burdened with the unpaid labour of collecting fuels and cooking.
- Sasol will support the scaled manufacturing and distribution of heat-retention cooking devices in South Africa through strategic partnerships.
- We will focus on our fenceline communities in the Sasolburg, Secunda and Ekandustria regions, aiming to create jobs through localised device manufacturing, distribution and training.
- To date Sasol has successfully concluded the purchase of credits, derived from the project developed by Wonderbag, a South African company supporting 'carbon that counts'.

Soil Organic Carbon

- A holistic land management practice that rebuilds soil carbon stocks and restores degraded soil fertility.
- Involves any farming, grazing or conservation practice that increases soil organic matter and leverages photosynthesis to close the carbon cycle and sequester CO<sub>2</sub> – yielding carbon credits.
- Additional environmental benefits of improved natural water cycles, increased soil and land biodiversity and increased crop yields are realised.
- Soil carbon projects are nascent globally and Sasol aims to partner with recognised agricultural and offset project developers to co-create a scalable soil carbon enhancement programme in South Africa.
- Subsistence and community farms, degraded land under the control of traditional and rural communities and degraded mine land will be targeted.
- The soil carbon enhancement programme has the potential to create additional businesses along the agricultural value chain, providing sustainable socio-economic upliftment in our immediate community focus areas and in South Africa.
- We have prioritised this form of nature-based solution projects as classic reforestation projects, which are limited in the South African context.



Fuel-efficient cookstoves

- Fuel-efficient cookstoves replace conventional cooking devices.
- Reduced GHG emissions through lower fuel consumption leads to the realisation of carbon credits.
- Beyond carbon benefits reduced air pollution, minimising pressure on forestry resources and the easing of time poverty at a household and community-level are realised.
- Sasol is looking to partner with recognised project developers that aim to distribute 400 000 locally manufactured cookstoves in the Mpumalanga, Limpopo and Northern Cape regions.
- Through the direct purchase of socially responsible carbon credits, activities aligned with our core carbon offset principles will be supported.
- We aim to incentivise the localisation of scaled manufacturing and distribution activities in fenceline communities.
- These activities will leverage existing small to medium-sized enterprises and create additional job opportunities aligned with our shared value remit.

A NET ZERO AMBITION

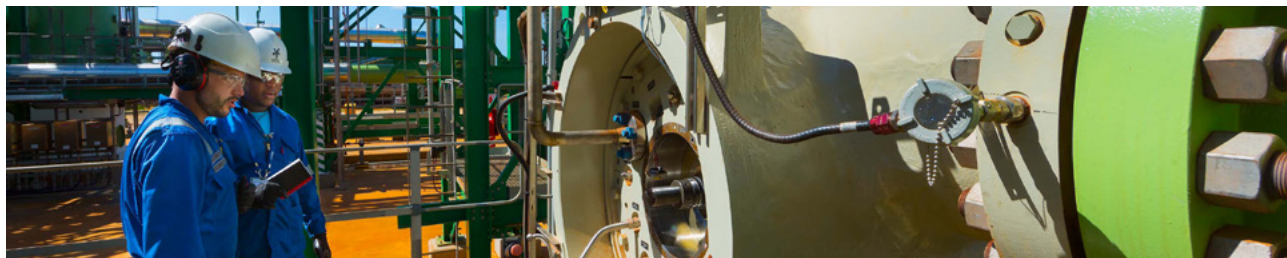
Future Sasol: Enabling activities (CONTINUED)

Scope 3



Our approach

Sasol’s scope 3 reduction approach takes into account the need to balance short and medium term action (improving baseline accounting and identifying reduction opportunities) with long-term portfolio changes to reduce emissions towards a low-carbon future. We are progressing well and continue to refine our baseline and develop a deeper understanding of these emissions. Opportunities for reductions are emerging and being implemented.



Our scope 3 approach

**1** Improving baseline accuracy

Short to medium term priority (continuous process)

- Relevant, unreported categories are prioritised for detailed investigation.
- Remaining categories are subject to continuous improvement by our internal assurance team.

Three additional categories have been reported in 2021: Category 8, 9 and 15

**2** Developing interventions

Short to medium term priority (continuous process)

- Emission reduction interventions identified, costed and prioritised.
- Prioritisation carried out according to materiality and stakeholder pressure.
- Likely to only yield incremental emission savings outside of portfolio changes.

Three interventions were investigated:

Crude oil sourcing                      Shifting from road to rail  
Asset and product optimisation

**3** Shifting portfolio towards lower-carbon feedstocks and products

Long term priority

- Most relevant categories ie Category 1 and 11, require portfolio level changes.
- Chemicals: focus is on enabling circularity for customers and progressively becoming a consumer of circular feedstocks (eg biomass and waste residues).
- Energy: focus is on delivering a low-carbon energy portfolio to customers and progressively becoming a consumer of circular feedstocks (eg biomass and recycled CO<sub>2</sub>).

Scope 3 model was developed to quantify 'shift' impacts  
Chemicals scope 3 position paper under development

**4** Partnerships

Short, medium and long term priority (continuous process)

- On-boarding of cross functional internal team.
- Potential customer and supplier partnership for improved rail transport reporting.

Both internal (cross functional) and external partnerships are required along the entire value chain to improve assumptions in calculations and data accuracy, as well as develop mutually beneficial emission-reduction opportunities.

Our largest scope 3 emissions originate from the Energy Business's sold products (Category 11) localised mainly in South Africa. Reducing these emissions require fundamental changes to our business model, which we are undertaking in line with our ambition to be at Net Zero emissions by 2050. These changes will mainly be effected post 2030 when our hydrogen aspirations start delivering. We are exploring the benefits of a scope 3 intensity target to reflect changes in our corporate portfolio as we integrate production of sustainable fuels and chemicals. More details on this will be communicated in future reports.

Our Energy Business has a 2030 absolute scope 3 target, aiming for a 20% reduction, off a 2019 baseline for Category 11: Use of sold Energy products. Targeted interventions are focused on asset optimisation, responsibly scaling down coal exports and transitioning to sustainable fuels due to changing market demand for fossil fuels. Our Chemicals Business is also undertaking baseline development of Category 12: End-of-life treatment of sold chemical products. Depending on the outcome of this work, we will consider whether a target is required for this category.

Our scope 3 emissions<sup>1</sup> and accounting maturity

Category	2021 (tCO <sub>2</sub> )	2020 (tCO <sub>2</sub> )	2019 (tCO <sub>2</sub> )	2018 (tCO <sub>2</sub> )	Accounting Accuracy
1: Purchased Goods and Services	5 432 140	5 978 086	5 732 504	4 531 947	■
2: Capital Goods	N/A				■
3: Fuel- and Energy-Related Activities <sup>2</sup>	240 993	285 641	156 747	9 846	■
4: Upstream Transportation	478 974	449 465	533 494	567 300	■
5: Waste Generated in Operations <sup>2</sup>	70 159	78 608	87 390	54 821	■
6: Business Travel <sup>2</sup>	600	4 105	10 371	7 733	■
7: Employee Commuting	32 584	50 471	36 096	36 193	■
8: Upstream Leased Assets	4 785	4 906	Not measured		■
9: Downstream Transportation	253 280	211 901	201 756	Not measured	■
10: Processing of Sold Products	N/A				■
11: Use of Sold Products <sup>2</sup>	30 831 235	29 661 747	35 618 580	32 092 182	■
12: End-of-Life Treatment of Sold Products	Baseline under development				■
13: Downstream Leased Assets	N/A		148 402	142 789	■
14: Franchises	141 412	144 131	3 244	2 903	■
15: Investments	984 816	737 234	1 207 542	Not measured	■
<b>TOTAL</b>	<b>38 470 977</b>	<b>37 606 295</b>	<b>43 736 126</b>	<b>42 253 442</b>	

1. Increases and decreases in emissions are indicated on pages 32-33.  
2. Has been subjected to external assurance.

■ Highly Certain   ■ Moderate Certainty   ■ Low Certainty   ■ Unknown   ■ Not applicable



Scope 3



Our approach

Progress on our approach

1. Improving our baseline accuracy

Sasol's scope 3 emissions accounting and reporting is less mature than our scope 1 and 2. However, our approach is maturing year on year.

Sasol uses the GHG Protocol Corporate Value Chain Accounting and Reporting Standard (Scope 3 Standard) and the United Kingdom Department for Environment, Food and Rural Affairs (DEFRA) approaches for calculating our scope 3 emissions.

We adhere to the protocols five principles to ensure our inventory meets best practice:

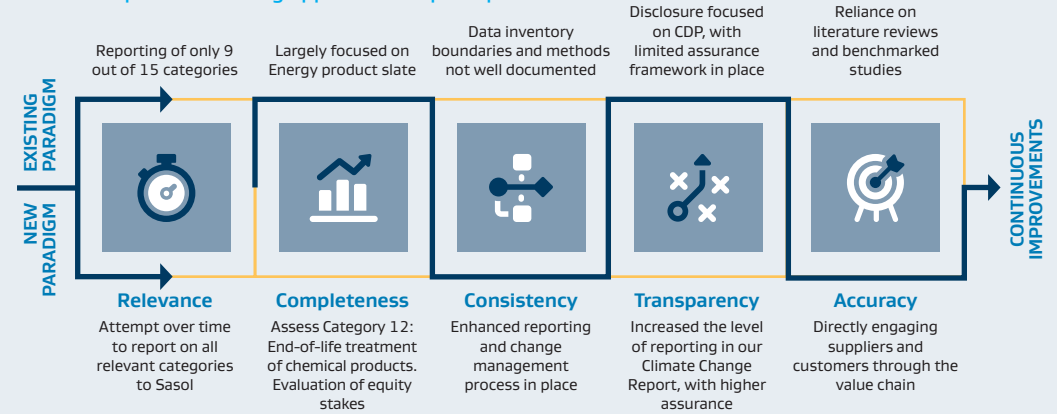
- **relevance;**
- **completeness;**
- **consistency;**
- **transparency; and**
- **accuracy.**

We developed an enhanced approach to estimating, communicating and tracking scope 3 emissions in our value chain to help us set a target and undertake appropriate decision-making. This year we updated Category 1, 3, 4, 5, 7, 9, 13, and 14 based on better information. We also started newly reporting on Category 8, 9 and 15.

Our full work programme spanning the next 3 - 5 years includes activities to:

- (1) increase the quality of the data and reduce the level of uncertainty in the emissions we report;
- (2) allow tracking of performance over time such that the effects of emission-reduction activities are captured; and
- (3) allow us to ultimately identify and prioritise emission-reduction opportunities within our value chain.

Sasol's scope 3 accounting approach and principles



2. Developing interventions

**Crude oil sourcing** was investigated for reducing emissions in Category 1: Purchased goods and services. Oil fields differ in carbon intensity and offer potential optimisation opportunities depending on the oil source. Normal practice aims to source crude oil for diesel yield and not carbon intensity. Our investigation concluded that despite being able to source a lower intensity crude oil blend, process limitations at the Natref refinery prevented its use.

A further investigation is ongoing to determine the feasibility of reducing crude oil transportation emissions, which we will report on next year. Sasol continues to engage with our service providers to identify promising interventions for implementation.

**Shifting from road to rail** also presents opportunities to reduce scope 3 emissions from Category 4 and 9: Upstream and downstream transportation, respectively. This interventions' reduction potential is still under evaluation. Engagements continue with customers for implementation.

**Asset and product optimisation** is being pursued to meet our scope 3 absolute target set for Category 11: Use of sold energy products. Customer needs and market analyses are being used to responsibly scale back coal exports and transition to sustainable fuels. Reductions in our fossil fuel product volumes over time will result in absolute scope 3 emission reductions to be effected post 2026. The main value chains being optimised are coal, gas, oil and liquid fuels.

3. Shifting portfolio towards lower-carbon feedstocks and products

ISCC Plus certification of our production site in Marl, Germany

We are finalising an ISCC Plus certification for the introduction of bio-based ethylene into our operations in Marl, Germany. This certification will allow us to be recognised for sustainable feedstock use and offers confidence to customers that our chemical products meet sustainability requirements. Bio-based ethylene reduces emissions in Category 1: Purchased goods and services and is a key component of our Future Sasol strategy. This represents a small step towards producing sustainable chemicals. Further communications related to this project will be announced in due course.

PtX solutions

Sasol is progressing various PtX ventures, both green and brownfields opportunities. These new ventures aim to produce over time low-carbon and sustainable fuels and chemicals. As these businesses grow, our product slate will also grow, allowing us to pull back on our fossil fuel products, in line with market demand. This will ultimately lead to reductions in Category 1: Purchased goods and services, Category 11: Use of sold energy products and Category 10: Processing of sold products. The combination of reducing absolute emissions and transforming the business model will allow Sasol to achieve our Net Zero ambition for scope 3 (Category 11) by 2050 for the Energy Business.

4. Partnerships – Collaborating with our customers to reduce our scope 3 emissions

Partnerships are critically important to create awareness of scope 3 emission reductions in the value chain and enables deeper reductions over time. In a similar way to how we are collaborating to reduce scope 1 and 2 emission reductions, Sasol is developing partnerships with key customers and suppliers to reduce scope 3 emissions. These partnerships will be announced once concluded.



Future Sasol: Enabling activities (CONTINUED)

Scope 3



Sasol's scope 3 emission categories

**1 Purchased goods and services** Upstream emissions from the production of products purchased or acquired.

**Activity data:** Volume of purchased goods and services obtained from internal business data management systems.  
**Emission factors:** Cradle-to-gate emission factors obtained from data sources, such as GaBi, DEFRA and Sasol's Lifecycle Inventory Database, based mainly on primary data.  
**Methodology and assumptions:** Cradle-to-gate emissions, including transport and indirect emissions were used together with appropriate emission factors. A weighted product carbon footprint was calculated where country specific emission factors were available.  
**Value-chain engagement:** A supplier engagement programme was initiated, which led to a more accurate assessment of our upstream GHG emissions.  
**Changes to data 2020:** Amendments resulting in increases due to re-categorisation of purchased boiler coal and the use of more accurate emission factors for a number of purchased feedstocks.  
**Changes to data 2021:** Decrease in emissions related to lower feedstock purchases and amendments relating to emission factors.

**2 Capital goods** Upstream emissions from the production of capital goods purchased or acquired.

Although this category is not yet actively reported, we worked to identify a relevant reporting mechanism for inclusion of these emissions in forthcoming years.  
 All segments of Sasol's global procurement related to the sourcing of capital equipment, such as turnkey projects, machinery and fabricated equipment would be analysed based on the monetary purchasing volume in the reporting year.

**3 Fuel-and-energy-related activities** Emissions from the production of fuels and energy purchased and consumed that are not included in scope 1 or 2.

**Activity data:** Quantities of fuel and energy purchased, obtained from internal business data management systems.  
**Emission factors:** Cradle-to-gate emission factors were obtained from the GaBi database and conversion factors from DEFRA. Transmission and distribution loss factors were sourced from literature sources, if not already embedded in sourced data.  
**Methodology and assumptions:** Cradle-to-gate emission factors were used together with emissions from extraction, production and transportation of fossil fuels for power and steam generation.  
**Value-chain engagement:** Initiated a supplier engagement programme, which led to a more accurate assessment of our upstream GHG emissions.  
**Changes to data 2020:** Transmission and distribution losses for our electricity and gas purchases at our European operations and more accurate DEFRA emission factors were used.  
**Changes to data 2021:** Decrease in emissions due to reduced purchases of fuel and energy inputs and updated DEFRA emission factors.

