

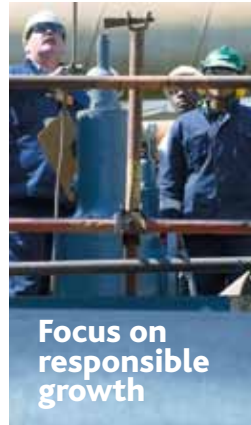
sasol
reaching new frontiers



pursuing responsible growth

integrated annual report
30 June 2011

This topic index directs readers to information of specific interest given the significant changes in the nature and structure of our integrated annual report. It also provides the key highlights for the year.



Sasol's determination to grow in a responsible way is evident throughout this year's report. We have also introduced feature stories that illustrate important aspects of our pursuit of responsible growth.



with David Constable

Q&A

page

18

David Constable shares his first impressions of Sasol and his views on the group's performance, plans for responsible growth and commitment to sustainable development, as well as management's priorities for the 2012 financial year.

Key performance indicators

To support the explanation of our strategy and growth opportunities, we have introduced comprehensive detail on our financial and non-financial performance indicators and stated targets.

page

34

Corporate governance and risk

Given that our integrated annual report is our primary report to stakeholders, in line with the recommendations of the Integrated Reporting Committee of South Africa, it contains our corporate governance and risk reports. The latter sets out our risk management process and the group's top risks and mitigating actions.

page

38



Summarised chief financial officer's review

To ensure our integrated annual report provides a complete and material overview of our performance for the year, a summary of Christine Ramon's review (which is published in full in our annual financial statements) has been included.

page

52

Headline earnings per share up 

27%

to R33,85

Total dividend up 

24%

to R13,00 per share

Cash generated by operations up 

41%

to R38,6 billion



Canadian shale gas acquisitions add significantly to long-term value growth.



Sasol successfully pioneers the first listing on the black economic empowerment board of the JSE in South Africa.

contents

| | |
|------------|--|
| 1 | In the pursuit of responsible growth |
| 2 | Salient features |
| 4 | Introduction to Sasol |
| 4 | Our business clusters |
| 6 | Our global presence |
| 8 | Our integrated business model |
| 10 | Our products |
| 12 | Our strategic performance |
| 12 | Chairman's statement |
| 16 | Focus story: <i>Zero harm really is possible</i> |
| 18 | Chief executive officer's overview |
| 22 | Our strategy |
| 24 | Our global growth opportunities |
| 26 | Focus story: <i>Shale gas – the new frontier</i> |
| 28 | Our top priorities for 2012 |
| 29 | Our project pipeline |
| 30 | Our key relationships |
| 32 | Focus story: <i>A compelling investment proposition</i> |
| 34 | Our key performance indicators |
| 38 | Summarised corporate governance report |
| 42 | Our board |
| 44 | Our group executive committee |
| 46 | Risk management report |
| 52 | Our financial performance |
| 52 | Summarised chief financial officer's review |
| 60 | Summarised financial information |
| 68 | Our operating performance |
| 68 | Focus story: <i>Creating the space for innovation</i> |
| 70 | Sasol Synfuels International |
| 74 | Sasol Petroleum International |
| 78 | Sasol New Energy |
| 80 | Sasol Technology |
| 83 | Sasol Synfuels |
| 86 | Focus story: <i>Focus on coal</i> |
| 88 | Sasol Mining |
| 91 | Sasol Gas |
| 94 | Sasol Oil |
| 97 | Sasol Olefins & Surfactants |
| 100 | Sasol Polymers |
| 103 | Sasol Solvents |
| 106 | Sasol Wax |
| 109 | Sasol Nitro |
| 112 | Our people |
| 112 | Winning with people |
| 116 | Remuneration overview |
| 122 | Corporate social investment |
| 123 | Sponsorships |
| 124 | Our environmental performance |
| 124 | Focus story: <i>Working to save water</i> |
| 126 | Reducing our environmental footprint |
| 131 | Glossary |
| 132 | Contact information |
| 133 | Notice of annual general meeting |
| 147 | Form of proxy for annual general meeting |

About this report. Our journey to integrated reporting.

In line with the King Code of Governance Principles for South Africa (King III Code), Sasol's integrated reporting process aims to provide a balanced, accurate and accessible account of our performance in terms of financial, economic, social and environmental issues material to our strategy, and those of interest to our key stakeholders. The most material and critical information is contained in this report. Information for specific stakeholder groups is reported in the annual financial statements and sustainable development report, which are also available on our website, www.sasol.com. Our progressive approach to reporting saw Sasol introduce the principles of integrated reporting in our 2010 annual report. This year we have continued to advance on our integrated reporting journey.

Sasol has reviewed the Discussion Paper on the Framework for Integrated Reporting and the Integrated Report issued by the Integrated Reporting Committee of South Africa in January 2011, and has incorporated the majority of the recommendations in its 2011 integrated annual report.

This integrated annual report, for the year ended 30 June 2011, is our primary report. It covers Sasol's main business units and their non-financial, financial and operational performance and prospects in relation to the group's strategic objectives. Our larger production activities are concentrated in South Africa, Mozambique, Germany, Italy and the United States. Our most significant joint ventures are in Qatar, Iran and Canada, and are covered in the integrated annual report.

The integrated annual report aims to provide stakeholders with the means to assess Sasol's ability to create and sustain value in the short-, medium- and long-term.



Reporting frameworks. Our integrated annual report conforms to the requirements of local and international statutory and reporting frameworks, including those of the South African Companies Act 2008 and Johannesburg Stock Exchange (JSE).

We continue to use the Global Reporting Initiative (GRI) G3 guidelines to inform our sustainable development reporting process and to facilitate comparability with the reports of other organisations. This year, our report rates as an A+ report in terms of the GRI.



A detailed GRI table, providing responses to each of the GRI G3 criteria, is provided on our website at www.sasolsdr.com.

This integrated annual report has been approved by the Sasol Limited board of directors and has been signed on their behalf by the chief executive officer, Mr DE Constable, and the chief financial officer, Ms KC Ramon.

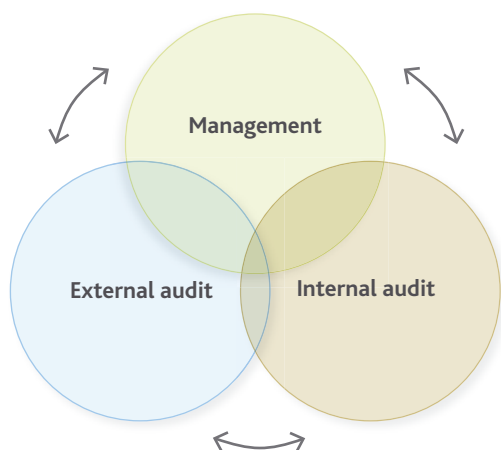
Sasol is an integrated energy and chemicals company, driven by innovation. We add value to coal, natural oil and gas reserves, using these feedstocks to produce liquid fuels, fuel components and chemicals through our proprietary processes. We mine coal in South Africa and produce natural gas and condensate in Mozambique, oil in Gabon and shale gas in Canada.

We continue to advance our upstream oil and gas activities in West and Southern Africa, the Asia Pacific region and Canada. In South Africa, we refine imported crude oil and retail liquid fuels through our network of 406 Sasol and Exel service stations, which include five Sasol branded integrated energy centres, and supply gas to industrial customers. We also supply fuels to other licensed wholesalers in the region.

We have chemical manufacturing and marketing operations in South Africa, Europe, the Middle East, Asia and the Americas. We are focused on commercialising our gas-to-liquids (GTL) and coal-to-liquids (CTL) technology internationally.

We employ approximately 33 700 people worldwide and remain one of South Africa's largest investors in capital projects, skills development and technological research and development.

Assurance. Sasol follows a combined assurance model, which we believe optimises the assurance obtained from management and internal and external assurance providers.



Management provides the Sasol Limited board with assurance that it has implemented and monitored the group's risk management plan and that this is integrated into day-to-day activities. Management monitors and implements internal controls through an extensive process, including reporting in terms of the Sarbanes-Oxley Act, 2002.

Internal audit, which is overseen by the group's audit committee, provides an assessment of the effectiveness of Sasol's system of internal control and risk management.

Our external auditors, KPMG Inc. expresses an opinion on the fair presentation of the group's annual financial statements. PricewaterhouseCoopers Inc. (PwC) provides assurance on information in the sustainable development report.

The group's audit committee is responsible for ensuring that the combined assurance model introduced by the King III Code is applied to provide a coordinated approach to all assurance activities. The audit committee is also responsible for ensuring that the combined assurance received is appropriate to address all the significant risks facing the company and for monitoring the relationship between the external service providers and the company.



For more details, refer to the summarised corporate governance report section on page 38.

How to read our integrated annual report.

Our integrated annual report provides extensive cross-references to our other reporting publications, shown below:



This icon denotes a reference to information elsewhere in our integrated annual report.



This icon denotes a reference to information in our sustainable development report.



This icon denotes a reference to information in our annual financial statements, which includes a full analysis of the group's financial results, as well as full corporate governance and remuneration reports.



This icon denotes a reference to information in our Form 20-F, our annual report issued in accordance with the Securities Exchange Act of 1934, which is filed with the United States Securities and Exchange Commission (SEC).

Readers are referred to the glossary of terms used in this report on page 131, and contact details on page 132.



In the pursuit of responsible growth

Our proven alternative fuel technology in tandem with the talent of our people position Sasol to provide sustainable energy solutions to the nations of the world.

Sasol is one of the world's largest producers of synthetic fuels. For over 60 years, our growth has been premised on our innovation and technology leadership, and our operating and technical expertise in converting gas and coal into liquid fuels, fuel components and chemicals through our proprietary technology.

We recognise that a genuine and informed commitment to sustainable development is integral to the achievement of our long-term strategic objectives. We appreciate that our economic, energy and environmental challenges are increasing as we grow. It is therefore imperative that we find solutions to these challenges, which make sense to our investors and other stakeholders. At the same time we have to continue making a significant contribution to energy security and socioeconomic development in the countries in which we operate.

Our primary strategic focus is to increase shareholder returns by commercialising our technology internationally through our accelerated gas-to-liquids (GTL) growth strategy and selected coal-to-liquids (CTL) opportunities. Our strategy to increase natural gas reserves through exploration and acquisitions that complement our GTL value proposition is well on track.

Besides enhancing the operational efficiencies of our foundation businesses, we are working to develop low-carbon electricity as our third major value chain, alongside liquid fuels and chemicals. We are also exploring renewable and lower-carbon energy options such as solar power, hydroelectricity and natural gas-based opportunities, as well as biofuels and biomass.

We are determined to grow in a responsible way, and thereby ensure our sustainability. We are making steady progress in this regard and look to the future with confidence.



For a full explanation of Sasol's vision and strategy refer to pages 22 and 23.

salient features

| | | 2011 | 2010 |
|--|--------------|---------|---------|
| Selected ratios | | | |
| Return on shareholders' equity | % | 19,6 | 17,9 |
| Return on total assets | % | 18,7 | 16,9 |
| Operating margin | % | 21,0 | 19,6 |
| Finance expense cover | times | 34,8 | 14,3 |
| Dividend cover | times | 2,5 | 2,5 |
| Net borrowings to shareholders' equity (gearing) | % | 1,3 | 1,0 |
| Net working capital to turnover | % | 14,4 | 15,3 |
| Share statistics | | | |
| Total shares in issue | million | 671,0 | 667,7 |
| Share price (closing) | Rand | 355,98 | 274,60 |
| Market capitalisation – Sasol ordinary shares | Rm | 238 863 | 183 350 |
| Market capitalisation – Sasol BEE ordinary shares | Rm | 742 | – |
| Net asset value per share | Rand | 179,68 | 159,00 |
| Total dividend per share | Rand | 13,00 | 10,50 |
| Other financial information | | | |
| Additions to non-current assets | Rm | 20 665 | 16 108 |
| Total debt (including bank overdraft) | Rm | 16 167 | 15 772 |
| Capital commitments | Rm | 48 321 | 46 497 |
| Effective tax rate | % | 31,3 | 29,9 |
| Economic indicators | | | |
| Average crude oil price – dated Brent | US\$/barrel | 96,48 | 74,37 |
| Average rand/US\$ exchange rate | 1US\$ = Rand | 7,01 | 7,59 |
| Closing rand/US\$ exchange rate | 1US\$ = Rand | 6,77 | 7,67 |
| Financial targets | | | |
| Net borrowings to shareholders' equity | % | 20 – 40 | 20 – 40 |
| Return on invested equity | % | 16,8 | 17,2 |
| Earnings growth* | % | 10 | 10 |
| Net working capital to turnover | % | 16,0 | 15,0 |
| Employee related information | | | |
| Total number of employees | Number | 33 708 | 33 054 |
| Employee costs | Rm | 18 756 | 17 546 |
| Employee cost to turnover | % | 13,2 | 14,4 |
| Share-based payment expenses (including Ixia Coal transaction) | Rm | 2 071 | 943 |

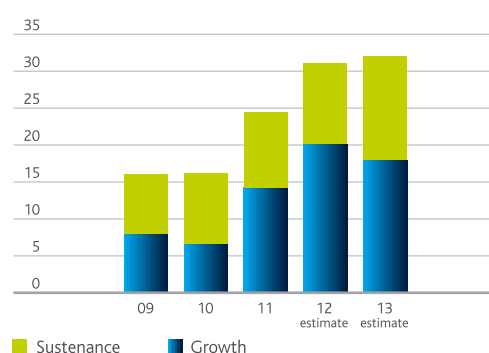
* US dollar earnings of 10% per annum on a three year moving average basis.

Total dividend per share R13,00

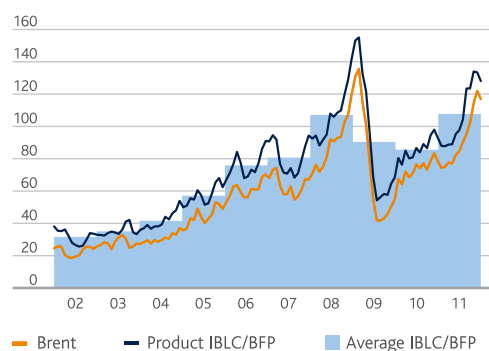
24%



Capital investments (R billion)

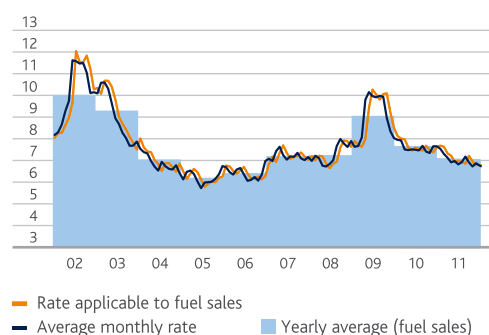


Crude oil price (US\$/b)

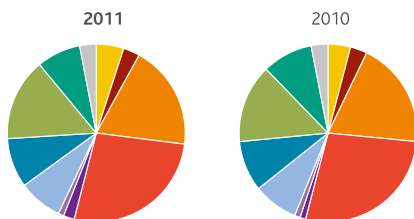


In Bond Landed Cost (IBLC) represented the refinery gate price of fuel in South Africa and was replaced in April 2003 with the Basic Fuel Price.

Rand/US dollar exchange rate (US\$1 = R)



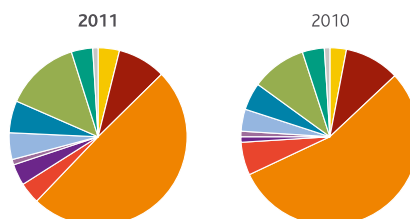
External turnover



2011: R142 436 million

2010: R122 256 million

Operating profit



2011: R29 950 million

2010: R23 937 million

South African energy cluster

- Mining
- Gas
- Synfuels
- Oil
- Other

International energy cluster

- Synfuels International
- Petroleum International

Chemical cluster

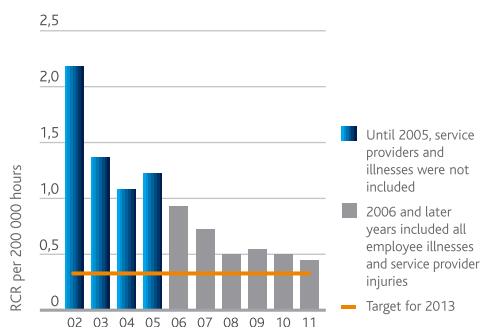
- Polymers
- Solvents
- Olefins & Surfactants
- Other chemical businesses
- Other businesses

Non-financial

Safety

Target: Achieve RCR* less than **0,3** by 2013

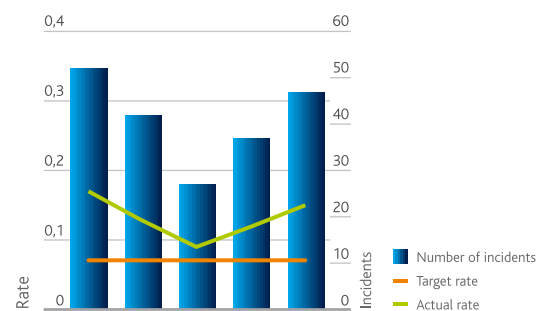
Recordable case rate – RCR
(recordable cases per 200 000 hours)



Logistics incidents

Target: Achieve **15%** reduction over five years

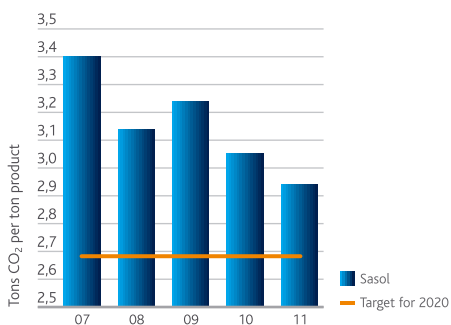
Transport incident rate
(Incidents per 100 kt product transported)



Emissions

Target: Reduce emissions intensity by **15%** by 2020 (in all our operations)

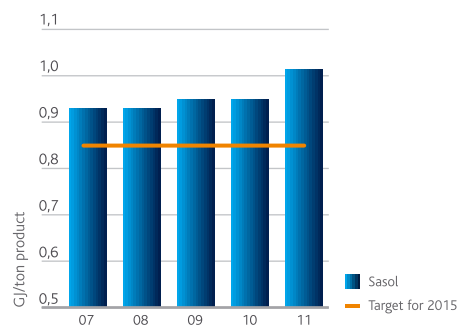
Greenhouse gas emission intensity
(tons CO₂ per ton product)



Energy

Target: Improve energy efficiency of South African utilities by **15%** per unit of production by 2015

Sasol process operations – energy intensity
(GJ/ton product – process operations only)



* The recordable case rate is a standard international measure for reporting work-related injuries and illnesses and other safety incidents resulting in injury. The RCR is the number of fatalities, lost workdays, restricted work cases, medical treatments beyond first-aid cases and accepted illnesses for every 200 000 employee hours worked. From 2006 onwards, our RCR includes employees and service providers, and recordable injuries as well as occupational illnesses. Currently, about 11% of the RCR is attributable to illnesses.

our business clusters

Sasol’s ability to compete and grow sustainably is contingent on internal collaboration, knowledge and resource sharing, as well as on building effective external partnerships and joint ventures in different markets, territories and cultural contexts. We cluster our businesses according to common business drivers, creating linkages between related businesses to allow for strategic consistency and operational efficiencies. Many world class companies have adopted clustering, and it has become recognised as best practice. The group’s structure is organised into four focused business clusters – South African energy cluster, international energy cluster, chemical cluster and other businesses.

south african energy cluster

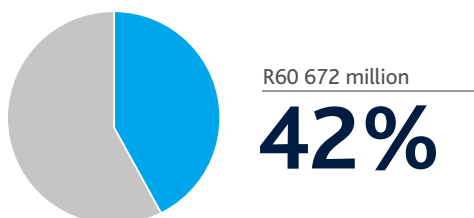
Sasol Mining, Sasol Gas, Sasol Synfuels and Sasol Oil.



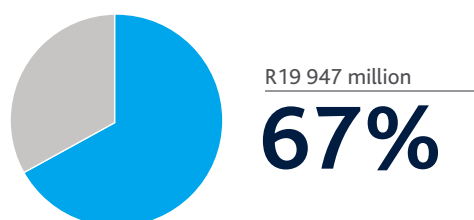
value to group

The South African energy cluster comprises the businesses upon which Sasol was founded. Its primary deliverables include remaining a reliable supplier of around a third of South Africa’s liquid fuels and chemical components, while delivering on the national transformation agenda and developing our people to deliver growth.

external turnover



operating profit/(loss)

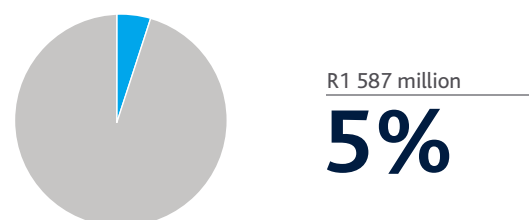
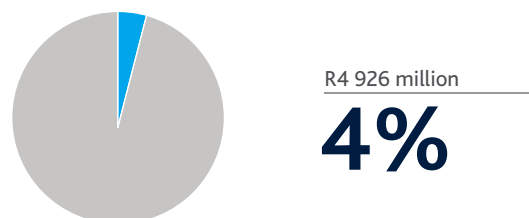


international energy cluster

Sasol Synfuels International (SSI) and Sasol Petroleum International (SPI).

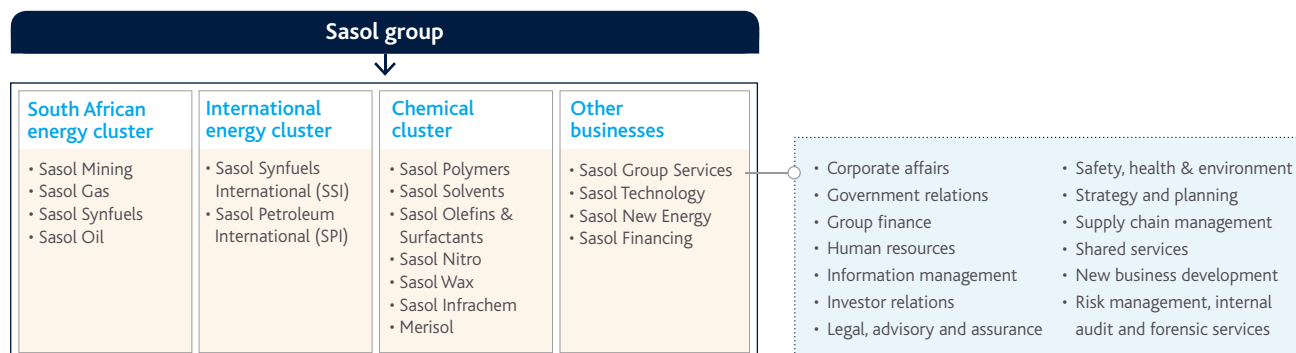


The international energy cluster is key to Sasol’s growth aspirations outside South Africa. In a world seeking energy security and cleaner alternatives to conventional transportation fuels, we are able to leverage the group’s considerable experience and proven, proprietary technologies to add value to standard and unconventional gas and coal reserves worldwide.



For more information on our businesses refer to our operating performance starting on page 70.

our group structure

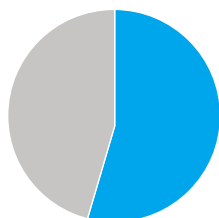


chemical cluster

Sasol Polymers, Sasol Solvents, Sasol Olefins & Surfactants, Sasol Nitro, Sasol Wax, Sasol Infracchem and Merisol.

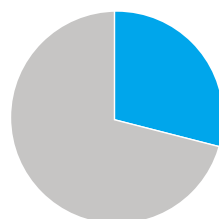


In South Africa, the chemical businesses are closely integrated in the Fischer-Tropsch (FT) value chain. Outside South Africa, we operate related chemical businesses based on backward integration into feedstock and/or competitive market positions. The chemical cluster also supplements our GTL and CTL growth by way of chemical growth ambitions based on the concepts of FT, conventional cracker or syngas platforms.



R76 811 million

54%



R8 712 million

29%

other businesses

Sasol Group Services, Sasol Technology, Sasol New Energy and Sasol Financing.



We are involved in a number of other activities in the energy and chemicals industries, both in South Africa and abroad, which, among others, are technology research and development, our financing as well as alternative energy initiatives. In addition, the group's business is supported by a central administration function.

R27 million

0%

R296 million loss

(-1%)

our global presence

Sasol has exploration, development, production, marketing and sales operations in more than 35 countries across the world.

- Manufacturing/production
- Office
- Exploration
- New projects
- Research
- Sales office

Sasol Solvents

| | | |
|---|-----------|--------------------------------|
| ■ | Rosebank | South Africa |
| ■ | Sasolburg | South Africa |
| ■ | Secunda | South Africa |
| ■ | Durban | South Africa |
| ■ | Hamburg | Germany |
| ■ | Moers | Germany |
| ■ | Herne | Germany |
| ■ | Antwerp | Belgium |
| ■ | Paris | France |
| ■ | Milan | Italy |
| ■ | Solihull | United Kingdom |
| ■ | Houston | Texas, United States |
| ■ | Dubai | United Arab Emirates |
| ■ | Singapore | Singapore |
| ■ | Shanghai | The People's Republic of China |
| ■ | Tokyo | Japan |

Sasol New Energy

| | | |
|---|----------|--------------|
| ■ | Rosebank | South Africa |
|---|----------|--------------|

Sasol Nitro

| | | |
|---|-------------|--------------|
| ■ | Rosebank | South Africa |
| ■ | Sasolburg | South Africa |
| ■ | Secunda | South Africa |
| ■ | Ekandustria | South Africa |
| ■ | Witbank | South Africa |
| ■ | Rustenburg | South Africa |
| ■ | Swakopmund | Namibia |
| ■ | Francistown | Botswana |
| ■ | Kitwe | Zambia |
| ■ | Maseru | Lesotho |
| ■ | Tete | Mozambique |

Sasol Mining

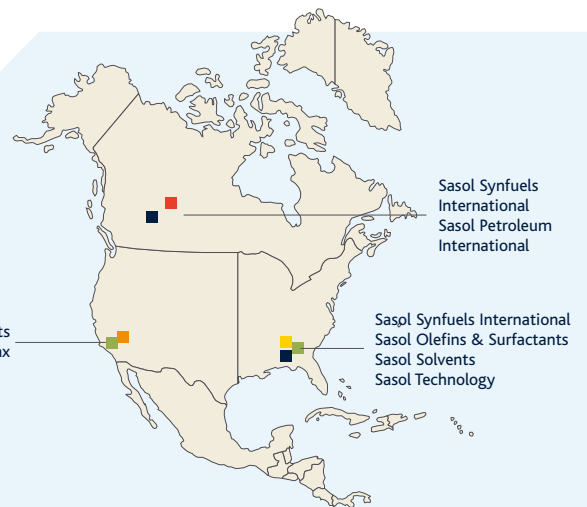
| | | |
|---|-----------|--------------|
| ■ | Rosebank | South Africa |
| ■ | Sasolburg | South Africa |
| ■ | Secunda | South Africa |

Sasol Olefins & Surfactants

| | | |
|---|-------------------------|--------------------------------|
| ■ | Brunsbüttel | Germany |
| ■ | Hamburg | Germany |
| ■ | Marl/Witten | Germany |
| ■ | Secunda | South Africa |
| ■ | Dubai | United Arab Emirates |
| ■ | Augusta | Sicily, Italy |
| ■ | Milan | Italy |
| ■ | Terranova dei Passerini | Italy |
| ■ | Sarroch | Sardinia, Italy |
| ■ | Lianyungang | The People's Republic of China |
| ■ | Nanjing | The People's Republic of China |
| ■ | Hong Kong | The People's Republic of China |
| ■ | Shanghai | The People's Republic of China |
| ■ | Guangzhou | The People's Republic of China |
| ■ | Antwerp | Belgium |
| ■ | São Paulo | Brazil |
| ■ | Moscow | Russia |
| ■ | Paris | France |
| ■ | Tokyo | Japan |
| ■ | Houston | Texas, United States |
| ■ | Tucson | Arizona, United States |
| ■ | Lake Charles | Louisiana, United States |
| ■ | Warsaw | Poland |
| ■ | Barcelona | Spain |
| ■ | Nováky | Slovak Republic |
| ■ | Bratislava | Slovak Republic |
| ■ | Solihull | United Kingdom |

Sasol Oil

| | | |
|---|-----------|--------------|
| ■ | Sasolburg | South Africa |
| ■ | Secunda | South Africa |
| ■ | Randburg | South Africa |
| ■ | Durban | South Africa |
| ■ | Alrode | South Africa |
| ■ | Cape Town | South Africa |
| ■ | Wadeville | South Africa |



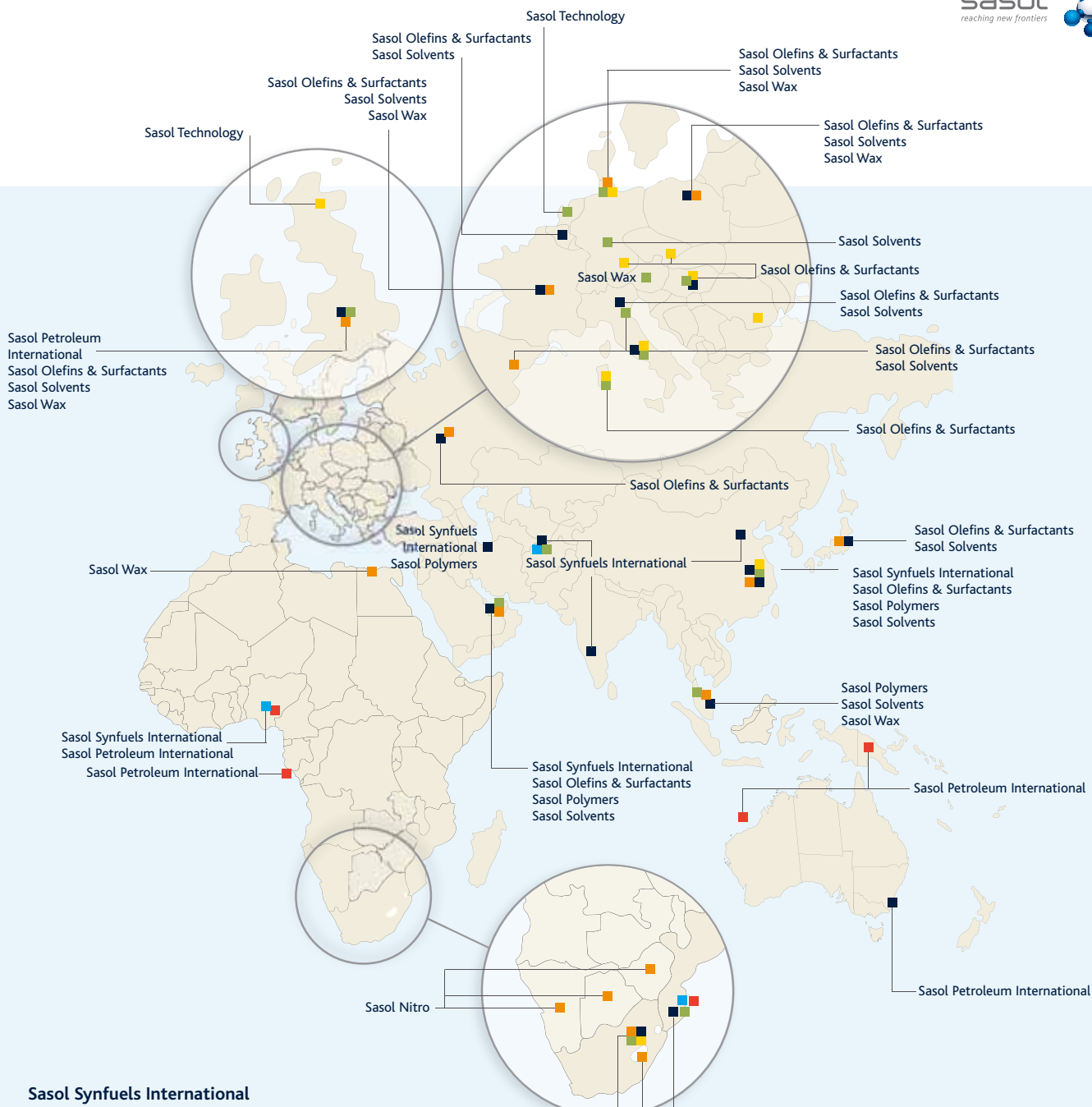
Sasol Wax

| | | |
|---|---------------|---------------------------|
| ■ | Sasolburg | South Africa |
| ■ | Johannesburg | South Africa |
| ■ | Durban | South Africa |
| ■ | Hamburg | Germany |
| ■ | San Francisco | California, United States |
| ■ | Richmond | California, United States |
| ■ | Hayward | California, United States |
| ■ | Linz | Austria |
| ■ | Birkenhead | United Kingdom |
| ■ | Paris | France |
| ■ | Alexandria | Egypt |
| ■ | Kuala Lumpur | Malaysia |
| ■ | Warsaw | Poland |

Sasol Polymers

| | | |
|---|------------------|--------------------------------|
| ■ | Sasolburg | South Africa |
| ■ | Secunda | South Africa |
| ■ | Bryanston | South Africa |
| ■ | Durban | South Africa |
| ■ | Cape Town | South Africa |
| ■ | Modderfontein | South Africa |
| ■ | Kertih | Malaysia |
| ■ | Hong Kong | The People's Republic of China |
| ■ | Tehran | Iran |
| ■ | Bandar Assaluyeh | Iran |
| ■ | Dubai | United Arab Emirates |

Please note: The keys on the map are only intended to indicate Sasol's presence in those countries and are not an exact indication of their location.



Sasol Synfuels International

| | | |
|---|--------------|--------------------------------|
| ■ | Rosebank | South Africa |
| ■ | Doha | Qatar |
| ■ | Ras Laffan | Qatar |
| ■ | Dubai | United Arab Emirates |
| ■ | Tehran | Iran |
| ■ | Shurtan | Republic of Uzbekistan |
| ■ | Tashkent | Republic of Uzbekistan |
| ■ | Beijing | The People's Republic of China |
| ■ | Mumbai | India |
| ■ | Calgary | Alberta, Canada |
| ■ | Lake Charles | Louisiana, United States |
| ■ | Escravos | Nigeria |

Sasol Gas

| | | |
|---|-------------|--------------|
| ■ | Randburg | South Africa |
| ■ | Durban | South Africa |
| ■ | Germiston | South Africa |
| ■ | Nelspruit | South Africa |
| ■ | Komatipoort | South Africa |
| ■ | Maputo | Mozambique |

Sasol Technology

| | | |
|---|-------------------------|--------------------------|
| ■ | Rosebank | South Africa |
| ■ | Sasolburg | South Africa |
| ■ | Secunda | South Africa |
| ■ | Cape Town | South Africa |
| ■ | St Andrews, North Haugh | Scotland |
| ■ | Enschede | The Netherlands |
| ■ | Lake Charles | Louisiana, United States |

Sasol Petroleum International

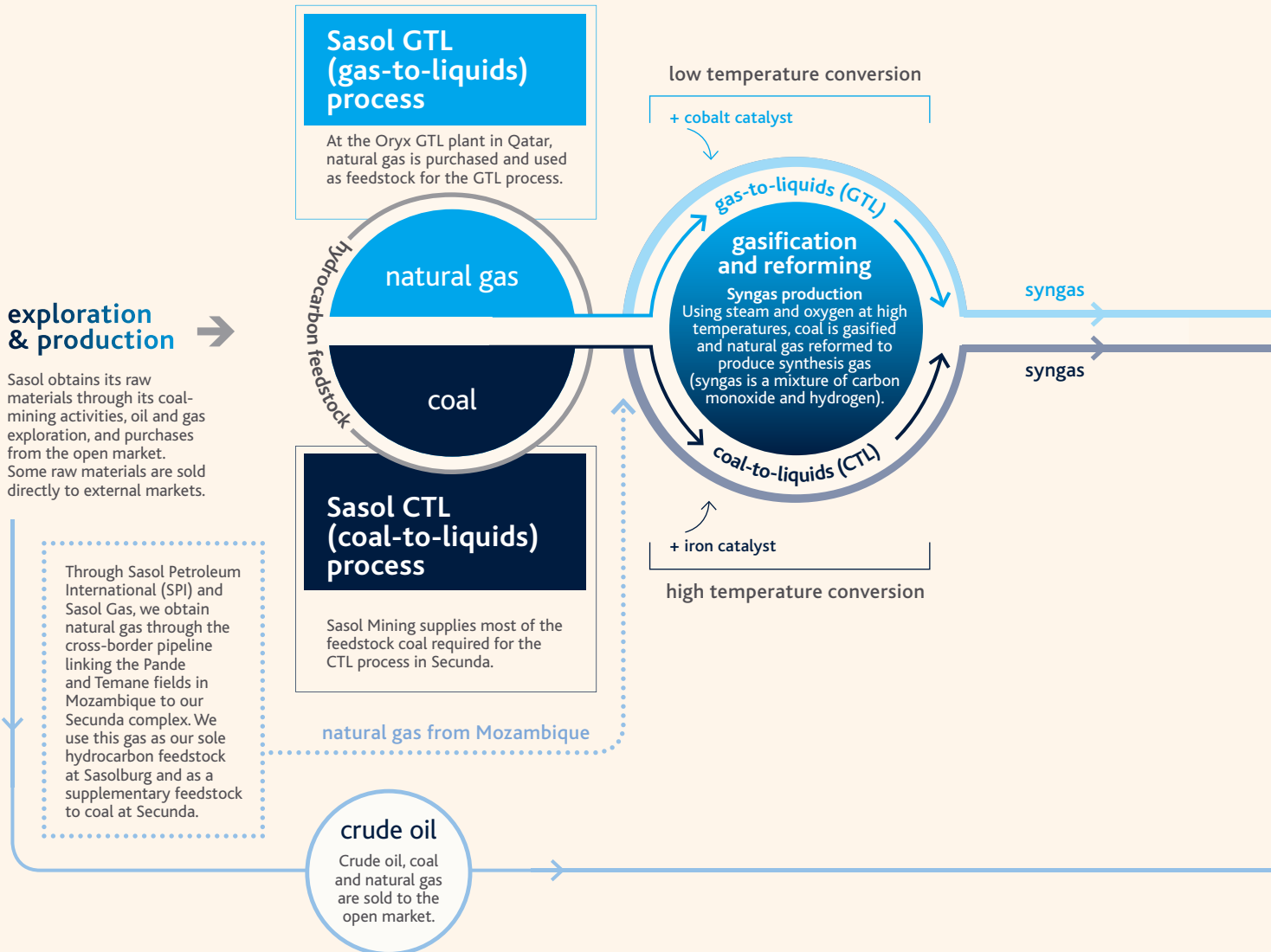
| | | |
|---|---------------------------|--------------------------|
| ■ | Rosebank | South Africa |
| ■ | Temane | Mozambique |
| ■ | Port Moresby | Papua New Guinea |
| ■ | North West Shelf offshore | Australia |
| ■ | Sydney | Australia |
| ■ | London | United Kingdom |
| ■ | Maputo | Mozambique |
| ■ | Montney Basin | British Columbia, Canada |
| ■ | Offshore Gabon | Gabon |
| ■ | Escravos | Nigeria |

Sasol Synfuels

| | | |
|---|----------|--------------|
| ■ | Rosebank | South Africa |
| ■ | Secunda | South Africa |

our integrated business model

Sasol's integrated business model is fundamental to our ability to create value using our proprietary technology and processes to produce liquid fuels and chemical products.



sustaining our integrated business model

Greenhouse gas (GHG) emissions

Coal is an important part of the world's energy mix, and Sasol will continue to produce transportation fuels from coal and gas. We are committed to substantially reducing our carbon emissions by developing more efficient production processes and investigating carbon capture and storage solutions. We have set several targets to reduce our greenhouse gas emissions intensity by 15% (on the 2005 baseline) in all our operations by 2020. The targets we have set for all our operations reflect not only our desire to be a responsible company, but also our awareness that a strong business case exists for sustainable development.

