



SASOL LIMITED

CLIMATE ADVOCACY
AND POLICY SUPPLEMENT
for the year ended 30 June 2022



Delivering with Purpose
FUTURE SASOL



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CLIMATE ADVOCACY AND POLICY

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Director's approval

The Safety, Social and Ethics Committee (SSEC) of the Sasol Limited Board (the Board) is responsible for ensuring the integrity of our sustainability and climate change reporting. We confirm that the 2022 Climate Change Report addresses all material matters relating to climate change from a double materiality perspective (see **IR** page 36) and fairly represents the Group's climate change performance. The SSEC, authorised by the Board, approved this report and its publication on 26 August 2022.

Signed on behalf of the SSEC:

Muriel Dube
Chairperson of the SSEC

Our three-pillar emission-reduction framework

- REDUCE EMISSIONS**
- TRANSFORM OPERATIONS**
- SHIFT THE PORTFOLIO**

Our prioritised SDGs are indicated; this report focuses on SDG 13 and 17.



African Business Leadership Coalition (ABLC)

In pursuing collaboration and strengthening partnerships, Sasol accepted the invitation to join the Founding Group of the ABLC.

Applying the United Nations (UN) Global Compact Ten Principles, TCFD and prioritising five Sustainable Development Goals (SDGs).



HUMAN RIGHTS

LABOUR

ENVIRONMENT

ANTI-CORRUPTION

OUR SUITE OF REPORTS



- IR** **Integrated Report**
Concise communication on Sasol's strategy, governance, performance and outlook and how these lead to the preservation and creation of value over the short-, medium- and long-term.
- SR** **Sustainability Report**
Communication on Sasol's environmental, social and governance (ESG) performance.
- CCR** **Climate Change Report**
Information on Sasol's climate change risk management process, response strategy and summary of work underway to address climate change risks and opportunities.
- CAPS** **Climate Advocacy and Policy Supplement**
Information on Sasol's advocacy efforts and participation in policy advocacy bodies.
- AFS** **Annual Financial Statements**
A complete analysis of the Group's financial results, with detailed financial statements, as well as the Remuneration Report and Report of the Audit Committee.
- 20-F** **Form 20-F**
Our annual report filed with the United States Securities and Exchange Commission (SEC), pursuant to our New York Stock Exchange listing.

These reports are available on our website, www.sasol.com, or on request from Investor Relations. Contact details available on website.

Our suite of reports are informed by the following standards and initiatives. We have sought alignment with key reporting expectations and compliance with all relevant legal requirements.

	REPORTS		
The International Integrated Reporting <IR> Framework	IR	AFS	
South African Companies Act 71 of 2008, as amended	IR	AFS	
Johannesburg Stock Exchange (JSE) listings requirements	IR	AFS	
King IV™ Report on Corporate Governance for South Africa, 2016	IR	AFS	
International Financial Reporting Standards (IFRS)	IR	AFS	20-F
Global Reporting Initiative (GRI) Sustainability Reporting Standards	SR	CCR	
Task Force on Climate-related Financial Disclosure (TCFD)	IR	SR	CCR
UN Advanced Reporting Criteria and SDGs	SR	CCR	
United States Securities and Exchange Commission rules and regulations			20-F
Sarbanes-Oxley Act of 2002			20-F
JSE Sustainability and Climate Disclosure guidelines	IR	SR	CCR

Our climate change advocacy position

Sasol engages with policymakers and collaborates with trade associations to advocate our position on matters that are critical to managing climate change and our business operations. We advocate and engage in public policy discussions, with a view to maintain a balanced approach and endeavour to not compromise the interests of our shareholders, employees, customers and communities. There may be times when our views diverge from those of our trade association partners, in which instance we aim to ensure our views are noted and recorded. We engage in support of the Paris Agreement, development of low and lower-carbon sectors such as green hydrogen, renewables and gas, as well as the development of a conducive policy and regulatory environment to encourage climate action, within the confines of our national circumstances and need for a just transition.

We are committed to having an honest conversation. This means sharing our perspective, listening to others, respecting differences and working collaboratively to find solutions. In all our climate advocacy activities, we are committed to compliance, transparency and accountability.

We rarely agree 100% with all trade associations mandates, however we believe our annual trade association review findings demonstrate our approach to managing these divergences.

Sasol is a member of various industry associations that enables us to improve our insight into a broad range of issues and facilitates the exchange of knowledge and expertise. Governance requirements are in place within the relevant industry associations to safeguard against individual business positions dominating or advancing over others.

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

Approach to managing our memberships

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

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

Other engagements with government

We believe over the years we have had a positive impact when engaging with associations in supporting climate-related policy and regulatory developments, including advocating in South Africa for an aligned carbon budget/tax system and a climate change act, lifting renewable energy limits, developing a green hydrogen strategy and related incentives and supporting mandatory reporting of GHG emissions.

Sasol is an active attendee at the United Nations Framework Convention on Climate Change (UNFCCC) Conference of Parties (COP) annual meetings. Since 2018, we continue to co-sponsor the country pavilion for the annual COP meetings and we will do so again this year for COP27. South Africa's aim in hosting a pavilion is to showcase the country's climate change activities.

Establishing the Energy Council of South Africa

The South African energy sector is still heavily reliant on fossil fuels. To enable a thriving and sustainable energy sector in South Africa, Sasol played an instrumental role in the formulation of the Energy Council of South Africa, with other like-minded organisations that recognise the challenge and opportunities the energy transition brings given the country's national context.

The Energy Council of South Africa has set itself a mandate to play a leadership role in South Africa's energy sector, driving stakeholder and policy alignment and assisting in addressing major issues in the energy landscape for inclusive economic growth. The Council aims to advocate for accelerated policy, regulatory reform and certainty across the energy sector as the country transitions to a low-carbon economy. For further details access www.energycouncil.org.za.



Advocacy (continued)

The Energy Council of South Africa has established multiple workstreams which includes gas, electricity, hydrogen, storage, just transition, funding and sustainable and liquid fuels. At this stage, not all associated climate-related positions have been formulated, approved by their Board and communicated externally. Nonetheless, we undertook a review to check initial alignment with our relevant climate advocacy principles. The Council is also taking a collaborative approach with other industry associations to advocate for policy conducive to a low-carbon economy; this advocacy approach is still being shaped.

Other memberships

To complement our participation in formalised industry associations, we continue to subscribe to and are members of voluntary benchmarking platforms to enhance our insights, governance expectations and reporting and disclosure of climate-related information. These bodies are not categorised as industry associations and therefore are not part of the self-assessment review. Nonetheless, these associations play a critical role in enriching our climate change management approach, including achieving our targets and net zero ambition.

These memberships extend to bodies, such as the CDP and Energy Productivity 100 (EP100) that seek to aggregate and provide useful mechanisms for sharing and disclosing climate-relevant information. Sasol has joined EP100 as a means to demonstrate our commitment to improving energy productivity to reduce GHG emissions.

Sasol’s participation in these bodies is not driven by a policy advocacy need but rather to enhance our disclosure and offer an independent measure of assurance, which can be relied upon by our stakeholders. We also actively leverage national and international industry associations, such as National Business Initiative (NBI), who recently conducted an independent study and assessment of plausible net zero pathways for South Africa. The application of independently validated outcomes enables us to focus on key technical and policy levers that could unlock and accelerate our transition to a low-carbon economy dominated by green hydrogen and renewables.

SASOL’S PRINCIPLES FOR RESPONSIBLE CLIMATE-RELATED ADVOCACY

Acknowledgement and support for climate science

The Intergovernmental Panel on Climate Change (IPCC) provides a view of how global warming is likely to affect us, if unmitigated. The scientific evidence for warming of the global climate system is unequivocal, particularly in light of the 2021 IPCC science findings. Sasol acknowledges the scientific basis relating to anthropogenic climate change. We recognise the role of industry and our responsibility in playing a part in holding global average temperature increase below targeted levels.

Support for the Paris Agreement goal

The Paris Agreement articulates the need for society to act with greater urgency to limit global warming to well below 2°C above pre-industrial levels and to pursue further efforts to limit this increase to 1.5°C. Sasol recognises that much more than current global effort is required to support the aims of the Paris Agreement. We are therefore pursuing transformational changes to our business, cognisant of the principle of common but differentiated responsibilities and respective capabilities as it relates to developing countries.