**4 Upstream transportation and distribution** Emissions from transportation and distribution activities through the value chain, where Sasol appoints transporters.

**Activity data:** Quantities and types of goods procured, obtained from internal business data management systems.  
**Emission factors:** Derived from various sources, depending on transportation mode including DEFRA, GaBi and the European Chemical Industry Council's studies, to name a few.  
**Methodology and assumptions:** Analysis focused on road, rail, pipeline and marine shipping. GHG emissions were used together with appropriate emission factors and quantities of products used per mode of transport.  
**Value-chain engagement:** Focused on rail operators in South Africa only.  
**Changes to data 2020:** Decrease in emissions from depressed production and transportation of products.  
**Changes to data 2021:** Amendments resulting in increases due to crude oil in-bound marine emissions and use of more accurate rail emission factors.

**5 Waste generated in operations** Emissions from third-party disposal and treatment of waste generated for owned or controlled operations.

**Activity data:** Quantities of hazardous and non-hazardous waste generated by Sasol obtained from internal business data management systems.  
**Emission factors:** Default emission factors were obtained from the GaBi database and DEFRA.  
**Methodology and assumptions:** Hazardous and non-hazardous waste emissions were used together with the applicable average emission factor.  
**Value-chain engagement:** Initiated a third-party supplier engagement programme on waste registers.  
**Changes to data 2020:** Decrease in emissions due to lower volumes of non-hazardous waste.  
**Changes to data 2021:** Decrease in emissions due to lower volumes of hazardous waste.

**6 Business travel** Emissions from the transportation of employees for business-related activities in vehicles owned or operated by third-parties.

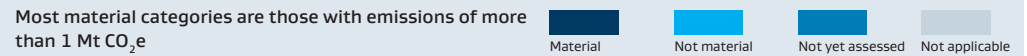
**Activity data:** Miles and kilometres per means of transportation, travelled by Sasol employees, collected by third-party travel agencies.  
**Emission factors:** Derived from the United States EPA's Climate Leaders programme and DEFRA.  
**Methodology and assumptions:** Miles and kilometres travelled together with appropriate conversion and emission factors were used per mode of transport for business-related activities.  
**Value-chain engagement:** Further engagements with the appointed consultant to improve accuracy.  
**Changes to data 2020:** Decreases in emissions due to fewer business trips relating to COVID-19 and more video conferencing.  
**Changes to data 2021:** Decrease in emissions due to restricted travel relating to COVID-19.

**7 Employee commuting** Emissions from transportation of employees between homes and work sites.

**Activity data:** Number of employees per region delineated by employee type obtained from internal business data management systems.  
**Emission factors:** Obtained from EPA's Emission Factor database for North America, Europe and South Africa.  
**Methodology and assumptions:** Distance travelled together with the appropriate emission and conversion factors were used. Adjustments were made for months where employees were impacted by COVID-19 lockdowns.  
**Value-chain engagement:** Not undertaken.  
**Changes to data 2020:** Amendments resulting in increases due to inclusion of full employee complement in the three respective regions.  
**Changes to data 2021:** Decrease in emissions due to working from home and less commuting to work.

**8 Upstream leased assets** Emissions from the operation of leased assets by Sasol and not included in scope 1 and 2 emissions.

**Activity data:** Leased office and storage space obtained from internal business data management systems.  
**Emission factors:** Emission factors obtained from the GaBi database and IEA.  
**Methodology and assumptions:** Leased space and the annual energy consumption per square meter was used.  
**Value-chain engagement:** Not undertaken.  
**Changes to data 2020:** Newly reported category and only includes data relating to leased buildings.  
**Changes to data 2021:** Decrease in emissions due to better grid factor.



1. GWP values refer to the time horizon of 100 years, sourced from IPCC, AR5, 2013.

Scope 3



Sasol's scope 3 emission categories



**9 Downstream transportation and distribution** Emissions from transportation and distribution activities through the value chain where suppliers (upstream) or customers (downstream) arrange transporters.

**Activity data:** Quantities and types of products sold, as well as their means of transportation obtained from internal business data management systems.

**Emission factors:** Derived from various sources, including internal calculations.

**Methodology and assumptions:** Distance travelled together with appropriate emission and conversion factors and quantity of product carried was used per mode of transport.

**Value-chain engagement:** Initiated a supplier engagement programme, which led to the assessment of this category.

**Changes to data 2020:** Amendments relating to a more accurate emission factor.

**Changes to data 2021:** Significant increase relating to more product being transported.

**10 Processing of sold products** Emissions from processing of sold products by customers subsequent to sale.

Covers almost all chemical products. This category is complex to estimate, since many chemicals have multiple applications, and the details of processing and conversion of chemicals by customers is not always known. Efforts are focused on active engagement with our customers to understand their target setting for these emissions. Where customers request focused engagements, we collaborate and innovate on process improvements.

**11 Use of sold products** Emissions from the use of goods and services sold.

**Activity data:** Complete combustion of all products sold to our customers to generate energy in their operations.

**Emission factors:** Derived from internal analysis and also sourced from DEFRA and the GaBi database.

**Methodology and assumptions:** The direct use phase emissions of sold products over their expected lifetime was considered from combustion of natural gas, diesel, petrol and exported coal.

**Value-chain engagement:** Not applicable.

**Changes to data 2020:** Emissions decreased because of lower sales of our energy products.

**Changes to data 2021:** Increase in emissions due to more coal sales.

**12 End of life treatment of sold products** Emissions from waste disposal and treatment of products sold at the end of their life.

Not yet calculated – baseline being developed for future reporting.

**13 Downstream leased assets** Emissions from the operation of owned assets but leased to other entities and not included in scope 1 emissions.

This category is no longer applicable as emissions have been re-categorised under Category 15.

**14 Franchises** Emissions from the operation of franchises not included in scope 1 or 2.

**Activity data:** Number of franchisees and area occupied, obtained from internal business data management systems.

**Emission factors:** Obtained from the South African National Standards (SANS) 204 Building Energy Efficiency requirements and Eskom.

**Methodology and assumptions:** Total area and annual energy consumption per square meter of franchises were assessed.

**Value-chain engagement:** Monthly engagements with the Sasol Franchisee Regional Development Network.

**Changes to data 2020:** Amendments resulting in increases due to larger scope of emissions assessed.

**Changes to data 2021:** Decrease in emissions due to a lower grid factor.

**15 Investments** Emissions associated with investments not already included in scope 1 or 2.

**Activity data:** Scope 1 and 2 emissions of Sasol's equity-accounted JVs and associated companies obtained from the respective companies.

**Emission factors:** Not applicable

**Methodology and assumptions:** Used emissions data for equity-accounted JVs and equity-accounted associated companies in which Sasol holds at least 10%.

**Value-chain engagement:** Engagements with respective JV companies.

**Changes to data 2020:** Newly reported category however, is also lower based on reported divestment.

**Changes to data 2021:** Increase in emissions relating to the LIP JV.

Most material categories are those with emissions of more than 1 Mt CO<sub>2</sub>e

Material	Not material	Not yet assessed	Not applicable
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# Adapting to climate change

The atmospheric lifetime of CO<sub>2</sub>, the main GHG, is up to a thousand years, implying that climate change will be felt for decades to come even if all emissions are stopped today. A complementary adaptation strategy is therefore as important as a mitigation strategy.

At Sasol, we are feeling the consequences of climatic changes and see how they affect the planning and day-to-day operations of our business.

Sasol leverages existing skills, technologies and risk management processes to embed adaptation practices. We pursue proactive responses to build the resilience of our people, business and communities.

Our physical risks are divided into two categories: acute and chronic risks. Physical risks are direct hazards and require detailed local understanding and management.

Impacts from climate-related physical risks are embedded in the risk management approach of each site. Implementation of mitigating measures lie mainly with Operations and Group Risk, Sustainability and Supply Chain. An implementation framework is being utilised to manage these risks.

Different regions are at varying levels of maturity in implementing their adaptation response. We are leveraging the more mature regions to cross-pollinate best practice learnings across the business. With severe weather events increasing in frequency and intensity, Lake Charles is well-equipped to respond. This site therefore serves as a best-in-practice case study, particularly for hurricane preparedness.

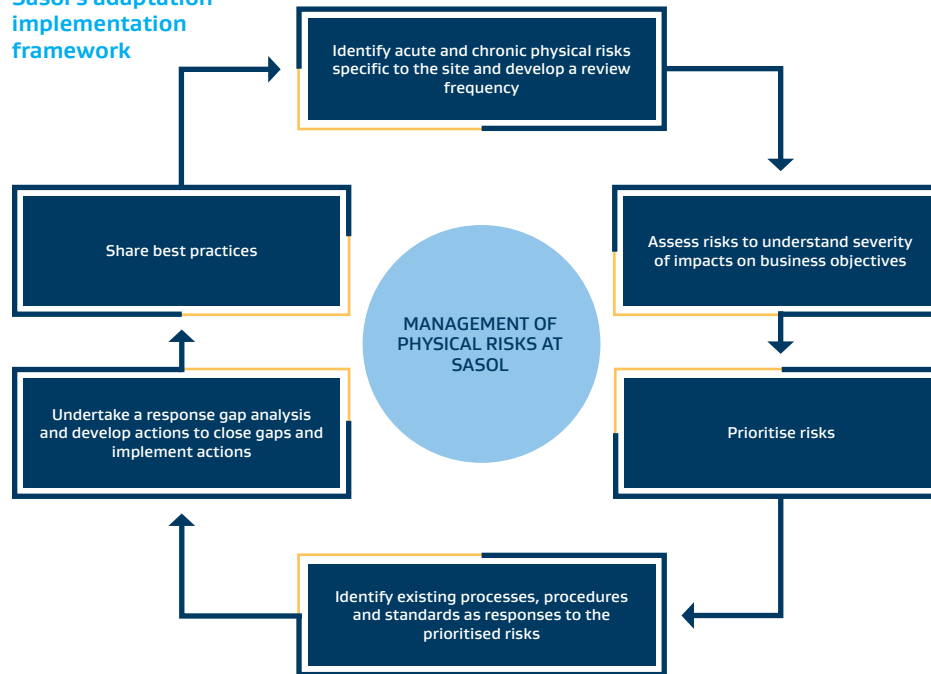


## Mapping the high probability acute and chronic risks \*

Risk type	South Africa	Mozambique	North America	Europe
<b>Acute physical risks: event-driven</b>	<ul style="list-style-type: none"> <li>Tropical cyclones</li> <li>Flooding</li> <li>Storm surges</li> <li>Drought</li> <li>Lightning</li> <li>Bush fires</li> </ul>	<ul style="list-style-type: none"> <li>Tropical cyclones</li> <li>Storm surges</li> <li>Flooding</li> <li>Drought</li> <li>Bush fires</li> </ul>	<ul style="list-style-type: none"> <li>Hurricanes</li> <li>Storm surges</li> <li>Flooding</li> <li>Drought</li> </ul>	<ul style="list-style-type: none"> <li>Flooding</li> <li>Landslides</li> <li>Storm surges</li> </ul>
<b>Chronic physical risks: longer term shifts in climate patterns</b>	<ul style="list-style-type: none"> <li>Increasing temperatures</li> <li>Tornado (increasing winds)</li> </ul>	<ul style="list-style-type: none"> <li>Increasing temperatures</li> </ul>	<ul style="list-style-type: none"> <li>Increasing temperatures</li> <li>Low temperatures</li> <li>Tornado (increasing winds)</li> </ul>	<ul style="list-style-type: none"> <li>Increasing temperatures</li> </ul>

\* Informed by downscaled climate modelling, interviews with on-site specialists and other relevant climate tools

## Sasol's adaptation implementation framework



## Case study: Sasol's Lake Charles hurricane preparedness

In the United States, hurricane season runs from June to November and poses one of the most material acute risks to our Lake Charles operations. Potential consequences can include:

- Injuries (minor to fatalities);
- Equipment and infrastructure damage resulting in production interruptions;
- Supply chain interruptions; and
- Productivity issues from regional impairments or shutdowns.

Four major hurricanes have impacted us since 2005: Rita (2005), Harvey (2017), Laura (2020) and Delta (2020). Local infrastructure was impacted and production interruptions were felt, but no major injuries were recorded. By and large, this was due to:

- **Proactive preparedness:** Annually updated manuals and check lists are available. 'Safe Zone' maps are visible across the operations. Stock levels of critical supplies and equipment (eg diesel and generators for emergency power) are maintained in audited procedures. Staff are trained on emergency preparedness and specialised personnel (eg fire wardens) are re-trained every few months.
- **Detailed weather forecasts and impact modelling:** Designated Sasol representatives share local weather updates and weather briefings are mandatory.
- **Strong specialised support during and after a hurricane:** In the event of a hurricane, quick response procedures are activated in phases. Trained hurricane response teams are mobilised 'ride out crews' and environmental specialists monitor potential uncontrolled releases. All other personnel are evacuated. Portable communication devices and back-up power are available on-site. Post-event analyses are a must to ensure that lessons learnt are captured and distributed.
- **Relationships with local authorities, utility providers and neighbouring plants:** A strong collaborative relationship exists between local authorities, utility providers and other businesses in the area for support during and after a hurricane. Sharing of resources (eg steam) and volunteering after a hurricane is undertaken. Agreements with utilities ensure critical units are provided with electricity first as the power system is restored.

During these times, force majeure commercial agreements protect Sasol against liability from production disruptions. The Group Production Policy is in effect and covers any financial impact. We also have construction cover in the event that construction activities are impacted. For all four major hurricane events, Sasol claimed under these policies.

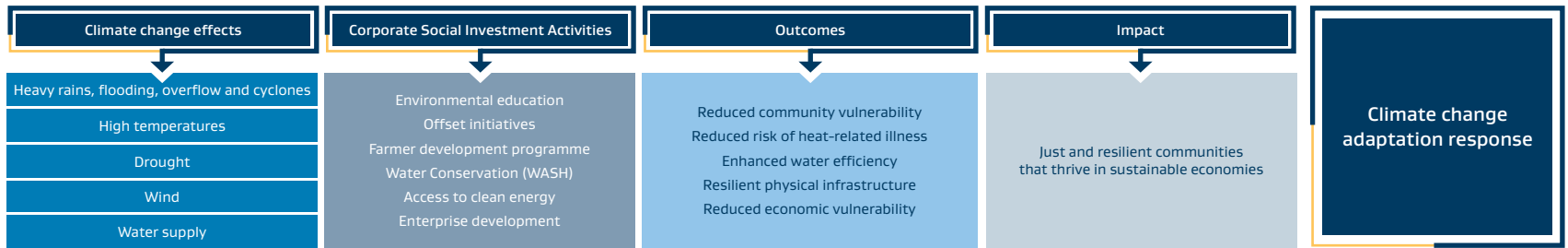
CLIMATE CHANGE IN BUSINESS PROCESSES

Adapting to climate change (CONTINUED)

Enhancing the resilience of our fenceline communities

Fenceline community resilience is a key component of our adaptation response. Targeted interventions addressing physical risks are undertaken. Reducing community and economic vulnerability, increasing water efficiency and food security is prioritised.

