

C0. Introduction

C0.1

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

Sasol is an international integrated chemicals and energy company that is proudly rooted in our South African heritage. Our South African operations include a coal to liquids and chemicals facility, gas to chemicals facility and 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. Sasol also has chemical manufacturing and marketing operations in South Africa, Europe, the Middle East, Asia and the Americas. Climate change potentially poses various risks to our business. These risks include meeting anticipated legislative and policy requirements, increasing operational costs to reduce emissions and adapting to potential physical impacts. Identifying appropriate responses that balance the needs for economic development, job creation, energy security and sustainability represents one of the greatest challenges to society. For more information on Sasol specific climate change risks, see our **Form 20F disclosure** on www.sasol.com. Sasol supports the international Paris Agreement. Sasol's position in climate change is detailed in its **Climate Change Report** accessible on www.Sasol.com. In assessing Sasol's responses to this questionnaire, it is important to note that the company's primary disclosure and communication of its official position on material matters, including climate change, is through its annual suite of reporting publications (some of which are referenced above), which can be accessed on the following website www.sasol.com. These documents highlight Sasol's management of climate change risk through detailed consideration of its various impacts related to business performance, strategy, risk management and governance processes in a holistic manner, which may not be detailed in the same way by the responses in this questionnaire. In this regard the prompts in this questionnaire, in particular the risk identifiers, time horizons, likelihood and magnitude of impacts, differ in some aspects from our own internal approach. Thus, we have used best efforts in responding to the questions contained within this document by aligning with our own internal approach. For instance, in this questionnaire we have provided a view on the potential financial impacts of climate change on Sasol in alignment with the application of our own risk matrixes for purposes of assessing significance. Lastly, it is important to note that we are continuously refining our climate change risk management and response approach through detailed scenario analysis to inform robustness testing of our strategy and appropriate mitigation and adaptation responses. Our CDP data reporting is on a timeline that corresponds with our previous financial reporting year because the submission data is usually before our current financial year end and auditing cycle. If the CDP submission continues to be later than 31 July, we will endeavour to align our reporting timelines for future submissions.

C0.2

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

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	July 1 2018	June 30 2019	Yes	1 year

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

- China
- Germany
- Italy
- Mozambique
- 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
- Fertilizers
- 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, LPG, illuminating paraffin, bitumen and fuel oil, natural gas, explosives)

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

- Grid electricity supply from gas
- Coal mining

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(s)	Please explain
Board Chair	In 2019, we communicated our sustainability and governance approach for enhanced climate change management. Year on year we aim to more deeply embed climate change management into mainstream business activities through our integrated fit-for-purpose approach. In this way we minimise risks and maximise opportunities, as we transition our operations. In 2020, we made changes to the terms of reference of the relevant governance committees of the Board and the Group Executive Committee (GEC); and some of the supporting governance structures. The Sasol Limited Board of Directors (the Board) has ultimate control of the Sasol Group (the Group) and approves our strategy. It provides oversight of its risk management activities and considers the top risks for the Sasol Group. Climate change has been identified as one of the top risks for the Group and is addressed at both the Board and at Executive level. Accordingly, it plays a central role in overseeing climate change as a Group top risk and managing the main aspects linked to climate change, with a heightened focus on sustainability as a strategic imperative for long-term value creation taking into account Sasol's support for the United Nations Sustainable Development Goals (and specifically SDG 8, 12, 13 & 17) and the Paris Agreement. Supported by relevant Committees, the Board ensures that strategy, risk, performance and sustainable development considerations, such as climate change, are effectively integrated and appropriately balanced in achieving Sasol's value-based strategy. The Board monitors and guides on the continued resiliency testing of Sasol's portfolio, with due consideration of robust risk assessments and scenario analysis conducted within the company to accelerate our climate change response. Our Board is supported by the Safety, Social and Ethics Committee (SSEC) to provide integrated strategic direction on group-wide sustainability, safety, social and ethics matters. In ongoing efforts to support the effectiveness and awareness of the Board members', training on climate change and wider sustainability matters continues, in particular it has been reinforced since 2017 given the rapid changes in national and international climate change policy.
Board-level committee	The Safety, Social and Ethics Committee (SSEC) is appointed by the Board to provide integrated strategic direction on group-wide sustainability, safety, social and ethics matters for the Sasol Group. The SSEC, through a recently revised Terms of Reference assesses and approves our sustainability approach, inclusive of climate change as a material issue. It ensures effective risk management oversight. In keeping with our commitment for enhanced transparency, provision is also made for stakeholder engagement on an annual basis. This Committee assesses and approves Sasol's sustainability management, inclusive of material issues related to our strategy such as climate change. In this regard, due consideration is given to Sasol's strategic balanced scorecard metrics and targets and other objectives set by the GEC Policy, Sustainability and Stakeholder Relations Committee (PPSR). The Committee supports the Board in ensuring effective risk management oversight in relation to our climate change risk. In keeping with our commitment to enhanced transparency on management of material sustainability matters such as climate change, provision is made in the revised Terms of Reference for this Committee to conduct stakeholder roundtables on an annual basis. The SSEC also informs the appropriate incorporation of Short Term Incentive Targets (STIs) and Long Term Incentives (LTIs) at executive and other 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 FY 21, approved by the Board Remuneration Committee, now includes climate change targets for FY 21 with a higher weighting.
Other, please specify (Non-Executive Director)	In 2018, Sasol appointed a Non-Executive Board member (who still serves) with specific sustainability and climate change knowledge and experience to enhance and support the Board's oversight. She brings specific experience on sustainability and climate change, including as former Chief Negotiator for the South African government to the United Nations Framework Convention on Climate Change (UNFCCC). This Board member is the current Chair of the Safety, Social and Ethics Committee.

C1.1b

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

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Reviewing and guiding risk management policies Reviewing and guiding annual budgets Reviewing and guiding business plans Setting performance objectives Monitoring implementation and performance of objectives Overseeing major capital expenditures, acquisitions and divestitures Monitoring and overseeing progress against goals and targets for addressing climate-related issues Other, please specify (Reduction roadmaps)	<Not Applicable>	The Sasol Limited Board has ultimate control of the Company and approves its strategy. The Board sets the tone for the Company's values, driving the principles of ethical business practice, respect for human rights, climate change management and being a responsible corporate citizen. Supported by its Committees, the Board sets the direction for the Group and brings independent, informed and effective judgement and leadership to bear on material decisions and activities. It is responsible for ensuring that strategy, risk, performance and sustainability, including climate change, are effectively integrated and appropriately considered in an equitable fashion. 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. In October 2019 and August 2020, Sasol published its first and second Climate Change Reports and announced our 2030 GHG reduction target, all of which was approved by the Board. In 2020, the Board also approved our 2030 GHG emission reduction roadmap, as a compass for us to meet our 2030 reduction target. Progress and monitoring of our response is tracked by the Board, including our 2050 GHG emission reduction target and associated roadmap development, which we intend communicating in 2021.

C1.2

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

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

C1.2a

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

Sasol's Group Executive Committee (GEC) is accountable for recommending to the Board for approval the Company's strategy and long-term plans, including those relevant to our response to climate change. The GEC consists of Sasol's executive management (Executive Vice Presidents) and is chaired by the President and Chief Executive Officer. Sasol's GEC formally adopted sustainable development, of which climate change is a key element, as a group-wide strategic business objective in 2000 and in 2016 confirmed support for the Paris Agreement and continues to do so. In 2017, we also adopted the Task Force for Climate-related Financial disclosure recommendations. Last year, we also formally endorsed the United Nations Sustainable Development Goals (SDGs) and specifically prioritised, SDG 8, 12, 13 & 17. Sasol continues to take steps towards embedding sustainable development principles into its activities. Receiving advice and assistance from various subcommittees, specialist committees, functions and subject matter experts, the GEC guides climate change management throughout the group and coordinates development of the Group's objectives, targets and initiatives in this area. Climate change is a Group top risk and is also addressed at GEC level. The CEO chairs the GEC meeting, and together with the GEC are the highest-level management positions below the Board responsible for the regular assessing and management of climate-related risks and opportunities.

The GEC is supported by the Policy, Sustainability and Stakeholder Relations Committee (PSSR), through expanded responsibilities assumed from the former Climate Change and Environmental Policy Steering Committee (CCEP). Strategic prioritisation of our climate change response is provided via the CCEP, with specific oversight on our scenario analysis, emission reduction roadmap, offsets and associated Just Transition considerations. Its mandate includes the power to make recommendations on our targets. Our 2019 and 2020 Climate Change Report and 2030 emission reduction target was recommended by the PSSR to the GEC for further consideration, support and recommending same to the Board for approval.

A Group Sustainability function has been established with effect from 1 July 2019 to coordinate the development of Sasol's sustainability approach. This includes specific responsibility for developing our 2050 and 2030 GHG emission reduction roadmap and targets, which includes the necessary engineering and business responses, as well as strengthened climate change engagement and disclosure activities. Tracking and monitoring against our 2030 target is also undertaken. The Sustainability function, including the Enterprise Risk Management and Safety Health and Environmental Corporate functions are led by the Chief Sustainability and Risk Officer at Senior Vice President (SVP) level. The Sustainability Function includes four supporting Vice Presidents (VP). This function reports to the Executive Vice President (EVP): Sustainability and Technology.

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's short-term incentive (STI) consists of a group scorecard, operating model entity (OME) scorecards and individual performance agreements, applicable to FY19. All three of these elements contribute to the final approved short-term incentive. In all three areas, climate-change related incentives are included. At the group level, energy efficiency improvement and operational safety metrics, such as fires, explosions and releases are included. Various climate-related targets are included at the OME and individual performance level for at least the first three layers of executives below Board level. This approach has been revised in FY20 for the FY21 assessment and will be reported on in next year's CDP.

C1.3a

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

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Chief Executive Officer (CEO)	Monetary reward	Efficiency target	A single Short-Term Incentive (STI) structure applies to all employees globally, including the President and Chief Executive Officer. The structure consists of a set of group targets with a range of 0% - 150%. This value is then multiplied with the outcome of a personal performance scorecard that covers various other business, leadership and strategic objectives. Climate change-related issues are also covered in the group incentive and personal performance scorecards, which align with annual business plans (weighting of 5%). This approach has been revised in FY20 for the FY21 assessment and will be reported on in next year's CDP.
Corporate executive team	Monetary reward	Energy reduction target	The STI structure consists of a set of group targets within the range of 0% - 150%. This value is then multiplied by the outcome of a personal performance scorecard that includes business, leadership and strategic objectives (weighting of 5%). Climate related issues are included in the group incentive scorecard and personal performance scorecard, which align with annual business plans. Performance against SHE and energy efficiency metrics at our SA Operations align with the group's targets set for the period 2015 - 2030. Specific members of the Group Executive Committee (GEC) are incentivised on the management of climate change and the reduction of GHG emissions where they have direct responsibility. This approach has been revised in FY20 for the FY21 assessment and will be reported on in next years CDP. An increased weighting and additional climate change KPIs are being incentivised for STIs and LTIs in 2021.
Other, please specify (Climate Change Specialists and Managers)	Monetary reward	Behavior change related indicator	The STI structure consists of a set of group targets within the range of 0% - 150%. This value is then multiplied by the outcome of a personal performance scorecard which includes business, leadership and strategic objectives and an OME scorecard that covers specific business objectives. Process safety measures, which contribute to energy efficiency, safety measured through high severity injuries, and energy efficiency targets carry a weighting of 20%. This weighting is greater for lower levels in the organisation. In personal performance scorecards, the weighting linked to this element can be up to 50% depending on the employee's role. This approach has been revised in FY20 for the FY21 assessment and will be reported on in next year's CDP.
Energy manager	Monetary reward	Efficiency target	The STI structure consists of a set of group targets within the range of 0% - 150%. This value is then multiplied with the outcome of a personal performance scorecard that includes business, leadership and strategic objectives in addition to an OME scorecard that includes specific business objectives. Process safety measures, which contribute to energy efficiency, safety measured through high severity injuries, and energy efficiency carry a weighting of 20%. The weighting is greater for lower levels in the organisation. In personal performance scorecards the weighting linked to this element can be up to 50% depending on the employee's role. This approach has been revised in FY20 for the FY21 assessment and will be reported on in next year's CDP. An assessment of delivery against Sasol's climate change commitments (specifically energy efficiency) forms part of the key performance indicators, personal appraisals and incentive schemes of relevant Sasol managers. For example, at our operating facility in Secunda, operational managers have targets to achieve energy efficiency which are included in key performance indicators applicable to their areas of accountability. These metrics are tracked quarterly.

C2. Risks and opportunities

C2.1

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

Yes

C2.1a

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

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

C2.1b

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

Sasol's risk management approach delivers top risk profiles at group and entity levels, identifying those risks that could potentially significantly impact our business and delivery on our strategy, in the context of an ever-changing internal and external operating context. Sasol has a robust and standardised Enterprise Risk Management (ERM) Framework, incorporating relevant risk management and governance practices recommended by South Africa's King Code for Corporate Governance, the Committee of Sponsoring Organizations' Enterprise Risk Management Integrated Framework and the International Standards Organisation's 31000 Standard. Sasol uses a standard risk matrix to analyse, rank and prioritise its top risks, including climate change in terms of potential likelihood and impact. Our impact criteria includes both quantitative and qualitative impacts, with impact categories spanning financial, operational, market, people, legal & regulatory, and geo-political / reputational. As risks relate to uncertainty, the quantitative impacts expressed are based on the potential and not absolute impact of the risk occurring. The substantive potential financial impacts relating to our climate change risks are aligned with Sasol's risk matrix, where potential substantive financial impact typically ranges from >ZAR 300 million to ZAR 4.5 billion. Further, Sasol has defined Group-level quantitative and qualitative materiality impact thresholds ("materiality lens") which underpin escalation of Group top risks to the Board. The "materiality lens" potential substantive high impact quantitative criteria includes Financial (> of a certain % of Group EBIDTA impact), or (> of a certain % Group cash fixed cost impact), Operational (Group impact on the integrated value chain of > a certain period), Market (impacts of > of a certain % of specific key/critical product lines, or loss of > of a certain > of a certain % of the Groups market share), Legal & Regulatory (fines / penalties / legal action with total impact of > of a certain % of Group turnover), and Geopolitical/Reputational (share price impact of > of a certain %).

In addition, we use scenario analyses both qualitative and quantitative to assess impact in the short, medium and long term. In this way robustness is assessed and strategic choices are then made to ensure resilience into the future.

