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Sasol Limited - Climate Change 2022

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Sasol Limited (also called Sasol) is an integrated global chemicals and energy company that is proudly rooted in our South African heritage. Our South African operations include a coal-to-liquids and chemicals facility, gas-to-chemicals facility, and a crude oil refining capacity that is vertically integrated to a retail liquid fuels network. We also supply fuels to other licensed wholesalers in the region. In addition, Sasol has chemical manufacturing facilities and marketing operations in South Africa, Europe, the Middle East, Asia and the Americas. We have established a business to grow sustainable Fischer-Tropsch (FT) solutions, called Sasol eco-FT, dedicated to accelerating sustainably certified Power-to-X (PtX) products, focusing on the sustainable aviation fuel (SAF) and sustainable chemicals.

Climate change poses various potential risks to our business which include meeting anticipated legislative and policy requirements, increasing operational costs to reduce emissions and adapting to potential physical impacts. Identifying appropriate responses that balance the needs for sustainability through economic development, job creation, energy security, and environmental and climate related efforts represents one of the greatest challenges to society. For more information on Sasol-specific climate change risks, see our **Form 20F disclosure** on www.sasol.com. Sasol supports the international Paris Agreement and our position on climate change is detailed in our **Climate Change Reports**, accessible on www.sasol.com.

In assessing Sasol's responses to this questionnaire, it is important to take note of the company's primary disclosure and communication of its official position on material matters, including climate change, are detailed in its annual suite of reporting publications (some of which are referenced above), which can be accessed on the following website www.sasol.com.

These documents highlight Sasol's management of climate change risk through detailed consideration of its various impacts related to business performance, strategy, risk management and governance processes in a holistic manner, which may not be detailed in the

same way by the responses in this questionnaire. In this regard, the prompts in this questionnaire, in particular the risk identifiers, time horizons, likelihood and magnitude of impacts, differs in some respects from our own internal approach. Thus, we have used best efforts in responding to the questions contained within this document by aligning with our own internal approach.

Lastly, it is important to note that we are continuously refining our climate change risk management and response approach through detailed scenario analysis to inform robustness of our strategy and appropriate mitigation and adaptation responses. Our CDP data reporting is on a timeline that corresponds with our previous financial reporting year because the submission data is usually before our current financial year end and auditing cycle.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	July 1 2020	June 30 2021	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas in which you operate.

- China
- Germany
- Italy
- Mozambique
- Slovakia
- South Africa
- United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

- ZAR

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C-CH0.7

(C-CH0.7) Which part of the chemicals value chain does your organization operate in?

Row 1

Bulk organic chemicals

Lower olefins (cracking)
Aromatics
Ethylene oxide & Ethylene glycol
Ethanol
Methanol
Polymers

Bulk inorganic chemicals

Ammonia
Nitric acid
Chlorine and Sodium hydroxide
Carbon black
Hydrogen
Oxygen
Other industrial gasses

Other chemicals

Specialty chemicals
Specialty organic chemicals
Other, please specify (Alcohols, alkylates, inorganics, solvents, surfactants, waxes, co-monomers, crude tar acids, sulphur, diesel, petrol, naphtha, kerosene, liquid petroleum gas, illuminating paraffin, bitumen and fuel oil and natural gas)

C-OG0.7

(C-OG0.7) Which part of the oil and gas value chain and other areas does your organization operate in?

Row 1

- Oil and gas value chain
- Upstream
- Downstream
- Chemicals
- Other divisions
- Coal mining

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	ZAE000006896

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1 a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
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Position of individual(s)	Please explain
Board Chair	<p>The Board, led by the Chairman, is responsible for the company's strategic direction and control. It brings independent, informed and effective judgement and leadership to company decisions. The Board's focus ensures that strategy, risk, performance and sustainable development considerations are integrated and well balanced. The Board ensures effective governance using good corporate governance practices, appropriate non-binding industry rules, codes & standards, and internal control systems. The Board, assisted by its committees, informs and approves the business strategy and priorities, including Sasol's material matters, like climate change. Ultimate accountability resides at Board level. Climate change management is recognised as a material matter and a top Group risk for Sasol and is governed at Board's Group Executive Committee and senior management level. Aligned with the needs of our stakeholders, Environment, Social & Governance matters remains a key focus for the Board as reflected in the adoption of Sasol's Purpose – Innovating for a better world – and the development of the new strategy; Future Sasol. The Board (and Chairman) oversees and monitors, with the support of its sub-committees, the implementation & execution by management of the policies & priorities, and ensures that Sasol accounts for its performance by, amongst others, reporting & disclosure. The Board plays a central role in overseeing climate change and associated aspects, like long-term value creation aligned with the United Nations Sustainable Development Goals (and specifically SDG 8, 9, 12, 13 & 17) and the Paris Agreement. The Board monitors and guides on robustness testing, risk management and assessment processes, GHG target-setting and roadmap development. This includes our net zero emissions ambition by 2050 and our 2030 emission reduction targets. An example of a key climate-related Board decision made (led by the Chairman) in 2021 is the approval of significant increase in commitment of the 2030 GHG emission reduction target for Sasol's Energy Business (from 10% to 30% by 2030) and introduced a 30% target for Sasol Chemicals, both on scope 1 & 2 emissions. The Board also approved the setting of a net zero ambition by 2050, to support findings indicated in the IPCC AR6 and the need to urgently reduce emissions to stave off the worst impacts of climate change.</p>
Board-level committee	<p>The Safety, Social and Ethics Committee (SSEC) is a board-level committee, appointed to provide integrated strategic direction on sustainability, safety, social and ethics matters for Sasol including climate change. The SSEC, per its mandate, assesses and approves our sustainability approach, including climate change considerations. It also conducts associated risk management oversight to ensure effectiveness and robustness. The SSEC has a broad climate mandate including issues on stakeholder perceptions and integrated climate considerations. Through regular internal reporting to the Board, it is equipped with the necessary information to take the legitimate interests and expectations of stakeholders into account in its decision-making (including climate change matters). The SSEC provides integrated strategic direction and independent oversight (including Board recommendations for final approval) on climate related matters, including:</p> <ul style="list-style-type: none"> • Net Zero ambition (2050), interim medium term targets (2030) and associated roadmaps to achieve these; • Performance, reporting and disclosure against our targets and roadmaps; • Advancement of disclosures to align with TCFD recommendations; • Monitoring Sasol's portfolio's resilience through robust risk assessments and scenario analysis; and • Addressing stakeholder concerns on decarbonisation through direct engagements where required. <p>An example of a climate-related decision made by the SSEC is the approval of our annual Climate Change Report. The SSEC also informs the setting of short term incentive and long term incentive Targets at executive and management levels linked to achieving our long-term sustainability objectives and associated monitoring of progress, inclusive of impacts on stakeholders from a social, environmental and economic perspective. Our Group wide STI and LTI targets for 2021 again includes climate change targets and our milestones and enablers to achieve our GHG targets for 2030 and net zero ambition by 2050 with a higher weighting. Although the Board's Remuneration Committee is tasked to independently approve and oversee the implementation of a remuneration policy, the SSEC assists that Committee. In addition, the SSEC supports the Board in providing oversight on Sasol's 2050 net zero emissions ambition and Future Sasol strategy, for a transformed and decarbonised company.</p>

Position of individual(s)	Please explain
Other, please specify (Independent Non-Executive Director - Climate Champion)	<p>The Board comprises mostly independent non-executive directors, recognising the benefits of having a diverse set of skills amongst its members. In appointing Board directors, specific skills, expertise and competencies of each member is carefully considered in alignment to Sasol's vision, long-term strategic direction and key risks to the organisation in relation to overall Board and executive management capabilities. This is enabled through an approved succession plan which is in place with selection criteria including capabilities to manage climate related risks and opportunities. The Board and its committees can also obtain external, independent professional advice, as needed, to carry out their duties. The Board recognises the benefits of being diverse, particularly to sustain a competitive advantage and is committed to ensure a diverse and inclusive culture. The independent non-executive directors supplement the Board's already vast mix of international and local competencies in the fields of extraction, energy (including hydrogen), natural resources, renewables, climate change and sustainability, engineering, innovation (research and technology). Succession plans in place aim to optimise the balance between independence and continuity of the Board and its Committees. In 2018, Sasol appointed a Non-Executive Director (who still serves) with specific sustainability and climate change knowledge and experience to enhance and support the Board's governance of climate-related aspects. She brings experience on sustainability and climate change as the former Chief Negotiator for the South African government to the United Nations Framework Convention on Climate Change (UNFCCC). This member is the current Chairperson of the SSEC. An example of a climate-related decision guided by the Non-Executive Director is the SSEC's increasing focus on shareholder engagement to ensure that shareholder views are adequately addressed at AGMs. An example of which is the Board's decision to undertake a non-binding advisory vote at our 2021 AGM on our climate change response which received overwhelming support (97% voted in favour). Further, approval of Sasol increasing its 2030 GHG emissions target for the Energy Business from at least 10% to 30% off a 2017 baseline and the company's ambition to achieve a net zero emissions by 2050.</p>

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	<p>Reviewing and guiding strategy</p> <p>Reviewing and guiding major plans of action</p> <p>Reviewing and guiding risk management policies</p> <p>Reviewing and guiding annual budgets</p> <p>Reviewing and guiding business plans</p> <p>Setting performance objectives</p> <p>Monitoring implementation and performance of objectives</p> <p>Overseeing major capital expenditures, acquisitions and divestitures</p> <p>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</p> <p>Other, please specify (Reduction roadmaps)</p>	<Not Applicable>	<p>The Board, led by the Board Chairman, is responsible for the strategic direction and control of the Company and brings independent, informed and effective judgement and leadership to bear on material decisions reserved for the Board. The main focus of the Board is to ensure that strategy, risk, performance and sustainable development considerations are effectively integrated and appropriately balanced. The Board, with the assistance of its committees, informs and approves the strategy and priorities of the business, including Sasol's material matters and, more specifically, those related to climate change. It is within this context that climate change is considered and managed as a material matter and a Group top risk with ultimate accountability therefore residing also at Board level. In October 2017, Sasol approved the progressive advancement of specific climate change disclosure objectives aligned to the Task Force for Climate-Related Financial Disclosure (TCFD) recommendations and endorsed the TCFD recommendations in 2018. These disclosures support Sasol in providing the necessary assurances regarding its management of climate change as a material matter and top risk for the Company and is also laying the foundation in guiding annual budgeting processes. Since 2019, Sasol has published an annual Climate Change Report, approved by the Board's SSEC. In 2020, the Board also approved our 2030 GHG emission reduction roadmap, which details how we will achieve our 2030 reduction target. In 2021, the Future Sasol strategy, our decarbonisation plan, to reach a net-zero by 2050 was launched. These ambitious roadmaps form the basis of performance objectives set by Sasol in light of climate change. Progress and monitoring of our response and associated performance on all goals and targets are tracked by the Board. All major capital investments, mergers and acquisitions, as well as any divestments are also overseen by the Board. These choices and impacts thereof are discussed frequently. Additional climate change related metrics were also approved by the Remuneration Committee for inclusion in the variable pay plans since 2020.</p>

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	<p>The Board is comprised of mostly independent non-executive directors. It recognises and embraces the benefits of having a diverse set of skills amongst its members. In appointing directors to the Board, the specific skills, expertise and competencies of each member is carefully considered in relation to Sasol's vision, long-term strategic direction and key risks to the organisation in relation to overall Board and executive management capabilities. This is enabled through an approved succession plan which is in place with selection criteria including capabilities to manage climate related risks and opportunities. 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. A skills and competency assessment of individual directors was conducted by a global firm in 2021 including a benchmark against an international peer group. The competencies required for Future Sasol were discussed at length and the identified short-term experience and skills were prioritised to enhance the Board's already vast mix of international and local capabilities and competencies in the fields of extraction, energy (including hydrogen), natural resources, renewables, engineering, climate change and sustainability, innovation (research and development) and technology. The Board also undergoes regular training on climate change and wider sustainability matters. This has been reinforced since 2017 in line with a rapidly changing national and international climate change policy landscape. Our 2021 Integrated Report provides the skills and experience of our Board in more detail, specifically those regarding the "Social, SHE and Sustainability" elements which are inclusive of climate considerations.</p>	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	More frequently than quarterly
Other committee, please specify (Group Executive Committee)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	More frequently than quarterly
Other, please specify (Climate Change GEC Steering Committee)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	More frequently than quarterly
Other, please specify (Energy Operations Policy, Stakeholder and Governance Committee)	<Not Applicable>	Both assessing and managing climate-related risks and opportunities	<Not Applicable>	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The Board has delegated authority, not expressly reserved for Sasol's Board or shareholders, to the CEO (also known as the President and CEO) of Sasol who is the highest executive decision-making authority of Sasol Limited and the Sasol Group. The CEO has delegated authority, and is accountable to, the Board for the development and successful implementation of the Group's strategy and the overall management and performance of the Group within the framework of its policies. This includes accountability for executive management of climate change and reporting directly to the Board.

In terms of the authority conferred upon the CEO by the Board, the CEO has delegated authority to the Group Executive Committee (GEC) being the highest collective executive decision-making body in Sasol Group governance structure.

Sasol's GEC is accountable to recommend to the Board for approval the Company's strategy and long-term plans, including those relevant to our response to climate change. The GEC consists of Sasol's executive management (Executive Vice Presidents who are either prescribed officers or executive directors) and is chaired by the CEO. Sasol's GEC formally adopted sustainable development (including climate change as a key consideration), as a group-wide strategic business objective in 2000. In 2016, we confirmed support for the Paris Agreement and continues to do so through aligning Sasol's climate change response therewith. In 2017, we adopted the Task Force for Climate-related Financial Disclosure's recommendations. In 2020, we formally endorsed the United Nations Sustainable Development

Goals (SDGs) and specifically prioritised, SDG 8, 9, 12, 13 & 17. And in 2021, Sasol committed to implement climate actions towards a net zero ambition. Our 2030 and 2050 targets and roadmaps are also part of the GEC's mandate. The GEC is supported by the corporate Portfolio Strategy and Sustainability Function, which includes the climate change management team. Additionally, support is provided by the business' specialists and experts.

Sasol continues to take steps towards further embedding sustainable development principles into our activities. Receiving guidance, direction and support from various internal governance structures, functions and subject matter experts, the GEC guides climate change management throughout the Group and coordinates development of the Group's objectives, targets and initiatives in this area. Climate change is a Group top risk and is also addressed at GEC level.

The President and CEO chairs the GEC meetings, and together with the GEC are the highest-level management positions below the Board responsible for the regular assessing and management of climate-related risks and opportunities in accordance with their Board delegated responsibilities. Our emission reduction ambitions, associated targets and roadmaps are recommended by the GEC for further consideration, steer and approval by the Board.

In 2020, we established a bespoke and temporary GEC Climate Change Steering Committee to assess, evaluate and provide steer to the senior management team on development of Sasol's 2030 target and 2050 ambition and roadmaps, which was communicated at our [Capital Markets Day](#) in September 2021. Once approved at executive level these decisions are referred to the Board for further governance. Our Energy operations have committees that have policy, regulatory, stakeholder and governance issues including providing steer on environmental and climate change focus areas. In this context, climate change and the integration with our 2030 and 2050 emission reduction roadmaps to deliver on short-, medium- and long-term targets and objectives (including associated impacts on stakeholders, ESG aspects and alignment with the Energy scenario) are a mandate of the Energy Operations Policy, Stakeholder and Governance Committee.

The GEC is supported by Functions at Corporate Centre and Business Unit level (Energy and Chemicals Businesses). This includes, amongst others, the office of the Chief Risk Officer and the Portfolio Strategy and Sustainability Function (within the Corporate Centre) as well as the businesses Risk, SHE and Sustainability, the Strategy and Planning as well as the Research and Technology Functions. Collectively and in collaboration with the operations (e.g., Low Carbon Energy Solutions and Gas Sourcing and Operations), these functions inform the strategic prioritisation of our climate change response with due consideration for our scenario analysis, emission reduction roadmap, carbon offsets and associated Just Transition considerations. Responsibility for the development of our 2050 emission reduction ambition and associated targets and roadmap (which includes the necessary engineering and business responses), tracking and monitoring against our 2030 target as well as strengthened climate change engagement and disclosure activities, also lie with these Functions. These Functions are led by GEC management.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	Sasol incorporates climate change targets into its incentive scorecards at Group and business level. Supervisory and management employees have individual performance agreements. The Remuneration Committee (RC) exercises discretion to vary incentive outcomes, as appropriate. Quarterly, the RC reviews performance against the Group STI scorecard. At Group Executive Committee level, the GHG Emissions Reduction Roadmap, energy efficiency improvement and renewable energy targets are included, as well as operational safety metrics, likes fires, explosions and releases. In 2021, all STI and LTI targets were aligned with Future Sasol and sustainability metrics. We aim to develop climate change targets as we implement projects against our roadmaps that reduce emissions, to achieve our net zero ambition. The RC annually reviews STI and LTI targets to ensure ongoing relevance, particularly to our Future Sasol strategy over the medium to long-term and our shorter-term business plans.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Chief Executive Officer (CEO)	Monetary reward	Emissions reduction project Efficiency target Company performance against a climate-related sustainability index	The Short-Term Incentive (STI) structure consists of Group, BU and OME performance targets and a differentiated weighting is applied dependent on an employee's role in the organisation and applies to all employees, including the President and CEO. Individual performance is a multiplier on the final STI outcome. The structure consists of a set of group targets with a range of 0% - 150%. This value is then multiplied with the outcome of a personal performance scorecard that covers various other business, leadership and strategic objectives. Climate change-related issues are also covered in the group, BU and OME incentive plans, aligned with the annual business plans (weighting of 20% in the group scorecard). A 25% weighting in the 2022 LTI awards towards climate change targets. 2022 STI metrics include: - Energy efficiency improvement measured from 2021. - Deliver renewable energy PPAs for 200 MW that will result in at least a 0.6MtCO ₂ e reduction. - Setting up the Sasol ecoFT sustainable solutions business. 2022 LTI metrics include: - 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 ₂ e - 2,8 Mt CO ₂ e reductions - Introduce 40 - 80% renewable electricity for our Chemical operations in Europe and Americas, resulting in 0,14 MtCO ₂ e - 0,27 MtCO ₂ 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.

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Corporate executive team	Monetary reward	Emissions reduction project Efficiency target Company performance against a climate-related sustainability index	Energy efficiency is measured in the group STI scorecard in a range of 0% - 150%. Additional climate-related targets are included in the group STI scorecard (total weighting of 20%). Specific members of the GEC are additionally incentivised on the management of climate change and the reduction of GHG emissions where they have direct responsibility. STIs: In 2021, the GEC's targets relating to climate change included developing programmes to lay the foundation for decarbonisation of our operations. This included: - Developing the 2030 GHG roadmap. - Achieving a 1% energy efficiency improvement. - Delivery of the 600 MW business construct and the 2050 ambition and roadmap. The GEC was able to deliver the 2030 GHG Emission Reduction Roadmap and the 2050 GHG ambition and roadmap. We also selected the short-list of bidders to provide 600 MW of renewable energy. We achieved a 0.4% year-on-year improvement on energy efficiency. The GEC's 2022 STIs (weighting: 20%) includes: - Reducing absolute GHG emissions and shifting to low-carbon products and green hydrogen. More specifically, we are aiming for an energy efficiency improvement of 1% using 30 June 2021 as the basis for assessment of FY22. - Securing 200 MW of renewable energy at our Secunda site. - Signing a Power Purchase Agreement (PPA) or equivalent by 20 June 2022 to achieve 0.65 MtCO ₂ e by the end of FY2024. - Setting up of the new sustainable business venture, Sasol ecoFT. 2022 LTI metrics include: - 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 ₂ e - 2,8 Mt CO ₂ e reductions - Introduce 40 - 80% renewable electricity for our Chemical operations in Europe and Americas, resulting in 0,14 MtCO ₂ e - 0,27 MtCO ₂ 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.
Other, please specify (Climate Change Specialists and Managers)	Monetary reward	Behavior change related indicator	The STI structure consists of a set of group targets within the range of 0% - 150%. This value is then multiplied by the outcome of a personal performance scorecard which includes business, leadership and strategic objectives. Process safety measures, which contribute to energy efficiency, safety measured through high severity injuries, and energy efficiency and climate change targets carry a weighting of 20%. 2022 STI metrics include: - Energy efficiency improvement measured from 2021. - Deliver renewable energy PPAs for 200 MW that will result in at least a 0.6MtCO ₂ e reduction. - Setting up the Sasol ecoFT sustainable solutions business. 2022 LTI metrics include: - 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 ₂ e - 2,8 Mt CO ₂ e reductions - Introduce 40 - 80% renewable electricity for our Chemical operations in Europe and Americas, resulting in 0,14 MtCO ₂ e - 0,27 MtCO ₂ 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.

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Energy manager	Monetary reward	Efficiency target	<p>The STI structure consists of a set of group targets within the range of 0% - 150%. This value is then multiplied with the outcome of a personal performance scorecard that includes business, leadership and strategic objectives. An assessment of delivery against Sasol's climate change commitments (specifically energy efficiency) forms part of the key performance indicators, personal appraisals and incentive schemes of relevant Sasol managers. For example, at our operating facility in Secunda, operational managers have targets to achieve energy efficiency which are included in key performance indicators applicable to their areas of accountability. These metrics are tracked quarterly. 2022 STI metrics include: -Energy efficiency improvement measured from 2021. - Deliver renewable energy PPAs for 200 MW that will result in at least a 0.6MtCO₂e reduction. - Setting up the Sasol ecoFT sustainable solutions business. 2022 LTI metrics include: - 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 CO₂e - 2,8 Mt CO₂e reductions - Introduce 40 - 80% renewable electricity for our Chemical operations in Europe and Americas, resulting in 0,14 MtCO₂e - 0,27 MtCO₂e 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.</p>

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	5	
Medium-term	5	10	
Long-term	10	30	

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Sasol's risk management approach delivers top risk profiles at Group and entity levels, identifying those risks that could pose a significant impact to our business strategy and delivery thereof. These risks are identified and monitored in the context of our ever-changing internal and external operating conditions.

Sasol has a robust and standardised Enterprise Risk Management Framework (ERMF), incorporating relevant risk management and governance practices recommended by South Africa's King IV Code for Corporate Governance, the Johannesburg Stock Exchange (JSE) listing requirements and United States Securities and Exchange Commission rules and regulations, the GRI and TCFD recommendations, as well as the United Nations SDGs and reporting criteria. the Committee of Sponsoring Organizations' Enterprise Risk Management Integrated Framework and the International Standards Organisation's 31000 Standard. We use a standard risk matrix to analyse, rank and prioritise our top risks, including climate change related risks, in terms of potential likelihood and impact. Our risk matrix is influenced by various impact criteria, which includes both quantitative and qualitative impacts, with categories spanning financial, operational, market, people, legal & regulatory, and geopolitical / reputational. Since risks are related to uncertainty, risks are expressed in potential quantitative impacts, not the absolute impact of the risk occurring.

Sasol identifies potential substantive financial impacts, based on climate change risks, in line with our risk matrix. We have defined our potential substantive financial impact as an implication or risk that could pose a financial loss to our business in a range from >ZAR 0.3 - 4.5 billion.

In addition, Sasol has defined Group-level quantitative and qualitative materiality impact thresholds (our "materiality lens"). This lens underpins the basis from which risks are escalated on the Group top risks, to the Board. Our "materiality lens" has defined potential substantive high impact quantitative criteria, including:

- Financial (> of a certain % of Group EBIDTA impact), or (> of a certain % Group cash fixed cost impact),
- Operational (Group impact on the integrated value chain of > a certain period),
- Market (impacts of > of a certain % of specific key/critical product lines, or loss of > of a certain > of a certain % of the Groups market share),
- Legal & Regulatory (fines / penalties / legal action with total impact of > of a certain % of Group turnover), and
- Geopolitical/Reputational (share price impact of > of a certain %).

Sasol has also made use of climate-related scenario analysis, both qualitative and quantitative, to inform our business strategy, assess the impacts of climate change in the short, medium and long term, and provide insight for our future risk management processes. In this way, robustness is assessed, and strategic choices are then made for Sasol to ensure our future resilience.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Upstream

Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

Sasol's risk management approach is informed by our Enterprise Risk Management Framework (ERMF). The application of the ERMF risk management processes aims to ensure that all risks, including climate-related risks, are systematically identified, assessed and managed with measurable results, allowing for continuous feedback to address stakeholder enquiries related to climate change. IDENTIFY: Annually, Sasol identifies Group top risks which require attention and awareness by all business units and strategic developments. We have a set of Board-approved top Group risks, which are also tracked by the Group Executive Committee (GEC) and relevant Board committees, and climate change risks form part of these identified top risks facing the organisation. All of our top risks contain a consistent set of four defined "aspects", in accordance with the ERMF. These aspects are business imperatives, the outcomes of which might materially impact our ability to achieve our strategy. These four aspects are: 1. Business sustainability and earnings growth; 2. Long-term business viability; 3. Employee value proposition; and 4. Stakeholder impact. Sasol identifies climate change related risks as directly linked to Aspect 2 (long-term business viability), with various linkages of critical connectivity to the other three aspects of our top risks. These linkages include operational interruptions, competitiveness, supply and demand for our products, our future legal license to operate, our employee wellbeing and reputation, and stakeholder interests and investment markets. Thus, climate change risks have been identified and are managed in an integrated

risk management approach, company-wide (i.e., at both the asset and Group level).

ASSESS/RESPONSE: Sasol has conducted climate-related scenario analysis, to consider climate change most effectively in our business strategy. Climate change is noted as a top risk, thus, developments in global climate change understanding and changes in climatic predictions are monitored on a quarterly basis. Climate change risks are identified over the short-, medium- and long-term and are reported to the relevant governance structures for appropriate consideration within these timeframes. Scenario analysis, together with the identified risks, their ranking and the prioritisation of the risks are performed using our standard ERMF risk matrix. We emphasise all risks and opportunities with a potential impact on our income, expenditure and capital, the achievement of strategic objectives (medium to long term), reputation, and/or delivery on short term business plans as points of focus. To supplement this understanding and ERMF management, we disclose our climate change risks in line with the TCFD recommendations since 2018. The TCFD approach provides a structured way for us to explore, analyse and identify appropriate key risks and responses to these. From our use of the TCFD recommendations, we have identified three top sub-risks to be managed for Sasol's sustainability in light of climate change, which have been analysed with due consideration for the risk drivers and response measures. These sub-risks are:

- Sasol's inability to develop and implement an appropriate climate change mitigation response;
- Sasol's inability to ensure long-term resilience of business operations; and
- Downstream societal pressure impacting on market access and product competitiveness.

