Welcome to your CDP Climate Change Questionnaire 2023

C0. Introduction

C0.1

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

Sasol Limited, headquartered in Sandton, Johannesburg, South Africa, is an integrated energy and chemical company with a rich history dating back to its establishment in Sasolburg in 1950. 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. Sasol is at the forefront of technological advancements and plays a vital role in the development and commercialization of various synthetic fuel technologies. Its diverse portfolio encompasses the production of liquid fuels, chemicals, nuclear power, coal tar, and electricity. As a publicly traded company, Sasol is listed on both the Johannesburg Stock Exchange (JSE: SOL) and the New York Stock Exchange (NYSE: SSL). With a global workforce of 28,630 employees, we safely and sustainably source, produce and market a range of high-quality products in 22 countries, creating value for stakeholders. Our purpose “Innovating for a better world” compels us to deliver on triple bottom line outcomes of People, Planet and Profit, responsibly and always with the intent to be a force for good.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date

July 1, 2021

End date

June 30, 2022

Indicate if you are providing emissions data for past reporting years

No

C0.3

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

China
Germany
Italy
Mozambique
Qatar
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

(C1.1a) 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 or committee	Responsibilities for climate-related issues
Board Chair	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 within environmental stewardship responsibilities 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 is responsible for overseeing and directing the company's efforts to achieve the net zero emissions ambition by 2050,

	including interim targets for 2030 and developing plans to reduce scope 1, 2, and 3 emissions. They also monitor and guide on the development of just transition roadmap, ensure that we are aligned with TCFD recommendations, assess risks and scenarios, and address stakeholder concerns. In 2022, the following key climate-related matters were considered and discussed by the board. -The board considered the IPCC's latest climate science and assessed implications on Sasol's climate change management approach. -Progress against GHG targets and milestones were discussed (procurement of renewables, gas sourcing and green hydrogen), and -Progress on carbon offset strategy were discussed.
Board-level committee	The Board's Safety, Social, and Ethics Committee (SSEC) has a specific mandate on climate change management under the umbrella of sustainability. The Board provides oversight on the company's climate change response as a Group top risk. The workplan of the SSEC is informed accordingly by the risks and opportunities we face, as the transition and decarbonisation of our operations unfolds. The SSEC's climate change mandate is extensive and covers a range of issues, including stakeholder perceptions and integrated climate considerations. The SSEC provides integrated strategic direction and independent oversight, which includes recommendations to the Board for final approval on climate-related matters, primarily encompassing: 1. The net zero ambition (2050), interim targets (2030) and associated roadmaps to achieve scope 1, 2 and 3 (Category 11) reductions and undertaking a just transition; 2. Performance, reporting and disclosure against our targets and roadmaps; 3. Progressive advancement of our disclosures to align with the TCFD recommendations; 4. Monitoring continued resilience of our portfolio through robust risk assessments and scenario analyses; and 5. Addressing stakeholder concerns on our decarbonisation approach, including providing for direct stakeholder engagement by Board members, as and when required. An example of a climate-related decision made by the SSEC is the approval of our annual TCFD aligned 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

	2022 again includes absolute reduction 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.
Other, please specify Independent Non-Executive Director – Climate Champion	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 2022 AGM on our climate change response which received overwhelming support(94% voted in favour). Further, approval in 2021 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 net zero emissions by 2050.

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	Please explain
Scheduled – all meetings	Reviewing and guiding annual budgets Overseeing major capital expenditures Overseeing acquisitions, mergers, and divestitures Reviewing and guiding strategy Overseeing and guiding the development of a transition plan Monitoring the implementation of a transition plan Monitoring progress towards corporate targets Reviewing and guiding the risk management process Other, please specify Reduction Roadmaps, Offsets Strategy, Climate Change Report	Reviewing and guiding strategy : 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. Reviewing and guiding the risk management process : 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 Reviewing and guiding annual budget: The board is responsible for laying the foundation in guiding the annual budgeting processes. Overseeing major capital budget : 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. Monitoring progress towards corporate targets and reduction roadmaps: Since 2019, Sasol has published an annual Climate Change Report, approved by the Board's SSEC. In 2021, 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 ambition 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 in 2022. Additional climate change related metrics were also approved by the Remuneration Committee for inclusion in the short-term and long-term variable pay plans since 2020, with weightings mostly higher than peer companies.

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
Row 1	Yes	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. 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 2022 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.

C1.2

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

Position or committee

Chief Executive Officer (CEO)

Climate-related responsibilities of this position

Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing public policy engagement that may impact the climate
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

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

recommending approval on the company's strategy and long-term plans, including climate change management, to the Board. Our 2030 targets and 2050 ambition, as well as our roadmaps are also part of the GEC's mandate.

Position or committee

Other, please specify

- Other C-Suite Officer, please specify (GEC, Climate Change GEC Steering committee, Energy Operations Policy, Stakeholder and Governance Committee)

Climate-related responsibilities of this position

Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Managing public policy engagement that may impact the climate
Managing value chain engagement on climate-related issues
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities

Reporting line

Reports to the board directly

Frequency of reporting to the board on climate-related issues via this reporting line

More frequently than quarterly

Please explain

The GEC is supported by the corporate Portfolio Strategy and Sustainability Function, which includes its climate change management team and the various business sustainability managers. Additionally, support is provided by the other business specialists and experts in areas such as green hydrogen and renewables.

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 has a commitment to delivering on its Future Sasol plan and has set key priorities that are reflected in the short-term and long-term variable pay incentive structures for all levels of employees, with variable remuneration tied to the organisation's performance in sustainability, energy efficiency, low-carbon opportunities, and reducing greenhouse gas emissions. The Board's Remuneration Committee approves applicable performance targets and weightings. The long-term incentive (LTI) targets for senior personnel are measured over three years and include a significant weighting of 25% on sustainability metrics, including GHG emissions. Targets in the group short-term incentive (STI) plan, carries a weighting of 20%. In addition to the Group's scorecards, the BU scorecards also include Climate Change targets. Individual strategic accountability for sustainability issues and performance is driven through performance agreements, with the outcome being a multiplier in the STI formula.

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

Chief Executive Officer (CEO)

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary
Salary increase

Performance indicator(s)

Board approval of climate transition plan
Achievement of climate transition plan KPI
Progress towards a climate-related target
Energy efficiency improvement
Other (please specify)
Deliver 2030 GHG emission-reduction Roadmap

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

Incentives influence the CEO's decision-making process, encouraging prioritization of climate-related initiatives. When incentives are directly linked to sustainability outcomes, the CEO is more likely to allocate resources, approve budgets, and make strategic decisions that support the implementation of the climate transition plan. This can include investments in renewable energy, research and development for sustainable technologies, or restructuring operations to reduce emissions

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Entitled to incentive

Corporate executive team

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary
Salary increase

Performance indicator(s)

Board approval of climate transition plan
Achievement of climate transition plan KPI
Implementation of an emissions reduction initiative
Energy efficiency improvement
Other (please specify)
Deliver 2030 GHG emission-reduction Roadmap

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

Incentives influence decision-making process, encouraging prioritization of climate-related initiatives. When incentives are directly linked to sustainability outcomes, it results in the allocation of resources, approval of budgets, and strategic decision making that supports the implementation of the climate transition plan. This can include investments in renewable energy, research and development for sustainable technologies, or restructuring operations to reduce emissions

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Entitled to incentive

Other, please specify

Climate change specialists and managers

Type of incentive

Monetary reward

Incentive(s)

Bonus - % of salary
Salary increase

Performance indicator(s)

Achievement of climate transition plan KPI
Implementation of an emissions reduction initiative
Reduction in absolute emissions
Energy efficiency improvement
Other (please specify)
Deliver 2030 GHG emission-reduction Roadmap

Incentive plan(s) this incentive is linked to

Both Short-Term and Long-Term Incentive Plan

Further details of incentive(s)

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan

Incentives influence decision-making process, encouraging prioritization of climate-related initiatives. When incentives are directly linked to sustainability outcomes, it results in the allocation of resources, approval of budgets, and strategic decision making that supports the implementation of the climate transition plan. This can include investments in renewable energy, research and development for sustainable technologies, or restructuring operations to reduce emissions

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 Enterprise Risk Management (ERM) process assists us to identify, understand and respond to the risks associated with our business. We understand and proactively manage risks within set risk appetite and risk tolerance levels, in order to optimise business returns. We define risk appetite as the amount and type of risk that we are willing to take in order to meet our strategic objectives. The risk management process is inextricably linked with expected returns associated with our strategic imperatives. We define risk tolerance as the amount of uncertainty that we are prepared to accept and cope with. It identifies the maximum boundary, beyond which we are unwilling to operate. Sasol has implemented a comprehensive risk management approach that effectively evaluates and addresses risks at both the Group and entity levels. This approach aims to identify potential risks that could significantly impact our business strategy and overall performance, taking into account the dynamic nature of our internal and external operating conditions. To achieve this, Sasol has established a standardised Enterprise Risk Management Framework (ERMF) that incorporates recommended risk management and governance practices from various authoritative sources. These include South Africa's King IV Code for Corporate Governance, the listing requirements of the Johannesburg Stock Exchange (JSE), rules and regulations set by the United States Securities and

Exchange Commission, recommendations from the Global Reporting Initiative (GRI) and Task Force on Climate-related Financial Disclosures (TCFD), as well as the United Nations Sustainable Development Goals (SDGs) and reporting criteria. Additionally, we draw guidance from the Committee of Sponsoring Organizations' Enterprise Risk Management Integrated Framework and the International Standards Organization's 31000 Standard. To assess and prioritize our top risks, including those related to climate change, we apply a standardised risk matrix that analyses and ranks risks based on their potential likelihood and impact. Our risk matrix incorporates various impact criteria, encompassing quantitative and qualitative aspects across financial, operational, market, people, legal and regulatory, and geopolitical/reputational categories. It is important to note that since risks are inherently uncertain, we express them in terms of potential quantitative impacts rather than absolute outcomes. Sasol identifies and defines potential significant financial impacts associated with climate change risks, aligning them with our risk matrix. We have set a range of potential substantive financial impacts, representing the risk of financial loss to our business, ranging from ZAR 0.3 billion to 4.5 billion. Moreover, we have established quantitative and qualitative materiality impact thresholds at the Group level, acting as a "materiality lens." This lens serves as the basis for escalating risks to the Board as top risks. Our "materiality lens" encompasses various criteria for potential high-impact risks, including financial (based on a certain percentage of Group EBIDTA or cash fixed cost), operational (Group-wide impact on the integrated value chain), market (a certain percentage of key/critical product lines or market share loss), legal and regulatory (fines/penalties/legal action exceeding a certain percentage of Group turnover), and geopolitical/reputational impact (share price decline exceeding a certain percentage). In addition to these measures, Sasol employs climate-related scenario analysis, incorporating both qualitative and quantitative assessments, to inform our business strategy and evaluate the short, medium, and long-term impacts of climate change. This analysis provides valuable insights for our future risk management processes, allowing us to assess the robustness of our strategies and make informed decisions to ensure the resilience of our operations.

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 follows a comprehensive risk management approach guided by our Enterprise Risk Management Framework (ERMF). The ERMF encompasses principles and practices that enable us to systematically identify, assess, and manage all types of risks, including climate change-related ones. By implementing the ERMF, we aim to achieve measurable results and provide continuous feedback to address stakeholder concerns about climate change. Each year, Sasol identifies top risk focus areas at the group level that requires attention and awareness across all business units and strategic developments. These risks, which the Board approves, are closely monitored by the Group Executive Committee (GEC), and relevant Board committees and include climate change risks. Our top risks consist of four defined “aspects” consistent throughout the organisation and aligning with the ERMF. These aspects are:

1. Short-term business resilience and viability
2. Medium to Long-term business viability and sustainability.
3. Employee value proposition.
4. Stakeholder impact.

Climate change risks are linked explicitly to Aspect 2, which focuses on medium to long-term business viability and sustainability. However, they also have critical connections to the other three aspects, which include risks around operational interruptions, competitiveness, supply and demand dynamics, legal requirements, employee well-being, reputation, and stakeholder interests. As a result, climate change risks are integrated into our company-wide risk management approach, encompassing both individual assets and the entire Group.

To effectively consider climate change in our business strategy, Sasol conducts climate-related scenario analysis. We continually monitor developments in global climate change understanding and changes in climatic predictions on a quarterly basis. The identified climate change risks are assessed over short-, medium-, and long-term timeframes and reported to relevant governance structures for appropriate consideration. Our standard ERMF risk matrix is used for scenario analysis, risk ranking, and prioritisation. We prioritise all risks and opportunities that may impact our income, expenditure, capital, the achievement of strategic objectives (medium to long term), reputation, and

delivery on short-term business plans. In line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), we have been disclosing our climate change risks since 2018. Through the implementation of the TCFD recommendations, we have identified three primary sub-risks that are crucial for Sasol's sustainability in the face of climate change. These sub-risks have been thoroughly analysed, considering their risk drivers and response measures:

• Sasol's inability to d implement appropriate climate change mitigation response.

• Sasol's inability to implement appropriate adaptation measures to ensure long-term resilience of business operations.

• Increasing societal pressure impacting market access and product competitiveness.

We also acknowledge specific physical risks associated with climate change. For example, our operations in the US and Mozambique face the risk of hurricanes and cyclones, respectively. To mitigate the impact of cyclones in Mozambique, we have allocated an annual emergency relief fund to support the affected communities in the event of a cyclone occurrence. Additionally, intense flooding events, such as the one experienced in KwaZulu Natal in April 2022, can damage infrastructure and disrupt our supply chain, leading to losses in product distribution. A transitional risk faced by Sasol, particularly in our South African operations, is the potential impact of the local carbon tax on our operating costs. The South African Carbon Tax Act, which was enacted in 2019, has implications for Sasol's operating expenditure. As the uncertainty surrounding electricity costs and supplier-related carbon tax implications increases, we anticipate that the carbon tax will have a growing impact on our business in the medium term. To mitigate this risk, we are actively reducing emissions, improving energy efficiency, and reducing reliance on the national electricity grid by adopting renewable energy sources.

During the review and update process of Sasol's top risk landscape, the Board approved the inclusion of a new top risk within the Sustainability and Transition theme. This risk emphasizes Sasol's strategic positioning as we navigate the decision-making landscape in alignment with our Future Sasol strategy. An important aspect of this risk involves our transition plans involving gas, which can significantly impact our profitability depending on price fluctuations.

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	Within our risk assessments we consider policy and regulatory changes imposing more onerous compliance requirements, this includes: Monitoring and responding to the shifting macroeconomic trends, including carbon tax requirements, Signpost monitoring of the policy and regulatory landscape and responding accordingly, and assessing our market positioning against emerging trends, setting targets, transforming our product portfolio, maintaining product supply and collaborating with our customers to meet their requirements. Sasol is committed to maintaining compliance with all current regulations in the regions where we operate. We recognize that regulatory compliance is a crucial aspect of our climate change risk management process. Failing to comply with regulations not only exposes our business to fines and penalties but, in the worst-case scenario, could lead to the loss of our operating licenses in a particular country. Therefore, Sasol diligently includes current regulations as part of our ongoing risk monitoring for our operations. We have integrated the assessment of incoming and existing regulations related to our operating regions and their commitments to the Paris Agreement into our risk assessment process. We closely track developments in these legal requirements as they can have a significant impact on our operations, both operationally and financially. For instance, our European operations are directly affected by the Emissions Trading System (EU ETS) allowance process. Failure to meet regulatory requirements and timely payments can result in potential financial liabilities. Phase 2 carbon tax rates in South Africa have been confirmed with a significantly higher financial liability for impacted entities and the Climate Change Bill is yet to be finalised for enactment. These legislative mechanisms will provide the guardrails for the country's just transition and will have regulatory requirements for our operations. This risk is expected to increase over time due to anticipated rising costs associated with carbon and reduced allowances or breaks provided by such legislation, which currently mitigate the implications of these risks. These risks are identified as risk drivers in our climate change risk assessment. We consider current regulatory requirements, such as these, as relevant and ensure they are consistently included in our risk assessments
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, In March 2022, Parliament tabled the draft Climate Change Bill for public comment. Once enacted, the Climate Change Act will be the country's framework to support an effective climate change response and enable a long-term just transition to a more climate resilient, low-carbon economy. Sasol has been publicly supporting a dedicated climate change act that puts forward a common climate change vision and offers harmonisation of policies in support of the vision. In our submission to

		Parliament in May 2022, Sasol advocated for: recognition of mitigation potential and feasibility as criteria to be used when allocating a carbon budget; clarification on how the existing authorisation process will incorporate carbon budget allocations; adequate inclusion of incentives and other similar measures to drive desired GHG outcomes; 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.
Technology	Relevant, always included	Technological advancements have a significant impact on operational productivity, regulatory compliance, and operational efficiency. The adoption of newer and more efficient technologies can lead to increased productivity, cost savings, and reduced environmental impact. However, the benefits of implementing new technologies often come with high investment costs. In the context of South Africa, where our largest emissions exist, there are limited affordable technology options available to effectively reduce carbon emissions. Our climate change roadmap published in our climate change report in 2022 shows our commitment to reduce scope 1 and 2 greenhouse gas (GHG) emissions for the Energy Business by 30% by 2030, based on a 2017 baseline, on the path to achieving net zero emissions ambition by 2050. This commitment was developed through an emissions reduction roadmap in 2020, which assessed more than 100 mitigation options and identified key strategies to achieve significant GHG emission reductions by 2030. In line with this roadmap, Sasol has identified and initiated the implementation of various initiatives, including the adoption of new technology options, to reduce energy consumption and GHG emissions. These initiatives encompass energy efficiency projects and explore the potential of utilizing green hydrogen as a renewable energy source. Sasol actively monitors and tracks technology developments, particularly in areas such as hydrogen and carbon capture, and leverages this knowledge to inform our business strategy and identify potential opportunities to enhance efficiency and decrease emissions at a cost that is both affordable and feasible. Given the rapidly evolving nature of technology developments in response to climate change, technology options and their availability are considered key risks and opportunities to Sasol's business model. The frequent advancements in technology impact legislation and Sasol's relevance in the industry. Therefore, technology risks are included as a risk driver

		in our climate change risk management process, ensuring that we proactively assess and address the potential risks and opportunities associated with emerging technologies.
Legal	Relevant, always included	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 2022 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.
Market	Relevant, always included	Sasol acknowledges the evolving consumer behaviors that impact our market-related risks. The shifting market focus and heightened awareness of climate change consequences have led to increased societal pressure and community activism. As a result, there is growing environmental consciousness, which has prompted capital markets and investors to demand greater product competitiveness. This concern is particularly pronounced in mature regions like Europe and North America, where carbon pricing and its ripple effects on consumers are anticipated to bring about significant changes. Global trends indicate a general shift among consumers away from fossil fuel-based energy sources towards renewable alternatives such as sustainable aviation fuel. This trend will directly affect Sasol's current business continuity. For instance, the European Union's Emissions Trading System (ETS) introduces additional operating costs for our European operations, impacting Sasol's market competitiveness relative to other energy sources. These changes serve as risk drivers within our climate change risk management process, which is crucial given Sasol's operations in Europe and South Africa. Consequently, Sasol recognizes the importance of monitoring market changes, as well as supply and demand risks. Furthermore, markets are increasingly embracing low carbon fuel sources like green hydrogen and SAF (Sustainable Aviation Fuel) in response to the EU Renewable Energy Directive and the Fit-For-55 policy package. These risks and opportunities are duly considered in our climate change risk management process, especially considering the emissions-intensive nature of Sasol's products exported from South Africa. Similarly, the recently promulgated Carbon Border Adjustment Mechanism (CBAM) in the EU could exert greater market influence on goods imported by our South African operations for EU customers should chemicals be included in the list of products.