(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 has an Enterprise Risk Management Framework (ERMF) which informs the risk management approach in the organisation. The ERMF includes a comprehensive risk management process to assist the organisation to manage all risks within the broader risk landscape, including climate change risks. The application of the ERMF and associated risk management process aims to ensure that climate change risks are systematically identified, assessed and managed with measurable results ensuring continuous feedback to address stakeholder enquiries related to climate change in this regard. Sasol has a set of Board approved Group top risks which is also tracked by the GEC and relevant Board committees. Climate change related risks have been identified as one of the top risks facing the organisation. Within this framework, our top risks are anchored in a set of defined "aspects". Aspects are defined as key business imperatives of which the outcomes may have a material impact on the achievement of our strategy. Four aspects have been identified: 1. Business sustainability and earnings growth; 2. Long-term business viability; 3. Employee value proposition; and 4. Stakeholder impact. Climate change related top risks are directly linked to Aspect 2 (long-term business viability) but also has critical connectivity with other top risks, including operational interruptions, competitiveness, supply and demand for our products, our future legal licence to operate and reputation and stakeholder interest. Thus, climate change risks have been identified and are managed across a broad, integrated company-wide basis (i.e. at both the asset and Group level). As a priority risk, climate change developments are monitored and tracked on at least a quarterly basis. Climate change risks are identified over the short, medium and long term and are reported to the relevant governance structures for appropriate consideration taking these timeframes into account. The analyses, ranking and prioritisation of climate related risks is performed using a standard risk matrix. Emphasis is placed on risks and opportunities that have a direct potential impact on income, expenditure and capital, the achievement of strategic objectives (medium to long term), reputation, and/or delivery on short term business plans. In addition, to advance our TCFD disclosures, in 2018 we undertook a comprehensive climate change risk review using the well-entrenched bow-tie methodology. This methodology provides a structured way of exploring, analysing and identifying the appropriate key responses for prioritised top risks and provides a simple representation of the critical controls and events that could face the organisation. Using this bow tie methodology, three climate change sub-risks have been identified and are actively being managed, namely: · Sasol's inability to develop and implement an appropriate climate change mitigation response; · Sasol's inability to ensure long-term resilience of business operations; and · Downstream societal pressure impacting on market access and product competitiveness. Each of these sub-risks has been analysed in detail with due consideration given to risk drivers and appropriate response measures. Sasol uses a standard risk matrix to analyse, rank and prioritise risk, including climate change in terms of likelihood and potential impact. Our impact criteria includes both quantitative and qualitative impacts e.g. financial and reputational damage.

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

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Incoming and existing regulations relating to the Paris Agreement are addressed through Sasol's risk assessment process and developments are tracked as these legal requirements may have a significant operational and financial impact on our operations. For example, our European operations are directly impacted by the Emissions Trading System (EU ETS) allowance process and any shortfall attracts potential financial liabilities. These risks are included as risk drivers in the climate change risk assessment. South Africa's parliament approved a carbon tax to be implemented in phases, which commenced 1 June 2019. Emerging regulatory risks are a key component of the climate change risk management process. The recent announcements in Europe on the climate change policy "Green Deal" on climate neutrality are also being closely tracked.
Emerging regulation	Relevant, always included	Sasol monitors all emerging legislation (including changes to current legal requirements) in the countries where we operate. The draft Climate Change Bill, once enacted in South Africa, will be the first holistic piece of legislation aimed at developing a country specific climate change response. Sasol has utilised the opportunity to partake in the public commenting process and is closely monitoring the finalisation and implementation once enacted. South Africa is also reviewing its Nationally Determined Contribution and Sasol is also participating in this process. A Business Unity SA Just Transition Working Group has been constituted and is progressing modelling, through the National Business Initiative to input into the NDC process. Sasol is an active member of the team with our CEO as a Champion.
Technology	Relevant, always included	There are limited technology options to affordably reduce carbon emissions in South Africa, which is where our largest emissions exist. Sasol in 2020 released its 2030 emission reduction roadmap and through this process evaluated over 100 mitigation options and identified key levers to reduce our GHG emissions by 2030. We are also in the process of developing our 2050 ambition and roadmap for communication by 2021. Sasol actively monitors and tracks technology developments such as hydrogen and carbon capture and utilisation to inform the business strategy in order to reduce its carbon footprint as this is regarded as a key risk for the business. Technology risks are therefore included as a risk driver in the climate change risk management process.
Legal	Relevant, always included	We consider legal risks in the climate change risk management process that are relevant in the medium to long-term. An example is the risk of non-compliance with GHG reporting regulations affecting our South African operations. In South Africa, our operating sites comply with the reporting requirements under the National GHG Emission Reporting regulations, which came into effect in April 2017. We are also making payment of our first carbon tax liability in October 2020.
Market	Relevant, always included	Changes in consumer behaviour, pressure from capital markets including societal pressure and community activism, together with increasing environmental awareness may impact Sasol's market access and product competitiveness, particularly in more mature regions such as Europe and North America. In 2020 the European Union is also planning to implement border tax adjustments which are also being tracked. These risks are considered as a risk driver in the climate change risk management process and are relevant given the energy intensive nature of Sasol's operations in South Africa.
Reputation	Relevant, always included	Sasol supports enhanced climate change disclosure aligned to the TCFD recommendations in its financial filings amongst others and engages government departments and other key stakeholders on GHG mitigation policy, to build trust-based relationships and position Sasol as a credible stakeholder partner to strengthen our reputation as a responsible corporate citizen. Reputational risks are considered as a risk driver in the climate change risk process and are relevant given the energy intensive nature of Sasol's operations in South Africa. Increased activism has been experienced over the past few years in South Africa, which is expected to continue in a COVID-impacted world.
Acute physical	Relevant, always included	Increased severity of extreme weather events such as cyclones and floods are considered material for our business more specifically our North American and Mozambican Operations. As an example, hurricane Harvey (in August to September 2017) had a significant impact in the U.S. Gulf Coast oil industry. The Lake Charles Chemical Project suffered a schedule delay of approximately four weeks and additional costs of ~R1.7 billion in 2017. In 2019, Sasol undertook a follow-up climate change adaptation study that specifically evaluated the impact of acute physical risks on the business. Acute physical risks are thus considered as a key risk driver in the climate change risk management process and are relevant considering the impact of large weather events. No major weather-related issues occurred over the past two years.
Chronic physical	Relevant, always included	Changes in precipitation patterns as a result of climate change are considered a key risk for Sasol's value chain, specifically the long-term impact on water supply to the Vaal River system that supplies our Sasolburg and Secunda operations. This poses a significant risk for water security. Sasol's climate change adaptation study specifically evaluated the impact of chronic physical risks on the business. Sasol therefore considers induced changes in water availability in South Africa as a key driver in the climate change risk assessment process.

C2.3

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

Yes

C2.3a

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

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Increased severity and frequency of extreme weather events such as cyclones and floods
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Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Sasol commissioned the development of a climate change adaptation study. Site-specific engagements were held to determine the extent to which the business is exposed to physical climate change risks. One of the risks identified was the increased frequency of heavy rainfall events resulting in increased risk of discharge to the environment from Sasol's facilities as a result of potential overflow from onsite storage facilities and additional cost to the business. For example, in February and December 2017 and March 2018 the Sasolburg operations experienced significant rainfall events (230mm in 3 days in February 2017, 76mm in 24 hours in December 2017 and 90mm in 24 hours in March 2018) which exceeded the 1 in 100-year flood events. This had no reported direct impact on the production at the operations but there were a number of unexpected and unintentional overflows into the environment. This was complicated by high volumes of contaminated storm water flowing into the Sasol site from the neighbouring municipality's infrastructure which was compromised. These incidents were appropriately reported to the authorities and no associated fines or penalties were incurred from this. However, both Opex and Capex were spent to upgrade the on-site storm water system and manage the incidents.

Time horizon

Short-term

Likelihood

Virtually certain

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

70000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

R70 million was incurred by upgrading the storm water system which was based on both Opex and Capex spent.

Cost of response to risk

1100000

Description of response and explanation of cost calculation

Sasolburg's main interventions conducted in the past two years on the effluent system due to very high rainfall events 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). Downscaled climate modelling was conducted at 4 of Sasol's main production sites to assist in development of adaptation measures that are meaningful at each site. The direct cost of the adaptation study was R1,1million. There are also internal human resource costs and capital and maintenance costs associated with managing this risk that are not included in this cost.

Comment

None.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Rising mean temperatures
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Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Sasol commissioned the development of a climate change adaptation study. Site-specific engagements were held to determine the extent to which the business is exposed to physical climate change risks. One of the risks identified was the increasing temperatures that pose a risk to productivity because this can potentially result in a reduction of cooling capacity from the cooling towers. Without sufficient cooling production efficiencies are impacted which could potentially result in lost revenue. Nine events were recorded since 2010, with eight of those events occurring in 2017 and 2018. These extreme temperature events could have resulted in lost revenue of approximately R4.7 million. This amount was calculated by the operations by estimating the potential loss against forecast production.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Low

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

4700000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The impacts of the high temperature events potentially could have resulted in lost revenue of approximately R4.7 million. This was calculated by the operation by estimating the potential loss against forecast production.

Cost of response to risk

1100000

Description of response and explanation of cost calculation

Downscaled climate modelling was conducted at 4 of Sasol's main production sites to assist Sasol in developing adaptation measures that are meaningful at each site. The direct cost of the adaptation study was R1.1 million. There are also internal human resource costs and capital and maintenance costs associated with managing this risk that are not included in this cost.

Comment

None.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Chronic physical	Other, please specify (Water security)
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Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Sasol is provided water at a high assurance of supply given it is a critical feedstock for our business. In addition many of our current or planned facilities are located in areas with water quantity, quality or delivery challenges. Water security has been identified as a Group Top risk for Sasol and it is understood that the effects of climate change in the future may exacerbate this risk further, particularly for our South African operations. Sasol's water supply for the Sasolburg and Secunda operations originates from the Integrated Vaal River System (IVRS). In the reporting year our Secunda Operations (SSO) experienced feed water quality challenges. The primary source of supply to SSO is via Grootdraai Dam, within the IVRS, and associated transfer system. Grootdraai Dam water quality has been progressively deteriorating and is currently above 300 µS/cm conductivity. Optimum conditions for SSO is for the water quality to be below 240 µS/cm. This deteriorating water quality has resulted in an increase in SSO's demand for river water.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

300000000

Potential financial impact figure – maximum (currency)

1400000000

Explanation of financial impact figure

In order to deal with this water quality risk Sasol may have to invest in expensive water treatment technologies. Focusing on the source of the pollution in the catchment will be a cheaper option.

Cost of response to risk

100000000

Description of response and explanation of cost calculation

Cost estimate less than R100 million. Sasol has been engaging with the Department of Water and Sanitation (DWS) and Eskom on collective catchment based action to resolve the water quality challenge in the Grootdraai Dam catchment. Cost to be collectively shared with all affected stakeholders. Also skills can be transferred to Waste Water Treatment Plants operated within municipalities, which can be a source of pollution if inefficiently operated.

Comment

None.

Identifier

Risk 4

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Increased severity and frequency of extreme weather events such as cyclones and floods
----------------	--

Primary potential financial impact

Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Sasol commissioned the development of a climate change adaptation study. Site-specific engagements were held to determine the extent to which the business is exposed to physical climate change risks. One of the risks identified was the increased intensity of cyclones / hurricanes on our operations. Sasol's Central Processing Facility (CPF) in Mozambique is at risk from cyclones. Cyclone Favio in 2007 caused infrastructural damage to the Central Processing Facility (CPF) and cost in the region of \$250 000. Hurricanes have affected our Houston office and Lake Charles operations on a number of occasions. Hurricane Harvey (in August to September 2017) had a significant

impact in the U.S. Gulf Coast oil industry. The Lake Charles Chemical Project while in construction suffered a schedule delay of approximately four weeks and additional costs of ~US\$130 million (~R1.7billion). There were two days during 2019 (April 4 and May 10) that had incidents associated with heavy rainfall at our Lake Charles Complex. However, these two weather events did not result in any operational shutdowns and thus had no monetary impact.

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)

1700000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The Lake Charles Chemical Project suffered a schedule delay of approximately four weeks and additional costs of ~US\$130 million (~R1.7billion).

Cost of response to risk

1100000

Description of response and explanation of cost calculation

The risks associated with hurricanes and cyclones are well managed in Houston, Lake Charles and Mozambique using robust preparedness measures. Low cost adaptation measures and actions have been identified and implemented to manage this risk, including: - Engaging with other operations experiencing similar impacts (lesson and practice sharing); - Improving preparation procedures; - Improving recording and reporting around cyclone, hurricane and tornado events and their impacts to continually improve understanding of the risks; - Implement effective low-cost adaptation measures (including improving maintenance contracts systematically), - Continue to engage with government to feed into policy development process on a national level and to support development of adaptation interventions on a wider scale. Existing operations are built to withstand extreme weather conditions and through design measures new plants are also being built to withstand current weather events. Downscaled climate modelling was conducted at 4 of Sasol's main production sites to assist Sasol in developing adaptation measures that are meaningful at each site. The direct cost of the adaptation study was R1,1million. There are also internal human resource costs and capital and maintenance costs associated with managing this risk that are not included in this cost.

Comment

None.

Identifier

Risk 5

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Current regulation	Carbon pricing mechanisms
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Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

The Paris Agreement, a global climate agreement, commits countries to a lower carbon economy. Sasol's carbon footprint in South Africa is significant and the company is exposed to the potential introduction of stringent carbon pricing. This risk is amplified by the fact that a large portion of Sasol's GHG emissions are tied up in process emissions which are directly linked to the volume of production. As a result, in addition to those already implemented, there are currently limited mitigation technologies that are available to reduce our carbon footprint. In 2020, Sasol communicated its 2030 emission reduction roadmap for reducing our GHG emissions in its Climate Change Report. Over 100 options were evaluated to identify the most suitable options for reducing emissions. The Carbon Tax Act commenced on 1 June 2019. The imposed tax is based on the use of approved methods stipulated in the National Greenhouse Gas Emission Reporting Regulations (NGERs) developed by the former Department of Environmental Affairs (DEA) now the Department of Environment, Forestry and Fisheries (DEFF). There are several transitional tax-free allowances provided. The proposed headline carbon tax is R120 per ton of CO2e for emissions above the tax-free thresholds. At the same time DEFF is developing carbon budgets. The first phase of the carbon budgets (2016 – 2020) which is voluntary, albeit subject to government approval, is being used as a pilot phase to test the system and structures required to move to a mandatory phase from 2021. Currently, there is uncertainty on how the mandatory phase will be implemented and aligned to the carbon tax. The carbon tax is likely to negatively impact free cash-flows generated from South African operations from 2020 onwards possibly without achieving the necessary behaviour change. The future risk that Sasol faces is how much the company will need to pay for either the carbon tax or possible penalties for exceeding the carbon budgets for the subsequent phases from 2023 onwards should the legally required scale of mitigation not be possible in the timeframe allowed.