Projects we are progressing are indicated below and further information can be found in the [SR](#) on page 28.



1



Cyclone relief in Mozambique

Our operations in Mozambique reside in a cyclone zone. Previous cyclones (eg Cyclone Favio in 2007) have resulted in significant infrastructure damage and community displacement, necessitating support. In response, Sasol proactively sets aside an annual cyclone emergency relief fund for immediate care and reconstruction for the community.

Cyclone Eloise was one of the strongest cyclones impacting Mozambique. Sasol's processing plant made the necessary provisions and no damages, injuries or production interruptions were experienced. Communities were however impacted and the relief fund is being used to assist.



3

Community food gardens in Sasolburg and Secunda

Community-based food gardens are an important component of Sasolburg's adaptation response. They provide sustainable high-end vegetables for local business around the Free State province. Currently three projects are on semi-commercial scale and 8-10 projects are envisaged. The food gardens project provides information that can be shared and replicated in an appropriate format and manner acceptable by other communities. The initiative will articulate and demonstrate the need for knowledge on adaptation by integrating and building on established coping strategies of communities.



2

Secunda Farmer Development Programme

The African Farmers Association of South Africa (AFASA) aims to empower small-scale farmers through mentorship, skills transfer and awareness on relevant adaptation projects.

Food security is a key adaptation issue and we have partnered with AFASA on the basis of its vast experience in this area. Our project is focused on Mpumalanga, South Africa, which is prone to experiencing extended droughts and severe storm events impacting farmers.

Through Buhle Farmers Academy, 300 farmers have been trained. Graduates are equipped with the skills to grow into small- and large-scale farmers in and around our communities.



4

NBI adaptation partnership

Sasol is collaborating with the NBI on key bankable community resilience projects. The identified projects are adaptation opportunities for the broader South African economy and hold significant ability to be scaled in the future. Further details on these projects will be shared once feasibility has been undertaken.



CLIMATE CHANGE IN BUSINESS PROCESSES

Governance

Our Board

Climate change is a material matter and a Group top risk with ultimate accountability residing at Board level.

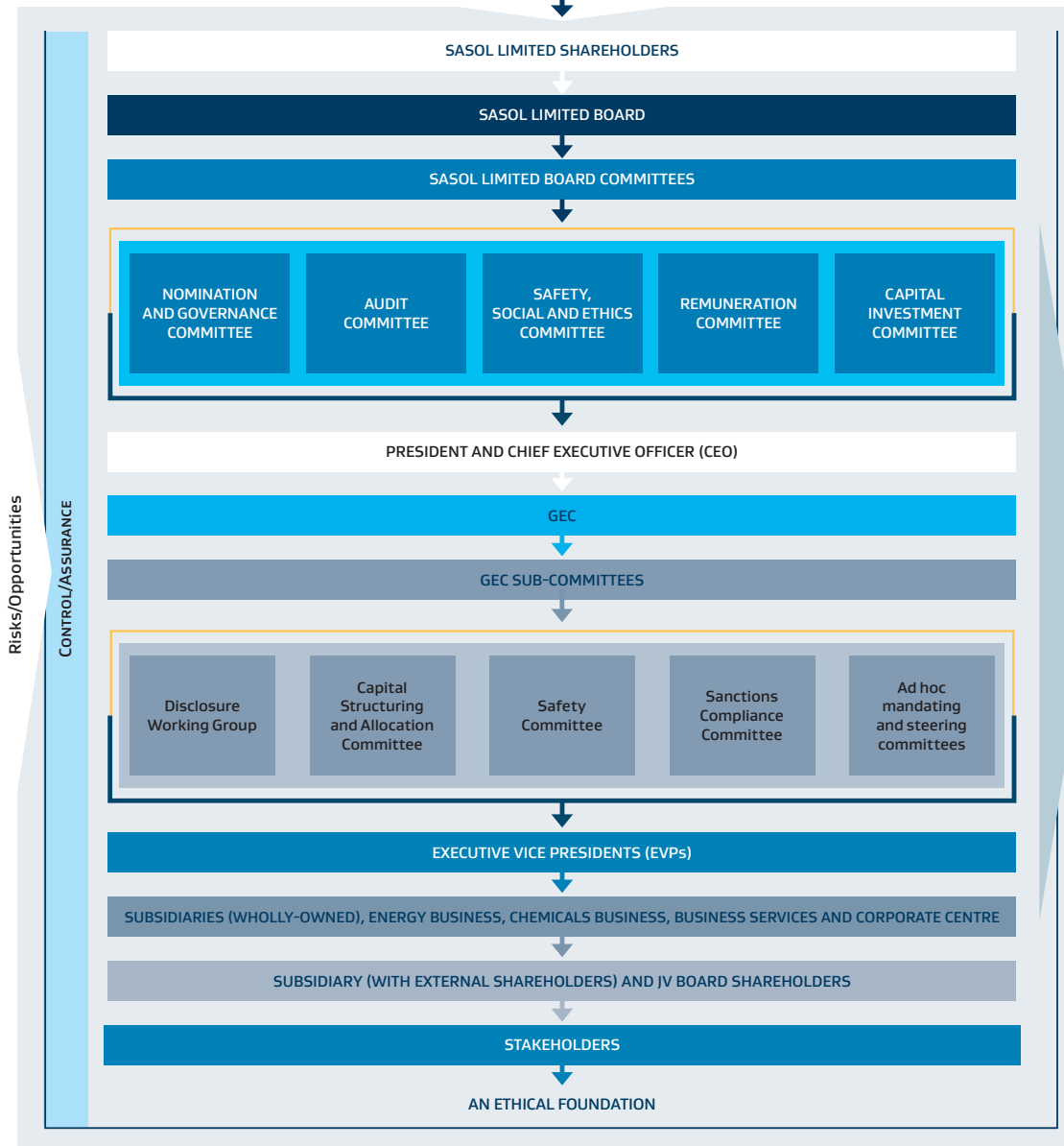
Sasol's governance structures and processes are reviewed regularly to more deeply embed climate change management into mainstream business activities. This year we made changes to the terms of reference of the relevant Board committees, the GEC and their supporting governance structures to align with Future Sasol's strategy.

The Board informs and approves Sasol's strategy. Through the various committees that support the Board, it ensures risk, performance and sustainable development considerations, such as climate change, are effectively integrated and appropriately balanced within our strategy.

The Board's SSEC has a specific mandate to address climate change matters under the umbrella of sustainability. The SSEC makes recommendations to the Board for final approval, which includes the following climate-related items:

- Net Zero ambition, targets and roadmaps to 2030 and 2050 for scope 1, 2 and 3 (Category 11);
- Performance, reporting and disclosure against our targets and roadmaps;
- Progressive advancement of our disclosures to align with the TCFD recommendations;
- Monitoring of continued resilience of Sasol's portfolio through robust risk assessments and scenario analysis; and
- Stakeholder concerns regarding our decarbonisation approach, including provision for direct stakeholder engagement by Board members on an annual basis.

Sasol implemented a new operating model during this financial year, which involved a comprehensive review of our governance framework.



Sasol's non-binding advisory vote

At Sasol's 2020 Annual General Meeting (AGM), the Board agreed to a non-binding advisory vote on climate change matters to be held at our 2021 AGM. The Board is seeking to draw in shareholders' perspectives on Sasol's climate change response, through a mechanism that is consistent with South African corporate law and determinations by the SEC of the United States and other instruments on sound governance. Sasol will table, for endorsement on a non-binding advisory basis, our climate change ambition, strategy and actions as contained in this report for the year ended 30 June 2021.

On 14 September 2021, Sasol shareholders, Just Share NPC and Aeon Investment Management, requested Sasol to present an advisory vote to shareholders at its 2021 AGM compelling the Company to expand its disclosure on industry associations involved in climate-related lobbying, policy influence and engagement of which Sasol is a member from 2022 onwards in accordance with requirements set out in the request. Sasol management reviewed this request during the finalisation of our 2021 Climate Change Report and is of the view that the current disclosure complies substantially with the request. The Board accordingly resolved not to present the advisory vote to shareholders at our 2021 AGM. This is in line with the approach of the United States SEC not to take action against companies that disallow requests for shareholder votes on matters which they have already substantially implemented.

Diversity of skills on the Board

The Board comprises mostly independent non-executive directors and recognises and embraces the benefits of having a diverse set of skills amongst its members. On our Board we have specifically retained the expertise of an independent non-executive director, with experience on sustainability and climate change matters. Ms Muriel Dube, the current Chair of the SSEC was also the former South African government's Chief Negotiator to the United Nations Framework on Convention on Climate Change (UNFCCC) and further served as the African representative for technology transfer on the UNFCCC Expert Group on Technology Transfer (EGTT).

Sasol undertakes assessments of the Board's climate change capability and competencies on a regular basis. At present we remain of the view that this is sufficiently addressed. In addition, the Board and its committees have the ability to obtain external and independent professional advice as is necessary to carry out their duties.

Board training and awareness

The Board undergoes regular training on climate change and wider sustainability matters. In particular, this has been reinforced since 2017 in line with a rapidly changing national and international climate change policy landscape.

Effectiveness and performance of the Board, its committees and individual directors is evaluated every two years. In alternate years, or as is necessary, provision is made for reflection by the Board of its performance, including that of its committees, chair and members. Newly appointed directors attend a structured induction programme, which includes our climate change management approach.

Our GEC

The President and CEO is the highest executive decision-making authority for climate change management at Sasol. Our President and CEO has in turn delegated authority to the GEC, the highest collective executive decision-making structure at Sasol.

The GEC is consequently accountable for recommending approval for the company's strategy and long-term plans, including climate change to the Board. Our 2030 and 2050 targets and roadmaps were also part of the GEC's mandate. The GEC is supported by the corporate Portfolio Strategy and Sustainability Function, which includes its climate change management team. Additionally, support is provided by the business' specialists and experts.



# Incentivising climate change action

## Our rewards

Sasol's Purpose "Innovating for a better world" informs our Remuneration Policy. The Board fundamentally believes that we have to robustly address ESG-related matters because it is the right thing to do; however, through the Remuneration Committee, we use the Remuneration Policy to provide additional motivation in this regard. Sasol's Remuneration Policy is governed by the Board, with delegated authority to the Remuneration Committee. The Remuneration Committee takes care in balancing the expectations of all stakeholders when assessing which metrics to include in our short-term incentive (STI) and long-term incentive (LTI) plans. The LTI's performance period is measured over three years, while the STI is yearly.

We have a comprehensive set of rewards. Specifically, ESG including climate change targets are incorporated to incentivise sustainability, to the extent that employees are able to influence the outcomes. Incentive scorecards are included at the Group and business level. Additionally, supervisory and management employees have individual performance agreements – the outcomes of which are multiplied with the final incentive score to provide an aggregated incentive.

Sasol is one of the first South African companies to have included environmental metrics in our variable pay plans, which illustrates the priority that these matters have with the Board. Incentives linked to environmental and social performance are significantly weighted. Further information is contained in our Remuneration Report (IR refer to page 35 – 42).



### Progress on the 2021 STI and LTI targets

In 2020, we included environmental matters in our STI and LTI plans. This was done to incentivise key emission reduction technologies and enablers. Incentivising in this way is used when complexity and age of the operations do not lend itself to year-on-year percentage reductions. Sasol's emission reduction roadmaps, with the exclusion of energy and process efficiency, are dependent on capital intensive interventions. Particularly in South Africa, some of our assets are more than 50 years old, which requires detailed process understanding, time and floor space to implement renewables, hydrogen and gas-enabling technologies.

Interventions that result in step-change emission reductions, while creating value for stakeholders, were prioritised for achievement by end 2021 for the STIs and 2023 for the LTIs. Our scorecards included a combination of output and input targets. The Group's performance against the environmental targets in the 2021 STI was 11,17% out of the maximum 15%.

Climate change targets in our 2021 STI and LTI plans, and the resultant outcomes are indicated below.

LTI targets from threshold to stretch	STI Targets from threshold to stretch	STI performance results
The delivery of 150 – 300 MW of renewable energy to our Secunda site	Deliver the 2030 GHG Emission Reduction Roadmap by 30 September 2020	The roadmap was delivered on time (5% out of 5%)
	Global energy efficiency improvement of 1%	Energy efficiency improvement was measured at 0,4%. This target was not achieved mainly due to the ramping down of our operations as a result of reduced product demand caused by COVID-19 (2,17% out of 5%)
	Deliver the 2050 long term ambition and roadmap	The 2050 long term ambition and roadmap was approved (2% out of 2%)
	Select and contract with preferred bidders to deliver 600 MW of renewable energy	A RFP was issued and a shortlist of bidders were selected. However, contracts were not finalised and therefore only 2% out of 3% was scored. This initiative is jointly managed by Sasol and Air Liquide.

### 2022 targets

For 2022, the Remuneration Committee approved the retention of global energy efficiency improvement, and to support our 2030 targets and Net Zero, with prioritisation of renewable energy and hydrogen. The delivery of 200 MW (our share of the 600 MW) of renewable energy to the Secunda site was added, as well as progressive inclusion of renewable electricity for our International Chemicals Business. Setting up a new sustainable business venture, establishment of global PtX partnerships and completion of two feasibility studies shows our commitment to decarbonising for sustainability. As part of our remuneration process, we engage shareholders and interested stakeholders to provide feedback on our Remuneration Policy. This process resulted in our metrics being further developed to include emission reductions related to each intervention and the addition of a percentage reduction milestone for our Energy Business. Subsequently, we received positive feedback from our large institutional investors supporting these targets, and our transparency and disclosure. The 2022 LTI awards have a performance vesting period that runs from 1 July 2021 – 30 June 2024, carrying a weighting of 25%.

### 2022 STI scorecard

KPI	Metric
ESG (Planet) (20%)	Energy efficiency improvement measured from 2021, which has consistently been part of our incentives since 2016
	Advancing sustainability: Climate change Deliver renewable energy PPAs for 200 MW <sup>1</sup> that will result in at least 0,6 MtCO <sub>2</sub> e reduction
	Set up the FT sustainable solutions business and advance business cases for key catalytic projects that will deliver sustainable fuels and chemicals

### 2022 LTI scorecard

KPI	Metric
ESG (Planet) (25%)	Advancing sustainability: Climate change Achieve 3 - 4,5% reduction in scope 1 and 2 emissions for our Energy Business, off a 2017 baseline by the end of 2024, resulting in 1,8 Mt CO <sub>2</sub> e - 2,8 Mt CO <sub>2</sub> e reductions
	Incentivising our Net Zero ambition by 2050, inclusive of the 2030 targets as a start, which if achieved will allow us to progress delivery of the overall ambition Introduce 40 - 80% renewable electricity for our Chemical operations in Europe and Americas, resulting in 0,14 MtCO <sub>2</sub> e - 0,27 MtCO <sub>2</sub> e reductions by the end of 2024
	Achieve a Dow Jones Sustainability Index (DJSI) score that is within 3 - 10% of the required rating for inclusion into the index by November 2023

1. Sasol's portion of the initial 600 MW we are contracting from IPP's in partnership with Air Liquide.

CLIMATE CHANGE IN BUSINESS PROCESSES

Engaging on climate policy: positions and industry associations

Sasol's climate advocacy position

A clear and coherent position on all climate-related advocacy matters is critical to our overall climate change management approach and business operations. A conducive policy landscape, enabled by collaboration and partnerships, accelerates our action towards Net Zero by 2050.