An example of some of the physical risks we face include hurricanes and cyclones in our US and Mozambique operations respectively. The increased risk of cyclone occurrences and impacts on Mozambique (as a result of climate change) have led to increased damages to nearby infrastructure and community displacement. In anticipation of this risk, Sasol has set aside an annual emergency relief fund to be distributed across the communities in Mozambique for immediate care and reconstruction, in the case of a cyclone occurrence. Another physical risk faced is the intense flooding event experienced in KwaZulu Natal in April 2022, near our Natref operations. This event resulted in infrastructure damage and limitations on transport and distribution routes for our supply chain partners. The supply chain impact affected our product distribution and losses occurring therein. It is noted that events like these are anticipated to occur more frequently in future, as a result of climate change. A transitional risk faced by Sasol, specifically in our South African operations, is the potential impact of the local carbon tax on our operating costs. The South African Carbon Tax Act was promulgated in 2019 and since, Sasol has been subject to tax implications. This impacts Sasol's operating expenditure and is anticipated to have increasing impacts on our business in the medium term, with increasing uncertainty around electricity and other supplier-related passthrough carbon tax implications. The passthrough costs of our suppliers' carbon tax implications could result in varying increases in operating costs for our South African operations. In light of this identified risk, we have begun reducing emissions, increasing our energy efficiency measures, decreasing reliance on the national electricity grid through renewable energy which also minimises our operating costs linked to purchasing electricity and the associated tax implications of this. Several GHG emission reduction initiatives have been implemented, to minimise our direct carbon tax liability for our South African operations.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Sasol aims to continuously remain abreast of all current regulations, to ensure that we compliant with all legislation within our operating regions. Current regulations pose risks that are a key component of our climate change risk management process. Non-compliance with current regulations could result in fines and penalties for our business and, worst-case scenario, could result in the loss of our operating licenses within a country. Therefore, Sasol always includes current regulations as part of the monitoring of risk to our operations. Incoming and existing regulations relating to our operating regions and their various commitments to the Paris Agreement are addressed through Sasol's risk assessment process. Developments are tracked as these legal requirements may have a significant operational and financial impact on our operations. For example, our European operations are directly impacted by the Emissions Trading System (EU ETS) allowance process. Any shortfall in adhering to the regulatory requirements and timeous payments attracts potential financial liabilities. Similarly, the South African Carbon Tax Act was introduced in June 2019 and is being implemented in phases. The Act results in significant impacts on our operating costs for our South African operations. In addition, the uncertainty in the future phases of the Act poses a risk to our operations in future. The risk is anticipated to become higher over time due to increasing costs placed on carbon that is expected in future, as well as the reduced allowances/breaks from such legislation, which currently reduces the implications of these risks. These risks are included as risk drivers in our climate change risk assessment. Current regulatory requirements like these are considered relevant and are always included in our risk considerations.
Emerging regulation	Relevant, always included	Sasol monitors all emerging legislation (including changes to current legal requirements) in the countries in which we operate. Similar to our approach to current regulations, emerging regulations are always relevant and included in our risk management processes. Emerging regulations also pose risks that are integral to our climate change risk management process. Non-compliance with regulations that arise could result in fines, penalties or even result in the loss of our operating licenses within a country, thus we aim to remain abreast of all upcoming regulations. For example, the draft South African Climate Change Bill is a key emerging regulation in South Africa which will be the first holistic piece of legislation aimed at developing a country-specific climate change response. We understand the implications of the Bill on our operations and are participating in Parliament's public commenting process and will monitor the finalisation and implementation once enacted. Another example is how countries continuously increase their climate ambition through their Nationally Determined Contributions (NDC). Increased ambitions of each country of operation will be monitored over time through reviewing changes in their NDCs. For example, through the recently published South African NDC there is the potential for increased emerging regulations. Updates to the NDC will likely impact carbon budget allocations and carbon tax imposed on corporates in South Africa. In order to understand potential future risks and implement plans prior to enforcement emerging regulatory changes are monitored, considered relevant and always included in our risk considerations. Through our involvement in the Business Unity SA (BUSA) Just Transition Working Group, we have been involved in developing Just Transition pathways for greater ambition. Sasol is an active member of BUSA and the NBI. Our CEO holds the position of a "Champion" for the energy transition. These are means through which Sasol attempts to manage its emerging regulatory risks.

	Relevance & inclusion	Please explain
Technology	Relevant, always included	<p>Technology developments are noted to impact on operational productivity, compliance with regulations and operational efficiency. Newer and more efficient technologies can result in increased productivity at lower costs to the company and decreased environmental impact. The benefits of implementing new technologies are often combatted with the high investment costs associated with purchasing new technology options. There are limited technology options to affordably reduce carbon emissions in South Africa today, which is where our largest emissions exist. For example, in 2021, Sasol published its commitment to reduce its scope 1 and 2 GHG emission for the Energy Business by 30% by 2030 from a 2017 baseline on the path to reach net zero by 2050. This commitment was made off the emissions reduction roadmap developed in 2020 which evaluated over 100 mitigation options and identified key levers to reduce our GHG emissions by 2030. In line with the roadmap, Sasol has identified and begun implementing various initiatives, including implementation of new technology options, to reduce our energy consumption and GHG emissions production. Some of the new technologies included several energy efficiency initiatives, and the increase plausibility of producing and using green hydrogen as an alternative renewable energy source. Sasol actively monitors and tracks technology developments, such as those related to hydrogen and carbon capture, and uses this knowledge to inform our business strategy and potential new opportunities that could assist us to increase our efficiency while decreasing our emissions, at an affordable and feasible cost. Technology options and new technology availability are thus considered a key risk and opportunity to Sasol's business model since the technologies developing in light of climate change are changing frequently and this affects legislation and Sasol's relevance. Technology risks are therefore included as a risk driver in the climate change risk management process.</p>
Legal	Relevant, always included	<p>We consider legal risks as part of our internal climate change risk management process. A recent example of legal risk with potential applicability includes international jurisprudence on climate change matters related to the oil industry. We note that court rulings in both 2020 and 2021 are leading to more stringent targets required from private entities, on a case-by-case basis, in support of the goals of Paris Agreement and a general increase in consideration for surrounding environments. These rulings and other legal precedents are considered as part of our risk management process informing our strategy. Thus, we continue to remain abreast of the global legal risk landscape changes. Another example is the increasing risk of legislative change around the oil and gas sector. Some examples of increased regulatory requirements are seen through examples like the recent Shell court ruling in The Hague (which required the company to reduce its global carbon emissions from 2019 by 45% by 2030) and several other legislative precedents. Sasol therefore considers legal risks significant to our operations.</p>

	Relevance & inclusion	Please explain
Market	Relevant, always included	<p>Sasol is aware of the changing consumer behaviours, influencing our market-related risks. The changing market focus and increased awareness of climate change impacts has increased societal pressure and community activism, together with increasing environmental awareness, which has in turn resulted in increased pressure from capital markets and investors to increase product competitiveness. This is of particular concern for more mature regions, like Europe and North America. This is anticipated to change with increased carbon pricing and the knock-on effects for consumers. The global trends indicate a general consumer shift away from fossil fuel based energy sources in favour of renewable energy alternatives, such as sustainable aviation fuel. This trend will affect Sasol's current business continuity. For example, the European Union (EU) Emissions Trading System (ETS) poses additional operating costs to our European operations, impacting Sasol's market competitiveness in relation to other energy sources. These changes are considered a risk driver in our climate change risk management process and are relevant given the nature of Sasol's operations in Europe and South Africa. Sasol therefore recognises market changes, and supply and demand risks as a significant and relevant aspects to monitor. In addition, markets are shifting towards low carbon fuel sources such as green hydrogen and SAF in response to the EU Renewable Energy Directive under the Fit-For-55 policy package. These risks and opportunities are considered in the climate change risk management process and are relevant given the emissions intensive nature of Sasol's products exported from South Africa. Similarly, the incoming Carbon Border Adjustment Mechanism (CBAM) in the EU could add more market influence against goods imported by our South African operations to EU customers post phase 1.</p>
Reputation	Relevant, always included	<p>Sasol's reputation as a responsible corporate citizen supports in maintaining our social license to operate. We aim to maintain a positive reputation, specifically in light of our footprint associated with climate change and the risks posed by it. Sasol supports enhanced climate change disclosure aligned to the TCFD recommendations in its suite of annual reports amongst others and is progressing our efforts on disclosure.. We engage government departments and other key stakeholders on GHG mitigation policy to build trust-based relationships and position Sasol as a credible stakeholder partner.</p> <p>Reputational risks are therefore duly considered as a relevant risk driver in the climate change risk processes, given the energy intensive nature of Sasol's operations, specifically in South Africa. In this context specifically, reputational risks are always considered and included in our internal risk management processes in accordance with our Risk Policy and supporting Enterprise Risk Management Framework. An example of climate change related reputational risks faced by Sasol, could be the decreased access of Sasol's surrounding communities to freshwater resources and other services, which could in turn lead to increased pressure on Sasol to assist municipalities with basic service delivery. An example of this was experienced during the flooding events in KwaZulu Natal in South Africa where Sasol's Natref operations were impacted and many surrounding communities were affected. Sasol managed this risk through contributing mobile clinics and cash investments to community help programmes to benefit affected communities.</p>

	Relevance & inclusion	Please explain
Acute physical	Relevant, always included	Sasol is already experiencing some of the physical impacts of climate change on various operations globally. It is noted that there has been an increase in the severity and frequency of extreme weather events, including cyclones at our North American and Mozambican Operations. As an example, in the reporting year (i.e., in August and October 2020 respectively), Hurricane Delta and Hurricane Laura impacted our Lake Charles site significantly. Our operations suffered damages and overall revenue losses summing up to around R3.3 billion, purely based on acute physical weather occurrences. This is considered a substantive financial risk according to Sasol's definition and risk management processes. Similarly, in January 2021, Cyclone Eloise passed through Mozambique. Although Sasol's processing plant had made provisions for the storm, intense damages occurred to surrounding communities and nearby infrastructure near our Mozambique operations. These events are considered significant considering the financial impact posed by their occurrence due to infrastructure damages and work stoppages. Thus, acute physical risks are considered relevant and are always included in our risk management processes.
Chronic physical	Relevant, always included	Based on climate change, and anticipated impacts according to our scenario analysis conducted, Sasol's operations are anticipated to experience changes in precipitation and temperature patterns, as a result of climate change. These changes are considered a key risk for Sasol's direct operations and value chain, specifically regarding the future impact of these changes on our water security and operating costs. Changes in temperatures could result in increased cooling costs and decreased equipment efficiencies, while changing weather patterns could lead to increased flood and drought occurrences, with more flash flooding and dry spells within a year. For example, temperatures are anticipated to rise across all regions of operation. With rising temperatures, we could require increased office, storage and process cooling, to maintain our operating condition and ensure employee health and safety. This increased cooling requirement may result in more energy requirements to power air-conditioning and refrigeration systems, and in turn, increased operating costs. Temperature increases are therefore likely associated with increased future costs. Chronic changes are anticipated to be experienced more frequently, globally. These risks are thus considered relevant and are always included in our risk management process.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation	Carbon pricing mechanisms
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

The Paris Agreement commits countries to transition towards a low carbon economy. In South Africa, Sasol's carbon footprint is significant, exposing us to extra carbon-related costs. The Carbon Tax Act, commenced in June 2019, poses a carbon pricing implication and uncertainty with each successive phase of implementation. The 2021 carbon tax rate is R134/tCO₂e for liable emissions before the application of carbon tax allowances. Our tax risk is amplified since a large portion of our GHG emissions come from our process operations, directly linked to production volumes. Currently, limited mitigation measures are available to reduce our GHG emissions, save for feedstock changes and largescale renewable energy use as well as those already implemented. Sasol's South African operations are also largely dependent on the national electricity utility, Eskom, for energy. Currently, Eskom has several additional allowance mechanisms which enables the electricity price to remain carbon tax neutral. However, in the Budget Speech of Feb 2022, National Treasury indicated that these mechanisms will be phased out from 2026, potentially resulting in Eskom also being liable to carbon tax. This would result in additional liabilities by passing through tax cost implications onto its customer. Carbon tax negatively impacts free cash-flows generated from our operations. The future risk faced is based on the extent of our tax liability (specifically with the phase out of allowances in phase 2) or possible penalties for exceeding our allocated carbon budgets, as well as the expenses incurred from pass-through costs from suppliers. In the EU, Sasol is subject to the emissions trading system (ETS) pricing implications. The EU ETS was developed to assist the EU reach net neutrality by 2050 and is now in phase 4 (2021 to 2030). This phase attempts to reduce emissions to 55% by 2030, from a 1990 base year. The cap-and-trade system used limits Sasol's generation of GHGs and requires the purchase of allowances from other industries, to compensate for the emissions associated with our operations. In this reporting year, Sasol was required to obtain 916 115 tCO₂e allowances under the ETS. Since Sasol exceeded the allocated ETS allowances and was required to purchase 63,106 additional allowances for compliance. This increases the carbon-related costs associated with Sasol's European operations.

Time horizon

Medium-term

Likelihood

Virtually certain

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

2000000000

Potential financial impact figure – maximum (currency)

3000000000

Explanation of financial impact figure

For CY2020, submitted in 2021 Sasol's South African operations were liable for R611 million in carbon tax after offsets and electricity levies. In addition, in 2021, Sasol purchased 5.49 TWh of electricity from the Eskom national grid. Considering future potential passthrough costs that could be associated with Eskom's carbon tax liability (anticipated to come into effect from 2026 onward), Sasol may experience an increase in electricity price by between R0.27/kWh (for 2026) and R0.43/kWh (for 2030). Thus, Sasol could experience increased electricity costs in the order of between R1.5 billion by 2026 and R2.4 billion by 2030 which can partially be offset in later through more renewables use. Sasol is required to purchase allowances under the EU ETS systems. In this reporting year, we purchased 63 106 ETS allowances in addition to those already allocated to us. These allowances are anticipated to cost €50 - €100 (~R858 – R1715) per allowance ton by 2030. Thus, the allowance costs could range, between R54 million and R108 million by 2030. Based on Sasol's carbon tax liability, future pass-through costs and approximated ETS allowance purchases and prices, we have an estimated cost implication of ~R2 billion to ~R3 billion.

Cost of response to risk

25000000000

Description of response and explanation of cost calculation

In 2021, Sasol embarked on an increased ambition, setting a net zero by 2050 ambition and aiming to reduce our scope 1 and 2 emissions by 30% by 2030 (from a 2017 baseline). In addition, a 100% renewable purchased electricity by 2030 target was set for the International Chemicals Business and a 20% reduction in scope 3 emissions target (from a 2019 baseline) was also set for 2030. In 2020, Sasol communicated its 2030 emission reduction roadmap for reducing our GHG emissions in our Climate Change Report. We have allocated between ~R15 and R25 billion in cumulative capital expenditure for our emissions reduction programme up to 2030. In June 2021, Sasol published its customer-facing operating model, Sasol 2.0, drawing up the roadmap for Sasol's transition towards a more competitive and sustainable Future Sasol through decarbonisation efforts. • Our engagement with government departments and other key stakeholders on all key climate change policies through active participation at international forums (i.e. UNFCCC and New York Climate Week) to track international trends. • Sasol participated at COP 26 in 2021. • Sasol is tracking developments such as green hydrogen in GHG mitigation and utilisation technologies to identify and evaluate potential breakthrough opportunities to inform the business strategy and relevant investment decisions. The cumulative spend to respond to this risk includes the expenditure anticipated to 2030, estimated at ~R15 billion to R25 billion on a pre-feasibility level of definition.

Comment

None.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Reputation	Increased stakeholder concern or negative stakeholder feedback
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Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Environmental awareness, particularly in the context of climate change, has grown significantly amid elevated levels of public perception and continuing technological innovation to drive efficiency. With this, comes the associated consequence which impacts existing business models. Some trends observed by Sasol include: • Increased pressure on institutional investors to progressively divest from fossil fuel (coal-based) companies with a view to invest in more sustainable businesses using cleaner energy sources; • Socio-political drivers driving stricter legal regulations, necessitating entities to reduce their environmental footprints; • Increased customer demand for environmentally friendly products that use energy more efficiently and have a smaller environmental impact; and • Increased activity and use of legal mechanisms by civil society, communities and activists calling on governments, industry and wider society to drive outcomes that contribute to a more sustainable environment for future generations. This is particularly relevant given the GHG- and energy-intensive nature of our coal-to-liquid (CTL) operations in South Africa. There could be an impact on Sasol's reputation resulting in limited market access and the competitiveness of our products, particularly in more mature environments such as Eurasia. Sasol from 2018 to date has received shareholder resolutions calling for optimisation in climate change management additional targets and increased disclosure on climate change matters. More and more investment funds are excluding companies who have a high coal exposure. Through stakeholder engagement, we are able to broaden our response to tackling climate change and adapt our strategy accordingly, for long term value creation. Sasol is also aiming, together with its partners, to participate in a global hydrogen auction to stimulate sustainable aviation fuel using green hydrogen production in South Africa using existing assets, our Fischer Tropsch technology and know-how. South Africa and Sasol is advantaged in producing these much-needed products for a low-carbon future and simultaneously decarbonising our operations and the economy. We are focused on improving the performance of our existing asset base through higher productivity, increasing operational efficiency and leveraging existing and emerging technologies to reduce emissions and achieve a fossil fuel free operation.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

9400000000

Potential financial impact figure – maximum (currency)

22840000000

Explanation of financial impact figure

This risk has been quantified by assuming that the turnover of our Chemicals operations in Secunda, which is GHG intensive, could potentially be eroded from anywhere between 20 - 50% depending on the level of global climate change ambition achieved. These strategic outcomes have been informed by Sasol's scenario analysis process reported on in our 2021 Climate Change Report. We have estimated, if unmitigated, that our revenue could potentially be eroded from our Chemicals operation between approximately R9.4 – R22.84 billion by 2030 (whose turnover for FY21 was R45.68 billion).

Cost of response to risk

25070000000

Description of response and explanation of cost calculation

Sasol supports the transition to a low carbon economy, through our emissions reduction roadmap to address key business-related risks. We use annually updated climate change scenario analysis to inform our strategy. For Future Sasol, we: - set an ambition for "net zero by 2050" for our Sasol Chemicals and Energy operations (excluding Natref, our JV), - set milestone targets including a 30% reduction in scope 1 and 2 emissions for our Sasol Chemicals and Energy operations, - rapidly changed our key feedstocks to low and lower-carbon intensive alternatives to meet the targets stipulated, - reduce our coal usage, - stop all oil growth activities in West Africa, - divesting to reshape our portfolio and focus on our core business activities in two distinct business units, i.e., Chemicals and Energy, - adapting our Chemicals business to focus on using lower-carbon feedstocks, - resizing our operations to focus more on gas, green hydrogen and renewables, - relinquishing our oil and gas exploration rights in Mozambique, - divesting in our US Chemicals business, to become a JV, - pursuing reliable, affordable and low-carbon energy alternatives, - aiming for further transformational changes through collaboration, technology, innovation and advocating for climate change policy, taking our national circumstances into account, - entering into strategic partnerships to unlock green hydrogen in South Africa with Industrial Development Cooperation, Linde, ENERTRAG and Navitas and many others. Through the introduction of our Climate Change Report from 2019 onward, we are more effectively engaged with stakeholders. Sasol's three pillar emission reduction framework directs our research and technology (R&T) towards implementable solutions to reduce current operations' emissions. This includes diverting waste stream away from incinerators and sending fine coal for products instead electricity generation. The R&T budget allocated to address our sustainability issues was ~R70 million in FY 2021. Our 2050 long-term GHG reduction ambition and roadmap is being refined to enable continued resilience and mitigate further potential negative financial impacts on future earnings. We are in-

vesting between ~R15 and R25 billion in cumulative capital expenditure from now until 2030 and this year's contribution to emissions reduction is R70 million. Therefore, the cost of response can be up to R25.07 billion by 2030.

Comment

None.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Cyclone, hurricane, typhoon
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Primary potential financial impact

Increased capital expenditures

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Sasol commissioned the development of a climate change adaptation study. Site-specific engagements were held to determine the extent to which the business is exposed to physical climate change risks. One of the risks identified was the increased intensity of cyclones / hurricanes on our operations. Sasol's Central Processing Facility (CPF) in Mozambique is at risk from multiple cyclone occurrences. Cyclone Favio in 2007 caused infrastructural damage to the CPF and cost in the region of \$250 000 (~R3.8 million). In March 2019, Cyclone Idai (a category 4 cyclone) impacted Mozambique severely. At this time, Sasol joined hands with Red Cross Mozambique to support the relief efforts (providing US\$650 000 for implemented projects). Thereafter, in January 2021, Cyclone Eloise passed through Mozambique. Sasol's processing plant had to make provisions for the storm in this time. This caused intense damage to surrounding communities and infrastructure in nearby areas to our Mozambique operations. Hurricanes also affect our Houston office and Lake Charles operations. The major hurricane impacts since 2005 were Hurricane Rita (2005), Harvey (2017), Laura (2020) and Delta (2020). Hurricane Harvey affected the construction of our Lake Charles Chemical Project, while Hurricanes Laura and Delta impacted our Houston operations. Impacts included property damages and operational stoppages, which led to loss of revenue from these operations. Damages were claimed for from insurance. In 2021, Hurricane Ida affected the eastern parts of Louisiana significantly but did not impact the Lake Charles operations. Sasol identifies the risk of these significant storms are becoming more frequent.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

3660000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

In 2017, Cyclone Favio caused infrastructural damage in Mozambique, costing the region US\$250 000 (~R3.8 million). Thereafter, cyclones impacting Mozambique have had no implication to our operations since no damages or work stoppages have occurred. In 2017, Lake Charles Chemical Project suffered a schedule delay of approximately four weeks and additional costs of ~US\$130 million (~R2.0 billion). In 2020, Sasol logged operational property damages costing - based on insurance claims - ~US\$ 56 million (~R861 million), with business interruption losses being ~US\$39 million (~R600 million), all due to Hurricane Laura. The impacts of Hurricane Laura resulted in 45 days of lost operations for Sasol. Also, in 2020, Hurricane Delta resulted in Sasol property damages costing ~US\$3.5 million (~R54 million), with business interruptions estimating ~US\$10.5 million (~R162 million). There were no implications to our Lake Charles operations in light of Hurricane Ida in 2021. To date, the sum of all financial impact as a result of hurricane incidents is ~US\$241 million (~R3.69 billion) lost.

Cost of response to risk

7000000

Description of response and explanation of cost calculation

The risks associated with hurricanes and cyclones are well managed in Houston, Lake Charles and Mozambique using robust preparedness measures. Low-cost adaptation measures and actions are identified and implemented to manage this risk, including: - Proactive preparation procedures (annual checklists updates, manuals & training for emergency procedures); - Recording, forecasting and reporting cyclone, hurricane and tornado events and modelling impacts (to improve understanding of risks); - Ensuring strong support procedures during and after hurricane events (quick response, back-up power and communication devices) - Engagement with government (for adaptation interventions and to share resources); - Engaging with other operations experiencing similar impacts (practice sharing); and - Implementing effective low-cost adaptation measures (improving maintenance contracts systematically). Existing operations are built to withstand extreme weather conditions and with design measures new plants are also being built to withstand current weather events. We also have insurance construction cover for when operations and/or construction activities are disrupted. Sasol invests in comprehensive insurance coverage for all risks/climate-related impacts, to ensure that financial implications remain manageable. In this disclosure, insurance contributions have not been quantified, but will be considered in future. Downscaled climate modelling was conducted at some of Sasol's main production sites to develop meaningful adaptation measures. The direct cost of the adaptation study was ~US\$ 77,272 (~R1.2 mil). Internal resource, capital and maintenance costs associated with managing this risk that are not in-

cluded in this cost. Following Hurricane Laura in August 2020, Sasol donated US\$150,000 (~R2.3 mil) to aid recovery of local communities. In addition, US\$150 000 (~R2.3 mil) was provided in relief funds to the Community Foundation of Southwest Louisiana after the storms. There is also increased awareness of the impact of cyclones on our Mozambique operations and our surrounding communities. Over R1.2 mil was donated through the Sasol for Good programme for emergency relief support for Cyclones Idai and Eloise. Our Mozambique operations and community support was emphasised, since Lake Charles operations and communities are more prepared. The sum of these investments is considered a proxy for the “cost of response” thus far, which is ~R7 million.

Comment

None.

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Acute physical	Heavy precipitation (rain, hail, snow/ice)
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Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Sasol's Natref Durban Operations (Natef) were suspended following flood occurrences which disrupted road, rail and shipping infrastructure. The sites had no electricity for a period of ~10 days and limited road access. Reduced export of certain chemical products resulted in the force majeure impact on the business, with the quarterly volumes outlook for its South African operations anticipated to be affected by the flooding events. The product impacts due to the floods were quantified after assessment to determine that there were no losses to ULP 93 but that Sasol lost 2700 m3 of Diesel 50 ppm products. In addition, the warehouse storing carbon products was flooded, resulting in the cancellation of an export order. In addition, shortages of jet fuel supplies to OR Tambo International Airport were experienced based on the damages and suspension of operations at inland Natref refinery.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

242000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Sasol's Natref Durban Operations (NDO) were suspended following flood occurrences which disrupted road, rail and shipping infrastructure. The sites had no electricity for a period of ~10 days and limited road access. Reduced export of certain chemical products resulted in the force majeure impact on the business, with the quarterly volumes outlook for its South African operations anticipated to be affected by the flooding events. The product impacts due to the floods were quantified after assessment to determine that there were no losses to ULP 93 but that Sasol lost 2700 m3 of Diesel 50 ppm products. In addition, the warehouse storing carbon products was flooded, resulting in the cancellation of an export order. In addition, shortages of jet fuel supplies to OR Tambo International Airport were experienced based on the damages and suspension of operations at inland Natref refinery. The cost of this production loss impact was estimated to be ~R242 million.

Cost of response to risk

77500000

Description of response and explanation of cost calculation

In response to the heavy rainfall events, Sasol contributed R7.5 million in donations towards emergency relief support efforts in Kwa Zulu Natal soon after the flooding events. The donation was dispersed through Charities Aid Foundation Southern Africa, a partner of Sasol who coordinated the relief efforts. Of this money, R5 million was dedicated to infrastructure reconstruction and R2.5 million towards immediate ground-level relief. In addition, Sasol donated mobile clinics and emergency vehicles in early May 2022, to assist reconstruction efforts and improving healthcare access. Support was also given through the provision of food and hygiene packs, bedding and blankets. Sasol aims to minimise its risks faced in light of warehouse damages and associated product losses through seeking alternative channels to market and developing buffer inventory options to better manage variabilities of supply. Even though there was limited damage to Sasol's warehousing facilities, Supply Chain is sourcing additional storage space for polymers produced in Secunda. The cost of infrastructure damages was estimated to be approximately R70 million to date. In total, the costs associated with responding to this risk therefore sums to ~R77.5 million.

Comment

None.