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)

<Not Applicable>

Potential financial impact figure – minimum (currency)

700000000

Potential financial impact figure – maximum (currency)

1100000000

Explanation of financial impact figure

Sasol's full year's carbon tax liability is in the order of R700 million - R1,1 billion starting in 2020, depending on how much we emit. For 2019, Sasol is expecting to be liable for ~ R308 million, taking all allowances we qualify for into account.

Cost of response to risk

600000000

Description of response and explanation of cost calculation

Sasol supports the transition to a lower-carbon economy and is undertaking several initiatives in this regard. Our response costs relate to approximate capital expenditure to 2024 in relation to our 2030 roadmap and the budget allocated to the Sustainability Function for FY20. Higher capital expenditure is expected post 2024 and will be reported over the coming years once further feasibility assessments are conducted on our roadmap technologies. Additional activities relate to: • Appointment of a Chief Sustainability and Risk Officer with four supporting Vice Presidents in a Sustainability Function that have accountability for ensuring adequate responses to relevant ESG risks, including climate change. • Committed to a further at least 10% reduction target on scope 1 and 2 emissions by 2030, off a 2017 baseline for our SA operations. • Developed and released our 2030 emissions reduction roadmap to support our target. • Developing a 2050 ambition and roadmap for intended communication in 2021. • Committed to a 30% EE improvement by 2030 for all operations through the Energy Productivity Initiative of the Climate Group. • Updated our strategy to focus on Energy and Chemicals businesses with climate change as a cornerstone of our response. This was undertaken based on scenario analysis taking climate change into account. GHG targets for our Energy Business have been approved to ensure a lower carbon footprint with greater reductions expected post 2030. • Engagement with government departments and other key stakeholders on all key climate change policies through active participation at international forums (i.e. UNFCCC, New York Climate Week and the Business and Climate Summit) to track international trends. • Sasol Group Technology is tracking developments such as green hydrogen in GHG mitigation and utilisation technologies to identify and evaluate potential breakthrough opportunities to inform the business strategy and relevant investment decisions. A dedicated sustainability budget was allocated of R100 million for FY 2020.

Comment

A dedicated sustainability budget has been allocated amounting to R100 million in FY 2020.

Identifier

Risk 6

Where in the value chain does the risk driver occur?

Downstream

Risk type & Primary climate-related risk driver

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

Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Environmental awareness, particularly in the climate change arena, has grown significantly as technological innovation continues to drive efficiency and disrupt business models coupled with education and elevated levels of public perception. More stakeholders globally are now aware of climate change and sustainability and have increased disclosure and management action requirements and is expected to continue in a post COVID-impacted world. Some trends observed include: • Increased pressure on institutional investors to divest from fossil fuel (coal-based) companies and invest in more sustainable businesses using alternative clean energy sources; • Increased pressure on financial institutions to not fund coal-based projects; • Socio-political drivers resulting in increasing stricter legal regulation requiring entities to reduce their environmental footprint; • Increased demand for environmentally friendly products that use energy more efficiently and have a smaller environmental footprint; and • Increased activity and use of legal mechanisms by civil society, communities and activists calling on governments, industry and wider society to drive outcomes that create a sustainable environment for future generations. This is particularly relevant given the GHG intensive nature of our CTL operations in South Africa. There could be an impact on Sasol's reputation resulting in limited market access and the competitiveness of our products, particularly in more mature environments such as Eurasia and North America from non-delivery on voluntary commitments. Sasol in 2019 received shareholder resolutions calling for additional targets and increased disclosure on climate change matters.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

1000000000

Potential financial impact figure – maximum (currency)

1500000000

Explanation of financial impact figure

This risk has been quantified by assuming that the operating profit of our Base Chemicals operations in Secunda, which is GHG intensive, could potentially be eroded from

anywhere between approximately R1 – 1.5 billion.

Cost of response to risk

600000000

Description of response and explanation of cost calculation

Sasol supports the transition to a lower-carbon economy and is undertaking several initiatives in this regard. Our response costs relate to approximate capital expenditure to 2024 in relation to our 2030 roadmap and the budget allocated to the Sustainability Function for FY20. Higher capital expenditure is expected post 2024 and will be reported over the coming years once further feasibility assessments are conducted on our roadmap technologies. Additional activities relate to: • Appointment of a Chief Sustainability and Risk Officer with four supporting Vice Presidents in a Sustainability Function that have accountability for ensuring adequate responses to relevant ESG risks, including climate change. • Committed to a further at least 10% reduction target on scope 1 and 2 emissions by 2030, off a 2017 baseline for our SA operations. • Developed and released our 2030 emissions reduction roadmap to support our target. • Developing a 2050 ambition and roadmap for intended communication in 2021. • Committed to a 30% EE improvement by 2030 for all operations through the Energy Productivity Initiative of the Climate Group. • Updated our strategy to focus on Energy and Chemicals businesses with climate change as a cornerstone of our response. This was undertaken based on scenario analysis taking climate change into account. GHG targets for our Energy Business have been approved to ensure a lower carbon footprint with greater reductions expected post 2030. • Engagement with government departments and other key stakeholders on all key climate change policies through active participation at international forums (i.e. UNFCCC, New York Climate Week and the Business and Climate Summit) to track international trends. • Sasol Group Technology is tracking developments such as hydrogen in GHG mitigation and utilisation technologies to identify and evaluate potential breakthrough opportunities to inform the business strategy and relevant investment decisions. A dedicated sustainability budget was allocated of R100 million for FY 2020.

Comment

A dedicated sustainability budget has been allocated amounting to R100 million in FY 2020.

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

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 and climate change. The most relevant is the Section 12L Tax Incentive which is managed by the South Africa Department of Mineral Resources and Energy (DMRE) and provides tax reduction incentives for businesses to claim if they can show measurable and verifiable savings in all energy forms. The tax relief was recently increased to 95 cents deduction on taxable income per kilowatt-hour of energy saved – subject to all the conditions in the 12L regulations being met. Sasol Secunda Synfuels Operations, through its energy efficiency initiatives, and implementing the principles of ISO 50001, saved approximately 9 686 GWh for the period FY14 to FY18 and 6 048 GWh for FY19 of utility and process energy input. In addition, our Sasolburg Operations saved 3 606 GWh for the period FY15 to FY18 and Natref saved 479 GWh for FY19. All operations were able to take full advantage of the Section 12L incentive and there are currently 12 registered energy efficiency initiatives with the South African National Energy Development Institute (SANEDI) from which Sasol has generated significant savings.

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)

1460000000

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The impact is reflected as a Sasol saving on tax. 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. The tax certificates amounted to R5.75 billion for FY19. Translated in shareholder value terms, after costs, resulted in an approximate savings of R1.46 billion for Sasol for FY19.

Cost to realize opportunity

84000000

Strategy to realize opportunity and explanation of cost calculation

Sasol is managing this opportunity through regular identification of energy efficiency projects. A selection of these projects have been identified as appropriate for the section 12L tax incentive. Ongoing efforts focusing on an energy improvement roadmap at all our operational sites, seeks to deliver sustained improvements in efficiency through low capital and operating cost initiatives. The energy efficiency improvement programme is further complemented by the 'Best Practice Energy Efficiency Improvement Initiatives', examples of which include: steam trap maintenance, waste heat recovery and optimisation of operating philosophies. The cost to audit and verify the savings of a project vary according to project complexity but can typically account for 20% - 50% of the achieved savings for a single year. The cost of external services related to obtaining the incentive and Measurement and Verification amounted to R84 million.

Comment

None.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Resilience

Primary climate-related opportunity driver

Resource substitutes/diversification

Primary potential financial impact

Reduced indirect (operating) costs

Company-specific description

Water security has been identified as a Group Top risk for Sasol and 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 support Rand Water and its municipal customers reduce water losses. The aim of the latter would be to support municipalities 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?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Sasol' River water demand from the IVRS for FY19 was 107 million m3. If a reduction target of 15% is set Sasol will have to invest in treating waste water at an approximate cost of R25/m3. Helping Rand Water with Project 1600 (reducing municipal water losses), at an estimated cost of R3 m3, which will help reduce Rand Waters demand from the IVRS.

Cost to realize opportunity

14600000

Strategy to realize opportunity and explanation of cost calculation

By driving collective action for all users of the IVRS to setting Context Based Water Targets we can hopefully reduce demand on the system by 15%. One such opportunity is to support Rand Water's Project 1600 where companies can support Rand Water's municipal customers meet their license water targets by reducing losses.

Comment

None.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

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

Primary potential financial impact

Increased revenues through access to new and emerging markets

Company-specific description

We produce a wide range of chemicals that enable the world to develop and grow while at the same time creating product solutions to meet our customers' changing needs. Some of these solutions that enable greater efficiency in our key markets are featured below: Transportation and Clean Energy - Our material solutions for roads and vehicles enable greater fuel efficiency without compromising safety. - Our Sasobit hard wax enables enhanced process reliability for all asphalt mix applications under a variety of conditions. The linear structure and low viscosity of Fischer-Tropsch hard wax results in increased fusion time, reduced fusion torque, increased stability time and reduced energy consumption during PVC processing. - We produce different essential components that help to enable the growth of the electric vehicle market. Construction - Sasol's Fischer-Tropsch wax enables lower concentrations of external lubricants, reduces power consumption and reduces the amount of PVC scrap in the moulding of PVC pipes. - Our high-quality alcohols can be applied to phase change heat storage devices and used in latent heat storage applications including functional textiles and construction. - We produce different grades of High-Density Polyethylene (HDPE) for pipe applications in building construction. Industrial Applications - Sasol's high purity alumina is used as a high quality abrasive that affords greater durability and performance characteristics. - Our low foaming anionic surfactants allow less waste and greater efficiency when applied in industrial cleaners, metal working, pulp and paper and other technical applications. Medical Devices - Sasol's alumina is used in bio-ceramic implants with superior biocompatibility and excellent long-term clinical performance relative to metal implants. Packaging - Sasol produces grades of polypropylene with the best balance of stiffness/density properties of any polyolefin or polyester resin available. These grades support safe use, reduce transportation costs, increase recycling rates and can replace polyethylene terephthalate (PET) grades in thermoformed cup applications, resulting in lower cup weight.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

The impact has not been quantified financially. However, we have recognised a potential for higher margins and accelerated growth for products that lead to sustainability improvements for our customers.

Cost to realize opportunity

430000000

Strategy to realize opportunity and explanation of cost calculation

Increasingly, our customers are seeking to collaborate on developing chemical products that help to meet their goals and societal needs; they seek more sustainable products, supply chain innovation, and ethical partners with strong corporate social responsibility practices. Customers are focused on products that improve their energy efficiency, while at the same time reduce waste and other health and environmental impacts. An area pilot study is underway to understand our portfolio of sustainably advantaged products – products that impart downstream value-chain sustainability relative to conventional analogous product (including decreased chemical hazards, decreased energy consumption, decreased water consumption, decreased waste generation, GHG emissions reduction, pollution reduction, decreased raw material consumption, or increased product durability/longevity). Sasol undertakes research and development on specific products, including Life Cycle Assessment work on selected products. Our annual budget for product development reflects development on all new or reformulated products, generally being lower-carbon and more sustainable alternatives.

Comment

None.

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes, and we have developed a low-carbon transition plan

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

C3.1b

(C3.1b) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
RCP 4.5 RCP 8.5 IEA Sustainable development scenario Other, please specify (• Sasol’s internally generated scenarios (considering many of the above examples and more))	<p>Sasol has conducted scenario analysis for both physical and transitional risks</p> <p>Physical risks: Two GHG emission scenarios were modelled, namely IPCC’s high emission scenario (referred to as “Representative Concentration Pathway (RCP)” or RCP 8.5) and an intermediate emission scenario (RCP 4.5). RCP 4.5 and 8.5 were chosen based on being consistent with a wide range of possible changes in future anthropogenic greenhouse gas (GHG) emissions. These models then informed the development of downscaled climate models developed by the Council for Scientific and Industrial Research (CSIR) for Sasol. The resulting set of downscaled projections at 8 km spatial resolution is the most detailed ever obtained for Sasol’s Southern African operations. Downscaled climate models were then supplemented, and bias corrected through the provision of Sasol’s site-specific historical weather data. The simulations span the period 1960-2099, which is relevant for Sasol’s business strategy that is being implemented in phases up to 2030 and beyond. The operations that Sasol focused on for the downscaled modelling were the Central Processing Facility (CPF) in Mozambique, Secunda (South Africa), Sasolburg (South Africa) and Lake Charles (USA) which are Sasol’s key production sites. The results of the climate modelling consistently show future warmer regimes for all sites. An increase in surface temperature ranges between 1 and 4 °C by mid-century (2050) is projected with an increase in the number of extreme hot days. The projected change in rainfall pattern differs; for Mozambique rainfall is projected to increase while for the sites in South Africa and USA no change in average rainfall is projected. The rainfall patterns and the intensity of extreme rainfall events are expected to change in some cases significantly, with the intensity of rainfall events expected to increase. The results of the scenario analysis conducted inform the development of our climate adaptation responses. Focusing on more proactive measures.</p> <p>Transition risks: Scenarios, including climate related trends, are used by Sasol to test the robustness of our business strategy. In 2019 and updated in 2020, Sasol revised our scenarios through the expansion of our existing Fragmented, Cooperative and Base cases. Sasol also utilised the most recent International Energy Agency (IEA) Sustainable Development Scenario (SDS), released in November 2019, as a further test of robustness against our previous strategy. Our scenario story-lines seek to outline potential futures. These range from a politically fragmented world focused on regional and national energy security; and economic growth (Fragmented scenario), to one strongly focused on limiting global warming to below 2 degrees (IEA SDS scenario). Our scenario analyses takes a medium to long term view in helping shape and refine our business strategy. The areas covered in the scenario analyses include those significant areas of Sasol’s operations including Europe, USA and particularly Southern Africa given our large presence (both in terms of our product volumes and our environmental footprint) in South Africa. The time horizons for the scenario analyses are aligned to Sasol’s business strategy, which is being implemented in phases up to 2030 and beyond. Outcomes include our focus on renewables and gas. Changes to fuel demand as alternative technologies (such as electric vehicles) and internal combustion engine efficiency improvements temper oil demand for passenger transport, were also considered. Critical insights from the scenario analysis provided steer for our updated strategy announced in June 2020. We have discontinued all oil growth activities in West Africa and are resizing our portfolio to focus on gas as a complementary feedstock with renewable energy as a secondary energy source. Conducting scenario analyses enables Sasol to undertake informed decisions. Our 2030 GHG roadmap was informed by our robustness testing.</p>