We undertake climate advocacy individually and through industry associations in support of the Paris Agreement, taking national context into account.



We have membership with various industry associations that enables us to improve our insight into a broad range of issues and facilitates the exchange of knowledge and expertise. Governance requirements are in place within the relevant industry associations that enable the adoption of broad business mandates. This ensures that no one individual business position dominates or is advanced.

Managing relationships with industry associations is firmly embedded in our governance and risk management processes, including in respect of competition/anti-trust law compliance. We subscribe to key national and international industry associations relevant to our business. In these associations, we constructively and collectively pursue technical outcomes and advocate for policy that relates to our respective businesses. Sasol participates at different levels within an industry association, including holding general memberships, chairing specific committees and sitting on board committees. These associations provide a platform for the collective voice of business and creates momentum to effect positive change.

In instances where there is misalignment between an industry association's position and our climate change position, we voice our views clearly and reserve the right to publicly communicate this position. We may even consider the termination of our membership should continued membership no longer be in Sasol's best interests. In light of our 2030 target and our 2050 Net Zero ambition, we will be further enhancing our monitoring, assessment and disclosures on our alignment with industry associations, by annually taking into account amongst others, credible and publicly available third-party assessments on such associations.

We believe over the years we have had a positive impact through our engagements with associations to support climate-related policy development, including advocating in South Africa for an aligned carbon budget/tax system, a climate change act, lifting renewable energy limits, a green hydrogen strategy and mandatory reporting of GHG emissions.

We are committed to undertaking a review of the relevant industry associations annually and more frequently if material policy position changes take place. It is envisaged that an annual review will help us ensure our alignment as we progress towards Net Zero by 2050. From our engagements with CA 100+, we used their Net Zero Benchmark indicator and their advocacy assessment criteria for reporting on our climate policy engagements.

We also engage with governments, labour, civil society and other stakeholders on short, medium and long term climate change policy. Most recently in South Africa, through BUSA, we have been participating in the National Economic Development and Labour Council (NEDLAC) negotiations on the Climate Change Bill. These negotiations are part of a statutory governance approach for consulting on key policies between labour, business and government.

Sasol is an active attendee at the UNFCCC Conference of Parties (COP) annual meetings. Since 2018, together with other business and industry associations, we have been collaborating with government in sponsoring the business-government country pavilion for the annual COP meetings. South Africa's aim in hosting a pavilion is to showcase the country's climate change activities, funding, technology and capacity-building requirements, as well as encourage partnerships.

In line with our green hydrogen and Net Zero ambition, we are participating in the development of a South African Energy Council to expedite and support development and deployment of low-carbon energy solutions. During 2021, we joined the International Hydrogen Council and were nominated to participate in the South African Hydrogen Panel that aims to advise the Presidency on mechanisms to unlock the hydrogen economy. Our CEO is participating in the Presidential Climate Commission to advance a just transition pathway for South Africa.

Sasol's principles for responsible climate-related advocacy

- 1. ACKNOWLEDGEMENT AND SUPPORT FOR CLIMATE SCIENCE**

The IPCC provides a view of how global warming is likely to affect us, if unmitigated. The scientific evidence for warming of the global climate system is unequivocal, particularly in light of the 2021 IPCC science findings. Sasol acknowledges the scientific basis relating to anthropogenic climate change. We recognise the role of industry and our responsibility in playing a part in holding global average temperature increase, according to the scientific consensus.
- 2. SUPPORT FOR THE PARIS AGREEMENT GOAL**

The Paris Agreement articulates the need for society to act with greater urgency to limit global warming to well below 2°C above pre-industrial levels and to pursue further efforts to limit this increase to 1.5°C. Sasol recognises that much more is required to support the aims of the Paris Agreement. We are therefore pursuing transformational changes to our business cognisant of the principle of common but differentiated responsibilities and respective capabilities as it relates to developing countries.
- 3. SUPPORT OF CARBON PRICING THAT PROVIDES GREATER INCENTIVES FOR INNOVATION AND LOW-CARBON CHOICES**

Carbon pricing provides an incentive to accelerate the low-carbon transition through emission trading schemes, budgets or taxes. Setting a price on carbon requires an integrated, well designed, nationally determined and holistic policy response to the challenge of climate change. Sasol supports carbon pricing to enable a transition to a low-carbon economy. In our view, appropriately designed fiscal instruments and supporting mitigation action is critical, including the use of market mechanisms, such as carbon offsets and NbS/TbS CDRs. To ensure the viability of our projects and long-term strategy, we developed and implemented internal South African carbon prices to assist us in evaluating business decisions.
- 4. DEVELOPMENT OF LOW- AND LOWER-CARBON ENERGY SOLUTIONS IN THE FORM OF RENEWABLE ENERGY, GREEN HYDROGEN, NATURAL GAS (AS A TRANSITION FUEL) AND ENERGY EFFICIENCY**

Through ambitious energy targets, the global industry is driving innovation, increasing competitiveness and reducing GHG emissions. Significant emission reductions can be achieved through energy efficiency. Renewable energy is a critical enabler for a low-carbon future and deployment at scale must take place urgently. Sasol has been a proponent of energy efficiency since as early as 2005 and committed to the EP100 initiative. Our 2030 roadmap is focused on renewable energy to reduce our emissions. Natural gas is a key enabler for an effective and efficient energy transition in developing economies. Even though it is a fossil fuel, it is a bridge for coal-based economies and can be more easily integrated with renewable energy. Sasol views transition gas and renewable energy as a springboard into green hydrogen to fully decarbonise our operations.
- 5. TRANSPARENCY AND DISCLOSURE**

Increased transparency is critically important to ensure informed decision-making and provides confidence to our stakeholders that Group top risks, including climate change, are being addressed. We support and advocate for disclosure against best practice standards, such as the TCFD, GRI, UN SDGs and reporting criteria.

CLIMATE CHANGE IN BUSINESS PROCESSES

Engaging on climate policy: positions and industry associations

Assessing alignment with industry associations

In 2021, Sasol assessed 12 key associations against our responsible climate-related advocacy principles, which have been expanded to now include transparency and disclosure (see page 38 for our five principles). This is aligned with our progression of TCFD reporting. Only relevant associations that undertake climate change advocacy were assessed by reviewing publicly available documents and engaging with their offices, where possible. Importantly, the majority of these industry associations cite climate change as one of their focus areas, however for the Industry Task Team on Climate Change (ITCC) it is their primary focus.

Methodology

This year, we mapped our principles against an association’s climate-related positions (refer to the table below). We applied our key principles for responsible advocacy consistently against the industry association positions. In addition, our methodology was enhanced for greater clarity, alignment to best practice and to address expectations on enhanced transparency through inclusion of a fifth principle: transparency and disclosure.

Recognising that an industry association’s view will not always accord with ours, we also review the value-add of these memberships prior to joining, during active membership and when renewal is due.

- In the event that the assessment revealed inconsistencies in terms of at least one/two of our principles, 'partially aligned' was indicated. In this instance, further engagement will take place to better understand positions held and to seek alignment.
- Where more than two principles were not aligned and if the association was not in support of the Paris Agreement, then 'not aligned' was indicated.
- Associations are considered 'aligned' with our principles where their support of the Paris Agreement is clearly articulated and the internal assessment shows congruence to all principles.

Membership fees

Sasol pays annual membership fees to industry associations, where required. The fees payable are calculated according to the constitution of the respective association.

Our assessment results

Of the 12 associations assessed, none were found to be not aligned with our responsible climate-related advocacy principles. Partial alignment was indicated across some of the relevant associations. This was by and large influenced by the lack of a clear position on transparency and disclosure, and carbon pricing. The alignment results are detailed below with an overall self-assessment indicator presenting aligned, partially aligned or not aligned. Sasol is also a member of non-advocacy associations that support ambitious climate action in support of the Paris Agreement. These include the NBI, Climate Group’s EP100, We Mean Business and CDP. Nominal membership fees are paid to these associations who support reporting platforms, climate-related studies on mitigation, adaptation and green financing.

Self assessment of the relevant industry associations' alignment to our responsible climate-related advocacy principles

Association	1. Acknowledgement and support for climate science	2. Support for the Paris Agreement goal	3. Support of carbon pricing that provides greater incentives for innovation and low-carbon choices	4. Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition fuel) and energy efficiency	5. Transparency and disclosure	Reference information	Overall self-assessment of alignment <sup>1</sup>	Membership position	Annual membership fees <sup>2</sup>
BUSA – “To create a competitive economy that is global and brings value for all South Africans. Committed to working with government, social partners and labour through supporting youth skills development, education, enterprise development and job creation.”	Aligned – BUSA’s position statements have been focused on steering government to a net zero ambition and 1,5°C trajectory by 2050. This position clearly articulates a commitment to climate science and the urgency to transition. BUSA is supporting programmes that develop the necessary precedent knowledge and consensus to mobilise climate action.	Aligned – BUSA advocates for an ambitious NDC aligned to the Paris Agreement. It has provided recommendations to the drafting process of the NDC to increase ambition beyond the draft text. It advocates for South Africa to contribute its fair share to the global effort to move towards net zero emissions by 2050, taking into account the principle of common but differentiated responsibilities. Most recently, BUSA has supported 350 - 420 Mt CO <sub>2</sub> e national GHG range as the NDC.	Aligned – BUSA is supportive of carbon pricing and that it should be used as part of a suite of policy instruments. It has consistently advocated for carbon pricing that effectively mitigates GHG emissions, while demonstrating economic efficiency. BUSA supports the development of an effectively designed South African carbon tax, as part of an integrated mitigation system. In support of this, BUSA has studied alternative instruments and mechanisms to develop a more comprehensive understanding of an economically efficient and effective carbon pricing system for South Africa. It has sought to engage positively with national policy-makers to contribute this knowledge and advocate for these mechanisms.	Aligned – Advocating for enabling policy to support green hydrogen, transition gas, renewables, energy efficiency and biomass feedstocks. BUSA advocates strongly for decarbonisation of the electricity grid and diversification of energy sources away from fossil fuels.	Aligned – BUSA advocates for transparency and is in support of TCFD. Learning and training sessions have been organised to support business.	Parliamentary submissions, as well as various regulatory submissions. <a href="https://www.busa.org.za/business-statement-on-south-africas-climate-change-and-decarbonisation-response-and-the-pathways-to-net-zero-emissions-by-2050/">https://www.busa.org.za/business-statement-on-south-africas-climate-change-and-decarbonisation-response-and-the-pathways-to-net-zero-emissions-by-2050/</a>	2021: ● 2020: ●	Board member and presiding Chair on two sub-committees nominated by members.	Based on % turnover ~R 0,17 million
Energy Intensive User Group’s ITCC – “To influence the Energy Industry by ensuring that the solutions developed are reliable and economically sound. The ITCC aims to ensure that the transformation to a lower-carbon future is done in a sustainable manner and protects economic competitiveness.”	Aligned – ITCC supports the science on climate change and the need to act, as well as advocates for policy-based on scientific evidence.	Aligned – Supports South Africa’s international climate commitments under the Paris Agreement taking national circumstances, developing status, socio-economic development and the need for technology and financing support into account.	Partially aligned – Acknowledges the merit of a carbon price in the economy in the longer term and that it promotes a just transition. The ITCC advocates for an alternative design to the currently implemented carbon tax. For example a system that incentivises mitigation, such as a carbon tax levied on emissions exceeding a budget. The ITCC engages policy-makers and has developed supporting studies to demonstrate the basis and merit of its position, however does not have a clear position on carbon pricing for the short term. Sasol will continue to engage to achieve alignment.	Aligned – Supports a lower-carbon transition through implementation of low-carbon technology and the roll-out of transition natural gas to complement intermittent renewable energy, particularly during peak periods.	Aligned – Actively supports implementation of TCFD guidelines for member companies and actively tracks developments in this space. Regular knowledge sharing sessions on evolving best practices are scheduled.	Various policy submissions. The ITCC has provided science-based positions on multiple activities, including the proposed national integrated carbon mitigation system, effective carbon pricing and appropriate market mechanisms. <a href="https://itcc.org.za/">https://itcc.org.za/</a>	2021: ● 2020: ●	Regular membership and presiding Chair nominated and voted in by members.	Fixed rate ~R 0.24 million