Reputation	Relevant, always included	Sasol recognizes the importance of maintaining a responsible corporate image to uphold our social license to operate. We strive to cultivate a positive reputation, especially considering our contribution to climate change and the associated risks. To demonstrate our commitment, Sasol includes enhanced climate change disclosure aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) in our suite of annual reports and other relevant publications. We are actively progressing our efforts in disclosure. Engagement with government departments and other key stakeholders on greenhouse gas (GHG) mitigation policies is an integral part of our strategy. By fostering trust-based relationships, Sasol aims to position itself as a credible partner in addressing climate change. Reputational risks are given due consideration as significant drivers within our climate change risk processes, particularly considering the energy-intensive nature of our operations in South Africa. Accordingly, reputational risks are consistently incorporated into our internal risk management processes, in line with our Risk Policy and supporting Enterprise Risk Management Framework. One example of a climate change-related reputational risk faced by Sasol is the potential reduction in access to freshwater resources and other services for the surrounding communities. This situation may increase pressure on Sasol to assist municipalities with basic service delivery. An instance of this was witnessed during the flooding events in KwaZulu Natal, South Africa, which impacted Sasol's Natref operations and affected numerous nearby communities. Sasol managed this risk by providing mobile clinics and making cash investments in community support programs to aid the affected communities
Acute physical	Relevant, always included	In 2022, Sasol faced acute physical risks that could have significant impacts on our operations. These risks are exacerbated by the findings of the Intergovernmental Panel on Climate Change (IPCC) 6th Assessment and Synthesis Reports. These reports highlight that the frequency and intensity of extreme weather events, such as heatwaves, floods, and storms, are increasing due to climate change. As a company with operations in various regions, including South Africa, we are vulnerable to these physical risks. Heatwaves and droughts can affect our water availability and operational processes, while intense storms and flooding can disrupt our infrastructure and supply chains. The IPCC report emphasizes the urgency of mitigating climate change to avoid even more severe impacts. As a responsible organization, Sasol is committed to addressing these risks, adapting to changing conditions, and incorporating climate resilience measures into our operations to safeguard our business and contribute to global climate action. In 2022, Sasol experienced the devastating impact of the Durban floods, which had severe physical risks and consequences for our operations. The floods resulted from intense rainfall and overwhelmed the city's drainage systems, leading to widespread flooding and infrastructure damage. This event had a direct impact on Sasol's facilities and operations in the region. The flooding caused disruptions in transportation routes, including road closures and limited access to our sites. This affected the transportation

		of raw materials, products, and supplies, leading to delays in production and delivery schedules. Additionally, the floodwaters infiltrated our facilities, causing damage to equipment, electrical systems, and infrastructure. In 2021, Sasol experienced the impacts of Cyclone Eloise as it swept through Mozambique. While our processing plant had taken precautions for the storm, the surrounding communities and nearby infrastructure near our Mozambique operations suffered extensive damage. These events had significant financial implications due to infrastructure damages and work stoppages, underscoring the importance of considering acute physical risks in our risk management processes. Thus, acute physical risks are considered relevant and are always included in our risk management processes.
Chronic physical	Relevant, always included	As we analyze the potential impacts of climate change through scenario analysis, we anticipate various changes in precipitation and temperature patterns that could affect Sasol's operations. These changes pose significant risks to both our direct operations and the broader value chain, particularly concerning water security and operating costs. The shifts in temperature patterns could lead to higher cooling expenses and reduced equipment efficiency. Furthermore, altered weather patterns may result in more frequent occurrences of floods and droughts, including flash flooding and extended dry periods within a year. Across all regions of operation, we anticipate a rise in temperatures. To ensure the well-being and safety of our employees, we may need to increase cooling for offices, storage areas, and processes. This heightened cooling demand would likely lead to greater energy requirements for air-conditioning and refrigeration systems, resulting in increased operating costs. Consequently, temperature increases are strongly associated with projected future cost increases. The chronic changes caused by climate change are expected to become more frequent on a global scale.Given the relevance and potential impact of these risks, they are consistently included in our risk management process. We recognize the importance of monitoring and addressing the challenges posed by climate change to ensure the resilience and sustainability of our operations.

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

Primary potential financial impact

Increased direct costs

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 South African Carbon Tax Act, commenced in June 2019, poses a carbon pricing implication and uncertainty with each successive phase of implementation. The 2022 carbon tax rate is R144/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, there are indications that National Treasury could phase out these mechanisms in the future, potentially resulting in Eskom also being liable to the 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 770 216 tCO2e allowances under the ETS. Since Sasol exceeded the allocated ETS allowances and was required to purchase 56 619 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)

Potential financial impact figure – minimum (currency)

2,000,000,000

Potential financial impact figure – maximum (currency)

3,000,000,000

Explanation of financial impact figure

For CY2021, submitted in 2022, Sasol's South African operations total tax liability amounted to R758 million after taking into account carbon offsets and electricity levies.. In addition, in 2022, Sasol purchased 5.35 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 R1.45 billion by 2026 and R2.3 billion by 2030 which can partially be offset in later years through more renewables use.

Sasol is required to purchase allowances under the EU ETS systems. In this reporting year, we purchased 56 619 ETS allowances in addition to those already allocated to us. These allowances are anticipated to cost €50 - €100 (~R1007 – R2014) per allowance ton by 2030. Thus, the allowance costs could range, between R57 million and R114 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

25,000,000,000

Description of response and explanation of cost calculation

In 2021, Sasol embarked on an increased ambition, setting a net zero emissions ambition by 2050 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.

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

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

The growing environmental consciousness, especially regarding climate change, has had a significant impact on business models due to increased public awareness and ongoing technological advancements aimed at enhancing efficiency. Sasol has identified several trends in this regard: Institutional investors are facing mounting pressure to divest from fossil fuel companies, particularly those reliant on coal, and instead invest in businesses that prioritize cleaner energy sources and sustainability. Stricter legal regulations driven by socio-political factors are compelling organizations to minimize their environmental impact and reduce their carbon footprint. Consumer demand is shifting towards eco-friendly products that are energy-efficient and have a minimal environmental footprint. Civil society, communities, and activists are increasingly employing legal mechanisms and advocating for governments, industries, and society as a whole to take actions that contribute to a more sustainable future. These trends have particular relevance for Sasol due to the greenhouse gas-intensive nature of its coal-to-liquid operations in South Africa. They have the potential to impact Sasol's reputation, limit market access, and affect the competitiveness of its products, particularly in mature markets such as Eurasia. Shareholders have already submitted resolutions calling for improved climate change management, additional targets, and enhanced disclosure from Sasol since 2018. Investment funds are also increasingly excluding companies with significant coal exposure. To address these challenges, Sasol engages with stakeholders to broaden its response to climate change and adapt its strategy for long-term value creation. Additionally, Sasol, in collaboration with its partners, aims to participate in a global hydrogen auction to promote sustainable aviation fuel production using green hydrogen generated in South Africa. Leveraging existing assets, Fischer Tropsch technology, and expertise, Sasol recognizes the country's potential to produce these vital products for a low-carbon future while simultaneously decarbonizing its operations and the economy. Sasol's focus lies in enhancing the performance of its current asset base through increased productivity, improved operational efficiency, and the utilization of 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)

Potential financial impact figure – minimum (currency)

3,200,000,000

Potential financial impact figure – maximum (currency)

6,400,000,000

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 5 - 10% 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 2022 Climate Change Report. We have estimated, if unmitigated, that our revenue could potentially be eroded from our Chemicals operation between approximatelyR3.2 – R6.4 billion by 2030 (whose turnover for FY22 was R64 billion).

Cost of response to risk

25,000,000,000

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 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 ~R770 million in FY 2022. 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 investing between ~R15 and R25 billion in cumulative capital expenditure from now until 2030 and this year's contribution to emissions reduction through our R&D spend is R770 million. Therefore, the cost of response can be up to R25.7 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

Primary potential financial impact

Increased capital expenditures

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) situated in the Inhambane province of Mozambique is susceptible to the risk from cyclones. For this reason the CPF and new expansions are engineered and designed in such a manner to withstand Cat 5 Storms. A tiered emergency response plan also allows for proactive interventions to minimise harm to our people and assets and protection of our environment. Since start of operations in 2004 the CPF has experienced 4 cyclones (Favio 2007, Idai 2019, Eloise 2021, Freddy 2023). These storms have caused limited to no infrastructure damage to our plants and facilities although there has been significant damage to community and country infrastructure. There has been no interruption to operations or production. Cyclone Freddy in 2023 is on record as having the highest accumulated cyclone energy in history. This storm resulted in extraordinary costs, not associated to normal operations, but due to ongoing project and drilling activities taking place at the time of the cyclone.

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)

3,660,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

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. The cumulative financial impact includes past events reported .

Cost of response to risk

200,000,000

Description of response and explanation of cost calculation

The costs are estimated to be approx. $ 11.1 million (~200,000,000) which include drilling rig and service provider down time, construction project reestablishment, repairs to staff housing complex. The cost ($11.1 million) is a direct cost due to damages, repairs (associated with drilling an construction activities) donations etc. As part of our response to assist populations affected by Cyclone Eloise, we repaired school and hospital infrastructure in Inhassoro and Govuro districts, in Inhambane Province. This intervention focused on infrastructure affected by natural disasters. Our operations in Mozambique reside in a cyclone zone. As a result, Sasol sets aside an annual cyclone emergency relief fund for immediate care and reconstruction for the community should it be affected by natural disasters. In Govuro, Sasol built a water system for the Matasse Community and repaired and delivered the mortuary of the Mambone Health Centre. In addition, interventions were made in the Chimunda and Nhapele Health Centres and Mananisse Primary School. In Mozambique, being a country prone to these types of natural disasters, the government, through INGD (National Disaster Management Institute) and the Ministry of Public Works and Construction, has developed reconstruction specifications, which all relevant actors are required to follow to mitigate the impact of any future extreme weather events. These specifications were applied for these projects

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)

Primary potential financial impact

Decreased revenues due to reduced production capacity

Company-specific description

During April 2022 in KwaZulu-Natal, South Africa, extremely high rainfall was experienced in a short period, resulting in flooding of major parts of the province, including Natref's crude oil storage facility. This facility was submerged below more than 1,5 metres of water rendering the site inoperable and affecting major roads, transportation, communication and electrical systems. The damage greatly hampered recovery and relief efforts. Flash flooding resulted in our night shift employees being stranded for 18 hours before being rescued by boat the following day. 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 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)

242,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

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 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

77,500,000

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)

Primary potential financial impact

Decreased revenues due to reduced production capacity

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 South African sites is the increased frequency of extreme weather events including heavy rainfall events and flooding. There is no doubt that extreme weather events are having an impact on

our operations and supply chains. In addition floods 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 instances of flooding have been observed at the Sasolburg operations. During these incidents, the operation encountered substantial rainfall, exceeding the 1 in 100-year flood events. Notable rainfall events included 230mm in 3 days in February 2017, 76mm in 24 hours in December 2017, and 90mm in 24 hours in March 2018. In December 2020, our Secunda operation also faced heavy rainfall towards the end of the season, surpassing 80mm within a single hour. This heavy rainfall was influenced by a nearby tropical cyclone. Consequently, flooding occurred, resulting in the influx of large volumes of contaminated stormwater into the Sasol site. The Secunda operations, in particular, are vulnerable to flooding due to their design, which aims to store surplus effluents in storage dams rather than discharging liquid effluent. Evaporation during the winter months allows for storage capacity to be created for the wetter summer months. However, the increasing frequency of one-in-fifty-year rainfall events and shifts in the timing of rainfall seasons, attributable to climate change, are escalating the risks faced by our operations. The heightened probability of overflow and subsequent environmental impacts pose significant concerns. Although production interruptions have not yet occurred as a result of these incidents, Sasol acknowledges the impending risk to our operations. All relevant authorities have been duly informed of these occurrences, and no fines or penalties have been imposed thus far. At our Secunda Operations, we experienced an unprecedented rainfall incident in November 2022 which caused flooding of the west coal processing unit and resulted in a factory outage for several days.

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)

Potential financial impact figure – minimum (currency)

250,000,000

Potential financial impact figure – maximum (currency)

780,000,000

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. The November 2022 incident resulted in production loss of approximately R250m. 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

139,000,000

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.

Identifier

Risk 6

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation

Mandates on and regulation of existing products and services

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

Two Delegated Acts (DA's) to the European Union's Renewable Energy Directive (EU RED II) that respectively provide guidance on the criteria for deeming hydrogen renewable and the greenhouse gas (GHG) calculation methodologies for renewable fuels of non-biological origin were put forward in 2022 and published in 2023. These DA's are intended to accelerate green hydrogen investments in the region and globally but in practice are not delivering on the EU's stated intention. The Acts have been analysed and show significantly negative implications for Sasol's ability to place sufficient volumes of product in the EU market to justify project economics – particularly due to their rules around coprocessing of sustainable and fossil inputs. South Africa's envisaged approach for a much-needed gradual transition from a coal to a green economy is likely to be impaired in the absence of a supportive EU policy, as this key market is able to afford the so-called green product premiums at these early stages while low carbon products come down the cost curve. Of importance is the need for recognition of (1) co-processing of fossil fuel and sustainable feedstocks in FT facilities through a flexible lifecycle analysis approach, allowing allocation of GHG benefits to specific products in the transition. This would allow sustainable aviation fuel producers to maximise product volumes and access markets that can afford to pay a premium to counter high production costs, while green hydrogen is still prohibitively expensive; and (2) recognition of fossil CO2 feedstocks from industrial installations as sustainable carbon sources beyond 2040. As it currently stands, this transition period is not sufficient for developing countries such as South Africa nor does it align with projected green hydrogen cost curves.

Time horizon

Short-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)

Potential financial impact figure – minimum (currency)

2,450,700,000

Potential financial impact figure – maximum (currency)

3,403,750,000

Explanation of financial impact figure

The estimated potential revenue loss for not being able to access the EU SAF market, is estimated to be between R2.45 to R3.4 billion., using the project's projected volumes of ~36 to 50 kt and the H2Global's SAF published price cap of €3660/ton.

Cost of response to risk

25,000,000,000

Description of response and explanation of cost calculation

In 2021, Sasol embarked on an increased ambition, setting a net zero emissions ambition by 2050 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.

Comment

None

Identifier

Risk 7

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation

Carbon pricing mechanisms

Primary potential financial impact

Decreased revenues due to reduced demand for products and services

Company-specific description

The Carbon Border Adjustment Mechanism (CBAM) presents a potential risk to Sasol if the organic chemicals and polymers sector is included in the future. Sasol exports products falling under this sector into the EU and, if included, CBAM will place an additional financial burden on Sasol's EU customers, which will likely be passed through to Sasol, reducing revenue from these products and impacting the viability of this market in the future. South Africa's coal-dominated electricity places any exported products from this region into the EU at a further disadvantage if indirect emissions are required to be reported as part of the embedded emissions.