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Heavy precipitation (rain, hail, snow/ice)
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Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Sasol commissioned the development of a climate change adaptation study. Site-specific engagements were held to determine the extent to which the business is exposed to physical climate change risks. One of the risks identified at our most important South African sites is the increased frequency of heavy rainfall events and flooding. This can lead to discharge to the environment as a result of potential overflow from onsite storage facilities compromising neighbouring communities and municipality's infrastructure and could also result in work stoppages and potentially lead to fines and penalties. Previous events of flooding include those occurring at the Sasolburg operations. This operation experienced significant rainfall events (230mm in 3 days in February 2017, 76mm in 24 hours in December 2017 and 90mm in 24 hours in March 2018) which exceeded the 1 in 100-year flood events. In December 2020, our Secunda operation experienced late season heavy rainfall (exceeding 80mm of rain within one hour), influenced by a nearby tropical cyclone. The rainfall occurrences led to flooding activities and high volumes of contaminated storm water flowing into the Sasol site. Flooding is a particular concern for our Secunda operations, as it has been designed to not discharge liquid effluent, but rather store surplus effluents in storage dams. In winter months evaporation creates storage space for the wet summer months. However, the increasing occurrence of one-in-fifty years rainfall events and the change in rainfall season (due to climate change) is posing increasing risk to our operations. There is increased risk of overflow and resultant environmental impacts. To date, no production interruptions have occurred, but Sasol has identified this as a pending risk for our operations. These incidents were appropriately reported to the authorities and no fines or penalties were incurred.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

260000000

Potential financial impact figure – maximum (currency)

780000000

Explanation of financial impact figure

Explanation of financial impact figure Excessive rainfall occurrences without proper preparation could result in overflow of the system and result in work stoppages at the various sites. Flood impacts could result in operational stoppages. Previously experienced stoppages ranged between 24 hours and 3 days. If Sasol were to stop all operations in South Africa for one operating day, revenue losses of around R260 million per day could be experienced. Over the course of three days, up to ~R780 million could be lost in revenue earnings.

Cost of response to risk

139000000

Description of response and explanation of cost calculation

There are several potential responses to minimise the impact of this risk. One of the measures taken by Sasol was to upgrade the storm water system at Sasolburg at a cost of R39 million. Sasol also invested around R100 million in the development of a pollution control dam for onside domestic waste to control stormwater runoff and seepage. The implementation of all the above-mentioned interventions cost Sasol ~R139 million over time. Other interventions conducted in light of extreme rainfall events, implemented by Sasol, includes:

- Installation of permanent lines and pipelines from the return water dams to prevent overflows.
- Cleaning all effluent basins and dams to ensure improved buffer capacity.
- Upgrading of the storm water outlet drains.
- Raising manholes in identified areas where storm water ingress into the site was severe.
- Berms of soil were put in place to keep storm water runoff from the light industries (Sasolburg town area) out of the Bio-works and sites.
- Supporting the Municipality to upgrade the sewer network (Sasol operates the local council sewage works in both Sasolburg and Secunda on behalf of the Municipality).

We also commenced investigations into developing a risk management strategy to combat the flood risks faced by our Secunda operations. This strategy will be discussed further once more detail has been developed.

Comment

None.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

Sasol is focused on continually developing means through which to shift towards low-carbon alternatives. One such shift Sasol identified is the increasing viability of green hydrogen (H₂) as a clean energy source. We recognise H₂ as a sustainable energy carrier, through both gas-based and green H₂ production pathways. We have undertaken steps toward realising this opportunity by supporting pilot projects on H₂ potential, including those run by the Department of Science and Innovation: The H₂ fuel cell project. In 2021, we formed strategic partnerships with Linde PLC, ENERTRAG AG and HYDREGEN (called the "HyShiFT" Project) to demonstrate production of sustainable aviation fuels (SAF) in Secunda, which have sustained across the reporting year and into this calendar year. We have laid the foundation for introducing green H₂ at scale. We have initiated a feasibility study for introducing a 200 MW green H₂ project with LEN project and initiatives to drive the development of the H₂ economy. We have looked at partnering with new sectors to harness H₂ mobility solutions. Likewise, in late 2021, Boegoebaai feasibility study was announced for the Northern Cape (NC). Sasol signed a MoA with the NC Economic Development Agency at South Africa's Sustainable Infrastructure Development Symposium, to develop an H₂ project in Boegoebaai. Sasol will play a lead role in developing one of the country's flagship Green H₂ for export projects. Boegoebaai has the potential to scale to a US\$10Bn (R167.9 billion) investment bringing unprecedented economic growth and stimulating jobs in the NC Region. The governance structure for the project has been established and joint working groups are developing the different packages of the project, with an aim to finish prefeasibility by November 2022. Although green H₂ is currently economically unviable at a large-scale, Sasol continues to engage and pursue opportunities and partnerships, to remain at the forefront of this upcoming sector. Research conducted by the National Business Initiative in South Africa indicated that green H₂ could be produced for \$2.00 per kg in the 2030s, which is one of the cheaper prices globally. Sasol identified that large-scale affordable green H₂ technologies and easier access to utility-scale renewable electricity are identified as key enablers to move towards a net-zero future at several facilities. This presents significant investor and financial opportunities for Sasol in the near future.

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

85000000

Potential financial impact figure – maximum (currency)

342000000

Explanation of financial impact figure

We have recognised the potential for higher margins and accelerated growth of our products and decreased reliance on the emissions-intensive South African electricity grid (Eskom) for energy provision. Increased interest in and uptake of various renewable energy technologies will act as an enabler for Sasol's investment in green hydrogen technologies and the wide-scale roll-out of these. Sasol has also begun to invest in a proof of concept and demonstration project as greenfield and brownfield investments. As part of our ecoFT initiatives, we have partnered with Sweden's Uniper, SkyH2fuel and the South African Department of Science and Technology, Gauteng and Northern Cape provinces, to invest in the Boegoebaai green hydrogen project for South Africa. This strategic shift in the energy carrier may not be financially favourable to Sasol now but is seen critical to position the company in the low carbon economy. In the instance where our Secunda operations were to obtain all the electricity that is currently obtained from external suppliers (mostly Eskom, a coal-dominated supplier), from renewable energy sources (including green hydrogen technologies), we could decrease our energy-related costs significantly. The potential tax-related savings we could gain from shifting our reliance for energy production for Secunda from coal-dominated to renewable energy sources will result in cost savings (in relation to this year's electricity purchases for Secunda). This was calculated by multiplying this year's electricity figures for Secunda (~19.8 million GJ or ~5.5 million MWh) by the anticipated passthrough costs from Eskom. Eskom's current grid emission factor is around 1.08 tCO₂e/MWh. The current carbon tax liability (R134/tCO₂e) and the anticipated tax-free allowances for the energy sector (between 60% and 90%). Using these considerations above, and the current tax rate, the approximated passthrough carbon tax rate from Eskom could range from R13.32/kWh to R56.52/kWh. Thus, if Sasol maintains electricity demand as required in this reporting year (i.e., ~5.5 million MWh), Sasol could save between R85 million and R342 million in passthrough tax liability from Eskom per year. Once full analysis of the growth potential of the hydrogen value chain is undertaken the financial impact will be quantified.

Cost to realize opportunity

25000000000

Strategy to realize opportunity and explanation of cost calculation

The hydrogen opportunities are being evaluated and are not able to be disclosed. It is anticipated that green hydrogen energy will be utilised for Sasol to achieve its 2050 Net Zero ambition and is therefore anticipated to be implemented by then at latest. Our cumulative capital expenditure for achieving our targets is anticipated to be between ~R15 and

R25 billion up to 2030 and significantly more post 2030. The cost associated with realising this opportunity by 2030 is anticipated to be ~R25 billion.

Comment

None.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Resource efficiency

Primary climate-related opportunity driver

Use of more efficient production and distribution processes

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

There are a number of tax incentives, research and development incentives and government grants related to energy efficiency (EnEf) and climate change in South Africa. The most relevant of these is the Section 12L Tax Incentive Scheme, which is managed by the South Africa Department of Mineral Resources and Energy (DMRE). The scheme provides tax reduction incentives for businesses that can prove measurable and verifiable energy-related savings, in all energy forms. The tax relief was recently increased to R0.95 deduction on taxable income per kilowatt-hour of energy saved – subject to all the conditions in the 12L regulations being met. Energy Operations leveraged the Section 12L incentive scheme. There are currently 16 registered energy efficiency claims made in 2021 with the South African National Energy Development Institute (SANEDI) from which Sasol has generated significant savings. Sasol's Secunda Operations, through its EnEf initiatives, and implementing the principles of ISO 50001, saved approximately 9 686 GWh for the period FY14 to FY18 and ~6 048 GWh for FY19 of utility and process energy input. In addition, our Sasolburg Operations saved 15 969 GWh for the period FY14 till FY21 of utility and process energy input. Natref saved 524 GWh from FY19 till FY21, and Mining contributed a saving of 170 GWh during the same period. EnEf performance for all Operating Platforms/Regional Platforms (OPs/RPs) is reported monthly, providing insight on the consolidated performance to deliver on our long-standing commitment to improve EnEf as a key business driver from both an emissions and profitability perspective. The Group EnEf improvement from FY05 baseline till FY21 is currently 22.8% .

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

High

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

19000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Sasol receives this financial impact in the form of tax savings for our South African tax obligations. In terms of Section 12L of the South Africa Income Tax Act, the above listed claims were verified by an independent Monitoring & Verification auditor, and a tax certificate was issued by SANEDI. For FY21, the tax certificates amounted to R19 million.

Cost to realize opportunity

500000

Strategy to realize opportunity and explanation of cost calculation

Sasol is managing this opportunity through regular identification and implementation of energy efficiency projects. A selection of these projects were identified as appropriate for realising the section 12L tax incentive. Sasol has focused ongoing efforts on an energy improvement roadmap at all our operational sites, seeking to deliver sustained improvements in our energy efficiency through low capital and operating cost initiatives. The energy efficiency improvement programme is further complemented by the 'Best Practice Energy Efficiency Improvement Initiatives' guidance. Examples of methods provided include: - steam trap maintenance, - waste heat recovery, - optimisation of operating philosophies, and - Sasol 2.0 savings initiatives implemented via ARC (Actions, Results, Collaboration) program. Our energy efficiency drive is in support of our Group Energy Productivity, EP100, target for a 30% improvement by 2030. The EP100 improvement from FY10 baseline is currently 19.1%. The cost to audit and verify the energy-related savings may vary according to project's complexity. In FY21, the financial implication amounted to ~R500 000.

Comment

None.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

We produce a wide range of chemicals that enable the world to develop while creating product solutions to meet our customers' changing needs. Sasol established ecoFT, a low-carbon future arm to the business. Fischer Tropsch (FT) technology can encourage agnostic input feedstocks to a process that produces more sustainable fuels. A key and front-running opportunity is the potential to produce low-carbon sustainable aviation fuels (SAF). We have partnered with ENERTAG AG, Linde Plc, and HYDREGEN to explore this opportunity. Sasol's existing FT processes are well-suited to produce these SAF. No changes would be required to existing aircrafts for the transition to SAFs. Considering the aviation sector is a hard-to-abate emissions source, this decarbonised approach to SAF are a critical step to combatting climate change. Some additional solutions that Sasol has identified to enable greater efficiency in our key markets are: Transportation and Clean Energy - Material solutions for roads and vehicles for greater fuel efficiency without compromising safety. - Sasobit hard wax for enhanced process reliability in all asphalt mix applications under a variety of conditions. The structure and low viscosity of wax results in increased fusion time & stability time and reduced energy consumption & fusion torque during PVC processing. - Producing various components that enable the growth of the electric vehicle market. Construction - FT wax enables lower concentrations of external lubricants, reduces power consumption and the amount of PVC scrap. - High-quality alcohols can be applied to phase change heat storage devices and used in latent heat storage applications. - Varying grades of High-Density Polyethylene (HDPE) for pipe applications in building construction. Industrial Applications - High purity alumina is used as a high quality abrasive that affords greater durability and performance characteristics. - Our low foaming anionic surfactants allow less waste and greater efficiency when applied in industrial cleaners, metal working, pulp and paper and other technical applications. Medical Devices - Sasol's alumina is used in bio-ceramic implants with superior biocompatibility and excellent long-term clinical performance relative to metal implants. Packaging - Grades of polypropylene with the best balance of stiffness/density properties of any polyolefin or polyester resin available.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

1100000

Potential financial impact figure – maximum (currency)

2700000

Explanation of financial impact figure

In 2022, Sasol published a paper on Sustainable Aviation Fuels (SAF) and indicating a proposed ramp-up trajectory for SAFs in Europe. It was anticipated that by 2025, SAF will contribute to 2% of existing jet fuel markets, while by 2030, it is anticipated that SAFs will contribute up to 5%. This is anticipated to ramp up to 63% by 2050. Considering the border tax adjustments on these fuels, and the cost of carbon on existing aviation fuels could result in tax-related savings from decreased requirements for additional carbon allowances. Since allowances are anticipated to cost between €50 and €100 (~R858 – R1715) per allowance tonne by 2030, and current additional purchases of allowances are 63 106 EU ETS credits. Making use of the lower end of the range per cost of allowance (i.e., €50 per allowance), if 2% less credits were purchased (as anticipated for 2025), Sasol could save approximate R 1.1 million. While if 5% less credits were purchased (as anticipated for 2030), we could save approximately R 2.7 million. Full savings and revenue generation from SAF is not as yet available but indicates are that this could be significant in the future.

Cost to realize opportunity

120000000

Strategy to realize opportunity and explanation of cost calculation

Increasingly, our customers are seeking to collaborate on developing chemical products that help to meet their goals and societal needs; they seek more sustainable products, supply chain innovation, and ethical partners with strong corporate social responsibility practices. Customers are focused on products that improve their energy efficiency, while at the same time reduce waste and other health and environmental impacts. Sasol's paper on SAF and the transition of the FT processes away from coal and non-renewable energy sources, to rely more on biomass and unavoidable industrial carbon dioxide sources (ecoFT) details the opportunity faced by Sasol in light of climate action. If we use our most recent venture into the Boegoebaai feasibility study (a green hydrogen study) conducted in late 2021, based in the Northern Cape, it could be estimated that the cost of realising this opportunity has the potential to scale to a US\$10 billion (R167.9 billion) investment, shared amongst all investment partners (not just by Sasol). This project is one of several opportunities identified to have the potential to bring unprecedented economic growth and stimulating jobs in the Northern Cape region. Since we are still in prefeasibility full cost estimates are not available. Estimated pre-feasibility is ~R120 million.

Comment

None.

Identifier

Opp4

Where in the value chain does the opportunity occur?

Upstream

Opportunity type

Resilience

Primary climate-related opportunity driver

Resource substitutes/diversification

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Water security is considered a key risk for Sasol. It is understood that the effects of climate change in the future could exacerbate this risk further, particularly for our South African operations. Water is a critical feedstock for our business and a key resource for the communities we operate in and many of our current or planned facilities are located in areas with water quantity, quality or delivery challenges. Sasol believes there is an opportunity to assist in advancing water security for the country, beyond just the gates of its own operations. Through the process of piloting context-based water targets in the Upper Vaal Catchment, we realised that by setting such targets both the business and catchment can benefit. The pilot work concluded that Sasol should consider setting a water quantity target by reducing surface water demand. This can be done either internally or through supporting Rand Water and its municipal customers reduce water losses. The aim of the latter would be to support municipalities to achieve their targets and enable security of allocation to all users.

Time horizon

Short-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

435000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Sasol realises the benefit, for both business and communities in the Upper Vaal Catchment, of piloting context-based water targets for reducing surface water demand throughout the catchment. This can be done either internally by Sasol, or through supporting Rand Water and its municipal customers, assisting them to reduce their water losses. Our aim is to try and protect the catchment, as well as secure water for Sasol well into the future. Our approach, to assist in this regard, is by driving collective actions by all Integrated Vaal River System (IVRS) users to set context-based water targets. We have identified opportunities in this regard. Sasol has committed to investigating an internal water target in FY22. In addition, we have identified an opportunity to support Rand Water's Project 1600, to encourage other companies relying on Rand Water, to meet their licensed water targets and reduce water losses (to reduce municipal water losses). These initiatives will hopefully result in a reduction in water demand from the IVRS system by

approximately 15%. Sasol's river water demand from the IVRS for FY21 was 116 million m3. If a reduction target of 15% is set, Sasol would save money currently invested in obtaining freshwater from the IVRS. This is currently charged at an approximate cost of ~R25/m3. Thus, a 15% reduction in water demand would result in a 116 million m3 of water being saved. This would result in an overall financial saving of around R435 million for Sasol and allow us to achieve this water use reduction.

Cost to realize opportunity

52200000

Strategy to realize opportunity and explanation of cost calculation

The implementation of a water loss reduction initiative is estimated to cost ~R3/m3, aimed at helping reduce Rand Water's demand from the IVRS. Considering that Sasol's river water demand from the IVRS for FY21 was 116 million m3, a 15% reduction in water demand from Sasol alone would result in approximately 17.4 million m3 of water being saved from the IVRS. The cost to realise this opportunity would thus be around R52.2 million for Sasol to achieve this water use reduction. If each organisation and municipality within the catchment were to set and meet a similar target, there would be greater overall water security achieved within the catchment. The strategy to implement this opportunity involved showing such savings which Sasol has done at Govan Mbeki Municipality (Secunda) and Metsimaholo Municipality (Sasolburg). Sasol has presented this opportunity to business associations like the National Business Initiative (NBI) and Nepad and the Strategic Water Partners Network in order for other businesses to get involved. Rand Water supports the strategy.

Comment

None.

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a transition plan that aligns with a 1.5°C world?

Row 1

Transition plan

Yes, we have a transition plan which aligns with a 1.5°C world

Publicly available transition plan

Yes

Mechanism by which feedback is collected from shareholders on your transition plan

Our transition plan is voted on at Annual General Meetings (AGMs)

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your transition plan (optional)

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Explain why your organization does not have a transition plan that aligns with a 1.5°C world and any plans to develop one in the future

<Not Applicable>

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
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Climate-related scenario		Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios	Bespoke transition scenario	Company-wide	1.5°C	<p>In 2021, we revised our previous scenarios. Sasol developed three almost new scenarios, namely the Current Pathway; Cooperative World; and Accelerating to 1.5°C. We considered various sources including the 2020 IEA Sustainable Development Scenario (SDS) in the development of our bespoke scenarios, supplemented by other 1.5°C-type scenarios to develop our Accelerating to 1.5°C scenario. Given the uncertainty of the future of technology availability and readiness, affordability and government and personal priorities, our scenarios are regularly reviewed and updated as required.</p> <p>ACCELERATING TO 1.5°C: this scenario assumes that all countries are working to achieve the 1.5°C temperature goal, in support of the Paris Agreement, with the approximate temperature range sitting between 1.5°C and 1.7°C. It is anticipated that progress towards 1.5°C accelerates post -2030, as new technologies are implemented, and effects become visible. It is expected that there will be the maximum use of available technologies, with innovation towards developing new technology options, including carbon capture, utilisation and storage (CCUS) to assist in reducing emissions. Consumption patterns are expected to be modified by strong legislation, high penalties and significant behaviour change towards sustainability. Large investments in the new energy sector and sharing of technologies are expected, with a larger reliance on green electricity to drive the transition. This will result in fossil fuel consumption to under severe pressure and global liquids demand for transport to have peaked 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 power-to-liquids (PtL). The demand for petrochemicals will be dampened by strong recycling and circular economy options. There will be stronger technological, financial and capacity building support for transition activities and all countries will invest extensively in mitigation efforts, resulting in fewer adaptation requirements.</p>

Climate-related scenario		Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios	Bespoke transition scenario	Company-wide	1.6°C – 2°C	COOPERATIVE WORLD: Under this scenario it is expected that there will be more global climate action cooperation than today; however, it will not be universal. There will be a faster green transition that is driven by policy, legislation and more behavioural change. It is projected that the approximate temperature range will be between 1.7°C and 2°C, resulting in the world slightly missing the 1.5°C temperature goal. Due to the higher mitigation efforts though, physical impacts are projected to be less severe. Rapid technology advances and the transfer of technology is expected in developing regions, which should result in cost decreases. Under this scenario, global coal consumption is expected to come under higher pressure and global liquids demand for transport are projected to peak in ~2025, driven by increased penetration of new technology vehicles where affordability will be spurred by technology sharing and subsidies. Fossil jet fuel demand is expected to be flatter due to changing behaviour, increases in consumption efficiency and penetration of sustainable aviation fuel (SAF), which is a drop-in sustainable alternative to fossil jet fuel, requiring no change to existing aircrafts or supporting infrastructure. The demand for petrochemicals is expected to be tempered by increased recycling and somewhat offset by lightweighting of materials (i.e., replacing heavier components with light weighted plastic materials). The scenario expects an increased reliance on electricity networks to provide the main source of energy, with a higher contribution of solar, wind and new technologies. Finally, an increased technological, financial and capacity building support for transition activities is projected.
Transition scenarios	Bespoke transition scenario	Company-wide	3.1°C - 4°C	CURRENT PATHWAY: under this scenario, the approximate temperature range is projected to be between 2.5°C and 3.2°C, resulting in the world overshooting the 1.5°C temperature goal. Economic challenges are expected to be disproportionately distributed across the globe. In more prosperous regions (e.g., Europe, USA and China), climate actions are expected to gain more momentum than in economically challenged countries. Under this scenario, new technologies assist the energy transition but there are stark regional differences. For example, it is expected that in Europe, China and the United States electric vehicle penetration will reduce global gasoline demand. In other areas however, progress is anticipated to be hampered by affordability and infrastructure roll-out. Global transport fuel demand is expected to peak in the mid-2030s, and new aviation fuels start to influence the industry later in the period. The global demand for petrochemicals is expected to increase due to rising population and the growing middle class. Finally, financing and funding opportunities are available for transition activities under this scenario.

Climate-related scenario		Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Physical climate scenarios	RCP 4.5	Company-wide	<Not Applicable>	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 time-frame for Future Sasol's strategy. The downscaled modelling results have also been incorporated into our scenarios. Under the Accelerating to 1.5°C scenario, it is expected that weather-related impacts on Sasol's people, communities and assets are lower and there will be fewer production losses and lower costs for adaptation measures. Under the Cooperative World scenario, Sasol's people, communities and assets are expected to be exposed to some physical impacts of climate change and would have to invest in more adaptation measures. Under the Current Pathway scenario, our investment costs in adaptation are anticipated to be higher to build resilience of our people, communities and assets.
Physical climate scenarios	RCP 8.5	Company-wide	<Not Applicable>	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 time-frame for Future Sasol's strategy. The downscaled modelling results have also been incorporated into our scenarios. Under the Accelerating to 1.5°C scenario, it is expected that weather-related impacts on Sasol's people, communities and assets are lower and there will be fewer production losses and lower costs for adaptation measures. Under the Cooperative World scenario, Sasol's people, communities and assets are expected to be exposed to some physical impacts of climate change and would have to invest in more adaptation measures. Under the Current Pathway scenario, our investment costs in adaptation are anticipated to be higher to build resilience of our people, communities and assets.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

Annually, Sasol aims to develop a bottom-up view of the global energy landscape through detailed scenario analyses. Sasol tests the organization's resilience across the following key lenses: market demand; consumer preferences; stakeholder acceptance; affordability and ability to mitigate; feedstock acceptability; executability of the strategy; and just transition implications. Sasol aims to provide insight into the robustness of each business division and the overall portfolio. Given the vulnerabilities of the Energy Business to shifts in micro- and macro-trends, we aimed for our scenarios to provide views on the local context and how various sectors could be impacted and what new sectors could emerge. This was important for our Fischer-Tropsch sustainable solutions business and the development of the green hydrogen economy. The aim of Sasol's physical risk modelling was to better understand the physical impacts of climate change on our operations, through the use of two RCP climate scenarios.