C3.1d

(C3.1d) 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	Through our three-pillar emission reduction framework, we are also broadening our focus on business opportunities for South Africa’s transition to a lower-carbon economy such as hydrogen, renewable energy and gas. In the international market consumer preference changes are directing us to more sustainably advantaged products for a lower carbon economy. Sasol has received an increasing number of requests to quantify and explain sustainability advantages that can be attributed to the current product portfolio. Sasol has developed and deployed a sustainability framework which identifies three major pillars linked to our three pillar framework. The ambition to shift Sasol’s portfolio to be less carbon intensive inspired the idea and interest to perform a Sustainability Portfolio Assessment (SPA) to gain a deeper and more robust understanding of how the current portfolio ranks compared to alternative products that are available to the market. The World Business Council for Sustainable Development (WBCSD) has developed a specific guiding framework on how to perform a SPA within the chemical industry. The framework merges different approaches to the topic developed by various companies, combining this with industry best practices to provide a supporting knowledge base to companies in this process. 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 a strengths, weaknesses, opportunities and threats (SWOT) overview for relevant product application and region combinations. The results may also be used for external reporting in order to respond to enquiries. Our target is to cover our entire portfolio. Through this analysis, we can identify opportunities and risks in the assessed divisions and therefore support the market development of products.
Supply chain and/or value chain	Yes	A focus on more sustainable value chains through sustainably advantaged products and reducing scope 3 emissions with supplier and customer engagement. We are investigating scope 3 target setting for the future. Divestment from certain assets and value chains also taking a climate change view into account. Through our supply chain function, we conduct supplier due diligence, audits and responsible sourcing to drive improved focus on safety, health, environment and sustainability performance. Amongst other objectives, this informs our work to better understand the embedded GHG emissions of the feedstocks, inputs and services we buy as part of our products’ life cycles.
Investment in R&D	Yes	Investigating new technologies through partnerships and collaboration and demonstration projects. These are focused on hydrogen, enabling the gas economy in South Africa and Carbon Capture Storage and Utilisation. While green hydrogen is currently prohibitively expensive, we continue to pursue demonstration opportunities and partnerships, with the intent of enabling and taking advantage of technology developments and breakthroughs. Through an initiative by the Department of Science and Innovation (DSI) in South Africa, Sasol is participating in a project to donate methanol and hydrogen for a nine-month period to the field Intensive Care Unit at 1-Military hospital in Pretoria. This project is using innovative mechanisms to provide much-needed power. The project is a joint effort between the DSI, Bambill Group, Air Products, Sasol and Protea Chemicals. In supporting projects such as these, we promote the use of sustainable fuels to pave the path for both Sasol and the country’s transition to sustainable energy sources, like green hydrogen. We are members of the CCS Centre in South Africa where a demonstration project is being planned.
Operations	Yes	Our strategy is now focused on stabilising the business and resetting Future Sasol, which amongst others is aimed at reducing our GHG emissions for our Energy business in South Africa and lower-carbon feedstocks for our international Chemicals business. Our 10% reduction target and associated emission reduction roadmap to 2030, off a 2017 baseline, indicates our commitment to further reducing our GHG emissions for our South African operations. A 2050 long-term GHG reduction ambition and roadmap is also being developed to enable increased resilience and mitigate potential negative financial impacts on future earnings from climate change issues for our South African operations. In South Africa, the focus is on large-scale renewable energy integration and gas as a complementary feedstock. 600MW of renewable energy is being targeted by 2030 and an at least 10% reduction in GHG emissions for our South African operations. Enhanced natural gas as a transition and complementary feedstock for efficient energy production in South Africa, as well as cleaner and more efficient conversion processes to fuels and chemicals is a key enabler for reducing emissions.

C3.1e

(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Revenues Direct costs Indirect costs Capital expenditures Capital allocation Acquisitions and divestments Assets Liabilities	<p>In June 2020, Sasol released an updated strategy. A number of internal and external factors prompted this review, including our scenario testing aligned to TCFD performed in 2019 and 2020. Both these analyses revealed limitations in terms of our resilience to future climate-related risks. Our strategy is focused on stabilising the business and resetting towards Future Sasol. COVID-19 and the low oil price necessitated swift and decisive action for the short-term, while charting a path for long-term sustainability. Our Chemicals business will focus on market leading positions using low-carbon feedstocks. In addition, we have decided to discontinue all oil growth activities in West Africa and are resizing our portfolio to focus on gas. Through our three-pillar emission reduction framework, we are also broadening our focus on business opportunities for South Africa's transition to a lower-carbon economy. Climate change has a variety of potential and current impacts on our business, strategy and financial planning. For example, we have seen operating cost savings as a result of our energy efficiency improvements. Our capital allocation decisions are already being affected by the need to shift towards lower-carbon businesses, and we have updated our strategy. As previously discussed, changes in consumer behavior, pressure from capital markets including societal pressure and community activism, together with increasing environmental awareness may impact Sasol's market access and product competitiveness. Decreasing or increasing demand for our products due to climate change could affect the valuation of our assets and liabilities. Sasol is liable for a carbon tax in South Africa, payable in October 2020. Sasol continues to invest in research and development of low-emission products. We have recognised a potential for higher margins and accelerated growth for products that lead to sustainability improvements for our customer. Examples of these kinds of products include Sasol's Fischer-Tropsch wax and high quality alcohols. Conversely, customer demand for fossil-fuel based products such as coal-derived diesel and petrol may decline. Long-term coal assets, in particular, may be most significantly impacted and could result in stranded assets. In such a scenario, stranded assets will need to be written off our balance sheet and would result in financial liabilities. This impact may play out in the long term but has not yet impacted Sasol. Sasol has made clear choices to not grow in coal mining activities and we have discontinued all oil growth activities in West Africa. We are actively pursuing divestments to reshape the portfolio and focus on our core business activities through two distinct business units, i.e. Chemicals and Energy. Our Chemicals business focuses on activities using our differentiated capabilities and strong market positions, which can be expanded over time. Our Energy business focuses on reducing GHG emissions to align more closely with the Paris Agreement goal, with further developments expected in 2021. We are actively seeking to meet South Africa's growing energy needs through reliable, affordable and lower-carbon energy; and we intend to achieve further transformational changes through collaboration, technology, innovation and advocating for climate change policy, taking our national circumstances into account. Sasol focuses on improving the performance of its existing asset base through higher productivity, increased operational efficiency and leveraging existing and emerging technologies to reduce emissions. We introduced a target to reduce emissions by at least 10% and in 2020 released our emission reduction roadmap for our South African operations. Sasol's emission reduction roadmap for 2030 mitigates some of these risks. By incorporating our 2030 roadmap into the Base case, we see an improvement in earnings in the IEA SDS scenario of ~15 – 20% and ~2 – 3% in the Cooperative scenario. This supports our strategic reset. A 2050 long-term GHG reduction ambition and roadmap is under development to enable continued resilience and mitigate further potential negative financial impacts on future earnings. Our strategy has been developed to be effective under a range of scenarios and not a single, deterministic view of the future – in short, responsive to uncertainty. We also relinquished oil and gas exploration rights in Mozambique. Our scenario analysis shows that a combination of lower oil and chemical prices; and higher carbon costs are forecast to negatively impact earnings in two of the scenarios assessed. This situation is mitigated by the introduction of targets for a reduced emissions profile for the affected value chains, particularly for our South African operations. Over and above scenario processes, Sasol also assesses the carrying value and viability of our assets on an annual basis. These assessments are done using the Group's long-term forecasts of prices and macro-economic variables, including a price on carbon. In the current assessment, we used a long-term carbon price for our South African assets in a range of R19 – 76/ton until 2030. Regional carbon prices are considered based on prevailing carbon pricing regimes and are used to test the viability of large new projects. Sasol is focused on efficient value chains with competitive feedstock positions. The South African Operations have realised a utility energy efficiency savings of 14% since 2005 which has resulted in a reduction of carbon emissions. These improvements are largely due to stable and efficient plant operations and value delivered from energy saving projects. The impact is reflected as a Sasol saving on tax. Tax certificates amounted to R5.75 billion for FY19. Translated in shareholder value terms, after costs, resulted in an approximate savings of R1.46 billion for Sasol for FY19. Sasol is also targeting renewable energy of 600MW which will also result in operating cost savings over time. Sasol is also running an asset review process and assets not aligned to the strategy have been identified for divestment. Climate change could in principle impact our access to capital and restrict growth or increase the cost of borrowing, which in turn could reduce profitability. To date this has not occurred, however Sasol continues to evaluate this landscape to ensure that the risk of not accessing capital due to climate change issues is appropriately managed through the development of an effective climate change management approach.</p>

C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

In June 2020, Sasol announced an updated strategy. A number of internal and external factors prompted this review, including our scenario testing aligned to TCFD performed in 2019 and 2020. Both these analyses revealed limitations in terms of our resilience to future climate-related risks which are being addressed through the revised strategy. The strategic choices we made in 2020 have been guided by our capabilities and competencies, the megatrends we track, as well as a number of interwoven challenges facing South Africa – including inequality, poverty and unemployment – and meeting growing energy demands, while decarbonising the economy. Our strategy is focused on stabilising the business and resetting towards Future Sasol. COVID-19 and the low oil price necessitated swift and decisive action for the short-term, while charting a path for long-term sustainability. Our 10% reduction target and associated emission reduction roadmap to 2030 indicates our commitment to further reducing our GHG emissions for our South African operations. By incorporating our 2030 roadmap into the Base case, we see an improvement in earnings in the IEA SDS scenario of ~15 – 20% and ~2 – 3% in the Cooperative scenario. This supports our strategic reset. A 2050 long-term GHG reduction ambition and roadmap is under development to enable continued resilience and mitigate further potential negative financial impacts on future earnings.

Our Chemicals business will focus on market leading positions using low-carbon feedstocks. This will see us relying less on coal as a feedstock, allowing us to exploit the robust demand growth for chemicals expected in all scenarios. In addition, we have discontinued all oil growth activities in West Africa and are resizing our portfolio to focus on gas. Through our three-pillar emission reduction framework, we are also broadening our focus on business opportunities for South Africa's transition to a lower-carbon economy.

Further analysis will be undertaken to understand the full capital implications of the different scenarios on our updated strategy, once fully developed and operational, and taking into account our 2050 long-term ambition.

C4. Targets and performance

C4.1

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

Both absolute and intensity targets

C4.1a

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

Target reference number

Abs 1

Year target was set

2016

Target coverage

Country/region

Scope(s) (or Scope 3 category)

Scope 1

Base year

2014

Covered emissions in base year (metric tons CO2e)

57954000

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2020

Targeted reduction from base year (%)

0

Covered emissions in target year (metric tons CO2e) [auto-calculated]

57954000

Covered emissions in reporting year (metric tons CO2e)

57179724

% of target achieved [auto-calculated]

<Not Applicable>

Target status in reporting year

Underway

Is this a science-based target?

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

Please explain (including target coverage)

Sasol has been issued an approved carbon budget (emissions limit) by the South African Department of Environmental Affairs (DEA), now the Department of Environment, Forestry and Fisheries (DEFF), applicable for 2016 – 2020 for our operations on a voluntary basis. This carbon budget is our absolute GHG target for our South African operations. In total, our budget contemplates a limit of 301,7Mt CO2e over the five years, making provision for growth. Post 2021, mandatory budgets will be set consistent with government requirements. We anticipate that these will be set in the next 12 months and will be in the form of an absolute reduction budget. By 2019, we have emitted 226Mt of the allocated 302Mt. This is the fourth year of the 5-year target. The target is an absolute increase in emissions, as the carbon budget that we have been set allows for growth aligned with national objectives to peak, plateau and decline emissions to 2050. Post 2021, mandatory budgets will be set consistent with government NDC requirements.

Target reference number

Abs 2

Year target was set

2019

Target coverage

Country/region

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based)

Base year

2017

Covered emissions in base year (metric tons CO2e)

63900000

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2030

Targeted reduction from base year (%)

10

Covered emissions in target year (metric tons CO2e) [auto-calculated]

57510000

Covered emissions in reporting year (metric tons CO2e)

62694000

% of target achieved [auto-calculated]

18.8732394366197

Target status in reporting year

Underway

Is this a science-based target?

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

Please explain (including target coverage)

Sasol used a fair share approach taking national circumstances into account for our South African operations. The country's Nationally Determined Contribution was used to inform our target setting and socio-economic evaluation tools.

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).**Target reference number**

Int 1

Year target was set

2015

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 2 (location-based)

Intensity metric

Other, please specify (GJ/ton production)

Base year

2005

Intensity figure in base year (metric tons CO2e per unit of activity)

7.4

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

100

Target year

2030

Targeted reduction from base year (%)

30

Intensity figure in target year (metric tons CO2e per unit of activity) [auto-calculated]

5.18

% change anticipated in absolute Scope 1+2 emissions

12

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

6.16

% of target achieved [auto-calculated]

55.8558558558559

Target status in reporting year

Underway

Is this a science-based target?

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

Please explain (including target coverage)

Sasol has voluntarily committed to a government strategy for energy efficiency of our utilities (in South Africa only). This initiative ran from 2005 to 2015 initially. At the end of 2015, industry including Sasol voluntarily committed to an additional 15% improvement by 2030. This target is now also linked to our commitment to EP100, which commits Sasol to key criteria against which energy management is undertaken. In Sasol's 2030 roadmap we are aiming for a 5% improvement in GHG emissions from energy and process efficiency projects.

C4.2

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

No other climate-related targets

C-OG4.2c

(C-OG4.2c) 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.

Sasol's methane emissions are included as part of our scope 1 and 2 10% absolute reduction target for our CTL and GTC operations and carbon budget target. Sasol is not a transitional oil and gas company and runs integrated facilities using our proprietary Fischer Tropsch process. While we do produce methane emissions it is significantly smaller than our carbon dioxide emissions.

C4.3

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

Yes

C4.3a

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

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	40	4600000
To be implemented*	10	2000000
Implementation commenced*	5	90000
Implemented*	2	336300
Not to be implemented		

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	Process optimization
---	----------------------

Estimated annual CO2e savings (metric tonnes CO2e)

288000

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

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

264000000

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

Payback period

1-3 years

Estimated lifetime of the initiative

Please select

Comment

143ton/hr steam saving. The savings are linked to the energy efficiency roadmap which aims to improve energy efficiency and steam use in order to decrease scope 2 emissions as well as intensity. Given that these are operational improvements there is no reporting on investment figure and lifetime of initiative.