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)

Potential financial impact figure – minimum (currency)

3,200,000,000

Potential financial impact figure – maximum (currency)

6,400,000,000

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 5 - 10% 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 2022 Climate Change Report. We have estimated, if unmitigated, that our revenue could potentially be eroded from our Chemicals operation between approximatelyR3.2 – R6.4 billion by 2030 (whose turnover for FY22 was R64 billion). Analysis is underway to determine the impact of CBAM.

Cost of response to risk

25,000,000,000

Description of response and explanation of cost calculation

In 2021, Sasol embarked on an increased ambition, setting a net zero emissions ambition by 2050 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.

Comment

A number of implementing acts and further updates to the CBAM regulations are required before this risk can be quantified.

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

We are undertaking a fundamental transformation of our business. Our Future Sasol strategy focuses on decarbonising our operations while preserving and growing value. We identified Green Hydrogen (H2) as a critical enabler towards our transition. We recognise H2 as a sustainable energy carrier through gas-based and green H2 production pathways. We have undertaken steps toward realising this opportunity

by initiating and supporting different projects within the H2 sphere, and these include:
- The HyShiFT SAF project – we partnered with Linde, Enertrag and Hydrogen to produce synthetic sustainable aviation fuel (SAF) at Sasol's world-scale Fischer-Tropsch (FT) facility in Secunda. The project aims to transition our Secunda asset from predominantly using coal to progressively integrating sustainable feedstocks to produce SAF.
- The Boegoebaai green hydrogen hub – Sasol signed an MoA with the Northern Cape (NC) government to lead a 24-month pre-feasibility study to explore the potential of Boegoebaai as an export hub for green hydrogen and its derivatives. Boegoebaai has the potential to scale to a mega investment and could create significant direct jobs, as well as further indirect jobs across the ecosystem, unlocking unprecedented economic growth for the Northern Cape region.
- The repurposing of our Chlor-Alkali electrolyser for green H2 production at our Sasolburg operations has commenced. This "proof-of-concept project" will reach the operational phase within CY23. It is projected to produce 5 tons/day of green H2, leading to a potential GHG saving of 81% (modelled on an economic-based allocation) compared to fossil hydrogen.
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)

Potential financial impact figure – minimum (currency)

58,000,000

Potential financial impact figure – maximum (currency)

235,000,000

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 (~13.6 million GJ or ~3.8 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 (R144/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, Secunda Operations maintains electricity demand as required in this reporting year (i.e., ~3.8 million MWh), Sasol could save between R58 million and R235 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

25,000,000,000

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 18 registered energy efficiency claims made from 2014 to 2022 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 18 600 GWh of utility and process energy input from FY15

till FY22. In addition, our Sasolburg & Ekandustria Operations saved 2 895 GWh for the same period. Mining contributed a saving of 257 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 longstanding commitment to improve EnEf as a key business driver from both an emissions and profitability perspective. The Group EnEf improvement from FY05 baseline till FY22 was 18.5%.

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)

429,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

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 FY22, the tax certificates amounted to R 429 million.

Cost to realize opportunity

10,200,000

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) programme. 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 until FY22 is 17.5%. The cost to audit and verify the energy-related savings may vary according to project's complexity. In FY22, the financial implication amounted to R10.2 million.

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

Sasol, through its proprietary Fischer-Tropsch (FT) technology and global operations, produces a wide range of synthetic fuels and chemicals primarily from fossil feedstocks. The FT process is feedstock agnostic and Sasol's existing industrial assets can be feasibly repurposed towards sustainable feedstocks, for example renewable hydrogen and sustainable carbon sources, to produce a wide range of sustainable fuels and chemicals. This is supported by continuous R&D and innovation, for example the development of a fourth generation FT catalyst optimised for the production of Sustainable Aviation Fuel (SAF). This allows Sasol to leverage its proprietary FT technology in new and emerging markets to target hard-to-abate sectors such as aviation – a critical step towards combating global climate change. Sasol has partnered with ENERTAG AG, Linde Plc, and HYDREGEN to produce SAF at Sasol's Secunda Coal to Liquids (CTL) facility in Mpumalanga, South Africa under the HyShiFT project that aims to supply the H2Global auction funded by the German Federal government.

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)

Potential financial impact figure – minimum (currency)

2,450,000,000

Potential financial impact figure – maximum (currency)

3,400,000,000

Explanation of financial impact figure

Between ~36,000 – 50,000 t/a of Power-to-Liquids (PtL) SAF can be produced at the Secunda CTL facility for the H2Global auction using renewable hydrogen and recycled industrial fossil CO2. This corresponds to potential revenues of R2.45 – 3.4 billion using the H2Global published price cap of 3660 EUR/t of PtL SAF.

Cost to realize opportunity

25,000,000,000

Strategy to realize opportunity and explanation of cost calculation

Sasol has committed R15 – 25 billion cumulative capital expenditure for its 2030 emission reduction roadmap, which targets a 30% reduction in scope 1 and 2 emissions (from a 2017 baseline for the Sasol Energy and Chemicals Businesses) and a 20% reduction in scope 3 Category 11 emissions (from a 2019 baseline for the Sasol Energy Business). This includes critical initiatives that will enable the HyShiFT project at the Secunda CTL facility. In addition to capital expenditure, the HyShiFT project requires an enabling regulatory framework and access to low-cost financing – addressed by Sasol's responsible policy, incentives and climate change advocacy-related efforts. Strategic partnerships are central to realising the HyShiFT project opportunity. To this end, Sasol has partnered with reputable partners with relevant value chain experience, for example ENERTAG AG (renewable energy project development expertise), Linde Plc (electrolyser and general engineering expertise) and HYDREGEN (sustainable carbon and renewable energy expertise).

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)

380,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

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 FY22 was 101 million m3. If a reduction target of 15% is set, Sasol would have to invest in capital intensive water treatment technologies with an approximate cost of ~R25/m3. A 15% reduction in water demand would result in a 15,2 million m3 of water being saved. This would result in an overall financial saving of around R380 million. 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.

Cost to realize opportunity

45,600,000

Strategy to realize opportunity and explanation of cost calculation

The cost to realise this opportunity would thus be around R45.6 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 show casing 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), Nepad and the Strategic Water Partners Network for other businesses to get involved. Rand Water supported this strategy, with further developments being pursued by Nepad in this regard.

Comment

None.

C3. Business Strategy

C3.1

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

Row 1

Climate transition plan

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

Publicly available climate transition plan

Yes

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

Our climate transition plan is voted on at AGMs and we also have an additional feedback mechanism in place

Description of feedback mechanism

We undertake climate change round tables, one on one engagements with shareholders and we produce an annual climate change report.

Frequency of feedback collection

More frequently than annually

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

Climate Change Report Page 26 to 35

Sasol Climate Change Report 2022.pdf

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
Row 1	Yes, qualitative and quantitative

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
Transition scenarios Bespoke transition scenario	Company-wide	3.1ºC - 4ºC	Fragmented World: In 2022, we revised our existing scenarios in line with accelerating megatrends and a global operating context that is far more disruptive and volatile. Under this scenario, reaching the 1.5°C temperature goal remains aspirational, with geopolitical divisions and economic challenges preventing requisite technology transfer and funding availability. The Fragmented World takes into account deteriorating relationships, the increased need for energy security, the challenging economic circumstances in some countries, changing relationships between countries, changing supply chains, availability of raw materials and the impact of this on costs and economics. New geographic trade partnerships are set up to increase security of supply for energy and other commodities and components. This increases the cost of minerals and metals that are key to the energy transition, which further increases affordability challenges for certain countries. Trade partnerships disadvantage progress in some countries. Many countries focus on local economic challenges, which delays progress towards climate change targets. Technology cost increases also create barriers to progress and local and regional tensions further contribute to slowing climate action.
Transition scenarios Bespoke transition scenario	Company-wide	1.6ºC – 2ºC	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 impacted 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	2.1ºC - 3ºC	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.
Physical climate scenarios RCP 4.5	Company-wide		PHYSICAL RISK MODELLING: Two GHG emission scenarios were modelled to understand physical impacts on our operations. The IPCC's high emission scenarios (referred to as "Representative Concentration Pathway (RCP)" 8.5) and an intermediate emission scenario (RCP 4.5). RCP 4.5 and 8.5 were chosen based on the wide range of changes in GHG emissions. These pathways informed the development of downscaled climate models developed by the Council for Scientific and Industrial

			Research (CSIR), providing an 8 km spatial resolution for Southern Africa and 50 km for the United States. Our prioritised sites for understanding physical weather impacts were the Central Processing Facility (CPF) (Mozambique), Secunda and Sasolburg (South Africa) and Lake Charles (United States). We supplemented and bias-corrected the modelling with site-specific historical weather data. Our modelling simulations spanned 1960 to 2099, which encompasses the timeframe for Future Sasol's strategy. 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		PHYSICAL RISK MODELLING: Two GHG emission scenarios were modelled to understand physical impacts on our operations. The IPCC's high emission scenarios (referred to as "Representative Concentration Pathway (RCP)" 8.5) and an intermediate emission scenario (RCP 4.5). RCP 4.5 and 8.5 were chosen based on the wide range of changes in GHG emissions. These pathways informed the development of downscaled climate models developed by the Council for Scientific and Industrial Research (CSIR), providing an 8 km spatial resolution for Southern Africa and 50 km for the United States. Our prioritised sites for understanding physical weather impacts were the Central Processing Facility (CPF) (Mozambique), Secunda and Sasolburg (South Africa) and Lake Charles (United States). We supplemented and bias-corrected the modelling with site-specific historical weather data. Our modelling simulations spanned 1960 to 2099, which encompasses the timeframe for Future Sasol's strategy. 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.
Transition scenarios Bespoke transition scenario	Company-wide	1.5ºC	Net zero: In the Net Zero scenario, it is expected that countries are completely aligned on the ambition of Net-Zero and that the required technologies, affordability, behaviours, legislative enablers and cooperation activities, as well as funding activities are in place to enable the transition. Moreover, we assume that the required skills and re-skilling actions are available and sufficient employment opportunities will be in place. Strong penalties, legislation and policy are in place to direct the desired behaviour and consumption pattern changes. There are large investments in the energy transition, with developed countries supporting developing countries financially, technologically and with capacity building. There is a significant reduction in fossil fuel demand and a commensurate growth in green electricity through the roll-out of solar and wind energy, as well as storage capabilities. Cost curves of renewable energy and green hydrogen have dropped significantly on the back of technology advancements, regulatory transformation and sourcing expansion.

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 undertakes detailed analyses to develop a bottom-up view of the global energy landscape, considering the global value chain. Our analysis considers upstream chemical feedstock production, new production and refining capacity investments, market demand, customer preferences, buying patterns, industry plant utilisation, technology development and legislation, and country and company targets.
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, 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 H2 economy. Sasol's physical risk modelling aimed to understand better the physical impacts of climate change on our operations using two RCP climate scenarios.

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

Feedstock acceptability: Fossil fuel feedstock acceptability is increasingly constrained as you move from the Current Pathway to the Net Zero scenario. In response, we are reducing our exposure to coal, contributing to a lower emissions profile for our Energy Business. We also focus on a diversified feedstock mix incorporating incremental gas and an ability to pivot to green H2, when affordable.

Market demands: The local market demand for liquid fuels, while slowly declining in the Net Zero scenario compared to the Current Pathway and the Fragmented World, remains relevant to 2030. As a result, Sasol's strategic imperative to be a partner of choice for mobility and commercial customers to preserve returns remains valid. Over time, we will expand opportunities to grow local green hydrogen and participate in the global economy.

Executability of the strategy: The analysis indicated we will monitor to reduce vulnerabilities in our strategy. This includes the pace of developing and implementing 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 any of our scenarios, and further investments in new coal reserves are not considered. In the Net Zero scenario, gas and coal face challenges and are viewed negatively within the value chain. However, in the other scenarios, gas presents growth opportunities as it balances the flexibility of renewable energy in power generation. Renewable energy, coupled with energy storage, becomes the cost-effective option for power generation in the Net Zero scenario.

Chemicals Business: Demand for chemical products grows in all scenarios, with greater emphasis on recycling, re-use and material efficiency. Our portfolio's differentiated and specialty aspects (e.g., products that increase efficiency, reduce waste and conserve resources) complement these considerations. In the Net Zero scenario, alternate feedstocks are required due to reduced oil and liquids supply.

Sasol ecoFT: Sasol possesses a strategic advantage in SAF due to our differentiated technology and successful partnerships in FT licensing. Sasol ecoFT relies on legislated blending mandates to assist the adoption of new products. However, production costs for sustainable fuels and chemicals will remain higher than alternatives until renewable energy and green hydrogen production cost curves show further downward trends, and as such, financing remains a challenge.

Physical impacts on operations: Under the Net Zero scenario, 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 Net Zero 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	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 received an increasing number of requests to quantify and explain sustainability advantages that can be attributed to the current product portfolio. Sasol aims to progressively shift our product portfolio from coal and more gas-based products to sustainable low-carbon products through the introduction of sustainable inputs such as renewable energy, green hydrogen, biomass, CO2 from recycled industrial processes and/or DAC 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. Portfolio assessments were 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 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) 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. EXAMPLE: We are working with globally recognised sustainability certification bodies, including the RSB and the ISCC. To this end the RSB is conducting sustainability assessments for some of our green hydrogen projects, specifically to understand market access

		requirements under recognised standards. Through our certification of bio-ethylene, our ambition of integrating larger quantities of bio-based and circular raw materials is being realised.
Supply chain and/or value chain	Yes	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. We aim to minimise our contribution to climate change and greenhouse gas (GHG) emissions by addressing both our direct and indirect GHG emissions. With this, Sasol increasingly focuses on pursuing more sustainable value chains to reduce our scope 3 emissions with supplier and customer engagement. TIMELINE: In 2022, we made good progress refining our baseline, developing a deeper understanding of these emissions and identifying and delivering opportunities for scope 3 reductions. We have set a target to reduce our scope 3 category 11 emissions (emanating from the combustion of our sold Energy products – representing more than 80% of total scope 3 emissions) by 20% of the 2019 baseline by 2030. Reducing these emissions requires fundamental changes to our business model, which we are assessing in line with our net zero ambition by 2050. Our most significant portfolio and product changes will be undertaken after 2030, when our hydrogen aspirations start to deliver. STRATEGIC IMPACT: Additional to setting our scope 3 category 11 emissions reduction target and net zero ambition, we continue divesting from certain assets and are undertaking engagements with value chain partners on climate change matters. 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 understand better the embedded GHG emissions of the feedstocks, inputs and services we buy as part of our products' life cycles. EXAMPLE: As we navigate the evolving landscape of South African carbon tax mechanisms and the potential costs that suppliers may pass on due to their carbon tax obligations, our engagement with suppliers and more accurate estimations of our scope 3 emissions become increasingly critical for predicting financial implications from the value chain. Given the uncertainty surrounding these changes, we anticipate these efforts will significantly impact in the coming years.
Investment in R&D	Yes	RATIONALE: Sasol is acutely aware of the ever-changing market and 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 R&D investments, investigating new technologies through partnerships and collaboration, and demonstration projects, like hydrogen and 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, ArcelorMittal South Africa, Topsoe and Climate Technologies, Care-o-sene (a project with German 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 our net zero ambition 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 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 2022, Sasol and ArcelorMittal South Africa announced a partnership to develop carbon capture technology to produce sustainable fuels and chemicals, and green steel production through green hydrogen and derivatives We collaborate to reduce GHG emissions at our Secunda and Sasolburg sites and to 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 presidency, IDC, Linde, Northern Cape Government, and ENERTRAG in South Africa.
Operations	Yes	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 7% reduction in scope 1 and 2 emissions against our 30% reduction target, by 2030. In total by 2030, we aim to achieve a 19 MtCO2e reduction in scope 1 and 2 emissions and to date we have achieved a absolute reduction of 4.4MtCO2e.