Results of the climate-related scenario analysis with respect to the focal questions

Feedstock acceptability: Fossil fuel feedstock acceptability is limited under the Accelerating to 1.5°C scenario. Sasol is reducing coal feedstock used over time, contributing to a lower emissions profile. We are focusing on a flexible strategy that incorporates incremental gas usage, with an ability to pivot to green hydrogen, when affordable. **Market demands:** The local market demand for liquid fuels, while slowly declining under Accelerating to 1.5°C scenario when compared to the Current Pathway, is still relevant to 2030. Sasol is a partner of choice for mobility and commercial customers to preserve returns. Over time, we will expand opportunities to grow local green hydrogen and participate in the global economy. **Executability of the strategy:** The analysis highlighted areas that we will monitor to reduce vulnerabilities in our strategy. This includes the pace of developing and implemented technology, access to new technologies and an enabling environment; the uncertainty of carbon tax designs; multiple sustainability obligations and associated costs or investments required; and macro-economic drivers. **Energy Business:** Coal is not a growth area in our scenarios. In the Accelerating to 1.5°C scenario, gas and coal remains challenged and its continued use within the value chain continues to garner negative sentiments. Under the Current Pathway and the Cooperative World, gas is expected to create growth opportunities and balance the flexibility to renewables. The Accelerating to 1.5°C scenario considers renewable energy with energy storage most favourable. In South Africa, gasoline and diesel market demand remain robust in the Current Pathway and the Cooperative World, but in the Accelerating to 1.5°C scenario, these products face challenges. **Chemicals:** 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 (e.g., products that increase efficiency, reduce waste and conserve resources) are complementary to these considerations. Demand for chemical products grows in all scenarios. **Sasol ecoFT:** SAF shows

good growth potential to assist with decarbonisation in the aviation industry. Sasol ecoFT relies on legislated blending mandates to assist the adoption of new products. This business would enjoy the benefits of utilising greener feedstocks and significantly lower emissions. The new industry sector has the potential to contribute to SA's future economic growth and employment base. Physical impacts on operations: Under the Acceleration to 1.5°C, the physical impacts of a changing climate on production loss, infrastructure damage and supply chain interruptions are fewer when compared to the Current Pathway. Our resilience under an Accelerating to 1.5°C scenario is higher resulting in less sustenance capital expenditure. Our CCR provides further details.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	<p>RATIONALE: Sasol is aware of the changing market affecting our products. In the international market, changing consumer preference is directing us to more sustainably advantaged products for a low carbon economy. Sasol has received an increasing number of requests to quantify and explain sustainability advantages that can be attributed to the current product portfolio. TIMELINES: Our three-pillar emission reduction framework is in phases from 2020 to 2030 and thereafter to 2050 in decarbonising our products and services range. STRATEGIC IMPACT: Using our three-pillar framework, we are broadening our focus on business opportunities for South Africa's transition to a low carbon economy such as renewable energy, hydrogen and gas. Sustainability Portfolio Assessment (SPA) was performed to gain a deeper and more robust understanding of how the current portfolio ranks compared to alternative products that are available to the market. The World Business Council for Sustainable Development (WBCSD) has a specific guiding framework on how to perform a SPA within the chemical industry. The framework merges different approaches to the topic developed by various companies, combined with industry best practices. The results are intended to be used internally, enabling management to reach strategic decisions while obtaining a transparent and quantifiable evaluation of the sustainability performance of our product portfolio, developed using a recognised and independent methodology. It is also envisioned to support ideation and innovation processes by providing strengths, weaknesses, opportunities and threats (SWOT) overview for relevant product application and region combinations. The results may also be used for external reporting in order to respond to enquiries. Our target is to cover our entire portfolio. Through this analysis, we can identify opportunities and risks in the assessed divisions and therefore support the market development of products.</p> <p>EXAMPLE: Thus far, the anticipated change in product markets have resulted in us discontinuing all oil growth activities in West Africa, based on the risks faced in light of climate change, and resizing our portfolio to focus on transition gas - as a complementary feedstock to renewable energy.</p>

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Supply chain and/or value chain	Yes	<p>RATIONALE: There is a greater focus by customers and investors on understanding the risks and opportunities of the value chain with our core business operations. Sasol aims to minimise our contribution to climate change and greenhouse gas (GHG) emissions through addressing both our direct and indirect GHG emissions. With this Sasol is increasingly focused on pursuing more sustainable value chains, to reduce our scope 3 emissions with supplier and customer engagement. TIMELINE: We annually update and increase the accuracy of our scope 3 reporting. We have set a scope 3 Category 11 target to reduce by 20% by 2030 combustion emissions related to our sold Energy products. STRATEGIC IMPACT: We set a scope 3 target for Category 11 for our most material scope 3 emissions relating to the energy value chain. We are also aiming for net zero emissions for the same category by 2050. We also continue divesting from certain assets and are undertaking engagements with value chain partners on climate change matters. We are implementing proof of concept projects to produce SAF and chemicals which over time will diversify our product offering. Through our supply chain function, we conduct supplier due diligence reviews, audits and responsible sourcing to drive improved focus on safety, health, environment and sustainability performance. Amongst other objectives, this informs our work to better understand the embedded GHG emissions of the feedstocks, inputs and services we buy as part of our products' life cycles. EXAMPLE: With the uncertainty around the changes in the South African carbon tax mechanisms and potential pass through costs associated with supplier carbon tax implications, our engagement with suppliers and more accurate estimations of our scope 3 emissions become increasingly critical for predicting financial implications from the value chain. This is anticipated to have a substantive impact in the years to come.</p>
Investment in R&D	Yes	<p>RATIONALE: Sasol is acutely aware of the ever-changing market and transitional risks faced by our operations. This is becoming increasingly apparent as customers and technology developments shift towards more low-carbon alternatives. With this, Sasol has prioritised research and development investments, investigating new technologies through partnerships and collaboration, and demonstration projects, like proof of concept on hydrogen and Carbon Capture Storage and Utilisation (CCUS) to remain at the forefront of developing markets and customer behaviour changes. TIMELINE: The hydrogen-related timeframes are market dependent, but we have made progress thus far by developing partnerships with relevant industry players and considering potential green financing initiatives. In addition, Sasol's other R&D commitment, partnerships with Air Liquide, Haldor Topse and Climate Technologies, Care-o-sene (a research project with German research organisations and government, with funding to develop a G4 catalyst to maximise SAF yield by more than 70%), to name a few, aims to reduce GHG emissions by 30% by 2030 and achieve net zero by 2050. STRATEGIC IMPACT: Presently, we are focused on upcoming hydrogen technologies and the benefits thereof, enabling the gas economy in South Africa, and CCUS. While green hydrogen is currently prohibitively expensive, we continue to pursue demonstration opportunities and partnerships, to enable and harness technology developments and breakthroughs. We promote sustainable fuels use through these projects to pave the way for the transition to sustainable energy sources, like green hydrogen. We are members of the CCS Centre in South Africa where a demonstration project is being planned. In June 2020, Sasol partnered with Air Liquide – a leading industrial gas and technology service provider – through the sale of our ASU's. We collaborate to reduce GHG emissions at our Secunda site and advance the hydrogen economy in South Africa. EXAMPLE: Sasol is currently in the process of exploring investment opportunities in green hydrogen technologies. We have earmarked this technology to enable net zero fuels and chemicals by 2050. We are in the process of supporting demonstration projects showcasing the potential for hydrogen in collaboration with the DSI's hydrogen fuel cell project, IDC, Linde, HYDREGEN, and ENERTRAG in South Africa.</p>

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Operations	Yes	<p>RATIONALE: Sasol faces several risks and opportunities in the face of climate change. Thus, Sasol's purpose is innovating for a better world, in support of the Paris Agreement. TIMELINE: In 2021, we released our Future Sasol strategy, updated 30% reduction target by 2030 and set a net zero emissions ambition by 2050 for our Energy and Chemicals businesses. In addition, we released our associated roadmaps that details our decarbonisation and transformation journey. STRATEGIC IMPACT: Our strategic reset, Future Sasol, sets out the transformative measures we are taking with climate change action at the core of our approach. We have made portfolio choices that enable GHG emission reduction and ensure a sustainable future. Our strategy is now focused on continuing to stabilise the business and achieve Future Sasol, which amongst others is aimed at reducing our GHG emissions for our Energy and Chemicals businesses. Our 30% reduction target and associated roadmap to 2030 as well as our net zero ambition off a 2017 baseline, indicates our commitment to transforming our operations in support of the Paris Agreement. Our net zero 2050 ambition was developed to enable increased resilience and mitigate potential negative financial impacts on future earnings from climate change issues for our operations. In South Africa, the focus is on large-scale renewable energy integration, transition gas as a complementary feedstock and green hydrogen in the long term. 1200 MW of renewable energy is being targeted by 2030 for the Sasol Energy and 100% renewable electricity by 2026 for Sasol Chemicals. Additional gas as a transition and complementary feedstock for efficient energy production in South Africa, as well as cleaner and more efficient conversion processes using green hydrogen to produce sustainable fuels and chemicals is a key enabler for reducing emissions. EXAMPLE: Sasol has implemented several process and energy efficiency initiatives to mitigate our scope 1 and 2 emissions since 2005 and since 2017 we have achieved a 1% reduction in scope 1 and 2 emissions against our 30% reduction target, by 2030 In total by 2030 we aim to achieve a 19 Mt reduction in scope 1 and 2 emissions.</p>

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs Capital expenditures Capital allocation	<p>Sasol released an updated business strategy in June 2020, and Future Sasol strategy in 2021. Internal and external factors prompted this review, including scenario testing per the TCFD recommendations. The scenario analyses revealed limitations regarding our resilience to future climate-related risks, both physical and transitional. Our strategy focuses on stabilising the business and resetting towards Future Sasol. COVID-19 and the low oil price in the reporting year necessitated swift, decisive action for the short-term, while charting a path for long-term sustainability including mitigation, adaptation and value creation. Following the strategy updates, our business objectives were adapted. Our Chemicals business is focused</p>

	Financial planning elements that have been influenced	Description of influence
	Acquisitions and divestments Assets Liabilities	<p>on market leading positions using low carbon feedstocks. We had decided to discontinue all oil growth activities in West Africa and resized our portfolio to focus on transition gas. With our three-pillar emission reduction framework, we are broadening our focus towards South Africa's low-carbon transition and opportunities thereof. This impacts our capital allocations, potential divestments and acquisitions. Our capital allocation framework was adapted (published in Sept 2021) to address our changing business priorities including our capital allocation approach (CAA). We aim to maximise value through a balanced CAA supported by clearly defined financial targets. Applying our CAA to the capital generated by the competitive Sasol 2.0 portfolio will allow us to deliver on our ambitious climate change goals while stepping-up shareholder returns. Protecting our licence to operate, decarbonising, ensuring integrity & reliability of our existing assets, deleveraging the balance sheet and restoring dividends takes priority. Our next priority will be to evaluate where most value for our shareholders will be derived (e.g. through new value pools). These principles are underpinned by the ongoing managing and optimisation of future capital risk through clear investment guidelines, partnering to grow value and reduce investment risk, portfolio optimisation and selecting best-in-class financing options. Climate change has a variety of potential and current impacts on our business, strategy and financial planning. Example: Energy efficiency projects, implemented to combat climate change and reduce costs from carbon taxes, have resulted in reduced operating cost for our operations. Our CAA is already impacted by the shift towards low carbon businesses. Changes in consumer behaviour, pressure from capital markets including societal pressure, together with increasing environmental awareness, may impact Sasol's market access and product competitiveness. Changing demand for our products due to climate change could affect the valuation of our assets and liabilities. In addition, Sasol is liable for a carbon tax in South Africa, payable annually. Sasol's direct carbon tax liability is estimated to be ~R800 mil - R1.3 billion for Phase 1 of the tax. Sasol continues to invest in R&D of low-emission products. We recognise potential for higher margins and accelerated products growth leading to sustainable improvements for our customer. Examples of these products include Sasol's Fischer-Tropsch (FT) wax and high-quality alcohols. Conversely, customer demand for fossil-fuel based products like coal-derived diesel and petrol may decline. Long-term coal assets may be most significantly impacted and could result in stranded assets. In such a scenario, stranded assets will be written off our balance sheet, resulting in financial liabilities. This has not yet impacted Sasol, but we remain aware of these potential impacts. We have decided to decline our coal mining activities, discontinue all oil growth activities in West Africa and are reshaping our portfolio to focus on two distinct business units, i.e., Chemicals and Energy. Our Chemicals business focuses on activities using our differentiated capabilities and strong market position and is aiming to reduce emissions 30% by 2030 and net zero emissions by 2050. Our Energy business focuses on reducing GHG emissions aligned with the Paris Agreement, by reducing scope 1 and 2 emissions by 30% by 2030 and achieving net zero by 2050. We seek to meet South Africa's growing energy needs with reliable, affordable and low carbon energy; and intend to achieve further transformational changes through collaboration, technology, innovation and climate change policy advocacy. We have a competitive advantage in that we own and operate FT facilities that can produce sustainable aviation fuels. We can also produce green ammonia and hydrogen with the aim to bring green hydrogen to the market by 2023. Sasol aims to improve the existing asset base's performance with higher productivity, increased efficiency and leveraging existing and emerging technologies to reduce emissions. Our 30% by 2030 emissions reduction target and our emission reduction roadmap for our South African operations, and our Future Sasol strategy contributes to our achievement thereof. We launched Future Sasol - our Just Transition to achieve a net-zero GHG emissions ambition by 2050 - and our associated emission reduction roadmaps to be effective under a range of scenarios to adequately respond to uncertainty. We also relinquished oil and gas exploration rights in Mozambique. Beyond scenario processes, we assess the value and viability of our assets, annually. These assessments are done using the Group's long-term price forecasts and macro-economic variables, including carbon prices. Currently, we use a long-term real carbon price for our South African assets ranging from R19 – R170 per tCO₂e until 2030. Regional carbon prices (based on pre-</p>

	Financial planning elements that have been influenced	Description of influence
		<p>vailing carbon price regimes) are used to test viability of large new projects. Sasol focuses on efficient value chains with competitive feedstock positions. We have increased overall energy efficiency by 22.8% since 2005 for Group operations which resulted in emissions reductions. These improvements are largely due to stable and efficient plant operations, delivered from energy saving projects. The impact is reflected as a tax saving. Tax certificates amounted R19 million for FY21. We also target renewable energy of 1 200 MW by 2030 which will result in operating cost savings. Sasol is also reviewing all assets and how climate change risks might affect them. Assets not aligned to the strategy are identified for divestment. Climate change could impact our access to capital, restrict growth or increase our borrowing costs and reduce profitability. To date this has not occurred, however we continue to evaluate this landscape to ensure appropriate management through the development of an effective climate change management approach.</p>

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's transition to a 1.5°C world?

Yes

C3.5a

(C3.5a) Quantify the percentage share of your spending/revenue that is aligned with your organization's transition to a 1.5°C world.

Financial Metric

CAPEX

Percentage share of selected financial metric aligned with a 1.5°C world in the reporting year (%)

Percentage share of selected financial metric planned to align with a 1.5°C world in 2025 (%)

Percentage share of selected financial metric planned to align with a 1.5°C world in 2030 (%)

15

Describe the methodology used to identify spending/revenue that is aligned with a 1.5°C world

In 2021, Sasol amended our capital allocation priorities in line with our decarbonisation approach and emissions-reduction roadmaps. We have prioritized transform capital to deliver our GHG reduction targets and this 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, emissions-reduction requirements and carbon tax. Our green hydrogen aspirations, which are directly tied to our own decarbonisation, will be pursued more aggressively nearing 2030. It is anticipated that by 2030, between 10% and 15% of our cumulative capital expenditure will be dedicated to align with a 1.5°C world. In addition, our first order capital will be allocated to decarbonising our existing business to deliver on our GHG reduction targets and protecting returns; selecting 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 pay-out level, subject to leverage and debt-level thresholds. To achieve our 30% GHG reduction target, transform capital to FY30 is likely amount to between ~R15bn and R25bn. If we add in Gas feedstock capital costs, the aggregate spend is ~R25bn -R30bn (equating to 10% – 15% by 2030). We believe we can sequence this capital spending over time and remain within the Sasol 2.0 R20-25bn per annum capital target for Maintain + Transform capital. The Transform capital estimate is based on our current plan with known technologies to reduce emissions, however, the plan is still under development and so of course there may well be changes over time. Our second order capital will be allocated to expansionary growth and potential sustainable businesses; and additional shareholder returns. 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.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2019

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

<Not Applicable>

Base year

2017

Base year Scope 1 emissions covered by target (metric tons CO2e)

59075600

Base year Scope 2 emissions covered by target (metric tons CO2e)

7397000

Base year Scope 3 emissions covered by target (metric tons CO2e)

<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

66472600

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

96.6

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

99.6

Target year

2030

Targeted reduction from base year (%)

30

**Total emissions in target year covered by target in all selected Scopes (metric tons CO2e)
[auto-calculated]**

46530820

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

56085620

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

6819000

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

62904620

% of target achieved relative to base year [auto-calculated]

17.8919835641553

Target status in reporting year

Underway

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Target ambition

<Not Applicable>

Please explain target coverage and identify any exclusions

This target covers all Energy and Chemical Business aspects (excluding our Natref - National Petroleum Refiners of South Africa - operations). This target is aligned with our company ambition to reduce our GHG emissions. We understand our target to be a science-based target based on the ambition of the target to achieve a well-below 2-degree target by 2030 and is ultimately 1.5 degree-aligned to achieve net zero by 2050. The SBTi does not currently have an oil and gas and chemical methodologies and has stopped validating oil and gas company targets pending methodology review. Despite this, we still consider our target to be a science-based target.

Plan for achieving target, and progress made to the end of the reporting year

We have a detailed plan to reduce our GHG emissions by ~25% through presently available technologies. Additional reductions are anticipated to come from developing technologies for the remaining 5% and if possible, exceed the target. This ambition is based amongst others, on the reduction of our South African operations GHG emissions, a drive towards increased utilisation of renewables, energy efficiency, additional gas, green hydrogen and process efficiencies.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

Target reference number

Abs 2

Year target was set

2016

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

<Not Applicable>

Scope 3 category(ies)

Category 11: Use of sold products

Base year

2019

Base year Scope 1 emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 2 emissions covered by target (metric tons CO2e)

<Not Applicable>

Base year Scope 3 emissions covered by target (metric tons CO2e)

35618580

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)

35618580

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1

<Not Applicable>

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2

<Not Applicable>

Base year Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)

81.4

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes

81.4

Target year

2030

Targeted reduction from base year (%)

20

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]

28494864

Scope 1 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 2 emissions in reporting year covered by target (metric tons CO2e)

<Not Applicable>

Scope 3 emissions in reporting year covered by target (metric tons CO2e)

30831235

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)

30831235

% of target achieved relative to base year [auto-calculated]

67.2029176907109

Target status in reporting year

Underway

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Target ambition

<Not Applicable>

Please explain target coverage and identify any exclusions

Sasol's Energy Business has set a 20% absolute reduction target for scope 3 emissions (more specifically Category 11: Use of sold products) for 2030 from a 2019 baseline, which constitutes ~80% of our total scope 3 emissions. We understand our target to be a science-based target. The SBTi does not currently have an oil and gas and chemical methodologies and has stopped validating oil and gas company targets pending methodology review. Despite this, we still consider our target to be a science-based target.

Plan for achieving target, and progress made to the end of the reporting year

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. We have aligned our target with the requirements set out in the SBTi methodologies. This target is best met through active stakeholder engagement activities and investments in alternative fuel sources.

List the emissions reduction initiatives which contributed most to achieving this target

<Not Applicable>

C4.2**(C4.2) Did you have any other climate-related targets that were active in the reporting year?**

Net-zero target(s)

Other climate-related target(s)

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number

Oth 1

Year target was set

2015

Target coverage

Company-wide

Target type: absolute or intensity

Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency	GJ
----------------------------------	----

Target denominator (intensity targets only)

metric ton of product

Base year

2005

Figure or percentage in base year

7.4

Target year

2030

Figure or percentage in target year

5.18

Figure or percentage in reporting year

3.87

% of target achieved relative to base year [auto-calculated]

159.009009009009

Target status in reporting year

Underway

Is this target part of an emissions target?

Yes. This target was set with the intention of reducing our Scope 2 related emissions. The reduction of our scope 2 emissions will ultimately assist the achievement of our Abs1 Scope 1&2 emissions reduction target.

Is this target part of an overarching initiative?

Other, please specify (Part of our decarbonisation drive and net zero ambition)

Please explain target coverage and identify any exclusions

This target considers all business operations' energy consumption and the associated production rates. This target is applicable across the company.

Plan for achieving target, and progress made to the end of the reporting year

This ambition is based on the drive towards increased use of renewables and investments made in new green hydrogen technology alternatives. Our engagement with stakeholders is the key contributing action towards our scope 3 decarbonisation. We engage closely with our customers and suppliers to understand the market needs and the efforts being taken by our value chain stakeholders to decarbonise their own emissions.

List the actions which contributed most to achieving this target

<Not Applicable>

C4.2c**(C4.2c) Provide details of your net-zero target(s).****Target reference number**

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs1

Abs2

Target year for achieving net zero

2050

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain target coverage and identify any exclusions

Sasol has committed to reduce scope 1, 2 and 3: Category 11 emissions to net zero for our Energy and International Chemicals Businesses, by 2050. This target includes the entire wholly owned Energy Business of Sasol, as well as the Energy Business scope 3 emissions from Category 11 (use of sold products), which represents >80% of the Group's scope 3 emissions. This target also includes the International and South African Chemicals Business). We are currently in the process of finalising the baseline calculations for the scope 3: Category 12 for the Chemicals Business, for inclusion in the target, however this has not yet been considered in this reporting year. The SBTi does not currently have an oil and gas and chemical methodologies and has stopped validating oil and gas company targets pending methodology review. Despite this, we still consider our target to be a science-based target.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?

Yes

Planned milestones and/or near-term investments for neutralization at target year

In order for Sasol to achieve Net Zero by 2050, we have increased our ambition on our 2030 scope 1 and 2 reduction target to 30% from the previous target which aimed for at least 10% from a 2017 baseline. This updated target represents approximately triple the ambition levels of the originally proposed target, which would result in emissions reductions of approximately 19 MtCO₂e in nine years from 2017's emissions of 63,9 MtCO₂e. Sasol has developed optionality with multiple pathways to achieve net zero by 2050, dependent on technology maturity into the future. In a best case scenario where no fossil fuels are used, we could have zero scope 1 and 2 emissions, or on a worst case scenario there will be residual emissions of ~30% which will need to be neutralised by carbon dioxide removals. In the near-term, we have developed several milestones to meet our targets including conducting detailed process modelling, replacing certain inefficient feedstock with alternative options, and increasing the variety of products offered within the confines of our existing assets and facilities. In the future, several other actions have been set out to achieve our ambition, including: - Replacing coal with gas in our move towards a fossil fuel free pathway - Introducing more renewable energy sources - Green hydrogen technology implementation - Using more feasible carbon feedstocks - Downscaling coal exports and replacing with sustainable fuel exports - Introducing carbon capture and storage, utilisation and storage - Using offsets as a last resort. We aim to apply these actions in a strict mitigation hierarchy format, to only use offsets as a last resort in the event that our fossil fuel free vision does not materialise.

Planned actions to mitigate emissions beyond your value chain (optional)

We have set a scope 3 emissions reduction target on our Category 11 (use of sold products) emissions. We engage with relevant value chain partners to ensure that this target is considered as feasible and can be met by 2030 and beyond.

C-OG4.2d

(C-OG4.2d) Indicate which targets reported in C4.1a/b incorporate methane emissions, or if you do not have a methane-specific emissions reduction target for your oil and gas activities, please explain why not and forecast how your methane emissions will change over the next five years.

EXPLANATION: Sasol's methane emissions are included as part of our scope 1 and 2 absolute reduction target of 30% by 2030 (reference number: Abs1) as well as for our Scope 3 emissions reduction target (reference number: Abs2). Methane is incorporated into the targets as CO₂e, so there is no explicit methane reduction component to the target. In the case of our 2030 targets to reduce emissions by 30% and 20% against the 2017 and 2019 baselines respectively.

METHANE COMPONENT: In this reporting year, methane emissions comprised 4.45% of our total scope 1 and 2 emissions. Sasol is not a traditional oil and gas company and runs integrated facilities using our proprietary Fischer Tropsch process. Our methane emissions

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	0	0
To be implemented*	10	523800
Implementation commenced*	0	0
Implemented*	5	644000
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type	
Energy efficiency in production processes	Waste heat recovery

Estimated annual CO2e savings (metric tonnes CO2e)

93440

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

40000000

Investment required (unit currency – as specified in C0.4)

Payback period

Please select

Estimated lifetime of the initiative

11-15 years

Comment

The annual monetary savings of this initiative is roughly estimated as >R40 million. The investment required cannot be reduced to a single value, since the feasibility and R&T (re-search and technology) needed was substantial. Therefore, a payback period cannot be determined.

Initiative category & Initiative type

Energy efficiency in production processes	Process optimization
---	----------------------

Estimated annual CO2e savings (metric tonnes CO2e)

19830

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

80000000

Investment required (unit currency – as specified in C0.4)

Payback period

Please select

Estimated lifetime of the initiative

11-15 years

Comment

The annual monetary savings of this initiative is roughly estimated as >R80 million. The investment required cannot be reduced to a single value, since the feasibility and R&T (re-search and technology) needed was substantial. Therefore, a payback period cannot be determined.

Initiative category & Initiative type

Energy efficiency in production processes	Process optimization
---	----------------------

Estimated annual CO2e savings (metric tonnes CO2e)

495000

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

3000000000

Investment required (unit currency – as specified in C0.4)

Payback period

Please select

Estimated lifetime of the initiative

6-10 years

Comment

The annual monetary savings of this initiative is roughly estimated as >R300 million. The investment required cannot be reduced to a single value, since the feasibility and R&T (re-search and technology) needed was substantial. Therefore, a payback period cannot be determined.

Initiative category & Initiative type

Energy efficiency in production processes	Motors and drives
---	-------------------

Estimated annual CO2e savings (metric tonnes CO2e)

1760

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (market-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1000000

Investment required (unit currency – as specified in C0.4)

Payback period

Please select

Estimated lifetime of the initiative

6-10 years

Comment

The annual monetary savings of this initiative is roughly estimated as >R1 million. The investment required cannot be reduced to a single value, since the feasibility and R&T (re-search and technology) needed was substantial. Therefore, a payback period cannot be determined.

Initiative category & Initiative type

Energy efficiency in production processes	Machine/equipment replacement
---	-------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

34320

Scope(s) or Scope 3 category(ies) where emissions savings occur

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

1000000

Investment required (unit currency – as specified in C0.4)**Payback period**

Please select

Estimated lifetime of the initiative

6-10 years

Comment

The annual monetary savings of this initiative is roughly estimated as >R1 million. The investment required cannot be reduced to a single value, since the feasibility and R&T (research and technology) needed was substantial. Therefore, a payback period cannot be determined.

C4.3c**(C4.3c) What methods do you use to drive investment in emissions reduction activities?**

Method	Comment
Dedicated budget for low-carbon product R&D	Sasol continues to advance investigations on implementing solutions to reduce the emissions of its current operations, for example, through energy efficiency projects, as well as to focus on lower-carbon business opportunities. Sasol's three pillar emission reduction framework directs our R&T towards technologies that show promise in reducing our emissions into the medium and long term. Sasol undertakes R&D on specific products, including commissioning Life Cycle Assessment work. We have spent US\$50.8 million (~R781 million) which reflects our estimated product development spend on lower-carbon and more sustainable alternatives. The capital allocation for our emission reduction roadmap is ~R25 billion by 2030.
Compliance with regulatory requirements/standards	Compliance to existing legislation in Sasol's operations, including the EU-ETS in Germany and Italy, are an absolute requirement. In addition, the implementation of the carbon tax and draft Climate Change Bill, including carbon budgets could start driving additional investment in emission reduction activities in South Africa over time.
Dedicated budget for other emissions reduction activities	In 2021, Sasol published its ambition towards Net Zero by 2050 in its Climate Change Report 2021. This ambition is strategized in a roadmap format which will evolve from our 2030 GHG reduction roadmap developed. The roadmap details our journey and capital expenditure for the next ten years. These investments in emissions reduction activities have all been stipulated in these emission reduction roadmaps set out and capital allocation framework. STI and LTI targets are tied to achieving our milestones and targets and hence our emission reduction initiatives.

