
ORDINARY RESOLUTION

Section 65(3) of the Companies Act provides that “any two shareholders of a company:

- (a) may propose a resolution concerning any matter in respect of which they are each entitled to exercise voting rights; and
- (b) when proposing a resolution, may require that the resolution be submitted to shareholders for consideration-

.....

- (ii) at the next shareholders meeting...”

Paragraph 10.11 of the JSE Listing Requirements provides that an ordinary resolution is subject to a minimum notice period of 15 business days.

In accordance with the above, the RAITH Foundation, together with Theophilous James Bennett Botha, has submitted the following resolution for consideration by Sasol Limited’s (the Company’s) shareholders at the Company’s annual general meeting to be held on [x] 2018:

Brief explanatory note for the resolution:

The Paris Agreement of 2015, agreed to by 197 parties, including South Africa¹, commits to holding the increase in the global average temperature “to well below 2°C above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels.”² To meet this goal and mitigate the worst effects of climate change, climate scientists estimate that it is necessary to reduce global emissions by 55 percent by 2050 (relative to 2010 levels).

In June 2017, the Financial Stability Board’s Task Force on Climate-Related Financial Disclosures (TCFD) finalised its guidelines for reporting on climate risk; establishing recommendations for disclosing clear, comparable, and consistent information about the risks and opportunities presented by climate change. The Task Force points to the possibility that the steps that must be taken to reach the target set in the Paris Agreement could have “significant, near-term financial implications for organizations dependent on extracting, producing and using coal, oil and natural gas”.³ The TCFD recommendations are designed to facilitate the provision of adequate information to long-term investors on how organisations are preparing for a low-carbon economy.

Sasol Limited has been identified in the “Carbon Majors” report as one of the 100 fossil fuel companies linked to 71% of global industrial greenhouse gas (GHG) emissions since 1988.⁴ In 2017, the Company’s total GHG emissions were 67 632 kilotons, or 67,632 Mt. To illustrate the magnitude of this figure, the total GHG emissions for 2014 (the latest estimates available) for the entire country of Portugal were 63,3Mt, for New Zealand 60,3Mt, for Ireland 58,3Mt, and for Switzerland 46,2Mt⁵.

¹ South Africa ratified the Paris Agreement on 1 November 2016. See

https://treaties.un.org/Pages/ViewDetails.aspx?src=TREATY&mtdsg_no=XXVII-7-d&chapter=27&clang=en

² <https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement>

³ Recommendations of the Task Force on Climate-related Financial Disclosures, p2

⁴ <https://www.cdp.net/en/articles/media/new-report-shows-just-100-companies-are-source-of-over-70-of-emissions>

⁵ <https://www.climatewatchdata.org/>

*Over the period 2013 to 2017, the Company's total GHG emissions have reduced by 7.42%. However, this reduction in annual GHG emissions is attributable to the reduction in the Company's total production, which has dropped by 22% over the same period. In fact, the Company's GHG intensity has, over this same period, **increased** by almost 23%. Energy intensity has also increased by 14%.⁶*

It is indisputable that in circumstances where growing numbers of governments, financial institutions, institutional investors, asset owners, and civil society are demanding a rapid transition to a low-carbon economy, the Company's core business, which produces these extremely high GHG emissions, is at risk.

It is therefore resolved that:

The Company prepare, annually, a report (the first such report to be completed by August 2019), detailing how it is assessing and ensuring long-term corporate resilience in a future low-carbon economy. The report should assess the medium and long-term impacts on the Company's operations and sustainability of: technological advances, global climate change policies, domestic climate change laws, and the actual impacts of climate change. The report should analyse the impacts on the Company's operations (per country in which it operates), under a scenario in which reduction in fossil fuel demand results from technological advances and greenhouse gas emission restrictions and related rules or commitments adopted by governments, consistent with the globally-agreed upon target to limit global temperature increases to well below 2-degrees Celsius. The report should be overseen by a committee of independent directors, omit proprietary information, be prepared at reasonable cost, and be publicly available.

Percentage of Voting Rights Required

The minimum percentage of voting rights that is required for this Ordinary Resolution to be adopted is more than 50% (fifty percent) of the voting rights to be cast on the Ordinary Resolution.

⁶ Sasol Limited, Sustainability Reporting, Supporting information to the Integrated Report 30 June 2017 ("Performance data", p25)