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	In line with our commitment to decarbonisation and emissions reduction, Sasol revised our capital allocation priorities in 2021. Our primary focus is on directing transformative capital towards achieving GHG reduction targets while maintaining

	Indirect costs Capital expenditures Capital allocation Acquisitions and divestments Assets Liabilities	our asset base. To make informed decisions, we conducted a strategic evaluation of various reduction levers, considering factors such as capital availability, technology maturity and cost, emissions reduction requirements, and carbon tax implications. As part of our decarbonization efforts, we have set ambitious goals for green hydrogen production, which align with our overall decarbonisation strategy. We plan to intensify our pursuit of these goals as we approach 2030. In 2022, we confirmed our capital allocation of 10% to 15% of our cumulative capital expenditure to initiatives by 2030 that align to a well below 2°C world and the majority of our capital allocation post 2030 to align with 1.5C world. Our first priority for capital allocation is focused on decarbonising our existing business to meet our GHG reduction targets and safeguard returns. Additionally, we will allocate capital to select new growth opportunities, improve existing operations, invest in smaller projects with high returns and short payback periods, and explore potential sustainable businesses. Maintaining a strong balance sheet, with net debt less than $5 billion and a net debt-to-EBITDA ratio of less than 1.5 times, is also a key consideration. In 2022, we restored an built attractive shareholder returns and continued to fund our transition. To achieve our target of a 30% reduction in GHG emissions, we estimate that transform capital expenditure until fiscal year 2030 will amount to approximately R15 billion to R25 billion. When factoring in capital costs for gas feedstock, the total expenditure is projected to be around R25 billion to R35 billion (equivalent to 10% to 15% of our spending by 2030). We believe it is feasible to stagger this capital expenditure over time, while still adhering to our annual capital target of R20 billion to R25 billion for Maintain + Transform capital under Sasol 2.0. It's important to note that while our transform capital estimate is based on our current plan utilising known technologies for emissions reduction, the plan is subject to further development and may undergo changes over time. Our second priority for capital allocation is directed towards expansionary growth, potential sustainable businesses, and additional shareholder returns. We have established a strategy and Key Performance Indicators (KPIs) supported by a capital allocation framework that will guide our expenditures towards decarbonisation and new low-carbon value opportunities. By pursuing these initiatives, we aim to enhance our access to sustainability-linked and transitional finance, as well as green financing opportunities. For the South African segment of our assessment, we factored in the lack of pricing certainty. We used a price of R144/tCO2 e in 2022, increasing to ~US$30/tCO2 e by 2030 in real terms before allowances. We have increased overall energy efficiency by 18.5% 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 R430 million for FY22. By 2030, we have set a target to procure 1,200 MW of renewable energy, which will not only contribute to our sustainability goals but

		also lead to cost savings in our operations. In addition, Sasol undertook a comprehensive assessment of all our assets and divested from certain assets not aligned to our strategy.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition
Row 1	Yes, we identify alignment with our climate transition plan

C3.5a

(C3.5a) Quantify the percentage share of your spending/revenue that is aligned with your organization's climate transition.

Financial Metric

CAPEX

Type of alignment being reported for this financial metric

Alignment with our climate transition plan

Taxonomy under which information is being reported

Objective under which alignment is being reported

Amount of selected financial metric that is aligned in the reporting year (unit currency as selected in C0.4)

3,000,000,000

Percentage share of selected financial metric aligned in the reporting year (%)

13

Percentage share of selected financial metric planned to align in 2025 (%)

15

Percentage share of selected financial metric planned to align in 2030 (%)

15

Describe the methodology used to identify spending/revenue that is aligned

Sasol allocates funding for our emission reduction roadmap based on the internal capital allocation framework. Our capital allocation framework optimises financial resource use by balancing across multiple factors including cash, debt, decarbonisation spend and taxes to maximise shareholder value over the long-term. We review the capital allocation framework and principles to ensure that these remain valid as circumstances change based on internal and external factors. In setting our emission reduction target of 30% by 2030, we had to balance multiple variables accounting for affordability, greenhouse gas reductions and socio-economic considerations.

Our first priority remains to ensure safe and reliable operations and protect our license to operate. Therefore, our first order capital is allocated to sustaining current operations, delivering on our emission reductions, managing the balance sheet and the dividend cover. The aim is to transform the business while protecting and growing value.

We disclosed an allocated R15 – 25 billion cumulative capital expenditure to 2030 for our emission reduction roadmap. We intend to sequence this expenditure over time while remaining within Sasol's transformation programme of R20 – 25 billion/a (in 2020 real terms). Our total sustainability capital expenditure (10 – 15% of total capital) is projected at a cumulative ~ R25 – R35 billion up to 2030, inclusive of maintaining the current roadmap and gas feedstock costs.

Funds for expansionary growth and the establishment of new sustainable businesses falls into the second-order capital allocation category and are assigned on a competitive basis. In 2022, Sasol established a Corporate Venture Capital Fund which is discretionary and falls within second-order capital allocation category. If these growth initiatives are unable to meet our return requirements, as prescribed by set internal metrics, the available funds will be reallocated to additional shareholder returns.

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

Is this a science-based target?

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

Target ambition

Well-below 2°C aligned

Year target was set

2021

Target coverage

Company-wide

Scope(s)

Scope 1

Scope 2

Scope 2 accounting method

Location-based

Scope 3 category(ies)

Base year

2017

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

60,173,000

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

5,708,000

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

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

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

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

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

65,881,000

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

98

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

96

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

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

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

98

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]

46,116,700

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

55,380,000

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

6,087,000

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

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

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

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

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

61,484,000

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

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

22.2471830523

Target status in reporting year

Underway

Please explain target coverage and identify any exclusions

This target covers all Sasol Energy and Chemical Business aspects (excluding our Mozambique and Natref operations, as well as some strategic business units). 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 our net zero ambition 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 applying the IEA absolute contraction approach.

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

In 2021, we put forward concrete plans to deliver an ~25% reduction of our 30% target through known and available technologies. We indicated that technology solutions were being evaluated and developed to close the remaining gap to achieve our committed 30% reduction by 2030. Since then, we have refined our 2030 roadmap, with better definition of our mitigation levers and have a higher confidence in our ability to achieve the target. For our South African operations, reductions will be achieved by first decreasing the amount of coal we feed to Secunda's gasifiers. This, coupled with a suite of energy efficiency projects, allows for turndown of approximately six boilers. To turndown Secunda's boilers, which were built to utilise fine coal, a co-product from mining coarse coal needed for gasification, we are developing innovative solutions that utilise the fine coal as a feedstock. The combination of turning down boilers and reducing coal to gasification reduces coal demand by ~25% (equating to 10 million tons) to meet both our air quality objectives and reduce GHG emissions. We are considering the introduction of additional volumes of natural gas into the process to be a substitute for coal. This is enabled by adding more reforming capacity. Natural gas

can be used more efficiently in the CTL process and can be converted to product without increasing GHG emissions. We are exploring all available opportunities to source additional gas from our own fields and exploration activities.

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

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Target reference number

Abs 2

Is this a science-based target?

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two years

Target ambition

Well-below 2°C aligned

Year target was set

2021

Target coverage

Company-wide

Scope(s)

Scope 3

Scope 2 accounting method

Scope 3 category(ies)

Category 11: Use of sold products

Base year

2019

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

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

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)

35,618,580

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)

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

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

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

35,618,580

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

35,618,580

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

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

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)

81.4

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)

Base year total 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]

28,494,864

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

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

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)

29,585,273

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)

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

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

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

29,585,273

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

29,585,273

Does this target cover any land-related emissions?

No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

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

84.6932555986

Target status in reporting year

Underway

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..

Reducing these emissions requires fundamental changes to our business model, which we are assessing in line with our net zero ambition by 2050. Our most significant portfolio and product changes will be undertaken after 2030, when our hydrogen aspirations start to deliver.

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

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

5.97

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

64.4144144144

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 by 2050

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. Additional improvement initiatives to achieve 30% improvement by 2030 include improved plant availability and stability; Realisation of roadmap projects; Identification & implementation of operational best practices; and Implementation of renewable energy sources. For FY22, Sasol Energy concluded negotiations on Power Purchase Agreements for over 600 MW of solar and wind renewable power for introduction before end-2025 – one of the largest private sector renewable energy procurement initiatives in Southern Africa. And achieved the final investment decision for the Sasolburg green hydrogen project and fast-tracked the associated procurement of renewable energy. Sasol Chemicals also concluded multiple renewable PPAs and achieved 100% renewable energy supply for imported electricity for the Brunsbüttel site since January 2022

List the actions which contributed most to achieving this target

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?

Yes, we consider this a science-based target, but we have not committed to seek validation of this target by the Science Based Targets initiative within the next two 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 ambition 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

Sasol believes that if properly designed and delivered, carbon offsets can play an important enabling role in delivering our Future Sasol strategy, addressing emissions that are either prohibitively expensive to reduce or technologically challenging to abate while at the same time realising other environmental and social benefits. We have developed several pathways to achieve our 2050 net zero ambition. In the best-case scenario, the fossil-fuel-free vision materialises, with no need for Carbon Dioxide Removals (CDRs). However, the worst-case net zero scenario leaves ~ <35% hard-to-abate residual scope 1, 2 and 3 (Category 11) emissions, which will require CDRs to neutralise. As we transition our portfolio, Avoidance/Reduction (A/R) offsets will be employed in the short term. For the long term, we plan on utilising CDR offsets, which entail Nature-based Solutions (NbS) and Technology-based Solutions (TBS). Offsets will be used following Sasol's mitigation hierarchy, prioritising on-site mitigation and only using offsets as a last resort to meet targets. We do not envisage using offsets to meet our short and medium-term emissions reduction milestones and targets.

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 are also working collaboratively with customers and suppliers to reduce scope 3 emissions across our value chains.

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: Management of our methane emissions is included in our scope 1 and 2 absolute reduction target of 30% by 2030, as well as our scope 3 emissions reduction target negating the need for an explicit methane target, however we continue to monitor the landscape.

In this reporting year, methane emissions comprised 4,9% of total scope 1 and 2 emissions on a CO2e basis.

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	3	152,000
To be implemented*	10	306,107
Implementation commenced*	0	0
Implemented*	4	218,030
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)

10,000

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)

35,000,000

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

Payback period

No payback

Estimated lifetime of the initiative

11-15 years

Comment

The annual monetary savings of this initiative is roughly estimated as >R35 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.

Initiative category & Initiative type

Non-energy industrial process emissions reductions

Other, please specify

Secondary catalyst at N2O Secunda

Estimated annual CO2e savings (metric tonnes CO2e)

208,000

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)

30,000,000

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

Payback period

No payback

Estimated lifetime of the initiative

11-15 years

Comment

The annual monetary savings of this initiative is roughly estimated as ~R30 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.

Initiative category & Initiative type

Low-carbon energy consumption

Hydropower (capacity unknown)

Estimated annual CO2e savings (metric tonnes CO2e)

25

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)

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

0

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

Not an investment, but additional Opex cost

Initiative category & Initiative type

Low-carbon energy consumption

Wind

Estimated annual CO2e savings (metric tonnes CO2e)

5

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)

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

0

Payback period

No payback

Estimated lifetime of the initiative

Ongoing

Comment

Not an investment, but additional Opex cost

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$48.9 million (~R772 million) which reflects our estimated product development spend on lower-carbon and more sustainable alternatives. The capital allocation for our emission reduction roadmap is R15-~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 2022, Sasol displays its 2030 and 2050 emission reduction roadmap in its Climate Change Report. 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. We disclosed an allocated R15 – 25 billion cumulative capital expenditure to be spent by 2030 on our 30% reduction target. We plan to sequence this expenditure over time and still remain within the Sasol 2.0 transformation programme R20 – 25 billion/a (in 2020, real terms) capital expenditure target by 2025 for Maintain and Transform capital.
Internal incentives/recognition programs	The Board's Remuneration Committee approves applicable performance targets and weightings to ensure balanced incentivization across financial and non-financial metrics, taking into account stakeholder expectations specifically regarding long-term value creation. The long-term incentive (LTI) targets for senior personnel are measured over three years and include a significant weighting of 25% on sustainability metrics, including GHG emissions. Climate change targets in the group short-term incentive (STI) plan, carries a weighting of 20%. In addition, the BU scorecards also include Climate Change targets, in addition to collective scorecards, individual strategic accountability for sustainability issues, performance is driven through performance agreements, with the outcome being a multiplier in the STI formula.
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. Moreover in South Africa, Together with the National Research Foundation (NRF) in South Africa, we have recently awarded research grants (totalling R54 million over four years) on sustainability-related research, including in the field of green hydrogen, renewable energy, energy storage and CO2 utilisation. In addition, R&T has established a partnership with South Africa's Department of Science and Innovation (DSI) to develop and progress projects and infrastructure that support future technology areas and the Future Sasol strategy.

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 2022 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 FY2022 is 3.4

million tons CO2.

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

Yes

Methodology used to calculate avoided emissions

Other, please specify

GHG Protocol

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

Gate-to-gate

Functional unit used

The use of NG and MRG displacing the use of coal (which is high emissions intensive)

Reference product/service or baseline scenario used

Emission factor for combustion of coal

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

Gate-to-gate

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

3,400,000

Explain your calculation of avoided emissions, including any assumptions

Comparing the emissions factors for combustion of the different fuels (coal baseline vs the alternative offering: NG and MRG).

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

6.04

Level of aggregation

Group of products or services

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

Other, please specify

WBCSD, Sustainable Portfolio Assessment)

Type of product(s) or service(s)

Chemicals and plastics

Other, please specify

(Asphalt additive)

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.

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

Yes

Methodology used to calculate avoided emissions

Other, please specify

ISO 14040 & 14044

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

Other, please specify

Cradle-to-gate + partial use phase (ready for road paving)

Functional unit used

1t of Asphalt mix ready for road surfacing

Reference product/service or baseline scenario used

Asphalt mix with & without polymer modified bitumen but without Sasobit use

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

Other, please specify

Cradle-to-gate + partial use phase (ready for road paving)

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

2

Explain your calculation of avoided emissions, including any assumptions

Main difference between the baseline scenario and the Sasobit scenario is the reduced temperature that is acceptable to work with the asphalt mix. The usage of Sasobit allows to significantly reduce the temperature of the asphalt mix and the reduction in needed fuel in the mixing process has a positive effect on the overall emissions of the process as indicated in the aforementioned range. Third party data sources were used where primary data was not available (Sphera LCA data & EcoInvent data). The estimated range of avoided emissions is between 1 – 4 t CO2e

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

1

C-OG4.6

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

In 2022, methane emissions comprised 4.9% of our total scope 1 and 2 emissions (tons CO2e). 97% of these methane emissions are attributed to operational process emissions from our Sasolburg and Chemical operation (Base and Performance Chemicals Business) and our Secunda Synfuels Operation (Energy Business).

DESCRIPTION: The Secunda Synfuels 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 3.0 % of our methane emissions are attributed to our coal mining operations which provide the primary feedstock for our synthetic fuel production process.

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 ambition. In addition, Sasol has adopted a phased approach to measure, monitor and manage its methane emissions associated with its Mozambique operations. These endeavours enabled Mozambique operations to determine a methane release inventory of ~16kt (~368 ktCO2 e), excluding the Pande-4 well, for the reporting year. These calculations have been assured by an independent third-party specialising in technical verification of GHG inventories. These emissions represent ~1% of Sasol's total GHG emissions.

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 project aimed at recovering C3S from our Sasolburg Monomers facility and routing it for utilization at our Natref crude oil refinery, thereby preventing this stream from being flared. This project forms part of our mitigation interventions included in our South African mandatory submission of Pollution Prevention. The project contributes approximately 11,000 tCO2e/annum to our overall reduction target and has been listed above under details of initiatives implemented.

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

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	Improvements to our GHG inventory calculations necessitated a review of our 2017 baseline for Sasol Energy. Secunda Operations reviewed scope 1 emissions from 2017 to 2019 based on independent technical audit findings, with improvements made to the calculation methodologies.

C5.1c

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

	Base year recalculation	Scope(s) recalculated	Base year emissions recalculation policy, including significance threshold	Past years' recalculation
Row 1	Yes	Scope 1	As part of our commitment to continuous improvement, we undertake periodic reviews and updates to our GHG inventory, its methodologies and emission factors. We do this to enable a well-designed and maintained corporate GHG inventory and to continuously align with the IPCC	Yes

		Scope 2, location-based	and GHG Protocol. We currently apply a materiality threshold of 5% for individual emissions categories, and we are in the process of updating or Group Policy for significance threshold.	

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)

60,173,000

Comment

Secunda Operations reviewed scope 1 emissions from 2017 to 2019 based on independent technical audit findings, with improvements made to the calculation methodologies.

Scope 2 (location-based)

Base year start

July 1, 2016

Base year end

June 30, 2017

Base year emissions (metric tons CO2e)

5,655,000

Comment

Secunda Operations removed scope 2 emissions relating to the sale of the ASUs to Air Liquide for the years 2017 to 2021

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

July 1, 2020

Base year end

June 30, 2021

Base year emissions (metric tons CO2e)

5,432,140

Comment

We updated our Scope 3 emissions calculations methodology in 2022 and our emissions reported in prior years are updated and align with the values disclosed in our 2022 Climate Change Report.

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

July 1, 2020

Base year end

June 30, 2021

Base year emissions (metric tons CO2e)

240,993

Comment

We updated our Scope 3 emissions calculations methodology in 2022 and our emissions reported in prior years are updated and align with the values disclosed in our Climate Change Report.

Scope 3 category 4: Upstream transportation and distribution

Base year start

July 1, 2020

Base year end

June 30, 2021

Base year emissions (metric tons CO2e)

478,974

Comment

We updated our Scope 3 emissions calculations methodology in 2022 and our emissions reported in prior years are updated and align with the values disclosed in our Climate Change Report.

Scope 3 category 5: Waste generated in operations

Base year start

July 1, 2020

Base year end

June 30, 2021

Base year emissions (metric tons CO2e)

70,159

Comment

We updated our Scope 3 emissions calculations methodology in 2022 and our emissions reported in prior years are updated and align with the values disclosed in our Climate Change Report.

Scope 3 category 6: Business travel

Base year start

July 1, 2020

Base year end

June 30, 2021

Base year emissions (metric tons CO2e)

600

Comment

We updated our Scope 3 emissions calculations methodology in 2022 and our emissions reported in prior years are updated and align with the values disclosed in our Climate Change Report. For this base year, the emissions were significantly low due to COVID-19 restrictions which prohibited business travel.