Water

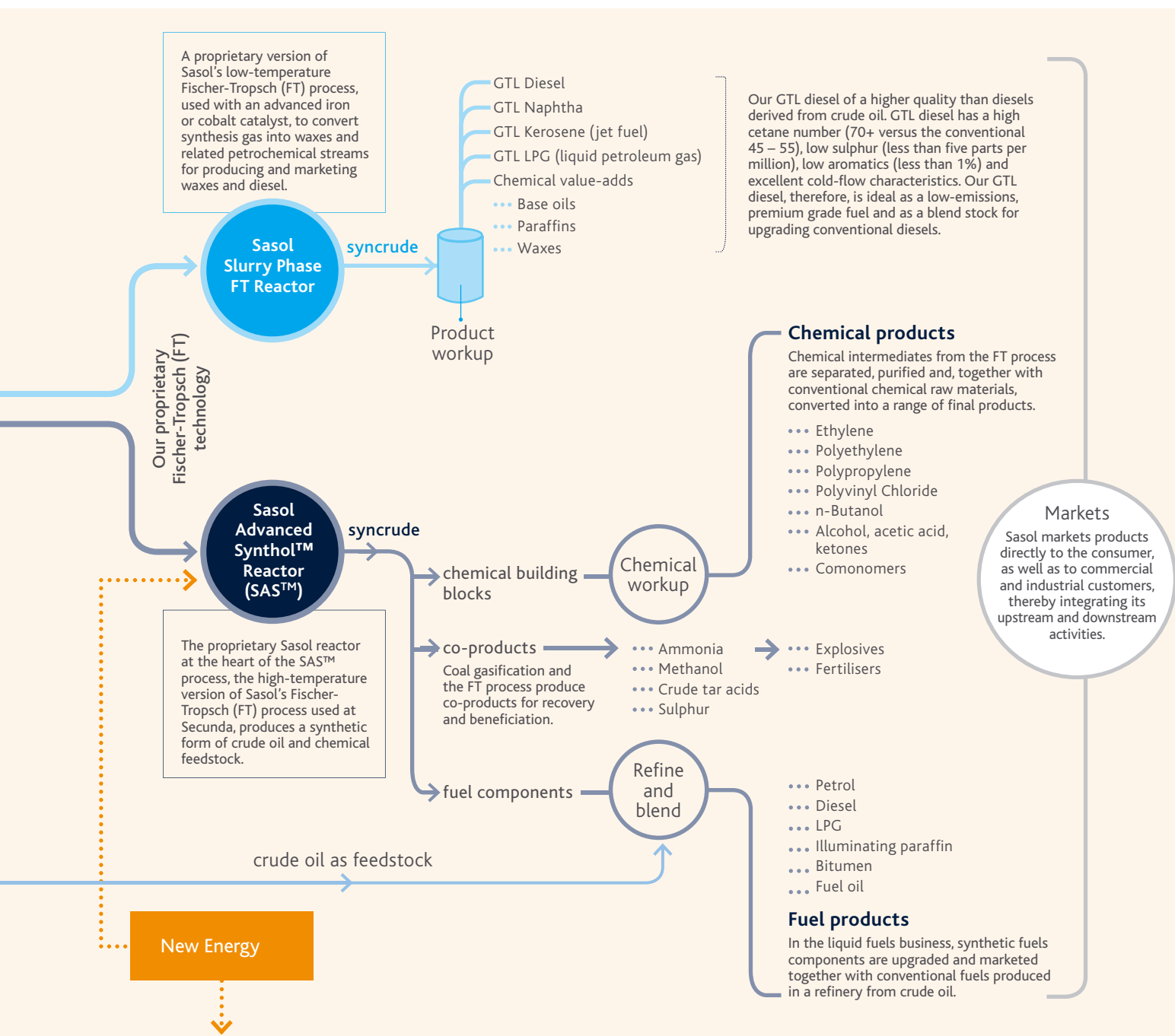
Various technological advancements in effluent recycling, cooling, pre-treatment of water for steam generation and solids handling are paving the way for significantly improved zero liquid effluent discharge designs, which are being developed irrespective of water availability or pricing.

Corporate governance

Sound corporate governance structures and processes are applied at Sasol and are considered by the board to be pivotal to delivering on sustainable growth in the interest of all stakeholders.



Refer to our key performance indicators for more details on our performance against targets and page 78 for details on our energy efficiency initiatives.



New Energy

Sasol New Energy (SNE) was created to focus on new technologies that can be integrated with our core technologies to reduce our GHG footprint. As part of our commitment to reduce production of carbon dioxide in our operations and integrate new technology into our FT processes, SNE will look into renewable and lower-carbon energy options such as solar, biofuels and biomass, as well as nuclear, hydro and natural gas.

Innovation

In downstream chemical process technology, we have developed several proprietary processes for recovering and processing a range of solvents, waxes and phenolics for the world market. We have also developed and patented several base-metal catalysts for our FT synthesis processes. We have been innovative in coal exploration and mining, where Sasol Mining (sometimes in partnership with technology suppliers) has developed high-extraction mining methods, advanced directional drilling techniques, roof-bolting systems, continuous miner systems and a virtual-reality training system for continuous miner operators, among other cost-saving innovations.

Research

Besides the research and development and new-product formulation and testing work we do at Sasolburg through Sasol Technology's fuel research group, we conduct further fundamental research at the Sasol Advanced Fuels Laboratory (SAFL), in collaboration with the University of Cape Town, and the Sasol Fuels Application Centre (SFAC). SFAC enables us to conduct sea-level engine and fuel research and tests in line with international trends.

our products

Our fuels, chemicals and related products benefit the lives of millions of people around the world. From hot-melt adhesives and car parts to microchip coatings, printing inks, household and industrial paints, mobile phone circuit boards, transport fuels, compact discs, medical lasers, sun creams, perfumes and plastic bottles. Our wide range of products are made in South Africa, the United States, Europe, the Middle East, Asia and other regions and have many thousands of end uses.



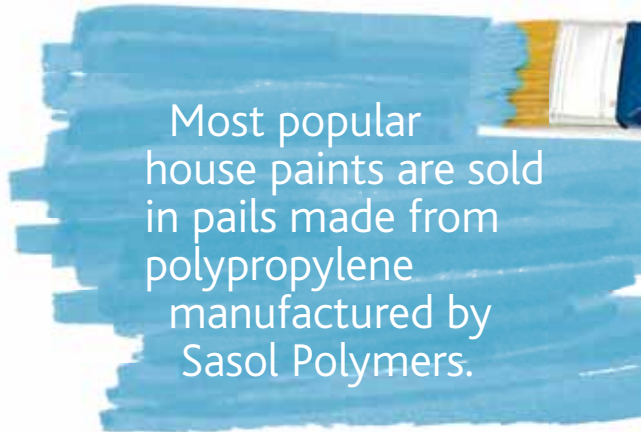
Going green

Ammonium sulphate and lime ammonium nitrate are only a few of the liquid and granular fertilisers produced by Sasol Nitro, providing nutrients for crops and pastures. Ortho-Cresol, produced by Merisol, is used in herbicides and pesticides.



Bright and shiny

Candles, crayons and shoe polish all have a common ingredient: wax, produced by Sasol Wax.



Most popular house paints are sold in pails made from polypropylene manufactured by Sasol Polymers.



Don't forget the sun screen

Para-cresol, marketed by Merisol, is the UV active agent in sunscreen and fragrances and in antioxidants.

Did you know? Aspirin contains phenol which is also derived from coal.



Tank up.

Sasol produces automotive fuel from coal and gas and also supplies a range of lubricants for motor vehicles.

Sasol also refines imported crude oil.

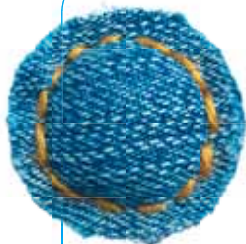


Flying high Sasol Oil markets and supplies Jet A-1 fuel to commercial airline businesses at OR Tambo International. Sasol Synfuels has also produced the world's first fully synthetic jet fuel.

Cooking with gas



LPG (liquid petroleum gases like propane, butane and pentane) is supplied by Sasol Oil. They are derived from the Sasol coal- or gas-to-liquids process.



It's in the fabric. Cotton fibres are treated with wax from Sasol Wax, to allow for smooth running in weaving machines. Acrylic fibre, which is made from a combination of propylene and ammonia, is used to manufacture blankets, knitted garments and carpets.

Pure picnic pleasure

Just about everything in a coolerbox has a component that comes from Sasol Polymers: Moulded bottles and containers are made from Polyvinyl Chloride (PVC). Ethylene and polypropylene are used in the production of clingwrap and other plastics.



Looking good

Sasol Solvents provides the solvents used in cosmetics like lipstick, face creams and mascara. Ethyl alcohol is the propellant in hairspray and ethylol is the solvent in aftershave. Surfactants from Sasol Olefins & Surfactants are the cleaning or foaming agents in shampoos and toothpaste.



Magazines. Printing ink contains Propylol™, manufactured by Sasol Solvents, as well as special waxes from Sasol Wax.



Sasol Wax produces the wax that is used as a covering to preserve fruit longer and it is also the main component of red cheese rind. Bananas are ripened with ethylene and esters from Sasol Solvents are the base of artificial food flavourants.



In the fast lane

- Many plastic components in cars are manufactured from polypropylene, a Sasol Polymers product.
- Brake fluid contains Sasol Pentylol™, made by Sasol Solvents.
- The Poly ethyl benzene in automotive paint and bitumen on road surfaces comes from Sasol Oil's subsidiary, Tosas.
- Sasol Olefins & Surfactants' inorganic specialities like high purity alumina are used in autoemission control catalysts and GTL catalysts.
- Plasticiser alcohol is used for dashboards.



Mirror, mirror on the wall. Propyl-alcohol, a product of Sasol Solvents, is the solvent that provides the smooth finish on mirrors.

Sasol Olefins & Surfactants is one of the world's leading producers of surfactant intermediates and surfactants, which ultimately find their way into laundry detergents, other household and industrial cleaning products and personal care products.



Light bulbs

Argon, an inert gas used in conventional light bulbs, is produced by Sasol Synfuels.

chairman's statement



Hixonia Nyasulu, chairman

Sasol's positive results this year reflect the company's strong focus on maximising operational efficiencies and successfully implementing our business improvement and growth plans.

- ▶ Headline earnings per share increased by 27% to R33,85
- ▶ For growth, we have to focus on sustainable development
- ▶ Strong commitment to continue to play a constructive role in the South African business environment
- ▶ We welcome the broad global governance trend that promotes effective disclosure of information

Dear stakeholders

It is pleasing to report that Sasol has once again delivered value to its stakeholders through its focus on responsible growth. Growth cannot be pursued at any cost – besides seeking to grow profitably, we must also understand what is required to grow sustainably. To this end, we seek a careful balance between meeting some of the more immediate expectations of our shareholders and other stakeholders, and the need to make significant investments to sustain our growth over the longer term.

Sasol's positive results this year reflect the company's strong focus on maximising operational efficiencies and successfully implementing our business improvement and growth plans. These have been achieved while also ensuring strict management of costs. Furthermore, improved production and sales volumes at many of our businesses over the year further enhanced profits, resulting in sustained cash generation and a healthy balance sheet. The impact of the strong rand has been generally offset by higher global commodity prices.

Despite the continuing volatility in global markets, Sasol has delivered an average rate of return on equity of 23,4% over the last five years, while increasing shareholders' equity by 14% to R108 billion at 30 June 2011. Group operating profit increased by 25% to R30 billion, and our cash flow generation from operations improved from R27,3 billion to R38,6 billion. This strong foundation has enabled us to pursue growth based on our unique technology advantage. Notably this year, we invested R3,8 billion in shale gas assets in Canada. In recognition of Sasol's strong balance sheet and healthy cash flow position, the board approved a 24% increase in the total dividend for the year from R10,50 in 2010 to R13,00 in 2011.

Focus on safety. The tragic deaths of 10 people (five Sasol employees and five service providers), as a result of injuries sustained while on duty, contrasted our positive financial performance. In addition, there was a most regrettable incident in which five people lost their lives when a leisure boat capsized during an off-site year end function. I extend my deepest sympathy to the families, friends and colleagues of those who lost their lives in Sasol's service during the year. Safety remains a top priority for Sasol. While we have seen a positive improvement in our overall safety record, reflected in the group recordable case rate (RCR)* of 0,42 being in line with global standards, the high number of fatalities remains a significant source of concern to me. We have instituted a stringent safety improvement plan to help us achieve our goal of zero fatalities and a RCR of 0,3 or less by 2013.

Strong performance from core businesses. Our ability to generate sustained value for our stakeholders is due to the performance of our core businesses in South Africa, Europe, the Middle East and North America. These well-run, profitable businesses have consistently generated robust performance, producing the cash flow to further our longer-term growth objectives.

Sasol is well positioned to continue delivering a solid financial performance in the coming years.

The strong performance of these businesses would not be possible without our many partners, including governments and commercial entities that are integral to the success of our joint ventures across the world.

Our core businesses and joint ventures have enabled us to remain resilient in the face of the recent financial and market turbulence, which is reflected in the increasing volatility in commodity prices and exchange rates. The resulting uncertainty, which affects demand for our products, highlights the need for a strong and sustained focus on operational and functional excellence, margin improvements and further enhancing our performance in sales and marketing, as well as in managing capital projects.

Growth through our technology advantage. I believe that Sasol is well positioned to continue delivering a solid financial performance in the coming years. We remain committed to increasing shareholder returns by accelerating our gas-to-liquids (GTL) growth strategy and by enhancing the operational efficiencies of our foundation businesses and our support functions. Our strategy to increase natural gas resources, through exploration and acquisitions, that complement our GTL value proposition remains on track.

An exciting development this year has been our substantial investment in Talisman Energy Inc.'s (Talisman) Farrell Creek and Cypress A shale gas assets. This is the largest investment Sasol has made since our initial investment in our facilities at Sasolburg and Secunda many decades ago. The emergence of shale gas as a new unconventional source of gas, combined with current and anticipated oil and natural gas price dynamics, makes a compelling case for GTL. This investment aligns with our stated objective of growing and owning our upstream gas asset base in order to further our GTL growth plans. With these two acquisitions adding more than 10 trillion standard cubic feet of contingent resources to our upstream portfolio, we have commenced a feasibility study with Talisman on a GTL facility in western Canada. We have also completed a pre-feasibility study into a possible GTL facility in the United States and the board has approved that the project proceed to the feasibility study phase. We have completed the feasibility study for the construction of a GTL plant in Uzbekistan and the front end engineering and design phase of the project will commence before the end of the 2011 calendar year. We also continue to participate in the construction of a GTL plant in Nigeria and are progressing with studies on a possible coal-to-liquids (CTL) facility in India.

* The recordable case rate is a standard international measure for reporting work-related injuries and illnesses and other safety incidents resulting in injury. The RCR is the number of fatalities, lost workdays, restricted work cases, medical treatments beyond first-aid cases and accepted illnesses for every 200 000 employee hours worked. From 2006 onwards, our RCR includes employees and service providers, and recordable injuries as well as occupational illnesses. Currently, about 11% of the RCR is attributable to illnesses.

I welcome the principles of integrated reporting, in the belief that it will prompt an improved appreciation within business of the strategic significance of societal issues, as well as encouraging business to play an active role in addressing the social, economic and environmental challenges that we face.

Through the group's new business unit, Sasol New Energy, we are looking to develop low-carbon electricity as Sasol's third major value chain, alongside liquid fuels and chemicals. We are making good progress in exploring potential growth opportunities in renewable and lower-carbon energy options such as solar and hydroelectric power and natural gas-based prospects, as well as biofuels and biomass. We are also working on clean coal technologies such as underground coal gasification and carbon capture and storage.

Investor confidence in Sasol. I believe that this combination of a sound technology base in our synthetic fuels and chemical businesses, the nature of the oil and natural gas price dynamics favouring our investments in shale gas and our GTL value proposition, as well as our longer-term investments in new energy opportunities presents investors with a unique investment. This compelling proposition sits alongside successful cash-generating businesses that continue to pay progressive dividends.

Delivering value sustainably. As I stated at the outset, our commitment to delivering sustained stakeholder value through growth is informed by a very real appreciation that we cannot pursue growth at any cost. We understand that our ability to grow is dependent upon sustained access to vital natural resources and feedstock (such as water, coal and gas), a stable socio-political environment, a skilled, healthy, committed and motivated workforce as well as positive relationships with our principal stakeholders. This includes governments, finance providers, our business partners and the communities where we operate. Our ability to deliver sustained value thus requires us to operate in an informed, proactive and socially responsible manner.

Recognising that growth cannot be achieved effectively without a committed focus on sustainable development, the group formally adopted sustainable development as a strategic business philosophy back in 2000. In fulfilling this commitment, we have developed, implemented and are continuously improving our management framework to provide our businesses with the policies, governance structures, targets and reporting systems that are required to manage the risks and opportunities that sustainable development presents. These are reviewed in our integrated annual report, and in more detail in our separate sustainable development report, and on our website, www.sasol.com.

The complex challenges associated with sustainable development are epitomised by the risks and opportunities of climate change. This issue has received added prominence in South Africa following the publication of various government policy papers (including a discussion paper on a possible carbon tax), and in anticipation of South Africa hosting the United Nations Framework Convention on Climate Change (UNFCCC), COP17, in Durban in December 2011. During the year, we have increased our engagement with the government on this matter, submitting detailed comments on its climate change policy papers, both as a company as well as through representative business bodies such as Business Unity South Africa.

We are also playing an active leadership role in ensuring that, to the extent possible, business speaks with one voice at COP17 in Durban. The Sasol chief executive officer, together with the Eskom chief executive officer, formally established the South African COP17 CEO Forum in June 2011. It comprises over 40 chief executives, who are committed to engaging constructively with key stakeholders in support of a climate change response, that ensures South Africa's transition to a lower-carbon, resilient economy, which will sustain economic growth and prosperity in the country and increase South Africa's competitiveness.

While Sasol recognises the need for societies to make the transition to a lower-carbon economy, it is important that in making this transition we remain sensitive to the urgent developmental needs of the world's emerging economies. We believe that this requires integrated public policies that are economically efficient, that share costs equitably, and that provide for the particular circumstances of the regions in which they apply. Against this changing policy background we have set ourselves ambitious long-term targets on managing our environmental footprint. We are investing significantly in energy efficiency initiatives, in expanding our use of natural gas as a feedstock, and in identifying opportunities for carbon capture and storage.

I am confident of Sasol's ability to deliver long-term sustainable value in the context of the increasingly complex and evident challenges associated with sustainable development, as reflected for example in our approach to the risks and opportunities of climate change. I believe that our proven ability to develop and commercialise innovative technology, and to operate these technologies at scale, will enable us to remain competitive

in an increasingly turbulent business environment, and to continue making a positive contribution to the societies in which we operate.

Investing in South Africa's growth. We are committed to continue to play a strong and constructive role in the South African business environment and to supporting the government in its efforts to develop and implement a pragmatic economic and industrial growth plan. Our commitment to the country's development objectives is evidenced, among other things, by our contribution to broad-based black economic empowerment (BEE) and promoting of our skills development in the region.

I am pleased to report that we reached our 2012 BEE objective early, being issued with a level 4 BEE verification certificate in September 2010. This assessment is a positive reflection on our activities across all seven pillars of BEE, which include equity ownership, management diversity, employment equity, skills development, preferential procurement, enterprise development and socioeconomic development. We expect to obtain a level 4 rating again this calendar year.

Developing and retaining our human capital.

As a technology-driven company, our current and future success is dependent on our ability to attract, retain and develop highly skilled individuals from diverse backgrounds. In addition to developing the skills of our own employees, we have once again invested significantly in skills development beyond our factory gates. We run one of the largest bursary schemes, to the value of R39 million, in South Africa and are the lead investor in the oil, gas and chemical manufacturing artisan skills development project. We have also established partnerships with 11 South African universities on research and development. These investments are key to the long-term success of Sasol, the South African petrochemical industry and the nation as a whole.

Meeting global governance expectations. Maintaining high standards of corporate governance is integral to the group's success. We continued to focus this year on developing and implementing systems to ensure full compliance with legislative and governance requirements. We have also invested significant effort in fostering ethical and fair business practices. I am confident that these efforts will result in the highest standards of governance being maintained throughout the group. A detailed review of these and other governance activities is provided in our annual financial statements.

An important governance development this year has been the requirement, in terms of the King Code of Governance Principles for South Africa (King III Code), to publish an integrated annual report. This forms part of a broader global governance trend that seeks to promote more effective disclosure of the information needed by stakeholders to assess the true economic value of organisations. I welcome this trend, in the belief that it will prompt an improved appreciation within business of the strategic significance of societal issues, as well as encouraging business to play an active role in addressing the social, economic and environmental challenges that we face.

While our recent annual reports have been recognised for their leadership in providing an integrated strategic assessment of Sasol, I am pleased with our first formal integrated annual report. I believe that our reporting is aligned with the expectations of the King III Code and with the latest work of the International Integrated Reporting Committee, and I am confident that Sasol will continue to demonstrate global leadership in this important area.

Our chief executive officer. This year saw the retirement of Pat Davies, who has served with distinction as Sasol's chief executive for the past six years. On behalf of the board, I wish to pay a special tribute to Pat for his 36 years of dedicated service to the company. His depth of knowledge, experience and skill, and his strong leadership have been instrumental to Sasol's positive performance in recent years. Under Pat's guidance, Sasol has grown into a truly international and diverse organisation that engages positively with its stakeholders. He has laid a solid foundation for sustainable, responsible growth. We wish Pat well in his retirement.

Strong leadership is obviously critical to the success of any organisation, particularly for a large company that has ambitious global growth objectives. I am very excited to extend a warm welcome to Sasol's new chief executive officer, David Constable, an engineer with 30 years' experience in the heavy industrial engineering, construction, operations and maintenance arenas across the globe. We are pleased to have found a chief executive officer of David's calibre and experience. His extensive engineering foundation has seen him take important leadership roles across the world in both developed and developing economies. His strong track record for talent and diversity management is attractive to a company like Sasol which values its people. We look forward to making progress on Sasol's growth plans under his leadership.

Appreciation. The board thanks Anshu Jain, Brian Connellan and Tom Wixley, who retired during the year and Greg Lewin, who resigned, for their outstanding contributions during their tenure as non-executive directors.

Finally, I would like to thank Sasol's board, management team and employees, all of whom have contributed to the group's positive performance during the last year. Given the skills and dedication of the Sasol team, I am confident that the company is well placed to continue to deliver on its vision to grow responsibly, profitably, sustainably and inclusively.



Hixonia Nyasulu
Chairman

9 September 2011

pursuing responsible growth:

focus story

zero harm

really is possible



Over the past years our recordable case rate (RCR)* has steadily improved and notwithstanding 10 on-the-job fatalities, the RCR at the end of 2011 stood at an all-time low of 0,42. This compares to 2,5 in 2001, showing that Sasol is a significantly safer place at which to work than it was a decade ago, but we know that more still needs to be done. Our goal is to achieve a RCR of below 0,3 by June 2013. We really do believe that zero harm is possible.



What are the challenging conditions which Sasol people face at work?

Much has been said about our efforts to ensure that Sasol is a safe place to work and there has been continuous progress over the past 10 years to achieve this, but 2011 was challenging as 10 people were fatally injured in tragic incidents at Sasol workplaces during the year. In addition, five people lost their lives in a boating incident during an off-site year end function. This is distressing and completely unacceptable to all of us in Sasol and our sincere and heartfelt condolences have been communicated to the families of the deceased.

In the mining business, our people work in confined spaces with large machinery surrounded by rock. In the hydrocarbon exploration business, our employees are often in remote locations, such as offshore platforms, icy arctic conditions or in jungle terrain. Many of our staff in the gas business spend a large part of their time in vehicles moving between points along the 2 500 kilometre gas pipeline network and some of our oil workers spend many hours of their day in large tankers delivering fuel.

These varying conditions require the comprehensive and proactive identification of hazards and unwanted incidents so that appropriate risk controls can be implemented and managed. Consideration also has to be given to the mindset of individuals. People can be distracted from safety by work and social pressures and in this regard, the aspirational safety message of zero harm remains consistent across all of our operations.

What are we doing to improve safety?

Our goal is zero harm and in the short term we are committed to curtailing the trend in fatal incidents. We want to eradicate the term 'fatality' from our vocabulary. In August 2010, we launched a high-profile safety improvement plan, comprising eight key components with an immediate focus on engaged leadership. We are seeing the benefits of this approach and will not cease in our efforts to achieve safe and sustainable production.

Many incidents happen when people are carrying out routine tasks, which they may consider to have mastered or when other pressures distract them. Guarding against complacency and keeping safety at the forefront of everyone's mind is an ongoing challenge and we have to continually refresh our safety message and make it relevant and interesting in order to 'win hearts and minds'. We have implemented novel ways to communicate safety through initiatives such as industrial theatre, family open days and video reconstructions of incidents. Finally, and yet most importantly, our leadership is committed to playing a visible and 'felt' role in safety through their effective participation in all relevant activities.



For more details on our safety initiatives, refer to our operating performance starting on page 70.

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chief executive officer's overview



David Constable, chief executive officer

As we transition the leadership of Sasol, I have full confidence in the group's ability to pursue growth responsibly, in South Africa and abroad. Our strong financial position and clearly focused strategy positions us for exciting prospects and the sustained creation of value. Underpinning this position, is an evident appreciation of the importance of applying our innovation and talent to the social and environmental challenges we face as a global corporate citizen.

- Q **In your first few months at Sasol, what have been your impressions?**
- A After having spent my entire career with Fluor Corporation, and with Fluor having worked with Sasol for the past 51 years, it was good to have an understanding of the business beforehand. In addition, I have learned and lived by similar values that Sasol so strongly promotes, which has helped make the transition a smooth one for me. Sasol's alternative fuels and value-add chemical technologies are clear differentiators for us going forward. And most importantly, I have been impressed with the Sasol people and their can-do attitude.

Q How do you think Sasol performed over the 2011 financial year?

A Exceptionally well, as Sasol continued to deliver on its strategy throughout the year. The focus on further improving the performance of our assets delivered strong production, cost and margin benefits. The group also took significant strides in pursuing responsible growth, both in South Africa and abroad. What is particularly pleasing is the progress made in advancing our upstream strategy through the acquisition of two shale gas assets in Canada, as well as the headway made on other gas-to-liquids (GTL) opportunities.

We made good progress in further developing our technology and reached a milestone in commercialising our proprietary ethylene tetramerisation offering with the approval of plans to establish a facility in the United States. This complex will use Sasol's novel technology to produce 1-octene, a comonomer that is expected to see increasing demand globally.

Our growth projects in Southern Africa, including further upstream exploration in Mozambique, the wax expansion in Sasolburg and the Secunda growth plan, are progressing.

Our existing operations also made good progress. We maintained our focus on enhancing operational efficiencies, delivering on business improvement plans and strict cost management. Stronger oil prices (average dated Brent crude oil price of US\$96,48/barrel) and higher global commodity prices, contributed to the group's strong performance, despite the particularly robust rand (average of R7,01/US dollar for the year). The group's cash fixed cost increases were contained to within inflation – testament to the dedication of all Sasol team members. In addition, a concerted effort to improve margins across the group has yielded successful results for our chemical businesses in particular. In fact, the chemical cluster contributed an impressive 29% of group operating profit for the year.

Our healthy cash flow generation has resulted in a total dividend of R13,00 per share, in line with our progressive dividend policy. Equally important, our strong balance sheet positions us well to pursue abundant growth opportunities.

Q Where do you see room for improvement and how are you addressing those areas?

A Safety remains our top priority and is an area that is getting continued attention. A targeted safety improvement intervention was launched during the year and is being implemented at the various sites. In addition, changes to employee incentives have been made to drive improved safety behaviour. Our challenge is not just to improve our recordable case rate, but to make zero harm a reality.

For me, the overarching goal of a successful chief executive officer is to maximise long-term value as measured by total shareholder return.

Three years ago, we launched the functional excellence programme, which aimed to improve the efficiency and effectiveness of our service functions and to reduce functional costs. Many of the new processes and designs have been implemented, and cost savings of around R1 billion have been delivered this year. I believe there are additional savings to be gained as we come up to speed on functional excellence.

There is also room for improvement in the way we execute and deliver on-schedule, on-budget projects. To this end, we launched our capital excellence programme in June 2010 and are ramping up value-adding work processes in this area.

Improved planning and optimisation across Sasol's business unit boundaries is also a major opportunity to enhance how the group allocates feedstocks, utilises production capacity and places products into the market to improve the bottom line.

We also recognise the need to improve on sales and marketing skills to support our strong operational platform. Sales and marketing excellence is a new group-wide programme that was launched in July 2011, which will begin to yield results in the near term.

Q Sasol's growth programme seems very ambitious...

A Yes, it is ambitious, but I believe it is underpinned by a solid base of competitive advantage and market opportunity.

Firstly, our world-leading position in alternative fuels technology, particularly the application to produce ultra-low-sulphur diesel via the GTL process, places us in a unique position to leverage the widening differential between natural gas and oil prices. This is a very exciting market for us and our offering can improve a country's energy security landscape and economy in both developed and developing markets.

Secondly, we have unique technologies for the production of wax and certain high-performance plastic feedstocks. Both these products serve fast-growing and high-value chemical markets.

It therefore makes sense that we pursue our current opportunities. The key, of course, is to ensure that we have the systems and resources in place to deliver on these ambitions and create shareholder value.

Q How do you plan to deliver on Sasol's growth targets?

A To support our strategic agenda, we recently formed a new business development department which, together with the various business units, works to identify and assess the feasibility of opportunities for growth in upstream resources, GTL, coal-to-liquids (CTL) and chemicals.

Also, I have a keen eye on our capital excellence programme, which is designed to improve capital allocation across the group and help us deliver projects efficiently and effectively. This, in turn, will drive improved internal rates of return and earnings growth.

Clearly, growth is predicated on our unique technologies and our skilled people. To stay ahead, our dedicated focus on research and development and the commercialisation of new technologies is critical. Our strong team of scientists partner with a number of universities, research institutes and technology providers around the world. We have a diversity of businesses, functions and projects that provide valuable opportunities for our people to develop. People development is critical to our business because we need a pipeline of suitably qualified and experienced resources to deliver on our growth plans. To that end, we are continuously and actively improving our employee value proposition.

Q Much of the growth appears to be outside South Africa. How do you view the group's South African business?

A It is true that a good deal of our growth plans and recent activity have been in regions such as North America, the Middle East and Central Asia. However, our South African business is the engine that makes both domestic and international growth possible. Sasol is firmly rooted in South Africa and we are making significant investments in growth opportunities at home and in the Southern Africa region. Our total capital spend in South Africa over the past three years has been R42 billion, and with the pipeline of projects in the region, we are looking at spending an additional R40 billion over the next two years.

These investments range from the substantial expansion of wax production, to exploration for natural gas, to the investments we are looking at making in low-carbon and renewable energy. Clearly these are significant investments and speak not only to our commitment

Sasol's successful track record of developing and commercialising unique technologies and its strong research and development teams position us well in the space of low-carbon energy alternatives.

to South Africa, but more importantly to the business opportunities we see in this region.

We are one of the largest corporate tax payers in South Africa, with R25 billion in direct and indirect taxes contributed in the last financial year. We directly employ approximately 28 000 people in South Africa and make a substantial contribution to its gross domestic product.

I want to elaborate on our growth plans for 'new energy' in particular. If you look at the projects we are pursuing in the low-carbon energy arena through our Sasol New Energy business, you see that they are all in Southern Africa. These projects have the potential to not only position Sasol in promising new technologies, but also to make a meaningful contribution to South Africa's carbon dioxide (CO₂) mitigation objectives.

Q You mention some activity in Sasol New Energy. Sustainability is obviously an imperative for an energy company like Sasol. How are you addressing this?

A For Sasol to deliver long-term sustainable value, we need to be more efficient with our use of energy, and to diversify our energy sources. During the year, two gas turbines were brought into operation in Secunda, producing 200 megawatts of power from natural gas. The subsequent addition of heat recovery has further improved energy efficiency. Another gas-to-power project was recently approved by the board for Sasolburg. This will come on stream in 2013, increasing our own electricity generation capacity from 50% to 60% of our South African requirements.

I believe that innovative technology solutions will be key as countries around the world attempt to reduce their carbon emissions. Sasol's successful track record of developing and commercialising unique technologies

and its strong research and development teams position us well in the space of low-carbon energy alternatives. Sasol New Energy, together with Sasol Technology and various external partners, is pursuing options ranging from renewable energy to carbon capture and storage solutions.

While many of these options are in the early stages of development, we have committed to tough greenhouse gas reduction targets and believe that we have an obligation to conduct our business in an environmentally sustainable way.

We are engaging constructively with the South African government on policies to transition to a lower-carbon economy. We believe that the policies that are ultimately adopted should take into account the socioeconomic and development requirements of the country such that its competitiveness is not hindered and jobs are not sacrificed.

In addition to environmental sustainability, we believe it is our responsibility to develop the communities in which we operate, particularly in emerging economies. Over the year, we invested R184 million in community development, including R25 million on capacity building at South African universities and R39 million on bursaries in South Africa. In partnership with the Graça Machel Foundation, we are now also funding postgraduate bursaries for rural Mozambican women, with R1 million a year committed over the next five years. Our bursaries form part of the Sasol talent pipeline and are key to our sustainable future.

Q What will you focus on in your first year as chief executive officer?

A For me, the overarching goal of a successful chief executive officer is to maximise long-term value as measured by total shareholder return. This will be achieved by executing the company's long-term strategic agenda and will be a key priority for me through my term as chief executive officer.

Of course my primary focus is for all businesses and functions to operate sustainably and on the basis of sound governance and to achieve their targets on safety, cost optimisation, profit, transformation and the environment. I've already mentioned some of the specific group-wide focus areas: improving our safety performance and operational efficiency, delivering on functional excellence, pursuing growth drivers, and renewing our efforts on values-driven behaviour and culture.

 For more details on our top priorities for 2012, refer to page 28.

Further diversifying our workforce and driving equal employment opportunities are imperatives that are critical to our company's future. Attracting, developing and retaining highly skilled people is central to our sustainable growth strategy and we will be giving particular attention to human resources in the year ahead. The opportunities for our people and our group are exciting.

Over the year, we further strengthened our competition law compliance programme and continued to cooperate with the South African Competition Commission on its investigations. We will continue to work on matters outstanding.

I would like to thank the entire Sasol team for its continued hard work and loyalty. A word of thanks also goes to our stakeholders – governments, customers, suppliers, trade unions, communities, shareholders and joint-venture partners – who have all played a role in our success. I'm looking forward to building positive long-lasting relationships with all of our Sasol stakeholders.

I'm honoured to be leading this strong and innovative company to its next level of growth and performance and my family and I sincerely appreciate the warm welcome we have received since our arrival in South Africa and at Sasol.

I am also extremely grateful to Pat Davies for his support and counsel. I thank him for his leadership, commitment and dedication to Sasol. Pat's rest has been hard-earned and we wish him a long, happy and most fulfilling retirement.



David Constable
Chief executive officer

9 September 2011

our strategy

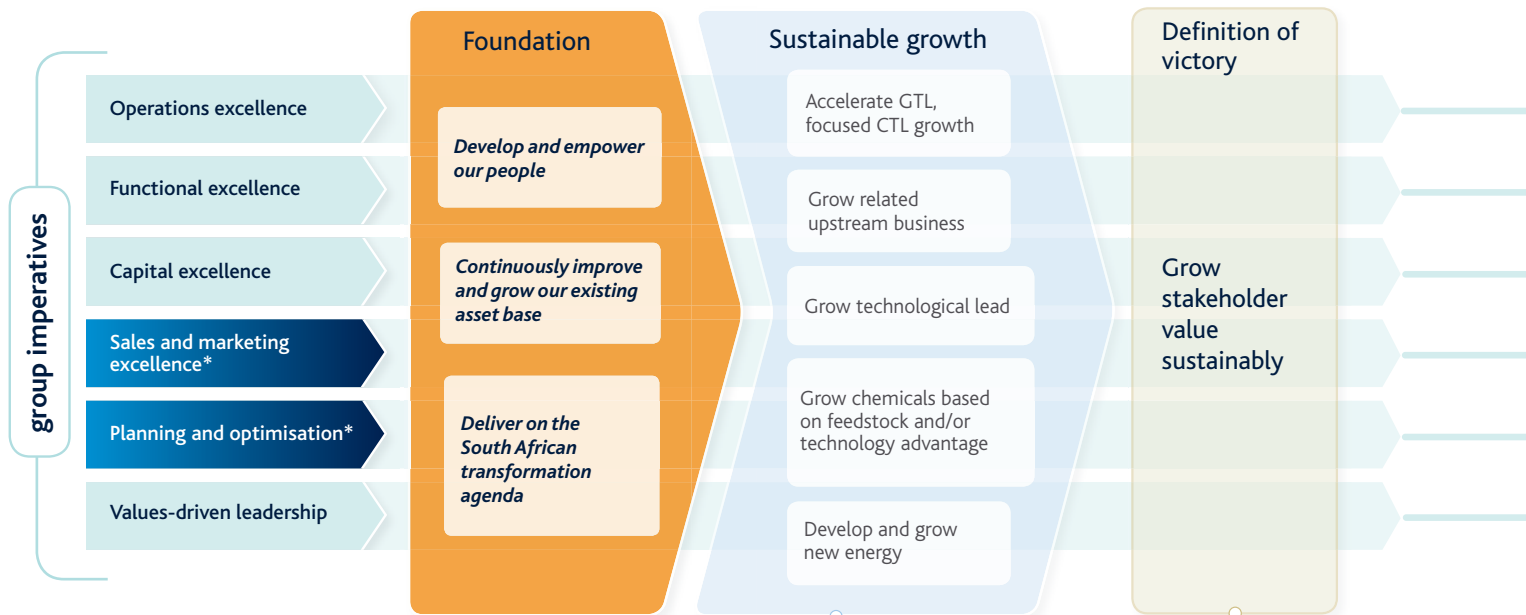
Our vision

To grow profitably, sustainably and inclusively while delivering value to stakeholders through our proprietary technology and the talent of our people, in the energy and chemical markets in Southern Africa and worldwide.