● Not aligned ● Partially aligned ● Aligned



CLIMATE CHANGE IN BUSINESS PROCESSES

Engaging on climate policy: positions and industry associations

Assessing alignment with industry associations

Association	1. Acknowledgement and support for climate science	2. Support for the Paris Agreement goal	3. Support of carbon pricing that provides greater incentives for innovation and low-carbon choices	4. Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition fuel) and energy efficiency	5. Transparency and disclosure	Reference information	Overall self-assessment of alignment <sup>1</sup>	Membership position	Annual membership fees <sup>2</sup>
Chemical and Allied Industries' Association (CAIA) – To represent and advocate members' interests, while promoting Responsible Care®, monitor its implementation and earn public trust for the chemical industry.	Aligned – Acknowledges the latest climate science and is driving urgency for action. Advocates for governments role in creating transparent, consistent and aligned policy frameworks, based on science and creating a conducive investment environment in South Africa.	Aligned – Supports the goal of the Paris Agreement and participates in advocating for an ambitious NDC, with relevant supporting mechanisms.	Aligned – Supports a fit-for-purpose carbon pricing design, integrated within a holistic policy framework that does not unduly impact South Africa's competitiveness.	Aligned – Supports renewable energy and natural gas as a lower-carbon transition fuel and a bridge to a lower-carbon economy. Members have undertaken voluntary mitigation activities related to increasing energy efficiency and reducing energy consumption.	Partially aligned – CAIA supports transparency however does not have a position on transparency and disclosure, as well as best practice reporting standards. Sasol will continue to engage on reporting standards and greater transparency.	Various policy advocacy positions and statements formulated through a dedicated Climate Change Working Group related to South Africa's NDC, just transition, availability of sustainable financing, Climate Change Bill and climate change mitigation system (including carbon budgets) - available through membership.	2021: ● 2020: ●	Board member	Based on % chemicals turnover in South Africa ~R 5, 1 million
South African Petroleum Industry Association (SAPIA) – To contribute to policy formulation, implementation and a fair framework for all, such as providing input into the development of climate change policy and regulations including that pertains to the monitoring, measuring and reporting of GHG emissions. Make the transition to cleaner fuels avoiding any supply disruptions and ensure that it is cost-effective.	Aligned – SAPIA subscribes to a scientific approach to understanding climate change and how to mitigate and limit the effects of climate change.	Aligned – SAPIA is supportive of the goal of the Paris Agreement. Many members of the association are at the forefront of promoting net zero ambitions. SAPIA is supportive of an enabling legislative environment, co-operation between organs of state, civil society and business, as well as finance to drive the just transition.	Aligned – SAPIA is supportive of carbon pricing to drive consumer and business behaviour towards a conducive environment that ensures a just transition.	Aligned – SAPIA advocates for the three-pillars of collaboration – conducive policies, finance and technical innovation that leads to less carbon emitting energy alternatives for use. This includes not only the use of renewables but also energy efficiency, CCUS and transition fuels towards a cleaner low-carbon future.	Aligned – Transparency is supported to outline goals, directing necessary resources and training towards the energy transition.	Various policy submissions.  Through an engagement, it was indicated that an energy transition position is being finalised for release.  SAPIA confirmed support of member company positions on net zero.	2021: ● 2020: ●	Board member	Based on annual operating budget for the company ~R 2, 95 million
Minerals Council of South Africa (MINCOSA) – To play a leadership role in enabling the South African mining sector to achieve its real potential for investment, growth, transformation and development in a socially and environmentally responsible manner.  MINCOSA advocates for and works with the mining industry to contribute to GHG mitigation and adaptation of communities impacted by climate change.	Aligned – MINCOSA has consistently echoed its members' acceptance of climate change science and the need for the mining industry to contribute to the collective effort in adapting and mitigating the impact of climate change.	Aligned – MINCOSA has made clear and concerted efforts to contribute to the activities of the UNFCCC and to support the Paris Agreement. This is demonstrated by MINCOSA taking a thought leadership position in advocating for conducive climate change and just energy transition policies to support the country's NDC.	Partially aligned – MINCOSA has indicated the following in its position statement prior to the adoption of the Carbon Tax Act, "the carbon tax, in the absence of any other climate change measures in the overall 'toolbox' that includes incentives and not only disincentives and necessary supporting regulation, is likely to be damaging to carbon intensive sectors with no pathways for offsets".  Its focus is on an integrated climate change mitigation instrument and not a singular tax, however they do not have clear position on carbon pricing.  Sasol will continue to engage and advocate for the just transition, using effective and efficient carbon pricing as part of a suite of measures.	Aligned – MINCOSA committed to cleaner energy technologies and renewables. It engaged with government to address the licensing challenges faced by mining companies that sought to invest in self generation capacity through renewable energy projects.  MINCOSA has also instituted a programme to fast track the application and adoption of green hydrogen technologies in the mining industry.  Given the bulk of the emissions in the mining industry at large being primarily from the use of electricity generated from coal (scope 2 emissions) MINCOSA has been calling for concerted effort to decarbonise the electricity sector.	Aligned – MINCOSA fully supports transparency, reporting and disclosure on ESG performance and climate change. Its member companies prescribe to various disclosure and reporting initiatives such as TCFD, GRI and ESG reporting.	Various submissions to government.  Public position paper on carbon tax.  Media briefings.	2021: ● 2020: ●	Board member	Based on percentage of production ~R 9,66 million
European Chemical Industry Council (CEFIC) – CEFIC and its members focus resources on four critical areas to progress sustainable development, including the transition to a lower-carbon economy and driving resource efficiency across global value chains.  CEFIC advocates and represents the industry in order to create the right support and policy frameworks in Europe and beyond, add value as a collective compared to individual companies' activities.	Aligned – CEFIC supports the Paris Agreement and strong action on climate change in line with the scientific advice provided by the IPCC.	Aligned – CEFIC supports the Paris Agreement and strong action on climate change in line with the scientific advice provided by the IPCC.	Aligned – CEFIC supports carbon pricing under the European Union Emissions Trading Scheme (EU ETS) that achieves a fair and efficient reformed ETS and enables the most efficient companies to manufacture and grow in Europe. Advocates for revenue recycling to support further emissions reductions.	Aligned – CEFIC supports affordable natural gas that could further contribute to the chemical industry's GHG emission reductions, contributing to overall industrial emission reductions with acknowledgement that natural gas could progressively be replaced by renewable gas. CEFIC expects clean hydrogen to play a pivotal role in reducing the GHG footprint of Europe's energy and feedstock supply within the transition to climate neutrality. CEFIC supports renewable energy.  "For the chemical sector to deliver further emissions reductions from our operations, access to affordable low-carbon energy to electrify our operations will be crucial in the future. However, the current cost to fully electrify many of our processes is high (between €20 – 27 billion/year for investment requirements estimated by Dechema, 2017) and would require wide scale access to renewable energy sources that Europe does not yet have today. As such, in this stage of transition where climate-neutral electricity, hydrogen, and CCU are not yet broadly available and globally competitive, the chemical industry sees the use of natural gas with CCS as a promising pathway to transition our operations towards climate-neutrality, as the International Energy Agency and others have also identified."	Aligned – CEFIC supports the recommendations of the TCFD.	Various climate-related position papers on topics such as supporting the EU Green Deal and Climate Neutrality, GHG emissions reporting and financing the transition of a low carbon economy  <a href="https://cefic.org/policy-matters/climate-change-and-energy/eu-carbon-market-and-ets-link-tbc/">https://cefic.org/policy-matters/climate-change-and-energy/eu-carbon-market-and-ets-link-tbc/</a>  <a href="https://cefic.org/app/uploads/2021/06/Cefic-views-on-the-Commission-draft-Delegated-Act-on-the-obligation-for-certain-companies-to-publish-non-financial-information.pdf">https://cefic.org/app/uploads/2021/06/Cefic-views-on-the-Commission-draft-Delegated-Act-on-the-obligation-for-certain-companies-to-publish-non-financial-information.pdf</a>	2021: ● 2020: ●	Direct membership on sub-groups that are product oriented	~Euro 0,0075 million +  Per sub-group, of which we are member of seven

CLIMATE CHANGE IN BUSINESS PROCESSES

Engaging on climate policy: positions and industry associations

Assessing alignment with industry associations

Association	1. Acknowledgement and support for climate science	2. Support for the Paris Agreement goal	3. Support of carbon pricing that provides greater incentives for innovation and low-carbon choices	4. Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition fuel) and energy efficiency	5. Transparency and disclosure	Reference information	Overall self-assessment of alignment <sup>1</sup>	Membership position	Annual membership fees <sup>2</sup>
Verband der Chemischen Industrie e.V. (VCI) - VCI acts according to the principle of sustainability and are an alliance partner of the chemistry sustainability initiative. VCI promotes sustainability in its work and in the industry to provide impetus for sustainable development in business, science, politics and society.	Aligned – Supports climate neutral policies and the Paris Agreement.	Aligned – The VCI supports the Paris Agreement. In a recent study, it showed that climate-neutral chemistry is possible and which conditions are needed for the German chemical industry to become carbon-neutral by 2050.	Aligned – Supports carbon pricing through a global ETS to enable competitive conditions at the global level and avoid carbon leakage.	Aligned – The VCI supports the promotion of renewable energies to make energy supplies climate-friendly, reliable and affordable.  Encourages the use of energy-efficient products and technologies. Acknowledges the role of natural gas as a raw material base alongside renewable sources.	Aligned – Supports transparent monitoring, reporting and verification systems (MRV).	<a href="https://www.vci.de/vci-online/top-themen/raw-materials-base-of-the-chemical-industry.jsp">https://www.vci.de/vci-online/top-themen/raw-materials-base-of-the-chemical-industry.jsp</a>	2021: ● 2020: ●	Regional Board member	Based on turnover related to relevant products  ~Euro 0, 45 million
American Chemistry Council (ACC) - To deliver long-term business value through exceptional advocacy and improved member performance. This includes best-in class member engagement, political advocacy, communications and scientific research. We are committed to fostering progress in our economy, environment and society.	Aligned – ACC Climate Policy Principles 2019:  ACC considers climate change as a global challenge that requires long-term commitment and action by every segment of society. A combination of technology, market-based and policy solutions will be necessary to reduce GHG emissions and achieve climate goals, such as those of the Paris Agreement.	Aligned – ACC supports the policy statements of the International Council of Chemical Associations (ICCA) on the Paris Agreement, which recognises the role of the chemical industry in achieving the goal of the Paris Agreement.	Aligned – ACC believes any climate policy should be based on market signals and administrative provisions that send clear messages: transparent, predictable, technology-neutral price signals will facilitate lower GHG emissions, and any such price signals should be made revenue neutral. The complexity and administrative costs of United States climate policy must be minimised to the fullest extent possible. ACC considers the protection of the competitiveness of United States manufacturing as key. The United States chemical industry is in the midst of a historic wave of investment in new capacity. Any climate policy must protect the ability of energy-intensive, trade-exposed industries to compete in the global economy.  Through discussion, ACC supports an ETS or carbon tax depending on member jurisdiction.	Partially Aligned – “ACC supports a national energy strategy that develops and uses America’s diverse sources, promotes energy efficiency and encourages the development and adoption of new technologies.” Specifically, ACC supports development of low energy carbon solutions (including renewable energy, energy efficiency, hydrogen and CCUS).  Post engagement with ACC, Sasol concluded that ACC is partially aligned with our principles because they are supportive of GHG emissions being regulated and the development of low and lower-carbon energy solutions, but they do not support regulation of natural gas. ACC further explains “the chemical industry relies on essential and cost-sensitive feedstocks, such as natural gas, natural gas liquids, hydrogen and others, as well as processes that result in little or no GHG emissions. Manufacture and use of such feedstocks and processes should be exempted from climate regulation.”	Aligned – Through the Responsible Care programme, ACC member companies report progress on energy efficiency and GHG intensity. “America’s chemical industry recognises the need to further reduce GHG emissions and energy use in our own operations. Through Responsible Care®, ACC members publicly report their GHG intensity, which is calculated by determining the pounds of CO <sub>2</sub> e /pound of production.”  Sasol concluded ACC as being aligned because they support transparent metrics and disclosure of energy efficiency and GHG intensity. Further, ACC states that “they also support a Uniform, National Climate Policy that results in a single transparent and effective national program that gradually eliminates the need for a patchwork of state laws and federal regulations.”	<a href="https://www.americanchemistry.com/ACC-Climate-Policy-Principles.pdf">https://www.americanchemistry.com/ACC-Climate-Policy-Principles.pdf</a> , <a href="https://www.americanchemistry.com/Energy-Efficiency/">https://www.americanchemistry.com/Energy-Efficiency/</a> , <a href="https://www.americanchemistry.com/Innovation/Energy/">https://www.americanchemistry.com/Innovation/Energy/</a> , <a href="https://www.americanchemistry.com/Policy/Environment/Environmental-Regulations/">https://www.americanchemistry.com/Policy/Environment/Environmental-Regulations/</a> , <a href="https://www.americanchemistry.com/Sustainability/Healthy-Climate.html">https://www.americanchemistry.com/Sustainability/Healthy-Climate.html</a>	2021: ● 2020: ●	Board member	Based on percentage revenue  ~US\$ 0.51 million
American Cleaning Institute (ACI) - Serves the growth and innovation of the U.S. cleaning products industry by advancing the health and quality of life of people and protecting our planet. ACI achieves this through a continuous commitment to sound science and being a credible voice for the industry.	Aligned – ACI acknowledges that the science is clear. This is supported by the following statement: “ACI recognizes the urgent need to hold global average temperature in accordance with scientific consensus. As such, ACI has challenged cleaning product manufacturers and chemical producers to take action by aligning their climate strategies and goals, with the need to limit the global temperature rise to 1.5°C or less by reaching net-zero global emissions by 2050.”	Aligned – ACI acknowledges that the science is clear. This is supported by the following statement: “ACI recognizes the urgent need to hold global average temperature in accordance with scientific consensus. As such, ACI has challenged cleaning product manufacturers and chemical producers to take action by aligning their climate strategies and goals, with the need to limit the global temperature rise to 1.5°C or less by reaching net-zero global emissions by 2050.”	Partially aligned – ACI supports policy and collaborations with external stakeholders, minimising emissions from cleaning product use, however no direct statement on carbon pricing support. Sasol will continue to engage to encourage alignment and clear positioning on policy and fiscal instruments to drive the transition.	Aligned – ACI is driving for 100% renewable energy and low-carbon solutions. In addition, support for CCUS is also indicating by the following statement: “Enhancing climate resilience by restoring, conserving or creating natural climate solutions that store carbon and aid in sequestration.”	Aligned – Committed to an increase in transparency to provide people with the information they need to make informed decisions. Consumers want to see the evidence of safe, effective products that have been made with respect for people and the environment. “One of our key goals is to be a more transparent industry, strengthening trust and helping purchasers choose cleaning products with confidence.”  ACI continues to work towards transparency and reporting, by offering guidance rather than mandating its members to align.	<a href="https://www.cleaninginstitute.org/sites/default/files/documents/2019ACISustainabilityReport.pdf">https://www.cleaninginstitute.org/sites/default/files/documents/2019ACISustainabilityReport.pdf</a>  <a href="https://www.cleaninginstitute.org/industry-priorities/sustainability/sustainability-goals/goal-increasing-transparency">https://www.cleaninginstitute.org/industry-priorities/sustainability/sustainability-goals/goal-increasing-transparency</a>  <a href="https://www.cleaninginstitute.org/newsroom/releases/aci-applauds-us-reentry-paris-climate-accord">https://www.cleaninginstitute.org/newsroom/releases/aci-applauds-us-reentry-paris-climate-accord</a>  <a href="https://www.cleaninginstitute.org/newsroom/releases/2021/cleaning-products-industry-leaders-make-bold-commitments-combat-climate">https://www.cleaninginstitute.org/newsroom/releases/2021/cleaning-products-industry-leaders-make-bold-commitments-combat-climate</a>	2021: ● 2020: ●	Board member	~US\$ 0,165 million