Scope 3 category 7: Employee commuting

Base year start

July 1, 2020

Base year end

June 30, 2021

Base year emissions (metric tons CO2e)

32,584

Comment

We updated our Scope 3 emissions calculations methodology in 2022 and our emissions reported in prior years are updated and align with the values disclosed in our Climate Change Report.

Scope 3 category 8: Upstream leased assets

Base year start

July 1, 2020

Base year end

June 30, 2021

Base year emissions (metric tons CO2e)

4,785

Comment

We updated our Scope 3 emissions calculations methodology in 2022 and our emissions reported in prior years are updated and align with the values disclosed in our Climate Change Report.

Scope 3 category 9: Downstream transportation and distribution

Base year start

July 1, 2020

Base year end

June 30, 2021

Base year emissions (metric tons CO2e)

253,280

Comment

We updated our Scope 3 emissions calculations methodology in 2022 and our emissions reported in prior years are updated and align with the values disclosed in our Climate Change Report.

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)

35,618,580

Comment

Our Category 11 emissions (Use of Sold Products) have traditionally been calculated based on default emission factors from the UK Department of Environment, Food and Rural Affairs (DEFRA). As part of our scope 3 programme, we determined Sasol-specific emission factors for a selection of representative energy products based on the measured carbon content of the product. We used these Sasol-specific factors to update our Category 11 emissions for the relevant energy products in the current reporting cycle.

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

July 1, 2020

Base year end

June 30, 2021

Base year emissions (metric tons CO2e)

141,412

Comment

We updated our Scope 3 emissions calculations methodology in 2022 and our emissions reported in prior years are updated and align with the values disclosed in our Climate Change Report.

Scope 3 category 15: Investments

Base year start

July 1, 2020

Base year end

June 30, 2021

Base year emissions (metric tons CO2e)

1,330,133

Comment

We updated our Scope 3 emissions calculations methodology in 2022 and our emissions reported in prior years are updated and align with the values disclosed in our Climate Change Report.

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)

57,204,400

Comment

This was calculated using global warming potential factors of 23 and 296 for methane and nitrous oxide accordingly. Recent divestments and improvements to our GHG inventory calculations necessitated a review of our 2017 baseline for Sasol Energy. Re-baselining exercise took place in 2022, due to continuous calculation methodology improvements as well as the ASU divestment.

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 operations where we are able to access electricity supplier emission factors or residual emissions factors, but 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

6,367,000

Comment

Recent divestments and improvements to our GHG inventory calculations necessitated a review of our 2017 baseline for Sasol Energy. Re-baselining exercise took place in 2022, due to continuous calculation methodology improvements as well as the ASU divestment.

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 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)

5,247,445

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 emissions 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 countryspecific 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

Please explain

Although this category is not yet actively reported, we worked to identify a relevant reporting mechanism for inclusion of these emissions in the future. 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.

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

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

249,435

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: Cradle-to-gate emission factors were used together with emissions from extraction, production and transportation of fossil fuels for power and steam generation. (v) Value-chain engagement: Continued supplier engagement programme to improve accuracy of emission factors. (vi) Accounting methodology improvements: Overall increase in emissions from 2021 due to higher steam demand for Sasol Energy and higher gas purchases at our European operations.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

402,850

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: Derived from various sources, depending on transportation mode, including DEFRA, GaBi and the European Chemical Industry Council's studies, to name a few. (iii) GWP values: taken from IPCC, AR5, 2013, and refer to the time horizon of 100 years. (iv) Methodology & assumptions: Analysis focused on road, rail, pipeline and marine shipping. GHG emissions were used together with the appropriate emission factors and quantities of products used per 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, there is a decrease in emissions due to more accurate activity data sourcing as a result of continuous improvements.

Waste generated in operations

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

77,345

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: Quantities of hazardous and non-hazardous waste generated by Sasol obtained from internal business data management systems. (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 cycled due to higher volumes of non-hazardous waste.

Business travel

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

2,007

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. During this reporting year business travel emissions increased due to lifting of COVID-19 measures and increased business travel for face-to-face meetings.

Employee commuting

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

36,237

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

0

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 considered 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. Increase in emissions due to increased employee head count.

Upstream leased assets

Evaluation status

Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

3,725

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. In this reporting cycle there has been a decrease in emissions due to updated grid emission factors for global assets and lower electricity consumption for leased assets.

Downstream transportation and distribution

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

273,038

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: Derived from various sources, including internal calculations. (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 reporting category for this reporting cycle. Increase due to changes in transportation and distribution routes.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

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

Use of sold products

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

29,585,273

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, GaBi database. 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 nonenergy 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 natural gas, diesel,petrol and exported coal. 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 the of lower global sales of Sasol's energy products. Use of sold products decrease in emissions primarily due to lower coal sales.

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

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

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)

148,389

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 slightly in this reporting cycle due to higher South African grid factor.

Investments

Evaluation status

Relevant, calculated

Emissions in reporting year (metric tons CO2e)

1,531,284

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 nonconsolidated 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 divestments 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. In this reporting year there has been an

increase in emissions due to the inclusion of additional investments not previously reported. Data from 2021 data also restated upwards as a result of this improvement.

Other (upstream)

Evaluation status

Not evaluated

Please explain

Other (downstream)

Evaluation status

Not evaluated

Please explain

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.

	CO2 emissions from biogenic carbon (metric tons CO2)	Comment
Row 1	377,922	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

0.0002306

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

63,572,000

Metric denominator

unit total revenue

Metric denominator: Unit total

275,378,000,000

Scope 2 figure used

Location-based

% change from previous year

29.3

Direction of change

Decreased

Reason(s) for change

Other emissions reduction activities
Change in revenue

Please explain

Our emissions associated with direct and energy activities decreased from 65.8 MtCO2e in FY 2021 to 63.6 MtCO2e in FY2022 (29% decrease). In addition, the revenue earned in FY2021 (R201 billion) was 37% lower than that earned in FY2022 (R276 billion). The sharp increase in revenue together with the decrease 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

0

% change from previous year

100

Direction of change

Decreased

Reason for change

Sasol sold the Gabon operations in 2021. As a result, all crude oil production/condensate ceased.

Comment

None

Unit of hydrocarbon category (denominator)

Million cubic feet of natural gas

Metric tons CO2e from hydrocarbon category per unit specified

514

% change from previous year

2

Direction of change

Decreased

Reason for change

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 114500 million cubic meters whilst that in this reporting year was 111200 million cubic meters (Additional Analyst 2022, report page 17)

Comment

None

Unit of hydrocarbon category (denominator)

Thousand barrels of refinery net production

Metric tons CO2e from hydrocarbon category per unit specified

1,189

% change from previous year

2

Direction of change

Decreased

Reason for change

Attributed to the reduction in emissions for FY2022

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

Details of methodology

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	54,111,000	IPCC Third Assessment Report (TAR - 100 year)
CH4	2,992,760	IPCC Third Assessment Report (TAR - 100 year)
N2O	100,640	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)
Flaring
Fugitives

Value chain

Upstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

458,000

Gross Scope 1 methane emissions (metric tons CH4)

16,000

Total gross Scope 1 emissions (metric tons CO2e)

821,000

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/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
South Africa	54,683,000
United States of America	1,076,000
Mozambique	821,000
Other, please specify Europe and Asia	624,000

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	53,611,000	-26.539253	29.180121
Mining South Africa	110,000	-26.507572	29.176174
Chemical Complex NAO	1,076,000	30.245755	-93.27757
Chemical Complex Eurasia	624,000	53.550747	10.025634
Gas Upstream (SEPI)	821,000	-21.750824	35.058217
Oil & Gas downstream (Natref)	962,000	-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	Comment
Chemicals production activities	1,701,000	Makes use of information reported for Sasol's Chemical Business Unit.
Oil and gas production activities (upstream)	930,000	Makes use of information reported for Sasol's Energy Business Unit and Mining Operations
Oil and gas production activities (midstream)	53,611,000	Makes use of information reported for Sasol's Secunda and Sasolburg Operations
Oil and gas production activities (downstream)	962,000	Makes use of information reported for Sasol's Natref and ROAS Operation

C7.5

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

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
South Africa	5,950,000	
United States of America	263,000	
Mozambique	0	
Other, please specify Europe and Asia	155,000	

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	4,893,000	
Mining South Africa	776,000	
Chemical Complex NAO	263,000	
Chemical Complex Eurasia	155,000	
Gas Upstream (SEPI)	0	
Oil and Gas downstream	281,000	

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

No

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
Chemicals production activities	417,000		Makes use of information reported for Sasol's Chemical Business Unit
Oil and gas production activities (upstream)	776,000		Makes use of information reported for Sasol's Energy Business Unit and Mining Operations.
Oil and gas production activities (midstream)	4,893,000		Ctl/GTL.
Oil and gas production activities (downstream)	281,000		Makes use of information reported for Sasol's Natref and ROAS Operations

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)	24	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	29	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	47	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
Carbon dioxide (CO2)	72,154	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 (CH4)	22,889,425	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. The gas is primarily used by customers as an energy source.
Nitrous oxide (N2O)	0	None
Hydrofluorocarbons (HFC)	0	None
Perfluorocarbons (PFC)	0	None
Sulphur hexafluoride (SF6)	0	None
Nitrogen trifluoride (NF3)	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?

Decreased

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 CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	72,000	Decreased	0.1	For Sasol Chemicals, we are seeing benefits from shifts to renewable energy and implementation of process and energy efficiency improvements
Other emissions reduction activities	123,000	Decreased	0.2	Process and energy efficiency mitigation initiatives implemented during the year.
Divestment				
Acquisitions				
Mergers				
Change in output	2,117,000	Decreased		The lower emissions profile relative to 2021 is largely attributable to reduced production rates at Sasol Energy. In 2021, Sasol provided guidance to the market that Secunda's production would be between 7,4 and 7,5 Mt; however due to lower than

				targeted production in 2022 our GHG emissions are lower than anticipated.
Change in methodology				
Change in boundary				
Change in physical operating conditions				
Unidentified				
Other				

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	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

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)		0	98,161,861	98,161,861
Consumption of purchased or acquired electricity		82,222	6,136,111	6,218,333
Consumption of purchased or acquired steam		61,388.8	444,722.2	506,111
Consumption of purchased or acquired cooling		0	11,970	11,970
Consumption of self-generated non-fuel renewable energy				
Total energy consumption		143,610.8	104,754,664.2	104,898,275

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

MWh consumed from renewable sources inside chemical sector boundary

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

10,729,778

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

10,729,778

Consumption of purchased or acquired electricity

MWh consumed from renewable sources inside chemical sector boundary

82,222

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

627,222

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

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

709,444

Consumption of purchased or acquired steam

MWh consumed from renewable sources inside chemical sector boundary

61,389

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

444,722

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

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

506,111

Consumption of purchased or acquired cooling

MWh consumed from renewable sources inside chemical sector boundary

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

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

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

Consumption of self-generated non-fuel renewable energy

MWh consumed from renewable sources inside chemical sector boundary

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

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

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

Total energy consumption

MWh consumed from renewable sources inside chemical sector boundary

143,611

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

11,801,722

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

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

11,945,333

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

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

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

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

Comment

No other renewable fuels are used in our operations.

Coal

Heating value

LHV

Total fuel MWh consumed by the organization

86,372,222

MWh fuel consumed for self-generation of electricity

18,403,416

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

67,968,806

Comment

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

Comment

Gas

Heating value

HHV

Total fuel MWh consumed by the organization

41,663,769

MWh fuel consumed for self-generation of electricity

3,301,294

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

Comment

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value

Total fuel MWh consumed by the organization

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

Comment

Total fuel

Heating value

Total fuel MWh consumed by the organization

128,035,991

MWh fuel consumed for self-generation of electricity

21,704,710

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam

67,968,806

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	8,388,889	83,888,889	0	0
Heat				
Steam	68,339,722	68,339,722	0	0
Cooling				

C-CH8.2d

(C-CH8.2d) Provide details on electricity, heat, steam, and cooling your organization has generated and consumed for chemical production activities.

Electricity

Total gross generation inside chemicals sector boundary (MWh)

1,145,000

Generation that is consumed inside chemicals sector boundary (MWh)

1,145,000

Generation from renewable sources inside chemical sector boundary (MWh)

0

Generation from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary (MWh)

0

Heat

Total gross generation inside chemicals sector boundary (MWh)

Generation that is consumed inside chemicals sector boundary (MWh)

Generation from renewable sources inside chemical sector boundary (MWh)

Generation from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary (MWh)

Steam

Total gross generation inside chemicals sector boundary (MWh)

371,389

Generation that is consumed inside chemicals sector boundary (MWh)

371,389

Generation from renewable sources inside chemical sector boundary (MWh)

0

Generation from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary (MWh)

0

Cooling

Total gross generation inside chemicals sector boundary (MWh)

Generation that is consumed inside chemicals sector boundary (MWh)

Generation from renewable sources inside chemical sector boundary (MWh)

Generation from waste heat/gases recovered from processes using fuel feedstocks inside chemical sector boundary (MWh)

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area

Other, please specify

North America

Consumption of purchased electricity (MWh)

524,167

Consumption of self-generated electricity (MWh)

524,167

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

113,611

Consumption of self-generated heat, steam, and cooling (MWh)

0

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

1,161,945

Country/area

Mozambique

Consumption of purchased electricity (MWh)

0

Consumption of self-generated electricity (MWh)

0

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

0

Consumption of self-generated heat, steam, and cooling (MWh)

0

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

0

Country/area

Other, please specify

Eurasia

Consumption of purchased electricity (MWh)

185,000

Consumption of self-generated electricity (MWh)

185,000

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

392,778

Consumption of self-generated heat, steam, and cooling (MWh)

371,389

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

1,134,167

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

15,547,000

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

2,640,800

Total consumption unit

metric tons

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

2.69

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

4,085,000

Total consumption unit

metric tons

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

3.1

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	15.2
Natural Gas	9.8
Coal	57.7
Biomass	0
Waste (non-biomass)	0
Fossil fuel (where coal, gas, oil cannot be distinguished)	0
Unknown source or unable to disaggregate	17.3

C9. Additional metrics

C9.1

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

Description

Waste

Metric value

478

Metric numerator

Tons of waste generated and managed

Metric denominator (intensity metric only)

This is not an intensity metric

% change from previous year

4.2

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 223 kt of non-hazardous waste, an increase from 181 kt in 2021. Total recycled waste increased from 125 kt in 2021 to 131 kt in 2022, and hazardous waste generation decreased from 320 kt in 2021 to 255 kt in 2022. Sasol's approach to waste management continues to evolve in response to changing legislation and evolving industry practises. A key focus is continuing to find alternatives to landfill for our waste streams. By collaborating with waste management service providers, we have established a number of opportunities, some of which we have already implemented

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	0	none

Natural gas liquids, million barrels	0.18	Condensate
Oil sands, million barrels (includes bitumen and synthetic crude)	0	None
Natural gas, billion cubic feet	111.2	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/areas, 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 2022 can be found at the following location on our website: https://www.sasol.com/sites/default/files/2022-12/Sasol%20LTD%20Form%2020-F%20Website_0.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	140.8	140.8	140.8	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	4	4	4	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	96	96	96	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)

173,000

Capacity (metric tons)

200,000

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

0.44

Electricity intensity (MWh per metric ton of product)

0.44

Steam intensity (MWh per metric ton of product)

331.5

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

0

Comment

None

Output product

Other base chemicals

Production (metric tons)

3,093,000

Capacity (metric tons)

6,100,000

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

0.27

Electricity intensity (MWh per metric ton of product)

0.12

Steam intensity (MWh per metric ton of product)

61.77

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

0

Comment

None

Output product

Other, please specify

Essential Care Chemicals

Production (metric tons)

1,617,000

Capacity (metric tons)

2,700,000

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

0.61

Electricity intensity (MWh per metric ton of product)

0.67

Steam intensity (MWh per metric ton of product)

513.61

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

0

Comment

None

Output product

Other, please specify

Performance Solutions

Production (metric tons)

1,490,000

Capacity (metric tons)

1,900,000

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

0.14

Electricity intensity (MWh per metric ton of product)

0.21

Steam intensity (MWh per metric ton of product)

172.5

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	30	None
Other feedstocks	95.7	Other feedstocks include natural gas and coal used in our coal-to-liquids, synfuel processes.
Total	125.7	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	53.3
Other, please specify Natural gas	12.6

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	173	200
Other, please specify Base Chemicals	3,093	6,100
Other, please specify Essential care chemicals	1,617	2,700
Other, please specify Performance Solutions	1,490	1,900

C-OG9.5a/C-CO9.5a

(C-OG9.5a/C-CO9.5a) Break down, by fossil fuel expansion activity, your organization's CAPEX in the reporting year and CAPEX planned over the next 5 years.