Our strategic agenda

Our growth in sustainable stakeholder value is built on a foundation of developing people and improving assets. We aim to grow our gas-to-liquids (GTL), coal-to-liquids (CTL), upstream, chemical and new energy business. This is achieved through our technological prowess and through group imperatives that deliver functional, operational, sales and capital investment excellence, supported by planning and optimisation and values-driven leadership.

Guiding our intentions and underpinning all our actions are our shared values of safety, customer focus, winning with people, excellence in all we do, continuous improvement and integrity.



* New group imperatives since June 2011.

IR More details on our current growth projects are provided on pages 24, 25 and 29.

Sasol's definition of victory is to enhance total shareholder return. We use key performance indicators to measure our performance against achieving this goal, some of which are included in the short-term incentive scheme.

Our foundational pillars

Develop and empower our people. We endeavour to be an employer of choice by paying competitive, market-related salaries and wages, creating safe, healthy and rewarding workplaces and promoting positive corporate values. We invest significantly in skills development and training, focused leadership development and succession planning, to ensure a pipeline of talent to meet our strategic objectives.

IR Refer to pages 116 to 121 for details on our incentive schemes.

IR For more details on our key performance indicators refer to page 34.

Unpacking our strategic agenda

Operations excellence

This programme aims to improve profitability across Sasol's value chains by developing standardised, world class management systems and by implementing best practice in our plants and businesses. Projects are facilitated to ensure sustainable continuous improvement. The programme also seeks to develop competent and engaged people to adopt these practices and deliver targeted performance.

Functional excellence

This programme aims to assist centralised enterprise functions to identify process, structural and technological inefficiencies and implement improvements that achieve simplified, standardised and shared ways of working. The programme aims to improve the cost efficiency and service effectiveness of all the functional areas of our business.

Capital excellence

This programme aims to ensure the flexible and effective use of capital in the group's project value chain. It is focused on delivering projects that meet all quality requirements in the shortest possible time, at the lowest possible cost, yielding the greatest possible return on investment.

Sales and marketing excellence*

This programme aims to improve Sasol's profitability by developing integrated world class marketing practices, systems and structures across the entire company. These are to be integrated with enterprise information systems that provide better quality and timely information to better service Sasol's broad range of customers.

Planning and optimisation*

Sasol manufactures a wealth of chemical and energy products from its various facilities and processes. These create a number of options to create value. The aim of this function is to improve profitability through the optimal allocation of Sasol's products and feedstocks.

Values-driven leadership

Project enterprise, our culture transformation programme, was launched in 2006 and has realised significant results. It aims to inspire employees to experience and emulate the change in behaviour and style of their leaders. Future activity will focus on assisting leaders to achieve effective culture change in day-to-day business decisions.

* New group imperatives since June 2011.

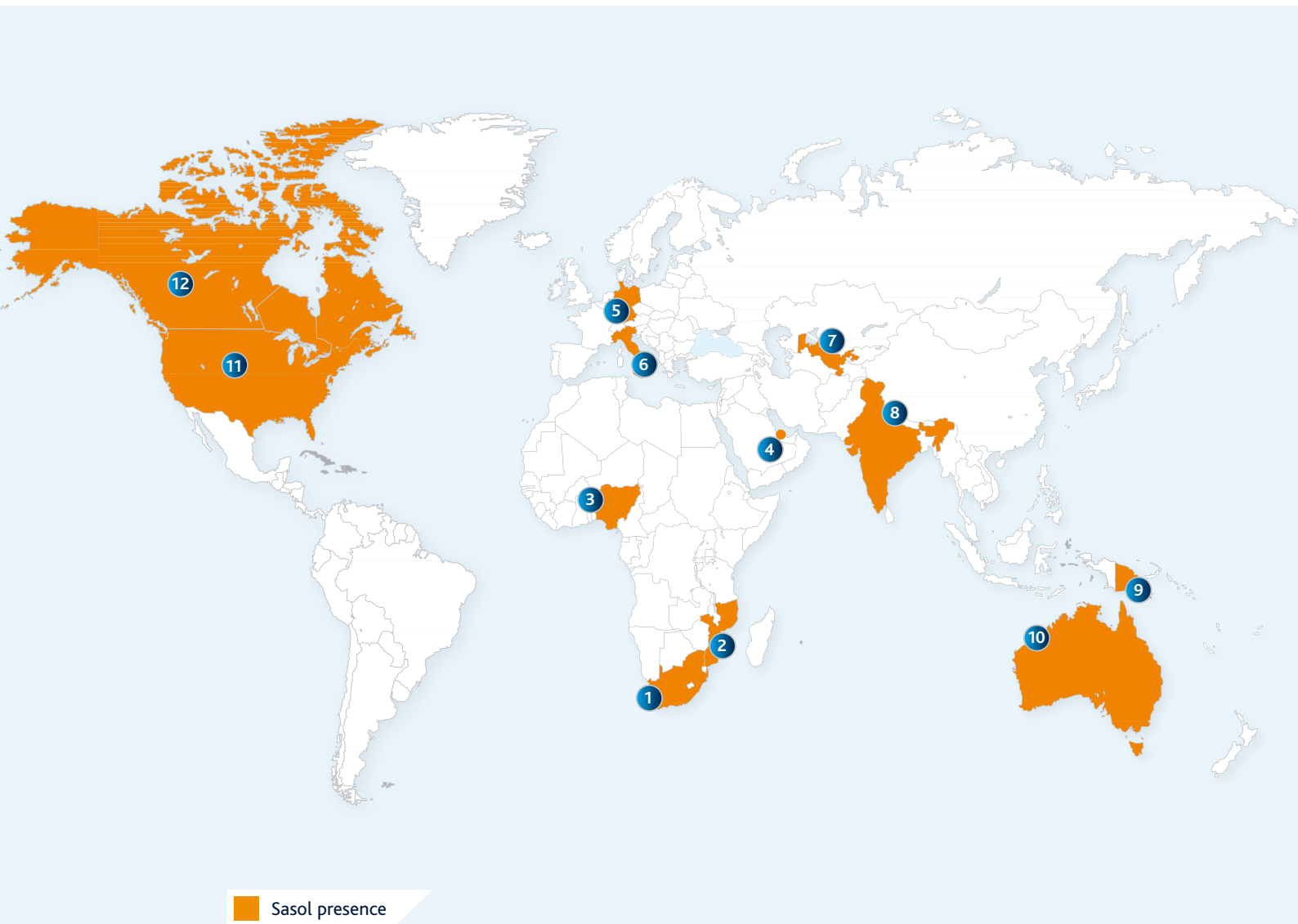
Continuously improve and grow our existing asset base. We continue to grow our existing production, focused on achieving a world class safety record and moderating our environmental impact by achieving our stated targets for emissions reductions, and by improving energy efficiency. We seek to continuously improve the efficiency and reliability of our operations.

Deliver on the South African transformation agenda. As a proud South African company, we view black economic empowerment (BEE) as a moral obligation and a business imperative. We subscribe to the Code of Good Practice for Broad-based BEE. Our broad-based BEE verification certificate, issued on 4 September 2010, confirmed our level 4 contributor status, with a 100% procurement recognition level. As Sasol is recognised as a value-adding enterprise, customers receive R1,25 preferential procurement recognition for each R1 they spend with Sasol group companies.

our global growth opportunities

In line with our strategic intent, Sasol is pursuing local and international opportunities to grow our upstream asset base, and leverage our proprietary Fischer-Tropsch conversion technology to develop new gas-to-liquids (GTL) and coal-to-liquids (CTL) facilities.

Recent technology developments in the cost-effective extraction of shale gas, and resulting lower gas prices, present a significant opportunity for the acceleration of our GTL value proposition. We continue to develop focused CTL opportunities and are also progressing plans to expand our chemical businesses.



South Africa

1

Sasol Mining has started work to extend the Twistdraai mine and replace the Brandspruit and Middelbult mines. The Thubelisha shaft is nearing completion and construction on Impumelelo remains on track.

Sasol Synfuels is moving ahead with projects to increase production as well as to increase power generation.

The **Sasol Wax** project to double hard wax production at Sasolburg is expected to come on stream between 2012 and 2015.

Work is underway on the new **Sasol Polymers** ethane/ethylene separation unit in Sasolburg.

Sasol Nitro's new limestone ammonium nitrate fertiliser granulation plant is to be commissioned in November 2011.

Sasol Oil is upgrading its Alrode facilities and is also working on a pipeline between Secunda and Natref at Sasolburg.

Sasol Petroleum International (SPI) and its partners have a petroleum technical cooperation permit to carry out a desktop study to assess the prospective shale gas resources in the Karoo Basin.

Sasol New Energy (SNE) obtained approval to construct a 140 megawatt electricity generation plant in Sasolburg. It is also considering a demonstration concentrated solar power (CSP) plant at Sasolburg. We are also considering renewable electricity opportunities and a field trial of underground coal gasification.

Italy

6

Sasol O&S has entered a memorandum of understanding (MOU) with Edison for the installation of a solar power generation plant at the Sasol O&S Augusta manufacturing complex to service a portion of Sasol O&S' electricity needs.

Uzbekistan

7

SSI has formed a partnership with Petronas and state oil and gas company, Uzbekneftegaz, to establish a GTL plant in Uzbekistan. A joint feasibility study for the development and implementation of this GTL project, with an estimated capacity of 1,4 million tons per annum was completed. The front end engineering and design (FEED) phase of the project has commenced.

India

8

SSI is conducting a pre-feasibility study into a CTL facility in India. The government has awarded the SSI and Tata Group joint venture long-term access to a portion of the Talcher coalfield in the State of Orissa, the largest coal block award ever made in India to a private company.

Mozambique

2

SPI is completing the expansion of onshore gas production facilities at Pande and Temane and is exploring for new gas resources.

SPI also increased its exploration and appraisal activities in Mozambique.

SNE is looking at developing additional gas-fired electricity generation with the Mozambican government.

Sasol Nitro has commenced with the supply of its products to customers in the Tete region.

Papua New Guinea

9

SPI continues to explore for upstream gas resources.

Australia

10

SPI is exploring for upstream gas resources.

Nigeria

3

Along with Chevron and the Nigerian National Petroleum Corporation, **Sasol Synfuels International (SSI)** continues with the development of the Escravos GTL plant.

Qatar

4

Oryx GTL, jointly owned by Qatar Petroleum and Sasol, is one of the world's largest commercial scale GTL facilities. We are progressively expanding the facility by approximately 10%, with an expected completion date in the 2014 calendar year.

Germany

5

Construction has begun on **Sasol Olefins & Surfactants' (Sasol O&S)** purified tri-ethyl aluminium unit in support of its selective growth strategy.

Sasol O&S is exploring the application of its core inorganics technology to produce ultra-high purity alumina feedstocks used for light emitting diode applications.

United States

11

SPI is considering United States shale gas acquisitions.

Sasol O&S and **Sasol Solvents** have started work on a new facility to produce octene by tetramerising ethylene at Lake Charles in Louisiana, United States.

SSI In 2011, SSI completed a pre-feasibility study into a possible integrated GTL and chemical facility in the United States. After the successful completion of the pre-feasibility study, the Sasol board approved that the project proceed to feasibility study phase. The feasibility study is expected to be completed in the latter half of the 2012 calendar year.

Canada

12

SSI commenced with a feasibility study to determine the technical and commercial viability of a GTL plant.

SPI acquired a 50% interest in the Farrell Creek and Cypress A shale gas assets in the Montney Basin in Canada.



shale gas – *the new frontier*

A highlight of 2011, was Sasol's acquisition of a 50% stake in two large shale gas assets in Canada, significantly adding to long-term value growth and increasing our presence in North America. The purchase of interests in the assets in the Montney Basin of British Columbia, in partnership with Talisman Energy Inc. (Talisman), is the group's largest capital investment since our initial investments in the Sasolburg and Secunda complexes in South Africa. This acquisition is aligned with the group's strategic objective to grow our gas-to-liquids (GTL) portfolio and related upstream assets, allowing us to capitalise on opportunities to leverage North America's abundant gas reserves and benefit from the large price differential between oil and natural gas.

What is shale gas?

Shale gas is a form of clean natural gas that is produced from shale. Shale is a fine-grained sedimentary rock formed from the compaction of silt, mineral particles and organic material that we commonly call mud. Shale gas differs from conventional gas reservoirs in that shales normally have insufficient permeability to allow significant volumes of gas to flow to a well bore. This means that large-scale gas production requires fractures to provide the permeability to allow the gas to flow. This is normally achieved through hydraulic fracturing ('fracking') to create extensive artificial fractures around and connected to the well bores.



Shale gas growth in North America is aligned with our strategic objective to grow our gas-to-liquids (GTL) portfolio and related upstream assets.

What is the opportunity?

Large concentrations of shale gas resources are found in North America and Australia, and we see further opportunities arising in other parts of the world. As shale gas production has become more cost efficient, so its development has accelerated, adding some 70 years of resource life in the United States alone.

In 2005, North America was producing about 3 billion standard cubic feet a day (bscf/d) of shale gas. By 2010, that had increased to about 8 bscf/d. By 2035, shale gas is forecast to represent about 45% of the United States gas market's production, from about 14% in 2009.

Sasol's proprietary GTL technology is an attractive economic proposition in North America. Currently, oil prices have been trading at higher multiples of 16 to 20 times gas prices. This creates an opportunity for Sasol to harness low-cost gas as a feedstock to our unique technology to convert it into higher value liquid fuels, so keenly in demand.

What is fracking?

During the fracking process, water, sand and other minor additives are pumped under high pressure through the well bore into the shale formation to create fractures in the shale. The fracture fluid is around 95% water and 5% sand, along with a small amount of special-purpose additives.

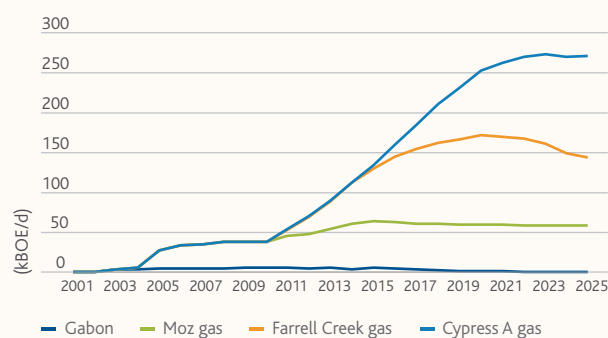
The newly created fractures are propped open by the sand, which allows the natural gas to flow into the well bore so it can be collected at the surface. Normally, a hydraulic fracturing operation is only performed once in the life of a well.

What about the environmental impact?

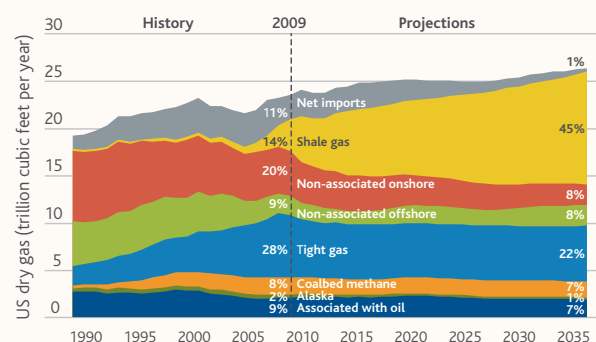
Sasol has chosen a reputable, experienced shale gas operator in Talisman as its partner. We favour Talisman's approach to safety and the environment and their levels of transparency and public engagement.

Water is an important component of deep shale gas development during both the drilling and hydraulic fracturing processes. For our shale gas operations in the Montney Basin of British Columbia in Canada, the region has water in abundance. Water from the adjacent Williston Lake will provide a reliable, piped water source directly to the gas field. This pipeline will also eliminate the need for thousands of journeys by water trucks every year. Lake Williston is one of the world's largest man-made lakes and our off-take from it is negligible.

Consolidated production volumes (equity share)
All producing assets



Shale gas growth in North America supports the favourable natural gas/oil price dynamics



Source: EIA, Annual Energy Outlook 2011

Water used for shale gas differs most notably from all other uses of water because its use is temporary, occurring only during the drilling and completion phases of each well. Therefore, the use of water does not represent a long-term commitment of the resource. Other water users typically consume water on an ongoing basis for their operations.

The shale gas industry has also made great strides in achieving high rates of recovery and recycling to reduce the amount of fresh water used and the amount of water that needs to be ultimately treated and disposed. The industry is highly regulated and rigorous permit and licensing processes have to be followed to ensure the safe treatment and disposal of water within the regulated specifications.

Atmospheric emissions are always a point of public concern. A recent study by the United States Department of Energy compared the life cycle greenhouse gas emissions from operations associated with conventional natural gas and unconventional natural gas (ie, tight gas, coal bed methane and shale gas). This study concluded that the greenhouse gas emissions profile of shale gas operations is comparable with that of conventional natural gas operations.

our top priorities for 2012

In order to ensure that our strategic growth objectives are achieved and build on the solid foundation of our existing businesses, we will continue to focus on specific initiatives which will contribute to delivering on stakeholder value. All our businesses and functions will continue to operate sustainably, underpinned by sound governance.

Improve safety performance

- Zero fatalities – zero harm
- Measurement and reporting of leading indicators
- Improve recordable case rate



Improve operational performance

- Operations excellence
- Sales and marketing excellence
- CO₂ mitigation and energy efficiency
- Planning and optimisation



Deliver on functional excellence

- Cost reduction in line with targets
- Maintain or improve effectiveness with services
- Implement organisational changes



Pursue group growth drivers

- Grow upstream gas resources and accelerate gas-to-liquids (GTL) projects
- Drive capital excellence across all projects
- Accelerate new energy opportunities



Renew focus on values-driven behaviour

- Strengthen compliance and governance
- Build a high performance culture
- Develop global business leadership capacity with a focus on diversity and inclusion



our project pipeline

Sasol uses a business development and implementation (BD&I) model, which is a systematic approach for the development and implementation of new business opportunities or any other projects. The methodology is based on the traditional stage gate process associated with project life cycles. By applying the BD&I model's principles, a suitable business opportunity identified in the idea generation stage, could become a focused business development project as it becomes more focused through application of the model.

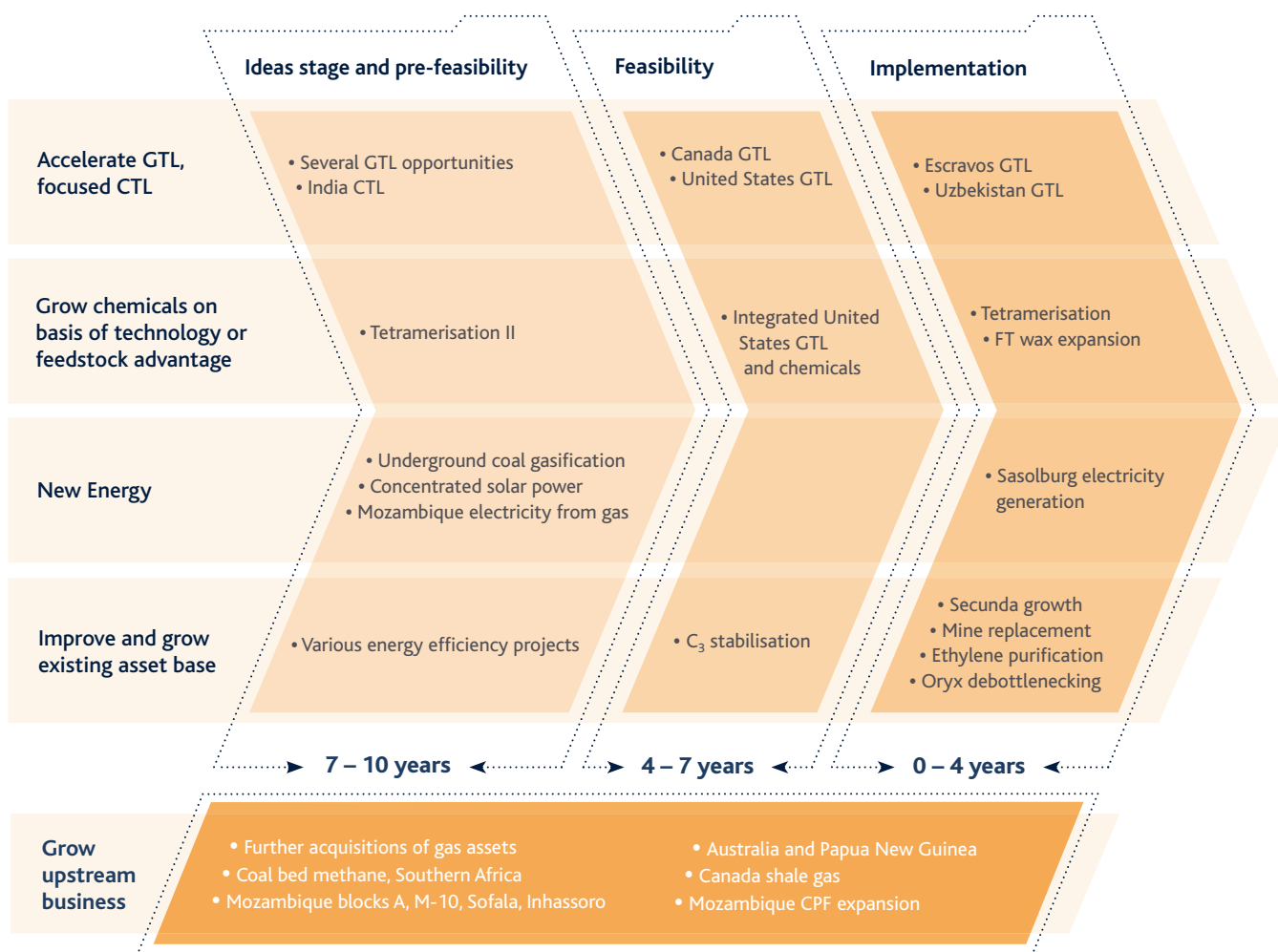
A key feature of the BD&I model is that it facilitates alignment between business and operational requirements; and project and technical activities, to ensure that the right actions are executed at the right time.

Idea generation. This phase focuses on strategic alignment and provides a platform to perform opportunity scanning, brainstorming, research and development and business enquiries.

Pre-feasibility phase. This phase focuses on project planning. During this phase, it is determined whether an opportunity is aligned with company strategy and if the opportunity is worth pursuing.

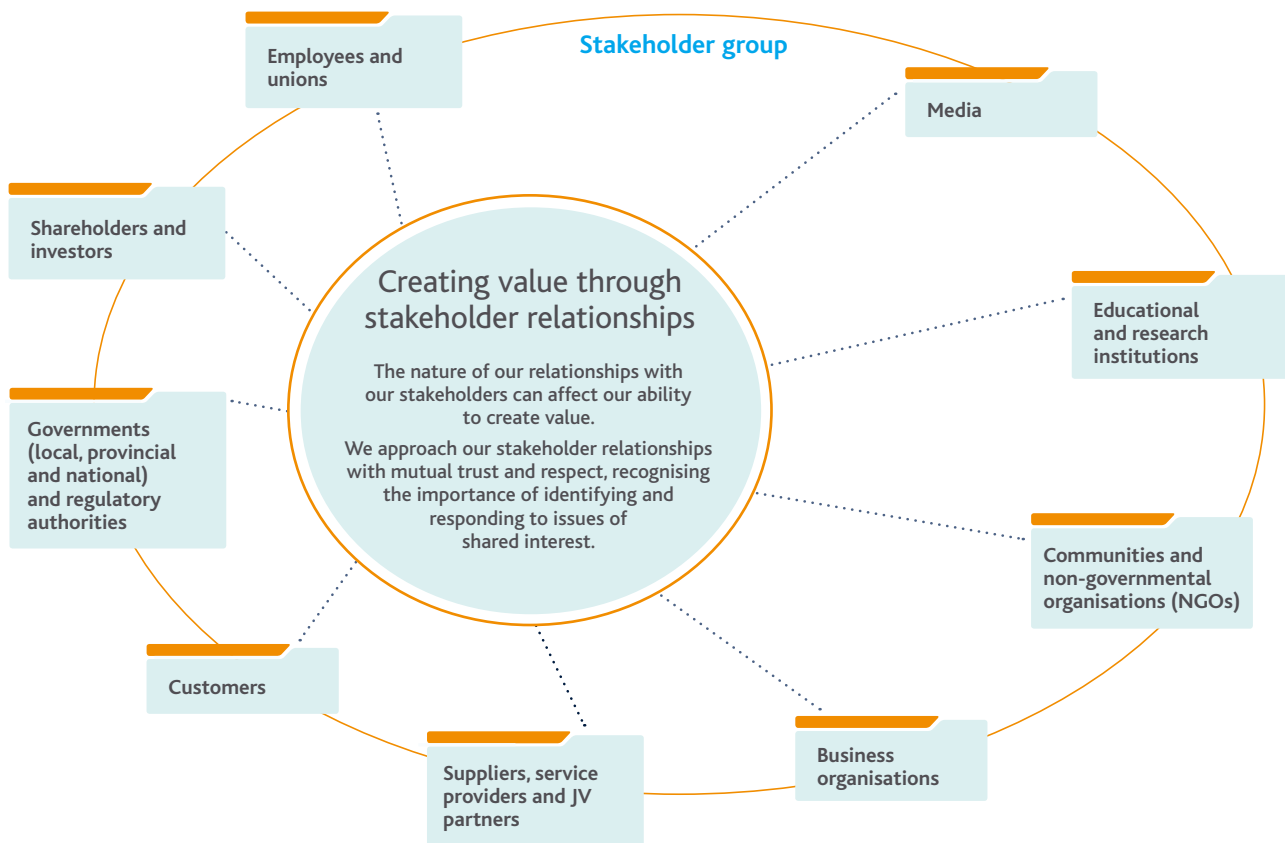
Feasibility phase. Business, technical and project execution alternatives are identified, considered and the best alternative selected. The selected alternatives are developed into single well defined concepts. The cost and benefits are calculated and it is determined if the project is viable from a technology and economic point of view.

Implementation phase. The facilities are designed in detail, procured and erected as per the accepted project execution plan. Once accepted as ready for commissioning (RFC), the facility and business systems are prepared for the first introduction of process feedstocks to achieve ready for operation (RFO) status.



The list above is not exhaustive and displays only the major projects and ideas.

our key relationships



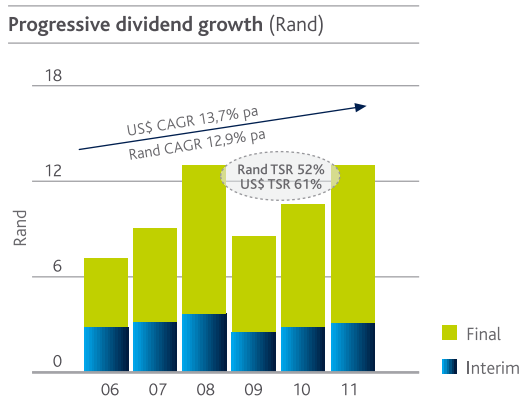
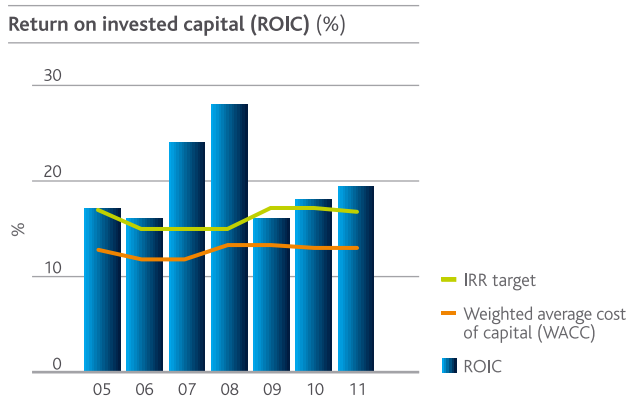
Engaging our stakeholders

| Stakeholder group | How we engage with our stakeholders? | Why we value our stakeholders? | What our stakeholders expect from us? | What concerns our stakeholders? | Page |
|----------------------|---|---|--|---|------|
| Employees and unions | <ul style="list-style-type: none"> ➤ Internal newsletters and posters ➤ Regular chief executive officer's letter ➤ Sasol intranet ➤ Shop-floor briefings ➤ 360° performance reviews ➤ Lunch and learn discussions ➤ Management roadshows ➤ Internal meetings with trade union representatives | The foundation of our business through their productivity, innovation and integrity | Providing a safe, stimulating and rewarding work environment | <ul style="list-style-type: none"> ➤ Health and safety performance ➤ Ongoing training and education ➤ Open communication between employees and managers ➤ Provision of internationally competitive remuneration and benefits packages ➤ Workforce transformation ➤ Access to HIV counselling and employee wellness programmes | 112 |

| Stakeholder group | How we engage with our stakeholders? | Why we value our stakeholders? | What our stakeholders expect from us? | What concerns our stakeholders? | Page |
|---|---|---|---|---|---|
| Shareholders and investors | <ul style="list-style-type: none"> ➤ Regular presentations and roadshows ➤ Chief financial officer's letter ➤ Annual reports ➤ Media releases and published results | Provide the financial capital necessary to sustain growth | Sustainable growth and returns on investment | <ul style="list-style-type: none"> ➤ Delivering sustainable returns ➤ Leadership and strategic direction ➤ Corporate governance and ethics ➤ Exposure to strong rand/US dollar exchange rate for protracted periods ➤ Exposure to the Brent crude oil price ➤ Progress with project pipeline and future growth projects ➤ Capital expenditure for current and future periods | <p>12</p> <p>29</p> <p>32</p> <p>38</p> <p>46</p> <p>52</p> |
| Governments (local, provincial and national) and regulatory authorities | <ul style="list-style-type: none"> ➤ Personal meetings at all levels ➤ Written communication ➤ Through business organisations ➤ Parliamentary portfolio committees | Provide our licence to operate and a clear regulatory framework | Supporting the region's growth and developmental strategies through transparent responsible behaviour | <ul style="list-style-type: none"> ➤ Increased contribution to the South African economy, including job creation ➤ Enhanced taxation and royalty payments amid high commodity prices ➤ Empowerment, transformation and adherence to the revised BEE codes ➤ More effective safety management to eliminate fatalities and serious injuries ➤ Reduction of energy consumption ➤ Disclosure and management of carbon emissions | <p>36</p> <p>67</p> <p>70</p> <p>112</p> <p>126</p> |
| Customers | <ul style="list-style-type: none"> ➤ Customer meetings and site visits ➤ Conferences ➤ Business association meetings | Opportunities for continued growth | Safe, essential and quality products at competitive prices | <ul style="list-style-type: none"> ➤ Quality of products ➤ Long-term security of supply ➤ Effective product stewardship | <p>22</p> |
| Suppliers, service providers and JV partners | <ul style="list-style-type: none"> ➤ Supplier meetings and site visits ➤ Performance reports and audits ➤ Business associations | Good value, safe and quality products and services that support our growth | Providing joint developmental and growth opportunities | <ul style="list-style-type: none"> ➤ Long-term security of supply ➤ Effectiveness of planned procure-to-pay process ➤ Health and safety performance | <p>22</p> <p>70</p> |
| Business organisations | <ul style="list-style-type: none"> ➤ Business body memberships ➤ Participation in meetings and initiatives | Engaging with governmental initiatives and topical issues to drive agendas; shared expertise and experience | Contributing to the collective industry voice | <ul style="list-style-type: none"> ➤ Disclosure and management of carbon emissions ➤ Workforce transformation ➤ Open and transparent communication | <p>36</p> <p>122</p> |
| Communities and NGOs | <ul style="list-style-type: none"> ➤ Community outreach forums ➤ Public and personal meetings ➤ Corporate social investment initiatives | A deeper understanding of community interests and building trusted relationships | Contributing responsibly and transparently to broader societal interests | <ul style="list-style-type: none"> ➤ Employment opportunities and environmental impacts ➤ Supporting key community development issues ➤ Sponsorships and bursaries | <p>122</p> <p>123</p> |
| Educational and research institutions | <ul style="list-style-type: none"> ➤ Specific partnership arrangements ➤ Academic conferences | Opportunity to develop Sasol's talent and develop innovative products and services | Investment in patents and research and development infrastructure | <ul style="list-style-type: none"> ➤ Skills development initiatives ➤ Sponsorships and bursaries ➤ Engagement with students | <p>122</p> <p>123</p> |
| Media | <ul style="list-style-type: none"> ➤ Media releases and briefings | Reputation management and raising awareness of Sasol products, services and business strategy | Responsible and transparent industry leadership on business and societal issues | <ul style="list-style-type: none"> ➤ Non-compliance with legislation ➤ Growth opportunities ➤ Expansion of Sasol business ➤ Sponsorships | <p>24</p> <p>29</p> <p>46</p> <p>123</p> |



a compelling investment proposition



Sasol is a blue-chip South African company that has been listed in Johannesburg since 1979 and in New York since 2003.

Our investment case is compelling, due to our strong cash flow generation and solid balance sheet, which together, support our progressive dividend policy.

As this integrated annual report shows, our foundation business is solid, our growth strategy convincing and our returns to shareholders over the past six years are superior. We are committed to maximising long-term shareholder value and have a strong track record of delivering on our targets for return on invested capital.

Sasol has an attractive value proposition:



Sasol is a leading technology-driven, alternative-energy company

- ▶ We are a proven alternative energy producer with more than 60 years of experience producing synthetic fuels from coal
- ▶ We already operate, and are continuously improving, large-scale synfuels plants
- ▶ We are adept at commercialising innovative technology and at executing major projects
- ▶ We have an ability to monetise the world's hydrocarbon resources

Compelling growth strategy

- ▶ Oil market fundamentals suggest that high crude oil prices are likely to persist in the long term
- ▶ Demand for transportation fuels from emerging markets continues to rise
- ▶ The development of the North American shale gas sector means that gas prices are low relative to those for oil

Unique investment proposition

- ▶ We are well positioned as a value and growth stock
- ▶ We have a strong and improving business
- ▶ Our growth is driven by the need for energy security as well as our unique technological lead
- ▶ We are well positioned in developing and emerging markets
- ▶ Our balance sheet is robust and our cash generation is strong, supporting our progressive dividend policy

our key performance indicators

Sasol uses key performance indicators (KPIs) to measure our progress in implementing our strategy. Our KPIs support our strategic objective to growing stakeholder value sustainably.

We have defined a number of specific targets to continually measure our performance and, when necessary, revise them to take into account changes in the group's strategic outlook.

The KPIs are aligned to the group's key objectives and encompass both financial and non-financial indicators, as well as quantitative and qualitative factors. It is recognised that they are not exhaustive and many other performance measures are also used to monitor progress.

| | Description | Target | Actual 2011 | Actual 2010 | Actual 2009 |
|--|---|--------------------|------------------|------------------|------------------|
| Financial KPIs | | | | | |
| Earnings growth | US dollar earnings of 10% per annum on a three year moving average basis | 10% | 10% | 26% | 44% |
| Return on invested capital (ROIC) | Return to exceed required rates of return as determined by our weighted average cost of capital (WACC). For new investments we target returns of 1,3 times WACC | 16,8% (1,3 x WACC) | 19% | 18% | 16% |
| Gearing | Gearing is defined as net borrowings to total shareholders' equity. Our target is to achieve a gearing ratio of between 20% – 40% | 20 – 40% | 1,3% | 1,0% | (1,2%) |
| Non-financial KPIs | | | | | |
| Broad-based black economic empowerment (BBBEE) | To achieve level 4 enterprise status by 2013 | Level 4 | Level 4 | Level 5 | Level 6 |
| Volatile organic compounds (VOCs) | To achieve at least 80% reduction in emissions to 9,4 kilotons (kt) of defined VOCs on the 2009 baseline by the end of June 2020 | 9,4 kt | 46 kt | 47 kt | 47 kt |
| Energy efficiency | To improve the energy efficiency of our South African utilities by 15% per unit of production, by 2015 on a 2000 baseline | 15% | 15,53% | 16,31% | 15,54% |
| Safety | To achieve a year-on-year reduction in the recordable case rate (RCR)* per 200 000 hours so that we reach less than 0,3 by 2013 (this includes injuries and illnesses for employees, hired labour and service providers) The long-term goal is zero harm | 0,3 | 0,42 | 0,51 | 0,54 |
| Logistics incidents | To achieve a 30% reduction over 5 years, based on the 2009 actual transport indicator of performance (0,0925) measured as incidents per 100 kilotons (kt) product produced | 30% | 37% | 27% | 42% |
| Carbon dioxide (CO ₂) emission intensity | To reduce our emissions intensity by 15% in all our operations by 2020 on a 2005 baseline to 2,69, measured as tons CO ₂ equivalent per ton production | 2,69 | 2,99 | 3,05 | 3,24 |
| Greenhouse gas emissions for new plants commissioned | To achieve a 20% reduction in absolute emissions for new coal-to-liquids (CTL) plants commissioned before 2020 and a 30% reduction for plants commissioned before 2030 (with a 2005 CTL design as the baseline) | 30% | n/a ¹ | n/a ¹ | n/a ¹ |

1. There were no new CTL plants commissioned during the year.

* The recordable case rate is a standard international measure for reporting work-related injuries and illnesses and other safety incidents resulting in injury. The RCR is the number of fatalities, lost workdays, restricted work cases, medical treatments beyond first-aid cases and accepted illnesses for every 200 000 employee hours worked. From 2006 onwards, our RCR includes employees and service providers, and recordable injuries as well as occupational illnesses. Currently, about 11% of the RCR is attributable to illnesses.