Method	Comment
Internal incentives/recognition programs	The Board's Safety, Social and Ethics Committee approves environmental targets and standards, which form part of the Group's indicators of performance. Meeting these targets is a driver for investment in reduction activities. KPIs are aligned with achieving Sasol's climate change mitigation targets. In 2021, Sasol incorporated our latest GHG reduction target into our executive remuneration scheme, with a higher weighting.
Partnering with governments on technology development	Sasol is pursuing various collaboration opportunities, including the most recent engagements with the Gauteng and Northern Cape provinces in South Africa, the South African Presidency and Uniper of the Swedish government on the Boegoebaai Hydrogen Project (situated in the Northern Cape). In supporting projects such as these, we promote the use of sustainable fuels to pave the path for both Sasol and the country's transition to sustainable energy sources, like green hydrogen. We also partnered with Air Liquide, Linde, IDC, HYDREGEN and Enertrag for hydrogen growth and emission reduction.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Other	Other, please specify (Fuel switching to lower carbon fuels)
-------	--

Description of product(s) or service(s)

Sasol supplies a number of customers with natural gas (NG) and a similar energy product, methane-rich gas (MRG) as an energy source in Southern Africa. As Sasol increased its intake of NG, it is able to increase its supply of both NG and MRG to the market. This enables customers to carry out a fuel switch from coal to gas thereby reducing their direct emissions. NG is considered a bridging solution in the transition to a low carbon economy. Total MRG supplied to customers in financial year 2021 amounted to 22.58 Petajoules. Total NG sales in financial year in South Africa and Mozambique amounted to 57.86 Petajoules. Emissions are avoided so long as the customer consumes the alternative fuel source, the period of which is negotiated between the gas supplier, Sasol Gas, and the customer. Comparing the emissions factors for combustion of different fuels, the

total direct emissions avoided by customers who purchased and used these fuels in FY2021 is 3.4 million tons CO₂.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO₂e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

8.22

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Power	Other, please specify (Reduced power consumption due to FT waxes)
-------	---

Description of product(s) or service(s)

Fischer Tropsch (FT) waxes used for asphalt modification result in lower energy consumption (reduced asphalt production temperature), reduced emissions and enhanced pavement performance and durability. Our Sasobit hard wax enables enhanced process reliability for all asphalt mix applications under a variety of conditions. Asphalt mixes can be produced and placed at reduced temperatures when using Sasobit, protecting resources and saving costs. The linear structure and low viscosity of Fischer-Tropsch hard wax results in increased fusion time, reduced fusion torque, increased stability time and reduced energy consumption during PVC processing. In the moulding of PVC (polyvinyl chloride) pipes, FT wax enables reduced power consumption due to its linear structure and low viscosity. Additional benefits include lower concentrations of external lubricants

and reduced amount of PVC scrap. Relative to paraffin wax, less FT wax is required per unit of fibreboard, reducing volatile organic compound emissions.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Chemicals and plastics	Other, please specify (Reduced GHG emissions and energy requirements across product lifecycle)
------------------------	---

Description of product(s) or service(s)

Sasol creates polymer plastic-packaging solutions for various markets such as food, beverage, and medical, which offer value with minimum resources and lightweight designs. These solutions reduce weight, greenhouse gas emissions and energy requirements across the product life cycle compared to paper/cardboard, glass or metal packaging. We prioritise products that can be recycled or reused at the end-of-life phase. Sasol produces grades of polypropylene with an advantageous balance of stiffness / density properties of any polyolefin or polyester resin available. These grades support safe use, reduce transportation costs, increase recycling rates and can substitute polyethylene terephthalate (PET) grades in thermoformed cup applications, resulting in lower cup weight. We recognise the growing environmental burden of post-consumer plastic packaging waste. Plastic litter in the environment and our oceans is unacceptable, and our initiatives glob-

ally will aim to address this challenge. This includes direct and partnership initiatives supporting plastics education, improving household waste management, bolstering recycling and contributing to marine litter collection. Partner initiatives will take place mainly through the global Alliance to End Plastic Waste and in South Africa, through the South African Alliance to End Plastic Waste.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Chemicals and plastics	Other, please specify (Reduced GHG emissions production)
------------------------	---

Description of product(s) or service(s)

Inorganics, such as Ultra high purity aluminas (UHPA), are used in a wide range of technically demanding applications namely, catalysts, bioceramics, high performance abrasives, coatings and polymer additives. Sasol's alumina is used in bio-ceramic implants with superior biocompatibility and excellent long-term clinical performance relative to metal implants. These bio-ceramics do not release metal ions or cause undesirable allergic reactions, thereby increasing the lifetime of the implant. Relative to metal/polyethylene implants Sasol's alumina-derived bio-ceramics display low wear and excellent biocompatibility. Sasol supplies alumina for use as separators and carbon to customers for the conversion to graphite anodes in the lithium-ion battery industry for

high performance batteries. Sasol produces high-purity, highly dispersible boehmite powders and sols/dispersions. These materials can be used as high-quality abrasives which replaces conventional sand-based abrasives, enabling the user to utilize less abrasive material relative to conventional abrasives, resulting in a GHG abatement.

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

Level of aggregation

Group of products or services

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Chemicals and plastics	Other, please specify (Reduced GHG emissions and energy requirement)
------------------------	---

Description of product(s) or service(s)

In our organic chemical suite of products, the properties of our low foaming anionic surfactants allow less waste and greater efficiency when applied in industrial cleaners, metal working, pulp, paper and a variety of other technical applications. Our portfolio of chemicals for oilfield applications maximise the dispersion of materials into aqueous solutions and reduces the amount of energy required per unit of extracted oil. The lower aromatics content of our solvents reduces the risk of contamination in oil field applications and enables greater biodegradability. Sasol supplies linear alcohols that enables flow of fluids through pipes and tubing at lower temperatures. Relative to conventional analogues, our lubricants allow coolant sump life extension, low foaming, high tolerance against water hardness and adequate lubricity, thereby reducing waste and energy con-

sumption. The branching in Sasol's isofol alcohols enables improved hydrolytic stability and lower pour point than linear counterparts, allowing for

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

No

Methodology used to calculate avoided emissions

<Not Applicable>

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

<Not Applicable>

Functional unit used

<Not Applicable>

Reference product/service or baseline scenario used

<Not Applicable>

Life cycle stage(s) covered for the reference product/service or baseline scenario

<Not Applicable>

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

<Not Applicable>

Explain your calculation of avoided emissions, including any assumptions

<Not Applicable>

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

C-OG4.6

(C-OG4.6) Describe your organization's efforts to reduce methane emissions from your activities.

Sasol does not undertake traditional oil and gas activities and therefore methane emissions are not considered to be the most material emission source in our operations. In 2021 methane emissions comprised 3.98% of our total scope 1 and 2 emissions (tons CO2e). 94.3% of these methane emissions are attributed to operational process emissions from our Sasolburg chemical operation (Base and Performance Chemicals Business) and our Secunda Synfuels Operation (Energy Business).

DESCRIPTION: The Secunda Synfuel Operations operates the world's only commercial coal-based synthetic fuels manufacturing facility, producing synthesis gas (syngas) through coal gasification and natural gas reforming. The remaining 5.7 % of our methane emissions are attributed to our coal mining operations which provide the primary feedstock for our

synthetic fuel production process. For this reason, the extensive fugitive methane emission sources and methane emissions from natural gas venting processes typically associated with traditional oil and gas businesses are not as pertinent for Sasol.

EXAMPLE/CASE STUDY: Methane reduction projects are incorporated into our core management processes and emission reduction initiatives. Methane emissions also form part of our 2030 GHG reduction target and 2050 Net Zero emission reduction initiative.

In addition, Sasol has adopted a phased approach to measure, monitor and manage its methane emissions associated with its Mozambique operations. This approach includes:

- Establishing a baseline of current methane emissions for production and non-production areas;
- Continuing with implementation of current initiatives that include a flange management system, LDAR (Leak detection and Repair), proactive new facility engineering, and well service flaring with the aim of minimizing methane emissions and creating a safer working environment;
- Developing an approach to measure and verify actual emissions utilizing associated technologies and equipment;
- Utilising The Oil & Gas Methane Partnership (OGMP) Implementation guidelines, Sasol strategic directives and industry best practices; and
- Executing emission management initiatives and conducting benchmarking.

Moreover, reduction projects in our upstream businesses are incorporated in our core emission reduction management processes and mitigation initiatives. Methane emissions also form part of our carbon budget and 2030 emission reduction target.

C-OG4.7

(C-OG4.7) Does your organization conduct leak detection and repair (LDAR) or use other methods to find and fix fugitive methane emissions from oil and gas production activities?

Yes

C-OG4.7a

(C-OG4.7a) Describe the protocol through which methane leak detection and repair or other leak detection methods, are conducted for oil and gas production activities, including predominant frequency of inspections, estimates of assets covered, and methodologies employed.

DESCRIPTION: According to the South African National Environmental Management: Air Quality Act of 2004, a leak detection and repair program (LDAR) is required for the storage tanks of petroleum products, tanks used in tar processing activities and tanks used in the organic chemical industry. The primary aim of Sasol's LDAR program is to control fugitive emissions released from process equipment by identifying and repairing leaks. These emissions are mainly composed of volatile organic compounds (VOCs) released into the atmosphere due to a gradual loss of tightness of process equipment designed to contain an enclosed fluid. This is commonly referred to as an equipment leak, releasing process streams into the environment. Sasol's LDAR program is also conducted in terms of US EPA method 21 for determination of volatile organic compound leaks. The monitoring of process equipment is performed using predetermined inspection routes. We use both a hand-held sniffer instrument and an infrared camera to detect leaks.

EXAMPLE/CASE STUDY: Our operations have undertaken a comprehensive tagging programme where all applicable flanges and valves have been identified and registered that include a unique ID for each equipment and its location within the plant. This register forms the base for a schedule of monitoring that is done by a service provider. The frequency of this monitoring is at least once per shutdown cycle. On completion of the survey, the service provider then provides the company with a list of equipment that require maintenance to prevent unwanted release. The timelines for remedying the situation is captured in an internal standard operating procedure.

In addition, our upstream Mozambique operations continue and has extensively expanded its LDAR (Leak detection and Repair) program aimed at reducing fugitive methane emissions from its gas production and transmission activities.

C-OG4.8

(C-OG4.8) If flaring is relevant to your oil and gas production activities, describe your organization's efforts to reduce flaring, including any flaring reduction targets.

RELEVANCE: Flares are relevant to our operations and business activities. Sasol considers flaring to be important safety devices used in our refineries and petrochemical facilities. Flares are used to safely burn excess hydrocarbon gases which cannot be recovered or recycled. Various operational improvement initiatives are ongoing within the organisation in order to continue to reduce flaring. Flaring is part of our process as a result of:

- Start-up and shut down of units
- Over-pressure relief as safety precaution and pressure imbalances in the gas factory units

- Off-specification of gas products

Sasol continues to improve on its ability to monitor, analyse and report on unplanned flaring events. Our data is independently audited on annual basis and learnings aimed at reducing unplanned flaring events, form part of our operating philosophy.

REDUCTION: Our focus is to minimise flaring through various actions and projects that have been put in place. Various operational improvement initiatives are ongoing within the organisation in order to continually reduce flaring. The most important action is to maintain reliable processes and equipment to prevent flaring due to equipment fouling or failure.

TARGETS: Sasol has implemented a polypropylene expansion project as part of mitigation interventions included in our South African mandatory submission of Pollution Prevention Plan (PPP) for 2016 to 2020. The project aims to reduce flaring of polypropylene by de-bottlenecking the plant to take in excess feed, thereby reducing the requirement to flare. The project contributes approximately 20,000 tCO₂e/annum to our overall reduction target and has been listed above under details of initiatives implemented, specifically energy efficiency in production processes, process optimisation.

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?

No

C5.1a

(C5.1a) Has your organization undergone any structural changes in the reporting year, or are any previous structural changes being accounted for in this disclosure of emissions data?

Row 1

Has there been a structural change?

No

Name of organization(s) acquired, divested from, or merged with

<Not Applicable>

Details of structural change(s), including completion dates

<Not Applicable>

C5.1b**(C5.1b) Has your emissions accounting methodology, boundary, and/or reporting year definition changed in the reporting year?**

	Change(s) in methodology, boundary, and/or reporting year definition?	Details of methodology, boundary, and/or reporting year definition change(s)
Row 1	Yes, a change in methodology	From last reporting year to now, a change has been made to Sasol's direct emissions specifically from Secunda operations. More specifically, the boiler's coal related emissions were updated based on the percentage ash content within the coal that was supplied.

C5.1c**(C5.1c) Have your organization's base year emissions been recalculated as result of the changes or errors reported in C5.1a and C5.1b?**

	Base year recalculation	Base year emissions recalculation policy, including significance threshold
Row 1	No, because the impact does not meet our significance threshold	The change in methodology occurring in this reporting year did not affect the base year calculations. The change made was isolated to updating last year's figures based on the ash content and was not applicable to previous or this reporting year. These changes were also not considered material, with a variance of less than 10%.

C5.2**(C5.2) Provide your base year and base year emissions.****Scope 1****Base year start**

July 1 2016

Base year end

June 30 2017

Base year emissions (metric tons CO2e)

59075600

Comment

None.

Scope 2 (location-based)

Base year start

July 1 2016

Base year end

June 30 2017

Base year emissions (metric tons CO2e)

7397000

Comment

None.

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 1: Purchased goods and services

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 2: Capital goods

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 5: Waste generated in operations

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 6: Business travel

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 7: Employee commuting

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 8: Upstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 11: Use of sold products

Base year start

July 1 2018

Base year end

June 30 2019

Base year emissions (metric tons CO2e)

35618580

Comment

The Energy Business of Sasol aims for a 20% reduction off the 2019 baseline for Category 11. We have also begun developing a Category 12 baseline and will be assessing the need for target once work is concluded.

Scope 3 category 12: End of life treatment of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment**Scope 3 category 15: Investments****Base year start****Base year end****Base year emissions (metric tons CO2e)****Comment****Scope 3: Other (upstream)****Base year start****Base year end****Base year emissions (metric tons CO2e)****Comment****Scope 3: Other (downstream)****Base year start****Base year end****Base year emissions (metric tons CO2e)****Comment****C5.3**

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

Defra Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance, 2019

IEA CO2 Emissions from Fuel Combustion

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

US EPA Emissions & Generation Resource Integrated Database (eGRID)

C6. Emissions data**C6.1**

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?**Reporting year****Gross global Scope 1 emissions (metric tons CO2e)**

60013220

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

This was calculated using global warming potential factors of 23 and 296 for methane and nitrous oxide accordingly. From last reporting year to now, a change has been made to Sasol's direct emissions specifically from Secunda operations. More specifically, the boiler's coal related emissions were updated based on the percentage ash content within the coal that was supplied.

C6.2**(C6.2) Describe your organization's approach to reporting Scope 2 emissions.****Row 1****Scope 2, location-based**

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We have no operations where we are able to access electricity supplier emission factors or residual emissions factors and are unable to report a Scope 2, market-based figure

Comment

None.

C6.3**(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?****Reporting year****Scope 2, location-based**

7088000

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

Sasol recently became aware of Air Liquid's reporting of electricity consumption for Train 17. Thus, the associated emissions were being double accounted. Therefore, Sasol will no longer report on these emissions and will make corrections to the figure going back to January 2018.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services**Evaluation status**

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

5432140

Emissions calculation methodology

Supplier-specific method

Average product method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

2

Please explain

(i) Activity data Volumes of the goods and services purchased in the reporting year were obtained from Sasol internal business data management systems. (ii) Emissions factors: Cradle-to-gate emissions factors were obtained from commercially and publicly available data sources such as GaBi, DEFRA as well as from Sasol's own LCI database, based mainly on primary data. (iii) GWP values: were taken from IPCC, AR5, 2013, and refer to a time horizon of 100 years. (iv) Methodology & assumptions: We analysed the GHG emis-

sions of our procured raw materials and precursor manufacturing at Sasol's suppliers' facilities by calculating the cradle-to-gate emissions, including all direct GHG emissions from raw material extraction, precursor manufacturing and transport, as well as indirect emissions from energy use. To do so, we determined the quantity of each product purchased using Sasol data management systems, and then applied emission factors of the purchased products (by weight or volume). If country-specific emission factors were available, a weighted product carbon footprint was calculated to reflect the percentage of the regional distribution of the purchased material. We multiplied the CO₂e emissions per kilogram of each product by the respective quantity of the product purchased to determine cradle-to-gate emissions. (v) Value-chain engagement: To most accurately assess these emissions, we set out an engagement program with suppliers. These discussions combined with a broader understanding of our global supply chain purchases led to accurate assessment of the cradle-to-gate GHG emissions of our purchased aluminium powder. (vi) Improvements: Improved supplier engagements resulted in more accurate emissions assessments of upstream GHG emissions and lower feedstock requirements led to decreased associated emissions. (vii) Areas under investigation for future inclusion: In future, GHG emissions from technical goods and services can be assessed by monetary purchasing volumes in the reporting year multiplied by the amount of spending by the GHG conversion factors in standardised guidelines such as DEFRA. Our purchased goods and services GHG emissions have increased with the use of feedstocks by our new North American operations, partially offset by the decline in quantities of purchased feedstocks from our South African operations.

Capital goods

Evaluation status

Relevant, not yet calculated

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This category includes all upstream (i.e., cradle-to-gate) emissions from the production of capital goods purchased or acquired by the reporting company in the reporting year. These emissions can be attributed to turn-key projects, machinery and fabricated equipment. Although this category is not yet actively reported, effort was undertaken in this reporting cycle to identify a relevant reporting mechanism for inclusion of these emissions in forthcoming years. Sasol's procurement has begun to include emissions sourcing for capital equipment. The investigated methodology includes (i) Activity data: Monetary purchasing volumes of capital goods purchased in the reporting year would be obtained from Sasol internal business data management systems. (ii) Emissions factors: Supply chain emission factors for spending on capital goods can be obtained from Guidelines to DEFRA/DECC's GHG Conversion Factors for Company Reporting, Annex 13 (Indirect emissions from supply chain). (iii) GWP values: GWP values referring to the time horizon of

100 years would be taken from IPCC, AR5, 2013. (iv) Methodology & assumptions: The GHG emissions that are associated with Sasol's capital goods purchased in future reporting years can be estimated based on the following approach: All segments of Sasol's global procurement related to the sourcing of capital equipment such as turn-key projects, machinery and fabricated equipment would be analysed based on the monetary purchasing volume in the reporting year. Each sub-segment can be assigned a corresponding SIC code because the DEFRA conversion factors for greenhouse gas emissions are based on the standard classification system. The amount of spending obtained in this manner can then be multiplied by the respective GHG conversion factor and subsequently summed to afford the total GHG emissions from capital goods.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

240993

Emissions calculation methodology

Supplier-specific method

Fuel-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

(i) Activity data: The quantities of fuel and energy purchased in the reporting year were obtained from Sasol internal business data management systems. (ii) Emissions factors: The cradle-to-gate emissions 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. (iii) GWP values: GWP values referring to the time horizon of 100 years were taken from IPCC, AR5, 2013. (iv) Methodology & assumptions: The GHG emissions from the extraction, production and transportation of fossil fuels used for power and steam generation in our own (power) generating facilities were determined by multiplying the amount of purchased fuels by cradle-to-gate CO2e emission factors. (v) Value-chain engagement: In an effort to more accurately assess the cradle-to-gate GHG emissions of a number of our purchased feedstocks such as natural gas, we set out an engagement program with suppliers. Although these discussions were informative, they did not provide enough clarity to justify changing emission factors associated with these feedstocks. (vi) Accounting methodology improvements: Emissions decreased due to reduced fuel and energy consumption, and DEFRA emission factors were also updated. (vii) Areas under active investigation for future inclusion: We continue to seek more up to date data relating to the upstream GHG emissions intensity of our coal purchases and in particular electricity consumption per unit of coal at each mining facility. This would provide a more granular-level view and most likely more accurate representation of upstream coal emissions intensity. In this reporting cycle addition of natural gas transmission and distribution losses at our Eurasian operations resulted in greater fuel-energy related GHG emissions in FY21 relative to FY20.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

478974

Emissions calculation methodology

Supplier-specific method

Fuel-based method

Distance-based method

Other, please specify (Transport-specific)

Percentage of emissions calculated using data obtained from suppliers or value chain partners

65

Please explain

(i) Activity data: Quantities and types of goods procured in the reporting year were obtained from Sasol internal business data management systems. (ii) Emission factors: Emission factors were sourced from databases including DEFRA, Sphera's GaBi tool and other publicly available sources, including the European Chemical Industry Council's commissioned report "Measuring and managing CO2 emissions in European chemical transport" by Prof. Alan McKinnon. Where factors were available for the geographical region in question, these were used in preference to global average figures. (iii) GWP values: taken from IPCC, AR5, 2013, and refer to the time horizon of 100 years. (iv) Methodology & assumptions: GHG emissions associated with transportation of raw materials were calculated by multiplying the quantities of products procured by a transportation distance and by an emissions factor for the mode of transport. Modes of transport considered include road (0%), rail (100%), pipeline (0%) and marine shipping (100%). Road transport - activity data relates to estimated ton-km for sold products. Rail transport - activity data relates to estimated ton-km for sold products. Marine transport - activity data relates to estimated ton-km for imported products (bulk liquids) and TEU-km (containers). In the case of containers, the 2018 BSR | Clean Cargo report "Global Container Shipping Trade Lane Emissions Factors" was used to source applicable emission factors. Pipeline transport - activity data relates to estimated ton-km for sold products moving through third party-owned pipelines. (v) Value-chain engagement: Rail emissions accounting with corridor specific emissions factors for our South African operations were utilized following engagement with rail operators. (vi) Improvements: In-bound marine emissions associated with import of crude oil were amended causing increases. Rail emission factors were further refined from further direct engagement with rail operators. (vii) Investigation for future inclusion: In this reporting cycle truck emissions from coal mining activities were identified as a potential material source of emissions. In this reporting year, in-bound marine emissions from imported of crude oil to our South African operations resulted in greater upstream transportation and distribution related GHG emissions in FY21.

Waste generated in operations**Evaluation status**

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

70159

Emissions calculation methodology

Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

51

Please explain

(i) Activity data: hazardous and non-hazardous waste quantities generated during production at all sites are obtained from Sasol's in-house reporting database. (ii) Emissions factors: obtained from the GaBi database and DEFRA. DEFRA default factors were used. GWPs used by DEFRA are based on the IPCC Fourth Assessment Report (AR4) (for CH₄ = 25 & N₂O = 298) to remain consistent with UK GHG Inventory reporting under the Kyoto Protocol. Sasol's direct emissions are based on the IPCC Third Assessment Report (TAR) GWPs based on guidance around national inventory reporting. GWP values: GWP values referring to the time horizon of 100 years were taken from IPCC, AR5, 2013. (iv) Methodology & assumptions: The methodology to estimate the emissions associated with waste generated in operations focused on multiplying the mass of non-hazardous waste going to a landfill by an applicable average emission factor for waste treated/disposed in a landfill. The related emissions factors for non-hazardous waste types such as paper, plastic, food waste, metals, electronics, clay bricks, fly ash etc are readily available from various literature sources. For hazardous waste types, emissions factors were not readily available from literature, so primary data i.e. company specific data was used. The carbon balance method was used, where it was assumed that all carbon contained in the waste is converted to CO₂ during landfilling. (v) Value-chain engagement: A third party waste register or list detailing waste stream volumes and their respective methods of disposal or treatment (for hazardous waste streams). (vi) Improvements: In this reporting cycle reporting scope and methodology was enhanced to include hazardous waste in addition to previously reported non-hazardous waste. The value excludes emissions from the transportation of the waste (vii) Investigation for future inclusion: Additional potential sources of waste emissions identified but not yet reported include Nitro dam sludge, (which could contribute CH₄ and N₂O) and refrigerants from air conditioners sold at auction. In addition, emissions generated due to the transportation of the waste to the treatment facilities could be added in the future. Waste related GHG emissions increased in this reporting cycle because the methodology was expanded to consider hazardous waste in addition to non-hazardous waste.

Business travel**Evaluation status**

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

600

Emissions calculation methodology

Distance-based method

Other, please specify (Transport specific)

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

(i) Activity data: Miles and kilometers (km) per means of transportation travelled by Sasol employees was collected by external partners (e.g., travel agencies). (ii) Emissions factors: derived from two sources: the US EPA and the UK's DEFRA factors. The distance flown is multiplied by an emission factor specific to whether the flight is short, medium or long haul. (iii) GWP values: taken from IPCC, AR5, 2013, and refers to the time horizon of 100 years. (iv) Methodology & assumptions: The GHG emissions associated with the transportation of all Sasol employees for business-related activities were calculated as follows: a) business travel by air: Miles, collected through external partners like travel agencies. Convert to CO₂e using conversion factors for average passenger in short, medium and long-haul flights. Emissions were then calculated using Greenstone's Enterprise Environmental Software Version 21.02. Assessment methodology applied follows the reporting principles/guidelines provided by the Greenhouse Gas Protocol. (b) business travel by car: collected by external partners (i.e. car rental companies) provided a summary of km driven and GHG emissions. Converted into GHG emissions using average car travel emission factor. Road travel calculations apply emissions factors according to fuel type and vehicle engine size to distance driven. (v) Value-chain engagement: Cleaner Climate was commissioned by Sasol to calculate the travel related CO₂e emissions for business travel. Business travel accounted for included that booked through Rennies BCD Travel, as well as Avis Europcar. (vi) Improvements: None. (vii) Investigation for future inclusion: The Radiative Forcing Index (RFI) – which reflects the effect of the release of emissions at altitude – has not been accounted for given that there is currently no consensus on the exact multiplication figure that should be applied. Business travel GHG emissions decreased in this reporting cycle because of fewer business trips due to Covid-19 and greater use of technology, such as video conferencing, in response to adverse business conditions. We have also voluntarily offset these emissions through the purchase and retirement of credits from VCS project 935: Saving The Planet, One Stew At A Time (<https://registry.terra.org/app/projectDetail/VCS/935>).

Employee commuting**Evaluation status**

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

32584

Emissions calculation methodology

Average data method

Distance-based method

Other, please specify (Transport specific)

Percentage of emissions calculated using data obtained from suppliers or value chain partners**Please explain**

(i) Activity data: Number of employees per region (by operating site) as well as distance and mode of transportation (car, pick-up truck, motorcycle, rail, van, bus) delineated by employee type (salaried/non-salaried) and adjusted for work-at-home arrangements (data provided by Sasol HR). (ii) Emissions factors: The CO₂e emissions factors used for car, motorbike, and public transportation were taken from EPA's Emission Factors for

Greenhouse Gas Inventories (2020) for North America and Europe and EPA's Emission Factors for Greenhouse Gas Inventories (2017) for South Africa. (iii) GWP values: GWP values referring to the time horizon of 100 years were taken from IPCC, AR5, 2013. (iv) Methodology & assumptions: GHG emissions were calculated by multiplying the travelled distance (245 days per year, back and forth) with the respective CO₂e emissions factor accounting for the different means of transportation. For all regions it was assumed that all employees travel 20 miles one-way. The distribution of travel mode (car, pick-up, motorbike, van, train, bus) was estimated for each region based on relevant literature. In South Africa different commuting pattern assumptions were made for salaried and non-salaried employees. The corresponding emissions were calculated by multiplying the distance with the number of employees, number of working days and an average emission factor for cars per km. Adjustments were made for months where employees were impacted by COVID. In this regard, data was provided by Sasol HR relating to percentage of employees working from home during this period. (v) Value-chain engagement: None (vi) Improvements: In this reporting cycle employee commuting from all Sasol sites and regions were considered. The model was modified to consider different modes of transport with different emission factors for different regions (to reflect the relative maturity of each vehicle fleet) (vii) Investigation for future inclusion: CO₂e emissions from employee commuting in different regions could be further validated by using the results of a representative poll conducted among Sasol employees. Employees could be asked about the distance travelled between their homes and workplaces and their means of transportation. Employee commuting GHG emissions increased because the methodology was expanded to consider employees in all global Sasol sites.