Support for carbon pricing that provides greater incentives for innovation and low-carbon choices

Carbon pricing provides an incentive to accelerate the low-carbon transition through emission trading schemes (ETS), budgets or taxes. Setting a price on carbon requires an integrated, well-designed, nationally determined and holistic policy response to the challenge of climate change. Sasol supports carbon pricing to enable a transition to a low-carbon economy. In our view, appropriately designed fiscal instruments and supporting mitigation action is critical, including the use of market mechanisms, such as carbon offsets and Nature-based Solutions (NbS) and Technology-based Solutions (TbS) Carbon Dioxide Removals (CDRs). To ensure the viability of our projects and long-term strategy, we developed and implemented internal South African carbon prices to assist us in evaluating business decisions.

Development of low- and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency

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

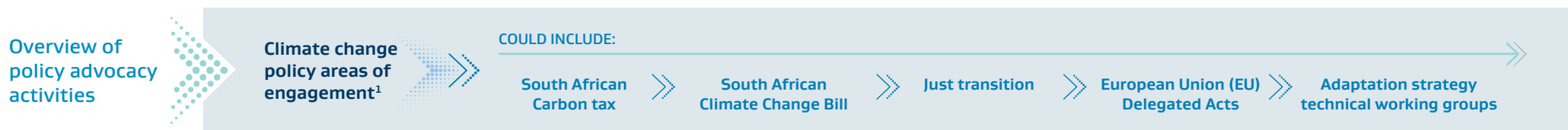
Transparency and disclosure

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



Advocacy activities

Inventory of our influences and how it links to our activities



DIRECT POLICY ADVOCACY

CARBON TAX ENGAGEMENTS IN SOUTH AFRICA:

Executives and technical teams participated in three meetings with National Treasury on the proposed 2022 Budget Review relating to the carbon tax rates and its implications for our business, which, based on the current proposal and assuming minimal allowances, could significantly impact our economic viability and hinder the transition. Sasol reiterated support for carbon pricing and emphasised that rapid hikes in the carbon tax rate without allowances and incentives, and which is out of sync with mitigation potential, will hinder our transition rather than accelerate it. In addition, Sasol is participating in the Tax Law Amendment Bill consultation process.

CLIMATE CHANGE BILL IN SOUTH AFRICA:

Technical teams and climate change specialists attended three Parliamentary briefings by the Minister of Forestry, Fisheries and the Environment on the tabling of the Climate Change Bill to establish a legal framework for climate change management for South Africa.

- Carbon budgets: We undertook various engagements during the course of the year on allocating Sasol’s next carbon budget, including engagements with the Department of Forestry, Fisheries and the Environment (DFFE) and their consultants on the development of the mandatory petrochemical sector carbon budget methodology to regulate GHG emissions.

JUST TRANSITION IN SOUTH AFRICA:

Technical teams and climate change specialists attended the Presidential Climate Commission’s (PCC) dialogues on the development of a Just Transition Framework and various stakeholder consultations across the country.

- Technical teams engaged the Department of Mineral Resources and Energy (DMRE) on the Just Energy Transition Framework and its alignment with the PCC’s Just Transition Framework.

EU DELEGATED ACTS:

Formal submissions were made to the European Commission. This was undertaken as part of the public consultation process in support of EU recognition for Fischer-Tropsch (FT) produced sustainable products to allow for a phased decarbonisation of Secunda towards our fossil-fuel-free vision.

Sasol’s executives and technical teams engaged various German government departments and the European Commission in Brussels to indicate the importance of recognising a flexible GHG allocation methodology for co-processing fossil fuel and sustainable feedstocks in an existing facility and to extend the use of industrial fossil CO₂ feedstocks as sustainable carbon sources beyond 2035.

OTHER:

Participated in a South African National Treasury multi-stakeholder consultation on the Oil and Gas Draft Discussion Document which sought to obtain views on the most appropriate tax regime for the Oil and Gas sector. In addition, support for transitioning South Africa to a net zero economy was indicated through the use of gas as a lower-carbon transition fuel.

INDIRECT POLICY ADVOCACY

CARBON TAX ENGAGEMENTS IN SOUTH AFRICA:

Participated with other Business Unity South Africa (BUSA) members on three engagements with National Treasury on the proposed 2022 Budget Review of the carbon tax rates and implications for business in support of a just transition. Sasol reiterated support for carbon pricing and emphasised that rapid hikes in the carbon tax rate without allowances and incentives, and which is out of sync with mitigation potential, will hinder our transition rather than accelerate it.

BROAD CLIMATE CHANGE POLICY IN SOUTH AFRICA:

- Participated with other BUSA members in two meetings of the Parliamentary Committee on Environment, Forestry and Fisheries.
- Participated with other Chemical & Allied Industries’ Association (CAIA) members and the DFFE on the chemical sector’s carbon budget methodology.

MEMBERSHIPS:

- Roundtable on Sustainable Biomaterials (RSB): Participating in the Power-to-X (PtX) policy and Sustainable Aviation Fuel (SAF) working groups to encourage the use of green hydrogen to produce sustainable chemicals and fuels.
- Global Alliance Powerfuels (GAP): Contributed to a policy position advocating for recognition of unavoidable CO₂ from industrial facilities as eligible feedstocks for the production of Renewable Fuels of Non-Biological Origin (RFNBOs), such as SAF.
- Hydrogen Council: No policy engagements have taken place thus far.
- Energy Council of South Africa: No policy engagements have taken place thus far.
- NBI: Participating in the Climate Pathways Study through various steering and technical committees that are proposing pathways for achieving net zero in support of the Paris Agreement.
- EP100: Participating in the initiative which encourages greater energy efficiency uptake within business. Sasol has committed to a 30% energy efficiency improvement by 2030, off a 2005 baseline.

1. For more information on the regulatory developments Sasol is tracking and participating in see [CCR](#) page 48.

Methodology for annual review of our trade associations

Assessing alignment with industry associations

In 2022, Sasol assessed additional key associations and reviewed previously disclosed associations against our responsible climate-related advocacy principles (CCR page 50 and page 3 of the supplement for our five principles). Only relevant associations that undertake climate change advocacy were assessed by reviewing publicly available documents and engaging with their offices, where possible. Importantly, the majority of these industry associations cite climate change as one of their focus areas and for the Industry Task Team on Climate Change (ITTCC) and the Energy Council of South Africa it is a key driver.



METHODOLOGY

For the past years, Sasol has worked to align the advocacy positions of trade associations with our climate-related advocacy principles.

We applied our key principles for responsible advocacy consistently against the industry association positions. This year our methodology was enhanced for greater clarity, alignment to best practice, inclusion of third-party assessments and to address expectations on enhanced transparency.

ASSESSMENT CRITERIA

- In the event that the assessment revealed inconsistencies in terms of at least one/two of our principles, 'partially aligned' was indicated. In this instance, further engagements are held to better understand positions and seek alignment.
- Where more than two principles were not aligned and if the association was not in support of the Paris Agreement, then 'not aligned' was indicated.
- Associations are considered 'aligned' with our principles when their support for the Paris Agreement is clearly articulated and the internal assessment shows congruence to all principles.
- Our review was then augmented with available third-party external assessments. This year we used Influence Map. We decided that if we agreed with the external view, we would revise our assessment and where we did not, it would remain unchanged. In most instances our assessment did not change as we were able to obtain additional information that might not have been available for the external third-party.
- The practice of assessing company activities related to influencing climate change policies is still in its infancy. Typically, external assessments are based on publicly available data and do not require or consider additional disclosures or cooperation from the covered entities. A blind spot in these external assessments is the lack of insight or knowledge of the confidential work being developed by both industry and their related associations. In this regard, through the information at our disposal and our work with them in developing climate policy, we were able to accept and discount differences in our assessments of industry associations versus a third-party external assessment.

OUR ASSESSMENT RESULTS

Over the past three years, including 2022, Sasol reviewed a total of 26 associations, of which two were found to be 'not aligned' with our assessment criteria. The two associations not aligned were the American Fuel & Petrochemical Manufacturers and the International Association of Oil & Gas Producers. These are not listed in the summary tables (CCR pages 53 – 55) or in the supplement as we had already exited these two associations previously.

In 2022, we again reviewed the relevant associations; none were found to be not aligned with our responsible climate-related advocacy principles. Partial alignment was indicated across some of the relevant associations, changing from our initial assessment in 2020. This was by and large influenced by the lack of a clear position on transparency and disclosure and carbon pricing. The alignment results are presented in the sections that follow, with an overall self-assessment indicating either aligned, partially aligned or not aligned for the past three years.

This year, to support our climate change reporting, we compiled a Climate Advocacy and Policy Supplement (CAPS) to provide detailed information on our alignment with trade associations, membership fees and other relevant information.