Performance against our KPIs

Earnings growth. We aim to achieve a 10% earnings growth per annum in US dollar terms on a three year moving average basis, measured against the 2004 – 2006 base of US\$1 329 million. Our earnings growth since 2006 has exceeded this target every year, but we aim for improved consistency and more stable and predictable performance.

Targeted return on capital investment. In general, approximately 80% of all new capital investment projects are required to provide a targeted return of at least 1,3 times our WACC, which is currently 12,95% in South African rand terms and 8,00% in Europe and the United States in US dollar terms. This rate of return does not apply to sustenance capital expenditure on existing operations, in particular environmental projects in which it is typically difficult to demonstrate economic viability.

Our targeted return of at least 1,3 times WACC was selected for two main reasons. Firstly, to take into account that certain capital projects, as described above, do not generate a return and therefore lower the overall return on assets, and secondly, to ensure that the group only targets capital investment projects that meet the economic returns required by our stakeholders, while providing a buffer for changes in economic conditions applicable to the asset.

Gearing. We aim to maintain our gearing rate (net debt to equity) within a range of 20% to 40%. Our gearing level takes cognisance of our substantial capital investments and susceptibility to external market factors such as crude oil prices, commodity chemical prices and exchange rates.

Our gearing level in 2011 is consistent with that of 2010. During the past four years, the strong cash flows generated by our South African energy business resulted in our gearing levels dropping to below our self-imposed targeted range. Our share repurchase programme was suspended during 2009, and together with our cash conservation approach, we have seen our gearing level remain at these low levels. This low level of gearing is expected to be maintained in the short term. However, in anticipation of our large capital investment programme, including our gas asset acquisition strategy, we expect our gearing level to move within our targeted range in the medium term.

There is still uncertainty in credit markets due to the provision of Basel 3 affecting liquidity, however, our cash balances position the company well for future growth in an environment when liquidity remains tight.

Our gearing increases by approximately 0,9% for every R1 billion of debt raised.

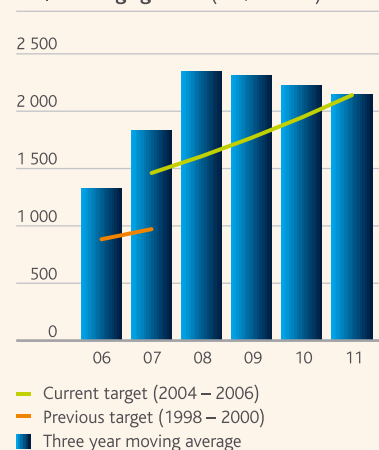
Volatile organic compounds (VOCs). We aim to achieve at least an 80% reduction in emissions of defined VOCs on the restated 2009 baseline by the end of June 2020. The defined chemicals are benzene, toluene, xylene, ethylbenzene, 1,3-butadiene and acetaldehyde emitted from all major pollutant sources in Sasol.

During the year, we continued implementing various interventions aimed at reducing the emissions and associated risks of VOCs. New low-carbon projects planned for Sasol Synfuels from 2010 to 2013, will require an estimated capital investment cost of about R3 billion. The initial expenditure was recognised in 2010 (environmental expenditure of R308 million for 2010 and R252 million for 2011).

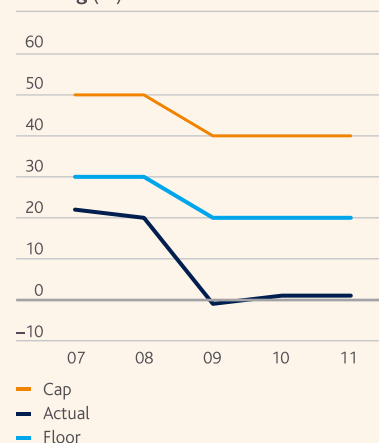
The first material reduction of VOCs are only expected in 2012, with the commissioning of the first series of mitigation technologies.

Meeting this target relies on all VOC reduction projects to be successfully executed, resulting in an anticipated reduction of 36 000 tons per annum by 2020, mainly at our Sasol Synfuels facility.

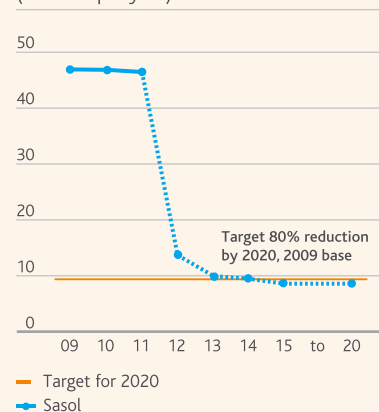
US\$ earnings growth (US\$ million)



Gearing (%)



Volatile organic compound emissions (Kilotons per year)



Energy efficiency. Our operations excellence programme forms the foundation of energy efficiency. Sasol Technology continues to hone the group's Fischer-Tropsch (FT) technology to improve the efficiency of our CTL, gas-to-liquids (GTL) and chemical processes. This will lower the volume of greenhouse gases produced. This technology and efficiency approach forms the basis of all of our efforts to manage our carbon footprint.

During the year, Sasol New Energy mapped out Sasol's use of different sources of energy in its operating facilities, with the aim of having a centralised measurement of energy consumption.

Utility energy is our prime focus. In this area, we are looking to eliminate waste and replace older technologies with newer, more efficient technologies. An improvement of between 2% and 5% of energy efficiency can be obtained by eliminating wasted energy. With roughly half of Sasol's CO₂ emissions coming from utility energy, this could also have a significant impact on our CO₂ footprint. Our secondary focus is on process energy.

By utilising process energy more effectively we will reduce our demand for utility energy. We have focused on heat integration and improving operating conditions.

Based on an improved understanding of our energy use, we have developed plans to improve our energy efficiency, and allow our South African operations to meet the requirements of the Energy Efficiency Accord (an agreement between the government and industry leaders to take voluntary measures to increase energy efficiency). The group will in future also include energy efficiency improvement as a key measurement in its business unit and employee performance targets.

Safety. The recordable case rate (RCR)* for employees and service providers, including injuries and illnesses, improved to a record low of 0,42 at 30 June 2011 from 0,51 at 30 June 2010.

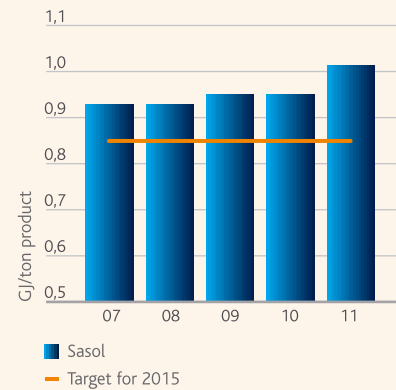
Following a three year period from 2008 until 2010, when the RCR plateaued around the 0,5 mark, 2011 has seen an improvement with a final year end RCR of 0,42, representing an 18% improvement for the year.

However, we have recorded an increase in fatalities during the year. Our revised safety improvement plan is currently being implemented to address the unacceptable level of fatalities. The main focus of the safety improvement plan during the year has been on undertaking engagements at leadership levels and developing specific safety improvement plans for each business unit. The strategic emphasis of the safety improvement plan for 2012 will be on process safety with the aim of reducing the number of fires, explosions and releases.

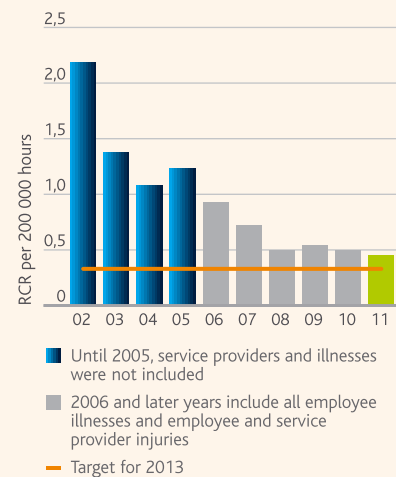


Further details on our safety performance and activities are provided in our operating performance starting on page 70.

Sasol process operations – energy intensity (GJ/ton product – process operations only)



Recordable case rate – RCR (recordable cases per 200 000 hours)



* The recordable case rate is a standard international measure for reporting work-related injuries and illnesses and other safety incidents resulting in injury. The RCR is the number of fatalities, lost workdays, restricted work cases, medical treatments beyond first-aid cases and accepted illnesses for every 200 000 employee hours worked. From 2006 onwards, our RCR includes employees and service providers, and recordable injuries as well as occupational illnesses. Currently, about 11% of the RCR is attributable to illnesses.

Logistics incidents. We aim to achieve a 30% reduction over five years, based on the 2009 actual transport indicator of performance (0,0925) measured as incidents per 100 kt product produced.



Further details on our transport incident rate is provided in the sustainable development report.

CO₂ emission intensity. We are a significant contributor to the South African economy and play a key role in ensuring energy security for the country; however, we also recognise that we are a large emitter of greenhouse gases (GHG). We aim to reduce our emissions intensity by 15% in all our operations by 2020 on the 2005 baseline, measured as CO₂ equivalent/ton production.

Our GHG emissions intensity for 2011 reduced from 3,05 in 2010 to 2,99 in 2011. We have made changes to how we operate our business in order to transition to a lower-carbon economy.

Through investments in energy efficiency and in finding and using natural gas from Mozambique, we reduced annual GHG emissions levels by 10 million tons between 2004 and 2011, a reduction of 12%.

We are continuing to seek solutions to the challenges facing GHG emission intensive industries, like ourselves, and how these emissions can be reduced over time, including possible technological and other advances such as using lower-carbon and renewable forms of energy and carbon capture and storage (CCS).

Our strategic objective is to grow our global GTL portfolio and related upstream asset base. This is aligned to the growing emphasis internationally on gas as an energy source with lower GHG emissions than coal.

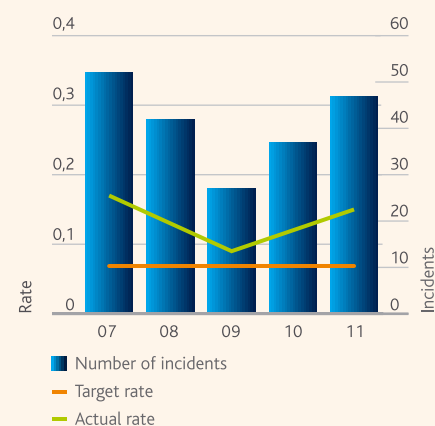
Greenhouse gas emissions for new plants commissioned. We aim to achieve a 20% reduction in absolute emissions for new CTL plants commissioned before 2020 and a 30% reduction for plants commissioned before 2030 (with a 2005 CTL design as the baseline).

Sasol regularly reviews the group's long-term absolute GHG emission targets, as developments in the global climate change arena take place. Our targets are also contingent on technological advances, such as CCS; increased utilisation of renewable energy; as well as developments in the regulatory and fiscal environments in which we operate.

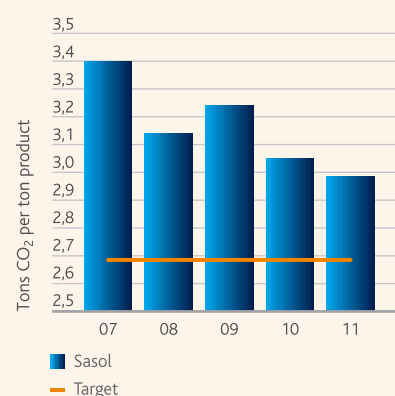


Further details on our activities to reduce GHG emissions are provided in the sustainable development report.

Transport incident rate (incidents per 100kt product transported)



Greenhouse gas emission intensity (tons CO₂ per ton product)



governance and risk

summarised corporate governance report

Sasol Limited is listed on the Johannesburg Stock Exchange (JSE) in South Africa and the New York Stock Exchange (NYSE) in the United States. The company is subject to the disclosure, corporate governance and other requirements in both jurisdictions. These include the South African Companies Act, No 71 of 2008¹ (Companies Act) and JSE Listings Requirements, and in the United States, the Sarbanes-Oxley Act of 2002 (SOX), United States Securities and Exchange Commission (SEC) and NYSE requirements. The company has implemented controls to provide reasonable assurance of its compliance with these requirements, in so far as they are applicable.

The company has to report on its implementation of the King Code of Governance Principles for South Africa (King III Code) for the first time this year. Sasol applies most of the practices recommended by the King III Code. Those that are not applied are shown in the table below:

| King III Code principle | Recommended practice | Explanation of Sasol practice |
|-------------------------|---|--|
| 2.20 | The board should ensure that a formal induction programme is established for new directors. | Sasol tailors induction to the profile and needs of each individual director over the first year from appointment. Mentoring takes place informally. A more formal programme will be considered for adoption during 2012. |
| 2.25.4 | Non-executive fees should comprise a base fee as well as an attendance fee per meeting. | The fee structure for non-executive directors is not split between a base fee and an attendance fee. Board members are paid a fixed annual fee in respect of their board membership, as well as supplementary fees for committee membership. The fee structure reflects the responsibilities of the directors that extend beyond the attendance of meetings, and the requirement for directors to be available between scheduled meetings. |
| 8.6.1 | The board should adopt formal dispute resolution processes for internal and external disputes. | Sasol prefers to settle disputes rather than to litigate and uses alternative dispute resolution mechanisms whenever appropriate. This is decided on a case-by-case basis. |
| 8.6.2 | The board should select the appropriate individuals to represent the company in alternative dispute resolution (ADR). | The selection of appropriate individuals to represent the company in ADR proceedings is considered to be a management responsibility. |

The board considers sound corporate governance as pivotal to delivering responsible and sustainable growth in the interests of all stakeholders. Governance structures and processes are regularly reviewed and adapted to accommodate internal developments and to reflect national and international best practice.



Stakeholders are advised to read the full corporate governance report in the annual financial statements.

Board of directors. The board comprises a majority of independent non-executive directors.

Board powers and authority. The board of directors is responsible for the strategic direction and ultimate control of the company. The board exercises control through the governance framework, which includes detailed reporting to the board and its committees, reserving certain matters for board decisions and a system of assurance on internal controls.

The board has determined its main function and responsibility as adding significant value to the company by:

- retaining full and effective control and providing effective leadership in the best interests of the company;
- determining the strategic objectives of the company and ensuring that strategy, risk, performance and sustainability considerations are effectively integrated and appropriately balanced; and
- determining the company's values, including the principles of ethical business practice and responsible corporate citizenship.

Appointment of directors. Non-executive directors are appointed by the nomination and governance committee and the board. Non-executive directors are chosen for their business skills and expertise appropriate to the strategic direction of the company. Diversity in race and gender, as well as in business, geographic and academic backgrounds are also taken into account. The board ensures that it has the right balance of skills, expertise, experience and independence to discharge its responsibilities.



Refer to pages 42 and 43 for the board's composition and categorisation of directors.

1. The Companies Act, No 71 of 2008 became effective on 1 May 2011.



Board effectiveness. The nomination and governance committee evaluates the effectiveness and performance of the board, its committees and individual directors annually. The chairman, assisted by the company secretary, leads the evaluation process, which involves individual responses to questionnaires. The evaluation process was enhanced during the year with the chairman conducting interviews with all non-executive directors. The nomination and governance committee, board and other committees consider the consolidated responses and identify areas for improvement.

Independence of board of directors. The nomination and governance committee assesses the independence of directors and this is confirmed by the board. All the non-executive directors, except Mrs TH Nyasulu, are considered to be independent in accordance with the King III Code and the NYSE rules. Mrs TH Nyasulu has a 1,275% indirect interest in Sasol Oil (Pty) Ltd, a subsidiary of Sasol Limited, and is therefore not considered independent.

Board meetings. The board met seven times during the financial year.



Attendance tables for board and committee meetings are provided in the full corporate governance report in the annual financial statements.

Chairman and lead independent director. The offices of chairman and chief executive officer are separate and the chairman is a non-executive director. As Mrs TH Nyasulu is not independent, the board has appointed Prof JE Schrempf as lead independent director. After assessing the chairman's performance, the board is of the view that it is in the company's best interest for her to continue as chairman.

Chief executive officer. In terms of the company's memorandum of incorporation, the board appoints the chief executive officer on the recommendation of the nomination and governance committee. The appointment may not exceed five years at a time. The board is responsible for ensuring that succession plans are in place for the chief executive officer and other members of the group executive committee. Mr LPA Davies retired as chief executive officer and executive director on 30 June 2011. After a rigorous selection process undertaken by the nomination and governance committee and the board, Mr DE Constable was appointed chief executive officer from 1 July 2011.

Chief financial officer. Ms KC Ramon, an executive director, is the chief financial officer. The audit committee has considered the expertise and experience of the chief financial officer and concluded that it is appropriate. The committee is also satisfied that the expertise, resources and experience of the finance function are adequate.

Company secretary. The board appointed Mr VD Kahla, the group executive: advisory and assurance, with effect from 14 March 2011, as company secretary in accordance with the Companies Act. Mr VD Kahla succeeded Dr NL Joubert who resigned to take up another position in the company.

Board and statutory committees. Several committees have been established to assist the board in discharging its responsibilities. The board appoints the members of its committees. All committees, with the exception of the risk and SHE committee, comprise only non-executive directors. The board has approved the reconstitution of the nomination and governance committee to also act as the 2011 social and ethics committee in compliance with the Companies Act. At the 2011 annual general meeting, shareholders will elect members of the audit committee, given its new status as a statutory committee.

The remuneration committee. The company's remuneration policy and directors' remuneration is detailed in the remuneration overview on pages 116 to 121.



Sasol's remuneration report contained in the annual financial statements provides a comprehensive overview of its remuneration policy and practices.

The audit committee. The audit committee is an important part of the board's system of monitoring and control. All its members are independent non-executive directors and have extensive relevant experience and their qualifications are shown on pages 42 and 43. The audit committee is required to meet at least three times a year. During the year, the committee met four times. All members in office attended all meetings, with the exception of one member who did not attend one meeting.

The audit committee has decision-making authority in its statutory duties and is accountable in this regard to the board and the shareholders. The board has delegated extensive powers to the audit committee to, among other things, implement a procedure for pre-approval of all audit services and permissible non-audit services provided by the external auditor.

On all delegated responsibilities outside of the statutory duties, the committee makes recommendations for board approval.

The audit committee assists the board in overseeing:

- ▶ the quality and integrity of the company's integrated reporting process, incorporating the financial statements (including consolidated group financial statements) and sustainability reporting, and announcements in respect of the financial results;
- ▶ the qualification and independence of the external auditors for Sasol and all group companies;
- ▶ the scope and effectiveness of the external audit function of Sasol and all group companies;
- ▶ the effectiveness of the group's internal controls and internal audit function; and
- ▶ compliance with legal and regulatory requirements to the extent that they might have an impact on the integrated annual report.

Good progress has been made in implementing the combined assurance model. The audit committee is responsible for ensuring that the combined assurance model recommended by the King III Code is applied to provide a coordinated approach to assurance. The committee is also responsible for ensuring that the combined assurance received is appropriate in addressing all the significant risks facing the company and for monitoring the relationship between the external service providers and the company.



The report by the audit committee contained in the annual financial statements provides a comprehensive overview of how the audit committee carried out its mandate.

The risk and safety, health and environment committee (risk and SHE committee).

The committee comprises three executive directors and four non-executive directors, three of whom are independent. An independent director chairs the committee. It met five times during 2011.

The committee's responsibilities include reviewing and assessing the integrity of the company's risk management processes, including safety, health, environmental and sustainability risk management. The committee reports its findings and recommendations in respect of material risks, risk assessment and risk management policies, and sustainability matters to the audit committee that may have an impact on integrated reporting. This enables the audit committee to provide assurance to the board that the group's disclosure is reliable and does not conflict with the financial information.

The nomination and governance committee. The committee comprises three non-executive directors, two of whom are independent. The chairman of the board chairs the nomination and governance committee. The committee met four times during the year.

The committee's responsibilities include reviewing and making recommendations to the board on the company's corporate governance framework, the composition and performance of the board, individual directors and its committees, the appointment or re-appointment of directors and members of the group executive committee, succession planning for the roles of chairman and the chief executive officer, legal compliance and the company's ethics policy and programmes.

Group governance framework. The board has delegated responsibility for day-to-day management of the company to the group executive committee (GEC). The GEC is the group's highest executive decision-making body. It formulates group strategy and policy and ensures that group initiatives and activities are aligned in this respect. The GEC comprises the chief executive officer, chief financial officer and seven other executives. The board appoints GEC members on the recommendation of the chief executive officer and nomination and governance committee.

The business of the group's subsidiaries and divisions is conducted on a decentralised basis. Each subsidiary and division has its own board and management. A defined list of material matters require the group's involvement to ensure that decision-making is in the interest of the Sasol group. Such matters include the appointment of directors, strategy, budgets, large capital expenditures as well as mergers, acquisitions and disposals.

Internal control. The group's system of internal control is designed to identify, evaluate and manage material misstatement and loss, and provide reasonable assurance to this effect. The group's system of internal financial control is designed to provide assurance of proper accounting records and reliable financial information within the business and for publication. The system has self-monitoring mechanisms, and any deficiencies are remedied as soon as they are identified.

Based on a comprehensive review of the systems of internal control and risk management during 2011, including the internal auditor's assessment, the board concluded that they are effective and the internal financial controls form a sound basis for the preparation of reliable financial statements.

Internal audit. The group has an internal audit function that covers all its operations. To ensure that the internal audit function works independently of management, the audit committee approves its charter, audit plan and budget. The internal audit plan is based on an assessment of risk areas identified by internal audit and management, as well as focus areas identified by the audit committee, the risk and SHE committee, GEC and management. A comprehensive report on internal audit findings is presented to the GEC and the audit committee quarterly. Follow-up audits are conducted in areas where major internal control weaknesses are found.

The audit committee is formally involved in annually assessing the performance of the head of internal audit. An independent quality

review of the internal audit function takes place at least every three years.

Information management. The group's information technology (IT) governance is systematic and based on CoBIT (control objectives for information and related technologies) principles. Group management is accountable for information management (IM) governance (which includes IT) across the group. An IM charter has been developed, which is managed through IM governance structures. The IM strategy is aligned to the Sasol business needs and sustainability objectives. The group IM committee reports quarterly to the GEC and the audit committee. The IM risk management framework is aligned to the integrated group risk management framework, which includes disaster recovery measures. IT solutions that impact financial reporting are part of the internal and external auditing scope.

Compliance with laws, rules, codes and standards.

Legal compliance systems and processes were intensified during the year to mitigate the risk of non-compliance with the complex web of laws in the various jurisdictions in which group companies do business. The board and management have given particular attention to competition or antitrust laws in the past three years. Specific areas of law have been identified as key group legal compliance risk areas. Risk mitigation and control steps have been implemented in these areas. The board and its committees continue to monitor the implementation of the company's legal compliance policy and processes closely.

The Sasol group's tax management policy, approved by the board, is aligned with our business strategy and risk management objectives. It seeks to achieve effective tax structures across the group that are compliant with all applicable legislation, as well as cooperative relationships with tax authorities.

Employee participation and employment equity.

The group is committed to promoting equal opportunities and fair employment practices and has established participative structures on issues that affect employees. Several programmes have been implemented in line with the group's commitment to employee participation and employment equity.



For more information on the group's transformation progress including employment equity, refer to the section on our people starting on page 112.

Code of ethics. The group's code of ethics sets out four fundamental ethical principles – responsibility, honesty, fairness and respect. The code of ethics has been communicated to all employees, suppliers, service providers and customers and is available on www.sasolethics.com.

Employees and other stakeholders may contact an independently run ethics reporting line, which has been in operation since 2002. This facility deals with fraud, statutory malpractice and other crimes, unsafe behaviour, deviations from the procurement policy,

financial and accounting reporting irregularities and other ethical misconduct. Calls are monitored and progress on their resolution is reported to the audit committee and the nomination and governance committee on a regular basis.

Stakeholder relationships. Sasol subscribes to the King III Code's stakeholder management principles. Management has developed a strategy and formulated policies for the management of relationships with each stakeholder group. The board takes account of the legitimate interests and expectations of the group's stakeholders in its decision-making. A more integrated approach to stakeholder management is under development. The nomination and governance committee will receive periodic reports on group-wide stakeholder mapping, prioritisation and engagement plans to enable it and the board to discharge their responsibilities for stakeholder management and reporting.

Sasol invites all shareholders to attend its annual general meeting and facilitates participation by proxy. Electronic participation will be made available at the 2011 annual general meeting and other ways to encourage participation in voting will be investigated.



For more information on stakeholder relationships, refer to the section on our key relationships on pages 30 and 31.

our board

Directorships and recognition



Hixonia Nyasulu (57) BA (Hons)
Non-executive chairman

2006: Appointed to board.
2008: Appointed as chairman.
Chairman of nomination and governance committee, and member of remuneration committee and risk and safety, health and environment committee.

Expertise and experience. Founded TH Nyasulu & Associates; founder and non-executive chairman of Ayavuna Women's Investments (Pty) Limited; member of JP Morgan Advisory Board; past member of Banking Enquiry Panel, investigating charges in retail banking; past deputy chairman of Nedbank Limited and past director of Tongaat Hulett Group (Pty) Ltd, McCarthy Retail (Pty) Ltd and Anglo Platinum Limited.

Director of Unilever Plc NV and Barloworld Limited. Rated by Financial Mail as one of the top three most influential women in business in South Africa.



Christine Ramon (44) BCompt (Hons), CA(SA)
Executive director and chief financial officer

2006: Appointed to board.
Member of risk and safety, health and environment committee.

Expertise and experience. Past CEO and financial director of Johnnic Holdings Limited; past director of Johnnic Communications Limited and chairperson of Autopax; past director of National Health Laboratory Services and of Tsogo Sun Investment Holding Company. Past director and audit committee member of Transnet (SOC) Limited. Past standing advisory committee member of the International Accounting Standards Board.

Chairman of Sasol Financing (Pty) Ltd; director of Sasol Mining (Pty) Ltd; Sasol Oil (Pty) Ltd; Sasol Olefins & Surfactants; Sasol Synfuels International (Pty) Ltd; Sasol Petroleum International (Pty) Ltd; Sasol Polymers; Sasol Solvents and Sasol Synfuels (Pty) Ltd. Appointed as deputy chair of the South African government's Financial Reporting Standards Council in 2011. Recognised as Young Global Leader by World Economic Forum in 2009. 2009: Awarded Most Influential Woman in Business in South Africa in the Chemical, Pharmaceutical and Petrochemical sector, by CEO Magazine. Chairman of the CFO Forum in South Africa.



David Constable (50) BSc Eng
Chief executive officer and executive director

2011: Joined Sasol on 1 June from Fluor Corporation, where his last position was group president, operations.
2011: Appointed to board on 1 July.
Member of risk and safety, health and environment committee.

Expertise and experience. He held various operational, planning and managerial positions in Fluor Corporation between 1982 and 2011, serving in various international sales, operations and group president positions in the oil, gas, petrochemicals, mining and power industries. Former member of United States-China Business Council.

Past group president, operations at Fluor Corporation in the United States. Held various management positions at Fluor between 1982 and 2011.



Nolitha Fakude (46) BA (Hons)
Executive director

2005: Appointed to board.
Member of risk and safety, health and environment committee. Responsible for sustainability and business transformation; with strategic oversight for worldwide human resources; global corporate and government affairs; safety, health and environment; functional excellence; supply chain, information management and shared services.

Expertise and experience. Past member of group executive committee at Nedbank Limited, responsible for group strategy, marketing, corporate affairs and transformation. Past director of Harmony Gold Mining Company Limited and Woolworths Holdings Limited.

Chairman of Sasol Mining Holdings (Pty) Ltd and non-executive director of Sasol Oil (Pty) Ltd; Sasol Synfuels (Pty) Ltd; Sasol Olefins & Surfactants and Sasol Solvents; non-executive director of Gijima Limited; council member and second deputy chairman of Human Resources Development Council of South Africa.



Johnson Njeke (52) CA(SA)
Independent non-executive director

2009: Appointed to board.
Member of audit committee.

Expertise and experience. Former partner at PricewaterhouseCoopers; co-founder of Kagiso Trust Investment (Pty) Ltd; past chairman of South African Institute of Chartered Accountants and past member of Katz Commission of Inquiry into Taxation in South Africa.

Chairman of Silver Unicorn Trading 33. On the boards of Adcorp Holdings Limited; ArcelorMittal South Africa Limited; Barloworld Limited; MMI Holdings Limited; MTN Group Limited; Member of the Council of the University of Johannesburg; member of the South African Qualifications Authority; member of the audit committee of MTN Group and Barloworld.

Directorships and recognition



Colin Beggs (63) BCom (Hons), CA(SA)
Independent non-executive director

2009: Appointed to board.
Chairman of audit committee and member of risk and safety, health and environment committee.

Expertise and experience. Past senior partner and CEO of PricewaterhouseCoopers; past member of PricewaterhouseCooper's global board; past chairman of South African Institute of Chartered Accountants (SAICA) board; past chairman of accounting practices committee of SAICA.

Director and chairman of the audit committee of ABSA Holdings and ABSA Bank Limited. Member of the Accounting Practices Board. Member of audit committee of SA Business Trust; founder member and director of Ethics Institute of South Africa.



Henk Dijkgraaf (64) MSc Eng (Mining)
Independent non-executive director

2006: Appointed to board.
Chairman of remuneration committee and of risk and safety, health and environment committee and member of the audit committee.

Expertise and experience. Has held several operational, planning and managerial positions in oil and natural gas exploration and production companies of the Royal Dutch Shell group; past CEO of Shell International Gas and of Shell Coal and director of Shell Exploration and Production; past president of Shell Nederland and past CEO of Gasunie and Gas Terra.

Director and member of the audit committee of Eneco Holding NV; director of the Royal Tropical Institute and deputy chairman of Netherlands Institute for the Near East.



Mandla Gantsho (49) CA(SA), MSc, PhD
Independent non-executive director

2003: Appointed to board.
Member of audit committee and nomination and governance committee.

Expertise and experience. CEO of Nova Capital Africa, a leading emerging markets investment bank; past vice president, operations of African Development Bank Group; past CEO and chief financial officer of Development Bank of Southern Africa. Held senior management positions in Transnet (SOC) Limited and Engen Petroleum Limited. Considerable experience in development finance and banking and corporate entrepreneurship.

Group chairman of Ithala Development Finance Corporation and a director of Impala Platinum Holdings and the South African Reserve Bank. Past director of AfroCentric Limited and Group Five Limited.



Imogen Mkhize (48) BSc, MBA
Independent non-executive director

2005: Appointed to board.
Member of risk and safety, health and environment committee and remuneration committee.

Expertise and experience. Career history includes senior positions with Andersen Consulting and Nedcor Bank Limited; past managing director of Lucent Technologies (South Africa); CEO of the World Petroleum Congress in South Africa from 2003 to 2006. Past member of Harvard Business School Global Alumni board.

Chairman of Richards Bay Coal Terminal and director of several companies, including Mondi Limited and Mondi Plc; MTN South Africa; member of Financial Markets Advisory Board and chairman of Rhodes Business School. 2001: Recognised by World Economic Forum as Global Leader for Tomorrow.



Jürgen Schrempp (67) BSc Eng
Lead independent non-executive director

1997: Appointed to board.
Member of nomination and governance committee and remuneration committee.

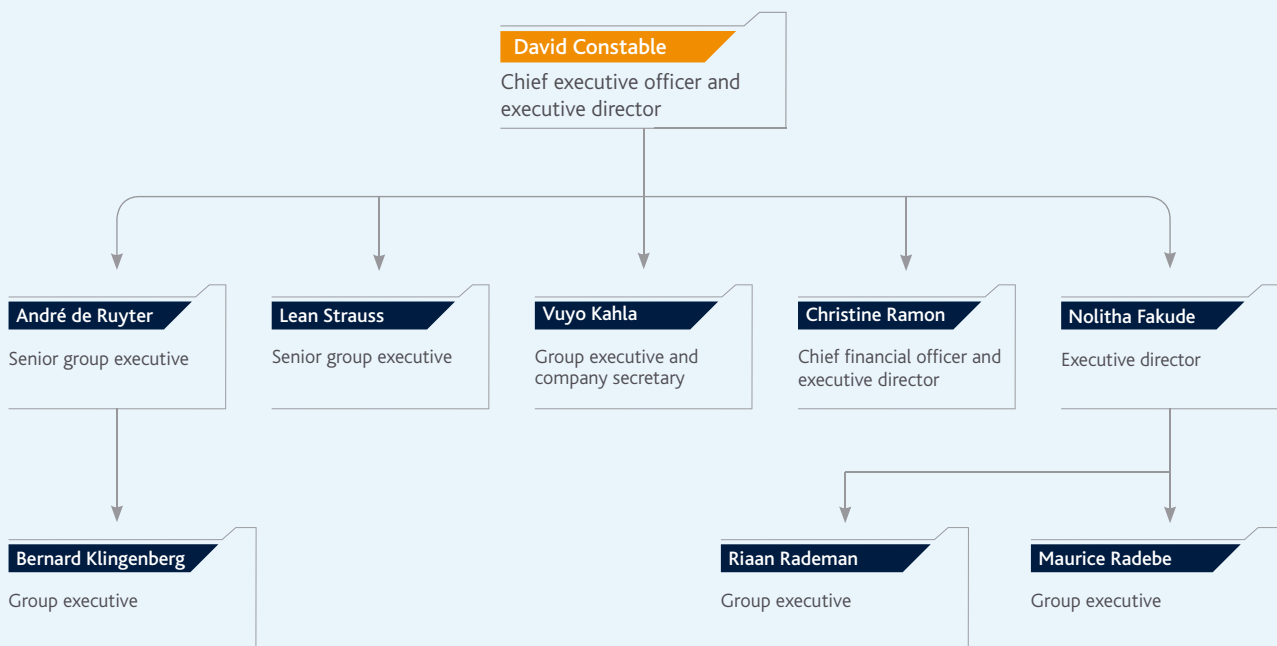
Expertise and experience. Past chairman of the board of management of Daimler Chrysler AG and of the board of management of Daimler Benz Aerospace AG; past board member of several Daimler Benz subsidiary companies and past director of Allianz AG; the NYSE; Vodafone Group Plc and South African Airways (SOC) Limited.

Non-executive chairman of Mercedes Benz South Africa; director of Jonah Capital (Pty) Ltd and Compagnie Financiere Richemont SA and partner of Compagnie Financiere Rupert; non-executive chairman of Iron Mineral Beneficiation Services (Pty) Ltd; member of the President's Council of Togo and chairman emeritus of the Global Business Coalition on HIV/AIDS. He is the recipient of numerous awards from the business and industrial community.

our group executive committee



From left to right (back row): Bernard Klingenberg, Maurice Radebe, André de Ruyter, Riaan Rademan, (seated): Vuyo Kahla, Christine Ramon, David Constable, Nolitha Fakude, Lean Strauss



Personal details

David Constable
BSc Eng

2011: Appointed to GEC

Christine Ramon
BCompt (Hons) CA(SA)

2006: Appointed to GEC

Nolitha Fakude
BA (Hons)

2005: Appointed to GEC

Vuyo Kahla
BA, LLB

2011: Appointed to GEC

André de Ruyter
MBA, LLB, BLC, BA

2009: Appointed to GEC

Maurice Radebe
BSc, MBA

2010: Appointed to GEC

Bernard Klingenberg
MSc Eng (Mech)

2009: Appointed to GEC

Riaan Rademan
BEng (Mech), MBL

2009: Appointed to GEC

Lean Strauss
BCom (Hons), MCom

2005: Appointed to GEC

Role at Sasol

Chief executive officer and executive director.

Chief financial officer and executive director.

Executive director responsible for sustainability and transformation; group human resources; corporate and government affairs.

Group executive: advisory and assurance. He is responsible for the legal, risk management, intellectual property law, internal audit and group company secretarial functions. He has been the company secretary since 14 March 2011.

Senior group executive, operations, responsible globally for the operation of all Sasol's chemical businesses and South African Energy businesses, except Sasol Mining.

Group executive responsible for corporate affairs, stakeholder relations and enterprise development.

Group executive, responsible for the South African energy businesses, excluding Sasol Mining.

Group executive, responsible for Sasol Shared Services, operations excellence, supply chain management, information management and Sasol's functional excellence programme. Also responsible for Sasol Mining.

Senior group executive responsible, new business development and technology, responsible for delivering on Sasol's growth aspirations and responsible for Sasol Synfuels International and Sasol Petroleum International.

Expertise and experience

2011: Joined Sasol

Past group president, operations at Fluor Corporation in the United States. Held various management positions at Fluor between 1982 and 2011. Former member of the board of the United States-China Business Council.

2006: Joined Sasol

Past CEO and financial director of Johnnic Holdings Limited and past director of Johnnic Communications Limited and Transnet (SOC) Limited.

2005: Joined Sasol

Past member of group executive committee of Nedbank Limited, responsible for group strategy, marketing, corporate affairs and transformation.

2011: Joined Sasol

Past member of the group executive committee of Transnet (SOC) Limited responsible for legal, risk, compliance, company secretarial services, strategy and business modelling, corporate and public affairs and public policy and regulation.

1993: Joined Sasol

Held various management positions, including manager group strategy; head of China CTL project in Beijing and managing director of Sasol Olefins & Surfactants in Germany.

2004: Joined Sasol

Held various management positions in Sasol Oil, including managing director.

1986: Joined Sasol

Held various management positions, including managing director of Sasol Polymers, Sasol Nitro, Sasol Solvents and Sasol Olefins & Surfactants SA.