Initiative category & Initiative type

Non-energy industrial process emissions reductions	Process equipment replacement
--	-------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

48300

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Mandatory

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

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

Payback period

1-3 years

Estimated lifetime of the initiative

Please select

Comment

Replacement of 37 kW Force fans with 22 kW Force fans throughout Sasol Mining.

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 R430 million which reflects our estimated product development spend on lower-carbon and more sustainable alternatives. The Sustainability budget allocated which addressed our emission reduction roadmap was ~R100 mill in FY 2020.
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	2030 internal GHG Targets: In 2019, Sasol adopted a GHG reduction target for South African emissions and released a 2030 roadmap that details our journey and capital expenditure for the next ten years.
Internal incentives/recognition programs	The Board Safety, Social and Ethics Committee approves environmental targets and standards, which form part of the Group's indicators of performance. Meeting these targets is a driver for investment in reduction activities. KPIs are aligned with achieving Sasol's climate change mitigation targets. In 2020, Sasol incorporated our latest 2030 GHG reduction target into our executive remuneration scheme for 2021 with a higher weighting.
Internal price on carbon	Over and above scenario processes, Sasol also assesses the carrying value and viability of our assets on an annual basis. These assessments are done using the Group's long-term forecasts of prices and macro-economic variables, including a price on carbon. In the current assessment, we used a long-term carbon price for our South African assets in a range of R19 – R76/ton until 2030. Regional carbon prices are considered based on prevailing carbon pricing regimes and are used to test the viability of large new projects.
Marginal abatement cost curve	Sasol adopted the MACC as a critical tool to be used to compare the abatement opportunities identified for the 2030 emission-reduction roadmap. Using a range of techno-economic analyses including both a Marginal Abatement Cost Curve (MACC) and Sasol's Decision Making Framework we evaluated capital availability implementation schedules, project economics, environmental and social impacts, cost per abatement and support for the SDGs, to develop our 2030 emission reduction roadmap.
Partnering with governments on technology development	Sasol is pursuing various collaboration opportunities. One of which is an initiative by the Department of Science and Innovation (DSI) in South Africa, Sasol is participating in a project to donate methanol and hydrogen for a nine-month period to the field Intensive Care Unit at 1-Military hospital in Pretoria. This project is using innovative mechanisms to provide much-needed power. The project is a joint effort between the DSI, Bambili Group, Air Products, Sasol and Protea Chemicals. 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.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Product

Description of product/Group of products

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 FY 2019 amounted to 21.7 Petajoules. Total NG sales in FY 2019 in South Africa and Mozambique amounted to 60.6 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 FY 2019 is 2.6 million tons CO₂.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Addressing the Avoided Emissions Challenge- Chemicals sector

% revenue from low carbon product(s) in the reporting year

9

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

Note: the following is assumed in the calculation: Coal = 0.089 t CO₂ / GJ (source: EIA/DOE) Gas = 0.0561 t CO₂ / GJ (source: EIA/DOE) MRG = 0.0561 t CO₂/GJ (source: South African Department of Environment, Forestry & Fisheries Tier 2 emission factor). Sasol has considered originating carbon credits from this activity, together with downstream customers. A methodology was developed and approved however due to concerns regarding calculation of reductions, projects have not to date been successfully registered.

Level of aggregation

Group of products

Description of product/Group of products

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

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Addressing the Avoided Emissions Challenge- Chemicals sector

% revenue from low carbon product(s) in the reporting year

0

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

Sasol does not currently disclose a percentage value to quantify the revenues that are generated based on the usage of our products.

Level of aggregation

Group of products

Description of product/Group of products

Polymers: Sasol creates plastic-packaging solutions for various markets, such as food, beverage, and medical, which offer value with minimum resources and lightweight designs. These solutions reduce weight, greenhouse gas emissions and energy requirements across the product life cycle compared to paper/cardboard, glass or metal packaging. We prioritise products that can be recycled or reused at the end-of-life phase. Sasol produces grades of polypropylene with an advantageous balance of stiffness / density properties of any polyolefin or polyester resin available. These grades support safe use, reduce transportation costs, increase recycling rates and can substitute polyethylene terephthalate (PET) grades in thermoformed cup applications, resulting in lower cup weight. We recognise the growing environmental burden of post-consumer plastic packaging waste. Plastic litter in the environment and our oceans is unacceptable, and our initiatives globally will aim to address this challenge. This includes direct and partnership initiatives supporting plastics education, improving household waste management, bolstering recycling and contributing to marine litter collection. Partner initiatives will take place mainly through the global Alliance to End Plastic Waste and in South Africa, through the South African Alliance to End Plastic Waste.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Addressing the Avoided Emissions Challenge- Chemicals sector

% revenue from low carbon product(s) in the reporting year

0

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

Sasol does not currently disclose a percentage value to quantify the revenues that are generated based on the usage of our products.

Level of aggregation

Group of products

Description of product/Group of products

Inorganics, e.g. Ultra high purity aluminas (UHPA): UHPA is used in a wide range of technically demanding applications like catalysts, bioceramics, high performance abrasives, coatings and polymer additives. Sasol's alumina is used in bio-ceramic implants with superior biocompatibility and excellent long-term clinical performance relative to metal implants. These bio-ceramics do not release metal ions or cause undesirable allergic reactions, thereby increasing the lifetime of the implant. Relative to metal/polyethylene implants Sasol's alumina-derived bio-ceramics display low wear and excellent biocompatibility. Sasol supplies alumina for use as separators and carbon to customers for the conversion to graphite anodes in the lithium ion battery industry for high performance batteries. Sasol produces high-purity, highly dispersible boehmite powders and sols/dispersions. These materials can be used as high quality abrasive that replaces conventional sand-based abrasives, enabling the user to utilize less abrasive material relative to conventional abrasives, resulting in a GHG abatement.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Addressing the Avoided Emissions Challenge- Chemicals sector

% revenue from low carbon product(s) in the reporting year

0

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

Sasol does not currently disclose a percentage value to quantify the revenues that are generated based on the usage of our products.

Level of aggregation

Group of products

Description of product/Group of products

Organics: The properties of our low foaming anionic surfactants allow less waste and greater efficiency when applied in industrial cleaners, metal working, pulp and paper and a variety of other technical applications. Our portfolio of chemicals for oilfield applications maximise the dispersion of materials into aqueous solutions and reduces the amount of energy required per unit of extracted oil. The lower aromatics content of our solvents reduces the risk of contamination in oil field applications and enables

greater biodegradability. Sasol supplies linear alcohols that enables flow of fluids through pipes and tubing at lower temperatures. Relative to conventional analogues, our lubricants allow coolant sump life extension, low foaming, high tolerance against water hardness and adequate lubricity, thereby reducing waste and energy consumption. The branching in Sasol's isofol alcohols enables improved hydrolytic stability and lower pour point than linear counterparts, allowing for greater oxidation stability and superior biodegradability.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Addressing the Avoided Emissions Challenge- Chemicals sector

% revenue from low carbon product(s) in the reporting year

0

% of total portfolio value

<Not Applicable>

Asset classes/ product types

<Not Applicable>

Comment

Sasol does not currently disclose a percentage value to quantify the revenues that are generated based on the usage of our products.

C-OG4.6

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

Sasol does not undertake traditional oil and gas activities. Methane reduction projects are incorporated in our core processes and included in the carbon budget and 2030 target.

C-OG4.7

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

Yes

C-OG4.7a

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

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 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.

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.

Flares are important safety devices used in 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

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 continue to reduce flaring. The most important action is to maintain reliable processes and equipment to prevent flaring due to equipment fouling or failure.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

July 1 2016

Base year end

June 30 2017

Base year emissions (metric tons CO2e)

57281000

Comment

None.

Scope 2 (location-based)

Base year start

July 1 2016

Base year end

June 30 2017

Base year emissions (metric tons CO2e)

7659000

Comment

None.

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

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

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)

58904950

Start date

July 1 2018

End date

June 30 2019

Comment

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

Start date

End date

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

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

Comment

Sasol currently reports its Scope 2 emissions as location-based Scope 2 figures. We have not yet embarked on a project to quantify these but intend to assess the viability of doing so.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO₂e?

Reporting year

Scope 2, location-based

7653000

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

July 1 2018

End date

June 30 2019

Comment

Past year 1

Scope 2, location-based

Scope 2, market-based (if applicable)

<Not Applicable>

Start date

End date

Comment

C6.4

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

No

C6.5

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

Purchased goods and services

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

5709560

Emissions calculation methodology

The activity data relates to the volumes of strategic raw materials purchased from suppliers for all our owned and controlled operations globally, where these are used as feedstocks to manufacture products and are not used as fuels. Production intensity factors were sourced from databases including DEFRA, Sphera's GaBi tool and other publically available sources. Where factors were available for the geographical region in question, these were used in preference to global average figures. The analysis excludes procured services.

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

0

Please explain

In 2019, our emissions increased due to expanding the scope to include all owned and controlled operations globally and the use of a more accurate emission factor for crude oil. For 2018, emissions data was restated for increased accuracy. We created awareness as a basis for future engagements on mitigation interventions.

Capital goods

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

This category includes all upstream (i.e., cradle-to-gate) emissions from the production of capital goods purchased or acquired by the reporting company in the reporting year. These emissions can be attributed to the purchase of new equipment and new vehicles associated with new project development. Based on analysis undertaken previously on the emissions associated with purchasing new equipment, Sasol has found these emissions to be not material to the overall Scope 3 emissions inventory (less than 1%). However, these emissions may be considered in future reporting.

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

Evaluation status

Relevant, calculated

Metric tonnes CO2e

266627

Emissions calculation methodology

The activity data relates to the volumes of materials purchased from suppliers for all our owned and controlled operations globally, which are used as fuels to support our production. The purchased fuels include coal for steam generation, natural gas for power generation, and fuels for onsite vehicles and stationery combustion. Production intensity factors were sourced from databases including DEFRA, Sphera's GaBi tool and other publicly available sources. Where factors were available for the geographical region in question, these were used in preference to global average figures. An adjustment was made for fuel purchases in South Africa, to avoid double counting with Scope 3 emissions reported in Category 11.

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

0

Please explain

In 2019, some purchased goods were reclassified from Category 1 to Category 3, in light of their use in generating energy, thereby increasing emissions in this category from 2018. Double counting of emissions between Category 3 and 11 was identified, and therefore a downward adjustment was made.

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

410255

Emissions calculation methodology

The scope of the calculation relates to the outbound transport of products to customers by transporters appointed by Sasol, or in assets (e.g. pipelines) not owned by Sasol. Modes of transport considered include road, rail, pipeline and marine shipping. Inbound transport of materials by transporters appointed by Sasol has been excluded, although it is understood to be substantially lower than outbound transport. Road transport - activity data relates to estimated ton-km for sold products. Emission factors were sourced from databases including DEFRA, Sphera's GaBi tool and other publically available sources, including the European Chemical Industry Council's commissioned report "Measuring and managing CO2 emissions in European chemical transport" by Prof. Alan McKinnon. Where factors were available for the geographical region in question, these were used in preference to global average figures. In selected cases, transporters were contacted to understand whether emission factors were available. Rail transport - activity data relates to estimated ton-km for sold products. Emission factors were sourced from the European Chemical Industry Council's commissioned report "Measuring and managing CO2 emissions in European chemical transport" by Prof. Alan McKinnon and the US Environmental Protection Agency. In the case of South Africa, the rail operator was contacted to provide emission factors for electric and diesel rail, which was provided to Sasol. Marine transport - activity data relates to estimated ton-km for sold products (bulk liquids) and TEU-km (containers). In the case of bulk liquids, shipping lines were directly contacted to obtain estimates of actual emissions per route, and these were proportionally adjusted in relation to the load of Sasol product on applicable ships. 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. The emission factor used was sourced from the European Chemical Industry Council's commissioned report "Measuring and managing CO2 emissions in European chemical transport" by Prof. Alan McKinnon.

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

39

Please explain

Marine – 60% Rail – 100% (South Africa) Road – 0% Pipeline – 0% Ongoing supply chain optimisations have the benefit of driving continuous improvements in logistics emissions. Double counting of emissions between Category 4 and 11 was identified, and therefore a downward adjustment was made accordingly for both road and rail transport in South Africa.

Waste generated in operations

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

50307

Emissions calculation methodology

The methodology to estimate the emissions focused on multiplying tons of non-hazardous waste going to a landfill by an applicable average emission factor for waste treated/discharged in a landfill. DEFRA default factors were used. GWPs used by DEFRA are based on the IPCC Fourth Assessment Report (AR4) (GWP for CH₄ = 25, GWP for 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. No such guidance exists for Scope 3 emissions and therefore the DEFRA potential, as embodied in the factors, are deemed the most appropriate.

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

0

Please explain

Waste emissions are slightly lower as the volumes of non-hazardous waste was lower. This is within the normal range fluctuations of business operations.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

10371

Emissions calculation methodology

Business travel accounted for includes the emissions associated with charter flights for SEPI of workers to and from Vilanculos in Mozambique and that which was booked through HRG Rennies Travel, including Avis, Europcar & Protours (this included flights and car hire). The charter company provides Sasol with the amount of Jet Fuel that is used, and Sasol then calculated the associated scope 3 emissions using emission factors based on the IPCC 2006 guidelines and GWPs based on the TAR. The remainder of Sasol's business travel emissions are calculated using Greenstone's Enterprise Environmental software Version 3.1. The assessment methodology applied to this report follows the reporting principles and guidelines provided by the Greenhouse Gas Protocol. The methodology to estimate emissions involved multiplying activity data for mode of transport (e.g. distance travelled) by an applicable emission factor for that mode of transport (e.g. tCO₂/km). Flights were categorised as being either long- (> 3700km), short-(<1000 km) or medium (1001 - 3700) haul flights. The emission factors in this report are derived from two sources: the US EPA's Climate Leaders program and the UK's Department for Environment, Food and Rural Affairs (DEFRA). GWPs used by DEFRA are based on the IPCC Fourth Assessment Report (AR4) (GWP for CH₄ = 25, GWP for 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. No such guidance exists for Scope 3 emissions and therefore the DEFRA potential, as embodied in the factors, are deemed the most appropriate. It was assumed that standard sedan vehicles were used on all hiring occasions. Business travel includes both flights (local and international) for business purposes as well as kilometers travelled in hired cars and taxis.