Upstream leased assets

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO₂e)

4785

Emissions calculation methodology

Asset-specific method
Lessor-specific method
Site-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

(i) Activity data: Leased office and storage space: Data for the reporting year was obtained from Sasol internal business data management systems. (ii) Emissions factors: Region-specific CO₂ emissions factors per MWh were obtained from IEA, 2019. CO₂e emissions factors per MWh of heat from natural gas and light fuel oil were obtained from GaBi database. (iii) GWP values: GWP values referring to the time horizon of 100 years were taken from IPCC, AR5, 2013. (iv) Methodology & assumptions: The GHG emissions from leased offices and storage space were assessed based on leased space and the annual energy consumption per square meter of office and storage space, respectively. (v) Value-chain engagement: None (vi) Accounting methodology improvements: This is a

newly reported category for this reporting cycle and currently only includes lease data relating to leased buildings. (vii) Areas under active investigation for future inclusion: GHG emissions from leased assets could be further improved by also considering 1) The GHG emissions from leased equipment such as hardware (i.e. computers or printers). In principle, this would be assessed based on the monetary purchasing volume in the reporting year and the corresponding GHG conversion factors. Emission factors for leased equipment would likely be taken from the 2012 Guidelines to DEFRA/DECC's GHG Conversion Factors for Company Reporting, Annex 13 (Indirect emissions from supply chain). 2) Leased cars: GHG emissions from cars leased by Sasol could be calculated by multiplying the vehicle miles travelled, which would be derived from the respective leasing contracts, by the relevant CO₂ emissions factors. Upstream leased asset GHG reporting is a new reporting category for this reporting cycle.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

253280

Emissions calculation methodology

Distance-based method

Other, please specify (Transport specific)

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

(i) Activity data: Quantities and types of products sold in the reporting year as well as their means of transportation were obtained from Sasol internal business data management systems. (ii) Emissions factors: The CO₂ emissions factors used for marine transport are specific factors calculated for Sasol's outbound transport activities and were taken from the McKinnon Report "Measuring and Managing CO₂ Emissions from the Transport of Chemicals in Europe". (iii) GWP values: GWP values referring to the time horizon of 100 years were taken from IPCC, AR5, 2013. (iv) Methodology & assumptions: For the calculation of the GHG emissions associated with the marine transport of Sasol products sold in the reporting year, the respective shipments from Sasol sites to Sasol customers were evaluated. The transport distances between each Sasol site and global destination port was calculated using supply chain calculation tools. The GHG emissions associated with the transport of Sasol's sold products were calculated by multiplying product quantity by the relevant transport distance and by the respective CO₂ emissions factor. (v) Value-chain engagement: Quantities and types of products sold in the reporting year as well as their means of transportation were obtained from Sasol engagement with its customers. (vi) Accounting methodology improvements: This is a recently reported category and currently only includes marine out-bound exports of coal from South Africa. (vii) Areas under active investigation for future inclusion: In this reporting cycle we identified potentially additional GHG emissions in this category associated with additional transport modes (for example outbound pipeline transport) and additional regions other than South Africa. Downstream transport and distribution GHG emissions is a new report-

ing category for this reporting cycle. Significant increase related to more products being transported this year.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Sasol does not calculate and report GHG emissions from processing of sold products, as these emissions were identified as not being relevant to Sasol. This is the result of a thorough analysis and balancing of the different relevance criteria for Scope 3 emissions sources and the five accounting and reporting principles of the GHG Protocol standards by WRI and WBCSD. Sasol produces a large variety of energy products and intermediate chemical goods. For the significant majority of Sasol's energy-related products, no further processing is required and this Scope 3 reporting category is not applicable. The products are ready for final use as fuels (e.g. natural gas; diesel; gasoline; coal). For Sasol's chemical products the application diversity cannot be tracked reasonably, and reliable figures on a yearly basis are virtually impossible to obtain. These circumstances strongly compromise the reporting principles of completeness, consistency and accuracy (and feasibility), thereby not serving our business goal of reducing GHG emissions along the value chain. In addition, the WBCSD Chemical Sector Standard "Guidance for Accounting & Reporting Corporate GHG Emissions in the Chemical Sector Value Chain" emphasizes that "chemical companies are not required to report Scope 3, category 10 emissions, since reliable figures are difficult to obtain, due to the diverse application and customer structure". However, Sasol focuses efforts towards engaging with our customers to understand target-setting for these emissions and collaborative initiatives for improvements.

Use of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

30831235

Emissions calculation methodology

Fuel-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

0

Please explain

(i) Activity data: Quantities and types of products sold in the reporting year were obtained from Sasol internal business data management systems. (ii) Emissions factors: Emission factors for products with variable quality (e.g. export coal) were calculated from analysis, whereas those with more fixed quality (e.g. diesel, petrol) were sourced from databases including DEFRA, Sphera's GaBi tool and other publicly available sources. For crude oil sold from our upstream Exploration & Petroleum International division, emissions associated with use of fuels have been calculated using a DEFRA emission factor. A very small portion of refinery-related products is used in non-energy applications (e.g. bitumen; lubricants) and emissions associated with the use of these products have not been quantified. (iii) GWP values: GWPs were taken from the 5th Assessment Report, IPCC, 2013. (iv) Methodology & assumptions: For calculation of the GHG emissions associated with the use of Sasol products we only considered the direct use phase emissions of sold products over the expected lifetime, i.e. the GHGs and products that contain or form GHGs that are emitted during the combustion of Sasol's energy products. GHG emissions from dry ice and CO₂ liquid sold to the beverage industry were considered based on the sold quantity. GHG emissions were calculated by multiplying quantities of energy products by the corresponding emission factor. (v) Value-chain engagement: None. (vi) Accounting methodology improvements: In this reporting cycle emission factors for a number of energy products were revised. (vii) Areas under active investigation for future inclusion: Emission factors for energy products will be continually reviewed and revised accordingly. Use of sold products GHG emissions decreased in this reporting cycle because of lower global sales of Sasol's energy products. Use of sold products GHG emissions increased in this reporting cycle because of increased coal sales.

End of life treatment of sold products**Evaluation status**

Relevant, not yet calculated

Emissions in reporting year (metric tons CO₂e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

This category includes GHG emissions originating from waste disposal and treatment of sold products. This category involves the total expected end-of life treatment from all products sold by Sasol (WRI & WBCSD, 2013). Because Sasol provides chemicals to more than 7300 chemical customers in over 120 countries, the large customer and product base results in a challenge to accurately estimate the GHG emissions associated with this category. Despite this, although this category is not yet actively reported, effort was taken in this reporting cycle to identify a relevant reporting mechanism for inclusion of these emissions in forthcoming years. A baseline is currently under development. The investigated methodology includes (i) Activity data: The total mass of sold products and packaging from the point of sale. This information would be obtained from Sasol internal

business data management systems. (ii) Emissions factors: Estimations on the waste treatment methods assumed for the end-of-life of a specific product (incineration, landfill or recycling). This information is difficult to gather when selling a broad range of products in different countries. Assumptions are required on the end-of-life-treatment of products by consumers. Emission factors to be used can be average waste-treatment specific-emission factors based on the waste treatment type. (iii) GWP values: GWP values referring to the time horizon of 100 years would be taken from IPCC, AR5, 2013. (iv) Methodology & assumptions: The GHG emissions that are associated with the end of life of Sasol products could be determined in future reporting based on the following approach: GHG emissions from the disposal of all Sasol products (except products that are already disposed of during their use phase and accounted for in the respective category) manufactured in the reporting year could be calculated presuming that all relevant Sasol products at the end of their lives are either disposed of by landfilling or incineration, or recycled. The amount of GHG emissions would be calculated for each region and end-of-life method. Recycling could be assigned zero emissions in line with the cut-off approach of life cycle assessment. The emissions from landfilling and incineration could be calculated based on a carbon balance approach. The impacts of disposal of all of Sasol products continue to be actively investigated.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Sasol no longer calculates and reports GHG emissions from downstream leased assets as they were identified in this reporting cycle as not being relevant to this reporting category. This is the result of a thorough analysis which resulted in GHG emissions which in previous years would have been attributed to this category being assigned to category 15 (Investments).

Franchises

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

141412

Emissions calculation methodology

Supplier-specific method

Fuel-based method

Site-specific method

Franchise-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

(i) Activity data: Franchise data (number and area) was obtained from Sasol internal business data management systems. (ii) Emissions factors: An energy use factor of 250 kWh/m² was used (SANS 204 Building Energy Efficiency). The South African grid emission factor was applied to obtain annual GHG emissions, (iii) GWP values: GWP values referring to the time horizon of 100 years were taken from IPCC, AR5, 2013. (iv)

Methodology & assumptions: The GHG emissions from franchises were assessed based on total area and the annual energy consumption per square meter of the total number of franchises. (v) Value-chain engagement: Monthly franchise data was obtained from Sasol Franchise regional development network (vi) Accounting methodology improvements: A lower grid emission factor was used this reporting cycle resulting in decreased emissions. This new approach included direct Franchise engagement to provide monthly electricity consumption data (vii) Areas under active investigation for future inclusion: None Franchise related GHG emissions increased in this reporting cycle because the methodology was expanded to consider a more granular perspective of emissions within this category.

Investments

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO₂e)

984816

Emissions calculation methodology

Investment-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

(i) Activity data: Scope 1 and Scope 2 emissions of Sasol's equity-accounted joint ventures and associated companies were obtained from the respective companies upon inquiry. (ii) Emissions factors: not applicable (iii) GWP values: GWP values referring to the time horizon of 100 years were taken from IPCC, AR5, 2013. (iv) Methodology & assumptions: GHG emissions from equity-accounted joint ventures and equity-accounted associated companies are not included in Sasol's Scope 1 or Scope 2 emissions. However, the GHG emissions from these companies are evaluated on a regular basis by inquiring these data from the respective companies, but only from non-consolidated companies of which Sasol holds a minimum interest of 10%. (v) Value-chain engagement: Scope 1 and Scope 2 emissions of Sasol's equity-accounted joint ventures and associated companies were obtained from the respective companies upon inquiry. (v) Accounting methodology improvements: Increased emissions due to inclusion of Louisiana Integrated Polyethylene joint venture. (vi) Areas under active investigation for future inclusion: A number of di-

vestments are underway within the Sasol Group that will modify the number of Sasol's equity-accounted joint ventures and corresponding GHG emissions within this category in forthcoming reporting cycles. Investments GHG emissions was newly reported in last years' reporting cycle.

Other (upstream)

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

None

Other (downstream)

Evaluation status

Not evaluated

Emissions in reporting year (metric tons CO2e)

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

None

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Yes

C6.7a

(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO₂.

	CO ₂ emissions from biogenic carbon (metric tons CO ₂)	Comment
Row 1	520715	These emissions are associated with Eruca Rapeseed, Palm Kernel Oil and Methyl Ester for our international operations.

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO₂e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.000332336

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)

67102000

Metric denominator

unit total revenue

Metric denominator: Unit total

201901000000

Scope 2 figure used

Location-based

% change from previous year

3.93

Direction of change

Decreased

Reason for change

Our emissions associated with direct and energy activities increased from 65.8 MtCO₂e FY 2020 to 67.1 MtCO₂e in FY2021 (2% increase). In addition, the revenue earned in FY2020 (R190 billion) was 6% lower than that earned in FY2021 (R201 billion) The sharp increase in revenue in comparison to the slight increase in emissions led to a decrease in the emissions intensity calculated in this reporting year.

C-OG6.12

(C-OG6.12) Provide the intensity figures for Scope 1 emissions (metric tons CO₂e) per unit of hydrocarbon category.

Unit of hydrocarbon category (denominator)

Thousand barrels of crude oil/ condensate

Metric tons CO2e from hydrocarbon category per unit specified

2091

% change from previous year

5

Direction of change

Decreased

Reason for change

The decrease in crude oil/condensate production scope 1 emission intensity is predominantly attributed to the increase in crude oil/condensate that was processed by 6% while the emissions associated with this increased by only 1%. The improved efficiency of this process contributed to the decreased intensity figure. In addition, the figures reported in this reporting year were adapted in accordance with the boundary changes associated with Sasol's operations. The crude oil/condensate data reported for FY2021 was therefore restated as 27 100 barrels whilst that in this reporting year was 28 700 barrels (SR page 57).

Comment

None

Unit of hydrocarbon category (denominator)

Million cubic feet of natural gas

Metric tons CO2e from hydrocarbon category per unit specified

424

% change from previous year

43

Direction of change

Decreased

Reason for change

The decrease in natural gas scope 1 emission intensity is predominantly attributed to the increase in natural gas production by 77%. The improved efficiency of this process contributed to the decreased intensity figure. In addition, the figures reported in this reporting year were adapted in accordance with the boundary changes associated with Sasol's operations. The natural gas reported for FY2021 was therefore restated as 80 100 million cubic meters whilst that in this reporting year was 141 400 million cubic meters (SR page 57).

Comment

None.

Unit of hydrocarbon category (denominator)

Thousand barrels of refinery net production

Metric tons CO2e from hydrocarbon category per unit specified

32100

% change from previous year

2

Direction of change

Decreased

Reason for change

The increase in refinery liquid fuels (Synfuels liquid) production from 31.2 million barrels (FY20) to 32.1 million barrels in FY2021 and the decrease in scope 1 emissions predominantly attributed to the 2% decrease in results in the intensity figure, from our oil and gas (Energy business) activities. This slight increase in production can be attributed to the reduced impact of the COVID-19 pandemic on our operations from FY2020 to FY2021. Previously, in FY2020, suspension of production as a result of the decrease in fuel demand in South Africa due to the COVID-19 lockdown led to lower production than that which occurred in FY2021.

Comment

None.

C-OG6.13

(C-OG6.13) Report your methane emissions as percentages of natural gas and hydrocarbon production or throughput.

Oil and gas business division

Upstream

Estimated total methane emitted expressed as % of natural gas production or throughput at given division

0

Estimated total methane emitted expressed as % of total hydrocarbon production or throughput at given division

0

Comment

Sasol produces liquid fuels from coal and is therefore not part of the traditional oil and gas sector. However, Sasol has operational control of a joint venture that uses crude oil to produce hydrocarbons. It is this facility that features together with the natural gas pipeline. Thus, the fraction of methane emitted relative to natural gas production is 0.000002% while the fraction of emitted methane relative to total hydrocarbon production is 0.0000004%.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	56972000	IPCC Third Assessment Report (TAR - 100 year)
CH4	2671220	IPCC Third Assessment Report (TAR - 100 year)
N2O	370000	IPCC Third Assessment Report (TAR - 100 year)

C-OG7.1b

(C-OG7.1b) Break down your total gross global Scope 1 emissions from oil and gas value chain production activities by greenhouse gas type.

Emissions category

Combustion (excluding flaring)
Venting

Value chain

Upstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

386670

Gross Scope 1 methane emissions (metric tons CH4)

0.04

Total gross Scope 1 emissions (metric tons CO2e)

386682

Comment

Relates to the emissions associated with our pipeline and combustion for this activity in Mozambique and the associated gas activities there.

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
South Africa	57810110
United States of America	1139907
Mozambique	386682
Other, please specify (Europe and Asia)	674428

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.
By facility

C7.3b

(C7.3b) Break down your total gross global Scope 1 emissions by business facility.

Facility	Scope 1 emissions (metric tons CO2e)	Latitude	Longitude
CTL/GTL South Africa	56577620	-26.539253	29.180121
Mining South Africa	168349	-26.507572	29.176174
Chemical Complex NAO	1139907	30.245755	-93.27757
Chemical Complex Eurasia	674428	53.550747	10.025634
Gas Upstream (SEPI)	386682	-21.750824	35.058217
Oil & Gas downstream (Natref)	1024380	-26.816937	27.784282

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Net Scope 1 emissions, metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	1814456	<Not Applicable>	Makes use of information reported for Sasol's Chemical Business Unit.
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Electric utility activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	557918	<Not Applicable>	Makes use of information reported for Sasol's Energy Business Unit and Mining Operations.
Oil and gas production activities (midstream)	56577620	<Not Applicable>	Makes use of information reported for Sasol's Secunda and Sasolburg Operations.
Oil and gas production activities (downstream)	1024380	<Not Applicable>	Makes use of information reported for Sasol's Natref and ROAS Operations.
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
South Africa	6717602	
United States of America	263573	
Mozambique	0	
Other, please specify (Europe and Asia)	106693	

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.
By facility

C7.6b

(C7.6b) Break down your total gross global Scope 2 emissions by business facility.

Facility	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
CTL/GTL South Africa	5727385	
Mining South Africa	721476	
Chemical Complex NAO	263573	
Chemical Complex Eurasia	106693	
Gas Upstream (SEPI)	0	
Oil and Gas downstream	268741	

C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7

(C-CE7.7/C-CH7.7/C-CO7.7/C-MM7.7/C-OG7.7/C-ST7.7/C-TO7.7/C-TS7.7) Break down your organization's total gross global Scope 2 emissions by sector production activity in metric tons CO2e.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	370370		Makes use of information reported for Sasol's Chemical Business Unit.
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	736060		Makes use of information reported for Sasol's Energy Business Unit and Mining Operations.

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Oil and gas production activities (midstream)	5708303		Makes use of information reported for Sasol's Secunda and Sasolburg Operations.
Oil and gas production activities (downstream)	273134		Makes use of information reported for Sasol's Natref and ROAS Operations.
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

C-CH7.8

(C-CH7.8) Disclose the percentage of your organization's Scope 3, Category 1 emissions by purchased chemical feedstock.

Purchased feedstock	Percentage of Scope 3, Category 1 tCO2e from purchased feedstock	Explain calculation methodology
Other (please specify) (Feedstock purchased for energy services at North American operations)	29	This is the fraction of emissions attributed to the listed chemical feed- stocks procured by North American Operations in relation to total reported Scope 3 Category 1 emissions for purchased for all Sasol operations.
Other (please specify) (Feedstock purchased at Eurasian operation)	22	This is the fraction of emissions attributed to the listed chemical feed- stocks procured by Eurasian Operations in relation to total reported Scope 3 Category 1 emissions for purchased for all Sasol operations.
Other (please specify) (Feedstock purchased from South African operations)	49	This is the fraction of emissions attributed to the listed chemical feed- stocks procured by Sasol South Africa in relation to total reported Scope 3 Category 1 emissions for purchased for all Sasol operations.

C-CH7.8a

(C-CH7.8a) Disclose sales of products that are greenhouse gases.

	Sales, metric tons	Comment

	Sales, metric tons	Comment
Carbon dioxide (CO ₂)	57150	Carbon dioxide from our Sasolburg plant and joint venture refinery plant (Natref) in South Africa is sold to a customer that further treats the product for on-selling to users including carbonated drinks manufacturers and water treatment plants.
Methane (CH ₄)	1736262	Natural gas is supplied to the market in Mozambique and South Africa, while methane rich gas is supplied to the market in South Africa from our Secunda complex. In these cases, the gas is primarily used by customers as an energy source. Natural gas is also supplied into the market in Canada. Going forward natural gas into the Canadian market will no longer be reported as these assets has been sold. Customers use gas as an energy source and as a chemical feedstock.
Nitrous oxide (N ₂ O)	0	None.
Hydrofluorocarbons (HFC)	0	None.
Perfluorocarbons (PFC)	0	None.
Sulphur hexafluoride (SF ₆)	0	None.
Nitrogen trifluoride (NF ₃)	0	None.

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Increased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO ₂ e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable>		
Other emissions reduction activities	61926	Decreased	0.1	Process and energy efficiency mitigation initiatives implemented during the year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Divestment		<Not Applicable>		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.
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions	1246000	Increased	2	In light of COVID-19 lockdowns undertaken in South Africa, in 2021, Sasol Energy had more operating days with no need for shutdowns. In addition, higher electricity usage combined with more operating days resulted in a 2% increase.
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 10% but less than or equal to 15%

C8.2**(C8.2) Select which energy-related activities your organization has undertaken.**

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	No

C8.2a**(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.**

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	0	106011991	106011991
Consumption of purchased or acquired electricity	<Not Applicable>	0	7234157	7234157
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Total energy consumption	<Not Applicable>	0	113246147	113246147

C-CH8.2a

(C-CH8.2a) Report your organization's energy consumption totals (excluding feedstocks) for chemical production activities in MWh.

Consumption of fuel (excluding feedstocks)

Heating value

LHV (lower heating value)

MWh consumed from renewable sources inside chemical sector boundary

0

MWh consumed from non-renewable sources inside chemical sector boundary (excluding recovered waste heat/gases)

14593564

MWh consumed from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary

0

Total MWh (renewable + non-renewable + MWh from recovered waste heat/gases) consumed inside chemical sector boundary

14593564

Consumption of purchased or acquired electricity

Heating value

<Not Applicable>

MWh consumed from renewable sources inside chemical sector boundary

0

MWh consumed from non-renewable sources inside chemical sector boundary (excluding recovered waste heat/gases)

775025

MWh consumed from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary

0

Total MWh (renewable + non-renewable + MWh from recovered waste heat/gases) consumed inside chemical sector boundary

775025

Total energy consumption

Heating value

<Not Applicable>

MWh consumed from renewable sources inside chemical sector boundary

0

MWh consumed from non-renewable sources inside chemical sector boundary (excluding recovered waste heat/gases)

15368589

MWh consumed from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary

0

Total MWh (renewable + non-renewable + MWh from recovered waste heat/gases) consumed inside chemical sector boundary

15368589

C8.2b

(C8.2b) Select the applications of your organization’s consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value

Please select

Total fuel MWh consumed by the organization

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

No sustainable biomass energy source is used in our operations.

Other biomass**Heating value****Total fuel MWh consumed by the organization**

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

No biomass energy sources are used in our operations.

Other renewable fuels (e.g. renewable hydrogen)**Heating value****Total fuel MWh consumed by the organization**

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

No other renewable fuels are used in our operations.

Coal**Heating value**

LHV

Total fuel MWh consumed by the organization

79926894

MWh fuel consumed for self-generation of electricity

11218487

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

68708408

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Due to our highly integrated production processes, we are not practically able to separate emissions, electricity or steam intensity or heat recovery between energy consumption and chemical products. This is in accordance with the IPCC approach for calculating GHG emissions associated with Sasol process for making liquid fuels and chemicals. Coal is our largest source of energy consumed.

Oil**Heating value****Total fuel MWh consumed by the organization**

0

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

No oil is used in our operations.

Gas**Heating value**

LHV

Total fuel MWh consumed by the organization

21931382

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

21931382

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Due to our highly integrated production processes, we are not practically able to separate emissions, electricity or steam intensity or heat recovery between energy consumption and chemical products. This is in accordance with the IPCC approach for calculating GHG emissions associated with Sasol process for making liquid fuels and chemicals. We make use of Fuel Gas for our heat generation processes.

Other non-renewable fuels (e.g. non-renewable hydrogen)**Heating value**

LHV

Total fuel MWh consumed by the organization

4153715

MWh fuel consumed for self-generation of electricity

4153715

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

Due to our highly integrated production processes, we are not practically able to separate emissions, electricity or steam intensity or heat recovery between energy consumption and chemical products. This is in accordance with the IPCC approach for calculating GHG emissions associated with Sasol process for making liquid fuels and chemicals. The items categorised as “other non-renewable fuels” includes diesel, petrol and other fuels used within our processes.

Total fuel**Heating value**

LHV

Total fuel MWh consumed by the organization

106011991

MWh fuel consumed for self-generation of electricity

15372201

MWh fuel consumed for self-generation of heat

21931382

MWh fuel consumed for self-generation of steam

68708408

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration

<Not Applicable>

Comment

This is the sum of all the above-mentioned fuel sources.

C8.2g

(C8.2g) Provide a breakdown of your non-fuel energy consumption by country.

Country/area

South Africa

Consumption of electricity (MWh)

6459232

Consumption of heat, steam, and cooling (MWh)

68708408

Total non-fuel energy consumption (MWh) [Auto-calculated]

75167640

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
United States of America

Consumption of electricity (MWh)
586396

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
586396

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
Mozambique

Consumption of electricity (MWh)
0

Consumption of heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
0

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

Country/area
Other, please specify (Europe and Asia)

Consumption of electricity (MWh)
188529

Consumption of heat, steam, and cooling (MWh)
408439

Total non-fuel energy consumption (MWh) [Auto-calculated]
596968

Is this consumption excluded from your RE100 commitment?
<Not Applicable>

C-CH8.3

(C-CH8.3) Does your organization consume fuels as feedstocks for chemical production activities?

Yes

C-CH8.3a

(C-CH8.3a) Disclose details on your organization’s consumption of fuels as feedstocks for chemical production activities.

Fuels used as feedstocks

Coal

Total consumption

17298000

Total consumption unit

metric tons

Inherent carbon dioxide emission factor of feedstock, metric tons CO2 per consumption unit

1.91

Heating value of feedstock, MWh per consumption unit

8.39

Heating value

LHV

Comment

The consumption data is based on the dry-ash free basis of the coal feedstock. Due to our highly integrated production processes, we are not practically able to separate emissions, electricity or steam intensity or heat recovery between energy consumption and chemical products. This is in accordance with the IPCC approach for calculating GHG emissions associated with Sasol process for making liquid fuels and chemicals.

Fuels used as feedstocks

Natural gas

Total consumption

2928050

Total consumption unit

metric tons

Inherent carbon dioxide emission factor of feedstock, metric tons CO2 per consumption unit

2.79

Heating value of feedstock, MWh per consumption unit

14.81

Heating value

HHV

Comment

Due to our highly integrated production processes, we are not practically able to separate emissions, electricity or steam intensity or heat recovery between energy consumption and chemical products. This is in accordance with the IPCC approach for calculating GHG emissions associated with Sasol process for making liquid fuels and chemicals.

Fuels used as feedstocks

Other, please specify (Crude Oil)

Total consumption

3886150

Total consumption unit

metric tons

Inherent carbon dioxide emission factor of feedstock, metric tons CO2 per consumption unit

3.12

Heating value of feedstock, MWh per consumption unit

12

Heating value

LHV

Comment

Due to our highly integrated production processes, we are not practically able to separate emissions, electricity or steam intensity or heat recovery between energy consumption and chemical products. This is in accordance with the IPCC approach for calculating GHG emissions associated with Sasol process for making liquid fuels and chemicals.

C-CH8.3b

(C-CH8.3b) State the percentage, by mass, of primary resource from which your chemical feedstocks derive.

	Percentage of total chemical feedstock (%)
Oil	9.8

	Percentage of total chemical feedstock (%)
Natural Gas	5.1
Coal	43.8
Biomass	0
Waste (non-biomass)	0
Fossil fuel (where coal, gas, oil cannot be distinguished)	0
Unknown source or unable to disaggregate	41.3

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description

Waste

Metric value

499

Metric numerator

Tons of waste generated and managed

Metric denominator (intensity metric only)

This is not an intensity metric

% change from previous year

5

Direction of change

Decreased

Please explain

Sasol’s approach to waste management has undergone significant changes over the years in response to changing legislation and industry practices. Our waste management approach centres on complying with applicable legislation and adhering to waste management hierarchy principles. We generated 180 kt of non-hazardous waste, down from 195 kt in 2020. Total recycled waste increased from 83 kt in 2020 to 125 kt in 2021, and hazardous waste generation decreased from 333 kt in 2020 to 319 kt in 2021. We continue to explore ways to improve on waste management practices, notably in implementing waste minimisation initiatives and alternative usage solutions. Most onsite waste disposal practices have been discontinued and the legacy sites closed and rehabilitated.