CLIMATE CHANGE IN BUSINESS PROCESSES

Engaging on climate policy: positions and industry associations

Assessing alignment with industry associations

Association	1. Acknowledgement and support for climate science	2. Support for the Paris Agreement goal	3. Support of carbon pricing that provides greater incentives for innovation and low-carbon choices	4. Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition fuel) and energy efficiency	5. Transparency and disclosure	Reference information	Overall self-assessment of alignment <sup>1</sup>	Membership position	Annual membership fees <sup>2</sup>
<p>International Chamber of Commerce (ICC) - ICC brings together the various economic sectors in market economy countries and its mandate is designed to deliver on multiple aspects including:</p> <ul style="list-style-type: none"> <li>representing trade, industry, finance, transport, insurance and, in general, all sectors of international business; and</li> <li>ascertain the views of corporations and individuals involved in international trade and related business operations.</li> </ul> <p>ICC is able to voice trade specific views to relevant intergovernmental institutions and governments and drive specific positions that could be supportive of climate change related interventions.</p>	<p>Aligned – ICC recognises the escalating climate emergency and wholly endorses the findings of the IPCC Special Report on Global Warming of 1,5°C. Has a clear alignment to advocate for policy frameworks that support the alignment of business operations with this target and help reach the additional goal of net zero emissions in many countries by 2050.</p>	<p>Aligned – ICC is committed to advocating for and providing input on coherent policy frameworks – in line with the Paris Agreement and the latest climate science. Has a clear alignment to advocate for policy frameworks that support the alignment of business operations with this target and help to reach the additional goal of net zero emissions in many countries by 2050.</p>	<p>Aligned – ICC endorses the study by the High-Level Commission on Carbon Pricing and Competitiveness that calls on industry peers and governments to adopt strong carbon pricing policies.</p>	<p>Aligned – ICC advocates for low-carbon strategies example, renewable energy and supportive government policies that act in tandem to unlock economic opportunities and manage competitive concerns. Advocates for energy efficiency as a critical component of any comprehensive sustainable energy strategy. Highlights governments should continue to promote and support energy efficiency among producers and consumers of energy.</p>	<p>Not aligned – No position could be found for ICC's support of transparency and disclosure. Sasol will continue to engage on reporting standards and greater transparency.</p>	<p>Mobilisation of business leaders to catalyse support of action to tackle climate change through the Chambers Climate Coalition. Has created a global forum that offers members actionable, real-world solutions and recommendations on cost-effective, sustainable business practices aligned with Paris targets.</p> <p><a href="https://www.chambers4climate.iccwbo.org/">https://www.chambers4climate.iccwbo.org/</a></p>	<p>2021: ● 2020: ●</p>	<p>Regular membership</p>	<p>Fixed rate ~R 0,02 million</p>
<p>International Council of Chemical Associations (ICCA) – Our mission is to help the global chemical industry improve financial performance and reputation by tackling global issues, and by helping the industry improve continuously its performance through Responsible Care® and other programs.</p>	<p>Aligned – Committed to climate action and reducing GHG emissions through lightweighting, renewable energy sources, electric and battery materials and emission reductions up and down the supply chain.</p>	<p>Aligned – Committed to achieving climate goals as contained within the Paris Agreement.</p> <p>"The Paris Agreement is designed to curb greenhouse gas emissions and mobilise global political will to address the climate change challenge. Successful implementation of the Paris Agreement hinges in large part on contributions from the private sector. For global chemical manufacturers, that means continuing to do what they do best: innovate. Innovation requires a consistent, supportive policy and regulatory environment to reach its full potential and to allow industry to develop and implement solutions to address global sustainability challenges."</p>	<p>Not aligned – No position could be found for ICCA's support of carbon pricing. Sasol will continue to engage to encourage alignment.</p>	<p>Aligned – Chemical technologies are directly fighting climate change as irreplaceable components of advanced building materials and batteries, renewable energy sources, electric and high-efficiency vehicles, and lightweight plastic packaging options that improve energy efficiency and reduce GHG emissions throughout our economy.</p> <p>"Chemistry forms the backbone of energy-efficient products and technologies that help enable a more sustainable future. While greenhouse gas is emitted during the manufacture of chemical products, the use of the products downstream and in other sectors can help save more energy and emissions than are required to produce them. To this end, ICCA has developed multiple energy technology roadmaps, lifecycle assessment tools and case studies to help businesses up and down the value chain realize new gains in energy efficiency while also reducing the environmental footprint of their operations."</p>	<p>Aligned – ICCA supports transparency and chemicals contributions to the SDGs.</p>	<p><a href="https://icca-chem.org/news/icca-statement-on-climate-policy/">https://icca-chem.org/news/icca-statement-on-climate-policy/</a></p>	<p>2021: ● 2020: ●</p>	<p>Indirect membership</p>	<p>No fees payable</p>
<p>Louisiana Chemical Association (LCA) – Promotes a positive business climate for chemical manufacturing that ensures long-term economic growth for its member companies that operate throughout Louisiana. The LCA similar to its sister organisations work with local and state officials, community organisations and business interests to promote a positive climate for chemical manufacturing that insures long term economic growth.</p>	<p>Aligned – LCA acknowledges and supports the science on climate change. Emission reduction policies should involve the scientific community and the resultant recommendations should be technologically and economically reasonable.</p>	<p>Aligned - Supports the objectives of the Paris Agreement. The Paris Agreement aims to limit global temperature rise to well below 2°C above pre-industrial levels, while pursuing means to limit the increase to 1,5°C, in order to strengthen the global response to the threat of climate change.</p>	<p>Aligned – Supports carbon pricing. LCA supports a market-based, national-level emissions reduction strategy, with transparent and predictable price signals that will facilitate lower GHG emissions.</p> <p>Market-based carbon pricing should be an economically efficient policy instrument to transition to lower-carbon choices.</p>	<p>Aligned – Committed to low- and lower-carbon energy choices as part of the solution to reduce GHG emissions without impairing competitiveness.</p> <p>Low- and lower-carbon energy solutions can be achieved through energy efficiency, transitioning to natural gas, use of renewable energy, utilisation of CCUS and by embracing new and developing technologies.</p>	<p>Partially aligned – position being drafted in support of transparency and disclosure. Consultation on-going with members. Sasol will continue to engage for TCFD and greater transparency.</p>	<p>Louisiana climate change policy principles.</p> <p>Policy positions submitted to members for comment.</p> <p><a href="http://lca.org/aw/LCA/pt/sd/news_article/356482/_PARENT/LCA_layout_details/false">http://lca.org/aw/LCA/pt/sd/news_article/356482/_PARENT/LCA_layout_details/false</a></p>	<p>2021: ● 2020: Not assessed</p>	<p>Regional Board member</p>	<p>Based on percentage headcount ~US\$ 0,071 million</p>

1. The purpose of the table is to communicate information related to Sasol's review and self assessment of relevant industry associations' climate change positions against our responsible climate-related advocacy principles. The industry specific information contained herein are extract summaries from more comprehensive reference/source documents that are publicly available/accessibile including reports, website information, public statements and/or information received through associated member engagements. We therefore direct the reader to the cited sources for a comprehensive overview and do not warrant the completeness or correctness of such source information. Sasol assumes no liability and responsibility for any errors or omissions in the source information.

2. Fees are for 2021 and exclude South African Value Added Tax (VAT).



# Engaging on climate policy: positions and industry associations

## Implications of national climate change policies

2050



South Africa

Sasol monitors and consults on emerging and current climate change legislation, using a risk-based lens. Non-compliance against future legislation could result in fines, penalties or even the loss of our operating licences for our businesses.

Our climate change advocacy is centred on supporting the objectives of the Paris Agreement and ensuring a conducive policy environment for a just transition to a low-carbon economy.

We are participating in the update of South Africa's NDC ahead of COP 26. This update will potentially impact allocated emission budgets and could also have carbon tax implications for Sasol. We supported an increase in South Africa's emission-reduction ambition from that which was proposed in the first draft by government. Our support was prefaced on access to requisite international support for the ambition to enable reductions at a pace and scale for a just transition.

In South Africa a key piece of legislation is the draft Climate Change Bill, which is the first holistic legal framework for the country's mitigation and adaptation response. Sasol is supportive of a climate change management framework against which to accelerate action, cognisant of our national priorities. We are an active participant in the commenting process and will be participating in the second voluntary carbon budget process until the policy is enacted.

The Climate Change Bill proposes an aligned carbon budget and tax mechanism as the preferred tool for reducing GHG emissions post 2022. To date government has advanced a budget design, whereby large emitters will be penalised by a higher tax for emissions that exceed the budget cap. In addition, a low level carbon tax will also apply to all emissions as is currently implemented through the Carbon Tax Act. In South Africa, carbon tax price certainty is known until 2022, thereafter, government is integrating the carbon budget and tax into one mechanism, which is in the process of being designed. A key design principle adopted by government is to implement the carbon tax gradually, complemented by effective and efficient revenue recycling to contribute to emission reductions, allowing companies to recognise the policy signal and progressively prepare for the medium to long term change. We expect government to increase the carbon tax rate consistent with reductions needed to meet the updated NDC for the country. In this regard, we remain of the view that a fair and equitable approach will be followed to set the new carbon tax rate. Government consultations with stakeholders are on-going.

For the period 2016 - 2020, Sasol has been operating under a GHG emissions budget cap, issued by the regulator in South Africa. Sasol emitted a total of 282,8 Mt CO<sub>2</sub>e over this five year period, 8% below our allocated 301,7 Mt CO<sub>2</sub>e budget.

Sasol's Energy Business in South Africa is also in compliance with the requirement to submit a Pollution Prevention Plan (PPP) to the regulator. We submitted a plan to reduce 3,16 Mt CO<sub>2</sub>e by 2020 from 2016, and exceeded this by achieving 3,22 Mt CO<sub>2</sub>e.

We also paid our first carbon tax liability in 2020 of R320 million for the first seven-month period since the gazetting of the Carbon Tax Act. In 2021, we paid R579 million after offsets and electricity levies. The tax is applicable to an entity's scope 1 emissions for each calendar year.

**Our strategic approach to reduce our carbon tax exposure for the Energy Business entails:**

- An accurate and audited scope 1 emissions baseline aligned with international best practices;
- Implementing mitigation projects to meaningfully reduce our scope 1 GHG emissions and increase our energy efficiency;
- Remaining abreast of future carbon budget and tax policy developments by actively engaging with our stakeholders;
- Advocating for an economically efficient carbon pricing mechanism supported by other policy enablers for accelerated deployment of climate solutions; and
- Accessing flexibility mechanisms, such as carbon offsets, within a carbon mitigation hierarchy.



Europe and North America

Recent announcements in Europe on the "Green Deal" for climate neutrality are also being closely tracked. In the United States changes relating to the Biden Administration are expected in the short to medium term. Our International Chemicals Business roadmaps position us to meet more stringent compliance requirements over time.

The impending European Union Carbon Border Tax Adjustment Mechanism could have impacts for our products from South Africa, if extended beyond the current prioritised sectors. Future Sasol and our focus on producing sustainable fuels and chemicals is well-suited to harness the opportunities created by an environment not in favour of fossil-fuel products.

CLIMATE CHANGE IN BUSINESS PROCESSES

Risk management

Our risk management process

Our Enterprise Risk Management process fully integrates the Group top risk review process with business site risks. Our Board provides governance oversight on the identified top risks, which includes climate change.

Climate change is both a strategic issue and a top risk. Through our annual materiality assessment, it is also classified as a material matter for the Group. Strategy and material risk identification are intimately linked, with a rigorous approach followed to identify these risks. This approach is depicted on [IR](#) page 24 – 26.

Climate change risks are assessed as part of long term business viability. They relate to sustainable execution of our strategy, opportunity management and ensuring a balanced approach between growth, investment and delivering shareholder value. Our risk analysis also includes the recommendations prescribed by the TCFD.

Sasol's climate change risks focus on:

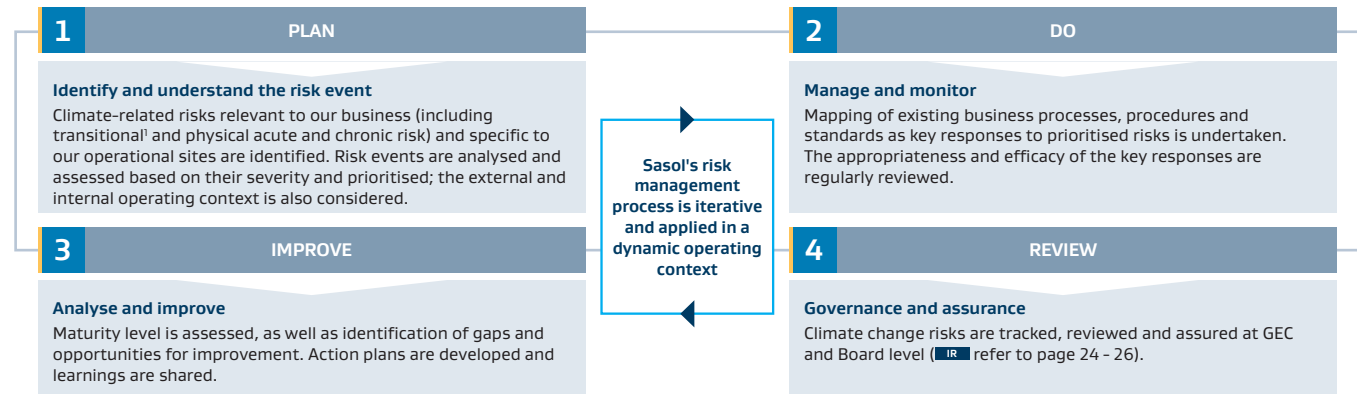
1. An inability to develop and implement an appropriate climate change mitigation response;
2. Downstream societal pressure impacting market access and product competitiveness; and
3. An inability to ensure physical long term resilience of business operations.

Our risk management process is anchored in the model Plan, Do, Review and Improve. Decision-making is enhanced by our People, Planet and Profit considerations and in this way we enable proactive identification of risks and management thereof.

Sasol's climate change risks are informed by key drivers, such as policy and compliance, market and customer sentiment, physical impacts, investor and stakeholder pressure and access to capital. Our response to managing these risks aim to reduce our risk exposure and maximise opportunities created. This is reflected in Future Sasol's strategy, our targets and roadmaps as we progress to Net Zero.

An iterative approach is adopted to address an evolving climate change landscape. This process is informed by robustness testing of our strategy and downscaled modelling using the IPCC RCP 4,5 and 8,5.

We see opportunity in the transition to a low-carbon economy and are progressing our climate change response as a top priority.



Climate change top risks and key responses

Since our first Climate Change Report in 2019, Sasol has made significant progress in addressing our transitional and physical risks of climate change. Identified drivers remain focus areas to manage and mitigate this risk.

Key transitional risk drivers	Unmitigated potential business impact	Key responses
<p><b>Transitional risks</b></p> <ul style="list-style-type: none"> <li>• Ability to develop and implement an appropriate climate change mitigation response</li> <li>• Increasing societal pressures</li> <li>• Access to low-carbon technologies</li> </ul>	<ul style="list-style-type: none"> <li>• Higher cost of capital and inability to access capital</li> <li>• Higher operating costs (carbon tax)</li> <li>• Compliance risks</li> <li>• Loss of revenue</li> <li>• Diminishing market competitiveness and share</li> <li>• Carbon border tax adjustments</li> <li>• Diminishing stakeholder confidence, including investors and customers</li> <li>• Loss of skills and an inability to retain talent</li> <li>• Reputational harm</li> <li>• Asset write-downs</li> </ul>	<ul style="list-style-type: none"> <li>• On a path to Net Zero and 30% lower scope 1 and 2 emissions by 2030 off a 2017 baseline, supported by short, medium and long term milestones</li> <li>• Future Sasol's strategy and a diversified product mix</li> <li>• Establishing an FT sustainable solutions business to maximise opportunities in a carbon-constrained world</li> <li>• Robust scenario analysis for a carbon constrained world</li> <li>• Enhanced disclosure</li> <li>• Implementation of our three-pillar emission-reduction framework</li> <li>• Optimised synergies between climate change and environmental compliance roadmaps</li> <li>• Roadmaps to 2030 and 2050, with the 2030 time period having a high degree of confidence and 2050 offering optionality to address an uncertain future</li> <li>• Research and development, including demonstration projects to drive innovation on climate change technologies by dedicated teams</li> <li>• Proof points and partnerships to unlock key climate change mitigation levers and growth drivers</li> <li>• Proactive stakeholder engagement</li> <li>• Policy advocacy and tracking of the climate change landscape</li> </ul>
<p><b>Physical risks</b></p> <ul style="list-style-type: none"> <li>• Tropical storms (hurricanes and cyclones)</li> <li>• High rainfall</li> <li>• Severe lightning</li> <li>• Heatwaves</li> <li>• Tornadoes</li> <li>• High winds</li> </ul>	<ul style="list-style-type: none"> <li>• Production interruptions</li> <li>• Lost production due to forced shutdowns or equipment damage</li> <li>• Disruption of work activities (mainly construction and maintenance)</li> <li>• Fire, explosion and release incidents or equipment damage due to direct lightning strike</li> </ul>	<ul style="list-style-type: none"> <li>• Proactive adaptation responses based on downscaled modelling</li> <li>• Business continuity plans</li> <li>• Project designs that account for operating in extreme temperatures</li> <li>• Engineering Design Standards catering for future projected weather extremes</li> <li>• Regional weather forecasts and warnings</li> <li>• Existing facility-specific emergency and evacuation protocols</li> </ul>