MEMBERSHIP FEES

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

2021 TO 2022 TRADE ASSOCIATION MEMBERSHIP

As part of our evaluation of whether trade association memberships provide value, we consider the advocacy activities of key trade associations, including advocacy related to climate change. While very important, climate change is but one of the many issues that Sasol works on with the listed trade associations and therefore one of many issues that Sasol considers when it evaluates how trade associations provide value.

Annual review of our trade associations

SELF ASSESSMENT OF THE RELEVANT INDUSTRY ASSOCIATION'S ALIGNMENT WITH OUR RESPONSIBLE CLIMATE-RELATED ADVOCACY PRINCIPLES

● Not aligned ● Partially aligned ● Aligned

American Chemistry Council (ACC)

To deliver long-term business value through exceptional advocacy and improved member performance. This includes best in class member engagement, political advocacy, communications and scientific research.

1 Acknowledgement and support for climate science

Aligned – ACC Climate Policy Principles 2019:

ACC considers climate change a global challenge that requires long-term commitment and action by every segment of society. A combination of technology, market-based and policy solutions will be necessary to reduce GHG emissions and achieve climate goals, such as those of the Paris Agreement.

2 Support for the Paris Agreement goal

Aligned – supports the policy statements of the International Council of Chemical Associations (ICCA) on the Paris Agreement, which recognises the role of the chemical industry in achieving the goal of the Paris Agreement.

3 Support for carbon pricing that provides greater incentives for innovation and low-carbon choices

Aligned – believes climate policy should be based on market signals and administrative provisions that send clear messages: transparent, predictable, technology-neutral price signals will facilitate lower GHG emissions and any such price signals should be made revenue neutral.

The complexity and administrative costs of United States climate policy must be minimised to the fullest extent possible. ACC considers the protection of the competitiveness of United States manufacturing as key. The United States chemical industry is in the midst of a historic wave of investment in new capacity. Climate policy must protect the ability of energy-intensive, trade-exposed industries to compete in the global economy.

Through discussion, ACC supports an ETS or carbon tax depending on member jurisdiction.

4 Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency

Partially aligned – supports a national energy strategy that develops and uses United States' diverse energy sources, promotes energy efficiency and encourages the development and adoption of new technologies. Specifically, ACC supports development of low energy carbon solutions (including renewable energy, energy efficiency, hydrogen and carbon capture utilisation and storage (CCUS)).

Post engagement with ACC, Sasol concluded that ACC is partially aligned with our principles because they are supportive of GHG emissions being regulated and the development of low and lower-carbon energy solutions, but they do not support regulation of natural gas. ACC further explains "the chemical industry relies on essential and cost-sensitive feedstocks, such as natural gas, natural gas liquids, hydrogen and others, as well as processes that result in little or no GHG emissions. Manufacture and use of such feedstocks and processes should be exempted from climate regulation."

5 Transparency and disclosure

Aligned – through the Responsible Care® programme, ACC member companies report progress on energy efficiency and GHG intensity. "America's chemical industry recognises the need to further reduce GHG emissions and energy use in our own operations. Through Responsible Care®, ACC members publicly report their GHG intensity, which is calculated by determining the pounds of CO₂e/pound of production."

Sasol concluded ACC as aligned because they support transparent metrics and disclosure of energy efficiency and GHG intensity. Further, ACC states that "they also support a Uniform, National Climate Policy that results in a single transparent and effective national program that gradually eliminates the need for a patchwork of state laws and federal regulations."

Reference information

<https://www.americanchemistry.com/ACC-Climate-Policy-Principles.pdf>,
<https://www.americanchemistry.com/Energy-Efficiency/>,
<https://www.americanchemistry.com/Innovation/Energy/>,
[https://www.americanchemistry.com/Policy/Environment/ Environmental-Regulations](https://www.americanchemistry.com/Policy/Environment/Environmental-Regulations),
<https://www.americanchemistry.com/Sustainability/Healthy-Climate.html>

Overall self-assessment of alignment¹

2022: ● 2021: ● 2020: ●

Membership position

Board member

Annual membership fees²

Based on percentage revenue
 ~US\$0,47 million

Influence Map's assessment of Paris alignment³

C interpreted as partial alignment. Influence Map indicates that ACC is engaged in lobbying with predominately negative positions on United States climate change policy. However its top-line messaging on IPCC action and the Paris Agreement appear to be mixed. Sasol acknowledges ACC's positions and has assessed the organisation as partially aligned.

Alignment approach

Sasol will continue to engage to encourage alignment.

Annual review of our trade associations (continued)

SELF ASSESSMENT OF THE RELEVANT INDUSTRY ASSOCIATION'S ALIGNMENT WITH OUR RESPONSIBLE CLIMATE-RELATED ADVOCACY PRINCIPLES (continued)

● Not aligned ● Partially aligned ● Aligned

American Cleaning Institute (ACI)

Serves the growth and innovation of the United States cleaning products industry by advancing the health and quality of life of people and protecting our planet. ACI achieves this through a continuous commitment to sound science and being a credible voice for the industry.

1	Acknowledgement and support for climate science	Aligned – acknowledges that the science is clear. This is supported by the following statement: "ACI recognizes the urgent need to hold global average temperature in accordance with scientific consensus. As such, ACI has challenged cleaning product manufacturers and chemical producers to take action by aligning their climate strategies and goals with the need to limit the global temperature rise to 1,5°C or less by reaching net-zero global emissions by 2050."
2	Support for the Paris Agreement goal	Aligned – supports the Paris Agreement.
3	Support for carbon pricing that provides greater incentives for innovation and low-carbon choices	Partially aligned – supports policy and collaborations with external stakeholders, minimising emissions from cleaning product use, however no direct statement on carbon pricing support. Sasol will continue to engage to encourage alignment and clear positioning on policy and fiscal instruments to drive the transition.
4	Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency	Aligned – driving for 100% renewable energy and low-carbon solutions. In addition, support for CCUS is also indicated by the following statement: "Enhancing climate resilience by restoring, conserving or creating natural climate solutions that store carbon and aid in sequestration."
5	Transparency and disclosure	Aligned – committed to an increase in transparency to provide people with the information they need to make informed decisions. Consumers want to see the evidence of safe, effective products that have been made with respect for people and the environment. "One of our key goals is to be a more transparent industry, strengthening trust and helping purchasers choose cleaning products with confidence." ACI continues to work towards transparency and reporting, by offering guidance rather than mandating its members to align.

Reference information

<https://www.cleaninginstitute.org/sites/default/files/documents/2019ACISustainabilityReport.pdf>
<https://www.cleaninginstitute.org/industry-priorities/sustainability/sustainability-goals/goal-increasing-transparency>
<https://www.cleaninginstitute.org/newsroom/releases/aci-applauds-us-reentry-paris-climate-accord>
<https://www.cleaninginstitute.org/newsroom/releases/2021/cleaning-products-industry-leaders-make-bold-commitments-combat-climate>

Overall self-assessment of alignment ¹	2022: ● 2021: ● 2020: ●
Membership position	Board member
Annual membership fees ²	~US\$0,16 million

Influence Map's assessment of Paris alignment³
 Not assessed
 Alignment approach
 Sasol will continue to engage to encourage alignment.

Associazione Industriale Cagliari (Confindustria Cagliari)

Member of Confindustria. Supports relationships with local industries and government authorities and the process and steps related to local government authorisations for "Cassa Integrazione" and "mobilità".

1	Acknowledgement and support for climate science	Aligned – has published a Sustainability Report in which it supports climate science and the SDGs.
2	Support for the Paris Agreement goal	Aligned – is aligned with its associate companies on the commitment towards a more sustainable industry in accordance with the Paris Agreement to limit the impact and risk of climate change.
3	Support for carbon pricing that provides greater incentives for innovation and low-carbon choices	Partially aligned – certain positions do not accord with our principle. Sasol will continue to engage to encourage alignment.
4	Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency	Aligned – supports Italian initiatives to increase renewable energy production and has supported measures to simplify the authorisation process for introduction of renewable energy. Confindustria has strongly supported energy efficiency incentives such as the 'Superbonus' energy efficiency incentive at a parliamentary hearing in May 2021.
5	Transparency and disclosure	Aligned – supports transparency and disclosure through publication of a Sustainability Report.

Reference information

<https://www.confindustria.it/en/about-us>

Overall self-assessment of alignment ¹	2022: ● 2021: Not assessed 2020: Not assessed
Membership position	Regular member
Annual membership fees ²	~Euro 3 600

Influence Map's assessment of Paris alignment³
D interpreted as not aligned. Influence Map indicates Confindustria has some negative positions on climate change policy. Sasol acknowledges Confindustria's positions and has assessed the organisation as partially aligned.
 Alignment approach
 Sasol will continue to engage to encourage alignment.