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

100

Please explain

Employee commuting

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

36096

Emissions calculation methodology

The assessment only includes emissions associated with South African employee commuting. The emissions associated with employee commuting were calculated using the emissions-based screening assessment equation from the Scope 3 Accounting and Reporting Standard: Total number of employees x average (conservative) distance from place of work (km) x 10 trips per week x 49 weeks per year x national average emission factor of vehicle (kg CO₂e/passenger-km). 64% commute to work with privately owned vehicles (Sasol management). Employees travel an average of 21km to work. It is assumed that the average mini-van taxi carries 11 passengers in a single trip. The prescribed default factors have been applied for average vehicles (0.18 kg CO₂ e/km) and mini-vans (0.25 kg CO₂ e/km). DEFRA factors use AR4 GWPs and assessments using IPCC factors use TAR GWPs.

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

50

Please explain

Employee commuting is relatively constant.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Sasol does not operate leased assets not already included in the inventory. No reporting will be undertaken for this category.

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Transportation of materials and products arranged by suppliers and customers is complex to estimate. Quantification may be considered for future reporting.

Processing of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

For the significant majority of Sasol's energy-related products, no further processing is required and this Scope 3 reporting category is not applicable. The products are ready for final use as fuels (e.g. natural gas; diesel; petrol; coal). These products make up approximately 64% of Sasol's total sales by mass. A very small portion of refinery-related products is used in non-energy applications (e.g. bitumen; lubricants) and these have not been quantified. Crude oil sold from our upstream Exploration & Petroleum International division does require processing in the form of refining, but processing emissions have not been calculated. For our chemicals portfolio, almost all products will require further processing before final use. This is complex to estimate, since many chemicals have multiple applications, and the application of our chemicals by customers is not always known (especially sales downstream of distributors). Knowledge of the efficiency of our customer process efficiencies is also not known. Hence, no estimation of the emissions associated with processing is available at present.

Use of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

35618580

Emissions calculation methodology

For the significant majority of Sasol's energy-related products, products are ready for final use as fuels (e.g. natural gas; diesel; petrol; coal). These products make up approximately 64% of Sasol's total sales by mass. Activity data is the mass or volume of product sold, and the use of the product is combustion to provide energy for customer processes. Emission factors for products with variable quality (e.g. export coal) were calculated from analysis, whereas those with more fixed quality (e.g. diesel, petrol) were sourced from databases including DEFRA, Sphera's GaBi tool and other publically available sources. For crude oil sold from our upstream Exploration & Petroleum International division, emissions associated with use of fuels have been calculated using a DEFRA emission factor. A very small portion of refinery-related products is used in non-energy applications (e.g. bitumen; lubricants) and emissions associated with the use of these products have not been quantified. For our chemicals portfolio, emissions relating to use have not been quantified. This is complex to estimate, since many chemicals have multiple applications, and the application of our chemicals by customers is not always known (especially sales downstream of distributors). Knowledge of the efficiency of our customer process efficiencies is also not known. Hence, no estimation of the emissions associated with processing is available at present. These products make up approximately 36 % of Sasol's total sales by mass.

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

0

Please explain

In 2019, our emissions increased as a result of additional products being calculated, such as coal and crude oil. Our 2018 emissions were also corrected and the figure is 32 092 182 t CO₂e.

End of life treatment of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Quantification will be prioritised in future years.

Downstream leased assets

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

148402

Emissions calculation methodology

The methodology followed to estimate the emissions from Sasol's leased assets involved multiplying the estimated energy use per building by an applicable factor for each of Sasol's owned properties. Sasol owns numerous buildings. This includes investments in office, retail and specialised buildings as well as investments in property companies. The SANS 204 Building Energy Efficiency requirements was used to determine the annual energy consumption for each of these categories. The mean energy consumption of all South Africa's climatic zones was used for each category: Offices use 200 kWh/m², retail use 250 kWh/m² and the energy consumption of the other commercial sites was assumed to be the average of offices and retail (225 kWh/m²). The South African grid emission factor (1.06 kgCO₂e/kWh) was multiplied by the estimated electricity usage. This assessment was undertaken in accordance with The Greenhouse Gas Protocol: A Corporate Accounting and reporting Standard (Revised Edition), and The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

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

100

Please explain

Increase in emissions related to the electricity grid factor.

Franchises

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

3244

Emissions calculation methodology

The methodology followed to estimate the emissions from Sasol franchises (Sasol and Exel Service stations in South Africa) involved multiplying the number of franchises by the estimated energy use per station, multiplied by an emission factor. An energy use factor of 250 kWh/m² was used (SANS 204 Building Energy Efficiency). The South African grid emission factor (1.06 kgCO₂e/kWh) was multiplied by the estimated electricity usage. This assessment was undertaken in accordance with The Greenhouse Gas Protocol: A Corporate Accounting and reporting Standard (Revised Edition), and The Greenhouse Gas Protocol: Corporate Value Chain (Scope 3) Accounting and Reporting Standard. TAR GWPs were used.

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

100

Please explain

The number of service stations increased from 399 in FY18 to 408 in FY19 and the change electricity grid factor is higher .

Investments

Evaluation status

Not relevant, explanation provided

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Sasol has a number of Joint Ventures (JVs) over which we do not have operational control and therefore have limited influence over the emissions associated with those JVs. We do not have access to information on the GHG emissions associated with these operations, but we do engage with our JV partners to ensure that any climate change risks are adequately managed.

Other (upstream)

Evaluation status

Not evaluated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

Other (downstream)

Evaluation status

Not evaluated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

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

<Not Applicable>

Please explain

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	568645	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

0.000327

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

66557950

Metric denominator

unit total revenue

Metric denominator: Unit total

20357600000

Scope 2 figure used

Location-based

% change from previous year

0.12

Direction of change

Decreased

Reason for change

Our revenue (turnover) increased from R181 461 million in FY 2018 to R203 576 million in FY 2019 and our GHG emissions decreased by 1.27%.

Intensity figure

3.61

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

66557950

Metric denominator

unit of production

Metric denominator: Unit total

18446000

Scope 2 figure used

Location-based

% change from previous year

0.05

Direction of change

Decreased

Reason for change

GHG emissions intensity decreased to 3.61 in 2019 from 3.78 in 2018 due to increased production.

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

931615

% change from previous year

2

Direction of change

Decreased

Reason for change

Natref had normal production for FY19 with no extended shutdowns. Intensity is 41.96.

Comment

Our Synfuels operation which produces liquid fuels is not a traditional oil refinery and not included in the calculation.

Unit of hydrocarbon category (denominator)

Million cubic feet of natural gas

Metric tons CO2e from hydrocarbon category per unit specified

261064

% change from previous year

5

Direction of change

Increased

Reason for change

Within SEPI normal fluctuations. The intensity for this operations is 2.

Comment

Our Synfuels operation is not a traditional oil and gas and not included in the calculation.

C-OG6.13

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

Oil and gas business division

Upstream

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

0

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

0

Comment

Sasol produces liquid fuels from coal and is therefore not part of the 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 0.000027% while the fraction of emitted methane relative to total hydrocarbon production is 0.0007%

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
CH4	2415901	IPCC Third Assessment Report (TAR - 100 year)
N2O	485020	IPCC Third Assessment Report (TAR - 100 year)
CO2	56003788	IPCC Third Assessment Report (TAR - 100 year)

C-OG7.1b

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

Emissions category

Combustion (excluding flaring)
Venting

Value chain

Upstream

Product

Gas

Gross Scope 1 CO2 emissions (metric tons CO2)

36100

Gross Scope 1 methane emissions (metric tons CH4)

7

Total gross Scope 1 emissions (metric tons CO2e)

36251

Comment

Relates to the emissions associated with our pipeline and combustion for this activity.

C7.2

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

Country/Region	Scope 1 emissions (metric tons CO2e)
South Africa	56867706
United States of America	1165292
Mozambique	261077
Other, please specify (Europe and Asia)	609630

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/GTC South Africa	55792382	-26.539253	29.180121
Mining South Africa	96487	-26.507572	29.176174
Chemical Complex NAO	1166221	30.245755	-93.27757
Chemical Complex Eurasia	609630	53.550747	10.025634
Gas Upstream (SEPI)	261078	-21.750824	35.058217
Oil & Gas downstream (Natref)	931634	-26.816937	27.784282

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

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

	Gross Scope 1 emissions, metric tons CO2e	Net Scope 1 emissions , metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	57701550	<Not Applicable>	
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Electric utility activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)	261078	<Not Applicable>	
Oil and gas production activities (midstream)		<Not Applicable>	
Oil and gas production activities (downstream)	931634	<Not Applicable>	
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

C7.5

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

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
South Africa	7045000		5939866	
Eurasia	107697		582611	
United States of America	498298		590809	
Mozambique				

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/GTC South Africa	5996431	
Mining South Africa	725525	
Chemical Complex NAO	498298	
Chemical Complex Eurasia	107697	
Gas Upstream (SEPI)		
Oil and Gas downstream	289292	

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

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

	Scope 2, location-based, metric tons CO2e	Scope 2, market-based (if applicable), metric tons CO2e	Comment
Cement production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Chemicals production activities	7338485		
Coal production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Metals and mining production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Oil and gas production activities (upstream)			
Oil and gas production activities (midstream)			
Oil and gas production activities (downstream)	289292		
Steel production activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport OEM activities	<Not Applicable>	<Not Applicable>	<Not Applicable>
Transport services activities	<Not Applicable>	<Not Applicable>	<Not Applicable>

C-CH7.8

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

Purchased feedstock	Percentage of Scope 3, Category 1 tCO2e from purchased feedstock	Explain calculation methodology
Other (please specify) (Feedstock purchased for energy services at North American operations)	17	This is the fraction of emissions attributed to the listed chemical feedstocks 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)	28	This is the fraction of emissions attributed to the listed chemical feedstocks 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)	55	This is the fraction of emissions attributed to the listed chemical feedstocks 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)	56746	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)		Natural gas supplied to the market in Mozambique and South Africa and methane rich gas supplied to the market in South Africa from our Secunda complex. In these cases, the gas is primarily used by customers as an energy source. Natural gas supplied into the market in Canada. Customers use gas as an energy source and as a chemical feedstock.
Nitrous oxide (N2O)		
Hydrofluorocarbons (HFC)		
Perfluorocarbons (PFC)		
Sulphur hexafluoride (SF6)		
Nitrogen trifluoride (NF3)		

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	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable>		
Other emissions reduction activities	854000	Decreased	1.27	Projects are being implemented to reduce emissions in line with our 10% reduction target by 2030.
Divestment		<Not Applicable>		
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

C7.9b

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

Location-based

C8. Energy

C8.1

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

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

C8.2

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

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
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)	LHV (lower heating value)	0	104022618	104022618
Consumption of purchased or acquired electricity	<Not Applicable>	0	7284755	7284755
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	0	537290	537290
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0	<Not Applicable>	0
Total energy consumption	<Not Applicable>	0	111844663	111844663

C-CH8.2a

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

	Heating value	Total MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	100552750
Consumption of purchased or acquired electricity	<Not Applicable>	7284755
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	537290
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0
Total energy consumption	<Not Applicable>	108374795

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) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.**Fuels (excluding feedstocks)**

Coal

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

76667110

MWh fuel consumed for self-generation of electricity

7188314

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

69478796

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

0.3248

Unit

metric tons CO2e per MWh

Emissions factor source

The value is calculated from internal data sources.

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 (excluding feedstocks)

Natural Gas

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

4812181

MWh fuel consumed for self-generation of electricity

4812181

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

0.36997

Unit

metric tons CO2e per MWh

Emissions factor source

The value is calculated from internal data sources.

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 (excluding feedstocks)

Fuel Gas

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

19012416

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

19012416

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

Unit

Please select

Emissions factor source

Comment

Fuels (excluding feedstocks)

Diesel

Heating value

LHV (lower heating value)

Total fuel MWh consumed by the organization

152547

MWh fuel consumed for self-generation of electricity

743

MWh fuel consumed for self-generation of heat

151804

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

Unit

Please select

Emissions factor source

Comment

Fuels (excluding feedstocks)

Petrol

Heating value

Please select

Total fuel MWh consumed by the organization

12157

MWh fuel consumed for self-generation of electricity

189

MWh fuel consumed for self-generation of heat

11986

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

Unit

Please select

Emissions factor source

Comment

Fuels (excluding feedstocks)

Other, please specify (The use fuel oil, waste fuels, and burning of solid, liquid and gaseous wastes. The use of exothermic heat of reaction during the production process.)

Heating value

Please select

Total fuel MWh consumed by the organization

3517543

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

3517543

MWh fuel consumed for self-generation of steam

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

Unit

Please select

Emissions factor source

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.

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	19286182	19286182	0	0
Heat	22693910	22693920	0	0
Steam	69864750	69864750	0	0
Cooling	0	0	0	0

C-CH8.2d

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

	Total gross generation (MWh) inside chemicals sector boundary	Generation that is consumed (MWh) inside chemicals sector boundary
Electricity	19035130	19035130
Heat	19395247	19395247
Steam	69864750	69864750
Cooling		

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

17038000

Total consumption unit

metric tons

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

Heating value of feedstock, MWh per consumption unit

8.39

Heating value

LHV

Comment

The consumption data based on 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

1871234

Total consumption unit

metric tons

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

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

4748645

Total consumption unit

metric tons

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

Heating value of feedstock, MWh per consumption unit

Heating value

Please select

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	20.07
Natural Gas	7.91
Coal	72.02
Biomass	
Waste (non-biomass)	
Fossil fuel (where coal, gas, oil cannot be distinguished)	
Unknown source or unable to disaggregate	

C9. Additional metrics

C9.1

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

Description

Please select

Metric value

Metric numerator

ton CO2 equivalent (Scope 1 + 2)

Metric denominator (intensity metric only)

total ton of production for external sales

% change from previous year

Direction of change

<Not Applicable>

Please explain

Sasol's greenhouse gas intensity is available disaggregated per production region, and not currently at product category level, in most cases. Efforts are underway to improve availability of product category-level information for our customers in future. Since there are numerous factors to take into consideration in allocating direct and indirect emissions from a complex production process to individual product categories, it is incorrect to make conclusions regarding the carbon footprint attaching to a product simply by looking at the production facility's overall intensity. For example, some intermediate products leave one facility and are further processed at another facility, and are therefore excluded from production volumes from the first facility to avoid double counting. Nevertheless, this approach provides an indicative reference value which is more refined than Sasol's total emissions intensity. The intensity metric is calculated as a ratio of: Numerator: total reported ton CO2 equivalent (Scope 1 + 2) for the facility or region Denominator: total ton of production for external sales for the facility or region (i.e. excluding all non-final productions) Page 74 of our FY19 Sustainability Report provided disaggregated emissions intensity, as follows: Overall GHG intensity – 3.61 Secunda – 8.39 Sasolburg – 3.61 Mining – 0.26 Natref – 0.29 Eurasia (comprising facilities in Germany, Italy, Slovakia, China) – 0.56 North America – 2.42 Mozambique – 4.92 Satellite Operations, Strategic Business Units and Functions – 0.11

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		
Natural gas liquids, million barrels		
Oil sands, million barrels (includes bitumen and synthetic crude)		
Natural gas, billion cubic feet		

C-OG9.2b

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

Sasol discloses oil and gas reserve information in alignment with Sasol's Form 20-F. This includes proved (developed and undeveloped) reserves, while probable and possible reserves along with other classifications of resources, which may become proved reserves in the future, are excluded. Sasol's Form 20-F for October 2019 can be found at the following location on our website: https://www.sasol.com/sites/default/files/financial_reports/Sasol%2020-F%20Website%20Version.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				

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				
Natural gas				
Oil sands (includes bitumen and synthetic crude)				

C-OG9.2e

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

C-CH9.3a

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

Output product

Other, please specify (Commodity)

Production (metric tons)

4002000

Capacity (metric tons)

4257000

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

3.61

Electricity intensity (MWh per metric ton of product)

1.046

Steam intensity (MWh per metric ton of product)

0.264

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

0.033

Comment

Due to our highly integrated production processes, we are not practically able to separate emissions, electricity or steam intensity or heat recovery per product line. Therefore, direct emissions intensity, electricity intensity, steam intensity and steam / heat recovered is calculated on total product for external sale. This includes products in our Energy portfolio, not reported here.