	CAPEX in the reporting year for this expansion activity (unit currency as selected in C0.4)	CAPEX in the reporting year for this expansion activity as % of total CAPEX in the reporting year	CAPEX planned over the next 5 years for this expansion activity as % of total CAPEX planned over the next 5 years	Explain your CAPEX calculations, including any assumptions
Exploration of new oil fields	0	0	0	N/A
Exploration of new natural gas fields	0	0	0	N/A
Expansion of existing oil fields	0	0	0	
Expansion of existing natural gas fields	1,400,000,000	2.5	15	Used projected Total Capex value as disclosed in our 2022 IR and the FY22 capex disclosed in our Additional Analyst report. The planned CAPEX Equates to ~ R25 - R35 billion (bn) cumulative total capital up to 2030, inclusive of gas feedstock and the roadmap costs (Transform capital)

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-TO9.6/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

Unable to disaggregate by technology area

Stage of development in the reporting year

Average % of total R&D investment over the last 3 years

40

R&D investment figure in the reporting year (unit currency as selected in C0.4) (optional)

Average % of total R&D investment planned over the next 5 years

60

Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan

For Sasol Chemicals in Eurasia and the United States, we continue to identify opportunities to increase the use of renewable energy as a key lever to attain our emission-reduction targets. We have concluded multiple PPAs and a CO2-neutral-steam supply agreement amounting to 72 ktpa CO2e reduction in Europe. Sasol is actively investigating CCUS technology. Although CCUS has not been built into our 2030 Sasol Energy roadmap, foundational work is underway for our 2050 net zero ambition. In 2022, we concluded an RFI to identify CCS opportunity

developments for Lake Charles, for advancement over the course of 2023. Also, our MoU with LOTTE Chemical, is looking to use our CO2 from this facility as a primary raw material for production of battery-grade electrolyte solvents for lithium-ion batteries in electric vehicles.

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 (unit currency as selected in C0.4) (optional)	Average % of total R&D investment planned over the next 5 years	Explain how your R&D investment in this technology area is aligned with your climate commitments and/or climate transition plan
Unable to disaggregate by technology area		40		60	Sasol continues to invest in R&D which varies from university grants and bursaries, contract research, consortium memberships and investment is in our in-house research facilities. Our research into climate change mitigation varies from early conceptual studies, sponsoring university grants to pilot demonstration. For future growth ambitions Sasol undertook a benchmarking exercise where our focus and split between current operations support and future growth opportunities was compared to various industry leaders . One outcome was the establishment of the Future Technology team. This team will identify, assess, develop, protect and integrate novel technologies, innovations and advancements. The team develops engineering competency in Renewable and Clean Energy Generation and Storage, Low Carbon Hydrogen,

					CCUS, as well as Biomass Conversion. They establish and maintain national and international networks, partners and consortiums with key technology players. As an outcome they provide direction to and influence strategic technology enabled business and investment options while influencing the national agenda. This investment into the future resulted in an increased R&T spend from ~R600m to over R840m and increased the permanent staff from 276 to 299. This spend has also been allocated to numerous research programs and collaborations. On the pilot scale demonstration, we have the CARE-O-SENE project. This project is a German-South African research program to develop the next generation catalysts for the production of SAF. The project is funded by the German BMBF and consists of seven German and South African project partners. Since September 2022 the Sasol teams have focused on accelerating the newer versions of the catalyst from its initial lab-scale application to semi-commercial production and testing. During this process ~1.5 tons of catalyst were produced, meeting the stringent product quality specifications. . During these piloting tests the in-house evaluation of the FT crude product confirmed that the potential of this catalyst to achieve the ten percent higher SAF yields targeted in the CARE-O-SENE project and verification is underway at our technology partner Topsoe. Developing the next generation of FT catalysts, will achieve a carbon efficiency of +95 percent, have a high H_2 utilization and the highest product yield, and

					improve the kerosene yield to over 80%. This will significantly improve green energy utilization in the process.

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

2022 Sasol Sustainability Report (4).pdf

Page/ section reference

p. 75: 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

2022 Sasol Sustainability Report (4).pdf

Page/ section reference

p. 75: 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)
Scope 3: Waste generated in operations
Scope 3: Business travel

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 2022.pdf

Page/section reference

p. 58: Section INDEPENDENT ASSURANCE REPORT TO THE DIRECTORS OF SASOL LIMITED

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
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 FY2022 limited assurance was provided for this data. The independent assurance report is publicly available at the end of our Sustainability Report 2022, on page. 75
C6. Emissions data	Other, please specify Production based greenhouse gas intensity	ISAE 3000	As part of our annual third-party external assurance process, we had our production-based greenhouse gas intensity verified. This process covers our entire company and took place in the FY2022, where we received limited assurance for this data. The independent assurance report is publicly available on page 75 of our Sustainability Report 2022
C8. Energy	Energy consumption	ISAE 3000	As part of our annual external assurance process, we have verified the total energy use data, which covers our entire company. In the FY2022 limited assurance was provided for this data. The independent assurance report is publicly available at the end of our Sustainability Report 2022, on page. 75.
C6. Emissions data	Other, please specify All revenue figures used	International Financial Reporting Standards, International Standards on	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 FY2022 reasonable assurance was provided for this data. The independent auditor's report is

		Auditing (ISAs) and the Companies Act of South Africa	publicly available at the end of our Annual Financial Statements 2022, on page. 8 - 9.
C9. Additional metrics	Other, please specify Total hazardous waste, Total non-hazardous waste, Total hazardous waste, Recycled waste	ISAE 3000	As part of our annual external assurance process, total hazardous waste, total non-hazardous waste, total hazardous waste and recycled waste was verified. This forms part of our third-party, external assurance which takes place on an annual basis and is company-wide in scope. In the FY2022 limited assurance was provided for this data. The independent assurance report is publicly available at the end of our Sustainability Report 2022, on page

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

Germany 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

1.34

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1, 2021

Period end date

December 31, 2021

Allowances allocated

609,560

Allowances purchased

56,619

Verified Scope 1 emissions in metric tons CO2e

767,853

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.

Germany ETS

% of Scope 1 emissions covered by the ETS

0

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1, 2021

Period end date

December 31, 2021

Allowances allocated

0

Allowances purchased

0

Verified Scope 1 emissions in metric tons CO2e

2,364

Verified Scope 2 emissions in metric tons CO2e

0

Details of ownership

Facilities we own and operate

Comment

Under the German ETS, a cap is set on the total amount of emissions allowed from certain industries, such as power generation, manufacturing, and aviation. These industries are required to hold permits, known as allowances, for every ton of CO2 they emit. The number of allowances issued is limited, aligning with the emissions cap. The Germany ETS covers sectors not covered under the EU ETS e.g. combustion emissions from fuels used in transport, domestic/industrial heating etc. Allowances can be bought and sold in the emissions market, creating a financial incentive for industries to reduce their emissions. If a company exceeds its allocated allowances, it must purchase additional

allowances to comply with the regulations. Conversely, if a company emits less than its allocated allowances, it can sell the surplus allowances for profit. The German ETS covers those emissions unlike the EU ETS where you have tradeable allowances, it's more like a carbon tax (i.e. a fixed value for the certificates, where 1 certificate is 1 tCO2e. Suppliers of the fuels are required to buy the certificates, but this price gets passed through to the customers. In this case, Sasol is not a supplier but a consumer, in this regard there is a line item for the tax pass through in our invoices for natural gas from producers. We pay this money to the producer who then buys certificates.

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

June 1, 2021

Period end date

December 31, 2021

% of total Scope 1 emissions covered by tax

96

Total cost of tax paid

781,595,000

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 2021 to December 2021. This was reported to the South African government and payment was made in July 2022.

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 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 this reporting year, we secured ~3,7 million credits from one in-house and nine local offset projects, mitigating the release of 3,7 MtCO2 e, avoiding more than R258 million in carbon tax payments and realising additional environmental and social benefits for communities in South Africa. Sasol's GHG emissions reduced for the Energy Business by 6%, reducing our carbon tax liability for this reporting year.

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits canceled by your organization in the reporting year.

Project type

N2O

Type of mitigation activity

Emissions reduction

Project description

We purchase carbon credits from AEL's N2O abatement project. 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.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

1,385

Purpose of cancellation

Compliance with a carbon pricing system

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2012

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

CDM (Clean Development Mechanism)

Method(s) the program uses to assess additionality for this project

Investment analysis

Approach(es) by which the selected program requires this project to address reversal risk

No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed

Other, please specify

Not assessed- As per methodology AM0034, no leakage emission calculation is required since no leakage emissions are expected to occur as a result of the project activity

Provide details of other issues the selected program requires projects to address

Project involves N2O destruction and does not involve carbon storage, hence there is no risk of reversal as indicated above.

Comment

None

Project type

N2O

Type of mitigation activity

Emissions reduction

Project description

We originate carbon credits from a Nitrous Oxide Abatement Project. 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 in- volves 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.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

1,733,374

Purpose of cancellation

Compliance with a carbon pricing system

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2016

Were these credits issued to or purchased by your organization?

Issued

Credits issued by which carbon-crediting program

CDM (Clean Development Mechanism)

Method(s) the program uses to assess additionality for this project

Investment analysis

Approach(es) by which the selected program requires this project to address reversal risk

No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed

Other, please specify

The project activity only comprises the GHG nitrous oxide. No leakage calculations are required according to AM0034.

Provide details of other issues the selected program requires projects to address

Project involves N2O destruction and does not involve carbon storage, hence there is no risk of reversal as indicated above.

Comment

None

Project type

N2O

Type of mitigation activity

Emissions reduction

Project description

We purchase carbon credits from Omnia's N2O abatement 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

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

75,895

Purpose of cancellation

Compliance with a carbon pricing system

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2018

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

CDM (Clean Development Mechanism)

Method(s) the program uses to assess additionality for this project

Investment analysis

Approach(es) by which the selected program requires this project to address reversal risk

No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed

Other, please specify

As per methodology AM0034, no leakage emission calculation is required since no leakage emissions are expected to occur as a result of the project activity

Provide details of other issues the selected program requires projects to address

Project involves N2O destruction and does not involve carbon storage, hence there is no risk of reversal as indicated above.

Comment

None

Project type

Landfill gas

Type of mitigation activity

Emissions reduction

Project description

We purchase carbon credits from a landfill 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); and/or using to supply consumers through natural gas distribution network, dedicated pipeline or trucks.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

83,236

Purpose of cancellation

Compliance with a carbon pricing system

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2011

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

CDM (Clean Development Mechanism)

Method(s) the program uses to assess additionality for this project

Other, please specify

Check on credibility of the baseline

Approach(es) by which the selected program requires this project to address reversal risk

No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed

Other, please specify

AM0011 supposes zero leakages from the project activity.

Provide details of other issues the selected program requires projects to address

Project involves landfill gas destruction and does not involve carbon storage, hence there is no risk of reversal as indicated above.

Comment

None

Project type

Landfill gas

Type of mitigation activity

Emissions reduction

Project description

We purchase carbon credits from a landfill 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); and/or using to supply consumers through natural gas distribution network, dedicated pipeline or trucks.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

756,600

Purpose of cancellation

Compliance with a carbon pricing system

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2016

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

CDM (Clean Development Mechanism)

Method(s) the program uses to assess additionality for this project

Barrier analysis

Approach(es) by which the selected program requires this project to address reversal risk

No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed

Other, please specify

no risk of leakage

Provide details of other issues the selected program requires projects to address

Project involves landfill gas destruction and does not involve carbon storage, hence there is no risk of reversal as indicated above.

Comment

None

Project type

Hydro

Type of mitigation activity

Emissions reduction

Project description

We purchase carbon credits from a Hydroelectric Project. This project activity generates hydroelectricity, which is distributed into the South African grid. The project involves the operation of 7.0 MW of hydro generation capacity within the boundaries of the Dihlabeng Local Municipality in the Free State Province, South Africa. The project generates 37 GWH per annum and is comprised of two generation facilities i.e. The Merino Power Plant: A run of river site located on the As River (4 MW), midway between Bethlehem and Clarens; and, The Sol Plaatje Power Plant: Facility located at the existing concrete wall of the Sol Plaatje Dam (3 MW), in the town of Bethlehem. The Sol Plaatje Dam is also fed by the As river and supplies water to the town and has not been used for hydropower generation before. The water resource in the As River is artificially fed from the Lesotho Highlands Water Project (LHWP). Water from the project is currently transferred from the Katse Dam in Lesotho to South Africa via the transfer tunnel and the delivery tunnel. During the transfer it is used to generate electricity for Lesotho in the Muela hydropower plant situated between the two tunnels. After driving the turbines the water flows to South Africa via the delivery tunnel, the

outfall of which is located in the upper reaches of the As River (a tributary of the Liebenbergsvlei River). The flow rate in the river is therefore not seasonally dependent and remains almost constant throughout the year and over time.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

252,371

Purpose of cancellation

Compliance with a carbon pricing system

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2012

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

CDM (Clean Development Mechanism)

Method(s) the program uses to assess additionality for this project

Barrier analysis

Approach(es) by which the selected program requires this project to address reversal risk

No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed

Other, please specify

the project activity does not consume any diesel on site. Thus, there are no project emissions related to fossil fuel consumption

Provide details of other issues the selected program requires projects to address

Project involves renewable electricity generation and does not involve carbon storage, hence there is no risk of reversal as indicated above.

Comment

None

Project type

Other, please specify

Waste to Energy

Type of mitigation activity

Emissions reduction

Project description

We purchase carbon credits from a Biogas to Energy Project. This project uses biogas resulting from anaerobic digestion of wastewater at a petroleum refinery. The installation makes use of the waste gas, presently flared, to generate electricity for on-site use. The estimated annual electricity production is 31.6 GWh and the project reduces carbon dioxide (CO2) emissions by 29 933 tons of CO2 equivalent annually

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

10,975

Purpose of cancellation

Compliance with a carbon pricing system

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2012

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

CDM (Clean Development Mechanism)

Method(s) the program uses to assess additionality for this project

Investment analysis
Barrier analysis

Approach(es) by which the selected program requires this project to address reversal risk

No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed

Other, please specify

In accordance with the methodology, AMS-I.D “Grid connected renewable electricity generation” (Version 9) no leakage is considered

Provide details of other issues the selected program requires projects to address

Project involves the generation of electricity from waste and does not involve carbon storage, hence there is no risk of reversal as indicated above

Comment

None

Project type

Fossil fuel switch

Type of mitigation activity

Emissions reduction

Project description

We purchase carbon credits from a Fuel Switch Project. This project involves industrial fuel switching from coal to natural gas in clay brick baking kilns in Johannesburg, South Africa. The capacity and lifetime of the facility are not extended through fuel switching and the reduction of coal used at the factory reduces the fugitive methane emissions associated with coal mining and post mining activities, as well as the transport related emissions from the carrying of coal to the site. The conversion from coal to natural gas also improves the environmental health

conditions at the plant as there is a reduction in the airborne particulate levels (that result from the combustion of coal) and using natural gas as a thermal fuel increases the efficiency of the brick baking process resulting in a reduction in energy demand at the factory.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

154,476

Purpose of cancellation

Compliance with a carbon pricing system

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2009

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

CDM (Clean Development Mechanism)

Method(s) the program uses to assess additionality for this project

Investment analysis

Approach(es) by which the selected program requires this project to address reversal risk

No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed

Upstream/downstream emissions

Provide details of other issues the selected program requires projects to address

Project involves fuel switching and does not involve carbon storage, hence there is no risk of reversal as indicated above.

Comment

Project type

Fossil fuel switch

Type of mitigation activity

Emissions reduction

Project description

We purchase carbon credits from a Fuel Switching Project. This project involves the conversion of a coal fired boiler to a biomass and coal co-fired boiler and the utilisation of approximately 70 000 tones of waste bark in a pulp and paper mill in KwaZulu Natal, South Africa. In the absence of project activity, the steam demand would have been covered exclusively from coal and through implementation the project reduces up to 55912 tCOe/year.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

6,768

Purpose of cancellation

Compliance with a carbon pricing system

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2012

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

CDM (Clean Development Mechanism)

Method(s) the program uses to assess additionality for this project

Barrier analysis

Approach(es) by which the selected program requires this project to address reversal risk

No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed

Other, please specify

As no equipment is transferred to another activity in the Tugela project, leakage does not need to be considered.

Provide details of other issues the selected program requires projects to address

Project involves fuel switching and does not involve carbon storage, hence there is no risk of reversal as indicated above.

Comment

None

Project type

Other, please specify

Energy Efficiency

Type of mitigation activity

Emissions reduction

Project description

We purchase carbon credits from an Energy Efficiency Project.

The project is an industrial energy efficiency project that reduces the electricity consumption in the production of SiMn alloy by displacing electricity from the South African grid, which is predominantly coal based by retrofitting and implementing new technology into existing furnace infrastructure.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

222,448

Purpose of cancellation

Compliance with a carbon pricing system

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2009

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

CDM (Clean Development Mechanism)

Method(s) the program uses to assess additionality for this project

Investment analysis

Other, please specify

Common practice analysis

Approach(es) by which the selected program requires this project to address reversal risk

No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed

Other, please specify

There is no leakage associated with the project activity, whether under AM0038 or ACM0002.

Provide details of other issues the selected program requires projects to address

Project involves energy efficiency and does not involve carbon storage, hence there is no risk of reversal as indicated above.