Annual review of our trade associations (continued)

SELF ASSESSMENT OF THE RELEVANT INDUSTRY ASSOCIATION'S ALIGNMENT WITH OUR RESPONSIBLE CLIMATE-RELATED ADVOCACY PRINCIPLES (continued)

● Not aligned ● Partially aligned ● Aligned

Associazione Industriale Siracusa (Confindustria Siracusa) Member of Confindustria. Supports relationships with local industries and government authorities and the process and steps related to local government authorisations for "Cassa Integrazione" and "mobilità".		Reference information https://www.confindustria.it/en/about-us
1 Acknowledgement and support for climate science	Aligned – has published a Sustainability Report in which it supports climate science and the SDGs.	Overall self-assessment of alignment ¹ 2022: ● 2021: Not assessed 2020: Not assessed
2 Support for the Paris Agreement goal	Aligned – is aligned with its associate companies on the commitment towards a more sustainable industry in accordance with the Paris Agreement to limit the impact and risk of climate change.	Membership position Regular member
3 Support for carbon pricing that provides greater incentives for innovation and low-carbon choices	Partially aligned – certain positions do not accord with our principle. Sasol will continue to engage to encourage alignment.	Annual membership fees ² ~Euro 55 000
4 Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency	Aligned – supports Italian initiatives to increase renewable energy production and has supported measures to simplify the authorisation process for introduction of renewable energy. Confindustria has strongly supported energy efficiency incentives such as the 'Superbonus' energy efficiency incentive at a parliamentary hearing in May 2021.	Influence Map's assessment of Paris alignment ³ D interpreted as not aligned. Influence Map indicates Confindustria has some negative positions on climate change policy. Sasol acknowledges Confindustria's positions and has assessed the organisation as partially aligned.
5 Transparency and disclosure	Aligned – supports transparency by publishing a Responsible Care Report regularly.	Alignment approach Sasol will continue to engage to encourage alignment.

Aviation Initiative for Renewable Energy in Germany (AIREG) Promotes the development and use of renewable liquid fuels to help achieve the carbon reduction targets of the aviation sector. AIREG advocates to replace 10% of the German jet fuel demand with SAF by 2030.		Reference information https://aireg.de/en/home-en/
1 Acknowledgement and support for climate science	Aligned – acknowledges and supports the science on climate change and is closely working with leading universities, such as the Technical University of Hamburg.	Overall self-assessment of alignment ¹ 2022: ● 2021: Not assessed 2020: Not assessed
2 Support for the Paris Agreement goal	Aligned – supports decarbonisation of the aviation sector as a means to achieve national and global climate goals in alignment with the Paris Agreement.	Membership position Regular member
3 Support for carbon pricing that provides greater incentives for innovation and low-carbon choices	Aligned – no specific position found, however statements indicate support for the EU ETS and no misalignment is envisaged.	Annual membership fees ² ~Euro 10 000
4 Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency	Aligned – promotes the development of SAF, bio- and Power-to-Liquid (PtL) based fuels.	Influence Map's assessment of Paris alignment ³ Not assessed
5 Transparency and disclosure	Aligned – supports transparency and disclosure through the publication of roadmaps and technical and scientific articles.	Alignment approach Not applicable

Annual review of our trade associations (continued)

SELF ASSESSMENT OF THE RELEVANT INDUSTRY ASSOCIATION'S ALIGNMENT WITH OUR RESPONSIBLE CLIMATE-RELATED ADVOCACY PRINCIPLES (continued)

● Not aligned ● Partially aligned ● Aligned

BUSA Aims to create a competitive economy that is global and brings value for all South Africans. Committed to working with government, social partners and labour through supporting youth skills development, education, enterprise development and job creation.		Reference information Parliamentary submissions, as well as various regulatory submissions. https://www.busa.org.za/business-statement-on-south-africas-climate-change-and-decarbonisation-response-and-the-pathways-to-net-zero-emissions-by-2050/
1 Acknowledgement and support for climate science	Aligned – position statements have been focused on steering government to a net zero ambition and 1,5°C trajectory by 2050. This position clearly articulates a commitment to climate science and the urgency to transition. BUSA is supporting programmes that develop the necessary precedent knowledge and consensus to mobilise climate action.	Overall self-assessment of alignment¹ 2022: ● 2021: ● 2020: ●
2 Support for the Paris Agreement goal	Aligned – advocates for an ambitious NDC aligned to the Paris Agreement. It has provided recommendations to the drafting process of the NDC to increase ambition beyond the draft text. It advocates for South Africa to contribute its fair share to the global effort to move towards net zero emissions by 2050, taking into account the principle of common but differentiated responsibilities. Most recently, BUSA has supported 350 – 420 Mt CO ₂ e national GHG range as the NDC.	Membership position Board member and presiding Chair on two sub-committees nominated by members.
3 Support for carbon pricing that provides greater incentives for innovation and low-carbon choices	Aligned – supportive of carbon pricing and that it should be used as part of a suite of policy instruments. It has consistently advocated for carbon pricing that effectively mitigates GHG emissions, while demonstrating economic efficiency. BUSA supports the development of an effectively designed South African carbon tax, as part of an integrated mitigation system. In support of this, BUSA has studied alternative instruments and mechanisms to develop a more comprehensive understanding of an economically efficient and effective carbon pricing system for South Africa. It has sought to engage positively with national policy-makers to contribute this knowledge and advocate for these mechanisms.	Annual membership fees² Based on % turnover ~R0,18 million
4 Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency	Aligned – advocates for enabling policy to support green hydrogen, transition gas, renewables, energy efficiency and biomass feedstocks. BUSA advocates strongly for decarbonisation of the electricity grid and diversification of energy sources away from fossil fuels.	Influence Map's assessment of Paris alignment³ C+ interpreted as partial alignment. Influence Map indicates that BUSA's engagement on climate policy appears to be mixed, particularly on the energy transition and the role of "fossil gas". Sasol's assessment remains unchanged because we also see gas as a transition fuel needed to decarbonise South Africa. BUSA's positions, submissions and statements support South Africa's need for green financing, technology transfer and capacity building.
5 Transparency and disclosure	Aligned – advocates for transparency and is in support of TCFD. Learning and training sessions have been organised to support business.	Alignment approach Not applicable

ChemCoast Laatzen Represents industry located on the coast line of northern Germany (Heide, Brunsbüttel, Stade, Wilhelmshaven). Plays a leading role supporting alternative energy options to reduce carbon dioxide and promotes hydrogen production and use.		Reference information https://chemcoast.de/en/chemcoast
1 Acknowledgement and support for climate science	Aligned – regional networks support companies and assists with low-carbon product development, GHG reductions and adaptation.	Overall self-assessment of alignment¹ 2022: ● 2021: Not assessed 2020: Not assessed
2 Support for the Paris Agreement goal	Aligned – supports the Paris Agreement with an ambitious long-term goal offering important orientation for German industry.	Membership position Regular member
3 Support for carbon pricing that provides greater incentives for innovation and low-carbon choices	Not aligned – no detailed information found, however the EU ETS is mandatory by law in Europe and no misalignment is envisaged.	Annual membership fees² ~Euro 500
4 Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency	Aligned – supports gas development and low-carbon technologies.	Influence Map's assessment of Paris alignment³ Not assessed
5 Transparency and disclosure	Aligned – supports transparency and disclosure.	Alignment approach Sasol will continue to engage to encourage alignment.

Annual review of our trade associations (continued)

SELF ASSESSMENT OF THE RELEVANT INDUSTRY ASSOCIATION'S ALIGNMENT WITH OUR RESPONSIBLE CLIMATE-RELATED ADVOCACY PRINCIPLES

● Not aligned ● Partially aligned ● Aligned

Chemical and Allied Industries' Association (CAIA)		Reference information	
To represent and advocate members' interests, while promoting the Responsible Care® initiative, monitor its implementation and earn public trust for the chemical industry.		Various policy advocacy positions and statements formulated through a dedicated Climate Change Working Group related to South Africa's NDC, just transition, availability of sustainable financing, Climate Change Bill and climate change mitigation system (including carbon budgets) – available through membership.	
1 Acknowledgement and support for climate science	Aligned – acknowledges the latest climate science and is driving urgency for action. Advocates for governments role in creating transparent, consistent and aligned policy frameworks, based on science and creating a conducive investment environment in South Africa.	Overall self-assessment of alignment ¹	2022: ● 2021: ● 2020: ●
2 Support for the Paris Agreement goal	Aligned – supports the goal of the Paris Agreement and participates in advocating for an ambitious NDC, with relevant supporting mechanisms.	Membership position	Board member
3 Support for carbon pricing that provides greater incentives for innovation and low-carbon choices	Aligned – supports a fit-for-purpose carbon pricing design, integrated within a holistic policy framework that does not unduly impact South Africa's competitiveness.	Annual membership fees ²	Based on % chemicals turnover in South Africa ~R6,7 million
4 Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency	Aligned – supports renewable energy and natural gas as a lower-carbon transition fuel and a bridge to a lower-carbon economy. Members have undertaken voluntary mitigation activities related to increasing energy efficiency and reducing energy consumption.	Influence Map's assessment of Paris alignment ³	Not assessed
5 Transparency and disclosure	Partially aligned – supports transparency; however, it does not have a position on transparency and disclosure, as well as best practice reporting standards. Sasol will continue to engage on reporting standards and greater transparency.	Alignment approach	Sasol will continue to engage to encourage alignment.