Output product

Specialty chemicals

Production (metric tons)

2671000

Capacity (metric tons)

4112000

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

3.61

Electricity intensity (MWh per metric ton of product)

1.046

Steam intensity (MWh per metric ton of product)

0.264

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

0.033

Comment

Due to our highly integrated production processes, we are not practically able to separate emissions, electricity or steam intensity or heat recovery per product line. Therefore, direct emissions intensity, electricity intensity, steam intensity and steam / heat recovered is calculated on total product for external sale. This includes products in our Energy portfolio, not reported here.

Output product

Other, please specify (Energy)

Production (metric tons)

11746000

Capacity (metric tons)

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

3.61

Electricity intensity (MWh per metric ton of product)

1.046

Steam intensity (MWh per metric ton of product)

0.264

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

0.033

Comment

Due to our highly integrated production processes, we are not practically able to separate emissions, electricity or steam intensity or heat recovery per product line. Therefore, direct emissions intensity, electricity intensity, steam intensity and steam / heat recovered is calculated on total product for external sale. This includes products in our Energy portfolio, not reported here.

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	80

C-OG9.3b

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

	Throughput (Million barrels)	Comment
Oil	21.9	
Other feedstocks		
Total		

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)	60
Other, please specify (Natural gas)	15.5
Other, please specify (Condensate)	0.31

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 (Commodity)	4002	4257
Other, please specify (Specialty)	2671	411

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	Please select	

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

No verification or assurance of current reporting year

Type of verification or assurance

Reasonable assurance

Attach the statement

2019_Sasol Sustainability Report Web.pdf

Page/ section reference

Page 81 - 83 , section Data and Assurance.

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

2019_Sasol Sustainability Report Web.pdf

Page/ section reference

Page 81 - 83 , section Data and Assurance.

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

C10.1c

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

Scope 3 category

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

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

2. SASOL CCR_2020_25 August 08h30_MN Lowres (002).pdf

Page/section reference

Page 36-37 , section Data and Assurance, 2020 Climate Change Report.

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Waste generated in operations

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

2. SASOL CCR_2020_25 August 08h30_MN Lowres (002).pdf

Page/section reference

Page 36-37 , section Data and Assurance, 2020 Climate Change Report.

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Business travel

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

2. SASOL CCR_2020_25 August 08h30_MN Lowres (002).pdf

Page/section reference

Page 36-37 , section Data and Assurance, 2020 Climate Change Report.

Relevant standard

ISAE3000

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Use of sold products

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Limited assurance

Attach the statement

2. SASOL CCR_2020_25 August 08h30_MN Lowres (002).pdf

Page/section reference

Page 36-37 , section Data and Assurance, 2020 Climate Change Report.

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
C6. Emissions data	Year on year change in emissions (Scope 1)	ISAE 3000	The trend in emissions between the last reporting year and this reporting year was reviewed as part of the assurance process. 2. SASOL CCR_2020_25 August 08h30_MN Lowres (002).pdf
C6. Emissions data	Year on year change in emissions (Scope 2)	ISAE 3000	The trend in emissions between the last reporting year and this reporting year was reviewed as part of the assurance process. 2. SASOL CCR_2020_25 August 08h30_MN Lowres (002).pdf
C9. Additional metrics	Other, please specify (Production external sales)	ISAE 3000	Production data was verified as part of the assurance process. 2019_Sasol Sustainability Report Web.pdf
C2. Risks and opportunities	Other, please specify (Sustainability and Financial Data)	ISAE 3000	Water, energy efficiency and financial data has been third party verified. Sasol Integrated Report Web 2019.pdf 2019_Sasol Sustainability Report Web.pdf
C5. Emissions performance	Emissions reduction activities	ISAE 3000	Scope 1 and 2 against the target is audited. 2. SASOL CCR_2020_25 August 08h30_MN Lowres (002).pdf
C6. Emissions data	Year on year change in emissions (Scope 3)	ISAE 3000	Select data categories and most input data points are audited. 2. SASOL CCR_2020_25 August 08h30_MN Lowres (002).pdf

C11. Carbon pricing

C11.1

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

Yes

C11.1a

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

EU ETS

South Africa carbon tax

C11.1b

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

EU ETS

% of Scope 1 emissions covered by the ETS

99.69

% of Scope 2 emissions covered by the ETS

Period start date

January 1 2019

Period end date

December 31 2019

Allowances allocated

243.49

Allowances purchased

11.12

Verified Scope 1 emissions in metric tons CO2e

259.08

Verified Scope 2 emissions in metric tons CO2e

Details of ownership

Facilities we own and operate

Comment

This is for the emissions trading participation of our Sasol Germany GmbH facility. Three other facilities that we own and operate also participate in the EU ETS, however the questionnaire does not make provision for additional EU ETS participating facilities. The details of these facilities for the period 01/01/2019 to 31/12/2019 are as follows:
Sasol Italy Spa: - Scope 1 emissions covered by the ETS: 98,5 % - Allowances allocated: 442.639 - Allowances purchased: - - Verified emissions in metric tons CO2e: 401.794
Sasol Italy Energia Srl - Scope 1 emissions covered by the ETS: 100% - Allowances allocated: 0 - Allowances purchased: 143.971 - Verified emissions in metric tons CO2e: 143.971
Sasol Wax GmbH - Scope 1 emissions covered by the ETS: 77,5 % - Allowances allocated: 35.654 - Allowances purchased: - - Verified emissions in metric tons CO2e: 46.183

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 2019

Period end date

December 31 2019

% of total Scope 1 emissions covered by tax

100

Total cost of tax paid

320000000

Comment

Payment to be made in October 2020.

C11.1d

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

During the last 5 years Sasol Eurasia operations has been following a differentiated strategy to fill the gap between allocation emissions and consumption with the overall situation balanced up to 2020. As an example, within that strategy the following steps are implemented or are still in progress:

- The maximum use of CER's for compliance issues
- Application of additional allocation
- Optimization of the quality of the emission reports to minimize quantities, which have to be returned,
- Usage of green energy input
- Development of a buy in strategy of certificates to reducing allocations increasing consumptions, changing market situations and implementation of a regular follow
- Preparation of an additional allocation of certificates due to increasing operations.

In South Africa, the Carbon Tax Act 15 of 2019 (Carbon Tax Act) came into effect on 1 June 2019. Considering South Africa's developmental challenges, the structure of its economy and the fact that the carbon tax design is not aligned with the carbon budget system, Sasol remains supportive of carbon pricing but believes that alternative mechanisms could achieve the outcome sought by the proposed stand-alone carbon tax. Whilst we are not supportive of the Carbon Tax Act in its current form, Sasol is adhering to the Act.

Our strategic approach to complying with the Carbon Tax Act comprises:

- Delivering robust GHG accounting processes aligned with international best practices to ensure accurate representation of our emissions,
- Engagement 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, energy security and GHG emissions reductions
- Identify, assess and implement projects to reduce GHG emissions
- Maximize the use 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.

We have developed a GHG emission-reduction roadmap to 2030 for our Southern African operations, based on scenario analysis 2020. We are focusing on renewables and gas to significantly reduce emissions into the future. Our first milestone is our at least 10% reduction target by 2030 (off a 2017 baseline), supported by increasing gas as a complementary feedstock (contingent on affordability and availability) and implementing a supply of renewable energy. We will also continue to consider various lower-carbon technologies as these become economically viable. We have a carbon offset strategy that focuses on the purchase of offsets through commercial agreements in the short term and the development of projects in the medium and long term. Accordingly, Sasol has undergone a rigorous evaluation process to purchase independently verified emission reduction certificates from reputable carbon retailers.

In so doing, we have saved in excess of R200 million in carbon tax liability. The projects have mitigated the release of ~2,5 Mt CO₂e. Projects have been reviewed to ensure environmental integrity. Regarding our in-house actions we have embarked on a series of research activities to assess the range of potential carbon offsetting projects available.

C11.2

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

Yes

C11.2a

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

Credit origination or credit purchase

Credit origination

Project type

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

Project identification

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

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO2e)

368889

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

0

Credits cancelled

No

Purpose, e.g. compliance

Compliance

C11.3

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

Yes

C11.3a

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

Objective for implementing an internal carbon price

Navigate GHG regulations
Change internal behavior
Drive energy efficiency
Drive low-carbon investment
Stress test investments
Identify and seize low-carbon opportunities

GHG Scope

Scope 1
Scope 2

Application

Corporate division and some of the projects in certain jurisdictions

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

120

Variance of price(s) used

Regional specific and depends on the prevailing price in the areas we operate. E.g. in South Africa price is R120 escalating as per the Carbon Tax Act.

Type of internal carbon price

Shadow price

Impact & implication

Sasol incorporates carbon pricing into its scenario analysis and capital allocation process. In 2020, Sasol revised our scenarios through the expansion of our existing Fragmented, Cooperative and Base cases. Sasol also utilised the most recent International Energy Agency (IEA) Sustainable Development Scenario (SDS), released in November, as a further test of robustness against our previous strategy. These scenarios cover a variety of potential outcomes both favourable and unfavourable for the Group. For each scenario, a quantitative evaluation is applied to assess the financial impact of the various outcomes on Sasol's business, using adjustments to oil and product prices, as well as different carbon prices. Sasol also assesses the carrying value and viability of our assets on an annual basis. These assessments are done using the Group's long-term forecasts of prices and macro-economic variables, including a price on carbon. We currently use a long-term carbon price for our South African assets in a range of R19 – R76/ton until 2030. Regional carbon prices are considered based on prevailing carbon pricing regimes and are used to test the viability of large new projects.

C12. Engagement

C12.1

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

- Yes, our suppliers
- Yes, our customers

C12.1a

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

Type of engagement

Other, please specify (Supplier engagement)

Details of engagement

Please select

% of suppliers by number

% total procurement spend (direct and indirect)

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

Rationale for the coverage of your engagement

Impact of engagement, including measures of success

Sasol developed a Supplier Sustainability Questionnaire which amongst others addresses the different areas of climate-related aspects. This questionnaire has been distributed to 197 strategic suppliers again during Q2 of 2020 with the aim to gather more detail information for appropriate incorporation in the Supply Chain Sustainability Strategy. The following specific questions related to climate changes have been included in the questionnaire: 1. Have you identified any inherent climate change risks (e.g. carbon tax, rising temperatures, etc.) that have the potential to generate a significant change in your business operations, revenue or expenditure? 2. Have you identified any inherent climate change opportunities that have the potential to generate a significant change in your business operations, revenue or expenditure? 3. Do you calculate and report your carbon footprint on a regular (yearly or more frequently) basis? The Strategy is in the process of being developed and the aim is to have this completed by Q4 of 2020. In anticipation of the questionnaire and the strategy, Sasol has also engaged with some suppliers this round to assess their CO2 emissions data. Sasol requested the suppliers to supply, if they had it on record, the amount of CO2 emissions for the main shipping routes they operate for Sasol. In short, the following typical responses were received: - Our 3 main Bulk Chemical Tanker Shipping Lines have shared their actual CO2 emissions incurred per route (in some cases per vessel voyage), enabling accurate reporting for these bulk chemical exports, and very reliable estimates of the minority of cargoes shipped on other routes - Some Container shipping lines have been approached, but no accurate, specific emission data can be supplied due to the technical complexities of container shipping. We have however obtained actual cargo routing to enable reliable assumptions on distances containers travel, to be used in calculations for estimated CO2 emissions, using generic reported emission factors for global shipping between geographical regions.