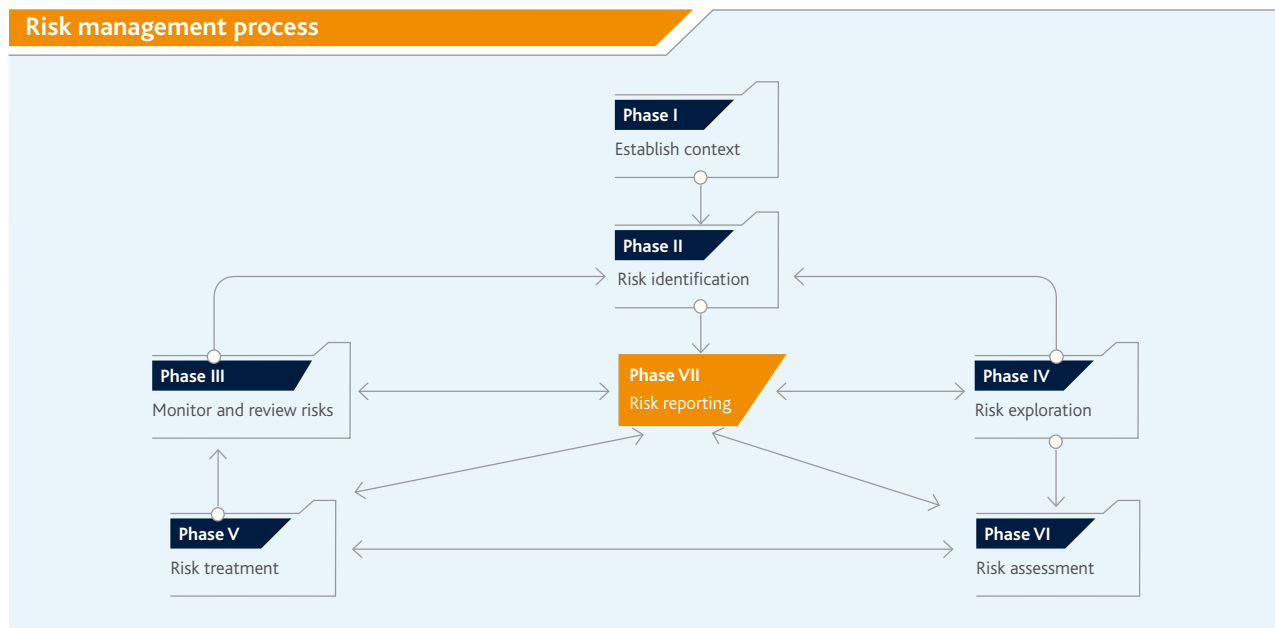
1981: Joined Sasol

Held various management positions, including managing director of Sasol Mining and of Sasol Nitro.

1982: Joined Sasol

Held various management positions in Sasol Oil and Sasol Gas and was managing director of Sasol Nitro.

risk management report



Our risk management process. Sasol has a well developed, comprehensive enterprise risk management programme (ERMP), which was initiated during the 2002 financial year. The overarching purpose of the ERMP is to assist the group in achieving the following strategic objectives:

- to accelerate gas-to-liquids (GTL) growth opportunities and focused coal-to-liquids (CTL) growth;
- to grow related upstream business; and
- to continuously improve and grow our existing asset base.

The objectives of the ERMP are to:

- ensure that the group’s significant business risks are systematically identified, assessed and managed to acceptable levels based on risk tolerance and appetite levels as approved by the Sasol Limited board;
- achieve an optimal risk-reward balance; and
- ensure that risk management is embedded into all decision-making processes, including planning, projects, business operations, investments, disposals and closures.

Substantial progress has been made in achieving these objectives, however, there are still certain areas that need to be further developed and embedded and programmes are in place to address these.

The ERMP is guided by the following key principles:

- clear assigned responsibilities and accountabilities;
- a common framework and process;
- the identification of uncertain future events that may influence the achievement of business plans and strategic objectives; and
- the integration of risk management activities within the company and across its value chains.

The ERMP is supported by a risk management policy that affirms Sasol’s commitment to effective risk management. The policy provides guidance to all Sasol’s businesses through the communication of certain broad management principles.

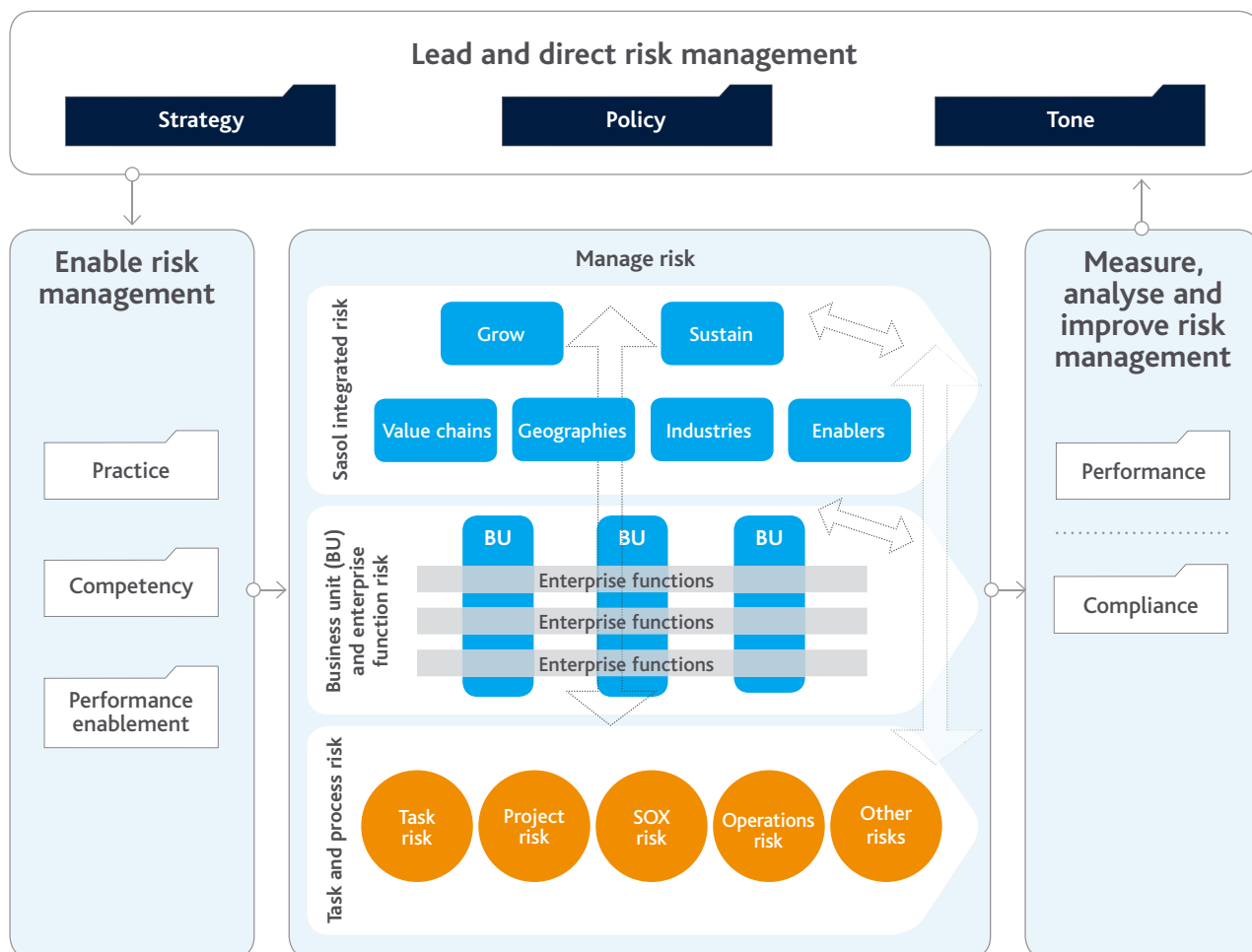
It is also supported by the group’s risk management strategy, policy, tone, enabling best practices, competencies in risk management as well as a risk management maturity assessment used to track progress in terms of risk compliance and performance. The Sasol group executive committee has approved a more robust operating model and organisation structure to ensure that the group achieves a higher level of risk maturity to allow it to take full advantage of future growth opportunities based on responsible risk taking for the desired rewards.

Sasol’s integrated risk management implementation approach entails the determination and development of risk profiles at a Sasol integrated business unit, functional and process portfolio level.

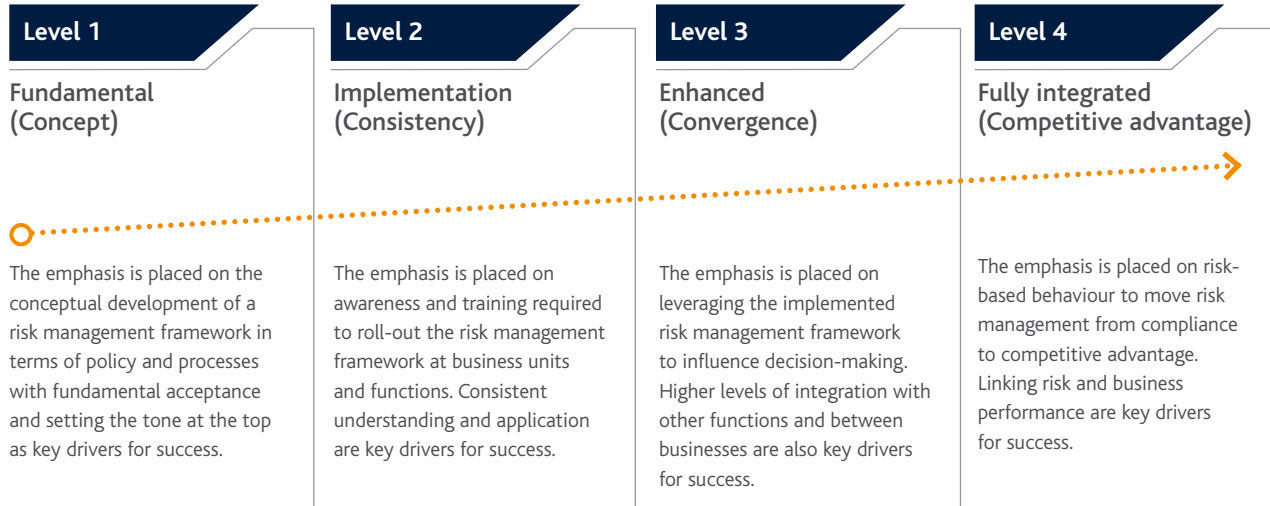
Risks are therefore considered at a group level through the management of top risks that impact the group’s ability to achieve its strategic objectives on a sustainable basis. Risks at business and functional level are considered in achieving business strategies that are closely aligned to the Sasol group strategy. Risks at the process level also include the management of operational, project, financial and legal compliance risks to mitigate the impact of Sasol’s operations on people and the environment.

The company’s insurance services department, with the assistance of external consultants, undertakes regular risk control reviews of the company’s plants and operations using recognised international procedures and standards. It is Sasol’s policy to procure property damage, business interruption and liability insurance above acceptable deductible levels at acceptable commercial premiums and terms.

The effective management of risk is crucial to the continued growth and success of Sasol.

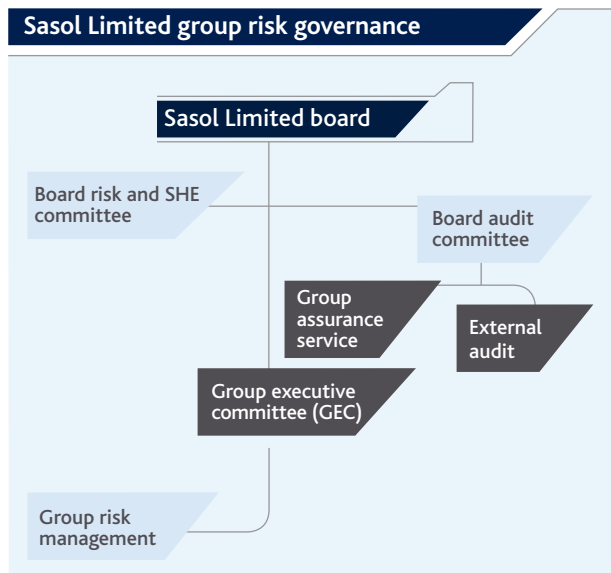


Sasol risk maturity



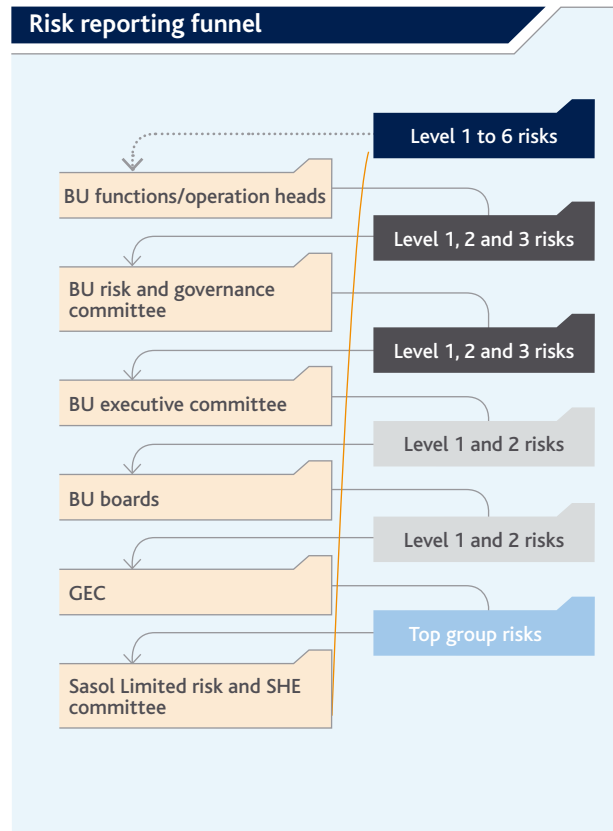
Risk review process. Sasol’s initiatives to improve its sustainable development performance are closely aligned with mitigating the top risks facing the group.

The Sasol Limited board’s risk and safety, health and environment (SHE) committee provides oversight over Sasol’s risk management activities and considers Sasol’s top risks. Oversight of risk management at business and function level takes place through internal risk and governance committees, executive committees and the various business unit boards. The risk and SHE committee and the audit committee work closely to ensure that risk management complies with the relevant standards and that it is working effectively. Integration between these committees also ensures compliance with the King Code of Governance Principles for South Africa, for example, in managing economic crime risks as well as provisions related to information technology risk management.



Disaster recovery plans are continually reviewed for critical information management systems that could have a material impact on the group’s continuing operations. Certain of these plans are subject to regular testing and, in other cases, ongoing tests to ensure they are robust and reliable.

Risks are reported at various levels to ensure appropriate attention to risk decision-making and oversight.



our top group risks

The table below sets out the top risks as identified through our ERPM and mitigation plans. This represents the 'top' group's operational, sustainability and financial risks.



For a comprehensive disclosure of our material risks, please refer to Sasol's 2011 annual report on Form 20-F filed with the SEC.

| Risk | Context | Mitigation |
|--|---|--|
| <p>A major safety, health or environmental (SHE) incident or liability.</p> | <p>Tragically, we have recorded an increase in fatalities. This is unacceptable. We remain committed to achieving our goal of zero harm to people and the environment and being a responsible and accountable corporate citizen. Recent events such as the Japanese tsunami have underlined the potential impact of natural disasters on business. The development of facilities in new territories presents a challenge to ensuring that Sasol SHE policies and design standards are strictly followed.</p> | <p>Our 'zero exposure to harm' philosophy underpins all our activities. In 2011, we implemented a revised safety improvement plan, building on business unit initiatives to develop safety leadership at management and supervisory levels. We have strict performance targets on safety and health, process safety management, greenhouse gas (GHG) emissions, water management, energy efficiency and volatile organic compounds. We regularly update and train our staff on these key SHE requirements and carry out internal and external audits to check our compliance.</p> |
| <p>Not delivering a viable carbon dioxide (CO₂) solution.</p> <p>Competitors introducing viable superior or alternative technologies.</p> | <p>Sasol's efforts in reducing greenhouse gas (GHG) emissions are aimed at contributing to the world's fight against global warming. Global efforts to reduce GHG emissions are intensifying. Our growth aspirations rely on viable CO₂ reduction solutions being developed. The costs associated with GHGs are rising and could increase substantially with the potential introduction of a carbon tax in South Africa.</p> <p>Additional to our environmentally responsive efforts, energy security considerations intensify competition in our industry. In South Africa, plans to introduce new fuel specifications could pose challenges to local refineries.</p> | <p>GHG reduction targets are in place. Sasol New Energy plays an important role in delivering on the objectives of our climate change response strategy. The group's approach to reducing its GHG emissions is based on four pillars:</p> <ul style="list-style-type: none"> • increased use of low-carbon energy; • increased use of renewable energy; • improved energy efficiency at its operations; and • implementation of carbon capture and storage. <p>Numerous management controls are in place to mitigate risk from competitors, and improved intelligence gathering helps us identify and address competitor technologies.</p> |
| <p>Exposure to strong rand/ US dollar exchange rate for a protracted period (below R7,00/US dollar for two years) and the risk of a slump in oil prices for a protracted period (two to three years at US\$60 per barrel).</p> | <p>The rand is the principal functional currency of our operations. Some 90% of our turnover is linked to the US dollar as petroleum prices in general and the price of most petroleum and chemical products are based on global prices quoted in US dollars. A significant part of our capital expenditure is also US dollar denominated, but the majority of our other costs is based in rand (for South African operations) or euro (for those in Europe). The rand remained strong in 2011, averaging R7,01/US dollar.</p> <p>A substantial part of our turnover is derived from sales of petroleum and petrochemical products, whose prices are largely determined by global crude oil prices. In 2011, the dated Brent crude oil price averaged US\$96,48 per barrel.</p> | <p>We use derivative instruments to protect against adverse movements in exchange rates on certain transactional risks in accordance with our group's hedging policies, as well as against day-to-day changes in the US dollar oil price, but this does not protect us against longer-term fluctuations.</p> |

our top group risks *continued*

| Risk | Context | Mitigation |
|--|---|---|
| <p>Insufficient management and technical skills.</p> <p>Not succeeding with the engineering, construction and commissioning of new plants.</p> | <p>To develop and apply new technologies and meet our growth ambitions, Sasol needs to recruit and retain qualified scientists, engineers, artisans and operators as well as seasoned managers to execute major projects. Labour market dynamics (eg, new legislation and skills shortages) put upward pressure on labour costs.</p> <p>The recession has reduced pressure on some project costs, but the price of many key inputs, like steel, remains high. Global expenditure on capital projects is increasing, particularly in Asia.</p> | <p>The development of management and technical skills within Sasol is an integral part of our human resources strategy. Sasol's learning strategy balances standardised curriculum-based learning with on-the-job application to achieve a culture of lifelong learning. To develop future talent, Sasol runs one of the largest bursary schemes in South Africa with total investment last year of R39 million. Our primary focus is on developing talent in science, technology and engineering.</p> <p>To mitigate project costs, we continue to broaden our supply base, building relationships with new equipment manufacturers. We review international benchmarks on project management and put into practice learning from previous projects.</p> |
| <p>Failure to deliver timeously on cultural change initiatives and transformation in South Africa.</p> | <p>Transformation is one of Sasol's top priorities driven personally by the chief executive officer. To sustain Sasol's business, the group understands the importance of creating a high-performance, ethical, inclusive culture for all its employees. In this way, we will be able to attract and retain the skills we need. South Africa has various laws in place to meet the country's transformation objectives. Failure to meet these could have material consequences for Sasol's reputation, access to resources, licence to trade and ability to attract and retain skills. More onerous legislation, potential penalties and slow progress in achieving employment equity plans impact negatively on Sasol's transformation objectives.</p> | <p>Values-driven leadership, talent management, employment equity, diversity management and compliance with the broad-based black economic empowerment (BEE) scorecard underpin Sasol's success in meeting and exceeding transformation requirements. We participate in the Broad-based Socioeconomic Empowerment Charter for the South African Mining and Minerals Industry, and the South African Liquid Fuels Charter. The group's enterprise development arm, Sasol ChemCity, now houses the BEE office, delivering a more integrated approach to the five pillars of broad-based BEE.</p> |

our top group risks *continued*

| Risk | Context | Mitigation |
|---|--|---|
| <p>Increasing portfolio exposure to high-risk countries and diverse regulatory regimes. This covers a broad range of risks from those related to human rights to the availability of reliable utilities and infrastructure.</p> | <p>Sasol's growth ambitions depend mainly on the opportunity to commercialise its technologies across new frontiers. Apart from considerable shale gas resources in North America, most of the world's available gas and coal reserves are in developing countries, often in remote and underdeveloped locations. Constraints on growth because of political sanctions, social unrest or environmental constraints (access to resources) could affect demand for Sasol products.</p> <p>In South Africa, inefficiencies in electricity, water, rail, road, pipeline and port services could translate into cost increases that directly impact Sasol's competitiveness and profitability.</p> | <p>Wherever it operates, Sasol is guided by its values and code of ethics. We believe in business and social partnerships based on our South African experience. We follow strict procedures for measuring country risks. We use our carefully formulated business development and implementation model, the level of equity participation in joint ventures as well as information from reputable rating agencies to assess country risk on a regular basis.</p> <p>With the group's recent large investment in Canada, its total exposure is now more balanced.</p> <p>Efforts to generate our own electricity are aimed at mitigating tight power supply in South Africa, while our purchase of rail car tankers from Transnet and the warehousing of products close to customers abroad are aimed at reducing risks to our supply chain.</p> <p>Specific responses to potential water shortages include the setting of internal water efficiency targets for Sasol operations, the establishment of partnerships with local municipalities on water-loss reduction initiatives, influencing the water use efficiency of the irrigation sector and lobbying for the development of a water offsetting mechanism within the legal framework for South Africa.</p> |
| <p>Non-compliance with applicable laws, regulations and standards.</p> | <p>Authorities globally are intensifying efforts to enforce compliance with all laws, and are focused on anti-competitive behaviour in particular. Various jurisdictions have specialised legislation aimed at combating corruption and companies found guilty of contraventions face fines and damage to their reputations. Tax laws are becoming increasingly complex, as are sanctions against certain jurisdictions. South Africa and other countries are considering introducing new climate change requirements, including a carbon tax.</p> <p>Significant challenges are also faced in meeting the requirements of the new Air Quality Act, the Waste Act and new fuels specifications in South Africa. The government is also reviewing the Mine Health and Safety Act and is intensifying its enforcement of environmental laws.</p> | <p>Sasol's new public policy and regulatory affairs department is focused on finding solutions to the key policy and regulatory challenges facing the group. The internal legal compliance function continues to build capacity and gain momentum. Specific efforts to meet these various requirements are described throughout the integrated annual report and the sustainable development report.</p> <p>Systems and processes are in place to ensure compliance with applicable laws and regulations by all employees and annual training and certification takes place.</p> |

summarised chief financial officer's review

Highlights 2011

Cash generated

41%



- Cash generated by operations increased by 41% to R38,6 billion

Total dividend

24%



- Headline earnings per share increased by 27% to R33,85
- Total dividend increased by 24% to R13,00 per share

Canadian shale gas acquisitions add significantly to long-term value growth

Sasol successfully pioneers first BEE listing on JSE

Performance in 2011. Sasol has delivered excellent results for 2011. We successfully concluded the acquisition of the Canadian shale gas assets and have made good progress on our growth projects. Management actions on operational efficiencies, cost control and business improvement plans have boosted the bottom line this year. Higher global commodity prices have supported the healthy margins delivered, particularly in our chemical businesses, negating the impact of the strong rand. The global economy remains volatile and our strong cash flows continue to underpin the robustness of our businesses. Our strong balance sheet provides a buffer against volatility and positions the company well to fund our abundant growth opportunities. Our strong full year dividend of R13,00 per share, beat market expectations and equals the dividend declared in 2008, a record earnings year. This confirms our commitment to delivering superior returns to shareholders, through increased dividends and capital investments that deliver long-term value and growth.

Headline earnings

27%



- Earnings attributable to shareholders for the year ended 30 June 2011 increased by 24% to R19,8 billion from R15,9 billion in the prior year, while headline earnings per share and earnings per share increased by 27% to R33,85 and by 24% to R32,97, respectively, over the same period.

Operating profit

25%

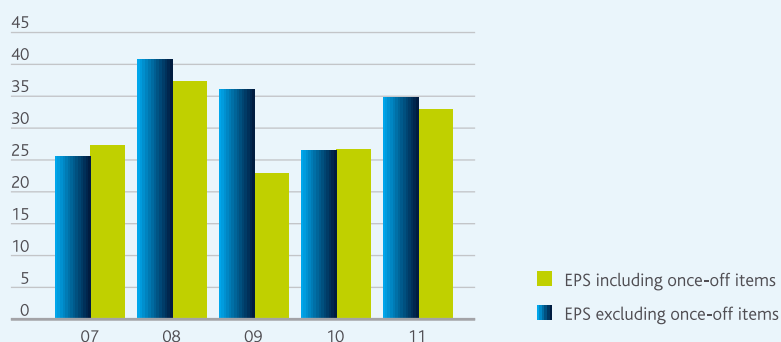


- Operating profit of R30 billion increased by 25% compared with the prior year underpinned by a healthy operating margin of 21%, due to decisive actions taken by management around energy efficiency initiatives as well as our continued focus on cost containment, operational efficiencies and business improvement plans. Operating profit was positively impacted by higher average crude oil prices (average dated Brent was US\$96,48/barrel in 2011 compared with US\$74,37/barrel in 2010) and higher chemical product prices, which negated the effect of an 8% stronger average rand/US dollar exchange rate (R7,01/US\$ in 2011 compared with R7,59/US\$ in 2010). Overall, group production volumes improved marginally from the prior year, despite Sasol Synfuels' major planned maintenance outage. The volume growth at Oryx gas-to-liquids (GTL), Arya Sasol Polymer Company (ASPC) and most of our other businesses, more than compensated for Sasol Synfuels' lower volumes, demonstrating our strong portfolio of performing assets.

The operating profit in the current year was negatively impacted by once-off charges totalling R1 103 million (2010: R46 million credit). These once-off charges include competition related administrative penalties of R112 million, the Escravos GTL (EGTL) partial impairment of R123 million and the share-based payment expense of R565 million resulting from the Ixia Coal transaction, offset by the reversal of the remaining impairment related to Sasol Italy of R491 million. The current year also includes a Sasol Inzalo black economic empowerment (BEE) share-based payment expense of R830 million compared with R824 million in the prior year. Operating profit before once-offs increased by 30%.

The increase in the effective tax rate from 29,9% to 31,3% resulted from the competition related administrative penalties and share-based payment expenses, both of which are not deductible for tax purposes.

Earnings per share (Rand)



The group's robust financial position has enabled it to pursue its ambitious long-term growth strategy without pause.

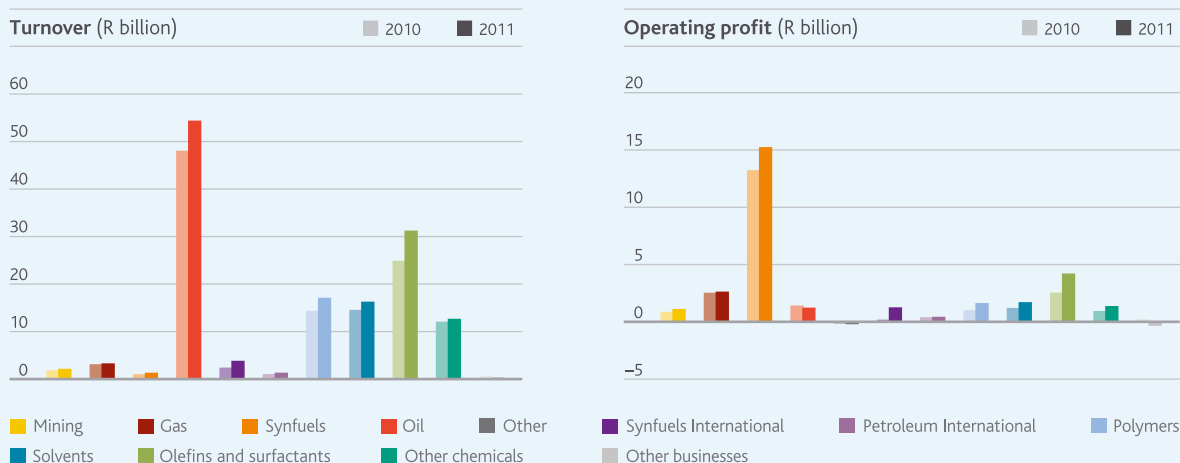
The key indicators of our operating performance during the year were as follows:

| | 2011 Rm | % change | 2010 Rm | % change | 2009 Rm |
|---|------------|-------------|------------|-------------|------------|
| Turnover | 142 436 | 17 | 122 256 | (11) | 137 836 |
| Variable gross margin | 72 633 | 21 | 63 072 | (4) | 65 514 |
| Non-cash costs | 3 302 | | 2 248 | | 5 922 |
| Operating profit | 29 950 | 25 | 23 937 | (3) | 24 666 |
| Operating profit margin | 21 | | 20 | | 18 |
| Operating profit margin before once-off charges | 22 | | 20 | | 24 |
| Profit attributable to shareholders | 19 794 | 24 | 15 941 | 17 | 13 648 |
| Earnings per share | Rand 32,97 | 24 | 26,68 | 17 | 22,90 |
| Headline earnings per share | Rand 33,85 | 27 | 26,57 | 5 | 25,42 |



The reader is referred to the summarised financial information set out on pages 60 to 67.

The composition of turnover and operating profit by business unit is set out below:



Performance from existing operations delivers results. All our business clusters have delivered strong performances, as reflected in healthy, double digit operating margins. In particular, we saw a strong volume performance and margin expansion from the Chemical cluster, which contributed 29% to group operating profit.

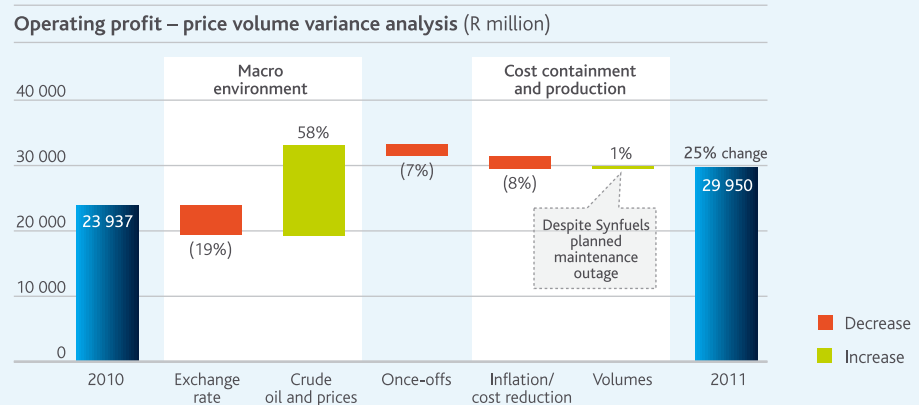
South African energy cluster. The cluster continues to produce robust results, contributing two thirds to group profitability. Compared with the previous year, operating profit increased by 12%. Sasol Synfuels remained the largest contributor to the group operating profit, contributing half of the total operating profit, with an operating margin of 41%. Higher average crude oil prices and improved sales volumes at both Sasol Oil and Sasol Gas contributed to the operating profit in this cluster, however, the positive impact was partially offset by the strong rand/US dollar exchange rate and lower refining margins at Sasol Oil. Production volumes were adversely affected by the Sasol Synfuels' major planned maintenance outage, which was the largest in Sasol Synfuels' history.

International energy cluster. Our investment in growth is delivering value, as reflected in the improved profitability of the International energy cluster, which has trebled its operating profit from last year. The increase is underpinned by 31% increased production at the Oryx GTL plant in Qatar, endorsing the commercial viability of our GTL technology. The current year includes the once-off partial impairment of EGTL amounting to R123 million and dry well write offs of R441 million relating to Papua New Guinea and Mozambique.

Chemical cluster. The favourable chemical industry conditions, combined with successful cost control and improved margin optimisation, contributed to a strong performance by the Chemical cluster, with operating profit increasing by 59%. Sasol Olefins & Surfactants (Sasol O&S) was as strong performer, contributing almost half of the Chemical cluster's operating profit and delivering a 13% operating margin. Favourable market conditions and the successful turnaround of this business, supported the reversal of the impairment of Sasol O&S Italy of R491 million. Sasol Solvents grew margins on the back of strong demand and through continued focus on cost containment and business improvement plans. Sasol Polymers remained resilient due to the positive contribution of ASPC, where production volumes increased by 20%. The current year includes the once-off competition related administrative penalty incurred by Sasol Polymers of R112 million. ASPC has again performed well during this period and contributed positively to the Sasol Polymers business.

We saw a strong volume performance and margin expansion from the Chemical cluster, which contributed 29% to group operating profit.

The increase in operating profit over the last year can be depicted as follows:



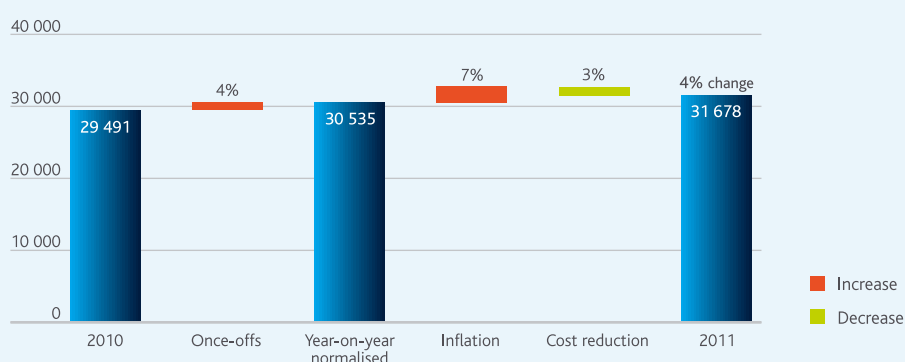
Cost containment remains a focus area. Our cash fixed costs increased by 7% to R31,7 billion compared with R29,5 billion in 2010. Included in cash fixed costs is R1 954 million related to once-off items and growth initiatives for 2011. We have contained our cash fixed costs to within inflation, excluding the effects of once-off costs and growth initiatives. Increases in labour, electricity and other operating costs which escalate beyond inflation levels, negatively impact our operating profit. Cost control is underpinned by strategic group initiatives such as operations excellence, functional excellence, business improvement plans and increased electricity generation.

Over the last three years, the group has invested a total of R52,4 billion in capital projects, with R20,7 billion being invested in 2011.

At our South African operations, the cost of electricity has seen abnormal increases above inflation levels during the past two years which has impacted our cash fixed costs. We are able to generate nearly half of our electricity requirements and aim to increase internal electricity generation to up to 60% of our requirements, however, these increases will continue to have a material adverse effect on our cash fixed costs in the future. We have been able to mitigate this risk to some extent by entering into a Power Purchase Agreement with Eskom following the construction of our power generation facility in Secunda. In addition, Sasol New Energy will construct a 140 megawatt electricity generation plant in Sasolburg, South Africa.

One of our most significant costs is labour. More than 60% of our employees are members of trade unions and/or covered by collective agreements entered into with the trade unions. We have concluded wage negotiations for 2012 for increases between 8,0% and 8,5%.

Cash fixed cost – price volume variance analysis (R million)



Capital expenditure and cash flow. Cash flow generated by operating activities was R38,6 billion compared with R27,3 billion in the prior year. This was mainly due to increased operating profits and increased working capital, both as a result of price and volume effects. The group made good progress on growth projects, as reflected in capital expenditure of R20,7 billion for the year, in addition to the cash consideration of R3,8 billion related to the Canada shale gas asset acquisitions.

Over the last three years, the group has invested a total of R52,4 billion in capital projects, with R20,7 billion being invested in 2011, including capital development expenditure of R1,2 billion related to our Canadian shale gas assets.

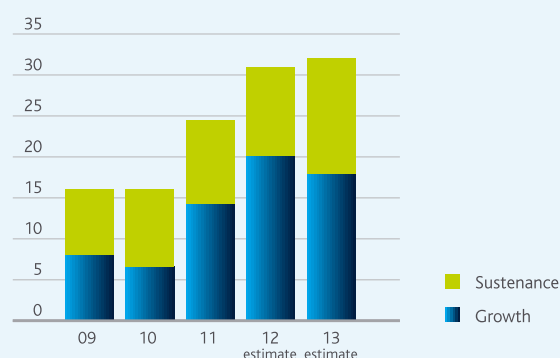
Free cash flow

49%



One of the most important drivers to sustain and increase shareholder value is free cash flow generation. To maximise our free cash flow generation across our global and diversified group, our business unit management is required to continuously improve operating profits as well as optimise working capital and our capital investment programme. All these actions are underpinned by the group strategy to deliver value to our stakeholders.

Capital investments (R billion)

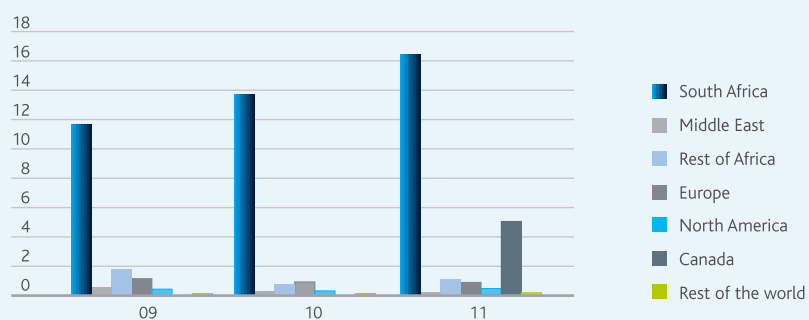


Our gearing remains low and we have sufficient headroom in our balance sheet to fund our growth opportunities, grow dividends and provide a buffer against volatilities.

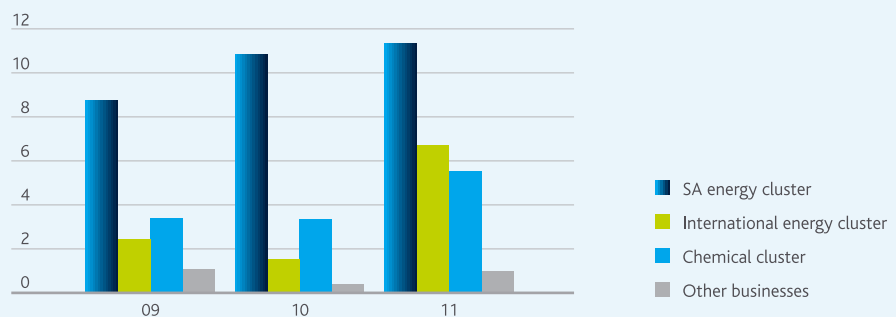
Our long-term capital projects are financed by long-term debt and internally generated funds. During 2011, we raised new debt totalling R2 365 million, which was partially offset by payments of debt totalling R2 115 million for the year. We aim to maintain our gearing within a range of 20% to 40%. Our gearing at 30 June 2011 was 1,3%. Our gearing increases by approximately 0,9% for every R1 billion of debt raised.