China Cleaning Industry Association (CCIA)		Reference information	
Represents the Chinese cleaning product industry.		http://www.ccia-cleaning.org/English/index.html	
1 Acknowledgement and support for climate science	Aligned – acknowledges and supports the science on climate change.	Overall self-assessment of alignment ¹	2022: ● 2021: Not assessed 2020: Not assessed
2 Support for the Paris Agreement goal	Aligned – supports the Paris Agreement and is aligned with the temperature goal.	Membership position	Regular member
3 Support for carbon pricing that provides greater incentives for innovation and low-carbon choices	Aligned – supports carbon pricing and emission trading to encourage low-carbon choices and foster innovative technologies to enable low-carbon processes.	Annual membership fees ²	~Euro 1 400
4 Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency	Aligned – encourages renewable energy developments, supports technical solution development and encourages a drive to increase energy efficiency.	Influence Map's assessment of Paris alignment ³	Not assessed
5 Transparency and disclosure	Aligned – supports transparency and disclosure. CCIA shares respective information to encourage and expedite progress on low-carbon development.	Alignment approach	Not applicable

Annual review of our trade associations (continued)

SELF ASSESSMENT OF THE RELEVANT INDUSTRY ASSOCIATION'S ALIGNMENT WITH OUR RESPONSIBLE CLIMATE-RELATED ADVOCACY PRINCIPLES

● Not aligned ● Partially aligned ● Aligned

China Petroleum and Chemical Industry Federation (CPCIF)		Reference information	
A channel for multi-national corporations to advocate on policy advocacy, with close working relations with relevant regional authorities in China.		http://www.cpcif.org.cn/cpcia-zlaqhb/#/list?id=4028823967719837016771aa8e860010	
1 Acknowledgement and support for climate science	Aligned – supports China's ETS as a key instrument to achieve the country's 30-60 climate goals.	Overall self-assessment of alignment ¹	2022: ● 2021: Not assessed 2020: Not assessed
2 Support for the Paris Agreement goal	Aligned – committed to the Paris Agreement.	Membership position	Regular member
3 Support for carbon pricing that provides greater incentives for innovation and low-carbon choices	Aligned – supports the ETS and the manifesto of the petroleum and chemical industry on China's carbon peak and neutrality goals.	Annual membership fees ²	~Euro 7 000
4 Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency	Aligned – supports energy efficiency initiatives and reducing fossil fuel energy consumption.	Influence Map's assessment of Paris alignment ³	Not assessed
5 Transparency and disclosure	Aligned – supports transparency and disclosure and encourages members to share information to expedite progress on climate action.	Alignment approach	Not applicable

Energy Council of South Africa		Reference information	
A CEO-led initiative that brings together key public and private sector companies, business/industry associations and local development finance institutions that have a significant presence and actively participate in the energy sector.		https://www.energycouncil.org.za/	
1 Acknowledgement and support for climate science	Position being drafted.	Overall self-assessment of alignment ¹	2022: Unable to fully assess
2 Support for the Paris Agreement goal	Position being drafted.	Membership position	Founding member
3 Support for carbon pricing that provides greater incentives for innovation and low-carbon choices	Position being drafted.	Annual membership fees ²	Based on turnover ~R0,5 million
4 Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency	Aligned – supports the transition to a low-carbon economy with accelerating in the use of gas, renewable energy, hydrogen and storage and sustainable liquid fuels through collaboration across industries in a multi-stakeholder manner to create an inclusive and transformed energy sector.	Influence Map's assessment of Paris alignment ³	Not assessed
5 Transparency and disclosure	Aligned – supports transparency and disclosure.	Alignment approach	Not applicable

Annual review of our trade associations (continued)

SELF ASSESSMENT OF THE RELEVANT INDUSTRY ASSOCIATION'S ALIGNMENT WITH OUR RESPONSIBLE CLIMATE-RELATED ADVOCACY PRINCIPLES (continued)

● Not aligned ● Partially aligned ● Aligned

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

Influences the energy industry by ensuring that the solutions developed are reliable and economically sound. The ITTCC aims to ensure that the transformation to a lower-carbon future is done in a sustainable manner and protects economic competitiveness.

- 1 **Acknowledgement and support for climate science** **Aligned** – supports the science on climate change and the need to act, as well as advocates for policy based on scientific evidence.
- 2 **Support for the Paris Agreement goal** **Aligned** – supports South Africa's international climate commitments under the Paris Agreement taking into account national circumstances, developing country status, socio-economic development and the need for technology and financing support.
- 3 **Support for carbon pricing that provides greater incentives for innovation and low-carbon choices** **Partially aligned** – acknowledges the merit of a carbon price in the economy in the longer term and that it promotes a just transition. The ITTCC advocates for an alternative design to the currently implemented carbon tax, for example a system that incentivises mitigation, such as a carbon tax levied on emissions exceeding a budget. The ITTCC engages policy-makers and has developed supporting studies to demonstrate the basis and merit of its position, however does not have a clear position on carbon pricing for the short-term.
- 4 **Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency** **Aligned** – supports a lower-carbon transition through implementation of low-carbon technology and the roll-out of transition natural gas to complement intermittent renewable energy, particularly during peak periods.
- 5 **Transparency and disclosure** **Aligned** – actively supports implementation of TCFD guidelines for member companies and tracks developments in this space. Regular knowledge sharing sessions on evolving best practices have been scheduled.

Reference information
Various policy submissions. The ITTCC has provided science-based positions on multiple activities, including the proposed national integrated carbon mitigation system, effective carbon pricing and appropriate market mechanisms.

<https://ittcc.org.za/>

Overall self-assessment of alignment¹ | 2022: ● 2021: ● 2020: ●

Membership position | Regular membership and presiding Chair nominated and voted in by members.

Annual membership fees² | **Fixed rate**
~R0,27 million

Influence Map's assessment of Paris alignment³

C- interpreted as partial alignment. Influence Map indicates that ITTCC appears to have mixed positions on climate-related policy in South Africa, particularly on the carbon tax.

Sasol acknowledges ITTCC's position on the carbon tax and has also assessed the organisation as partially aligned.

Alignment approach

Sasol will continue to engage to encourage alignment.

Entwicklungsgesellschaft Westholstein (egw)

Representing industry located at the west coast of Schleswig Holstein who are responsible for the development of the industrial area around Brunsbüttel. Plays a leading role on alternative energy options to reduce carbon dioxide and promotes hydrogen production and use.

- 1 **Acknowledgement and support for climate science** **Aligned** – regional networks support companies and assists with low-carbon product development, GHG reductions and adaptation.
- 2 **Support for the Paris Agreement goal** **Aligned** – supports the Paris Agreement with an ambitious long-term goal offering important orientation for German industry.
- 3 **Support for carbon pricing that provides greater incentives for innovation and low-carbon choices** **Not aligned** – no detailed information found, however the EU ETS is mandatory by law in Europe and no misalignment is envisaged.
- 4 **Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency** **Aligned** – supports energy efficiency initiatives such as industrial waste heat utilisation for public heating.
- 5 **Transparency and disclosure** **Aligned** – supports transparency and disclosure.

Reference information
<https://www.eg-westholstein.de/>

Overall self-assessment of alignment¹ | 2022: ● 2021: Not assessed
2020: Not assessed

Membership position | Regular member

Annual membership fees² | ~Euro 3 000

Influence Map's assessment of Paris alignment³

Not assessed

Alignment approach

Sasol will continue to engage to encourage alignment.