Comment

C12.1b

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

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

- Direct engagement with policy makers
- Trade associations
- Funding research organizations
- Other

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Mandatory carbon reporting	Support	Sasol has been participating in the public consultation process regarding the development of mandatory GHG reporting for South Africa which culminated in the promulgation of mandatory GHG reporting regulations released in March 2017. Sasol has been a proponent of reporting for many years and has been voluntarily submitting GHG data to government since the country's earliest GHG inventories. It is our belief that for reductions to take place, an emissions baseline is critical. Sasol's first mandatory GHG submission was submitted in March 2018.	Mandatory GHG Reporting Regulations for South Africa which were promulgated in March 2017.
Energy efficiency	Support	As a founding signatory to the South African Energy Efficiency Accord (the Accord), Sasol has a long-standing commitment (since 2005) to promoting energy efficiency as a key business driver, in addition to the benefit of GHG reductions. Sasol recently committed to EP100 and supports the South African National Energy Efficiency Strategy. Sasol has set an objective of a 15% improvement between 2015 and 2030 in addition to the 16.6% improvement under the Energy Efficiency Accord from a 2005 baseline. Following the utility energy efficiency improvement Sasol achieved under the Accord for South African operations in which we continued to set appropriate interim improvement objectives for several of our South African operations. Once the South African Department of Mineral Resources and Energy (DMRE) publishes the new 2030 National Energy Efficiency Strategy, Sasol intends to set new improvement targets aligned to the national objectives. Sasol's global operations are in the process of implementing standard utility energy efficiency measurements and reporting practices. Once baseline performance measurements have been determined, appropriate global improvement targets aligned with the respective national objectives will be set.	South African National Energy Efficiency Strategy.
Adaptation or resilience	Support	Sasol is not only an emitter of GHGs, we are also vulnerable to the impacts of climate change and have undertaken work to better understand our climate change exposure for our people and operations. Through an analysis of the impacts of climate change on our operations, we are taking steps to enable our resilience to these impacts which include increased flooding from heavy rains, rising sea levels, extreme weather events such as hurricanes and tornadoes and heat stress in some regions where we operate.	South African National Adaptation Strategy that takes into account business impacts by climate change and its implications for the country.
Carbon tax	Oppose	Considering South Africa's developmental challenges, the structure of its economy and the fact that the carbon tax design is not aligned with the carbon budget system, Sasol remains supportive of carbon pricing but believes that alternative mechanisms could achieve the outcome sought by the proposed stand-alone carbon tax. In this instance, the effective alignment of the carbon budget with the carbon tax offers an efficient and effective solution for the South African economy to recover while transitioning to a lower carbon economy through least-cost mitigation. We continue to work to advocate for such a solution and actively engage with government and various stakeholders to appropriately manage these challenges that balance the need for economic development, job creation, energy security and GHG emission reductions. Whilst we are not supportive of the Carbon Tax Act in its current form, Sasol is adhering to the Act and is participating in the relevant government process to develop the operating rules for the tax.	To ensure that South Africa's transition is orderly and just, developed policy needs to be clear and cohesive. While Sasol supports a transition to a lower-carbon economy we remain concerned that the carbon tax in its current format and design will further diminish the country's investment attractiveness and competitiveness. There are other instruments that can create a more efficient and effective mitigation signal in a flexible and economically sustainable manner i.e. the Carbon Budget system of DEFF. South Africa should rather consider to implement, with urgency, the integrated mandatory carbon budget system with only a higher rate of tax on excess emissions above the budget.
Other, please specify (Integrated mitigation system & Carbon Budgets Climate Change Bill & Carbon Offsets)	Support	Sasol has engaged directly with various stakeholders on matters related to climate change. The nature of the engagement is tailored to the specific needs of the policy debate at a specific time. During the year, for our South African operations, we continued to participate in the roll-out of the National Climate Change Response Policy and the development of the proposed Climate Change Bill with DEFF both on our own and through business and trade associations. Sasol has been and is fully participating in the carbon budget process and is actively engaging on the development of an integrated mitigation system including carbon offsets, trading of budgets and on adaptation through the National Climate Change Adaptation Strategy process.	Sasol is committed to playing our part in South Africa's transition to a lower carbon and more climate resilient economy within the context of it being a developing country. We recognise that we have a particular responsibility and opportunity to contribute to finding solutions to this challenge. Sasol continues to actively engage with government and various stakeholders on the development of climate change policy via a consistent and aligned approach.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Chemical and Allied Industries' Association (CAIA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

It is our understanding that CAIA, through its members, are well aware that a business as usual scenario is not feasible and are committed to playing their part in developing and implementing a national climate change response policy that places South Africa on a lower carbon growth path while at the same time addressing developmental imperatives. The chemical industry recognizes its responsibility to contribute to efforts to mitigate climate change. The industry's goals in this regard are to reduce its own emissions by improving its processes and to encourage the use of chemical products that create a net emission reduction along the value chain. The chemical industry is also addressing the challenge of adaptation to climate change through its commitment to improving water use efficiency.

How have you influenced, or are you attempting to influence their position?

Sasol plays an active role in developing and implementing the global chemical industry's Responsible Care® initiatives. We participate in working groups of the European Chemical Industries' Council (CEFIC), and South African Chemical and Allied Industries' Association (CAIA).

Trade association

South African Petroleum Industry Association (SAPIA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The cycle of developing, producing, transporting, refining and delivering oil to end-users presents significant environmental challenges. In response to these challenges, the

industry has embarked on a number of initiatives to ensure that it will continue reducing its environmental impact into the future. The SAPIA Engineering and Environmental Committee's anti-pollution strategies include: Development of a common emission management strategy, common emission reporting protocol and common flaring report protocol by the Refinery Managers' Environmental Forum (RMEF) to manage the environmental implications of their activities. Individual refineries have invested heavily in the installation of new emission control technology.

How have you influenced, or are you attempting to influence their position?

Sasol plays an active role in SAPIA meetings

Trade association

Minerals Council of South Africa

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The mining industry can demonstrate its commitment to improving energy efficiency and managing climate change by developing a detailed inventory of carbon emission, showing what energy savings have taken place and perhaps set its own targets for energy efficiency (most companies have already signed the Energy Efficiency Accord). This would demonstrate that the industry is serious about dealing with national challenges.

How have you influenced, or are you attempting to influence their position?

Sasol plays an active role in the Minerals Council meetings.

Trade association

Business Unity South Africa (BUSA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

BUSA is a confederation of business organisations including chambers of commerce and industry, professional associations, corporate associations and unisectoral organisations. It represents South African business on macro-economic and high-level issues that affect it at the national and international levels. BUSA's function is to ensure that business plays a constructive role in the country's economic growth, development and transformation and to create an environment in which businesses of all sizes and in all sectors can thrive, expand and be competitive. As a principal representative of business in South Africa, BUSA represents the views of its members in a number of national structures and bodies, both statutory and non-statutory. BUSA also represents businesses' interests in the National Economic Development and Labour Council (NEDLAC).

How have you influenced, or are you attempting to influence their position?

Sasol plays an active role in various BUSA meetings and also Chairs the BUSA Environmental Sub-committee.

Trade association

Industry Task Team on Climate Change (ITTCC)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The ITTCC is a non-profit organisation that represents energy-intensive industries. It is committed to working with industry, business groups and government departments to ensure sustainable economic growth while transitioning South Africa to a lower-carbon economy. The ITTCC's role is to undertake technical, fact-based studies to ensure that South Africa's policies regarding climate change are based on the best information, best practice and prescribe tangible, achievable ends.

How have you influenced, or are you attempting to influence their position?

Sasol actively participates in meetings, provides expert advice and supports various pieces of work to provide a fact base to inform climate change and energy policy development. Sasol is currently the Chair of the ITTCC.

Trade association

International Council of Chemical Associations (ICCA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The Paris Agreement is designed to curb greenhouse gas emissions and mobilize global political will to address the climate change challenge. Successful implementation of the Paris Agreement hinges in large part on contributions from the private sector. For global chemical manufacturers, that means continuing to do what they do best: innovate. Innovation requires a consistent, supportive policy and regulatory environment to reach its full potential and to allow industry to develop and implement solutions to address global sustainability challenges.

How have you influenced, or are you attempting to influence their position?

Sasol actively participates in meetings, provides expert advice and supports various pieces of work to provide a fact base to inform climate change and energy policy development.

Trade association

International Chamber of Commerce (ICC)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Taking serious and bold action to mitigate climate change is an urgent business issue. Failure to do so will hurt us all. Countries must go beyond the bare minimum and take transformative action if we are to achieve the goals set out in the Paris Agreement. Through our global network, we will advocate for policy frameworks that support the alignment of business operations with this target and help us to reach the additional goal of net zero emissions in many countries by 2050.

How have you influenced, or are you attempting to influence their position?

Sasol actively participates in meetings, provides expert advice and supports various pieces of work to provide a fact base to inform climate change and energy policy development.

Trade association

European Chemical Industry Council (CEFIC)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Cefic is committed to the Paris Agreement. Its view is that, as one of the largest and most diversified industries in Europe, the chemical industry plays an important role in helping to achieve long-term greenhouse gas emission reductions. Therefore, it is continuously looking at ways to improve production processes, to lower the industry's carbon footprint and enable further emission reductions down the value chains. Its most recent Mid-Century Strategy 'Molecule Managers' sets out a plausible path towards a prosperous, more sustainable Europe in 2050.

How have you influenced, or are you attempting to influence their position?

Sasol actively participates in meetings, provides expert advice and supports various pieces of work to provide a fact base to inform climate change and energy policy development.

Trade association

Verband der Chemischen Industrie e.V. (VCI)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The VCI supports the Paris Agreement. In a recent study, it shows that climate-neutral chemistry is possible and which conditions are needed for the German chemical industry to become carbon-neutral by 2050. The association's members believe that chemistry can help to enable the realization of climate objectives in general and the goals of the Paris Agreement in particular.

How have you influenced, or are you attempting to influence their position?

Sasol actively participates in meetings, provides expert advice and supports various pieces of work to provide a fact base to inform climate change and energy policy development.

Trade association

American Chemical Council (ACC)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's 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 is viewed as necessary to reduce greenhouse gas emissions and achieve climate goals, such as those of the Paris Agreement. ACC supports the policy statements of the International Council of Chemical Associations (ICCA) on the Paris Agreement, which recognize the role of the chemical industry in achieving the goal of the Paris Agreement.

How have you influenced, or are you attempting to influence their position?

Sasol actively participates in meetings, provides expert advice and supports various pieces of work to provide a fact base to inform climate change and energy policy development.

Trade association

American Cleaning Institute (ACI)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The association acknowledges that scientific consensus is clear: tackling climate change is essential for a sustainable future. It (via members) must also work to meet current needs without compromising the ability of future generations to meet theirs. Society cannot continue to live as it does now, using ever-dwindling resources and generating vast amounts of waste and carbon emissions. Targets adopted by companies to reduce GHG emissions are considered "science-based" if they are in line with what the latest climate science says is necessary to meet the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C. The Science Based Targets Initiative is leading the charge in championing and institutionalizing science-based targets within businesses.

How have you influenced, or are you attempting to influence their position?

Sasol actively participates in meetings, provides expert advice and supports various pieces of work to provide a fact base to inform climate change and energy policy development.

C12.3d**(C12.3d) Do you publicly disclose a list of all research organizations that you fund?**

No

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

Sasol is committed to working with all key stakeholders in the countries where we operate to achieve optimum GHG management solutions balanced with economic development and growth drivers. We believe that business is an essential part of the solution to the climate change challenge and that working collaboratively with national and international stakeholders in developing climate change related policies and responses both in South Africa and globally, will we achieve the required impetus and solutions.

We engage directly with regulators and policymakers, as well as indirectly through relevant national and international business associations and task teams. At an international level, we work through organisations such the International Chamber of Commerce (ICC), and the International Council of Chemical Associations (ICCA). This provides us access to thought leadership, particularly around improving climate change data reporting and energy efficiency. Our national operations engage directly and through organized business associations such as the American Chemistry Council (ACC), BUSA, Business Leadership South Africa (BLSA), National Business Initiative (NBI), CAIA and Industry Task Team on Climate Change (ITTCC). Sasol has attended and participated consistently in the Conference of the Parties (COP) since COP 15 and supports the Paris Agreement.

In terms of recent policy developments, the regulatory issues that have a particularly profound potential impact on our South African activities are those relating to the carbon tax (and associated regulations including carbon offsets) and carbon budgets, clean fuel specifications and air quality. A multi-disciplinary team has been in existence for 10 years to consider climate change policy and this has been widened to environmental policy as well. The Stakeholder Relations department which is part of the multi-disciplinary team arranges our engagement with key stakeholders. We believe that a consistent approach to engaging with various tiers of government on critical policy and regulatory issues is contributing to a more productive and mutually beneficial relationship. It is also encouraging further alignment between the regulatory requirements of different government departments in South Africa.

These engagements also allow Sasol to learn and share work and experiences with government as well as other stakeholders and organisations – an example is Sasol's participation with the South African government and wider business at COP 25 in Spain showcasing the significant advances made on both climate change mitigation and adaptation by government and business.

In addition to this, Sasol engaged with key shareholders, including the Raith Foundation and Old Mutual, regarding proposed shareholder resolutions, amongst others requiring targets and scope 3 emissions reporting to be addressed further. Sasol through its Climate Change Report is responding to these requests. Sasol believes that oversight of its climate change response through its governance structures, including Board committees, provides for independent views given the representation by external, non-executive directors.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

Identifying and responding to our material and top risk climate change issues is critical to our ability to execute our sustainable growth strategy. Our identification process encompasses an assessment of our group-wide risks, identified through our internal risk assessment process, as well as careful consideration of the legitimate interests and expectations of our internal and external stakeholders. We continually enhance our issues management process, which seeks to address those matters that are likely to impact our common objectives, strategy and growth targets. In identifying the issues, we ensure that the pertinent implications of policy and regulatory changes as well as the socioeconomic and reputational drivers are properly understood. Equally important, we seek to take proactive steps to limit the possibility that a particular issue becomes a longer-term risk for the group. As Climate Change has been identified as top risk within the organisation we are continuously ensuring through our risk management methodology (the bow tie) that we incorporate actions that are consistent with our strategy.

Sasol's former Climate Change and Environmental Policy Committee, which in 2020 was absorbed by the GEC sub-committee called the Policy, Sustainability and Stakeholder Relations Committee, includes a stakeholder engagement focus, which specifically looks at an engagement strategy and approach that involves key stakeholders to engage at various levels on different matters for example on carbon tax and budgets and the proposed South African Climate Change Bill. In this way we effectively identify and engage, key individuals who will collaborate on issues of mutual interest regarding policy and regulatory development.

C12.4

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

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

2. SASOL CCR_2020_25 August 08h30_MN Lowres (002).pdf
Sasol Climate Change Report.pdf

Page/Section reference

Various sections for Sasol's first and second Climate Change Reports.

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Other metrics

Comment

Publication

In mainstream reports

Status

Complete

Attach the document

Sasol Integrated Report Web 2019.pdf

Page/Section reference

Throughout the Report.

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

Comment

Climate change management is an integrated and embedded through strategic and operations activities through the organisation.

Publication

In voluntary sustainability report

Status

Complete

Attach the document

2019_Sasol Sustainability Report Web.pdf

Page/Section reference

Page 1, 7, 8, 63, 64

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

Comment

Publication

In other regulatory filings

Status

Complete

Attach the document

Sasol Form 20F 2019 Website version.pdf

Page/Section reference

Page 13, 14, 26, 43, 86

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

Comment

C15. 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.

C15.1

(C15.1) 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: Sustainability and Technology Chief Sustainability Officer Disclosure Working Group	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	

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

Please select

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).

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?

Please select

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?
Please select

SC3.1

(SC3.1) Do you want to enroll in the 2020-2021 CDP Action Exchange initiative?
Please select

SC3.2

(SC3.2) Is your company a participating supplier in CDP's 2019-2020 Action Exchange initiative?
Please select

SC4.1

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

Submit your response

In which language are you submitting your response?
English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain Questions?
I am submitting my response	Investors Customers	Public	Yes, submit Supply Chain Questions now

Please confirm below

I have read and accept the applicable Terms