Our gearing remains low and we have sufficient headroom in our balance sheet to fund our growth opportunities, grow dividends and provide a buffer against volatilities. Given our large capital intensive growth plan, including our intention to pursue gas acquisitions, we expect to return to within our targeted gearing range of 20% – 40% in the medium term.

Capital investments by geographic region (R billion)



Capital investments (R billion)



We have paid R25,4 billion direct and indirect taxes in South Africa.

Delivering value to our stakeholders. We have a strong track record of exceeding our return on invested capital target of 16,8% in rand terms through the cycle.

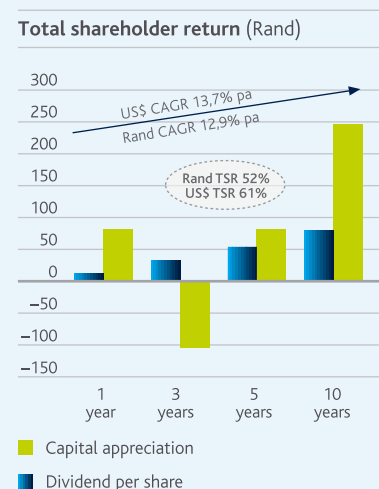
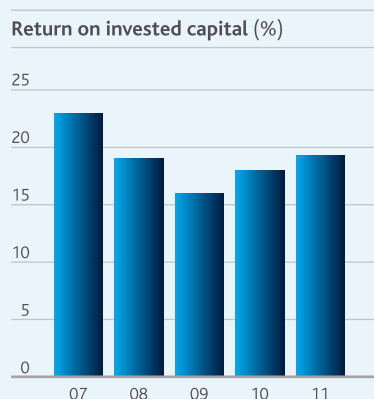
Contributing to the South African economy. We have paid R25,4 billion direct and indirect taxes to the South African government. This makes Sasol one of the largest corporate taxpayers in South Africa, contributing significantly to the South African economy.

In addition, we contribute about 5% of South Africa's gross domestic product (GDP), directly and indirectly. We employ approximately 33 700 people globally, of which 80% are in South Africa, and create about 200 000 additional indirect jobs.

Returns to our shareholders. We return value to our shareholders in the form of both dividends and share price appreciation. In determining the dividend, we take cognisance of the prevailing circumstances of the company, future re-investment opportunities, financial performance as well as trading and significant changes in the external economic environment during the period.

Our dividend for the year increased by 24% to R13,00 per share, which represents a dividend cover of 2,5 times, compared with R10,50 in 2010. The growth in dividends aligns with our progressive dividend policy, taking into account earnings growth for the past year, together with current market and economic conditions, together with the ongoing strength of our financial position and current capital investment plans.

The growth in dividends aligns with our progressive dividend policy, taking into account earnings growth for the past year.



Non-financial performance. In order to ensure that our strategic growth objectives are achieved and build on the solid foundation of our existing businesses, we will continue to focus on specific initiatives which will contribute to achieving and delivering on stakeholder value. All our businesses and functions will continue to operate sustainably underpinned by sound governance.

The environment. We are a significant contributor to the South African economy and play a key role in ensuring energy security for the country; however, we also recognise that we are a large emitter of greenhouse gases (GHG). We have made changes to how we operate our business in order to transition to a lower-carbon economy. Through investments in energy efficiency and in finding and using natural gas from Mozambique, Sasol reduced annual GHG emissions levels by 10 million tons between 2004 and 2011, a reduction of 12%.

We are continuing to seek solutions to the challenges facing GHG emission-intensive industries, like ourselves, and how these emissions can be reduced over time, including possible technological and other advances such as using lower-carbon and renewable forms of energy and carbon capture and storage.

The following noteworthy milestones were achieved during the year:

- In July 2010, we concluded an agreement with Gassnova SF, a Norwegian state-owned enterprise. This agreement allows us to participate in the European CO₂ Technology Centre Mongstad, which is currently constructing a carbon capture facility in Norway.
- Sasol New Energy has undertaken studies related to various clean energy and low-carbon electricity initiatives, including the generation of electricity from natural gas in both South Africa and Mozambique and the establishment of concentrated solar power facilities to produce electricity in South Africa.

Our commitment to transformation. As part of Sasol's overall strategy, we are committed to our transformation objectives, particularly in South Africa. To this end, we have initiated and successfully completed two significant transactions. We continue to focus on ensuring the success of these transactions:

- In September 2010, we concluded the Ixia Coal transaction in line with Sasol Mining's empowerment strategy and its commitment to comply with the objectives of the South African Mineral and Petroleum Resources Development Act and the Mining Charter. This transaction results in Ixia Coal Funding (Pty) Ltd, a subsidiary of Ixia Coal (Pty) Ltd, acquiring a 20% shareholding in Sasol Mining (Pty) Ltd for a purchase consideration of R1,8 billion.
- In February 2011, we listed the Sasol BEE ordinary shares on the BEE segment of the Johannesburg Stock Exchange. This pioneering trading facility provides many new Sasol shareholders access to a regulated market in line with our commitment to broad-based shareholder development.

Through investments in energy efficiency and in finding and using natural gas from Mozambique, Sasol reduced annual GHG emissions levels by 10 million tons between 2004 and 2011, a reduction of 12%.

Improved RCR*

0,42%



Our focus in the year ahead remains on factors within our control: volume growth, margin improvement and cost containment.

Health and safety. The recordable case rate (RCR) for employees and service providers, including injuries and illnesses, improved to a record low of 0,42 at 30 June 2011 from 0,51 at 30 June 2010. However, we have experienced an increase in fatalities. Our revised safety improvement plan is currently being implemented to address this matter.

Outlook for 2012. The past financial year has seen a global recovery from the economic crisis, although some economies are proceeding at a slower pace. Downside risks remain with high funding requirements of banks and sovereign states. However, product prices and the demand for chemical products have shown significant improvement. Crude oil prices remained volatile but have increased steadily as a result of the political turmoil in the Middle East and North Africa and disruptions to supply. These increased prices have assisted with offsetting the negative impact of the strong rand. The movement of the rand/US dollar exchange rate remains the single biggest external factor exerting pressure on our profitability.

We anticipate that Sasol Synfuels' production volumes will improve to between 7,2 million tons (mt) and 7,3 mt in 2012 following the major planned maintenance outage which was undertaken in September 2010.

Oryx GTL is expected to perform at its planned operating rate of 80% to 90% of design capacity and Arya is expected to improve as it ramps up to its design capacity utilisation rate. We expect increasing gas volumes from Mozambique and Canada.

Our focus in the year ahead remains on factors within our control: volume growth, margin improvement and cost containment. These areas will be underpinned by our group-wide initiatives on operations excellence, functional excellence and capital excellence. We are also enhancing the extraction of value across our integrated operations through planning and optimisation and have introduced the sales and marketing excellence initiatives. The effects of the global economic crisis are still being felt within developed economies, where there is still volatility and some uncertainty. The outlook for emerging economies, like China and India, remains positive. Given the continuing uncertain macro economic conditions and our assumptions in respect of crude oil and product prices, as well as the stronger rand/US dollar exchange rate, we will continue to manage the business with diligence. The current volatility and uncertainty of global markets make it difficult to be more precise on the outlook for the year ahead. We firmly believe that the forthcoming year promises both exciting opportunities and challenges alike.



The reader is referred to our forward looking statements set out on page 132 as well as our risk factors on pages 49 to 51.



The key financial risks and uncertainties affecting our performance is discussed in more detail in the chief financial officer's full review in the annual financial statements.

* The recordable case rate is a standard international measure for reporting work-related injuries and illnesses and other safety incidents resulting in injury. The RCR is the number of fatalities, lost workdays, restricted work cases, medical treatments beyond first-aid cases and accepted illnesses for every 200 000 employee hours worked. From 2006 onwards, our RCR includes employees and service providers, and recordable injuries as well as occupational illnesses. Currently, about 11% of the RCR is attributable to illnesses.

Our definition of victory is to enhance total shareholder return.

We remain firm in our commitment to growth opportunities and ensuring sustained performance over the long term.

Key challenges and opportunities for the next year. The year ahead is presenting us with significant opportunities, however, challenges remain. Although we have seen the steady recovery of the global economy, certain areas in which we operate remain sluggish, like the euro zone where the sovereign debt crisis still looms large. Despite this, we are confident that we have the resources and expertise to realise the potential that these challenges present us with in the next year. Our key challenges include:

Capital allocation and prioritisation. We continue to refine and improve the way we allocate capital. A key challenge for the group is to appropriately classify and prioritise sustenance capital. Sustenance capital has discretionary and mandatory characteristics. Our objective is to minimise discretionary sustenance projects that do not meet our hurdle rate of at least 1,3 times our weighted average cost of capital, in order to efficiently maximise the amount of capital that can be deployed on strategic growth projects. The capital excellence initiative aims to improve the group's internal rate of return on capital projects by reducing capital costs and optimising project timelines. Our goal is to ensure that capital is allocated to strategically aligned projects, which deliver the highest returns.

Maximising shareholder value. Our definition of victory is to enhance total shareholder return. To achieve this goal, we continue to focus on the controllable factors of our business. Operational stability and cost containment in our foundation businesses takes priority to deliver solid and sustainable earnings generation in the short term. We are committed to grow dividends annually and match dividend growth with earnings growth over time. In the longer term, we believe that our technology-driven expansion strategy offers growth at a reasonable cost. We will continue to focus on robust capital prioritisation and portfolio management of capital projects. Our strong governance structures and investment decision-making will enable us to balance growth with competitive returns.

Skilled resources. In order to deliver on the strategic objectives, especially through these difficult economic conditions, we require employees with the highest technical and leadership capabilities. We are committed to maintaining a diverse workforce and focus on merit-based, long-term career development. Talented people are recruited from around the globe and through both formal and informal training programmes, they are developed through our talent management programmes into exceptional leaders. Investing in and retaining our talent is one of the ways in which we are able to deliver outstanding performance and value to our shareholders as well as provide a sustainable source of competitive advantage.

Conclusion. We remain firm in our commitment to growth opportunities and ensuring sustained performance over the long term. Our strong balance sheet positions us well to pursue our abundant growth opportunities and deal with another potential global economic crisis.



This review is intended to provide further insight into the financial performance and position of the group in the context of the environment in which we operate. Stakeholders are advised to read the chief financial officer's full review in the annual financial statements.

summarised financial information

for the year ended 30 June 2011

The summarised consolidated financial results have been approved by the Sasol Limited board of directors and were signed on their behalf by the chairman, Mrs TH Nyasulu, chief executive officer, Mr DE Constable and chief financial officer, Ms KC Ramon.

This document provides a summary of the information contained in Sasol's annual financial statements, which are available on the website at www.sasol.com. The summarised consolidated financial results are not the group's statutory accounts and do not contain sufficient information to allow for a complete understanding of the results and state of affairs of the group as would be provided by the detailed annual financial statements.

In our attempt to conserve the environment, the full set of annual financial statements is included on a CD-rom inside the back cover of the integrated annual report. Should you wish to obtain a hard copy of the annual financial statements, please contact the Sasol corporate affairs division. Refer to the contact details on page 132 of the integrated annual report.

Basis of preparation. The summarised consolidated financial results for the year ended 30 June 2011 are prepared in accordance with International Financial Reporting Standards (IFRS) and Interpretations of those standards, as issued by the International Accounting Standards Board (in particular International Accounting Standard 34, Interim Financial Reporting), the AC500 Standards as issued by the Accounting Practices Board or its successor and the South African Companies Act, 2008, as amended.

The summarised consolidated financial results are prepared using the historic cost convention except that certain items, including derivative instruments, liabilities for cash-settled share-based payment schemes and available-for-sale financial assets, are stated at fair value.

The summarised consolidated financial results are prepared on the going concern basis.

The accounting policies applied in the presentation of the summarised consolidated financial results are consistent with those applied for the year ended 30 June 2010 and are in terms of IFRS, except as follows:

Sasol Limited has early adopted the following standards, which did not have a significant impact on the financial results:

- IAS 1 (Amendment), Presentation of Financial Statements: Severe Hyperinflation.
- IAS 1 (Amendment), Presentation of Financial Statements: Presentation of Items of Other Comprehensive Income.
- IAS 12 (Amendment), Taxation: Deferred Tax – Recovery of Underlying Assets.
- IFRS 7, Financial Instruments: Disclosures – Transfer of Financial Assets.

- IFRS 13, Fair Value Measurement.

- Various Improvements to IFRSs.

Sasol has adopted IFRS 2 (Amendment), Share-based Payment: Group Cash-settled Share-based Payment Transactions and Various Improvements to IFRSs: IAS 27, Consolidated and Separate Financial Statements, effective 1 January 2010 and 1 July 2010, respectively, which did not have a significant impact on the financial results.

The summarised consolidated financial results are presented in rand, which is Sasol Limited's functional and presentation currency.

Ms KC Ramon CA(SA), chief financial officer is responsible for this set of financial results and has supervised the preparation thereof in conjunction with the executive: group finance, Mr FC Meyer CA(SA) and the general manager: group statutory reporting, Ms SA Barnfather CA(SA).

Basis of consolidation of financial results. The consolidated financial statements reflect the financial results of the group. All financial results are consolidated with similar items on a line by line basis except for investments in associates, which are accounted for using the equity method from acquisition date until the disposal date.

Inter-company transactions, balances and unrealised gains and losses between entities are eliminated on consolidation. To the extent that a loss on a transaction provides evidence of a reduction in the net realisable value of current assets or an impairment loss of a non-current asset, that loss is charged to the income statement.

In respect of joint ventures and associates, unrealised gains and losses are eliminated to the extent of the group's interest in these entities. Unrealised gains and losses arising from transactions with associates are eliminated against the investment in the associate.

Independent audit by the auditors. The summarised consolidated statement of financial position at 30 June 2011 and the related summarised consolidated income statement, statements of comprehensive income, changes in equity and cash flows for the year then ended were audited by KPMG Inc. The individual auditor assigned to perform the audit is Mr CH Basson. Their unmodified audit report is available for inspection at the registered office of the company.



The financial information presented from pages 60 to 67 is a summary of our annual financial statements as set out in a separate publication entitled annual financial statements 2011.

statement of financial position

at 30 June

| | 2011 Rm | 2010 Rm |
|--|----------------|----------------|
| Assets | | |
| Property, plant and equipment | 79 245 | 72 523 |
| Assets under construction | 29 752 | 21 018 |
| Goodwill | 747 | 738 |
| Other intangible assets | 1 265 | 1 193 |
| Investments in associates | 3 071 | 3 573 |
| Post-retirement benefit assets | 792 | 789 |
| Deferred tax assets | 1 101 | 1 099 |
| Other long-term assets | 2 218 | 1 828 |
| Non-current assets | 118 191 | 102 761 |
| Assets held for sale | 54 | 16 |
| Inventories | 18 512 | 16 472 |
| Trade and other receivables | 23 174 | 20 474 |
| Short-term financial assets | 22 | 50 |
| Cash restricted for use | 3 303 | 1 841 |
| Cash | 14 716 | 14 870 |
| Current assets | 59 781 | 53 723 |
| Total assets | 177 972 | 156 484 |
| Equity and liabilities | | |
| Shareholders' equity | 107 649 | 94 730 |
| Non-controlling interest | 2 691 | 2 512 |
| Total equity | 110 340 | 97 242 |
| Long-term debt | 14 356 | 14 111 |
| Long-term financial liabilities | 103 | 75 |
| Long-term provisions | 8 233 | 7 013 |
| Post-retirement benefit obligations | 4 896 | 4 495 |
| Long-term deferred income | 498 | 273 |
| Deferred tax liabilities | 12 272 | 10 406 |
| Non-current liabilities | 40 358 | 36 373 |
| Liabilities in disposal groups held for sale | – | 4 |
| Short-term debt | 1 602 | 1 542 |
| Short-term financial liabilities | 136 | 357 |
| Other current liabilities | 25 327 | 20 847 |
| Bank overdraft | 209 | 119 |
| Current liabilities | 27 274 | 22 869 |
| Total equity and liabilities | 177 972 | 156 484 |

income statement

for the year ended 30 June

| | 2011 Rm | 2010 Rm |
|--|-----------------|------------|
| Turnover | 142 436 | 122 256 |
| Cost of sales and services rendered | (90 467) | (79 183) |
| Gross profit | 51 969 | 43 073 |
| Other operating income | 1 088 | 854 |
| Marketing and distribution expenditure | (6 796) | (6 496) |
| Administrative expenditure | (9 887) | (9 451) |
| Other operating expenditure | (6 424) | (4 043) |
| Competition related administrative penalties | (112) | – |
| Effect of crude oil hedges | (118) | (87) |
| Share-based payment expenses | (2 071) | (943) |
| Effect of remeasurement items | (426) | 46 |
| Translation losses | (1 016) | (1 007) |
| Other expenditure | (2 681) | (2 052) |
| Operating profit | 29 950 | 23 937 |
| Finance income | 991 | 1 332 |
| Share of profits of associates (net of tax) | 292 | 217 |
| Finance expenses | (1 817) | (2 114) |
| Profit before tax | 29 416 | 23 372 |
| Taxation | (9 196) | (6 985) |
| Profit for the year | 20 220 | 16 387 |
| Attributable to | | |
| Owners of Sasol Limited | 19 794 | 15 941 |
| Non-controlling interest in subsidiaries | 426 | 446 |
| | 20 220 | 16 387 |
| Earnings per share | Rand | Rand |
| Basic earnings per share | 32,97 | 26,68 |
| Diluted earnings per share ¹ | 32,85 | 26,54 |

1. Diluted earnings per share are calculated taking the Sasol Share Incentive Scheme and Sasol Inzalo share transaction into account.

statement of comprehensive income

for the year ended 30 June

| | 2011 Rm | 2010 Rm |
|---|----------------|------------|
| Profit for the year | 20 220 | 16 387 |
| Other comprehensive income | | |
| Effect of translation of foreign operations | (2 031) | (802) |
| Effect of cash flow hedges | 111 | 13 |
| Investments available-for-sale | – | 4 |
| Tax on other comprehensive income | (23) | 8 |
| Other comprehensive income for the year net of tax | (1 943) | (777) |
| Total comprehensive income for the year | 18 277 | 15 610 |
| Attributable to | | |
| Owners of Sasol Limited | 17 849 | 15 171 |
| Non-controlling interest in subsidiaries | 428 | 439 |
| | 18 277 | 15 610 |

statement of changes in equity

for the year ended 30 June

| | 2011 Rm | 2010 Rm |
|--|----------------|------------|
| Opening balance | 97 242 | 86 217 |
| Shares issued during year | 430 | 204 |
| Share-based payment expenses | 1 428 | 880 |
| Disposal of businesses | (4) | – |
| Change in shareholding of subsidiaries | – | 9 |
| Total comprehensive income for the year | 18 277 | 15 610 |
| Dividends paid | (6 614) | (5 360) |
| Dividends paid to non-controlling shareholders in subsidiaries | (419) | (318) |
| Closing balance | 110 340 | 97 242 |
| Comprising | | |
| Share capital | 27 659 | 27 229 |
| Share repurchase programme | (2 641) | (2 641) |
| Sasol Inzalo share transaction | (22 054) | (22 054) |
| Retained earnings | 98 590 | 85 463 |
| Share-based payment reserve | 8 024 | 6 713 |
| Foreign currency translation reserve | (1 895) | 137 |
| Investment fair value reserve | 5 | 5 |
| Cash flow hedge accounting reserve | (39) | (122) |
| Shareholders' equity | 107 649 | 94 730 |
| Non-controlling interest in subsidiaries | 2 691 | 2 512 |
| Total equity | 110 340 | 97 242 |

statement of cash flows

for the year ended 30 June

| | 2011 Rm | 2010 Rm |
|---|-----------------|------------|
| Cash receipts from customers | 138 955 | 118 129 |
| Cash paid to suppliers and employees | (100 316) | (90 791) |
| Cash generated by operating activities | 38 639 | 27 338 |
| Finance income received | 1 380 | 1 372 |
| Finance expenses paid | (898) | (1 781) |
| Tax paid | (6 691) | (6 040) |
| Dividends paid | (6 614) | (5 360) |
| Cash retained from operating activities | 25 816 | 15 529 |
| Additions to non-current assets | (20 665) | (16 108) |
| Acquisition of interests in joint ventures | (3 823) | – |
| Disposal of businesses | 22 | – |
| Additional investments in associate | (91) | (1 248) |
| Other net cash flows from investing activities | 92 | 652 |
| Cash utilised in investing activities | (24 465) | (16 704) |
| Share capital issued | 430 | 204 |
| Contributions from non-controlling shareholders | 27 | 9 |
| Dividends paid to non-controlling shareholders | (419) | (318) |
| Increase/(decrease) in long-term debt | 545 | (2 567) |
| Decrease in short-term debt | (295) | (29) |
| Cash effect of financing activities | 288 | (2 701) |
| Translation effects on cash and cash equivalents of foreign operations | (421) | (124) |
| Increase/(decrease) in cash and cash equivalents | 1 218 | (4 000) |
| Cash and cash equivalents at beginning of year | 16 592 | 20 592 |
| Cash and cash equivalents at end of year | 17 810 | 16 592 |

reconciliation of headline earnings

for the year ended 30 June

| | 2011 Rm | 2010 Rm |
|---|---------------|---------------|
| Profit for the year attributable to owners of Sasol Limited | 19 794 | 15 941 |
| Effect of remeasurement items | 426 | (46) |
| Impairment of assets | 171 | 110 |
| Reversal of impairment | (516) | (365) |
| (Profit)/loss on disposal of business | (9) | 5 |
| Profit on disposal of associate | (6) | (7) |
| Profit on disposal of assets | (14) | (3) |
| Scrapping of non-current assets | 359 | 156 |
| Write off of unsuccessful exploration wells | 441 | 58 |
| Tax effects and non-controlling interest | 106 | (19) |
| Headline earnings | 20 326 | 15 876 |
| Remeasurement items per above | | |
| Mining | 3 | 1 |
| Gas | 6 | – |
| Synfuels | 197 | 58 |
| Oil | 17 | 10 |
| Synfuels International | 126 | 4 |
| Petroleum International | 442 | 108 |
| Polymers | 46 | 14 |
| Solvents | 63 | 58 |
| Olefins & Surfactants | (500) | (344) |
| Other chemical businesses | (11) | 21 |
| Nitro | (1) | 26 |
| Wax | (3) | (5) |
| Infrachem | (8) | (1) |
| Merisol | 1 | 1 |
| Other businesses | 37 | 24 |
| Remeasurement items | 426 | (46) |
| | Rand | Rand |
| Headline earnings per share | 33,85 | 26,57 |
| Diluted headline earnings per share | 33,72 | 26,44 |

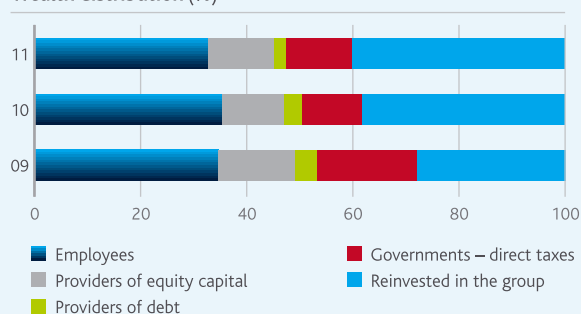
value added statement

for the year ended 30 June

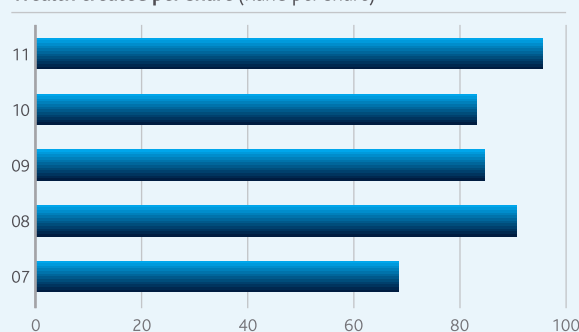
Value added is defined as the value created by the activities of a business and its employees and, in the case of Sasol, is determined as turnover less the cost of purchased materials and services. The value added statement reports on the calculation of value added and its application among the stakeholders in the group. This statement shows the total wealth created and how it was distributed, taking into account the amounts retained and reinvested in the group for the replacement of assets and development of operations.

| | 2011 Rm | 2010 Rm | 2009 Rm | 2008 Rm | 2007 Rm |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| Turnover | 142 436 | 122 256 | 137 836 | 129 943 | 98 127 |
| Less purchased materials and services | (86 330) | (74 061) | (89 393) | (76 472) | (56 789) |
| Value added | 56 106 | 48 195 | 48 443 | 53 471 | 41 338 |
| Finance income | 1 283 | 1 549 | 2 060 | 989 | 1 230 |
| Wealth created | 57 389 | 49 744 | 50 503 | 54 460 | 42 568 |
| | % | % | % | % | % |
| Employees | 32,7 18 756 | 35,3 17 546 | 34,7 17 532 | 26,5 14 443 | 27,5 11 695 |
| Providers of equity capital | 12,3 7 040 | 11,6 5 806 | 14,4 7 260 | 12,6 6 877 | 12,0 5 133 |
| Providers of debt | 2,4 1 392 | 3,6 1 799 | 4,3 2 191 | 4,5 2 427 | 4,4 1 874 |
| Governments – direct taxes | 12,5 7 198 | 11,3 5 602 | 18,7 9 413 | 17,5 9 521 | 16,0 6 793 |
| Reinvested in the group | 40,1 23 003 | 38,2 18 991 | 27,9 14 107 | 38,9 21 192 | 40,1 17 073 |
| Wealth distribution | 100,0 57 389 | 100,0 49 744 | 100,0 50 503 | 100,0 54 460 | 100,0 42 568 |
| Employee statistics | | | | | |
| Number of employees at year end | 33 708 | 33 054 | 33 164 | 33 928 | 31 860 |
| | Rand | Rand | Rand | Rand | Rand |
| Turnover per employee at year end | 4 225 584 | 3 698 675 | 4 156 193 | 3 829 963 | 3 079 944 |
| Value added per employee at year end | 1 664 471 | 1 458 069 | 1 460 710 | 1 576 014 | 1 297 489 |
| Wealth created per employee at year end | 1 702 534 | 1 504 931 | 1 522 826 | 1 605 164 | 1 336 095 |

Wealth distribution (%)



Wealth created per share (Rand per share)

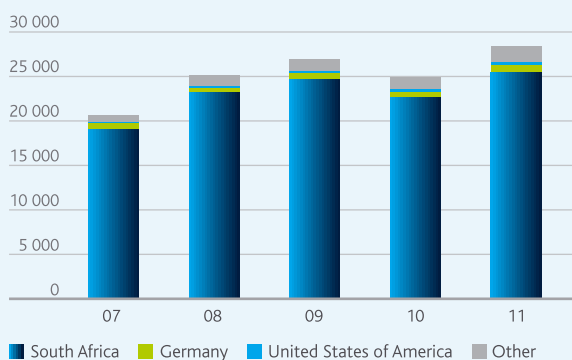


monetary exchanges with governments

for the year ended 30 June

| | 2011 Rm | 2010 Rm | 2009 Rm | 2008 Rm | 2007 Rm |
|---|----------------|------------|------------|------------|------------|
| Direct taxes | 7 198 | 5 602 | 9 413 | 9 521 | 6 793 |
| South African normal tax | 5 235 | 4 270 | 8 067 | 8 497 | 6 016 |
| foreign tax | 1 192 | 726 | 515 | 387 | 248 |
| Secondary Taxation on Companies | 771 | 606 | 831 | 637 | 529 |
| Employees' tax | 3 571 | 3 028 | 3 045 | 2 564 | 2 044 |
| Indirect taxes | 17 626 | 16 292 | 14 506 | 13 112 | 11 748 |
| customs, excise and fuel duty | 18 200 | 16 889 | 13 148 | 11 855 | 10 873 |
| property tax | 96 | 86 | 92 | 75 | 84 |
| other levies | 8 | 4 | 5 | 5 | 6 |
| net VAT (received)/paid | (1 714) | (1 615) | (1 056) | (152) | 163 |
| other | 1 036 | 928 | 2 317 | 1 329 | 622 |
| Net monetary exchanges with governments | 28 395 | 24 922 | 26 964 | 25 197 | 20 585 |
| South Africa | 25 400 | 22 602 | 24 646 | 23 182 | 19 027 |
| Germany | 792 | 619 | 777 | 490 | 711 |
| United States of America | 496 | 370 | 220 | 193 | 152 |
| Other | 1 707 | 1 331 | 1 321 | 1 332 | 695 |

Net monetary exchanges with governments by region (R million)



Net monetary exchanges with governments (%)



creating the space for innovation

Why is innovation important?

Sasol has been a frontrunner in technological innovation and excellence since its inception in the 1950s.

As market needs and expectations have changed, so our services and products have developed to reflect the spirit of the age and the needs of the day. To deliver the fundamental understanding and technical opportunities to safeguard the group's sustainable growth and profitable operation, we have to continually ensure that our research facilities and systems are of the highest standards. At 30 June 2011, Sasol's strong intellectual property portfolio included 490 registered patent families.

At the heart of Sasol is a proven ability to take a big idea to large-scale production. For over 60 years, Sasol has developed and commercialised innovative energy-related technologies, first with coal as a feedstock, then with gas and, into the future, with renewable energy sources. But the spirit of innovation that has powered our business since its inception extends from its technological core to all aspects of managing a sustainable business. So whether it is innovating to improve the efficiency of our foundation businesses, and thereby to manage our environmental footprint, or how we manage the other resources on which our business depends – capital, people, society – an innovative approach that works in practice is our hallmark.

R1,1 billion

Sasol invests in research and development

Over the past 10 years, Sasol Technology has been granted 210 patent families.

How does Sasol make innovation happen?

In 2011, Sasol invested R1,1 billion in research and development (R&D), including capital and operational expenditure. But without the inventiveness and diligence of our researchers, this investment would be in vain.

Within Sasol Technology we have a dedicated R&D team of more than 600 people, with over a third of them holding doctorates or masters in engineering and science. Most have qualifications in chemistry and chemical engineering as well as many years of experience. Over the past 10 years, this team has been granted 210 patent families.

Our R&D activities are divided into six primary technology areas:

- coal and gas-processing technologies;
- Fischer-Tropsch catalyst and engineering research;
- refinery technologies;
- chemical technologies;
- environmental sciences and engineering; and
- alternative energy.



Most of our researchers are based at Sasolburg, where our state-of-the-art facility includes sophisticated laboratories and analytical equipment, pilot plants, maintenance workshops and a library. We also operate a R&D centre at Secunda. These two hubs are complemented by research teams in Enschede, The Netherlands and at the University of St Andrews in Scotland.

It is clear that we have a strong skills set. But skills, investment and world class facilities do not guarantee innovation. What is essential is to create an environment conducive to innovation. Researchers need to be given room to do their work. They need encouragement and facilitation. They need academic stimulation and team support. Innovation also takes time and involves trial and error. True innovation takes years. It also demands a certain risk appetite as research is often costly and not always immediately successful.

To meet Sasol's ambitious growth targets, we acknowledge that we need to collaborate with other technology providers, companies and research institutes. We also work with universities, sponsoring chairs of various disciplines to fund the academic research that is necessary. We also rotate our people through tertiary institutions and have visiting academics on assignment to Sasol.

The big breakthrough of the year

A good example of innovation in action is our ethylene tetramerisation project, which was given its commercial go-ahead in 2011. This chemical technology has been long in the making at Sasol's laboratories.

In 1997, our people began researching selective ethylene trimerisation as a route for 1-hexene production. This led to the development and patenting of six ethylene trimerisation catalyst systems. More significantly, in 2002 the same research group discovered a novel tetramerisation chromium catalyst system which produces predominantly 1-octene, from ethylene with some 1-hexene as a valuable by-product. The benefit of this is that Sasol is the only company in the world that can selectively make valuable 1-octene and 1-hexene via ethylene oligomerisation without also producing significant amounts of the other lower value olefins produced in commercial oligomerisation processes.

Both 1-hexene and 1-octene are comonomers used in the production of linear low-density polyethylene (LLDPE), which touches our lives in many ways every day. Its applications include plastic bags and sheeting, cling films, toys, pipes and cables. The world market for LLDPE is worth approximately US\$24 billion.

Before Sasol perfected it, the selective production of 1-octene from ethylene was considered impossible by experts in the field. Our intensive catalyst optimisation effort led to the development of economically viable selectivities by 2006. We then focused on developing viable reactor and product work-up technologies for the process, and completed a successful piloting campaign, which confirmed we had a workable technology which could be implemented on commercial scale. Towards the end of the 2010 calendar year, the Sasol board approved the commercialisation of this technology, which clearly demonstrates Sasol's delivery of ideas to market. To protect our technological lead, we have extensively patented this process and Sasol Technology is already working on the next generation of tetramerisation technology.

This year the sequence of the operational reviews reflects Sasol's growth story, in line with the group's strategic objectives of growing stakeholder value.

sasol synfuels international

Sasol Synfuels International (SSI) is responsible for developing, implementing and managing international ventures based on Sasol's proprietary technology, including the Sasol Slurry Phase Distillate™ process. Our primary focus is on securing opportunities to advance the group's gas-to-liquids (GTL) and coal-to-liquids (CTL) ambitions. In 2007, SSI brought the group's first international GTL plant into operation – Oryx GTL in Qatar.

Key developments:

- Reached record daily production at Oryx GTL
- Commenced feasibility studies for GTL plants in western Canada and United States
- Initiated a drilling programme to verify coal quality assumptions in India
- Front end engineering and design phase of an integrated GTL and chemical facility in Uzbekistan has commenced

| Financial performance | | % change | 2011 | 2010 |
|--|----|----------|-------|------|
| Operating profit | Rm | 820 | 1 205 | 131 |
| Operating margin | % | | 32,4 | 5,7 |
| Contribution to group operating profit | % | | 4 | 1 |

| Operational performance | | % change | 2011 | 2010 |
|-------------------------|----|----------|------|------|
| Total sales | Mt | 29 | 549 | 427 |
| Total production | Mt | 32 | 559 | 424 |
| RCR | | (49) | 0,16 | 0,31 |
| Employee numbers | | 14 | 514 | 449 |

| Environmental performance | | % group total | 2011 | 2010 |
|--|-----------------|---------------|------|------|
| Direct GHG emissions (carbon dioxide) ¹ | Mt | 4 | 2,0 | 1,6 |
| Total water use ¹ | Mm ³ | 1 | 1,3 | 1,4 |

1. From our production activities at Oryx GTL.



SSI had an impressive year, reaching new production and profitability milestones at our flagship Oryx GTL joint venture in Qatar, and laying the foundation for significant growth in the years ahead. To this end, we advanced studies on opportunities to apply Sasol's proprietary technology.

Improved safety performance. Through the diligent application of various safety initiatives, SSI was able to record an improvement in its safety record in the year. Our recordable case rate* improved to a world class 0,16 from 0,31 in 2010. The challenge is to maintain this level through the various safety improvement plans.

Laying the foundation for responsible growth. With the group's purchase of shale gas assets in Canada, we started investigating the potential of GTL facilities in North America. We believe we can grow our technological lead in this region by converting gas to transportation fuels, which are currently largely dependent on a single source – oil. We also continued to participate in the construction of a GTL plant in Nigeria, and advanced studies on a potential CTL facility in India and a possible GTL plant in Uzbekistan.

Succeeding at Oryx GTL. Oryx GTL – a 49:51 joint venture between SSI and Qatar Petroleum and currently one of the largest commercial GTL operations in the world – moved closer

to its design capacity, increasing its average daily production to more than 26 500 barrels a day (bbl/d) for the year, from 20 000 bbl/d in 2010. This is the result of improved operational performance and continuing efforts to de-bottleneck the facility. Oryx GTL reached a peak average daily production of 32 000 bbl/d, or 99%, of nameplate capacity in May 2011.

We continue to engage with the Qatari government on securing access to more gas from the North Field to enable us to expand the Oryx GTL facility.

We consider the success of the partnership at Oryx GTL as the platform from which we can extend our competitive expertise and Sasol Slurry Phase Distillate™ technology, and provide a viable alternative to monetise gas reserves in other parts of the world. Oryx GTL produces cleaner transportation fuels that sell at a premium on world markets.

Oryx GTL produces two main products: GTL diesel and GTL naphtha. With almost zero sulphur, GTL diesel is a high performance, low emissions product. Capable of use in existing

* The recordable case rate is a standard international measure for reporting work-related injuries and illnesses and other safety incidents resulting in injury. The RCR is the number of fatalities, lost workdays, restricted work cases, medical treatments beyond first-aid cases and accepted illnesses for every 200 000 employee hours worked. From 2006 onwards, our RCR includes employees and service providers, and recordable injuries as well as occupational illnesses. Currently, about 11% of the RCR is attributable to illnesses.

diesel engines either in neat form, or as a blendstock, GTL diesel can achieve particulate matter reductions of between 30% to 70%. This delivers significant air quality advantages. Its high cetane number makes for cleaner and more complete combustion, improves cold start properties and reduces noise. As well as enhancing performance, high cetane also means less build up of deposits in the engine, which reduces wear and extends engine life. In terms of quality, GTL naphtha is well ahead of any competitor in its class. GTL naphtha is highly paraffinic and has virtually no aromatics or sulphur and negligible metallic contaminants. Light paraffinic naphthas are the most efficient liquid feedstocks for ethylene cracking. Ethylene is one of the basic building blocks of the petrochemical industry.

Building on our experience. In Nigeria, where SSI has a 10% interest in the Escravos GTL (EGTL) project, construction progressed well in the year. Working on this project in often difficult conditions, we have learned a great deal, particularly in terms of modularisation of construction. We are using the experience gained so far in our study work on other potential GTL facilities.