Annual review of our trade associations (continued)

SELF ASSESSMENT OF THE RELEVANT INDUSTRY ASSOCIATION'S ALIGNMENT WITH OUR RESPONSIBLE CLIMATE-RELATED ADVOCACY PRINCIPLES (continued)

● Not aligned ● Partially aligned ● Aligned

European Chemical Industry Council (CEFIC)	
Focuses resources on four critical areas to progress sustainable development, including the transition to a lower-carbon economy and driving resource efficiency across global value chains. CEFIC advocates and represents the industry in order to create the right support and policy frameworks in Europe and beyond, to add value as a collective compared to individual companies' activities.	
1 Acknowledgement and support for climate science	Aligned – supports the Paris Agreement and strong action on climate change in line with the scientific advice provided by the IPCC.
2 Support for the Paris Agreement goal	Aligned – supports the Paris Agreement and strong action on climate change in line with the scientific advice provided by the IPCC.
3 Support for carbon pricing that provides greater incentives for innovation and low-carbon choices	Aligned – supports carbon pricing under the EU ETS that achieves a fair and efficient reformed ETS and enables the most efficient companies to manufacture and grow in Europe. Advocates for revenue recycling to support further emission reductions.
4 Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency	Aligned – supports affordable natural gas that could further contribute to the chemical industry's GHG emission reductions, contributing to overall industrial emission reductions with acknowledgement that natural gas could progressively be replaced by renewable gas. CEFIC expects clean hydrogen to play a pivotal role in reducing the GHG footprint of Europe's energy and feedstock supply within the transition to climate neutrality. CEFIC supports renewable energy. "For the chemical sector to deliver further emissions reductions from our operations, access to affordable low-carbon energy to electrify our operations will be crucial in the future. However, the current cost to fully electrify many of our processes is high (between €20 – 27 billion/year for investment requirements estimated by Dechema, 2017) and would require wide scale access to renewable energy sources that Europe does not yet have today. As such, in this stage of transition where climate-neutral electricity, hydrogen, and CCU are not yet broadly available and globally competitive, the chemical industry sees the use of natural gas with CCS as a promising pathway to transition our operations towards climate-neutrality, as the International Energy Agency and others have also identified."
5 Transparency and disclosure	Aligned – supports the recommendations of the TCFD.

Reference information
Various climate-related position papers on topics such as supporting the EU Green Deal and Climate Neutrality, GHG emissions reporting and financing the transition of a low-carbon economy
<https://cefic.org/policy-matters/climate-change-and-energy/eu-carbon-market-and-ets-link-tbc/>
<https://cefic.org/app/uploads/2021/06/Cefic-views-on-the-Commission-draft-Delegated-Act-on-the-obligation-for-certain-companies-to-publish-non-financial-information.pdf>

Overall self-assessment of alignment¹ | 2022: ● 2021: ● 2020: ●

Membership position | Direct membership on sub-groups that are product oriented

Annual membership fees² | ~Euro 7 500 + Per sub-group, of which we are member of seven

Influence Map's assessment of Paris alignment³
C- interpreted as partial alignment. Cefic was found to take mixed approaches to climate change policy and continues to engage negatively on certain areas of the EU ETS. Sasol found CEFIC to be fully aligned, particularly after clarifications were provided regarding key policy positions. Our assessment remains unchanged.

Alignment approach
Not applicable

Federchimica (Italian Federation of the chemical industry)	
Engages with the national government to support industrial relations (member of CEFIC).	
1 Acknowledgement and support for climate science	Aligned – aligned with its associate companies on the commitment towards a more sustainable industry in accordance with the Paris Agreement to limit the impact and risk of climate change.
2 Support for the Paris Agreement goal	Aligned – aligned with the Paris Agreement to limit the impact and risk of climate change.
3 Support for carbon pricing that provides greater incentives for innovation and low-carbon choices	Aligned – as an affiliate to CEFIC, supports carbon pricing through a global ETS. Federchimica supports its associates in their energy transition path.
4 Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency	Aligned – supports affordable natural gas that could further contribute to the Italian chemical industry's GHG emission reductions, renewable energy and the development of green hydrogen.
5 Transparency and disclosure	Aligned – supports transparency and publishes a Responsible Care Report annually.

Reference information
<https://www.federchimica.it/en/federchimica/about-us>

Overall self-assessment of alignment¹ | 2022: ● 2021: Not assessed 2020: Not assessed

Membership position | Regular member

Annual membership fees² | ~Euro 123 000

Influence Map's assessment of Paris alignment³
Member of CEFIC. C- interpreted as partial alignment. As a member of CEFIC, Influence Map indicates that Federchimica has mixed approaches to climate change policy and continues to engage negatively on certain areas of the EU ETS.
Sasol found CEFIC to be fully aligned, and therefore Federchimica, particularly after clarifications were provided regarding key policy positions. Our assessment remains unchanged.

Alignment approach
Not applicable

Annual review of our trade associations (continued)

SELF ASSESSMENT OF THE RELEVANT INDUSTRY ASSOCIATION'S ALIGNMENT WITH OUR RESPONSIBLE CLIMATE-RELATED ADVOCACY PRINCIPLES (continued)

● Not aligned ● Partially aligned ● Aligned

International Chamber of Commerce (ICC)	
Brings together various economic sectors in market economy countries to deliver on multiple aspects including: <ul style="list-style-type: none"> • representing trade, industry, finance, transport, insurance and, in general, all sectors of international business; and • ascertaining the views of corporations and individuals involved in international trade and related business operations. ICC is able to voice trade specific views to relevant intergovernmental institutions and governments and drive specific positions that could be supportive of climate change-related interventions.	
1 Acknowledgement and support for climate science	Aligned – recognises the escalating climate emergency and wholly endorses the findings of the IPCC Special Report on Global Warming of 1,5°C. Has a clear alignment to advocate for policy frameworks that support the alignment of business operations with this target and helps reach the goal of net zero emissions in many countries by 2050.
2 Support for the Paris Agreement goal	Aligned – is committed to advocating for and providing input on coherent policy frameworks, in line with the Paris Agreement and the latest climate science. Has a clear alignment to advocate for policy frameworks that support the alignment of business operations with this target and helps to reach the goal of net zero emissions in many countries by 2050.
3 Support for carbon pricing that provides greater incentives for innovation and low-carbon choices	Aligned – endorses the study by the High-Level Commission on Carbon Pricing and Competitiveness that calls on industry peers and governments to adopt strong carbon pricing policies.
4 Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency	Aligned – advocates for low-carbon strategies such as renewable energy and supportive government policies that act in tandem to unlock economic opportunities and manage competitive concerns. Advocates for energy efficiency as a critical component of any comprehensive sustainable energy strategy. Highlights governments should continue to promote and support energy efficiency among producers and consumers of energy.
5 Transparency and disclosure	Not aligned – no position could be found for ICC's support of transparency and disclosure. Sasol will continue to engage on reporting standards and greater transparency.

Reference information
Mobilisation of business leaders to catalyse support for action to tackle climate change through the Chambers Climate Coalition. Has created a global forum that offers members actionable, real-world solutions and recommendations on cost-effective, sustainable business practices aligned with the Paris targets.
<https://www.chambers4climate.iccwbo.org/>

Overall self-assessment of alignment¹ | 2022: ● 2021: ● 2020: ●

Membership position | Regular membership

Annual membership fees² | **Fixed rate**
~R0,02 million

Influence Map's assessment of Paris alignment³
C+ interpreted as partially aligned. Influence Map indicates that ICC does not appear to be actively lobbying national climate change legislation and has a mixed position on global climate change policy. Sasol has assessed the organisation as partially aligned, however on the individual key principles the ICC remains fully aligned.

Alignment approach
Sasol will continue to engage to encourage alignment.

International Council of Chemical Associations (ICCA)	
Helps the global chemical industry improve financial performance and reputation by tackling global issues.	
1 Acknowledgement and support for climate science	Aligned – committed to climate action and reducing GHG emissions through lightweighting, renewable energy sources, electric and battery materials and emission reductions up and down the supply chain.
2 Support for the Paris Agreement goal	Aligned – committed to achieving climate goals as contained within the Paris Agreement. “The Paris Agreement is designed to curb greenhouse gas emissions and mobilise global political will to address the climate change challenge. Successful implementation of the Paris Agreement hinges in large part on contributions from the private sector. For global chemical manufacturers, that means continuing to do what they do best: innovate. Innovation requires a consistent, supportive policy and regulatory environment to reach its full potential and to allow industry to develop and implement solutions to address global sustainability challenges.”
3 Support for carbon pricing that provides greater incentives for innovation and low-carbon choices	Aligned – believes that a combination of technology, market-based and policy solutions are necessary to achieve climate neutrality. Internationally harmonised rules and public support will be needed to create a level-playing field for companies to sustain the additional cost of research and development investments and capital and operational expenditures.
4 Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency	Aligned – believes that chemical technologies are directly fighting climate change as irreplaceable components of advanced building materials and batteries, renewable energy sources, electric and high-efficiency vehicles and lightweight plastic packaging options that improve energy efficiency and reduce GHG emissions throughout our economy. “Chemistry forms the backbone of energy-efficient products and technologies that help enable a more sustainable future. While greenhouse gas is emitted during the manufacture of chemical products, the use of the products downstream and in other sectors can help save more energy and emissions than are required to produce them. To this end, ICCA has developed multiple energy technology roadmaps, lifecycle assessment tools and case studies to help businesses up and down the value chain realize new gains in energy efficiency while also reducing the environmental footprint of their operations.”
5 Transparency and disclosure	Aligned – supports transparency and chemicals contributions to the SDGs.