Comment

None

Project type

Other, please specify

Energy efficiency

Type of mitigation activity

Emissions reduction

Project description

We purchase carbon credits from an energy efficiency project.. This project involves broad adoption of a heat-retention-cooking device in kitchens throughout South Africa. The device 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.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

40,000

Purpose of cancellation

Compliance with a carbon pricing system

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2015

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

VCS (Verified Carbon Standard)

Method(s) the program uses to assess additionality for this project

Positive lists

Approach(es) by which the selected program requires this project to address reversal risk

No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed

Other, please specify

There is no risk of leakage due to old discarded stoves being used elsewhere outside the project boundary or new stoves being used due to the introduction of the device

Provide details of other issues the selected program requires projects to address

Project involves energy efficiency and does not involve carbon storage, hence there is no risk of reversal as indicated above.

Comment

None

Project type

Clean cookstove distribution

Type of mitigation activity

Emissions reduction

Project description

We purchase carbon credits from a Fuel Efficient Cookstove project. Fuel Efficient Cooking in South Africa involves distributing fuel-efficient improved cookstoves (ICS) and/or heat retention devices (HRD) to local communities in South Africa. Through this project, ICS/HRD will replace baseline open-fire wood-fueled cooking methods. The ICS is a highly effective stove that uses less biomass fuel and emits less smoke, reducing the amount of woodcutting, as well as the amount of time women and children spend foraging for firewood. The ICS reduce GHG emissions through the improved combustion efficiency of the stove. The HRD distributed with the ICS is intended to address the need of more than one cooking device per household and to reduce stacking of stoves by enabling the cook to prepare multiple dishes at the same time. The HRD consists of a thermal insulated blanket/bag that wraps around a pot that was heated to boiling point on the ICS. Inside of the HRD, the meal continues to cook.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

103,847

Purpose of cancellation

Compliance with a carbon pricing system

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2022

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

VCS (Verified Carbon Standard)

Method(s) the program uses to assess additionality for this project

Positive lists

Approach(es) by which the selected program requires this project to address reversal risk

No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed

Not assessed

Provide details of other issues the selected program requires projects to address

Project involves clean cookstove distribution and does not involve carbon storage, hence there is no risk of reversal as indicated above.

Comment

None

Project type

Landfill gas

Type of mitigation activity

Emissions reduction

Project description

We purchase carbon credits from a Landfill 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); and/or using to supply consumers through natural gas distribution network, dedicated pipeline or trucks.

Credits canceled by your organization from this project in the reporting year (metric tons CO2e)

235,155

Purpose of cancellation

Compliance with a carbon pricing system

Are you able to report the vintage of the credits at cancellation?

Yes

Vintage of credits at cancellation

2016

Were these credits issued to or purchased by your organization?

Purchased

Credits issued by which carbon-crediting program

CDM (Clean Development Mechanism)

Method(s) the program uses to assess additionality for this project

Barrier analysis

Approach(es) by which the selected program requires this project to address reversal risk

No risk of reversal

Potential sources of leakage the selected program requires this project to have assessed

Other, please specify

No risk of leakage

Provide details of other issues the selected program requires projects to address

Project involves landfill gas destruction and does not involve carbon storage, hence there is no risk of reversal as indicated above.

Comment

None

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.

Type of internal carbon price

Other, please specify

Actual regulated carbon tax

How the price is determined

Alignment with the price of a carbon tax

Objective(s) for implementing this internal carbon price

Change internal behavior

Drive low-carbon investment

Navigate GHG regulations

Stress test investments

Scope(s) covered

Scope 1

Pricing approach used – spatial variance

Differentiated

Pricing approach used – temporal variance

Evolutionary

Indicate how you expect the price to change over time

For the South African segment of our assessment, we factored in the lack of pricing certainty. We used a price of R144/tCO2e in 2022, increasing to ~US$30/tCO2e by 2030 in real terms before allowances.

Actual price(s) used – minimum (currency as specified in C0.4 per metric ton CO2e)

144

Actual price(s) used – maximum (currency as specified in C0.4 per metric ton CO2e)

462

Business decision-making processes this internal carbon price is applied to

Operations
Product and R&D
Remuneration
Risk management
Opportunity management
Public policy engagement
Other, please specify
Strategic decision making

Mandatory enforcement of this internal carbon price within these business decision-making processes

Yes, for some decision-making processes, please specify
see previous column

Explain how this internal carbon price has contributed to the implementation of your organization's climate commitments and/or climate transition plan

Sasol includes carbon pricing in the global and RSA scenarios analysis and strategic decision-making process. The scenarios cover all aspects of the external environment that impact Sasol and include both favourable and unfavourable circumstances for the organisation and are revised annually to consider new developments in the external environment. These scenarios include full price assumptions sets for feedstocks, products and macroeconomic drivers. The scenarios are used to test the robustness of Sasol's strategy annually. RSA carbon prices to 2030 have been legislated by government and post 2030 a range of scenarios are used to explore how drivers of these carbon prices could change in the period to 2050.

C12. Engagement

C12.1

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

Yes, our suppliers
Yes, our customers/clients
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 GHG emissions data at least annually from suppliers
Other, please specify
Drive meaningful change through fostering strong partnerships

% of suppliers by number

20

% total procurement spend (direct and indirect)

24

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

Rationale for the coverage of your engagement

We have implemented a Supplier Engagement Program as part of our sustainability initiatives. This program, launched initially at Sasol Chemicals within our Eurasia operations, is a pilot project driven by our commitment to sustainability and the importance of accurate environmental reporting. Its primary objective is to collect specific data related to Scope 3 reporting and greenhouse gas (GHG) emissions for goods and services (Scope 3 category 1). Initially, we are focusing on our strategic suppliers who have a significant impact on our

environmental footprint. The Supplier Engagement Program involves transparent and proactive data collection by closely working with strategic suppliers. This program aims to obtain comprehensive information on procured materials, which will be integrated into Scope 3 reporting. By doing so, areas for improvement can be identified, resource usage can be optimized, and the overall carbon footprint can be reduced. Expanding the program to include more suppliers is a crucial step in our sustainability journey. By involving suppliers, we foster a shared responsibility approach, strengthening supply chain resilience, driving innovation, and creating a positive environmental impact across our operations. We recognize the importance of data accuracy and quality in our sustainability reporting. Through the Supplier Engagement Program, we aim to enhance the transparency and reliability of our GHG emissions data by working closely with our suppliers. By fostering a strong partnership and open communication, we can collectively drive meaningful change, reduce our environmental impact, and create a more sustainable future.

Impact of engagement, including measures of success

The impact of the Supplier Engagement Program at Sasol Chemicals is expected to be significant in terms of enhancing our sustainability efforts and achieving our environmental goals. By actively involving our suppliers in the value chain, we anticipate several positive outcomes:
1) Improved Data Accuracy: Engaging suppliers directly in data collection and reporting processes will result in more accurate and reliable information on Scope 3, Category 1 emissions, coming directly from the supplier and not from data based.

This will contribute to the overall credibility and transparency of our Scope 3 reporting.

2) Enhanced Environmental Performance: By working collaboratively with our suppliers and other parts of the value chain, we can identify opportunities for improvements.

3) Working with suppliers foster a closer relationship and aligning sustainability objectives and practices.

4) Engaging suppliers in our sustainability efforts opens avenues for knowledge exchange, idea sharing, and innovation.

Comment

None

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect GHG emissions data 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 . 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). Approximately 93% of supplier-related emissions were accounted for using information gained through the programme, hence it was considered successful. 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 as reflected in our 2021 Climate Change report.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing

Run an engagement campaign to educate customers about the climate change impacts of (using) your products, goods, and/or services

% of customers by number

40

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

Please explain the rationale for selecting this group of customers and scope of engagement

Close Partnership with key accounts because of high impact, general information for all customers aims to be provided particularly on the Future Sasol strategy and our imperative to innovate and partner to unlock mitigation initiatives towards our net zero ambition.

Impact of engagement, including measures of success

We aim to increase sales of new products showing reduced carbon footprints to the market through our diversified chemicals portfolio.

Sasol aim is to ultimately contribute to supporting SDG-17 partnerships for all to unlock opportunities for climate action and achieve a net zero ambition by 2050.

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 decarbonisation and just transition plan:

· Together with Uniper, Siemens Energy, and Airbus, we are looking to produce SAF in Germany.

· Working with government and industry bodies to develop circular solutions. They have

- Partnered with Impact Catalyst to accelerate initiatives for societal impact.

· With TotalEnergies we are exploring innovative pathways for transitioning Natref.

· Along with partners Hemholtz Sentrum, Fraunhofer Institute, and Karlsruhe Institute of Technology, we launched the Care-O-Sene project to develop and commercialize novel FT catalysts for SAF production.

· Signed with Deutsche Aircraft an MoU on a joint research project for Power-to-Liquid (PtL) applications in aviation.

· Joined the EU-Catalyst partnership, which includes the European Commission, the European Investment Bank, and the Bill Gates Breakthrough Energy initiative. The partnership aims to mobilize $1 billion in investments to accelerate the deployment and commercialization of innovative climate technologies.
· Partnered with Holiferm to develop and market lower-carbon intensity biosurfactants.
· Exploring partnerships with Globeleq and the Council for Geosciences (CGS) to sequester CO2 from gas-fired power plants in Mozambique and demonstrate CO2 sequestration in Mpumalanga, respectively.
· Collaborating with Linde, Enertrag, and Hydrogen, is progressing with the HyShiFT SAF project. The project aims to produce SAF by transitioning the Secunda asset from coal to sustainable feedstocks, with the first SAF production targeted for 2025.
· Signed an MoU with the Port of Rotterdam to investigate the establishment of a corridor for green hydrogen and its carriers produced in Southern Africa. They are exploring technoeconomic aspects and market-related initiatives in partnership with third parties.
· Supporting two research chairs on Green Hydrogen and Energy and Power Systems Integration through the National Research Foundation (NRF).

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

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, we engage directly with policy makers

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

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)

Sasol climate change report 2022 Page 49 – 55

Sasol Climate Advocacy and Policy Supplement 2022 – whole document

2022 Sasol Climate Advocacy and Policy Supplement (2).pdf

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

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 to our 2050 Net Zero 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 2022 Sasol, for the first time, started reporting third-party assessments in our advocacy alignment process.

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?

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

Climate Change Bill

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

Climate change mitigation

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

Climate-related reporting
Climate-related targets
Emissions – CO2
Emissions – methane
Emissions – other GHGs
International agreement related to climate change mitigation
Low-carbon, non-renewable energy generation
Other, please specify
Adaptation and resilience to climate change

Policy, law, or regulation geographic coverage

National

Country/area/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. Our technical teams and climate change specialists attended three Parliamentary briefings by the Minister of Forestry, Fisheries and the Environment on the tabling of the Climate Change Bill to establish a legal framework for climate change management for South Africa. Following the tabling of the Climate Change Bill for public comment by Parliament in March 2022, we put forward our submission to Parliament in May 2022. We also made an oral presentation on the Climate Change Bill to the Portfolio Committee on Forestry, Fisheries and the Environment (PCFFE). Moreover, Sasol attended the public hearings held by the PCFFE in the regions we operate.

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

Sasol has been publicly supporting a dedicated climate change act that puts forward a common climate change vision and offers harmonisation of policies in support of the vision. In our submission to Parliament in May 2022, Sasol advocated for:

• recognition of mitigation potential and feasibility as criteria to be used when allocating a carbon budget;

• clarification on how the existing authorisation process will incorporate carbon budget allocations;

• adequate inclusion of incentives and other similar measures to drive desired GHG outcomes;

• further clarity on the operationalisation of the integrated carbon budget and tax system and its alignment with an enabling policy and regulatory framework;

• carbon budget deviations to be penalised through a carbon tax; and

• enabling provisions to ensure entities that are subject to carbon budgets will not be further penalised through sector emission targets applied at government level.

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

The Climate Change Bill is central to the achievements of our climate transition plans. The bill aims to establish a comprehensive legal framework for addressing climate change mitigation and adaptation in the country. Sasol recognizes the importance of a shared vision on climate change and policy harmonization. In our submission to Parliament, we advocated for several key points that would support a cohesive and effective climate transition process: We believe that the allocation of a carbon budget should also be based on the potential and feasibility of mitigation efforts as supported by the Departments Mitigation Potential Analysis. This ensures that meaningful targets are set, taking into account the capabilities of industries like Sasol to reduce their GHG emissions. We sought further clarification on the implementation of an integrated carbon budget and tax system, ensuring alignment with an enabling policy and regulatory framework. This ensures that the carbon budget and tax system are effectively integrated into existing structures and provide a supportive environment for achieving climate goals. We proposed imposing penalties for carbon budget deviations through a carbon tax as the Bill does include a penalty mechanism. This approach encourages compliance while providing a financial incentive to reduce emissions. We also urged that entities subject to carbon budgets are not additionally penalized through sector emission targets imposed at the government level. This avoids double penalties and promotes a fair and equitable approach to emissions reduction. Sasol emphasized the importance of including adequate incentives and similar measures that encourage and drive the desired outcomes in terms of reducing GHG emissions like in the US and EU. These incentives can help accelerate the adoption of low-carbon technologies and practices.

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

Carbon Tax

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

Carbon pricing, taxes, and subsidies

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

Carbon taxes

Other, please specify

Allowances

Policy, law, or regulation geographic coverage

National

Country/area/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

Executives and technical teams participated in three meetings with National Treasury and in the formal consultation process as part of the Tax Law Amendment Bill process on the increase in carbon tax rates in South Africa and its implications for our business, which, could significantly impact our economic viability of the business and hinder our just transition. Sasol reiterated support for carbon pricing and emphasised that rapid hikes in the carbon tax rate without allowances and incentives, and which is out of sync with mitigation potential, will hinder our transition rather than accelerate it.

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

Sasol supports carbon pricing and considers carbon taxes an important part of policies and measures to achieve effective decarbonisation. We also emphasised the devastating impact that rapid hikes in carbon prices (the proposed rates of a US$20/t and US$30/t tax by 2026 and 2030 respectively without allowances and incentives) proposed by the National Treasury would have on our business – and our ability to effect a just transition through a 30% reduction in our GHG emissions by 2030 and achieve Future Sasol. A concern was the lack of certainty on whether the allowances were included or not. At these tabled tax rates and if the current allowances were removed, Sasol would need to consider trade-offs to balance the people, planet and profit agenda. In addition, we also urge the creation of incentives to support the delta between the cost of production and market prices to accelerate the development of lower carbon industries. We proposed a that if the higher rates were retained, allowances should also apply.

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

The Carbon Tax Act, specifically the aspects related to carbon pricing and associate allowances, is central to the achievements of Sasol's climate transition plans. By incorporating carbon pricing into our decision-making processes, we recognize the need to account for the financial implications and costs associated with decarbonization efforts. The recently proposed US$20 carbon tax rate by 2026 and the US$30 by 2030, without allowances would have an adverse financial impact on Sasol. The unintended opportunity cost attached to the carbon tax, therefore, is that, if our existing business is at risk, we will not be able pursue our decarbonisation in a just manner as planned .

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

Just Energy transition

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

Climate change mitigation

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

Climate transition plans

Policy, law, or regulation geographic coverage

National

Country/area/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

Technical teams and climate change specialists attended the Presidential Climate Commission's (PCC) dialogues on the development of a Just Transition Framework and various stakeholder consultations across the country. Technical teams engaged the Department of Mineral Resources and Energy (DMRE) on the Just Energy Transition Framework and its alignment with the PCC's Just Transition Framework. We also collaborate with the PCC and DMRE to help shape and establish the final Just Transition Framework and national implementation plans. Business and government have successfully collaborated for a number of years on the United Nations Conference of the Parties (COP) and business provided input and support to government in revising South Africa's Nationally Determined Contributions in 2021

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

Sasol welcomed the Framework and its intended aims, and we submitted that for the Framework to be a practical policy tool, it must be unambiguous on what is in scope and what is not. It is critically important that role players' responsibilities and accountabilities be clearly detailed to avoid misalignment and enhance action towards the country's just transition objectives and goals. These two areas needed further elaboration in the Framework. In support of this overarching feedback, we highlighted the following:
- At the heart of the Just Transition is the principle of ensuring "no one is left behind"; this will require economic diversification and innovation.
- Greater emphasis should be placed on the immediate or 'quick win' priorities that deliver significant economic impact.
- Developing the green hydrogen ecosystem ranging from being an exporter to own use for decarbonising hard-to-abate sectors, such as transport and petrochemicals is critical

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

Sasol is supportive of the view that the just transition should ensure that socio-economic issues are not exacerbated and where possible actions taken should aim to ameliorate these issues. Sasol strongly supports the Presidential Climate Commission (PCC) and governments' commitment to deliver on the country's climate objectives in a fair and just manner as enshrined in its Nationally Determined Contribution (NDC). The national just transition framework and future policy should provide clarity on how the PCC and government will advocate for local and international policies to consider the specific challenges faced by developing countries like South Africa. In addition, it should also detail how policies can be influenced to place South Africa in a position to leverage its best resources to enable just transition. We see the Just Energy Transition-Investment Plan as a key lever to mobilise required funding to not only enable a just energy transition but also support South

Africa to become a more competitive, low-carbon economy, while addressing the triple challenge of unemployment, inequality and high levels of poverty.