1. Arise as a result of global and governmental shifts towards a low-carbon future.

## Data and Assurance

### Performance data

Natural Capital – Our environment	Footnote	2021	2020	2019	2018	Level of assurance 2021
<b>Production performance</b>						
<b>Production meant for external sale (kt)</b>	1	<b>18 166</b>	16 879	18 446	17 836	Reasonable
Secunda	2	<b>6 923</b>	6 505	6 736	6 720	
Sasolburg		<b>1 586</b>	1 440	1 467	1 585	
Mining		<b>2 724</b>	1 945	3 209	3 192	
Natref		<b>3 514</b>	3 294	4 271	3 578	
Eurasia		<b>1 370</b>	1 275	1 277	1 341	
Americas		<b>1 225</b>	1 695	688	707	
Mozambique		<b>42</b>	46	53	54	
Other strategic business units and Functions		<b>782</b>	679	745	659	
<b>Greenhouse gases (GHG) (kt)</b>						
<b>Direct methane (CH<sub>4</sub>)</b>	3	<b>116,14</b>	106	105,04	109,18	Reasonable
Secunda		<b>104,48</b>	95	96,16	98,34	
Sasolburg		<b>4,98</b>	6,98	5,34	7,24	
Mining		<b>6,57</b>	3,51	3,49	3,55	
Natref		<b>0,06</b>	0,05	-	-	
Eurasia		-	-	-	-	
Americas		<b>0,04</b>	0,07	0,04	0,04	
Mozambique		-	-	-	-	
Other strategic business units and Functions		-	0,01	0,01	0,01	
<b>Nitrous Oxide (N<sub>2</sub>O)</b>		<b>1,25</b>	1,49	1,64	1,41	Reasonable
Secunda		<b>1,12</b>	0,83	0,90	1,15	Restated 2018
Sasolburg		<b>0,12</b>	0,64	0,73	0,26	
Mining		-	-	-	-	
Natref		-	-	-	-	
Eurasia		-	-	-	-	
Americas		<b>0,01</b>	0,01	0,01	0,01	
Mozambique		-	-	-	-	
Other strategic business units and Functions		-	-	-	-	
<b>Direct carbon dioxide (CO<sub>2</sub>) Scope 1</b>	4	<b>56 972</b>	56 373	56 004	56 731	Reasonable
Secunda		<b>49 460</b>	48 919	48 418	49 411	Restated 2020
Sasolburg		<b>4 233</b>	4 123	4 557	4 517	
Mining		<b>17</b>	17	16	18	
Natref		<b>1 023</b>	853	932	791	
Eurasia		<b>674</b>	631	610	698	
Americas	5	<b>1 139</b>	1 523	1 163	988	
Mozambique		<b>387</b>	261	261	258	
Other strategic business units and Functions		<b>40</b>	45	47	51	
<b>Indirect carbon dioxide (CO<sub>2</sub>) Scope 2</b>	4	<b>7 088</b>	6 612	6 667	7 252	Reasonable
Secunda		<b>5 166</b>	4 723	4 885	5 261	Restated 2018-2020
Sasolburg		<b>536</b>	502	400	723	
Mining		<b>721</b>	706	726	697	
Natref		<b>269</b>	235	289	248	
Eurasia		<b>107</b>	104	108	125	
Americas		<b>264</b>	313	223	162	Restated 2018-2020
Mozambique		-	-	-	-	
Other strategic business units and Functions		<b>25</b>	28	36	37	
<b>Indirect carbon dioxide (CO<sub>2</sub>) Scope 3</b>						Limited

CCR Refer to page 30.

	Footnote	2021	2020	2019	2018	Level of assurance 2021
<b>Total greenhouse gas (CO<sub>2</sub> equivalent)</b>						
Secunda	6	<b>67 102</b>	65 856	65 571	66 913	Reasonable
Sasolburg	4	<b>57 359</b>	56 077	55 780	57 274	Restated 2018-2020
Mining		<b>4 918</b>	4 974	5 297	5 483	
Natref		<b>890</b>	804	822	797	
Eurasia		<b>1 293</b>	1 090	1 221	1 038	
Americas	7	<b>781</b>	735	717	823	Restated 2018-2020
Mozambique		<b>1 408</b>	1 842	1 389	1 153	
Other strategic business units and Functions		<b>387</b>	261	261	258	
		<b>66</b>	73	83	88	
<b>GHG intensity (CO<sub>2</sub> equivalent/tonne production)</b>						
Secunda	6	<b>3,69</b>	3,90	3,55	3,75	Reasonable
Sasolburg	4	<b>8,29</b>	8,62	8,28	8,52	Restated 2018-2020
Mining		<b>3,10</b>	3,45	3,61	3,46	
Natref		<b>0,33</b>	0,41	0,26	0,25	
Eurasia		<b>0,37</b>	0,33	0,29	0,29	
Americas	7	<b>0,57</b>	0,58	0,56	0,61	Restated 2018-2020
Mozambique		<b>1,15</b>	1,09	2,02	1,63	
Other strategic business units and Functions		<b>9,21</b>	5,67	4,92	4,78	
		<b>0,09</b>	0,11	0,11	0,13	

For the Natural Capital Assurance statement please refer to [SR](#) page 60.

### Footnotes

- Production – external sales – The boundaries of this figure only include a product that is destined for sale to Sasol customers, and does not include a product utilised or sold between the Sasol Group of companies. A decrease in production was noted in FY20 as a result of decreased demand due to the COVID-19 pandemic.
- Production – external sales – Secunda Operations – A methodology change is noted for FY21 to avoid double accounting as a result of the Sasol 2.0 restructuring process.
- GHG emissions have been calculated and reported in accordance with the GHG Protocol ([www.ghgprotocol.org](http://www.ghgprotocol.org)) and the IPCC 2006 Guidelines. In our GHG measurements, we have included 100% of the emissions for the following JVs: Natref in South Africa and Gas Sourcing and Operations in Mozambique. Data for those JVs where we do not have a significant influence or operational control is not included. An external assurance provider has once again independently verified our direct and indirect emissions levels. Our GHG emission intensity (tonnes CO<sub>2</sub>e per tonne of production – external sales) decreased to 3,69 in 2021 from 3,90 in 2020, due to an increase in the production – meant for external sale.
- Two reporting changes relating to Secunda Operations were implemented in 2021. Scope 1: As part of a methodology correction from July 2019, the boiler coal emission calculations in Secunda have been updated accordingly to include percentage ash content. Scope 2: It recently came to Sasol's attention that Air Liquide is also reporting the electricity consumption for Train 17. It was therefore decided that Sasol will stop reporting this consumption and make a corresponding correction to the reported figure going back to the start of operation in January 2018.
- The GHG emissions for Americas have decreased by 25% from 2020 as a result of the divestment of 50% of the LCCC since December 2020.
- The sum of GHG emissions from methane, nitrous oxides and carbon dioxide (Scope 1 and 2) expressed as CO<sub>2</sub> equivalence emitted and reported as CO<sub>2</sub>e. Sasol's GHG emissions increased in 2021 due to the fact that no Secunda shutdowns took place this year. This anomaly was due to having two shutdowns in 2020, taking advantage of depressed production during the COVID-19 which allowed additional maintenance to be undertaken at our Secunda Operations facility. In 2021, a maintenance shutdown was therefore not required. As a result the entire Secunda facility operated for 12 months out of the year, compared to normal operations of a plant on shutdown within the facility only operating 11 months out of the year, noting 2020 had both East and West plants only operating for only 11 months out of the year.
- A specific emissions factor relating to the LCCC was made available for emissions calculations. The inclusion of this factor as opposed to the generic Americas emissions factor has resulted in changes to emissions from 2018 to 2020.



DATA AND ASSURANCE

# Independent assurance report to the directors of Sasol Limited (Scope 3) year ended 30 June 2020

We have performed our limited assurance engagement in respect of the sustainability key performance indicators for the year ended 30 June 2020.

The subject matter comprises the sustainability key performance indicators conducted in accordance with management’s basis of preparation, as prepared by the responsible party, during the year ended 30 June 2020.

The terms of management’s basis of preparation comprise the criteria by which the company’s compliance is to be evaluated for purposes of our limited assurance engagement. The sustainability key performance indicator is as follows:

**Limited assurance**

Selected sustainability information	Unit of measure	Boundary	Page
Greenhouse gases: Carbon dioxide (CO <sub>2</sub> ) – indirect (Scope 3) – Fuel and energy related activities	Tonnes	Group	30
Greenhouse gases: Carbon dioxide (CO <sub>2</sub> ) – indirect (Scope 3) – Waste-generated in operations	Tonnes	Group	30
Greenhouse gases: Carbon dioxide (CO <sub>2</sub> ) – indirect (Scope 3) – Business travel	Tonnes	Group	30
Greenhouse gases: Carbon dioxide (CO <sub>2</sub> ) – indirect (Scope 3) – Use of sold products	Tonnes	Group	30

**Directors’ responsibility**

The directors being the responsible party, and where appropriate, those charged with governance are responsible for the sustainability key performance indicator information, in accordance with management’s basis of preparation.

The responsible party is responsible for:

- Ensuring that the key performance indicator information is properly prepared and presented in accordance with management’s basis of preparation;
- Confirming the measurement or evaluation of the underlying key performance indicators against the applicable criteria, including that all relevant matters are reflected in the key performance indicator information and;
- Designing, establishing and maintaining internal controls to ensure that the key performance indicator information is properly prepared and presented in accordance with management’s basis of preparation.

**Assurance Practitioner’s responsibility**

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historic Financial Information. This standard requires us to comply with ethical requirements and to plan and perform our limited assurance engagement with the aim of obtaining limited assurance regarding the subject matter of the engagement.

We shall not be responsible for reporting on any sustainability key performance indicators events and transactions beyond the period covered by our limited assurance engagement.

**Independence and Other Ethical Requirements**

We have complied with the independence and other ethical requirements of Sections 290 and 291 of the Independent Regulatory Board for Auditors’ Code of Professional Conduct for Registered Auditors (Revised January 2018) and Parts 1 and 3 of the Independent Regulatory Board for Auditors’ Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes), which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants’ Code of Ethics for Professional

Accountants and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) respectively. Deloitte and Tholisiwe apply the International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements and Other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Summary of work performed**

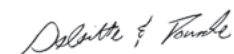
We have performed our procedures on the sustainability key performance indicator transactions of the Company, as prepared by management in accordance with management’s basis of preparation for the year ended 30 June 2020.

Our evaluation included performing such procedures as we considered necessary which included:

- Interviewed management and senior executives to obtain an understanding of the internal control environment, risk assessment process and information systems relevant to the sustainability reporting process for the selected key performance indicators;
- Obtained an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control;
- Inspected supporting documentation and performing analytical review procedures; and
- Evaluated whether the selected key sustainability performance indicator disclosures are consistent with our overall knowledge and experience of sustainability processes.

Our assurance engagement does not constitute an audit or review of any of the underlying information conducted in accordance with International Standards on Auditing or International Standards on Review Engagements and accordingly, we do not express an audit opinion or review conclusion.

We believe that our evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.



Deloitte & Touche  
Registered Auditors

Per Mark Victor  
Partner  
28 July 2021

5 Magwa Crescent  
Waterfall City, Waterfall

Private Bag X6, Gallo Manor, 2052  
South Africa

In a limited assurance engagement, the procedures performed vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the key performance indicator information has been properly prepared and presented, in all material respects, in accordance with management’s basis of

**Conclusion**

Based on our work described in this report, nothing has come to our attention that causes us to believe that the sustainability key performance indicators are not prepared, in all material respects, in accordance with management’s basis of preparation.



Tholisiwe Chartered Accountants Inc  
Registered Auditors

Per Georgina Tekie  
Chief Executive Officer  
28 July 2021

169 Garsfontein Road  
Ashlea Gardens, Pretoria

DATA AND ASSURANCE

# Independent assurance report to the directors of Sasol Limited (Scope 3) year ended 30 June 2021

We have performed our limited assurance engagement in respect of the sustainability key performance indicators for the year ended 30 June 2021.

The subject matter comprises the sustainability key performance indicators conducted in accordance with management’s basis of preparation, as prepared by the responsible party, during the year ended 30 June 2021.

The terms of management’s basis of preparation comprise the criteria by which the company’s compliance is to be evaluated for purposes of our limited assurance engagement. The sustainability key performance indicator is as follows:

Limited Assurance	Unit of measure	Boundary	Page
Greenhouse gases: Carbon dioxide (CO <sub>2</sub> ) – indirect (Scope 3) – Fuel and energy related activities	Tonnes	Group	30
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Greenhouse gases: Carbon dioxide (CO <sub>2</sub> ) – indirect (Scope 3) – Business travel	Tonnes	Group	30
Greenhouse gases: Carbon dioxide (CO <sub>2</sub> ) – indirect (Scope 3) – Use of sold products	Tonnes	Group	30

## Directors’ responsibility

The directors being the responsible party, and where appropriate, those charged with governance are responsible for the sustainability key performance indicator information, in accordance with management’s basis of preparation.

The responsible party is responsible for:

- Ensuring that the key performance indicator information is properly prepared and presented in accordance with management’s basis of preparation;
- Confirming the measurement or evaluation of the underlying key performance indicators against the applicable criteria, including that all relevant matters are reflected in the key performance indicator information and;
- Designing, establishing and maintaining internal controls to ensure that the key performance indicator information is properly prepared and presented in accordance with management’s basis of preparation.

## Assurance Practitioner’s responsibility

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historic Financial Information. This standard requires us to comply with ethical requirements and to plan and perform our limited assurance engagement with the aim of obtaining limited assurance regarding the subject matter of the engagement.

We shall not be responsible for reporting on any sustainability key performance indicators events and transactions beyond the period covered by our limited assurance engagement.

## Independence and Other Ethical Requirements

We have complied with the independence and other ethical requirements of Sections 290 and 291 of the Independent Regulatory Board for Auditors’ Code of Professional Conduct for Registered Auditors (Revised January 2018) and Parts 1 and 3 of the Independent Regulatory Board for Auditors’ Code of Professional Conduct for Registered Auditors (Revised November 2018) (together the IRBA Codes), which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Codes are consistent with the corresponding sections of the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards) respectively.

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## Summary of work performed

We have performed our procedures on the sustainability key performance indicator transactions of the Company, as prepared by management in accordance with management’s basis of preparation for the year ended 30 June 2021.

Our evaluation included performing such procedures as we considered necessary which included:

- Interviewed management and senior executives to obtain an understanding of the internal control environment, risk assessment process and information systems relevant to the sustainability reporting process for the selected key performance indicators;
- Obtained an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control;
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- Evaluated whether the selected key sustainability performance indicator disclosures are consistent with our overall knowledge and experience of sustainability processes.