Sasol has formed a partnership with Petronas and state oil and gas company, Uzbekneftegaz, to establish a GTL plant in Uzbekistan. A joint feasibility study for the development and implementation of this GTL project in Uzbekistan, with an estimated capacity of 1,4 million tons per annum (tpa) was completed in the middle of

the 2011 calendar year. The Uzbekistan GTL project was presented for approval to the government of Uzbekistan in September 2011 and an investment agreement was concluded between the partners. This results in Sasol and Uzbekneftegaz's equity interests in Uzbekistan GTL LLC being 44,5% each, and Petronas having an 11% interest. The front end engineering and design (FEED) phase of the GTL project in Uzbekistan has commenced.

The ability to raise limited recourse project financing remains important and export credit agencies and multi lateral agencies will play an important role in the project financing structure. Initial interest from key financial institutions has been positive.

Widening our presence. Capitalising on the group's recent acquisition of shale gas assets in Canada, Sasol and Talisman Energy Inc. have launched a feasibility study into a GTL plant in western Canada. We expect the study to be completed in mid-2012.

In Canada, the findings of the feasibility study and other factors such as expected long-term oil and gas prices will influence the decision to go ahead with the project. These findings will also influence the size of the facility and whether there are any value-adding chemical opportunities.

We also continue to look for GTL opportunities on a global basis, focusing on those countries where we are confident that the GTL value proposition is most relevant.



Operating profit increased to **R1 205 million** in 2011

Leveraging our competitive advantage, integrating chemicals. During 2011, Sasol completed a pre-feasibility study into a possible integrated GTL and chemical facility at Lake Charles, United States. After the successful completion of the pre-feasibility study, the Sasol board approved the feasibility study phase. The feasibility study will consider two options of a 2 million tons per annum (tpa) and a 4 million tpa facility. The feasibility study is expected to be completed in the latter half of the 2012 calendar year. GTL is an attractive proposition in North America because of the widening discount at which natural gas is trading relative to oil as a result of the abundance of shale gas there.

Securing catalyst supply. In July 2011, we commenced commissioning the third cobalt-based catalyst production unit. The Sasolburg unit supports our GTL and CTL ambitions and is the first unit that is wholly owned by Sasol, following two other catalyst plants in The Netherlands that were jointly constructed by Sasol and BASF. We are making good progress on reducing the cost of the cobalt catalyst significantly through improved productivity.

Improving the design efficiency of CTL. In India, through our joint venture with the Tata Group, SSI continued to work on the pre-feasibility study for a 90 000 bbl/d CTL facility in Talcher, Orissa.

The study is progressing well and we have initiated a drilling programme to verify the coal quality. The study is expected to be completed during the first half of the 2012 calendar year, after which the parties will decide whether to proceed with a full feasibility study.

Sasol Technology's work to improve the overall efficiency of the CTL process has resulted in a design with an energy intensity that is 30% less than traditional facilities.

In China, SSI and our partners Shenhua Ningxia Coal Group considered building a CTL plant in the Ningdong Energy and Chemicals Base. Given the delay in the approval from the Chinese government for our CTL project in China, we are developing other investment and growth strategies, both in South Africa and abroad. We have reallocated planned project funding for the China CTL project and redeployed staff to other projects. We remain committed to growing our other businesses in China.

Operating profitably and with due consideration of regulation. Notwithstanding a sharp increase in spending on various growth opportunities, SSI reported a second year of profitability due to the sound performance of Oryx GTL. Operating profit increased to R1 205 million in 2011 from R131 million in 2010.

As we expand our presence across new geographies, we are mindful of the increased requirement to comply with different laws, and are working to implement specific controls in this regard. We are also working to utilise and further develop local talent to further improve diversity in our business.



sasol petroleum international

Sasol Petroleum International (SPI) manages the group's upstream interests in oil, natural gas and shale gas assets and leads all key elements of upstream activity: exploration, appraisal, development and production. We focus particularly on natural gas and shale gas opportunities to enable us to supply feedstock to existing and potential future gas-to-liquids (GTL) plants.

Key developments:

- Acquisition of two large shale gas assets in Canada
- Delivered on production and profitability targets
- Expansion of production capacity in Mozambique on track
- Increased exploration expenditure

| Financial performance | | % change | 2011 | 2010 |
|--|-----------------|---------------|---------|---------|
| Operating profit | Rm | 13 | 382 | 337 |
| Operating margin | % | | 18 | 20 |
| Contribution to group operating profit | % | | 1 | 1 |
| Operational performance | | % change | 2011 | 2010 |
| Total gas sales (Mozambique) | MGJ | 17 | 88,0 | 75,1 |
| Total condensate sales (Mozambique) | b | 55 | 269 602 | 173 987 |
| Total oil sales (Gabon) | Mb | – | 1,9 | 1,9 |
| RCR* | | 1 100 | 0,96 | 0,08 |
| Employee numbers | | 14 | 314 | 275 |
| Environmental performance | | % group total | 2011 | 2010 |
| Direct GHG emissions (carbon dioxide) ¹ | Mt | 0,3 | 0,2 | 0,1 |
| Total water use ¹ | Mm ³ | 0,05 | 0,07 | 0,09 |

1. From our upstream oil and gas exploration and production activities.

* The recordable case rate is a standard international measure for reporting work-related injuries and illnesses and other safety incidents resulting in injury. The RCR is the number of fatalities, lost workdays, restricted work cases, medical treatments beyond first-aid cases and accepted illnesses for every 200 000 employee hours worked. From 2006 onwards, our RCR includes employees and service providers, and recordable injuries as well as occupational illnesses. Currently, about 11% of the RCR is attributable to illnesses.



In 2011, SPI made significant progress to support the Sasol group's growth objectives with our entrance into the North American shale gas market. The acquisition of a 50% interest in two large shale gas assets in Canada is aligned with the group's strategic objectives of growing our global GTL portfolio and related upstream assets.

Continued focus on safety. While we continued to focus on safety as our top priority, we are disappointed to report a deterioration in our record for the year. Our recordable case rate increased to 0,96 from 0,08 in 2010. While we did not suffer major incidents or injuries, the trend is discouraging. However, the harsh operational conditions in Papua New Guinea have been the major contributing risk factor in our safety performance.

Maximising the value of Sasol's technology through upstream integration. We increased our gas production in Mozambique during the year and have been able to control the decline in our oil production in Gabon. In addition, we pursued growth by intensifying our exploration activities and are investigating non-conventional gas opportunities in a number of areas.

Growing our employee base. As one of the fastest growing businesses in the group, we are working to ensure that we have the appropriate skills required to meet our ambitious targets. We have continued to grow and invest in our human

resource base in skills, headcount and diversity. In the past two years, SPI's employee base has grown by 37% and we project similar growth over the next two to five years as our global projects continue to develop.

We are also investing in the training and development of local people in the countries in which we have a presence, specifically in Mozambique. SPI is committed to having an integrated and diverse workforce with specific focus on country content, for example, localisation of staff in Mozambique, and employment equity and broader transformation in South Africa. In addition, we continue to focus on improving and developing a healthy and enabling organisational culture.

Maintaining profitability. The impact of higher oil and gas prices helped SPI increase operating profit to R382 million in the year, from R337 million in 2010. Stronger sales volumes from our Temane operations in Mozambique and continued sales from our Etame venture in Gabon supported this growth. Total gas sales volumes from Mozambique increased by 17% to 88,0 million gigajoules (MGJ) from 75,1 MGJ in 2010, and condensate sales

In October 2010, SPI signed an agreement to explore for oil and gas in onshore concession Area A in Mozambique, covering approximately 8 370 km² adjacent to the Pande and Temane fields.

increased by 55% to 269 602 barrels from 173 987 barrels in 2010. Total oil sales from Gabon remained stable at 1,9 million barrels.

Expanding production in Mozambique. Our operation in Mozambique is SPI's main gas-producing asset, and a significant contributor to SPI's profits. This 'heartland' is the gas lifeline to various downstream South African businesses. Mozambique also features high on our corporate social investment agenda and we are committed to the broader economic development of this dynamic country through direct and indirect support and sponsorship.

During the year, we made good progress towards completing the US\$307 million project to expand the capacity of the onshore gas production facilities in Pande and Temane from 120 MGJ to 183 MGJ a year by the end of the 2011 calendar year. We have started the gas production ramp-up and marketing initiatives, which will support our gas production grow to the plant capacity over the coming years. While the bulk of our sales volume is currently to the South African market, we are also targeting sales of about 27 MGJ a year to feed the developing gas market in Mozambique.

We are also considering installing additional low-pressure compression capacity at the central processing facility (CPF) at Temane to allow us to increase production capacity to meet a more aggressive downstream market ramp-up than previously anticipated.

In 2011, we successfully drilled and completed the I-9Z horizontal appraisal well on the Inhassoro field in Mozambique. The well yielded encouraging results and flowed liquid hydrocarbons to surface in a short-term test. We are planning an extended well test to establish the economic viability of a liquids development project, which could also improve the viability of a potential liquefied petroleum gas (LPG) project.

In the offshore area, we have been actively carrying out prospectivity reviews in permits Block 16&19, M-10 and Sofala. We have a number of promising leads that warrant additional data acquisition, which are currently in progress. This will hopefully allow us to mature these leads to drill ready prospects. One offshore lead in M-10 in particular is deemed to be mature enough and will be tested with an exploration well in 2012.

In October 2010, SPI signed an agreement to explore for oil and gas in onshore concession Area A, covering approximately 8 370 square kilometres (km²) adjacent to the Pande and Temane fields. This permit has subsequently been ratified, and we have completed airborne geophysical data acquisition.

Since we started working in Mozambique a decade ago, our operations have become a catalyst for social development beyond the employment we provide. We have a strong relationship with the people and government of Mozambique, and engage with the mostly rural communities located close to the gas fields and pipeline route – approximately 100 000 people in an area of 565 km².

As of February 2011, Sasol spent US\$13 million on social projects in Mozambique, building clinics, schools and sinking boreholes for drinking water in the pipeline corridor and areas around the CPF. We have renovated a technical school and established projects for small businesses and farming operations, and sponsored care facilities for people with disabilities, AIDS orphans and the aged. Where possible, we source services and supplies from Mozambican suppliers. At 30 June 2011, about 61% of our employees were local and we had awarded 205 contracts valued at R511 million to private local companies.

Extending the life of our West African assets.

In Gabon, we recorded good progress on efforts to extend the life of the Etame oilfield cluster, which performed well in the year with total oil sales of 7,6 million barrels by 30 June 2011. SPI's 27,75% share in this licence equated to 1,9 million barrels for SPI. This asset is operated by our partners in Gabon. Currently, gross production is around 23 000 barrels of oil a day, with SPI's net share at around 5 500 barrels. Production results have far exceeded the projections made when the project was approved in 2001, as a result of infill drilling and the discovery of the Avouma and Ebouri fields.

Capitalising on the North American gas opportunity.

The acquisition of two new shale gas assets in Canada in 2011, underpins the focused growth in Sasol's upstream portfolio and accelerates the potential growth in GTL applications in North America. These assets will allow us to capitalise on opportunities to monetise the area's abundant gas reserves and benefit from the large price differential between oil and gas.

In December 2010, SPI acquired a 50% stake in the Farrell Creek shale gas assets and the associated gas gathering systems and processing facility of Talisman Energy Inc. (Talisman) in the Montney Basin in British Columbia, Canada. In March 2011, SPI further acquired a 50% stake in Talisman's high-quality Cypress A shale gas assets. Each purchase is for a consideration of just over CAD1 billion (R7 billion) and the group expects significant development activities and costs going forward to grow the production levels in these two assets to profitability.

Sasol Financing is assisting SPI with the funding of the Canadian purchases, matching the financing with the cash flow requirements, as the fields are developed over the coming years. To mitigate currency risks, it has hedged a substantial portion of its outstanding exposure on capital expenditure through forward exchange contracts.

Recent advances in shale gas technology have fundamentally changed natural gas market dynamics in North America, enabling shale gas to become an economically feasible alternative to conventional natural gas.

In Gabon, full asset production maintained at

23 000

barrels of oil per day

By partnering with a credible international shale gas operator such as Talisman, Sasol is able to leverage its experience while continuing to grow its own expertise. Talisman is an established player with strong operator skills. It is committed to operating in a safe, environmentally responsible manner and to maintaining good working relationships with local communities. It has a record for transparency, and discloses the chemicals it uses in its fracking fluid.

Sasol's new business development department, set up in October 2010, executed the Canadian acquisitions in line with its mandate to scan the world for opportunities to secure feedstock from which to leverage Sasol's proprietary technology.

Exploring in Australasia. During 2011, SPI stepped up its activities in Australasia through its participation in the drilling of two exploration wells, and continued geologic and geophysical data acquisition and studies to mature additional exploration opportunities.

SPI operated the Awapa-1 wildcat well in Papua New Guinea, in which we hold a 51% equity interest, and participated in the La Rocca-1 exploration well in Australia, which is operated by our partners and in which SPI has an 18% share. Unfortunately both wells failed to prove the presence of commercial hydrocarbons, but were drilled on budget and within schedule.

We have taken active measures to mitigate our cost exposure in Australia via the farm-out of 12% equity to Apache Corporation for a 'cost carry' arrangement in La Rocca-1 prior to drilling, and in Papua New Guinea via the farm-out of 10% to Mitsui E&P (pending government approval).

Following the disappointing results from the Awapa-1 well, we are reviewing our Papua New Guinea portfolio to decide on our future plans and options. Following the recent acquisition of 3D seismic data in the AC/P 52 licence (45% interest) in the Browse Basin offshore Western Australia, we are carrying out comprehensive prospect evaluation studies, which will allow us to mature prospects to drill ready status.

Evaluating non-conventional gas. In line with SPI's focus on gas opportunities, we have made significant effort during the year to evaluate opportunities in non-conventional gas (shale gas and coal-bed methane). This is aimed at securing new acreage to explore for commercial gas. We are pleased to report that we have made progress in securing strategic partners with relevant experience, and negotiations to secure acreage in Southern Africa for a coal-bed methane opportunity are at an advanced stage. Also in South Africa, together with our partners Statoil SA and Chesapeake Energy Corporation, we are busy with subsurface

evaluation studies in the technical cooperation permit area in the Karoo Basin. We expect the results of this evaluation and a decision on whether or not to proceed with this opportunity during 2012.

Environmental responsibility. In partnership with Sasol New Energy (SNE) and Sasol Technology, SPI is accountable for delivering CO₂ storage solutions for the group's operations, both existing and future. SPI is responsible for the study, development and operation of the storage component of any carbon capture and storage (CCS) activity, including both surface and subsurface aspects. This complements Sasol Technology's focus on the capture technologies and SNE's business leadership. During the year, we performed and supervised a number of conceptual studies to evaluate the viability of CCS in India and Southern Africa. We are also building a small team of geotechnical specialists dedicated to providing support for CCS projects.

Looking ahead. As a relatively young business unit in the Sasol group and an emerging African upstream player, we have not only established a solid track record since we started production in 2002 but we have also been able to create a platform for growth in the next decade. We anticipate increasing our equity production from about 40 000 barrels of oil equivalent per day (boepd) in 2010 to over 280 000 boepd in 2025. This will allow SPI to become a major cash contributor to the group. Maintaining world class standards in our operations will be key, and we are committed to actively engage with all our stakeholders, including local communities, host governments, partners, customers and our employees.



sasol new energy

Sasol New Energy is the group's newest business unit. We work to leverage Sasol's key competitive advantage, which is developing and commercialising new technologies, and implementing and operating facilities based on these technologies at large scale. We are exploring renewable and lower-carbon energy as well as carbon capture and storage solutions.

Key developments:

- Commissioning of open cycle gas turbines helps the group to generate its first low-carbon electricity

- Additional gas-to-low-carbon electricity capacity under construction in Sasolburg

- Research and development (R&D) focused on concentrated solar power and clean-coal technologies

- Concluded partnership agreements to address public water supply losses in Secunda and Sasolburg

Sustaining Sasol. Sasol New Energy (SNE) is working to ensure that the group develops low-carbon electricity as Sasol's third major value chain. In 2006, Sasol decided to increase its internal electricity generation capacity in South Africa using natural gas from Mozambique as a feedstock.

Working closely with Sasol Technology, we also achieved good progress in our efforts to improve the group's energy and water efficiency, and further investigate low-carbon and renewable energy options as well as clean-coal technologies.

Over the past 18 months, SNE and Sasol Technology have carried out an extensive technology assessment. This has culminated in the decision to focus our renewable energy research and development (R&D) efforts on concentrated solar power. To this end we are engaging with technology providers in this field.

Generating low-carbon electricity. In July 2010, we commissioned two 100 megawatt (MW) open-cycle gas turbines at the Sasol Synfuels complex in Secunda. They have been operating fully since July 2010, with a combined output of 200 MW to 220 MW. In the short term, this power is being sold to Eskom under their medium-term power purchase programme, which helps to alleviate the tight electricity supply expected in South Africa over the next few years.

At year end, we commissioned the next stage of this project, converting the turbines to combined cycle and increasing their joint output to 280 MW without requiring any additional feedstock. This involved the installation of two heat-recovery steam generators to produce super-heated steam from hot exhaust gases. We are also investigating opportunities to replace some of the natural gas feedstock with waste gas that is currently flared.

As a result of these and other projects, Sasol is on track to produce 60% of its electricity requirement by 2013.

The Sasol board recently approved a project at Sasolburg, which will produce 140 MW of power using natural gas by the latter half of 2013. The R1,8 billion project will replace coal-fired power generation and enable Sasol to reduce its CO₂ emissions from Sasolburg by approximately one million tons a year.

SNE is also looking at developing additional gas-fired electricity generation in Mozambique in partnership with the country's state-owned power utility. Sasol Financing is working with SNE and the Mozambican government on funding options for the proposed modular gas engine power plant.

Investigating renewable energy options. As South Africa has an abundance of direct sunshine, we are evaluating options to develop concentrated solar power (CSP) technologies. Working closely with Sasol Technology, we are considering building a demonstration-scale CSP plant at Sasolburg. We have also launched a feasibility study on installing a commercial-scale CSP facility.

SNE is exploring several other opportunities to develop renewable electricity production in South Africa, such as investing in wind power facilities.

Pursuing clean-coal technologies. We are also investigating the use of clean-coal technologies to lower the group's carbon footprint. This term encompasses underground coal gasification (UCG) and carbon capture and storage (CCS). By gasifying coal underground, rather than mining it and transporting it to the surface first, we can use coal that cannot be mined economically because of its low quality as well as its

location deep underground. This provides an environmentally friendly option for utilising the coal reserves.

During the year, we made good progress on a preliminary feasibility study to assess the potential of UCG for Sasol.



For more details on UCG, refer to page 86.

SNE has made encouraging advances towards meeting the group's commitment to develop CCS solutions. We have acquired a share worth US\$42 million in CO₂ Technology Centre Mongstad (TCM) which is being established in Norway to test, verify and demonstrate technology suitable for deployment at large-scale carbon capture facilities. TCM is due to be commissioned early in 2012.

We continued to give our support, as a founder member, to the South African Centre for CCS (the Centre). In October 2010, the Centre launched an atlas of potential carbon storage sites. The Centre is planning to build South Africa's first storage demonstration plant and aims to carry out two test injections within the next four years. Sasol, which has provided financial support to the Centre amounting to R3 million, is also supporting the Centre in developing proposals for the most appropriate regulatory environment for CCS in South Africa, without which CCS cannot progress.

on track to produce

60%

own electricity by 2013

Improving water efficiency. To improve Sasol's water use, in 2011 our main operating facilities at Sasolburg and Secunda set voluntary internal water efficiency targets. These targets are linked to specific capital projects and interventions.

Sasol's demand for water from the Vaal River System in South Africa is around 3,5% of the total supply, with the rest of the demand coming from users in the urban, domestic and agricultural sector. After reviewing various water conservation opportunities, we came to realise that significantly reducing the demand for water from our direct operations would not have the largest impact on reducing water shortages across the catchment area. As a result, we recently concluded two multi-stakeholder partnership agreements to address physical losses from public water supply systems in the catchment areas within which we operate.



sasol technology

Sasol Technology is responsible for the group's research and development, technology management and innovation, engineering services and project management. We help Sasol's fuels and chemical businesses to maintain growth and sustainability through appropriate technological solutions and services.

Key developments:

- Reached new milestone on tetramerisation project
- Improving our GTL technology offering exploring new project opportunities
- Launched our capital excellence programme
- Successfully executed capital projects worth R9,4 billion

Striving to ensure a safe workplace. Targeting zero harm, we improved our safety performance in the year, resulting in a recordable case rate of 0,42 from 0,64 in 2010. However, it is with great sadness that we reported two tragic fatalities in the year. Fatal accidents can and must be prevented. We extend our sincere condolences to all family and friends of our colleagues.

Facilitating responsible growth. Technology remains one of the cornerstones of Sasol. As we expand our reach globally, our technology position is critical to unlocking new opportunities. We have continued to make good progress in the development of our gas-to-liquids (GTL) technology and are particularly excited about the improvements underway for the next new GTL opportunities. Our work to take our world-leading tetramerisation technology closer to commercial reality reached a milestone with the approval during the year of the first commercial facility at our Lake Charles site in Louisiana, United States.



For more information on our initiatives during the year in partnership with Sasol New Energy, refer to page 78.

Partnering for growth. The accelerated growth of the North American shale gas industry and the group's purchase of interests in two large Canadian shale gas assets have great significance for Sasol Technology. In the year, we continued work to find more efficient, less capital-intensive technology to support our intention to add value to natural gas.

We made excellent progress in the development of an improved Fischer-Tropsch catalyst as well as on our drive for greater economies of scale and process intensification. We are also excited about the advances made in syngas generation where, together with our Danish technology partner, Haldor Topsøe, we are on track with the development of an advanced syngas generation technology that will result in lower capital costs and higher operational efficiencies.

Building on Sasol's strong foundation. We continued to hone our coal-to-liquids (CTL) technology, refining our expertise in fixed-bed, dry-bottom (Sasol® FBDB™) gasification techniques and benefiting from our partnership with Linde and Hatch Energy Africa. Much of this work also helps to support the stability of the Sasol Synfuels plant.

We also assisted Sasol Synfuels with delivering on targets for its growth programme, which includes four Sasol® FBDB™ gasifiers, a 17th gas reformer and a 16th oxygen train, as well as with the execution of the largest planned maintenance outage ever undertaken by the group.

Delivering another world first. Sasol Technology extended work on a number of projects for Sasol's chemical businesses. In the United States, we helped the tetramerisation project team to complete the basic engineering design for this project – effectively completing the last development tasks to convert this innovative idea into commercial reality. The proprietary technology enables the production of octene by tetramerising ethylene for use as a comonomer in the manufacture of linear low-density polyethylene, high-density polyethylene and elastomers. The products impart special characteristics of elasticity and strength in plastic in consumer products such as food packaging, bags, toys, automotive interiors and power cable coatings.



For more details on our enhanced catalyst supply capability, refer to Sasol Synfuels International's review on page 70.



For more details on our shale gas business, refer to Sasol Petroleum International's review on page 74, Sasol Synfuels International's review on page 70 and the story on shale gas on page 26.



Sasol Technology's vision is to be recognised for consistent excellence in innovation and for the delivery of cleaner technologies to enable Sasol's growth and sustainability. In 2011, we advanced work on both sustaining Sasol's foundation businesses, and on positioning the group better to meet its growth ambitions.

The group plans to roll this technology out in other parts of the world and Sasol Technology's research engineers and scientists are already working on achieving the development targets for the next generation of this technology.

Managing and executing projects across the globe.

Sasol Technology's project execution and engineering team facilitated capital spending of approximately R9,4 billion across the entire Sasol project portfolio in South Africa and abroad during the year. This was achieved by leveraging our internal engineering and project execution capabilities with those of almost 8 000 people employed by our engineering contracting partners.

We are also executing Sasol Wax's expansion, Sasol Polymers' new ethylene purification unit and the associated capacity increase of utilities for Sasol Infracchem in Sasolburg.



For more details, refer to Sasol Polymers' review on page 100 and Sasol Wax's review on page 106.

R9,4 billion

capital spending across the entire Sasol project portfolio

In addition, the Secunda growth programme is progressing well in support of Sasol Synfuels' growth ambitions, while the international GTL and CTL growth programme is also well underway, with Oryx GTL starting to achieve nameplate capacity.

To improve the support we give Sasol businesses in delivering on their projects, we have made good progress in integrating our internal information management systems. This will help to improve project management knowledge and skills.

Targeting excellence in capital projects. We also launched the capital excellence programme during the year. The purpose of this initiative is to ensure effective use of capital at Sasol, from the translation of strategy into portfolios of projects

In partnership with the national Department of Science and Technology, the University of Cape Town and PetroSA, we helped develop a chemical industries resource pack for teachers and learners.

to the delivery of facilities and operating businesses. Through extensive analysis and industry benchmarking we have identified an opportunity to improve returns on Sasol's portfolio of capital projects.

Capital excellence will transform how the Sasol group of companies plans, develops and executes its capital projects to bring about the identified improvement and establish a capital system that consistently produces class-leading returns. We will then sustain this transformation through the creation of new internal structures and capabilities. These structures will separately and jointly serve to create, maintain and support the one Sasol way of managing capital.

Developing our people. Technological innovation is at the heart of Sasol's business and the group's success. In recognition of our commitment in this regard, Sasol Technology and its people received a number of awards in the year. The Institute for

Operations Research and the Management Sciences (INFORMS) awarded Sasol Technology its highest honour for effective and sustained integration of analytics and operations research into organisational decision-making. Our efforts were also rewarded with the Best Technical Achievement Award from the South Africa Institute of Tribology.

Acknowledging the importance of innovation to the world as a whole, Sasol is supporting '2011 – The International Year of Chemistry', to celebrate the achievements of chemistry and its contributions to the wellbeing of humankind. This initiative aims to raise awareness of chemistry's role in solving global problems, to attract young people to the field and to generate enthusiasm for the creative future of chemistry.

We also continue to work to improve maths and science education in South Africa in particular. In partnership with the national Department of Science and Technology, the University of Cape Town and PetroSA, we helped develop a chemical industries resource pack for teachers and learners. The comprehensive learning kit is being distributed to more than 6 000 grade 11 and 12 physical science teachers. It aims to bring chemistry alive in the classroom, and support changes in the curriculum which include a stronger focus on the role of science in industry, technology and the environment.

A key challenge for Sasol Technology is sufficient skills. The availability of experienced engineers in the external recruitment market is poor, and it is difficult to find the right people with the relevant experience. In general, in South Africa there is a lack of qualified science and engineering talent. Within Sasol, the retirement of experienced engineers in the years ahead, means that we must increase our recruitment and development efforts in specialist areas. We are also focused on increasing our coaching and mentorship of middle management employees.



sasol synfuels

Sasol Synfuels operates the world's only commercial, coal-based synfuels manufacturing facility. We produce synthetic fuel through coal gasification and natural gas reforming, using Sasol's proprietary technology to convert syngas to synthetic fuel components, pipeline gas and chemical feedstock.

Key developments:

- Largest planned maintenance outage at Sasol Synfuels

- Maintained good cost control

- Generated strong cash flows

- Advanced growth projects to increase output from the Secunda complex

- Open cycle turbines successfully commissioned

| Financial performance | | % change | 2011 | 2010 |
|--|----|----------|---------------|--------|
| Operating profit | Rm | 15 | 15 188 | 13 175 |
| Operating margin | % | | 41 | 39 |
| Contribution to group operating profit | % | | 51 | 55 |

| Operational performance | | % change | 2011 | 2010 |
|-------------------------|----|----------|--------------|-------|
| Total sales | Mt | (5) | 7,1 | 7,5 |
| Total production | Mt | (4) | 7,1 | 7,4 |
| RCR | | (32) | 0,25 | 0,37 |
| Employee numbers | | – | 5 376 | 5 362 |

| Environmental performance | | % group total | 2011 | 2010 |
|--|-----------------|---------------|-------------|------|
| Direct GHG emissions (carbon dioxide) ¹ | Mt | 82 | 46,7 | 47,2 |
| Total water use ¹ | Mm ³ | 58 | 88,4 | 91,0 |

1. From the gasification of coal and related processes and the supply of steam, electricity, water and effluent treatment for the petrochemicals businesses in Secunda.



Sasol Synfuels had a challenging year, working to prepare a solid platform for growth by undertaking a number of important construction projects, improving energy efficiency and carrying out the site's largest planned maintenance outage since it was built in the late 1970s. We are now entering the stage of commissioning a number of new projects.

Stepping up our focus on safety. It is with deep sadness that we report a fatality at Sasol Synfuels during the year. We convey our sincere condolences to the family and friends of our colleague.

We stepped up our focus on process safety management during the year and specific emphasis was placed on embedding change management, process hazard analysis and risk control of major hazardous installations. Our recordable case rate improved to 0,25 from 0,37 in 2010.

Our main priority is that every one of our 5 376 permanent and non-permanent employees, as well as the many contractors who work at Sasol Synfuels, returns home safely every day. Our 'Stop and Think Before You Act' safety mantra is aimed at reinforcing the habit of being aware of possible hazards at all times, thinking through the required activity before performing it, and only then performing the activity, safely.

Generating strong cash flows. Sasol Synfuels continued to generate strong cash flows in the year. We increased operating profit to R15 188 million in 2011 from R13 175 million in 2010, as a result of higher average product prices. This was achieved despite lower production volumes and a strong rand/US dollar exchange rate.

Total annual output declined to 7,1 million tons (Mt) from 7,4 Mt in 2010 primarily due to the largest planned maintenance outage in Sasol Synfuels' history. A process is in place to improve shutdown execution through lessons learnt, and we are confident that the necessary adjustments have been made.

During August and September 2010, we carried out a planned, three-week maintenance outage of half of the plant to ensure process and equipment integrity, and the site's long-term stability. We employed about 14 500 additional workers and successfully completed more than 150 000 activities. During the maintenance

In line with the group's strategic imperative to continuously improve and grow our existing asset base, we successfully started up our 16th air separation unit in June 2011.

outage, Sasol Synfuels injected more than R500 million into the local industry for the provision of services and resources for the necessary maintenance work.

Efforts to ensure that Sasol Synfuels' cost inflation is in line with market trends are paying off, despite a 25% increase in electricity prices and a 20% rise in the price of coal. In 2011, Sasol Synfuels' cash fixed cost per unit increase was contained to 4%.

Investing in our foundation. We made good progress on work to sustain our plant's operations in the decades ahead and expect the first of four additional Sasol Fixed-Bed Dry-Bottom Gasifiers® (for coal gasification) to be commissioned in 2012. The remaining three gasifiers are scheduled to come on line in 2013. The 17th gas reformer (for the conversion of natural gas) is well on track to start up in 2012.

In line with the group's strategic imperative to continuously improve and grow our existing asset base, we successfully started up our 16th air separation unit in June 2011. We also moved ahead with the construction of our 10th Sasol advanced synthol™ (SAS) reactor, which is scheduled for start up in 2012. The expansion of Sasol Secunda is due to be completed in 2014 and will increase production by approximately 3,2%.

The selective catalytic cracker (SCC) plant, which uses unique technology to crack low-octane fuel into high-octane fuel and chemical components experienced 93% availability in the year and ran at an annual average feed rate of 72 tons an hour. We expect its output to be more effectively utilised once Sasol Polymers' new ethane/ethylene separation unit, known as EPU5, is completed.

Moderating our environmental impact. To meet our strategic objective of improving our environmental performance, we continue to implement a comprehensive programme to address air and water quality and waste management. We are targeting emission reductions and have a renewed, more vigorous focus on energy efficiency, where we are looking at new ways to recover waste energy.

We are working to improve the management of the long-term salt and water balance at Secunda, and have compiled a water and salt strategy to address this. We are also implementing a number of smaller projects in the next 12 months focusing on condensate recovery and avoiding the contamination of clean water streams. The construction of two new process water dams to improve

water management is expected to be fully completed before the next rainy season.

In November 2010, our board approved the first phase of a four-year programme to reduce volatile organic compounds in the tar value chain. We are also working to reduce particulate emissions.



For more information on low-carbon electricity generation, refer to Sasol New Energy's review on page 78.

Sasol Synfuels is well on its way to achieving targeted electricity savings of 80 megawatts (MW) and is also considering a number of other power generation projects, including opportunities to generate electricity from low-grade heat.

Transforming the lives of our people. By sustaining profitability, working to ensure a safe work environment and growing the Secunda complex, we are transforming the lives of our people.

We continue to participate in the group's operations excellence programme, which aims to mobilise all our people – from the level of artisan to senior management – to work at solving problems together, and embedding good principles and practices to achieve the maximum sustainable operating rates of our facilities. It is a process that encourages teamwork and drives culture change. It also supports our safety and waste management efforts by ensuring that plants are run in the most efficient way, which minimises waste.

Making a major social contribution. Sasol Synfuels is a major contributor to the Mpumalanga province in South Africa, stimulating economic activity and job creation through our significant capital investment programme. In an effort to develop black economic empowerment (BEE) enterprises, we have targets for our spending with suppliers from historically disadvantaged groups.

In 2011, Sasol Synfuels' preferential procurement spending increased to R2,3 billion, or 39% of total procurement spending, from R1,7 billion (33%) in 2010. Sasol Synfuels scored 16,7 of a maximum 20 points for preferential procurement as defined by the Codes of Good Practice for broad-based BEE. Via our Siyakhha Development Trust, Sasol Synfuels also supports 50 small enterprises with a combined annual turnover of R750 million a year and employing around 3 750 people.

Our ongoing efforts to promote employment equity have resulted in Africans, Coloureds and Indians, women and people with disabilities making up 53,4% of Sasol Synfuels' management at 30 June 2011. Of a total of 331 learner artisans at Sasol Synfuels, 80% are black, of which 15% are women. We remain an enthusiastic social investor, with particular emphasis on supporting underprivileged and underdeveloped communities close to our facilities.

R500 million

Services provision for community during Sasol Synfuels' planned maintenance shutdown



focus on coal

The Sasol 2050 scenarios used for strategy planning all indicate that coal will continue to be an essential part of the global energy mix for decades to come. The challenge is to develop clean-coal technologies that enable not only an improved carbon footprint, but also reduce investment cost and improve access to remaining coal resources.

Mineral-rich South Africa has an abundance of coal, which has provided the power that has driven its economy for many generations. However, much is located very deep underground and is of low quality. This means it has not been considered worthwhile mining. But now scientists domestically and abroad are working on better ways to make coal of this kind useful, creating new opportunities alongside conventional coal mining. The process they are pursuing, and developing further, is called underground coal gasification (UCG).

What is underground coal gasification?

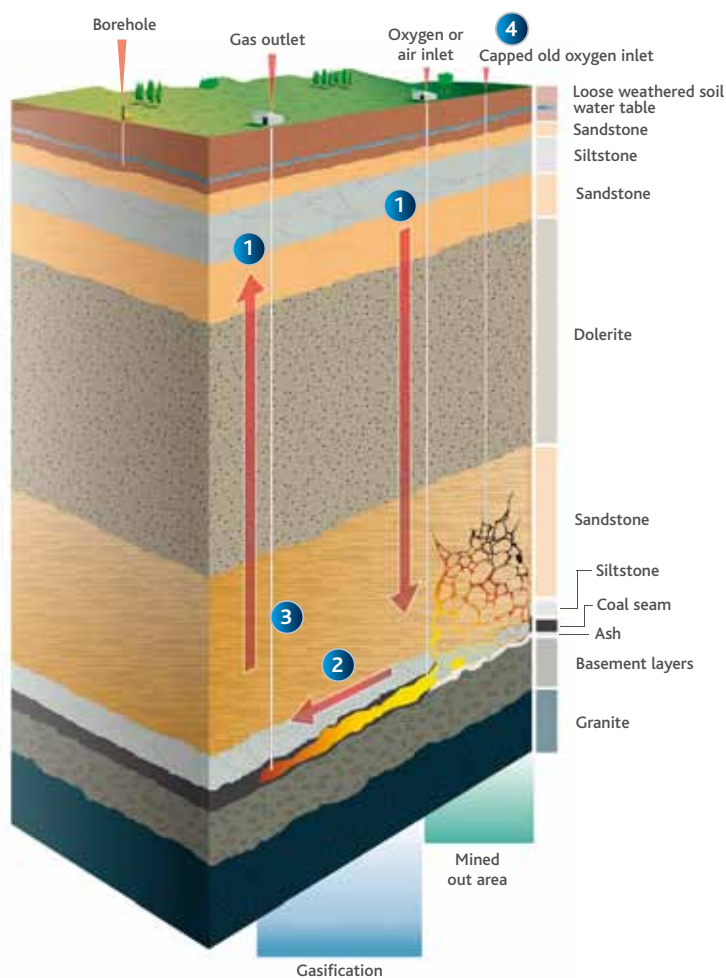
UCG is exactly what its name suggests – coal is extracted and converted (gasified) in situ, rather than being mined underground, hauled up to the surface and gasified at an above-ground facility. To gasify the coal deep below the earth's crust, wells – cased with steel and sealed with cement – are drilled into a coal seam and oxygen is injected to produce synthesis gas (syngas).

The process has been around for many years, and has been used commercially in the former Soviet Union for more than five decades. But recently, with higher and more volatile oil prices and growing demand for energy security the world over, many countries have started investigating the feasibility of UCG. Driven by the need to reduce emissions from coal-fired power plants, scientists are pursuing further technological advances in this complex process. In South Africa, state utility Eskom launched a pilot UCG plant in January 2007, which produced its first electricity from UCG in October 2010 through co-firing at the Majuba power plant.

In South Africa, the coal best suited to UCG is about 200 metres (m) and deeper underground (well below the accessible aquifer or water table, which is typically shallower than 50 m underground). Preliminary studies by Eskom have indicated that the extractable reserves in South Africa could double by applying UCG to coal resources that are otherwise not economically mineable. As a result, UCG expands mining opportunities, rather than competing with conventional mining, and has the potential to contribute significantly to economic activity and job creation.

What are the advantages?

A major benefit of UCG is that low-quality deep coal can be put to productive use and monetised. UCG is not only a coal mining method, but also a coal conversion process, and as such it substantially lowers the cost of coal-derived gas. Sasol could use UCG to produce fuel gas for power or steam generation and also for syngas.



What about environmental benefits?

UCG has important environmental benefits compared to conventional coal gasification. It has a much smaller environmental footprint than conventional mining. Any waste rock and coal ash is left underground. This also means the levels of dust, noise and visual impact above ground are limited. Water consumption is reduced, as are methane emissions. Case studies have demonstrated that UCG substantially lowers acid mine drainage, considered to be the most serious environmental challenge facing the South African coal mining industry.