Reference information
<https://icca-chem.org/news/icca-statement-on-climate-policy/>

Overall self-assessment of alignment¹ | 2022: ● 2021: ● 2020: ●

Membership position | Indirect membership

Annual membership fees² | No fees payable

Influence Map's assessment of Paris alignment³
Not assessed

Alignment approach
Not applicable

Annual review of our trade associations (continued)

SELF ASSESSMENT OF THE RELEVANT INDUSTRY ASSOCIATION'S ALIGNMENT WITH OUR RESPONSIBLE CLIMATE-RELATED ADVOCACY PRINCIPLES (continued)

● Not aligned ● Partially aligned ● Aligned

Japan Chemical Industry Association (JCIA) Serves the needs of its members and society, addressing the issues that are common to the industry, as well as global issues that individual companies, organisations and associations find challenging.		Reference information https://www.nikkakyo.org/sites/default/files/2021%20JCIA%20Annual%20Report_english_lp.pdf https://www.nikkakyo.org/sites/all/themes/custom/nikka/english/energy_climate/Global_Warming_Countermeasures.pdf https://www.nikkakyo.org/english/energy-climate
1	Acknowledgement and support for climate science Aligned – published the “Chemical Industry’s VISION on Global Warming Countermeasures” in 2017. They continuously strive to realise a sustainable and climate neutral society.	
2	Support for the Paris Agreement goal Aligned – understands and recognises the science of climate change and aligns with the Japanese government and relevant ministries.	
3	Support for carbon pricing that provides greater incentives for innovation and low-carbon choices Aligned – takes the position as outlined by the Japanese government that various measures should be considered so that the introduction of carbon pricing will not slow down private investment and stop economic growth.	
4	Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency Aligned – believes it is necessary for the Japanese chemical industry to promote carbon capture and utilisation, use of biomass feedstock, utilisation of natural gas as fuel and/or feedstock and use of methane hydrate resources.	
5	Transparency and disclosure Aligned – supports transparency and also publishes their own annual reports on material matters.	
		Overall self-assessment of alignment¹ 2022: ● 2021: Not assessed 2020: Not assessed
		Membership position Regular member
		Annual membership fees² ~Euro 3 300
		Influence Map’s assessment of Paris alignment³ C- interpreted as partially aligned. Influence Map indicates that JCIA appears to undertake mixed messaging, including relating to the climate change mitigation tax and fossil fuel usage. Sasol’s assessment remains unchanged because we see gas as a needed transition fuel. JCIA’s positions support the Paris Agreement while ensuring a thriving industrial sector.
		Alignment approach Not applicable

Louisiana Chemical Association (LCA) Promotes a positive business climate for chemical manufacturing that ensures long-term economic growth for its member companies that operate throughout Louisiana. The LCA works with local and state officials, community organisations and business interests to promote a positive climate for chemical manufacturing.		Reference information Louisiana climate change policy principles. Policy positions submitted to members for comment. http://lca.org/aws/LCA/pt/sd/news_article/356482/_PARENT/LCA_layout_details/false
1	Acknowledgement and support for climate science Aligned – acknowledges and supports the science on climate change. Emission reduction policies should involve the scientific community and the resultant recommendations should be technologically and economically reasonable.	
2	Support for the Paris Agreement goal Aligned – supports the objectives of the Paris Agreement. The Paris Agreement aims to limit global temperature rise to well below 2°C above pre-industrial levels, while pursuing means to limit the increase to 1,5°C, in order to strengthen the global response to the threat of climate change.	
3	Support for carbon pricing that provides greater incentives for innovation and low-carbon choices Aligned – supports carbon pricing through a market-based, national-level emissions reduction strategy, with transparent and predictable price signals that will facilitate lower GHG emissions. Market-based carbon pricing should be an economically efficient policy instrument to transition to lower-carbon choices.	
4	Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency Aligned – committed to low- and lower-carbon energy choices as part of the solution to reduce GHG emissions without impairing competitiveness. Low- and lower-carbon energy solutions can be achieved through energy efficiency, transitioning to natural gas, use of renewable energy, utilisation of carbon capture utilisation and storage (CCUS) and by embracing new and developing technologies.	
5	Transparency and disclosure Partially aligned – position being drafted in support of transparency and disclosure. Consultation on-going with members. Sasol will continue to engage in support of TCFD and greater transparency.	
		Overall self-assessment of alignment¹ 2022: ● 2021: ● 2020: Not assessed
		Membership position Regional Board member
		Annual membership fees² Based on percentage headcount ~US\$0,07 million
		Influence Map’s assessment of Paris alignment³ Not assessed
		Alignment approach Sasol will continue to engage to encourage alignment.

Annual review of our trade associations (continued)

SELF ASSESSMENT OF THE RELEVANT INDUSTRY ASSOCIATION'S ALIGNMENT WITH OUR RESPONSIBLE CLIMATE-RELATED ADVOCACY PRINCIPLES (continued)

● Not aligned ● Partially aligned ● Aligned

Minerals Council of South Africa (MINCOSA)	
Plays a leadership role in enabling the South African mining sector to achieve its real potential for investment, growth, transformation and development in a socially and environmentally responsible manner. MINCOSA advocates for and works with the mining industry to contribute to GHG mitigation and adaptation of communities impacted by climate change.	
1 Acknowledgement and support for climate science	Aligned – has consistently echoed its members' acceptance of climate change science and the need for the mining industry to contribute to the collective effort in adapting and mitigating the impact of climate change.
2 Support for the Paris Agreement goal	Aligned – has made clear and concerted efforts to contribute to the activities of the UNFCCC and supports the Paris Agreement. This is demonstrated by MINCOSA taking a thought leadership position in advocating for conducive climate change and just energy transition policies in support of the country's Nationally Determined Contribution (NDC).
3 Support for carbon pricing that provides greater incentives for innovation and low-carbon choices	Partially aligned – indicated the following in its position statement prior to the adoption of the Carbon Tax Act, "the carbon tax, in the absence of any other climate change measures in the overall 'toolbox' that includes incentives and not only disincentives and necessary supporting regulation, is likely to be damaging to carbon intensive sectors with no pathways for offsets". MINCOSA focuses on an integrated climate change mitigation instrument and not a singular tax, however they do not have clear position on carbon pricing. Sasol will continue to engage and advocate for the just transition, using effective and efficient carbon pricing as part of a suite of measures.
4 Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency	Aligned – committed to cleaner energy technologies and renewables. It engaged with government to address the licensing challenges faced by mining companies that sought to invest in self-generation capacity through renewable energy projects. MINCOSA has also instituted a programme to fast track the application and adoption of green hydrogen technologies in the mining industry. Given the bulk of the emissions in the mining industry are primarily from the use of electricity generated from coal (scope 2 emissions), MINCOSA has been calling for concerted efforts to decarbonise the electricity sector.
5 Transparency and disclosure	Aligned – fully supports transparency, reporting and disclosure on ESG performance and climate change. Its member companies prescribe to various disclosure and reporting initiatives such as TCFD, GRI and ESG reporting.

Reference information
Various submissions to government. Public position paper on carbon tax. Media briefings.

Overall self-assessment of alignment¹ | 2022: ● 2021: ● 2020: ●

Membership position | Board member

Annual membership fees² | Based on percentage of production ~R9,5 million

Influence Map's assessment of Paris alignment³
D+ interpreted as not aligned. Influence Map indicates that MINCOSA appears to be actively and negatively lobbying climate change policy in South Africa, particularly on the issue of the carbon tax and the role of coal in the energy mix. In an October 2021 press release, the Minerals Council supported the goal of net-zero by 2050 in line with the Paris Agreement.
Influence Map outlines that MINCOSA has not been supportive of carbon tax and argues for other forms of regulation. Sasol's assessment showed a partial alignment which we retained. We continue to engage with MINCOSA on the aspects relevant to our assessment.

Alignment approach
Sasol will continue to engage to encourage alignment.