C-OG9.2a

(C-OG9.2a) Disclose your net liquid and gas hydrocarbon production (total of subsidiaries and equity-accounted entities).

	In-year net production	Comment
Crude oil and condensate, million barrels	28.7	None.
Natural gas liquids, million barrels	0	None.
Oil sands, million barrels (includes bitumen and synthetic crude)	0	None.
Natural gas, billion cubic feet	141.4	None.

C-OG9.2b

(C-OG9.2b) Explain which listing requirements or other methodologies you use to report reserves data. If your organization cannot provide data due to legal restrictions on reporting reserves figures in certain countries, please explain this.

Sasol discloses oil and gas reserve information in alignment with Sasol's Form 20-F. This includes proved (developed and undeveloped) reserves, while probable and possible reserves along with other classifications of resources, which may become proved reserves in the future, are excluded. Sasol's Form 20-F for the year ended 30 June 2021 can be found at the following location on our website: <https://www.sasol.com/sites/default/files/2022-07/Sasol%20Form%2020-F%20for%20the%20year%20ended%2030%20June%202021.pdf>.

C-OG9.2c

(C-OG9.2c) Disclose your estimated total net reserves and resource base (million boe), including the total associated with subsidiaries and equity-accounted entities.

	Estimated total net proved + probable reserves (2P) (million BOE)	Estimated total net proved + probable + possible reserves (3P) (million BOE)	Estimated net total resource base (million BOE)	Comment
Row 1	89.1	89.8	89.8	Probable and possible reserves along with other classifications of resources, which may become proved reserves in the future, are excluded from our reported oil and gas reserve information.

C-OG9.2d

(C-OG9.2d) Provide an indicative percentage split for 2P, 3P reserves, and total resource base by hydrocarbon categories.

	Net proved + probable reserves (2P) (%)	Net proved + probable + possible reserves (3P) (%)	Net total resource base (%)	Comment
Crude oil/ condensate/ natural gas liquids	1	1	1	Probable and possible reserves along with other classifications of resources, which may become proved reserves in the future, are excluded from our reported oil and gas reserve information.
Natural gas	99	99	99	Probable and possible reserves along with other classifications of resources, which may become proved reserves in the future, are excluded from our reported oil and gas reserve information.
Oil sands (includes bitumen and synthetic crude)	0	0	0	Probable and possible reserves along with other classifications of resources, which may become proved reserves in the future, are excluded from our reported oil and gas reserve information.

C-OG9.2e

(C-OG9.2e) Provide an indicative percentage split for production, 1P, 2P, 3P reserves, and total resource base by development types.

Development type

Other, please specify (Crude oil/ condensate/ natural gas liquids)

In-year net production (%)

100

Net proved reserves (1P) (%)

100

Net proved + probable reserves (2P) (%)

100

Net proved + probable + possible reserves (3P) (%)

100

Net total resource base (%)

100

Comment

Probable and possible reserves along with other classifications of resources, which may become proved reserves in the future, are excluded from our reported oil and gas reserve information.

Development type

Other, please specify (Natural gas)

In-year net production (%)

100

Net proved reserves (1P) (%)

100

Net proved + probable reserves (2P) (%)

100

Net proved + probable + possible reserves (3P) (%)

100

Net total resource base (%)

100

Comment

Probable and possible reserves along with other classifications of resources, which may become proved reserves in the future, are excluded from our reported oil and gas reserve information.

Development type

Other, please specify (Oil sands (includes bitumen and synthetic crude))

In-year net production (%)

0

Net proved reserves (1P) (%)

0

Net proved + probable reserves (2P) (%)

0

Net proved + probable + possible reserves (3P) (%)

0

Net total resource base (%)

0

Comment

Probable and possible reserves along with other classifications of resources, which may become proved reserves in the future, are excluded from our reported oil and gas reserve information.

C-CH9.3a

(C-CH9.3a) Provide details on your organization’s chemical products.

Output product

Other, please specify (Advanced Materials)

Production (metric tons)

199000

Capacity (metric tons)

200000

Direct emissions intensity (metric tons CO2e per metric ton of product)

0.4

Electricity intensity (MWh per metric ton of product)

0.29

Steam intensity (MWh per metric ton of product)

13431

Steam/ heat recovered (MWh per metric ton of product)

0

Comment

None.

Output product

Other base chemicals

Production (metric tons)

3770000

Capacity (metric tons)

6100000

Direct emissions intensity (metric tons CO2e per metric ton of product)

0.23

Electricity intensity (MWh per metric ton of product)

0.1

Steam intensity (MWh per metric ton of product)

7.09

Steam/ heat recovered (MWh per metric ton of product)

0

Comment

None.

Output product

Other, please specify (Essential Care Chemicals)

Production (metric tons)

1548000

Capacity (metric tons)

2700000

Direct emissions intensity (metric tons CO2e per metric ton of product)

0.66

Electricity intensity (MWh per metric ton of product)

0.52

Steam intensity (MWh per metric ton of product)

258.99

Steam/ heat recovered (MWh per metric ton of product)

0

Comment

None.

C-OG9.3a

(C-OG9.3a) Disclose your total refinery throughput capacity in the reporting year in thousand barrels per day.

	Total refinery throughput capacity (Thousand barrels per day)
Capacity	300.4

C-OG9.3b

(C-OG9.3b) Disclose feedstocks processed in the reporting year in million barrels per year.

	Throughput (Million barrels)	Comment
Oil	28.7	None.
Other feedstocks	106.4	Other feedstocks include natural gas and coal used in our coal-to-liquids, synfuel processes.
Total	135.1	None.

C-OG9.3c

(C-OG9.3c) Are you able to break down your refinery products and net production?

Yes

C-OG9.3d

(C-OG9.3d) Disclose your refinery products and net production in the reporting year in million barrels per year.

Product produced	Refinery net production (Million barrels) *not including products used/consumed on site
Other, please specify (Liquid fuels)	54.5
Other, please specify (Natural gas)	14.4
Other, please specify (Condensate)	321
Other, please specify (Crude oil)	783

C-OG9.3e

(C-OG9.3e) Please disclose your chemicals production in the reporting year in thousand metric tons.

Product	Production, Thousand metric tons	Capacity, Thousand metric tons
Other, please specify (Advanced Materials)	199	200
Other, please specify (Base Chemicals)	3770	6100
Other, please specify (Essential Care Chemicals)	1548	2700
Other, please specify (Performance Solutions)	1731	1900

C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-T09.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	None

C-CH9.6a

(C-CH9.6a) Provide details of your organization's investments in low-carbon R&D for chemical production activities over the last three years.

Technology area	Stage of development in the reporting year	Average % of total R&D investment over the last 3 years	R&D investment figure in the reporting year (optional)	Comment
Unable to disaggregate by technology area	<Not Applicable>	21 - 40%		This includes waste heat recovery, process step integration CCUS and waste re-utilisation.

C-CO9.6a/C-EU9.6a/C-OG9.6a

(C-CO9.6a/C-EU9.6a/C-OG9.6a) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.

Technology area	Stage of development in the reporting year	Average % of total R&D investment over the last 3 years	R&D investment figure in the reporting year (optional)	Comment
Unable to disaggregate by technology area	<Not Applicable>	21-40%		This includes renewable energy, carbon utilisation, hydrogen, other energy efficiency measures in the oil and gas value chain. It also includes waste re-utilisation, sustainable carbon investigation, emission measurement methodology improvement, supporting research in shutting down coal-fired boilers, and energy efficiency.

C-OG9.7

(C-OG9.7) Disclose the breakeven price (US\$/BOE) required for cash neutrality during the reporting year, i.e. where cash flow from operations covers CAPEX and dividends paid/ share buybacks.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

[Sasol Sustainability Report_2021_22Sep21_10h30.pdf](#)

Page/ section reference

p. 60 – 61: Section INDEPENDENT ASSURANCE REPORT TO THE DIRECTORS OF SASOL LIMITED

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

[Sasol Sustainability Report_2021_22Sep21_10h30.pdf](#)

Page/ section reference

p. 60 – 61: Section INDEPENDENT ASSURANCE REPORT TO THE DIRECTORS OF SASOL LIMITED

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

[Sasol Climate Change Report_2021_22Sep21.pdf](#)

Page/section reference

P. 46-47: section INDEPENDENT ASSURANCE REPORT TO THE DIRECTORS OF SASOL LIMITED (SCOPE 3)

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Waste generated in operations

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

[Sasol Climate Change Report_2021_22Sep21.pdf](#)

Page/section reference

P. 46-47: section INDEPENDENT ASSURANCE REPORT TO THE DIRECTORS OF SASOL LIMITED (SCOPE 3)

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Business travel

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

[Sasol Climate Change Report_2021_22Sep21.pdf](#)

Page/section reference

P. 46-47: section INDEPENDENT ASSURANCE REPORT TO THE DIRECTORS OF SASOL LIMITED (SCOPE 3)

Relevant standard

ISAE 3410

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Use of sold products

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

[Sasol Climate Change Report_2021_22Sep21.pdf](#)

Page/section reference

P. 46-47: section INDEPENDENT ASSURANCE REPORT TO THE DIRECTORS OF SASOL LIMITED (SCOPE 3)

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C6. Emissions data	Other, please specify (Production based greenhouse gas intensity)	ISAE 300	Production based greenhouse gas intensity was verified as part of assurance process. This forms part of our third-party, external assurance which takes place on an annual basis and is company-wide in scope. In the FY2021 limited assurance was provided for this data. The independent assurance report is publicly available at the end of our Sustainability Report 2021, on page. 60 and 77.
C9. Additional metrics	Other, please specify (Production external sales and total material use)	ISAE 3000	Production external sales and total material use was verified as part of assurance process. This forms part of our third-party, external assurance which takes place on an annual basis and is company-wide in scope. In the FY2021 limited assurance was provided for this data. The independent assurance report is publicly available at the end of our Sustainability Report 2021, on page. 60 and 77.
C8. Energy	Energy consumption	ISAE 3000	Total energy use was verified as part of assurance process. This forms part of our third-party, external assurance which takes place on an annual basis and is company-wide in scope. In the FY2021 limited assurance was provided for this data. The independent assurance report is publicly available at the end of our Sustainability Report 2021, on page. 60 and 77.
C9. Additional metrics	Other, please specify (Total hazardous waste, Total non-hazardous waste, Total hazardous waste, Recycled waste)	ISAE 3000	Total hazardous waste, total non-hazardous waste, total hazardous waste and recycled waste was verified as part of assurance process. This forms part of our third-party, external assurance which takes place on an annual basis and is company-wide in scope. In the FY2021 limited assurance was provided for this data. The independent assurance report is publicly available at the end of our Sustainability Report 2021, on page. 60 and 77.
C2. Risks and opportunities	Other, please specify (Total water use and Recycled water)	ISAE 3000	Total water use and recycled water was verified as part of assurance process. This forms part of our third-party, external assurance which takes place on an annual basis and is company-wide in scope. In the FY2021 limited assurance was provided for this data. The independent assurance report is publicly available at the end of our Sustainability Report 2021, on page. 60 and 77.
C6. Emissions data	Other, please specify (All revenue figures used)	International Financial Reporting Standards, International Standards on Auditing (ISAs) and the Companies Act of South Africa	All revenue figures used were audited as part of our assurance process. This forms part of our third-party, external audit which takes place on an annual basis and is company-wide in scope. In the FY2021 reasonable assurance was provided for this data. The independent auditor's report is publicly available at the end of our Annual Financial Statements 2021, on page. 15-17.

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

EU ETS

South Africa carbon tax

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

EU ETS

% of Scope 1 emissions covered by the ETS

99.15

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1 2021

Period end date

December 31 2021

Allowances allocated

546095

Allowances purchased

63106

Verified Scope 1 emissions in metric tons CO2e

916115

Verified Scope 2 emissions in metric tons CO2e

0

Details of ownership

Facilities we own and operate

Comment

The emissions trading participation of all our European based facilities is listed below.
The reported figures are a summary of all operations in Europe.

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

South Africa carbon tax**Period start date**

January 1 2020

Period end date

December 31 2020

% of total Scope 1 emissions covered by tax

96

Total cost of tax paid

579000000

Comment

In South Africa, the carbon tax is calculated based on an entity's scope 1 emissions produced (excluding those related to diesel/petrol and sequestration practices) in a calendar year. The carbon tax submissions date is after the submission of the CDP Response. Thus, for this CDP submission (and for submissions going forward), we report on the carbon tax information for the previous tax year. For Sasol, carbon tax values reported herein are for the period January 2020 to December 2020. This was reported to the South African government and payment was made in July 2021.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Sasol's Eurasia operations has been, over the past 5 years, following a differentiated strategy to fill the gap between allocation emissions and our actual emissions consumption with the overall situation balanced up to 2020.

Within this differentiated strategy, the following steps are implemented/ still in progress:

- Optimization of the quality of the emission reports to minimize quantities that have to be returned.

- Increased use of green energy input.
- Develop a buy-in strategy.
- Consider additional allocations for increased operational capacity.

Sasol's South African operations are exposed to the local carbon tax implications. In June 2019, the Carbon Tax Act 15 of 2019 (Carbon Tax Act) came into effect. Since the initial release of the legislation regarding South Africa's carbon tax, Sasol has adhered to all local implications imposed by the Act. Our strategic approach to complying with the Carbon Tax Act comprises:

- Ensuring accurate representation of our emissions through delivering robust GHG accounting processes aligned with international best practices.
- Engaging with government with a view to maintain awareness of the regulator's perspective, remain abreast of future policy developments and advocate for regulations that balance the need for economic development, job creation and GHG emission reductions.
- Identifying, assessing and implementing projects to reduce our scope 1 GHG emissions and increase our energy efficiency.
- Maximize the use of carbon offsets (up to the limits stipulated in the regulation) in line with the principle of least-cost mitigation, to lower tax liability whilst simultaneously supporting projects with additional sustainable development co-benefits.

An example of how we have integrated our compliance with our work plans for Sasol is when we developed our GHG emission-reduction roadmap to 2030 and 2050 for our Southern African operations, based on scenario analysis conducted in 2021. Herein, we focused on expanding on renewables, hydrogen and transition gas to significantly reduce emissions into the future. Our first milestone is to reduce at least 30% of our emissions by 2030 (off a 2017 baseline), supported by increasing transition gas as a complementary feedstock and implementing new renewable energy. This will be followed by our ambition to reach net-zero emissions by 2050. Implementation of these initiatives will assist Sasol to minimise our carbon tax liability. Into the future we are proactively reducing our exposure to potential pass-through costs by reducing our energy consumption through numerous energy efficiency measures and sourcing more renewable energy sources. We will also continue to consider various lower-carbon technologies as these become economically viable. We have a carbon offset strategy to achieve our net zero emissions target by 2050, which includes afforestation and reforestation (A/R) offsets and Carbon Dioxide Removal (CDR) offsets. We aim to progressively shift our offset portfolio from A/R to CDR offsets as we get closer to Net Zero. 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 emission reduction targets. In the short term, Sasol has undergone a rigorous evaluation process to purchase independently verified emission reduction certificates from reputable carbon retailers. For the carbon tax period reported, Sasol retired ~4.3 million credits

against the South African Carbon Tax Act. In doing so, over the past year, we have saved in excess of R80 million in carbon tax liability.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase

Credit purchase

Project type

Energy efficiency: households

Project identification

We purchase carbon credits from the Saving The Planet, One Stew At A Time Project (Wonderbag). This project involves broad adoption of a heat-retention-cooking device (Wonderbag) in kitchens throughout South Africa. The Wonderbag is a thermally insulated bag into which a cook transfers a pot heated on a stove. Typically, the food will be brought to a boil and then put in the bag where it continues to simmer. Once the pot is inside the bag the stove is no longer used to cook the dish and after some time in the bag, the dish is ready to eat. This reduces the amount of fossil-fuels (electricity predominantly generated from coal-fired power plants in South Africa, gas and paraffin cooking stoves) used for cooking which results in fuel and greenhouse gas emission savings.

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO₂e)

100000

Number of credits (metric tonnes CO₂e): Risk adjusted volume

0

Credits cancelled

Yes

Purpose, e.g. compliance

Compliance

Credit origination or credit purchase

Credit purchase

Project type

Energy efficiency: households

Project identification

We purchase carbon credits from the Recipe for change grouped project (Wonderbag). This project involves broad adoption of a heat-retention-cooking device (Wonderbag) in kitchens throughout South Africa. The Wonderbag is a thermally insulated bag into which a cook transfers a pot heated on a stove. Typically, the food will be brought to a boil and then put in the bag where it continues to simmer. Once the pot is inside the bag the stove is no longer used to cook the dish and after some time in the bag, the dish is ready to eat. This reduces the amount of fossil-fuels (electricity predominantly generated from coal-fired power plants in South Africa, gas and paraffin cooking stoves) used for cooking which results in fuel and greenhouse gas emission savings.

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

95000

Number of credits (metric tonnes CO2e): Risk adjusted volume

0

Credits cancelled

Yes

Purpose, e.g. compliance

Compliance

Credit origination or credit purchase

Credit purchase

Project type

Other, please specify (N2O abatement)

Project identification

We purchase carbon credits from the N2O abatement project at AEL 11. Nitrous Oxide (N2O) is an undesired by-product gas from the manufacture of nitric acid. Nitrous oxide is formed during the catalytic oxidation of Ammonia. Over a suitable catalyst, a maximum 98% (typically 92-96%) of the fed Ammonia is converted to Nitric Oxide (NO). The remainder participates in undesirable side reactions that lead to the production of Nitrous Oxide, among other compounds. Waste N2O from nitric acid production is typically re-leased into the atmosphere, as it does not have any economic value or toxicity at typical emission levels. N2O is an important greenhouse gas which has a high Global Warming Potential (GWP) of 298. The project activity involves the installation of a secondary catalyst to abate N2O inside the reactor once it is formed. The baseline scenario is determined to be the release of N2O emissions to the atmosphere at the currently measured rate, in the absence of regulations to restrict N2O emissions.

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

7409

Number of credits (metric tonnes CO2e): Risk adjusted volume

0

Credits cancelled

Yes

Purpose, e.g. compliance

Compliance

Credit origination or credit purchase

Credit purchase

Project type

Landfill gas

Project identification

We purchase carbon credits from the Durban Landfill-gas-to-electricity project – Mariannhill and La Mercy Landfills project. This methodology applies to project activities that include the destruction of methane emissions and displacement of a more-GHG-intensive service by capturing landfill gas from the landfill site and/or flaring and/or using to produce energy (i.e., electricity, thermal energy).

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO2e)

38115

Number of credits (metric tonnes CO2e): Risk adjusted volume

0

Credits cancelled

Yes

Purpose, e.g. compliance

Compliance

Credit origination or credit purchase

Credit purchase

Project type

Other, please specify (N2O abatement from fertiliser production)

Project identification

We purchase carbon credits from the Omnia Fertilizer Limited Nitrous Oxide (N2O) Reduction project. The project activity involves the installation of an N2O catalytic Destruction Facility in the tail gas section of the process downstream of the absorption

column at Omnia Fertilizer Limited nitric acid plant in Sasolburg, South Africa. Catalytic reduction of N₂O occurs when the N₂O in the tail gas reacts, in the presence of a reducing agent, with the iron zeolite catalyst in the N₂O catalytic Destruction Facility. The reaction removes the oxygen from the N₂O molecules and forms one or more compounds. In this case the reducing agent is natural gas, comprised mostly of methane (CH₄). Nitrous Oxide (N₂O) is an unwanted by-product gas generated from the manufacture of nitric acid. It is formed during the catalytic oxidation of Ammonia. Over a suitable catalyst, a maximum 98% (typically 92-96%) of the Ammonia is converted to Nitric Oxide (NO). The rest is consumed by undesirable side reactions that lead to the production of Nitrous Oxide (N₂O), among other compounds. Waste N₂O gas from nitric acid production plants is typically released into the atmosphere, as it does not have any economic value or toxicity at typical emission levels. N₂O is however an important greenhouse gas which has a high Global Warming Potential (GWP) of 298.

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO₂e)

284258

Number of credits (metric tonnes CO₂e): Risk adjusted volume

0

Credits cancelled

Yes

Purpose, e.g. compliance

Compliance

Credit origination or credit purchase

Credit purchase

Project type

Fossil fuel switch

Project identification

We purchase carbon credits from the Tugela Mill Fuel Switching Project. The project involves the conversion of a boiler to enable co-firing of biomass (bark), with coal and gas at the Tugela Mill pulp and paper mill. Waste bark will be used for steam generation in a biomass thermal energy boiler replacing the current use of coal for steam production in the mill. This involves complete replacement of the boiler bed and fuel feed conveyor system to a biomass-fired fluidised bed boiler. The thermal capacity of the new boiler is rated at 22 MWth, and is therefore applicable under the small-scale CDM guidelines (i.e. below 15MW equivalent).

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO₂e)

39979

Number of credits (metric tonnes CO₂e): Risk adjusted volume

0

Credits cancelled

Yes

Purpose, e.g. compliance

Compliance

Credit origination or credit purchase

Credit purchase

Project type

Landfill gas

Project identification

We purchase carbon credits from the EnviroServ Chloorkop Landfill's gas-to-energy project. This methodology applies to project activities that include the destruction of methane emissions and displacement of a more-GHG-intensive service by capturing landfill gas from the landfill site and/or flaring and/or using to produce energy (i.e., electricity, thermal energy).

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO2e)

627037

Number of credits (metric tonnes CO2e): Risk adjusted volume

0

Credits cancelled

Yes

Purpose, e.g. compliance

Compliance

Credit origination or credit purchase

Credit purchase

Project type

Other, please specify (Chemical industries N2O abatement from nitric acid production)

Project identification

Nitrous Oxide (N2O) is an undesired by-product gas from the manufacture of nitric acid. Nitrous oxide is formed during the catalytic oxidation of Ammonia. Over a suitable catalyst, a maximum 98% (typically 92-96%) of the fed Ammonia is converted to Nitric Oxide (NO). The remainder participates in undesirable side reactions that lead to the production of Nitrous Oxide, among other compounds. Waste N2O from nitric acid production is typically released into the atmosphere, as it does not have any economic value or toxicity at typical emission levels. N2O is an important greenhouse gas which has a high Global Warming Potential (GWP) of 298. The project activity involves the installation of a secondary catalyst to abate N2O inside the reactor once it is formed. The baseline scenario

is determined to be the release of N2O emissions to the atmosphere at the currently measured rate, in the absence of regulations to restrict N2O emissions.

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO2e)

1556811

Number of credits (metric tonnes CO2e): Risk adjusted volume

0

Credits cancelled

Yes

Purpose, e.g. compliance

Compliance

Credit origination or credit purchase

Credit purchase

Project type

Other, please specify (N2O abatement)

Project identification

We purchase carbon credits from the Project for the catalytic reduction of N2O emissions with a secondary catalyst inside the ammonia reactor of the No. 9 nitric acid plant at African Explosives Ltd ("AEL"), South Africa. Nitrous Oxide (N2O) is an undesired by-product gas from the manufacture of nitric acid. Nitrous oxide is formed during the catalytic oxidation of Ammonia. Over a suitable catalyst, a maximum 98% (typically 92-96%) of the fed Ammonia is converted to Nitric Oxide (NO). The remainder participates in undesirable side reactions that lead to the production of Nitrous Oxide, among other compounds. Waste N2O from nitric acid production is typically released into the atmosphere, as it does not have any economic value or toxicity at typical emission levels. N2O is an important greenhouse gas which has a high Global Warming Potential (GWP) of 298. The project activity involves the installation of a secondary catalyst to abate N2O inside the reactor once it is formed. The baseline scenario is determined to be the release of N2O emissions to the atmosphere at the currently measured rate, in the absence of regulations to restrict N2O emissions.

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO2e)

230017

Number of credits (metric tonnes CO2e): Risk adjusted volume

0

Credits cancelled

Yes

Purpose, e.g. compliance

Compliance

Credit origination or credit purchase

Credit purchase

Project type

Other, please specify (N2O abatement)

Project identification

We purchase carbon credits from the N2O abatement project at AEL 11. Nitrous Oxide (N2O) is an undesired by-product gas from the manufacture of nitric acid. Nitrous oxide is formed during the catalytic oxidation of Ammonia. Over a suitable catalyst, a maximum 98% (typically 92-96%) of the fed Ammonia is converted to Nitric Oxide (NO). The remainder participates in undesirable side reactions that lead to the production of Nitrous Oxide, among other compounds. Waste N2O from nitric acid production is typically re-leased into the atmosphere, as it does not have any economic value or toxicity at typical emission levels. N2O is an important greenhouse gas which has a high Global Warming Potential (GWP) of 298. The project activity involves the installation of a secondary catalyst to abate N2O inside the reactor once it is formed. The baseline scenario is determined to be the release of N2O emissions to the atmosphere at the currently measured rate, in the absence of regulations to restrict N2O emissions.

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO2e)

625911

Number of credits (metric tonnes CO2e): Risk adjusted volume

0

Credits cancelled

Yes

Purpose, e.g. compliance

Compliance

Credit origination or credit purchase

Credit purchase

Project type

Landfill gas

Project identification

We purchase carbon credits from the Durban Landfill-Gas Bisasar Road gas-to-energy project. This methodology applies to project activities that include the destruction of methane emissions and displacement of a more-GHG-intensive service by capturing landfill gas from the landfill site and/or flaring and/or using to produce energy (i.e., electricity, thermal energy).

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO2e)

14933

Number of credits (metric tonnes CO2e): Risk adjusted volume

0

Credits cancelled

Yes

Purpose, e.g. compliance

Compliance

C11.3**(C11.3) Does your organization use an internal price on carbon?**

Yes

C11.3a**(C11.3a) Provide details of how your organization uses an internal price on carbon.****Objective for implementing an internal carbon price**

Navigate GHG regulations

Change internal behavior

Drive energy efficiency

Drive low-carbon investment

Stress test investments

Identify and seize low-carbon opportunities

GHG Scope

Scope 1

Application

Corporate division and some of the projects in certain jurisdictions

Actual price(s) used (Currency /metric ton)

170

Variance of price(s) used

Regional specific and depends on the prevailing price in the areas we operate. For example, in South Africa, the carbon price is R134/tCO2e escalating as per the Carbon Tax Act. To account for the variance, we therefore currently use a long-term carbon price for our South African assets in a range of R19 – R170/tonne, for the period between 2020 and 2030.