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

EU Delegated Acts

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

Low-carbon products and services

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

Alternative fuels

Technology requirements

Policy, law, or regulation geographic coverage

Global

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

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

Oppose

Description of engagement with policy makers

Formal submissions were made to the European Commission. This was undertaken as part of the public consultation process in support of EU recognition for FT-produced sustainable products to allow for a phased decarbonisation of Secunda towards our fossil-fuel-free vision. Sasol's executives and technical teams engaged various German government departments and the European Commission in Brussels to indicate the importance of recognising a flexible GHG allocation methodology for co-processing fossil fuel and sustainable feedstocks in an existing facility and to extend the use of industrial fossil CO2 feedstocks as sustainable carbon sources beyond 2035, especially for developing countries to participate in international low carbon schemes.

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

Lack of recognition of flexible allocation of GHG emissions savings to one product impacts the ability to produce sufficient volumes of eligible sustainable products to justify the project economics of introducing sustainable feedstock. South Africa's envisaged approach for a much-needed gradual transition from coal to a green economy will likely be impaired without EU policy and regulatory changes. Of importance is the need for the proposed Delegated Acts to recognise:

- Co-processing of fossil fuel and sustainable feedstocks in FT facilities through a flexible LCA approach, allowing allocation of GHG benefits to specific products in the transition. This would enable SAF producers to maximise product volumes and access markets that can afford to pay a premium to counter high production costs, while green hydrogen is still prohibitively expensive;

-Fossil CO2 feedstocks as sustainable carbon sources beyond 2035. As it currently stands, this transition period is not sufficient for developing countries such as South Africa, nor does it align with projected green hydrogen cost curves.

Have you evaluated whether your organization's engagement on this policy, law, or regulation is aligned with the goals of the Paris Agreement?

Yes, we have evaluated, and it is aligned

Please explain whether this policy, law or regulation is central to the achievement of your climate transition plan and, if so, how?

These Acts have been analysed and show significantly negative implications for South Africa and Sasol's ability to place sufficient volumes of low carbon products in the EU market to justify project economics – particularly due to their rules around coprocessing of sustainable and fossil inputs. South Africa's envisaged approach for a much-needed gradual transition from a coal to a green economy is likely to be impaired in the absence of a supportive EU policy, as this key market is able to afford the so-called green product premiums at these early stages while low carbon products come down the cost curve.

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or 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 policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

Position statements have been focused on steering government to a net zero ambition and 1,5ºC trajectory by 2050. This position clearly articulates a commitment to climate science and the urgency to transition. BUSA is supporting programmes that develop the necessary precedent knowledge and consensus to mobilise climate action. Sasol 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. 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. BUSA advocates for enabling policy to support green hydrogen, transition gas, renewables, energy efficiency and biomass feedstocks. Furthermore, BUSA advocates strongly for decarbonisation of the electricity grid and diversification of energy sources away from fossil fuels. 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 (currency as selected in C0.4)

180,000

Describe the aim of your organization's funding

The funding cover Sasol's annual BUSA membership fee for 2022 and excludes South African Value Added Tax (VAT). The membership fee is determined based on the company's business turnover percentage. The purpose of the funding is to allow Sasol to actively participate in BUSA's activities and be included in their initiatives.

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 policy consistent with theirs?

Mixed

Has your organization attempted to influence their position in the reporting year?

Yes, and they have changed their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

Chemical and Allied Industries' Association (CAIA) acknowledges the latest climate science and is driving urgency for action. They advocate for the government's involvement in establishing transparent and consistent policy frameworks that are aligned with scientific knowledge. CAIA supports the goals of the Paris Agreement and actively advocates for ambitious Nationally Determined Contributions (NDCs) with appropriate support mechanisms. The funding offered covers Sasol's annual CAIA membership fee for 2022, excluding South African Value Added Tax (VAT). The membership fee is determined based on Sasol's percentage turnover from chemical products in South Africa. The purpose of the funding is to allow Sasol to actively participate in CAIA's activities and be included in its initiatives. Yes, we have evaluated, and it is aligned carbon alternatives. They emphasize the need for a well-designed carbon pricing system that is integrated into a comprehensive policy framework, taking into consideration South Africa's competitiveness. CAIA promotes the development of low and lower-carbon options, including renewable energy, green hydrogen, natural gas as a transitional fuel, and energy efficiency measures. They view renewable energy

and natural gas as viable transitional fuels, serving as a bridge towards achieving a lower-carbon economy. CAIA members have voluntarily undertaken actions to improve energy efficiency and reduce energy consumption. Regarding transparency and disclosure, CAIA has a partial alignment, supporting the importance of transparency but not taking a specific stance on disclosure and best practice reporting standards. Sasol continue to engage in discussions on reporting standards and greater transparency .

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

6,700,000

Describe the aim of your organization's funding

The funding offered covers Sasol's annual CAIA membership fee for 2022, excluding South African Value Added Tax (VAT). The membership fee is determined based on Sasol's percentage turnover from chemical products in South Africa. The purpose of the funding is to allow Sasol to actively participate in CAIA's activities and be included in its initiatives.

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 Users Group (EIUG) Industrial Task Team on Climate Change (ITTCC)

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

Mixed

Has your organization attempted to influence their position in the reporting year?

Yes, and they have changed their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

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 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 continued to engage to achieve alignment of ITTCC's position on carbon pricing. In 2022 a revised carbon price was developed.

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

27,000

Describe the aim of your organization's funding

The funding provided covers the required annual ITTCC membership fee for 2022 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 policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

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 (currency as selected in C0.4)

2,950,000

Describe the aim of your organization's funding

The funding provided covers the required annual SAPIA membership fee for 2022 and it does not include the South African Value Added Tax (VAT). The membership fee is determined based on Sasol's annual operating budget, and the purpose of the funding is to allow Sasol to participate in and benefit from 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 policy consistent with theirs?

Mixed

Has your organization attempted to influence their position in the reporting year?

Yes, and they have changed their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

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 2022) 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. In 2022, MINCOSA released on updated carbon tax position.

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

9,500,000

Describe the aim of your organization's funding

The funding provided covers the required annual MINCOSA membership fee for 2022 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

Other, please specify

European Chemical Industry Council (CEFIC)

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

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

The European Chemical Industry Council (CEFIC) acknowledges and supports climate science. It supports the Paris Agreement and advocate for strong action on climate change based on scientific advice from the IPCC.CEFIC also supports carbon pricing that incentivizes innovation and low-carbon choices, specifically endorsing carbon pricing under the EU Emissions Trading Scheme (ETS) that promotes fairness and efficiency and enables efficient companies to thrive in Europe. The council also advocates for revenue recycling to support further emission reductions. CEFIC support the development of low and lower-carbon options such as renewable energy, green hydrogen, natural gas (as a transitional feedstock and fuel), and energy efficiency. CEFIC supports the use of affordable natural gas to contribute to the chemical industry's GHG emission reductions, recognizing that it may be progressively replaced by renewable gas. CEFIC sees clean hydrogen as a crucial component in reducing Europe's GHG footprint in energy and feedstock supply, facilitating the transition to climate neutrality. The council expresses the need for affordable low-carbon energy to electrify chemical operations but acknowledges that the current costs and limited access to renewable energy sources necessitate the use of natural gas with carbon capture and storage (CCS) as a promising pathway towards climate-neutrality during the transition period. In terms of transparency and disclosure, CEFIC supports the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

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

157,500

Describe the aim of your organization's funding

The funding provided covers the required annual CEFIC membership fee for 2022 and it does not include the South African Value Added Tax (VAT). The membership fee is determined based on the sub-groups, and Sasol is a member of seven sub-groups. The funding's purpose is to allow Sasol to actively participate and be involved in the activities organized by CEFIC.

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 policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

The Verband der Chemischen Industrie e.V. (VCI) acknowledges and supports climate science and the Paris Agreement. They conducted a recent study that demonstrated the possibility of achieving climate-neutral chemistry and outlined the necessary conditions for the German chemical industry to become carbon-neutral by 2050. VCI is committed to the goals of the Paris Agreement and actively advocates for an ambitious Nationally Determined Contribution (NDC) with appropriate support mechanisms. They also support carbon pricing that provides strong incentives for innovation and the adoption of low-carbon options. VCI supports carbon pricing through a global ETS to enable competitive conditions at the global level and to avoid carbon leakage. VCIsupport the development of low and lower-carbon alternatives such as renewable

energy sources, green hydrogen, natural gas (as a transitional feedstock and fuel), and energy efficiency. They believe that promoting renewable energy will lead to climate-friendly, reliable, and affordable energy supplies. VCI also encourages the use of energy-efficient products and technologies. They acknowledge the role of natural gas as a raw material along side renewable sources. Additionally, VCI supports transparent monitoring, reporting, and verification systems (MRV)

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

14,727,484

Describe the aim of your organization's funding

The funding provided covers the required annual VCI membership fee for 2022 and excludes South African Value Added Tax (VAT). The membership fee is determined based on Sasol's turnover from relevant products. The purpose of the funding is to enable Sasol to participate in VCI's activities and be included as a member.

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 policy consistent with theirs?

Mixed

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

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 2022) but is not aligned with their position on the 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.

Sasol continuously engages with our trade associations on a broad spectrum of policy issues that extend beyond climate change and that are important to our business and operational issues. Over the past year, Sasol's focus within our trade association engagements have been on the changing regulatory environment in the United States and specifically on EPA's proposed revisions to several regulations related to the chemical industry operations. We are committed to collaboration and working within these groups to address the issues and reach alignment in our advocacy strategy.

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

8,777,738

Describe the aim of your organization's funding

The funding covers Sasol's required annual membership fee for 2021 to the ACC (American Chemistry Council) and it does not include the South African Value Added Tax (VAT). The annual membership fee is determined based on a percentage of revenue. The purpose of this funding is to allow Sasol to actively participate in the ACC's activities and be included in its initiatives.

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 policy consistent with theirs?

Mixed

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

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 2022). Sasol continues to engage to encourage alignment and clear positioning on policy and fiscal instruments to drive the transition.

Sasol continuously engages with our trade associations on a broad spectrum of policy issues that extend beyond climate change and that are important to our business and operational issues. Over the past year, Sasol's focus within our trade association engagements have been on the changing regulatory environment in the United States and specifically on EPA's proposed revisions to several regulations related to the chemical industry operations. We are committed to collaboration and working within these groups to address the issues and reach alignment in our advocacy strategy.

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

2,988,166

Describe the aim of your organization's funding

The funding provided covers the required annual membership fee for 2022 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 policy consistent with theirs?

Mixed

Has your organization attempted to influence their position in the reporting year?

Yes, and they have changed their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

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 2022) but the lack of visible support for climate-related transparency and disclosure makes them unaligned on this aspect. In 2022 transparency statements can be found on their website.

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

20,000

Describe the aim of your organization's funding

The funding cover Sasol's annual membership fee for 2022, excluding South African Value Added Tax (VAT). The fee is a fixed rate and the funding aims to facilitate Sasol's participation and inclusion 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 policy consistent with theirs?

Consistent

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

International Council of Chemical Associations (ICCA) acknowledge and support climate science They are actively involved in initiatives such as lightweighting, renewable energy sources, electric and battery materials, and emission reductions throughout the supply chain. ICCA is also dedicated to achieving the climate goals outlined in the Paris Agreement. They recognize that successful implementation of the agreement requires contributions from the private sector, including global chemical manufacturers. They emphasize the importance of innovation in addressing sustainability challenges, which relies on a consistent and supportive policy and regulatory environment. In terms of carbon pricing, ICCA believes that a combination of technology, market-based mechanisms, and policy solutions is necessary to achieve climate neutrality. They advocate for internationally harmonized rules and public support to create a level playing field for companies, enabling them to sustain the additional costs associated with research and development investments. ICCA acknowledges the importance of developing low and lower-carbon energy solutions such as renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel), and energy efficiency.

They highlight the role of chemical technologies in creating advanced building materials, batteries, renewable energy sources, electric vehicles, and lightweight plastic packaging options. These technologies improve energy efficiency and contribute to reducing GHG emissions across various sectors. Transparency and disclosure are also supported by ICCA, particularly concerning the contribution of chemicals to the Sustainable Development Goals (SDGs).

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

0

Describe the aim of your organization's funding

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 policy consistent with theirs?

Mixed

Has your organization attempted to influence their position in the reporting year?

No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position

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 2022). However, we are not aligned on 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 and in 2022 this position was released.

Sasol continuously engages with our trade associations on a broad spectrum of policy issues that extend beyond climate change and that are important to our business and operational issues. Over the past year, Sasol's focus within our trade association engagements have been on the changing regulatory environment in the United States and specifically on EPA's proposed revisions to several regulations related to the chemical industry operations. We are committed to collaboration and working within these groups to address the issues and reach alignment in our advocacy strategy.

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

1,308,433

Describe the aim of your organization's funding

The funding cover Sasol's annual membership fee for 2022 and does not include South African Value Added Tax (VAT). The membership fee is calculated based on the percentage headcount, and the purpose of the funding is to ensure Sasol's participation 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

Status

Complete

Attach the document

Sasol LTD Form 20-F Website_0.pdf
2022 Sasol Sustainability Report (4).pdf
2022 Sasol Climate Advocacy and Policy Supplement (2).pdf
Additional Analyst information for the year ended 30 June 2022 (1).pdf
SASOL Integrated Report 2022_29 Nov (2).pdf
Sasol Climate Change Report 2022.pdf

Page/Section reference

Climate Change Report (throughout the report)
Sustainability Report (Page: 11, 19, 20, 21)
Integrated Report (Pages: 4, 8, 9, 49)
Sasol Form 20-F for the year ended 30 June 2022 (Various parts of the report)
Additional Analyst Information Report 2022 (Page 24)
Sasol Climate Policy Advocacy Supplement (throughout the report)

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

Yes, we have published information about our organization's response to climate change and GHG emissions performance for this reporting year in various places. Our publications include annual sustainability reports, company website updates, and press releases specifically addressing our efforts in addressing climate change and reducing greenhouse gas emissions. We believe in transparency and sharing our progress with stakeholders, which is why we make this information widely available beyond just our CDP response

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Task Force on Climate-related Financial Disclosures (TCFD) UN Global Compact We Mean Business Other, please specify EP 100, ASD, Hydrogen Council, NBI	Other, please specify, Action for Sustainable Development ASD is an initiative that brings together companies in the cosmetics, home and personal care, and oleochemicals industries to collectively tackle supply chain issues around palm oil and palm kernel oil derivatives. Sasol joined ASD in 2021 and will participate in working groups to collectively develop and implement solutions. Through this collaboration initiative, we expect to better understand our oleochemical supply chain and continue to gain transparency in this complex palm derivatives sector. UN Global Compact Sasol signed up to the UN Global Compact in 2001 and we have committed to uphold its Ten Principles. We use these principles in developing and growing a sustainable business for the future. Every year, we report to our Group Executive Committee (GEC) and the SSEC on our progress in applying the Ten Principles. We have incorporated this information into this report as indicated by the applicable Ten Principles icon UN Global Compact CEO's Water Mandate As a signatory to the UN Global Compact CEO's Water Mandate Sasol uses its Water Stewardship framework to

		respond to water risks. One of the workstreams of the Mandate, is for member organisations to focus on Water, Sanitation and Hygiene (WASH) in communities Other, please specify Taskforce for Scaling Voluntary Carbon Markets Sasol continues to monitor and shape international best practices in carbon offsetting through our membership on the Taskforce for Scaling Voluntary Carbon Markets (TSVCM) and its successor the Integrity Council for the Voluntary Carbon Market (ICVCM). Task Force on Climate-related Financial Disclosures (TCFD) Sasol is a signatory member to the TCFD, and we support and advocate for disclosure against best practice standards, such as the TCFD. Other, please specify, Energy Productivity 100 (EP100) Sasol has joined EP100 as a means to demonstrate our commitment to improving energy productivity to reduce GHG emissions. Other, please specify, Hydrogen Council Sasol joined the Hydrogen Council in 2021, as a significant role-player in South Africa's energy and industrial landscape, we can play a leading role in the country's just energy transition, while exploring new opportunities to reindustrialise the economy through green hydrogen. Other, please specify, National Business Initiative We also actively leverage national and international industry associations, such as National Business Initiative

		(NBI), who recently conducted an independent study and assessment of plausible net zero pathways for South Africa.

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
Row 1	Yes, both board-level oversight and executive management-level responsibility	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. 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. 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.

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
Row 1	Yes, we have made public commitments and publicly endorsed initiatives related to biodiversity	Other, please specify Responsible use of Natural Resources. Preventing degradation and exercising Duty of Care in respect of Biodiversity in there area in which we operate, including our fenceline communities	SDG Other, please specify BD Protocol. Currently conducting a Biodiversity Footprint Assessment for 2 of our operations in line with the BD Protocol. NBBN. We are a member of the National Biodiversity and Business Network (NBBN)

C15.3

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

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment

No, but we plan to within the next two years

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment

No and we don't plan to within the next two years

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?

Not assessed

C15.5

(C15.5) 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

C15.6

(C15.6) 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

C15.7

(C15.7) 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	Content of biodiversity-related policies or commitments Governance Impacts on biodiversity Details on biodiversity indicators Risks and opportunities	Sasol 2022 Sustainability Report Page 62-63 [1]

[1] 2022 Sasol Sustainability Report (4).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.

The Sasol Disclosure Working Group signed off the submission, chaired by the Executive Vice President: Strategy, Sustainability and Integrated Services.

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

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	276,000,000,000

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

Sasol does not allocate emissions

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

No, I am not providing data

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below

I have read and accept the applicable Terms