South African Petroleum Industry Association (SAPIA)	
Contributes to policy formulation, implementation and a fair framework for all, such as providing input into the development of climate change policy and regulations including monitoring, measuring and reporting of GHG emissions.	
1 Acknowledgement and support for climate science	Aligned – subscribes to a scientific approach to understanding climate change and how to mitigate and limit the effects of climate change. SAPIA finalised its position on climate change, which was agreed to by all members and supports alignment of climate policy to the Paris Agreement.
2 Support for the Paris Agreement goal	Aligned – supportive of the goal of the Paris Agreement. Many members of the association are at the forefront of promoting net zero ambitions. SAPIA is supportive of an enabling legislative environment, co-operation between organs of state, civil society and business, as well as finance to drive the just transition.
3 Support for carbon pricing that provides greater incentives for innovation and low-carbon choices	Aligned – supportive of carbon pricing to drive consumer and business behaviour towards a conducive environment that ensures a just transition.
4 Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency	Aligned – advocates for the three-pillars of collaboration – conducive policies, finance and technical innovation that leads to less carbon-emitting energy alternatives for use. This includes not only the use of renewables but also energy efficiency, CCUS and transition fuels towards a cleaner low-carbon future.
5 Transparency and disclosure	Aligned – transparency is supported to outline goals, directing necessary resources and training towards the energy transition.

Reference information
Various policy submissions.
A climate change position has been released.
SAPIA confirmed support of member company positions on net zero.

Overall self-assessment of alignment¹ | 2022: ● 2021: ● 2020: ●

Membership position | Board member

Annual membership fees² | Based on annual operating budget for the company ~R2,95 million

Influence Map's assessment of Paris alignment³
D- interpreted as not aligned. Influence Map indicates that SAPIA has engaged negatively on climate-related regulations, particularly on the carbon tax and has appeared to advocate for the removal of criminal liabilities for failure to register, report or submit a pollution prevention plan.
Despite this assessment, Sasol's assessment remains unchanged. SAPIA's position is in support of carbon pricing but not necessarily supportive of the carbon tax design as was proposed pre-2019. Recent information on SAPIA's climate change positions and rationales for policy positions being taken appear not to have been reviewed by Influence Map.

Alignment approach
Not applicable

Annual review of our trade associations (continued)

SELF ASSESSMENT OF THE RELEVANT INDUSTRY ASSOCIATION'S ALIGNMENT WITH OUR RESPONSIBLE CLIMATE-RELATED ADVOCACY PRINCIPLES (continued)

● Not aligned ● Partially aligned ● Aligned

<p>Unternehmensverband Untereibe Westküste/Heide e.V. (UVUW) Represents industry located at the west coast of Schleswig Holstein (Germany) who are responsible for the development of the industrial area around Brunsbüttel. Plays a leading role on alternative energy options to reduce carbon dioxide and promotes hydrogen production and use.</p>	<p>Reference information https://uvuw.de/</p> <p>Overall self-assessment of alignment¹ 2022: ● 2021: Not assessed 2020: Not assessed</p> <p>Membership position Board member</p> <p>Annual membership fees² ~Euro 5 500</p> <p>Influence Map's assessment of Paris alignment³ Not assessed</p> <p>Alignment approach Sasol will continue to engage to encourage alignment.</p>
<p>1 Acknowledgement and support for climate science</p> <p>Aligned – regional networks support companies and assists with low-carbon product development, GHG reductions and adaptation.</p>	
<p>2 Support for the Paris Agreement goal</p> <p>Aligned – supports the Paris Agreement with an ambitious long-term goal offering important orientation for German industry.</p>	
<p>3 Support for carbon pricing that provides greater incentives for innovation and low-carbon choices</p> <p>Not aligned – no detailed information found, however the EU ETS is mandatory by law in Europe and no misalignment is envisaged.</p>	
<p>4 Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency</p> <p>Aligned – supports gas development and low-carbon technologies.</p>	
<p>5 Transparency and disclosure</p> <p>Aligned – supports transparency and disclosure.</p>	
<p>Verband der Chemischen Industrie e.V. (VCI) Promotes sustainability in its work and in the industry to provide impetus for sustainable development in business, science, politics and society.</p>	<p>Reference information https://www.vci.de/vci-online/top-themen/raw-materials-base-of-the-chemical-industry.jsp</p> <p>Overall self-assessment of alignment¹ 2022: ● 2021: ● 2020: ●</p> <p>Membership position Regional Board member</p> <p>Annual membership fees² Based on turnover related to relevant products ~Euro 0,72 million</p> <p>Influence Map's assessment of Paris alignment³ D- interpreted as not aligned. Influence Map indicates that VCI is actively lobbying EU and German climate change policies, with predominantly negative positions on the EU ETS and Germany's Renewable Electricity Levy. Sasol through engagements with VCI has retained our review assessment of fully aligned. Various policy positions, as well as the context within which those were provided, has informed our assessment.</p> <p>Alignment approach Not applicable</p>
<p>1 Acknowledgement and support for climate science</p> <p>Aligned – supports the Paris Agreement. In a recent study, it showed that climate-neutral chemistry is possible and what conditions are needed for the German chemical industry to become carbon-neutral by 2050.</p>	
<p>2 Support for the Paris Agreement goal</p> <p>Aligned – supports the goal of the Paris Agreement and participates in advocating for an ambitious NDC, with relevant supporting mechanisms.</p>	
<p>3 Support for carbon pricing that provides greater incentives for innovation and low-carbon choices</p> <p>Aligned – supports carbon pricing through a global ETS to enable competitive conditions at the global level and to avoid carbon leakage.</p>	
<p>4 Development of low and lower-carbon energy solutions in the form of renewable energy, green hydrogen, natural gas (as a transition feedstock and fuel) and energy efficiency</p> <p>Aligned – supports the promotion of renewable energy to make energy supplies climate-friendly, reliable and affordable. Encourages the use of energy-efficient products and technologies. Acknowledges the role of natural gas as a raw material base alongside renewable sources.</p>	
<p>5 Transparency and disclosure</p> <p>Aligned – supports transparent monitoring, reporting and verification systems (MRV).</p>	

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

2. Fees are for 2022 and the last invoice paid. It excludes Value Added Tax (VAT) where applicable.

3. Influence Map: Assesses over 150 industry associations globally on their climate policy engagement activities. Performance band is between A to F. An "A" score indicates an association that is supportive of climate policy that is Paris-aligned and "F" means not supportive.

ADDITIONAL INFORMATION

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

Support to global
and national
initiatives



Forward-looking statements disclaimer

Sasol may, in this document, make certain statements that relate to analyses and other information which are based on forecasts of future results (related to the future rather than past events and facts) and estimates of amounts not yet determinable. These statements may also relate to our future prospects, expectations, developments, analysis of potentially applicable regulations (national and regional) and business strategies specifically related to climate change, sustainability, ESG matters and GHGs. Examples of such forward-looking statements include, but are not limited to, statements regarding our climate change strategy generally, "Future Sasol", our energy efficiency improvement target, our three-pillar emission-reduction framework, our absolute GHG emission-reduction target, our development of sustainability within our Sasol Energy and Sasol Chemicals Businesses and our estimated carbon tax liability. Words such as "aim", "estimate", "believe", "anticipate", "expect", "intend", "seek", "will", "plan", "could", "may", "endeavour", "target", "forecast", "committed", "project" and similar expressions are intended to identify such forward-looking statements, but are not the exclusive means of identifying such statements. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific and there are risks that the predictions, calculations, forecasts, projections and other forward-looking statements will not be achieved. Therefore, you should not place undue reliance on any forward-looking statements. If one or more of these risks materialise, or should underlying assumptions prove incorrect, our actual results may differ materially from those anticipated. You should understand that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements specifically related to this Climate Change Report include, but are not limited to, changing regulatory requirements, technology advances, interpretations and definitions of renewable energy and/or renewable energy sources, economic and political environments relating to climate change, sustainability, severe weather, ESG and/or GHGs in the countries in which Sasol operates; potential liability of the Sasol's operations under existing or future environmental regulations, including international climate change related agreements regarding GHGs calculations, reduction methods, and/or offsets and the nascent and continued development of Sasol's Climate Change Report, including the metrics and assumptions used by management in the preparation of this report. These factors and others are discussed more fully under the heading "Risk Factors" in our most recent annual report on Form 20-F filed on or about 31 August 2022 and in other filings we make with the SEC. The list of factors discussed therein is not exhaustive; when relying on forward-looking statements to make investment decisions, you should carefully consider both these factors and other uncertainties and events. Forward-looking statements apply only as of the date on which they are made and we do not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

Photography disclaimer

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

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