Type of internal carbon price

Shadow price

Impact & implication

Sasol incorporates carbon pricing into its scenario analysis and capital allocation process. In 2021, Sasol continues to utilise the findings of our updated scenario analysis to inform our business strategy. We continue to consider and integrate some of the information from the International Energy Agency (IEA) Sustainable Development Scenario (SDS), released in November 2020, as a further test of robustness of our strategies. In addition, in 2021, we revised our previous scenarios considering new developments in the global landscape. These scenarios cover a variety of potential outcomes both favourable and unfavourable for the Group. For each scenario, a quantitative evaluation is applied to assess the financial impact of the various outcomes on Sasol's business and projects, using adjustments to oil and product prices, as well as different carbon prices. Sasol also assesses the carrying value and viability of our assets, on an annual basis. These assessments are done using the Group's long-term forecasts of product prices, making considerations for macro-economic variables, including a changing price on carbon. We currently use a long-term carbon price for our South African assets in a range of R19 – R170/ton, between 2020 and 2030. These regional carbon prices are considered based on prevailing carbon pricing regimes and are used to test the viability of large new projects.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

47.4

% total procurement spend (direct and indirect)

84.5

% of supplier-related Scope 3 emissions as reported in C6.5

93

Rationale for the coverage of your engagement

Partnerships are critically important to create awareness of scope 3 emission reductions in the value chain and enables deeper reductions over time. Sasol has initiated a supplier engagement programme to collect data from suppliers on Sasol's category 1 (purchased goods and service), category 2 (fuel-and-energy-related activities), category 5 (waste generated in operations) and category 9 (downstream transportation and distribution) scope 3 emissions. More specifically, the suppliers associated with these categories include suppliers of purchased feedstocks; goods and services; steam; fossil fuels used for power; upstream and downstream road, rail, pipeline and marine shipping transport and logistics services; and third-party hazardous and non-hazardous waste disposal services. The rationale for the coverage of this engagement is to improve our understanding and enable a more accurate calculation of material emission sources within our value chain. Accordingly, the suppliers included in the engagement (i.e. the 'coverage') accounted for the second, fourth and fifth greatest sources of value chain emissions and a total of 16% of Sasol's scope 3 emission profile in 2021. In terms of supplier-related value chain emissions, the programme's engagement covers 93% of supplier-related emission sources. Given 80% of the value chain emissions are attributed to the combustion of energy products sold to customers (category 11), the coverage of the supplier engagement programme is considered to be a material portion of the remaining value chain emissions. Although the current supplier engagement programme is largely focused on improving the baseline emissions, Sasol intends to utilise these partnerships to collaborate with suppliers in reducing value chain scope 3 emissions and achieve Sasol's scope 3 emissions targets, as set in this reporting year.

Impact of engagement, including measures of success

We measure the success of our supplier engagement programme based on the proportion (%) of supplier-related scope 3 emissions that are calculated using the information collected from the supplier engagement programme. The supplier engagement programme is considered to be successful when indicator exceeds 80% coverage of supplier-related value chain emissions (i.e., the threshold is 80% coverage). In the reporting year, 93% of supplier-related emissions were accounted for using information gained through the programme, hence it was considered successful. The impact of the successful engagement in 2021 is reflected in the adjustment of the value chain emission profile between 2020 and 2021. Beyond changes in activity data due to operational fluctuations, the programme outcomes enabled Sasol to select more applicable and accurate emission factors and calculation methodologies for categories 1, 3 and 4. It must be noted that our 2021 scope 3 emission profile does not include category 2 emissions from the procurement of capital goods (from suppliers) due to the associated calculation complexity. It is likely that this supplier-related category comprises a material portion of Sasol's value chain emission profile, hence this threshold indicator may change materiality in the near future when category 2 emissions are included. As mentioned in our current climate change report, although this category is not actively reported on, work is underway to identify 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.

Comment

None.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

THE ROLE OF ENGAGEMENT: Engagement with Sasol's stakeholders forms a key part of deepening the business's understanding, broadening our climate change response and shaping the strategy and climate change management approach for long term value creation. Accordingly, wider value chain engagement and the development of partnerships is considered fundamental to achieving Sasol's climate ambition and 'Future Sasol' (our long-term strategy). The strategy comprises using partnerships to unlock technology opportunities and markets; advocate for progressive and enabling climate policy cognisant of national circumstances; and report on Sasol's climate change matters using the TCFD framework. Methods of engagement in this regard include in-person and virtual, telephonic and video engagements; emails and written correspondence; collaborating on projects; forming private-private partnerships and joint ventures; marketing of key sustainable products and developing temporary associations for the research and development of key technologies.

RATIONALE: Sasol's climate just transition plan is underpinned by the development of partnerships; hence engagements are required to fundamentally achieve all aspects of this approach. The prioritisation and evaluation of value chain engagements are therefore unique to the specific objectives of each of the plan's components (adaptation, targets, emission reduction roadmaps, transforming operations and shifting the portfolio). For this reason, the prioritisation of engagement and the evaluation of success differs among stakeholders and partnerships. Nevertheless, given the imperative of partnerships for achieving Sasol's long-term business strategy ('Future Sasol'), the success of the engagement strategy can be gauged by the extent to which Sasol is able to achieve its various strategic goals and outcomes in the future.

PARTNERS ENGAGED: The engagement strategy focuses on numerous partners and stakeholders. Community engagement and initiatives form a key part of Sasol's Just Transition plan to improve the resilience of communities to future climatic changes. More specifically, Sasol is collaborating with the National Business Institute (NBI) on key bankable community resilience projects. Sasol has also partnered with the African Farmers Association of South Africa (AFASA) to train and mentor 300 farmers in the Mpumalanga area on food security and adaptive farming practices.

In terms of Governmental partnerships, Sasol is participating on the German Federal Government's H2Global auction for the production of Sustainable Aviation Fuel (SAF) at our Secunda operations. In addition, a Memorandum of Understanding has been signed

with the government-owner national electricity supplier to collaborate on synergistic just transition opportunities.

Research institutions also form a key part of our engagement strategy. The Polytechnic of Turin is conducting a feasibility study on the use of CCUS technology in the industrial processes of two production sites. This was achieved through the formation of a Temporary Association of Companies between Sasol Chemicals and Sonatrach Raffineria Italiana to collaborate on developing hydrogen production projects in Sicily. Other private partnerships include joint venture initiatives, consortiums and collaborations to develop mitigation opportunities, low carbon products and new markets. Recent engagements in this regard include issuing a Request for Proposals (RFP) to procure 600 MW of renewable energy by 2025 in partnership with Air Liquide; leveraging our partnership with Haldor-Topsøe and Technip Energy to develop proprietary technology solutions to maximise carbon efficiency in the PtX arena; forming a partnership with Linde PLC, ENERTRAG AG and HYDREGEN (HyShiFT) Project to demonstrate production of SAF in Secunda; and forming a private-private partnership to explore a green hydrogen mobility ecosystem

Finally, Sasol considers financial partners to be crucial for unlocking key opportunities on our Future Sasol roadmap. Sasol will need access to low-cost financing instruments (e.g. sustainability-linked, transition and green finance mechanisms) to expedite key project implementations. For example, Sasol has partnered with the Industrial Development Cooperation (IDC) to accelerate commercialisation of the green hydrogen economy in South Africa.

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, and we do not plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

Direct or indirect engagement that could influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers

Yes, we engage indirectly through trade associations

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

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[Sasol Climate Change Report_2021_22Sep21.pdf](#)**Describe the process(es) your organization has in place to ensure that your engagement activities are consistent with your overall climate change strategy**

We are members of various industry associations, enabling us to improve our insight on many issues and facilitate knowledge and expertise exchanges. Governance requirements are in place within the associations for the adoption of broad business mandates, to ensure that no one business position dominates or is advanced. We release our annual Climate Change Report to articulate our position on climate change and our understanding of the low carbon transition. The report links to our business strategy and operating context, disclosing our commitments to decarbonising and the progress made. A clear, coherent position on all climate-related issues is critical for our business and stakeholders, thus we provide insights to our five principles for climate-related engagement: acknowledgement & support for climate science, support of the Paris Agreement, support of carbon pricing, development of low and lower-carbon energy solutions, and transparency & disclosure. The intention of this report (including our climate advocacy policy) is to clarify our position & provide direction to employees act in line with our climate change strategy. Managing industry relationships is firmly embedded in our governance and risk management processes, including our competition/anti-trust law compliance. We subscribe to key & relevant national and international industry associations. Here, we pursue technical outcomes and advocate for policy that relates to our businesses. We participate at different levels in each association, including general memberships, committee chairs and board committees. These associations provide a platform for collective voices of business and creates positive change. Annual reviews of our industry associations help us align towards our Net Zero by 2050 ambition. From engagements with CA 100+, our climate policy indicators use their Net Zero Benchmark and advocacy assessment criteria. If there is a misalignment between an 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 terminating our membership if it is no longer 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 accounting for amongst others, credible and publicly available third-party assessments on such associations.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3a

(C12.3a) On what policy, law, or regulation that may impact the climate has your organization been engaging directly with policy makers in the reporting year?

Focus of policy, law, or regulation that may impact the climate

Adaptation and/or resilience to climate change

Carbon tax

Climate-related targets

Other, please specify (Carbon budgets)

Specify the policy, law, or regulation on which your organization is engaging with policy makers

South Africa Climate Change Bill

Policy, law, or regulation geographic coverage

National

Country/region the policy, law, or regulation applies to

South Africa

Your organization's position on the policy, law, or regulation

Support with minor exceptions

Description of engagement with policy makers

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. Through Business Unity South Africa, we have been directly participating in the National Economic Development and Labour Council (NEDLAC) negotiations on the Climate Change Bill. These direct negotiations are part of a statutory governance approach for consulting on key policies between labour, business and government. We are an active participant in the commenting process and are participating in the second voluntary carbon budget process until the policy is enacted.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

Sasol supports the development of the climate change management framework and the use of carbon pricing as part of this framework. However, Sasol has minor exceptions with the manner in which the carbon pricing is implemented. More specifically, 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. Sasol believes that the Bill should emphasise mitigation potential more strongly. The Bill is also not aligned with existing authorisations. We are of the view that the carbon budget penalty should be a carbon tax. In South Africa, carbon tax design post 2026 is still lacking clarity, especially on the integration of the carbon budget and the carbon tax system. 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 should be followed to set the new carbon tax rate. Government consultations with stakeholders are on-going.

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Focus of policy, law, or regulation that may impact the climate

Other, please specify (Reducing emissions)

Specify the policy, law, or regulation on which your organization is engaging with policy makers

South Africa Nationally Determined Contributions

Policy, law, or regulation geographic coverage

National

Country/region the policy, law, or regulation applies to

South Africa

Your organization's position on the policy, law, or regulation

Support with no exceptions

Description of engagement with policy makers

Sasol supported the update of South Africa's Nationally Determined Contribution ahead of COP 26. The updated NDC may impact allocated emission budgets and may also have carbon tax implications for entities to be regulated under these instruments. Sasol is regulated under the Carbon Tax and is also part of the sector to be regulated under the mandatory Carbon Budgets once enacted. Several engagements took place with business and government ahead of COP26 including the Minister of Forestry Fisheries and Environment. During this engagement with the Minister, business sectors including Sasol provided their support for the updated NDC and the need for financing, capacity building and technological support for the country to achieve its NDC.

Details of exceptions (if applicable) and your organization's proposed alternative approach to the policy, law or regulation

<Not Applicable>

Have you evaluated whether your organization's engagement is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.3b

(C12.3b) Provide details of the trade associations your organization engages with which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association

Other, please specify (Business Unity South Africa (BUSA))

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

BUSA acknowledges and supports climate science. Its 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. In terms of Paris Agreement goals, it 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 CO₂e national GHG range as the NDC. In addition, 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. It also advocates for enabling policy to support green hydrogen, transition gas, renewables, energy efficiency and biomass feedstocks. Accordingly, Sasol is aligned with BUSA's position on climate change and its support of the Paris Agreement Goal and carbon pricing.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

170000

Describe the aim of your organization's funding

The funding provided covers the required annual BUSA membership fee for 2021 and excludes South African Value Added Tax (VAT). The required annual membership fee is determined based on the percentage of business turnover; hence the aim of the funding is to enable Sasol to participate and be included in BUSA's activities.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify (Chemicals and Allied Industries Association (CAIA))

Is your organization's position on climate change consistent with theirs?

Mixed

Has your organization influenced, or is your organization attempting to influence their position?

We are attempting to influence them to change their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

applicable)

CAIA acknowledges the latest climate science and is driving urgency for action. It also supports the goal of the Paris Agreement and participates in advocating for an ambitious NDC, with relevant supporting mechanisms. CAIA supports a fit-for-purpose carbon pricing design, integrated within a holistic policy framework that does not unduly impact South Africa's competitiveness. The association also supports renewable energy and natural gas as a lower-carbon transition fuel and a bridge to a lower-carbon economy. Sasol is aligned with CAIA's position on the abovementioned key climate change matters (as of 2021), however it does not have a position on transparency and disclosure, as well as best practice reporting standards. Sasol will continue to engage with CAIA on climate-related reporting standards and greater transparency.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

5100000

Describe the aim of your organization's funding

The funding provided covers the required annual CAIA membership fee for 2021 and excludes South African Value Added Tax (VAT). The required annual membership fee is determined based on the percentage of turnover from chemical products in South Africa; hence the aim of the funding is to enable Sasol to participate and be included in CAIA's activities.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify (Energy Intensive User Group's (ITTCC))

Is your organization's position on climate change consistent with theirs?

Mixed

Has your organization influenced, or is your organization attempting to influence their position?

We are attempting to influence them to change their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

ITTCC supports the science on climate change and the need to act, as well as advocates for policy-based on scientific evidence. Further, it 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. ITTCC also 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. In terms of transparency a disclosure, ITTCC actively supports the implementation of TCFD guidelines for member companies and actively tracks developments in this space. Sasol is aligned (as of 2021) with ITTCC on the aforementioned aspects but diverges on its position on carbon pricing. ITTCC acknowledges the merit of a carbon price in the economy in the longer term and

that it promotes a just transition, however, it advocates for an alternative design to the currently implemented carbon tax. Sasol will continue to engage to achieve alignment of ITTCC's position on carbon pricing.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

20000

Describe the aim of your organization's funding

The funding provided covers the required annual ITTCC membership fee for 2021 and excludes South African Value Added Tax (VAT). The required annual membership fee is a fixed rate; hence the aim of the funding is to enable Sasol to participate and be included in ITTCC's activities.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify (South African Petroleum Industry Association (SAPIA))

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

SAPIA's position and activities related to climate change are aligned with Sasol's position and principles (as of 2021). SAPIA subscribes to a scientific approach to understanding climate change and how to mitigate and limit the effects of climate change. It is supportive of the goal of the Paris Agreement and many members of the association are at the forefront of promoting net zero ambitions. In terms of carbon pricing, SAPIA is supportive of carbon pricing to drive consumer and business behaviour towards a conducive environment that ensures a just transition. SAPIA recognises the value of renewables, energy efficiency, CCUS and transition fuels to enable the transition towards a cleaner low-carbon future. The association also supports member transparency on climate-related disclosures related to outlining goals, directing necessary resources and training towards the energy transition.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

2950000

Describe the aim of your organization's funding

The funding provided covers the required annual SAPIA membership fee for 2021 and excludes South African Value Added Tax (VAT). The required annual membership fee is determined based on the annual operating budget of the company; hence the aim of the funding is to enable Sasol to participate and be included in SAPIA's activities.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify (Minerals Council of South Africa (MINCOSA))

Is your organization's position on climate change consistent with theirs?

Mixed

Has your organization influenced, or is your organization attempting to influence their position?

We are attempting to influence them to change their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

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. Specifically, the association has advocated for conducive climate change and just energy transition policies to support the country's NDC. MINCOSA has called for the decarbonisation of the mining industry through cleaner energy technologies and renewables. It has also instituted a programme to fast track the application and adoption of green hydrogen technologies in the mining industry. Finally, 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. Sasol is aligned (as of 2021) with the aforementioned aspects of MINCOSA's position and climate activities. However, MINCOSA does not have a clear position on carbon pricing and in this way is not aligned with Sasol's position. More specifically prior to the adoption of the Carbon Tax Act, MINCOSA expressed that the carbon tax is likely to be damaging to carbon intensive sectors with no pathways for offsets. MINCOSA has advocated for an integrated climate change mitigation instrument and not a singular tax. Sasol will continue to engage and advocate for the just transition, using effective and efficient carbon pricing as part of a suite of measures.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

9660000

Describe the aim of your organization's funding

The funding provided covers the required annual MINCOSA membership fee for 2021 and excludes South African Value Added Tax (VAT). The required annual membership fee is determined based on the percentage of production; hence the aim of the funding is to enable Sasol to participate and be included in MINCOSA's activities.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

European Chemical Industry Council (CEFIC)

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

CEFIC supports the Paris Agreement and strong action on climate change in line with the scientific advice provided by the IPCC. It also supports carbon pricing under the European Union Emissions Trading Scheme (EU ETS) in a manner that achieves a fair and efficient reformed ETS and enables the most efficient companies to manufacture and grow in Europe. CEFIC also advocates for revenue recycling to support further emissions reductions. CEFIC supports affordable natural gas as a means for the industry to achieve emission reductions and expects green hydrogen and renewable energy to play a pivotal role in reducing Europe's GHG footprint. Finally, CEFIC supports the recommendations of the TCFD. Given the aspects discussed, Sasol is aligned with CEFIC's climate position (as of 2021).

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

131100

Describe the aim of your organization's funding

The funding provided covers the required annual CEFIC membership fee for 2021 and excludes South African Value Added Tax (VAT). The required annual membership fee is determined per sub-group of which Sasol is a member of seven subgroups. The aim of the funding is to enable Sasol to participate and be included in CEFIC's activities.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify (Verband der Chemischen Industrie e.V. (VCI))

Is your organization's position on climate change consistent with theirs?

Consistent

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

VCI supports climate neutral policies, the Paris Agreement and carbon pricing through a global ETS to enable competitive conditions at the global level and avoid carbon leakage.

It also supports the promotion of renewable energies to make energy supplies climate-friendly, reliable and affordable, and encourages the use of energy-efficient products and technologies. VCI acknowledges the role of natural gas as a raw material base alongside renewable sources. Finally, VCI also supports transparent climate-related monitoring, reporting and verification systems. Accordingly, VCI's climate position is consistent with Sasol's position (as of 2021).

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

7866000

Describe the aim of your organization's funding

The funding provided covers the required annual VCI membership fee for 2021 and excludes South African Value Added Tax (VAT). The required annual membership fee is determined based on turnover related to relevant products; hence the aim of the funding is to enable Sasol to participate and be included in VCI's activities.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

American Chemistry Council

Is your organization's position on climate change consistent with theirs?

Mixed

Has your organization influenced, or is your organization attempting to influence their position?

We are not attempting to influence their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

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. 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; accordingly any climate policy must protect the ability of energy-intensive, trade-exposed industries to compete in the global economy. Although not published, discussions revealed that ACC supports an ETS or carbon tax depending on member jurisdiction. It also supports transparent metrics and disclosure of energy efficiency and GHG intensity through its Responsible Care reporting programme. Sasol is aligned on all the aforementioned aspects (as of 2021) but takes exception to supporting the climate-related regulation of natural gas. ACC has taken the position that the manufacture and use of essential

and cost-sensitive feedstocks (such as natural gas) should be exempted from climate regulations.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

7542900

Describe the aim of your organization's funding

The funding provided covers the required annual ACC membership fee for 2021 and excludes South African Value Added Tax (VAT). The required annual membership fee is determined based on the percentage revenue, hence the aim of the funding is to enable Sasol to participate and be included in ACC's activities.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify (American Cleaning Institute (ACI))

Is your organization's position on climate change consistent with theirs?

Mixed

Has your organization influenced, or is your organization attempting to influence their position?

We are attempting to influence them to change their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

ACI acknowledges that the science is clear by recognizing the urgent need to hold global average temperature in accordance with scientific consensus. It 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. ACI is also driving for 100% renewable energy and low-carbon solutions and supports CCUS. It is committed to an increase in transparency to provide people with the information they need to make informed decisions and offers reporting guidance. Sasol is aligned on the aforementioned ACI climate aspects, however, no direct statements supporting carbon pricing have been made. For this reason, the ACI's position is considered partially consistent with Sasol's (as of 2021). Sasol will continue to engage to encourage alignment and clear positioning on policy and fiscal instruments to drive the transition

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

2440350

Describe the aim of your organization's funding

The funding provided covers the required annual membership fee for 2021 and excludes South African Value Added Tax (VAT). The aim of the funding is to enable Sasol to participate and be included in ACI's activities.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

International Chamber of Commerce (ICC)

Is your organization's position on climate change consistent with theirs?

Mixed

Has your organization influenced, or is your organization attempting to influence their position?

We are attempting to influence them to change their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

ICC recognises the escalating climate emergency and wholly endorses the findings of the IPCC Special Report on Global Warming of 1,5°C. It is committed to advocating for and providing input on coherent policy frameworks – in line with the Paris Agreement and the latest climate science - which support the alignment of business operations with this target and help reach the additional goal of net zero emissions in many countries by 2050. 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. Finally, it advocates for low-carbon strategies, renewable energy and supportive government policies that act in tandem to unlock economic opportunities and manage competitive concerns. Sasol is aligned on all the aforementioned aspects of ICC's climate position (as of 2021) but takes exception to the lack of support for climate-related transparency and disclosure. Accordingly, Sasol will continue to engage with the intention of promoting the establishment of reporting standards and greater transparency.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

200000

Describe the aim of your organization's funding

The funding provided covers the required annual membership fee for 2021 and excludes South African Value Added Tax (VAT). The fee is determined is a fixed rate. The aim of the funding is to enable Sasol to participate and be included in ICC's activities.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify (International Council of Chemical Associations (ICCA))

Is your organization's position on climate change consistent with theirs?

Mixed

Has your organization influenced, or is your organization attempting to influence their position?

We are attempting to influence them to change their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

ICCA is committed to climate action and reducing GHG emissions through light-weighting, renewable energy sources, electric and battery materials and emission reductions up and down the supply chain. In terms of low carbon energy solutions, ICCA has taken the position that 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 the economy. In addition, ICCA supports transparency disclosures around chemicals' contribution to the SDG's. All the above mentioned aspects are aligned Sasol's position. However, ICCA does not yet have a position on carbon pricing and is consequently only partially consistent with Sasol's position on climate change (as of 2021). Accordingly, Sasol will continue to engage with ICCA to encourage alignment and support of carbon pricing.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

0

Describe the aim of your organization's funding

<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Trade association

Other, please specify (Louisiana Chemical Association (LCA))

Is your organization's position on climate change consistent with theirs?

Mixed

Has your organization influenced, or is your organization attempting to influence their position?

We are attempting to influence them to change their position

State the trade association's position on climate change, explain where your organization's position differs, and how you are attempting to influence their position (if applicable)

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. LCA supports the objectives of the Paris Agreement and a market-based, national-level carbon pricing that is economically efficient with predictable price signals. Sasol is aligned with all these aspects (as of 2021). However, it takes exception regarding LCA's lack of requirements around climate-related transparency and disclosure, however, LCA's position on these requirements is in the

process of being drafted. Sasol will continue to engage with intention of promoting the TCFD reporting recommendations and greater transparency.

Funding figure your organization provided to this trade association in the reporting year, if applicable (currency as selected in C0.4) (optional)

1050090

Describe the aim of your organization's funding

The funding provided covers the required annual membership fee for 2021 and excludes South African Value Added Tax (VAT). The required annual membership fee is determined based on the percentage headcount, hence the aim of the funding is to enable Sasol to participate and be included in LCA's activities.

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

[Sasol Climate Change Report 2021_22Sep21.pdf](#)

Page/Section reference

Throughout the report

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

Comment

None.

Publication

In mainstream reports

Status

Complete

Attach the document

[Sasol Integrated Report 2021 22Sep21 \(3\).pdf](#)

Page/Section reference

P. 4, 5, 6, 13, 14, 21, 23, 31

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

Comment

None.

Publication

In voluntary sustainability report

Status

Complete

Attach the document

[Sasol Sustainability Report 2021 22Sep21 10h30.pdf](#)

Page/Section reference

P. 5, 25, 42, 55.

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

Comment

None

Publication

In other regulatory filings

Status

Complete

Attach the document

[Sasol Form 20-F for the year ended 30 June 2021 \(1\).pdf](#)

Page/Section reference

Page 20, 21, 111

Content elements

- Governance
- Risks & opportunities
- Emission targets
- Other metrics

Comment

None.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	<p>Sasol is dependent on natural resources and, by nature, our activities have an unavoidable impact on the environment. We remain committed to minimising these impacts. More specifically, Sasol recognises that it has a responsibility to minimise the impact of its facilities on biodiversity, linked to SDGs 3, 15 and 16. Our land and biodiversity management activities are consistent with our SHE Policy. We recognise our custodial responsibility to respect and care for the environment, which includes addressing land and biodiversity matters. Our activities have the potential to result in various biodiversity impacts including 1) Reduction/deterioration in virgin land size; 2) Impacts on plants and terrestrial animals; and 3) Deterioration of the quality and quantity of river and groundwater. We have appropriate management systems and governance structures in place to manage our environmental and asset retirement obligations. Land risk and associated contamination liabilities are managed through the Group top risk of major SHE incidents. Accordingly, land and biodiversity is managed through the board-level Safety, Social and Ethics Committee (SSEC) which includes the CEO, the Executive Vice President of Strategy, Sustainability and Integrated Services. The SSEC meets quarterly. Its mandate includes ensuring that Sasol conducts itself as a responsible corporate citizen and monitors Group strategies, policies, performance and progressive implementation of its SHE practices. We currently do not have operations in areas declared as biodiversity hotspots (areas identified as being critical or endangered eco-regions). However, we do have interest in areas of potential sensitivity, for some of our upstream exploration/extraction activities. In accordance with our environmental management practices, the protection of biodiversity issues is addressed formally in new projects through environmental impact assessments and in existing projects through environmental management plans and/or programmes. We are also working to assess the biodiversity of the habitats in land currently owned, leased or managed throughout the Group. In 2021, 20 382 ha of surface area was affected by Sasol's operations while 6 147 ha was dedicated to conservation. Considering our asset retirement obligations and the group's environmental policy, provisions for environmental rehabilitation of coal mining, oil, gas and petrochemical sites by 30 June 2021 amounted to ZAR 16 196 million.</p>	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
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	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Commitment to respect legally designated protected areas Commitment to secure Free, Prior and Informed Consent (FPIC) of Indigenous Peoples	SDG

C15.3

(C15.3) Does your organization assess the impact of its value chain on biodiversity?

	Does your organization assess the impact of its value chain on biodiversity?	Portfolio
Row 1	No, but we plan to assess biodiversity-related impacts within the next two years	<Not Applicable>

C15.4

(C15.4) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity-related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water protection Land/water management Species management Education & awareness Livelihood, economic & other incentives

C15.5

(C15.5) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	Yes, we use indicators	Pressure indicators Other, please specify

C15.6

(C15.6) Have you published information about your organization’s response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In voluntary sustainability report or other voluntary communications	Governance Impacts on biodiversity Details on biodiversity indicators Other, please specify (Details on land and biodiversity mitigation and management activities)	page 52 and 59 Sasol Sustainability Report_2021_22Sep21_10h30.pdf

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Executive Vice President: Strategy, Sustainability and Integrated Services	Other C-Suite Officer



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