Our assurance engagement does not constitute an audit or review of any of the underlying information conducted in accordance with International Standards on Auditing or International Standards on Review Engagements and accordingly, we do not express an audit opinion or review conclusion.

We believe that our evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

In a limited assurance engagement, the procedures performed vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the key performance indicator information has been properly prepared and presented, in all material respects, in accordance with management’s basis of preparation.

## Conclusion

Based on our work described in this report, nothing has come to our attention that causes us to believe that the sustainability key performance indicators are not prepared, in all material respects, in accordance with management’s basis of preparation.

**Deloitte.**

*Deloitte & Touche*

Deloitte & Touche  
Registered Auditors

Per Mark Victor  
Partner  
10 September 2021

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**THOLISIWE**  
Chartered Accountants Inc  
AUDIT ADVISORY TAX

*Tholisiwe Chartered Accountants Inc.*

Tholisiwe Chartered Accountants Inc  
Registered Auditors

Per Georgina Tekie  
Chief Executive Officer  
10 September 2021

169 Garsfontein Road  
Ashlea Gardens, Pretoria

CA 100+ self-assessment

Indicators and sub-indicators	Our Response	2021 CA 100+	2021 Self-Assessment	Page
<b>1. Net zero GHG emissions by 2050 (or sooner) ambition</b>				
Sub-indicator 1.1 The company has set an ambition to achieve net-zero GHG emissions by 2050 or sooner.	<ul style="list-style-type: none"> <li>We have set a 2050 Net Zero ambition for our Energy and International Chemical Businesses.</li> </ul>	●	●	2, 9, 10
<b>2. Long term (2036-2050) GHG reduction target(s)</b>				
Sub-indicator 2.1 The company has set a target for reducing its GHG emissions by between 2036 and 2050 on a clearly defined scope of emissions.	<ul style="list-style-type: none"> <li>Our ambition is to achieve Net Zero by 2050 for Energy and International Chemicals.</li> </ul>	●	●	2, 9, 10
Sub-indicator 2.2 The long-term (2036 to 2050) GHG reduction target covers at least 95% of scope 1 and 2 emissions and the most relevant scope 3 emissions (where applicable).	<ul style="list-style-type: none"> <li>Scope 1 and 2 emission represents 95% of our emission reduction target.</li> <li>Scope 3 category 11 is the most relevant category for Sasol representing more than 80% of scope 3 emissions.</li> </ul>	●	●	2, 9, 10
Sub-indicator 2.3 The target (or, in the absence of a target, the company's latest disclosed GHG emissions intensity) is aligned with the goal of limiting global warming to 1,5°C.	<ul style="list-style-type: none"> <li>Our ambition for Net Zero emissions by 2050 is aligned with the goal of limiting global warming to 1,5°C.</li> </ul>	●	●	2, 9, 10
<b>3. Medium term (2026 to 2035) GHG reduction target(s)</b>				
Sub-indicator 3.1 The company has set a target for reducing its GHG emissions by between 2026 and 2035 on a clearly defined scope of emissions.	<ul style="list-style-type: none"> <li>We have set emission reduction targets to reduce our absolute scope 1 and 2 emissions by 30% by 2030 for the Energy and International Chemicals Businesses.</li> <li>By 2030 we have a scope 3 target to reduce Category 11 emissions by 20%.</li> </ul>	●	●	2, 9, 10
Sub-indicator 3.2 The medium-term (2026 to 2035) GHG reduction target covers at least 95% of scope 1 & 2 emissions and the most relevant scope 3 emissions (where applicable).	<ul style="list-style-type: none"> <li>Targets cover material emissions representing 95% of scope 1 and 2 emissions.</li> <li>Scope 3: Category 11 emissions is the most relevant of our emissions and covered by a separate absolute 20% reduction target by 2030 off a 2019 baseline.</li> </ul>	●	●	2, 9, 10
Sub-indicator 3.3 The target (or, in the absence of a target, the company's latest disclosed GHG emissions intensity) is aligned with the goal of limiting global warming to 1,5°C.	<ul style="list-style-type: none"> <li>Our 30% target by 2030 is a higher level of ambition, based on available mitigation and science. Post 2030, we are aiming for Net Zero.</li> <li>We are not fully aligned to 1,5°C in 2030 but are for the long term.</li> </ul>	●	●	2, 9, 10
<b>4. Short term (up to 2025) GHG reduction target(s)</b>				
Sub-indicator 4.1 The company has set a target for reducing its GHG emissions up to 2025 on a clearly defined scope of emissions.	<ul style="list-style-type: none"> <li>For the short term we are aiming for 5% emission reduction in the financial year June 2025 to July 2026 for the Energy Business and 20% reduction by the same time for the International Chemicals Business.</li> </ul>	●	●	2, 9, 10
Sub-indicator 4.2 The short-term (up to 2025) GHG reduction target covers at least 95% of scope 1 and 2 emissions and the most relevant scope 3 emissions (where applicable).	<ul style="list-style-type: none"> <li>Targets cover material emissions representing 95% of scope 1 and 2 emissions.</li> <li>We do not have a short-term scope 3 target, only a 2030 target.</li> </ul>	●	●	2, 9, 10
Sub-indicator 4.3 The target (or, in the absence of a target, the company's latest disclosed GHG emissions intensity) is aligned with the goal of limiting global warming to 1,5°C.	<ul style="list-style-type: none"> <li>Short term milestone targets are aligned with our medium term target and long term Net Zero ambition.</li> <li>We are not fully aligned to 1,5°C in 2030 but are for the long term.</li> </ul>	●	●	10, 14
<b>5. Decarbonisation strategy</b>				
Sub-indicator 5.1 The company has a decarbonisation strategy to meet its long and medium-term GHG reduction targets.	<ul style="list-style-type: none"> <li>Emission reductions (scope 1, 2 and 3) and roadmaps for 2030 and 2050 for our Energy Business and International Chemicals Business has been provided, as well as our Future Sasol strategy.</li> <li>Reduction levers are detailed on the roadmap and GHG that are covered. We have clear plans to 2030 based on known technologies. Post 2030 for the Energy Business, a flexible roadmap has been developed, which are dependent on signposts materialising.</li> </ul>	●	●	14-15, 21

Indicators and sub-indicators	Our Response	2021 CA 100+	2021 Self-Assessment	Page
<b>5. Decarbonisation strategy (continued)</b>				
Sub-indicator 5.2 The company's decarbonisation strategy includes a commitment to 'green revenues' from low carbon products and services.	<ul style="list-style-type: none"> <li>Our portfolio will shift to growth of the FT sustainable solutions business focusing on sustainable fuels and chemicals.</li> <li>We have set targets for % renewable energy usage and have set a sustainability capex target but no metrics have as yet been set for green revenues.</li> </ul>	Not Assessed.	●	2, 10
<b>6. Capital allocation alignment</b>				
Sub-indicator 6.1 The company is working to decarbonise its future capital expenditures.	<ul style="list-style-type: none"> <li>The targeted sustainability capital expenditure for the Energy Business has been set at 10-15% by 2030, growing post 2030.</li> </ul>	●	●	10, 23
Sub-indicator 6.2 The company discloses the methodology used to determine the Paris alignment of its future capital expenditures.	<ul style="list-style-type: none"> <li>Our capital allocation framework is provided with key guiding principles progressively growing capital available for transforming the businesses.</li> </ul>	●	●	23
<b>7. Climate policy engagement</b>				
Sub-indicator 7.1 The company has a Paris-Agreement-aligned climate lobbying position and all of its direct lobbying activities are aligned with this.	<ul style="list-style-type: none"> <li>Our climate advocacy position is outlined in this report with our main guiding principles.</li> <li>Our climate advocacy positions, and policy is included in support of the Paris Agreement.</li> </ul>	●	●	38, 43
Sub-indicator 7.2 The company has Paris-Agreement-aligned lobbying expectations for its trade associations, and it discloses its trade association memberships.	<ul style="list-style-type: none"> <li>Sasol has a climate advocacy policy position with key principles outlined. Our advocacy is aligned to our roadmaps and targets also cognisant of national circumstances where we operate.</li> </ul>	●	●	39
Sub-indicator 7.3 The company has a process to ensure its trade associations lobby in accordance with the Paris Agreement.	<ul style="list-style-type: none"> <li>Sasol has climate-related advocacy positions in support of the Paris Agreement, underpinned by responsible climate-related principles. We use these to annually assess our associations for alignment.</li> </ul>	●	●	39
<b>8. Climate Governance</b>				
Sub-indicator 8.1 The company's board has clear oversight of climate change.	<ul style="list-style-type: none"> <li>The Board has ultimate accountability for climate change.</li> <li>Ms Muriel Dube is our climate champion on the Board with delegated responsibility.</li> <li>The Board's SSEC has a delegated mandate to address climate change matters for the company.</li> </ul>	●	●	36
Sub-indicator 8.2 The company's executive remuneration scheme incorporates climate change performance elements.	<ul style="list-style-type: none"> <li>Our climate change targets are included in executive remuneration schemes.</li> <li>They are linked to our STI and LTI scorecards.</li> </ul>	●	●	37
Sub-indicator 8.3 The Board has sufficient capabilities/competencies to assess and manage climate related risks and opportunities.	<ul style="list-style-type: none"> <li>We appointed a climate champion to the Board in 2018. She chairs the SSEC which has a delegated mandate on climate change matters.</li> <li>Our Board members undergo regular training on climate change and wider sustainability matters regularly.</li> </ul>	Not Assessed.	●	6, 36
<b>9. Just transition</b>				
Not Assessed.				
<b>10. TCFD alignment</b>				
Sub-indicator 10.1 The company has committed to implement the recommendations of the TCFD.	<ul style="list-style-type: none"> <li>Sasol has progressively been implementing TCFD recommendations since 2018.</li> <li>This is our third year of reporting.</li> </ul>	●	●	49
Sub-indicator 10.2 The company employs climate-scenario planning to test its strategic and operational resilience.	<ul style="list-style-type: none"> <li>Our scenario analysis includes the accelerated ambition pathway, which is aligned with the 1,5°C scenario.</li> <li>In 2021, we updated our scenarios to provide for more challenging parameters, to establish the robustness of our businesses.</li> </ul>	●	●	24-25

1. Review done last year, and will be conducted every 3 years unless material changes occur



DATA AND ASSURANCE

TCFD index

Location of our aligned disclosures

TCFD recommendation	Place of disclosure	Page
<b>GOVERNANCE – Disclose the organisation’s governance on climate-related risks and opportunities</b>		
a) Describe the Board’s oversight of climate-related risks and opportunities.	Governance A solid governance instilling confidence	36 IR 31–36
b) Describe management’s role in assessing and managing climate-related risks and opportunities.	Governance A solid governance instilling confidence	36 IR 31–36
<b>STRATEGY – Disclose the actual and potential impacts of climate-related risks and opportunities on the organisation’s business, strategy and financial planning where such information is material</b>		
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium and long term.	Risk management Strategically managing our Group top risks	44 IR 24–26
b) Describe the impact of climate-related risks and opportunities on the organisation’s business, strategy and financial planning.	Risk management	44
	Managing the transition within our corporate portfolio	10
	Capital allocation	23
	Robustness of our strategy	24–25
	Incentivising climate change action	37
Strategically managing our Group top risks	24–26	
c) Describe the resilience of the organisation’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	Robustness of our strategy	24–25
<b>RISK MANAGEMENT – Disclose how the organisation identifies, assesses and manages climate-related risks</b>		
a) Describe the organisation’s processes for identifying and assessing climate-related risks.	Risk management Strategically managing our Group top risks	44 IR 24–26
b) Describe the organisation’s processes for managing climate-related risks.	Risk management Strategically managing our Group top risks	44 IR 24–26
c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organisation’s overall risk management.	Risk management Strategically managing our Group top risks	44 IR 24–26
<b>METRICS AND TARGETS – Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material</b>		
a) Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	Managing the transition within our corporate portfolio	10
	Performance Data: Natural Capital	SR 55–56 45
	The year in review	4
b) Disclose scope 1, scope 2 and, if appropriate, scope 3 GHG emission and the related risks.	Performance Data: Natural Capital	SR 55–56 45
	The year in review	4
	Deep dive: Our 2021 GHG performance	5
	Scope 3	30
c) Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	Our targets and approach at a glance	2
	The year in review	4
	Main GHG reduction milestones, targets and ambitions	9
	Managing the transition within our corporate portfolio	10
	Our 2030 roadmap	14
	Our 2050 roadmap	15
	Our 2030 roadmaps	21
	Incentivising climate change action	37

Additional information

Under our commitment to Paris Agreement and SDG 13: Climate Action is an immediate priority and the work that we do is subject to independent review. Recognitions, participation in indexes, initiatives and commitments are included below.

Support to global and national initiatives:



Forward-looking statements disclaimer

Sasol may, in this document, make certain statements that relate to analyses and other information which are based on forecasts of future results (related to the future rather than past events and facts) and estimates of amounts not yet determinable. These statements may also relate to our future prospects, expectations, developments, analysis of potentially applicable regulations (national and regional) and business strategies specifically related to climate change, sustainability, ESG matters and GHGs. Examples of such forward-looking statements include, but are not limited to, statements regarding our climate change strategy generally, “Future Sasol”, our energy efficiency improvement target, our three-pillar emission-reduction framework, our absolute GHG emission-reduction target, our development of sustainability within our Energy and Chemicals Businesses and our estimated carbon tax liability. Words such as “aim”, “estimate”, “believe”, “anticipate”, “expect”, “intend”, “seek”, “will”, “plan”, “could”, “may”, “endeavour”, “target”, “forecast”, “committed”, “project” and similar expressions are intended to identify such forward-looking statements, but are not the exclusive means of identifying such statements. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific and there are risks that the predictions, calculations, forecasts, projections and other forward-looking statements will not be achieved. Therefore, you should not place undue reliance on any forward-looking statements. If one or more of these risks materialise, or should underlying assumptions prove incorrect, our actual results may differ materially from those anticipated. You should understand that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements specifically related to this Climate Change Report include, but are not limited to, changing regulatory requirements, technology advances, interpretations and definitions of renewable energy and/or renewable energy sources, economic and political environments relating to climate change, sustainability, severe weather, ESG and/or GHGs in the countries in which Sasol operates; potential liability of the Sasol’s operations under existing or future environmental regulations, including international climate change related agreements regarding GHGs calculations, reduction methods, and/or offsets and the nascent and continued development of Sasol’s Climate Change Report, including the metrics and assumptions used by management in the preparation of this report. These factors and others are discussed more fully under the heading “Risk Factors” in our most recent annual report on Form 20-F filed on or about 20 September 2021 and in other filings we make with the SEC. The list of factors discussed therein is not exhaustive; when relying on forward-looking statements to make investment decisions, you should carefully consider both these factors and other uncertainties and events. Forward-looking statements apply only as of the date on which they are made and we do not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

Photography disclaimer

Photographs used in this report have been sourced from our photographic library and many were taken before the COVID-19 outbreak. Some of these photographs do not reflect the social distancing and protocols approved by the World Health Organisation (WHO) such as wearing of masks in public places and social distancing. All initiatives and related photographs done during the pandemic were carried out in line with country-specific requirements.

Sasol contacts

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Company registration number

1979/003231/06

Sustainability and Risk

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