Any future coal utilisation technology has to not only deliver improved efficiency, but also allow for the capture and storage (CCS) of carbon dioxide. The carbon dioxide can be removed from the UCG gas before combustion in a gas turbine or conversion to chemicals or fuels, at a much lower cost than the options available for current commercial power-generation processes.

The South African government, working to improve the country's emissions profile while ensuring the provision of the energy needed to further develop the economy, considers UCG a clean-coal technology.

How underground coal gasification (UCG) works

1. Wells drilled

Wells are drilled 350 to 400 metres down into a coal seam. These wells are steel-cased and cement-sealed.

2. Wells linked

Air is injected down the well and the coal is ignited at the bottom. The flame burns back towards the source of air forming a link between wells.

3. Gasification

Operators above ground monitor the UCG process 24 hours a day and control the amount of air injected into the well. This ensures the gasification process continues and a gasification chamber is formed in the coal seam creating syngas that is released up through the well.

4. Post shut-down

Well heads are removed, the wells are sealed and capped just below the ground and the surface rehabilitated to its original state. Any ash that remains is left inside the gasification chamber, which collapses on itself, causing some fracturing in the rock above. Further monitoring of the site identifies any environmental effects.

And the concerns?

As required by law for any mining operation, a UCG project will need to demonstrate acceptable environmental impact, through a comprehensive environmental impact assessment. The concerns specifically associated with UCG are similar to those of a high-extraction mining process, and include possible surface subsidence. The contamination of water is unacceptable in any mining operation. However, the protection of water quality in UCG has been demonstrated, and requires specific measures ranging from correct site selection, intensive monitoring and modelling, proven operational parameters and specific shutdown procedures. UCG development includes

a step-wise approach to mitigate environmental and other risk, including thorough prospecting and site characterisation, modelling and limited-scale field trials before a demonstration scale or commercial project is considered.

What is Sasol doing?

We are evaluating the use of UCG. The first step is to complete a preliminary feasibility study and the appointment of a reputable technology supplier to ensure that Sasol has a thorough understanding of this new technology for South Africa.

sasol mining

Sasol Mining operates one of the world's largest underground coal-mining complexes centred at Secunda. We produce about 40 million tons (Mt) of coal a year, mostly for gasification feedstock and utilities coal for Sasol's complexes at Secunda and Sasolburg. We also export coal to international power-generation customers.

Key developments:

- Successfully concluded Ixia Coal transaction
- Stepped up safety initiatives, which impacted production
- Improved employees' living conditions through hostel upgrades
- Completed local economic development projects by partnering with municipalities, while others are well advanced

| Financial performance | | % change | 2011 | 2010 |
|--|----|----------|--------------|------|
| Operating profit | Rm | 30 | 1 063 | 815 |
| Operating margin | % | | 12 | 10 |
| Contribution to group operating profit | % | | 4 | 3 |

| Operational performance | | % change | 2011 | 2010 |
|-------------------------|----|----------|--------------|-------|
| Total sales | Mt | (4) | 42,6 | 44,3 |
| Total production | Mt | (9) | 38,6 | 42,6 |
| RCR* ¹ | | (24) | 0,9 | 1,2 |
| Employee numbers | | – | 7 425 | 7 453 |

| Environmental performance | | % group total | 2011 | 2010 |
|---|-----------------|---------------|-------------|------|
| Direct GHG emissions (methane) ² | Mt | 0,03 | 0,01 | 0,01 |
| Total water use ² | Mm ³ | 4 | 5,3 | 6,0 |

1. Please note the definition of RCR (recordable case rate) includes illnesses. Previously quoted RCR for Sasol Mining excluded illnesses and is therefore not consistent with other business units.

2. From our exploration and production activities.

*The recordable case rate is a standard international measure for reporting work-related injuries and illnesses and other safety incidents resulting in injury. The RCR is the number of fatalities, lost workdays, restricted work cases, medical treatments beyond first-aid cases and accepted illnesses for every 200 000 employee hours worked. From 2006 onwards, our RCR includes employees and service providers, and recordable injuries as well as occupational illnesses. Currently, about 11% of the RCR is attributable to illnesses.



We made good progress in our efforts to transform the business, in line with the South African government's transformation agenda. We concluded the Ixia Coal transaction, improved our employees' living conditions and partnered with municipalities to uplift communities in our areas of operation. We also improved on our environmental issues.

Concentrating on safety. It is with deepest sadness that we report six fatalities at Sasol Mining in the year. We convey our deepest sympathy to the family and friends of our colleagues.

We took decisive action to address this unacceptable safety record, including halting production at two collieries as well as a shaft-sinking operation to address specific shortcomings. We held a week-long safety workshop with all stakeholders to develop an 11-point action plan. This action plan focuses on improving the competencies and management skills required to promote a safe production mindset at all times.

Our safety improvement plan has had a direct impact on the way we conduct our operations and the technology we use, as well as on costs and productivity. Focusing on the high-risk areas, we introduced improved technology such as modern roofbolters and roofscalers, and we are investing in a world class proximity detection system. The impact so far of our interventions has been a 24% improvement in our recordable case rate in 2011 to 0,9 from 1,2 in 2010, the best performance in three years.

We have redesigned our mining process standards in an effort to avoid injuries caused by roof falls. We have also emphasised the training, processes and systems relating to safety management by contractors, especially those working on projects involving the replacement of our older mines.

Improving employee health and living conditions.

Employee health remains a top priority. We are working to reduce noise through technology improvements and deploying quieter fans for ventilation at our high-seam operations. We are also testing a continuous miner-mounted high pressure fogger unit at one of our operations to further improve dust control. Sasol Mining has 603 employees registered on our HIV/AIDS programme. This programme provides antiretroviral treatment, regular awareness sessions and voluntary HIV counselling and testing.

We have made significant progress in improving our employees' living conditions through hostel upgrades, and building units both for single employees and those with families.

Managing our environmental footprint. We operate according to clearly defined environmental management programmes, as well as internationally recognised systems based on the ISO 14001:2004 standard. Over the past four years, our energy-conservation projects have delivered a sustainable saving of 4,7 megawatts (MW) on our total demand. As part of our water management plan, an electro dialysis reversal (EDR) water treatment plant was brought into operation in 1997 to treat excess water from our mines for re-use in Sasol Synfuels' production processes. An evaporator crystalliser plant was built and came into operation in 2004 to treat the brine from the EDR. The sodium sulphate salt extracted from the mine water is sold to third parties.

Delivering on our transformation objectives.

In September 2010, we concluded the Ixia Coal transaction. This transaction results in Ixia Coal Funding (Pty) Ltd, a subsidiary of Ixia Coal (Pty) Ltd, acquiring a 20% shareholding in Sasol Mining (Pty) Ltd for a purchase consideration of R1,8 billion. The transaction resulted in a non-controlling interest of an effective 10,2% being recognised.

Other transformation highlights include allocating 60,6% of our procurement spending to black economic empowerment (BEE) vendors, which is the result of our supplier development efforts and the allocation of large projects to BEE companies. We also continued to work towards greater workplace diversity, achieving 44% representation of historically disadvantaged South Africans in positions in middle management and above.

Following the conversion of all Sasol Mining's old-order mining rights in March 2010, we have taken a number of steps to ensure we comply with the terms and conditions of the new-order prospecting and mining rights. We are making good progress in engaging with the Department of Mineral Resources (DMR) to extend the validity of the mining rights in the Secunda area from 10 to 30 years. With respect to Mining Charter compliance, an external audit by an independent assurance provider, Empowerdex, certified that Sasol Mining was fully compliant with the original Mining Charter. We have also updated our reporting and compliance structures to meet the new requirements of the revised Mining Charter, which came into effect in September 2010.

Partnering with communities. Sasol Mining has developed successful partnerships with municipalities and communities in the areas in which we operate, and has completed a number of local economic development projects. In May 2011, we handed over our flagship project, the renovated and extended eMzinoni Primary Health Care Centre, to the eMzinoni (Bethal) community. The upgrade included converting a basic clinic into a 24-hour community healthcare centre, with maternity and dental sections, pharmacy, doctors' and dentists' consulting rooms and an emergency unit with overnight facilities. Other projects spearheaded during the year included, the construction of a number of footbridges in eMbalenhle, storm water drainage systems in Lebohang (Leandra), a printing plant in Parys as well as brick- and block-making projects.

Working for productivity gains. Sasol Mining's total coal output declined to 38,6 Mt in 2011 from 42,6 Mt in 2010. Productivity decreased by 9% mainly due to the major planned maintenance outage at Sasol Synfuels. We are refocusing our operations excellence programme to increase productivity under our new safety approach and remain confident that we will return to previous record productivity levels and will do so safely.

Increasing profitability. Operating profit increased to R1 063 million in 2011 from R815 million in 2010, mainly as a result of higher export coal prices. We signed a new coal supply agreement with Sasol Synfuels, which aims to optimise the coal-to-liquids (CTL) value chain. It includes a new pricing mechanism to provide for recovery of capital expenditure and mechanisms to encourage the delivery of the right quality of coal.

Our business recovery initiative led to cost savings of R337 million in 2011. We also made good progress with our capital excellence programme and have identified potential savings of approximately R1 billion to date on our mine replacement projects.

Developing our people. We continue to work to improve competency levels throughout Sasol Mining and in 2011 we implemented a new training strategy. This is based on a six-tier learning approach designed to accelerate skills development and provide a world class technology-based learning experience. We have developed e-learning programmes in English, Zulu and Sotho for continuous miner operators, shuttle car operators, roofbolt operators and in strata control, flameproofing and gas testing. We are also installing simulators for all core production equipment. An underground training section has been established which exposes learners to practical training requirements in the various production machine areas.

To develop the leadership capabilities of our people, we have rolled out an extensive training programme to senior, middle and first-line managers, based on the principles of planning, organising, leading and controlling. We have also embarked on a safety risk management training programme based on the Global Minerals Industry Risk Management Programme developed by the University of Queensland, Australia.

Sustaining coal supply. Sasol Mining is entering a period of intense capital replacement and will replace 60% of operating capacity in Secunda in the next eight years at an estimated cost of R14 billion. We have already started work on extending our Twistdraai mine and replacing our Brandspruit and Middelbult mines, with two mines in the construction phase and a third in basic engineering. In support of these projects, we are working to increase our project staff complement.

We remain involved in the evaluation of the coal feedstock supply for Sasol Synfuels International's CTL project studies in India.

30% 
operating profit

sasol gas

Sasol Gas sells natural gas and methane-rich gas, transporting it via an extensive pipeline network to nearly 550 industrial and commercial customers. We operate and maintain a gas supply network of around 2 500 kilometres (km) of pipeline, including an 865 km cross-border pipeline linking the gas fields in Mozambique to the Sasol Gas network in South Africa. Sasol Gas delivers more than 150 million gigajoules (MGJ) of pipeline gas a year to customers.

Key developments:

- Developed and implemented a new safety strategy
- Continued preparatory work ahead of regulatory reforms
- Increased sales and profitability despite strong rand/US dollar exchange rate
- Worked to improve the continued integrity of the pipeline network
- Launched initiatives to build a high-performance culture

| Financial performance | | % change | 2011 | 2010 |
|--|----|----------|-------|-------|
| Operating profit | Rm | 4 | 2 578 | 2 479 |
| Operating margin | % | | 47 | 46 |
| Contribution to group operating profit | % | | 9 | 10 |

| Operational performance | | % change | 2011 | 2010 |
|-------------------------|-----|----------|------|------|
| Total sales | MGJ | 21 | 150 | 124 |
| Total production | MGJ | 15 | 151 | 131 |
| RCR | | 63 | 0,62 | 0,38 |
| Employee numbers | | 1 | 273 | 269 |

Environmental performance

In 2011, Sasol Gas continued to have a negligible impact on both greenhouse gas emissions and water resources.



Sasol Gas had a challenging year, however, we continued to report a stable operational performance and good financial results.

Safety first. We devoted more attention to improving our safety performance in the year and there is still some way to go to make zero harm a reality at Sasol Gas. Our recordable case rate deteriorated to 0,62 from 0,38 in 2010.

The difficulty of operating our pipeline safely is made more complex by the need to manage community encroachment, third-party activity close to the pipeline, as well as theft and vandalism.

The implementation of our new safety strategy is progressing well. During the year, the top 70 leaders within Sasol Gas met to confirm their role of leaders in safety performance. We also incorporated a safety leadership component into the training programme for all foremen.

Delivering a robust financial performance.

Our sales volumes increased by 21% to 150 MGJ, mainly as a result of increased sales to Sasol Synfuels' gas-fired power plant, which was in operation for the full year, additional sales to Sasol's chemical businesses, as well as some recovery in demand from customers outside Sasol. The higher sales volumes supported a

widening in the gross margin, which rose by R165 million, despite lower prices. Cash fixed costs increased by 21% to R89 million largely because of the start-up of the first compressor station to support the flow of additional volumes. Our operating profit of R2 578 million in 2011 was R99 million higher than that reported in 2010.

Although sales volumes increased, South Africa's slow recovery from recession led to gas volumes that were below the volume we were committed to receive through the gas delivery pipelines of Republic of Mozambique Pipeline Investments Company (Pty) Ltd (Rompc) and Transnet. As a result, we incurred penalties. We are working to avoid similar penalties in the 2012 financial year by placing the gas that we are committed to taking.

Anticipating a competitive gas market. Regulatory reforms to effect the shift to a competitive gas market in South Africa after 2014 are unfolding.

Over the past three years, Sasol Gas has invested R24 million to develop an information system to comply with new regulatory reporting rules, which require financial information for each

We successfully launched our 'Safety First' campaign, with the slogan 'be aware, prepare, take care'.

licensed activity, namely, transmission, distribution and trading. The new system is ready for implementation and will now be required by the National Energy Regulator of South Africa (NERSA) in 2013. In the proposed new regulatory regime, NERSA wants the price of piped gas to be split into its component parts.

The transmission tariff methodology was promulgated in 2009. During 2011, Sasol Gas and NERSA together made substantial progress in defining and calculating significant elements to be included in the pipeline transportation tariff methodology.

Sasol Gas invested

R24 million

to develop an information system to comply with new regulatory reporting rules

We also provided comment to NERSA on its consultation document on the draft methodology to approve maximum prices in the piped gas industry and continue to engage with NERSA to support the effort to shape the evolving regulatory regime and to develop the gas industry in South Africa.

Ensuring compliance with applicable legislation remains a focus and we continued work to make certain that we comply with new regulations on the installation and safe use of gas, as well as with existing licensing regulations.



sasol oil

Sasol Oil markets fuels blended at Secunda and those refined through our 63,64% share in the Natref oil refinery at Sasolburg. Our products include petrol, diesel, jet fuel, illuminating paraffin, liquefied petroleum gas, fuel oils, bitumen and lubricants. We also import fuels when necessary to balance our product slate and meet our contractual commitments.

Key developments:

- Widened marketing margins, resulting in a positive contribution to operating profit
- Improved Natref performance
- Progressed preparations for regulatory changes
- Increased retail fuel volumes by 4,2%, compared with industry growth of 3%

| Financial performance | | % change | 2011 | 2010 |
|--|----|----------|-------|-------|
| Operating profit | Rm | (13) | 1 180 | 1 364 |
| Operating margin | % | | 2 | 3 |
| Contribution to group operating profit | % | | 3 | 6 |

| Operational performance | | % change | 2011 | 2010 |
|-------------------------|-----------------|----------|-------|-------|
| Total sales | Mm ³ | – | 10,5 | 10,5 |
| Total production | Mt | (1) | 8,6 | 8,7 |
| RCR | | 40 | 0,74 | 0,53 |
| Employee numbers | | (9) | 1 835 | 2 007 |

| Environmental performance | | % group total | 2011 | 2010 |
|--|-----------------|---------------|------|------|
| Direct GHG emissions (carbon dioxide) ¹ | Mt | 2 | 0,2 | 0,5 |
| Total water use ¹ | Mm ³ | 1 | 1,9 | 1,8 |


1. From the refining of crude oil at Natref, as well as the storage, handling and transport of liquid fuels throughout our network.



Sasol Oil recorded progress on a number of fronts in 2011, improving plant performance, growing retail sales, advancing construction on a number of capital projects and preparing for changes in the regulatory landscape in the South African liquid fuels sector. We also improved our environmental management performance.

Focusing on safety. Safety remained a major focus but we are disappointed to report a deterioration in our recordable case rate to 0,74 from 0,53 in 2010. There was a tragic fatality at our Tosas operations in September 2010. We convey our deepest sympathy to the family and friends of our colleague. This unsatisfactory safety record is cause for concern and every effort is being made to improve the situation.

We have launched a number of management interventions to address the increase in safety incidents. These have been consolidated into an integrated safety improvement plan that is being implemented throughout the business.

13% 
turnover

Maintaining profitability. Increased throughput at Natref, better marketing margins and higher retail sales volumes helped us improve our profitability during the year, despite the dampening effect of the strong rand/US dollar exchange rate.

Although our 2011 sales volumes of 10,54 million cubic metres (Mm³) were similar to those in 2010, turnover improved by 13% to R54 784 million from R48 411 million in 2010, as a result of higher petroleum product prices. Operating profit of R1 180 million was 13% lower than the previous year.

Sales through our network of 406 fuel stations continued to yield good margins. In 2011, 26% of Sasol Oil's production was sold through our own direct marketing outlets. Our strategy is to consistently increase this, by increasing the number of Sasol convenience centres and improving the overall throughput per site.

Sasol Synfuels' major planned maintenance outage in the first quarter impacted production out of Secunda, which meant that the volume of fuel components we bought from Sasol Synfuels declined to 5,05 Mm³ in 2011 from 5,52 Mm³ in 2010.

One third of South Africa's total transportation fuel requirement is supplied by Sasol Oil. 26% of our production is sold through our own direct marketing outlets.

Natref's performance improved and it processed approximately 10% more crude compared to 2010. As a result, Sasol's share of crude throughput improved to 3,70 Mm³ in 2011 from 3,34 Mm³ in 2010. The white product yield increased to 89,9% from 89,7% in 2010. Sasol Oil and our partner in the joint-venture refinery are working to ensure the reliable and predictable production of final product out of Natref by improving plant integrity. This is evident in the reduction of the unreliability rate from 5,5% in 2010 to 1,4% in 2011, while strict cost control was maintained.

Meeting market requirements. Sasol Oil produces about one third of South Africa's total transportation fuel requirement, and we supplement our production with imported liquid fuels to meet contractual commitments. Imports decreased to 0,82 Mm³ in 2011 from 1,12 Mm³ in 2010. Despite a two-week road freight strike in South Africa in February 2011, we were able to ensure that supply to our customers was largely uninterrupted as a result of careful planning.

As intended, our exports to other Southern Africa countries declined in the year, as we focused on increasing inventories to meet higher domestic demand over the 2010 FIFA World Cup™. This obliged export customers to source product from other suppliers for a period, and they continued to buy in accordance with these alternative supply agreements for some time after the football tournament.

Transforming lives. Our successful cooperation with the authorities in ensuring continuous supply during the 2010 FIFA World Cup™ demonstrates our commitment to working in the national interest and being a responsible corporate citizen. So too does our work to support rural communities by developing integrated energy centres that provide fuel and energy solutions to remote parts of the country. These centres, the fifth of which was opened in Qunu in the Eastern Cape during the year, empower the communities that run them through a trust supported by Sasol Oil.

Our approach to black economic empowerment (BEE) is wide-ranging, extending beyond the 25% ownership of our liquid fuels business by BEE firm, Tshwarisano LFB Investment (Pty) Ltd. Over half (53%) of our retail network is owned or leased by historically disadvantaged South Africans and our enterprise and skills development and employment equity initiatives have clear targets, aiming to bring about a more equal society. Sasol Oil is

progressing employment equity with 55% of middle management made up of Africans, Indians and Coloureds.

Improving our environmental footprint. Recognising the challenge posed by climate change, we remain focused on improving our environmental footprint. This includes a number of energy efficiency initiatives at Natref. We expect to report an improvement in this regard in the 2012 financial year when Natref's crude distillation unit reboilers are replaced during the facility's scheduled maintenance outage.

Preparing for regulatory changes. In March 2011, the South African government released draft regulations relating to fuel specifications and standards (Clean Fuels 2). It proposes that South Africa should, by 2017, move directly from current fuel specifications and standards, known as Clean Fuels 1 (which are compatible with Euro 2 emission standards), to Clean Fuels 2 (which are compatible with the Euro 5 emission standards on targeted key parameters).

Sasol supports the objectives of Clean Fuels 2, which are an improvement in air quality and support for the local motor manufacturing industry. We are committed to working with the Department of Energy (DoE) and other stakeholders towards a reduction in vehicle emissions, and the consequent improvement in air quality in South Africa. We also welcome the lead time proposed to make the required changes at refineries, as well as the opportunity to discuss cost-recovery solutions with the DoE and National Treasury in South Africa.

State transport utility, Transnet's new multi-product pipeline from Durban to Gauteng, is scheduled to be ready for operation by the end of the 2011 calendar year. There has been a substantial escalation in the construction costs of this Transnet project, from an initial R7 billion to approximately R25 billion.

Upgrading our facilities. During the year, we made good progress in our R680 million project to upgrade our wholesale logistics at the Alrode depot in Gauteng. We have erected four new tanks that will come into operation in the second quarter of 2012, and expect construction of the next two tanks to be completed by February 2013.

In preparation for Clean Fuels 2, we continued to work on the construction of an 'integration' pipeline between Secunda and Natref at Sasolburg, with an estimated capital cost of R970 million. River crossings proved a challenge, but we believe we are on track for operation by February 2012. Project work is currently in progress to increase the throughput of the Natref diesel unifier to 200 Mm³ an hour. This will increase Natref's diesel production capability and is also a pre-investment for the Clean Fuels 2 project. The project will be completed in October 2011.

Complying with all laws. Sasol Oil continues to work to embed a culture of compliance throughout the business. We await feedback from the South African Competition Commission (the Commission) on its investigation into the petroleum industry. The South African Competition Tribunal, meanwhile, has set May 2012 for the hearing in respect of certain conduct related to the pricing of bitumen. We have concluded a conditional leniency agreement with the Commission in this matter.

sasol olefins & surfactants

Sasol Olefins & Surfactants (Sasol O&S), headquartered in Hamburg, Germany, is a leading global producer of surfactant intermediates, surfactants and high-purity alumina and related specialty products. Our products are used in cleaning products, personal care items, catalysts, high performance abrasives and many other industrial intermediates.

Key developments:

- Increased production and profitability as our turnaround plan continued to bear fruit

- Outstanding performance due to increased demand and improved margins

- Advanced our new selective growth strategy

- Commenced engineering on expanding high-purity tri-ethyl aluminium production

- Engaged with customers on sustainability targets

- Planned solar power initiative in Italy

| Financial performance | | % change | 2011 | 2010 |
|--|----|----------|-------|-------|
| Operating profit | Rm | 67 | 4 161 | 2 492 |
| Operating margin | % | | 13 | 10 |
| Contribution to group operating profit | % | | 14 | 10 |

| Operational performance | | % change | 2011 | 2010 |
|-------------------------|----|----------|-------|-------|
| Total sales | Mt | 5 | 2,0 | 1,9 |
| Total production | Mt | 11 | 2,1 | 1,9 |
| RCR* | | 12 | 0,28 | 0,25 |
| Employee numbers | | 2 | 2 886 | 2 824 |

| Environmental performance | | % group total | 2011 | 2010 |
|--|-----------------|---------------|------|------|
| Direct GHG emissions (carbon dioxide) ¹ | Mt | 3 | 1,5 | 1,1 |
| Total water use ¹ | Mm ³ | 9 | 13,6 | 11,2 |

1. From all operations.

* The recordable case rate is a standard international measure for reporting work-related injuries and illnesses and other safety incidents resulting in injury. The RCR is the number of fatalities, lost workdays, restricted work cases, medical treatments beyond first-aid cases and accepted illnesses for every 200 000 employee hours worked. From 2006 onwards, our RCR includes employees and service providers, and recordable injuries as well as occupational illnesses. Currently, about 11% of the RCR is attributable to illnesses.



Sasol O&S had a sterling year, increasing production and profitability, while working to extend the success of our turnaround programme. We made solid progress on our new selective growth strategy and engaged with customers on how to make their products and ours more sustainable.

Addressing safety. After strong gains in our safety performance in the past few years, we now seem to have reached a plateau, with a recordable case rate of 0,28 in 2011 from 0,25 in 2010. In a effort to improve our safety record, we have addressed a number of fundamentals such as providing better safety training to contractors, whose importance at our sites cannot be understated, specifically the smaller contractors.

Extending gains. The start of the 2011 financial year marked the formal end of our turnaround programme, which put in place the sound fundamentals such as fixed cost control and proper working capital management, that underpinned our strong business results.

We increased production by 11% to 2,1 million tons (Mt) in 2011 from 1,9 Mt in 2010, increasing turnover by 25% to R31 715 million from R25 283 million. Operating profit increased by 67% to R4 161 million from R2 492 million as better-than-expected demand in developing countries countered any potential surplus in the West, where markets struggled to recover from the recession. Our results also include the reversal of the remainder of the impairment related to the Sasol O&S Italy assets amounting to R491 million.

The 10th anniversary of the Sasol group's ownership of Sasol O&S culminated in the hosting of the Sasol Limited board meeting at our headquarters in Hamburg, Germany, in June 2011. The year also marks the 50th anniversary of our larger operations in Brunsbüttel, Germany, and in Lake Charles, Louisiana, United States, and the 40th year of operations at our site in Augusta, Italy, as well as the 15th anniversary of our Nanjing site in China.

Partnering for a more sustainable future. During the year, we stepped up our efforts to better understand the sustainability targets of our customers, who include the world's foremost manufacturers of fast moving consumer goods. Their targets include reduced power and water consumption, greater use of renewable materials and improved product performance. We are cooperating closely with Sasol Technology and our customers to prepare for changes in the surfactants industry. Specifically, we are evaluating and systematically monitoring bio-catalysis, bio-refinery and biomass-based technology and identifying opportunities for Sasol O&S.

Exploiting Sasol's unique petrochemical, oleochemical and coal-based molecules, we are collaborating with our customers in the research and development of various new technologies.

Sasol O&S is now a much more robust business that generates good cash flows that can be used to fund selected growth opportunities.

During the year, we complied fully with the first phase of the registration and notification of the European Union's Regulation on Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) by the December 2010 deadline, registering over 250 large-volume chemicals. We are now working towards the requirements of the next milestone, which is to register medium-volume chemicals by the end of May 2013.

REACH aims to ensure the protection of human health and the environment from the risks that can be posed by chemicals, and makes the industry responsible for assessing and managing these risks and providing appropriate safety information to their users.

Sourcing renewable energy. In a first for the group, Sasol O&S is embarking on augmenting traditional electrical power with solar power. Sasol O&S has entered into a memorandum of understanding (MOU) with Edison regarding the installation of a solar power generation plant at the Sasol O&S manufacturing complex in Augusta, Italy (Sicily), to be operated by Edison. The proposed power plant could supply up to 5% of the Augusta site's electricity needs.

We continued to work on a number of energy efficiency initiatives during the year. After carrying out an audit of energy use at each of our sites, we identified opportunities to save more than 10% of our energy consumption a year, based on 2009 consumption, through better processes. So far, we have delivered half of the identified savings. We have also shared our experience, carrying out similar audits at other Sasol business units' facilities in South Africa, where we have identified opportunities to reduce energy use, lower the group's environmental impact and potentially save costs.

Winning with people. Winning with people is one of Sasol's shared values. During the year, we participated in a cultural survey of the business, establishing a picture of the culture our people aspire to. Among other things, this showed a need for more training and leadership development. With a presence in 15 countries, the 2 886 people of Sasol O&S speak 22 languages, indicating the challenge we face in creating cultural cohesion. However, we have made good progress towards removing intra-company, country-based competition by establishing a single global business.

Investigating growth. Following our three-year turnaround programme, Sasol O&S is now a much more robust business that generates good cash flows that can be used to fund selected growth opportunities. We have a developing project pipeline, with numerous ideas at the pre-feasibility or feasibility stage. We are

focused on strengthening our base product portfolio as well as our differentiated and specialty products that normally command a premium in the market.

One of the projects is the expansion of production of ultra-high-purity alumina that would allow Sasol O&S to sell this basic raw material for light-emitting diode (LED) lighting. With demand for LED lighting growing sharply, we consider this a significant opportunity.

LED lighting is considered to be five times more efficient than incandescent lighting and twice as efficient as fluorescent lighting. Its widespread adoption could reduce electrical consumption from lighting significantly, with important benefits for the environment.

Sasol O&S is also responsible for executing – on behalf of Sasol Solvents – the tetramerisation project in Lake Charles, Louisiana, United States.



For details of this pioneering technology, refer to Sasol Technology's review on page 80 and Sasol Solvents' review on page 103.

We are investigating the manufacture of differentiated products with new applications. For example, we are looking to provide more environmentally benign products to use in the fracturing of shale rock for gas extraction, as well as chemicals to assist with enhanced oil recovery. Following the group's acquisition of shale gas reserves in North America, and its pursuit of gas-to-liquids (GTL) and chemical opportunities based on these, we are also reviewing the feasibility of extracting feedstock from any potential GTL facility to produce alcohols, linear alkyl benzene (LAB) and surfactants.

Construction of a new 6 000 tons a year unit to produce high-purity tri-ethyl aluminium (TEAL) at our plant in Brunsbüttel, Germany, is well underway, and we expect beneficial operation in 2012. Although Sasol is already one of the world's largest producers of TEAL for internal use in the Ziegler alcohol and alumina process, this facility will allow Sasol to sell the product to external customers for the first time.



sasol polymers

Sasol Polymers supplies ethylene, propylene, polyethylene, polypropylene, polyvinyl chloride, chlor-alkali chemicals and mining reagents to domestic and international customers from its plants at Sasolburg and Secunda. We have joint-venture monomer and polymer interests in Malaysia and Iran.

Key developments:

- Improved our safety performance
- Doubled profitability as we increased production volumes and margins
- Arya Sasol ramped up production by a further 12% utilisation to 80% capacity

| Financial performance | | % change | 2011 | 2010 |
|--|----|----------|-------|------|
| Operating profit | Rm | 65 | 1 579 | 958 |
| Operating margin | % | | 9 | 7 |
| Contribution to group operating profit | % | | 5 | 4 |

| Operational performance | | % change | 2011 | 2010 |
|-------------------------|----|----------|-------|-------|
| Total sales | Mt | 13 | 1,8 | 1,6 |
| Total production | Mt | 13 | 1,8 | 1,6 |
| RCR | | (26) | 0,39 | 0,53 |
| Employee numbers | | (7) | 2 013 | 2 166 |

| Environmental performance | | % group total | 2011 | 2010 |
|--|-----------------|---------------|------|------|
| Direct GHG emissions (carbon dioxide) ¹ | Mt | 0,51 | 0,1 | 0,1 |
| Total water use ¹ | Mm ³ | 2 | 3,3 | 3,9 |

1. From all production activities.



Sasol Polymers performed well in 2011, improving safety, productivity, production volumes and profitability and advancing plans to further increase volumes in the propylene value chain. We also concluded a settlement agreement with the South African competition authorities related to a propylene supply agreement.

Performing across the board. Our safety record improved in the year, with a recordable case rate of 0,39 from 0,53 in 2010. This improvement is the result of greater involvement of our people in safety processes and continually reinforcing the concept that zero harm is possible. Further work needs to be done to ensure that we sustain our better safety performance and we continue to improve our safety management systems and build awareness on workplace hazards through focused training.

Despite Sasol Synfuels' major planned maintenance outage, which affected the supply of feedstock in the first half of the year, we increased total production volumes by 13% to 1,8 million tons per annum. This was due to improved internal efficiencies in the South African value chains and higher output from our offshore facilities.

In Malaysia, our Petlin and Optimal Olefins joint ventures reported record volumes. These joint ventures with Petronas are benefiting from our continued focus on fundamental operating activities. The plants experienced exceptional stability during the year and the Petronas-led marketing drive has resulted in attractive margins in South East Asia.

Arya Sasol Polymer Company (ASPC) in Iran continued to ramp up production, with an average capacity utilisation of 80% from 68% a year earlier. We expect further increases in the 2012 financial year, and hope to identify more opportunities to increase throughput once the performance test runs are completed. ASPC's downstream low-density and high-density polyethylene plants continued to achieve new production milestones with some opportunities identified to improve stability even further.

ASPC operates within the context of United Nations, United States and European Union sanctions on Iran. We stay abreast of new policies and legislation, taking expert advice to ensure that we continue to comply with the various forms of legislation.

Boosting profitability. Sasol Polymers' overall higher production volumes, together with marginally stronger international polymer prices, increased turnover by 19% to R17 082 million from R14 321 million. Operating profit increased 65% to R1 579 million from R958 million in 2010, as the business also benefited from steps taken to counter the effects of the global economic slowdown.

These steps included voluntary retrenchments which, along with the impact of the group's functional excellence programme, reduced our South African employee numbers to 1 541 from 1 769. Although this process created uncertainty among employees, we believe our discussions with employees and trade unions were successful.

Sasol Polymers is investing time and effort in developing the skills and raising the motivation of employees to ensure an even higher level of competitiveness. We continued to work hard to increase productivity during the year. As the first Sasol business unit to implement interventions in terms of the operations excellence programme, we have benefited from improved stability, additional volume output and reduced production unit costs.

Concluding part of the South African Competition Commission referral. At the time of concluding the Safripol supply agreement in 1993, neither party considered that the pricing formula used would give rise to competition law concerns as it had been communicated to the Competition Board at the time. However, the South African Competition Commission (the Commission) found that in terms of the current Competition Act the pricing formula (which required the retroactive exchange of pricing information) amounted to indirect price fixing. As this contravention is technical in nature and given the uncertainty surrounding the legal position of the pricing formula, Sasol considered it prudent to settle the matter, paying a fine of R112 million in full and final settlement.

Sasol Polymers and Safripol have also reached agreement on key terms that are to govern our future monomer supply relationship, which we are advised is fully compliant from a competition law perspective.

We continue to focus on enhancing Sasol's competition law compliance processes and systems. We do not agree with the Commission's contention that the prices at which we supply propylene and polypropylene are excessive, and are contesting the Commission's allegations. Consequently, the Commission's allegations in respect of excessive pricing did not form any part of the settlement agreement concluded between the parties.

Extending our capital programme. We see more opportunities to grow in South Africa and have embarked on a capital programme centred on a R1,9 billion project to build a new ethane/ethylene separation unit in Sasolburg. Construction started during the year. Underpinned by good local demand for polyethylene, this project is in line with the group's strategy to continuously improve and grow our existing asset base, thereby maintaining its competitive advantage and low cost base.

The new plant, known as EPU5, will provide 48 000 tons of additional ethylene capacity per year. Expected to start up in the 2013 financial year, it will allow for better utilisation of the existing downstream polyethylene plants. We are also investigating further options to optimise the Secunda propylene value chain through the possible addition of storage facilities that will enable better utilisation of propylene between Sasol's chemical and fuel pool consumers.

Reducing our environmental impact. In its second year of operation, the new totally enclosed ground flare at the monomers ethylene plant at Sasolburg continued to perform well, helping us reduce our environmental footprint. We have also initiated an energy efficiency programme and the first audits have been performed to profile improvement opportunities. All of our plants will, in due course, be optimised to ensure that we meet the group's energy improvement targets. This programme, among others, also involves building awareness and imparting skills to our employees.

Looking forward. The South African residential construction market remains depressed, dampening demand for products made of polyvinyl chloride. Competition from international polymer manufacturers is expected to increase from further cuts in South African *ad-valorem* tax duties, which will drop to zero in January 2012. The continued strength of the rand against the US dollar also poses a challenge, as this makes US dollar denominated polymer imports cheaper and our exports less cost competitive.

However, our customers benefit from preferential access to our extensive technical capability as well as the reliability of, and easy access to our high-quality local supply.

We continue to monitor the world's tentative recovery from recession, and particularly the economic health of China, which determines global polymer prices. Feedstock prices, derived from the oil price, have recently increased at a faster rate than polymer prices, resulting in significant margin squeeze. However, we believe that the restructuring of Sasol Polymers which remains ongoing, will ensure sustainable profitability in the future.

At current oil prices, polymer prices still appear to trade below the industry trend. We do, however, anticipate an improvement in global polymer capacity utilisation from 2012, when we expect the rate of increase in demand for polymers to start overtaking the rate at which new capacity is coming on stream. This should support polymer prices but is dependent on there being no 'double dip' in global gross domestic product.

65% 

operating profit

sasol solvents

Sasol Solvents has plants in South Africa and Germany and supplies alcohols, ketones, esters, acrylic acid esters, ethyl acetate, ethers and mining chemicals to customers worldwide. We are a world leader in comonomers, hexene and octene production.

Key developments:

- Posted strong turnover and healthy profits
- Improved safety performance
- Launched tetramerisation project to commercialise new hexene/octene chemical production technology
- New maleic anhydride train reached beneficial operation at German joint venture

| Financial performance | | % change | 2011 | 2010 |
|--|----|----------|-------|-------|
| Operating profit | Rm | 43 | 1 655 | 1 154 |
| Operating margin | % | | 10 | 7 |
| Contribution to group operating profit | % | | 6 | 5 |

| Operational performance | | % change | 2011 | 2010 |
|-------------------------|----|----------|-------|-------|
| Total sales | Mt | (6) | 1,6 | 1,7 |
| Total production | Mt | (6) | 1,6 | 1,7 |
| RCR | | (14) | 0,31 | 0,36 |
| Employee numbers | | (10) | 1 509 | 1 676 |

| Environmental performance | | % group total | 2011 | 2010 |
|--|-----------------|---------------|------|------|
| Direct GHG emissions (carbon dioxide) ¹ | Mt | 1 | 0,5 | 0,5 |
| Total water use ¹ | Mm ³ | 9 | 13,1 | 11,3 |

1. From all production activities in South Africa.



Sasol Solvents posted a strong financial performance in 2011, lifting turnover and operating profit. We are pleased to report significant advances in our strategy to commercialise the group's technological lead, as well as improvements in our safety record.

Strengthening our safety performance. With zero harm as our ultimate objective, in 2011 we launched a concerted new safety programme. This helped to reduce our recordable case rate for the year to 0,31 from 0,36. The 'I am Solvents safety' campaign endeavours to make safety the responsibility of every individual on our sites.

Commercialising our technological lead. In line with Sasol's strategic intent to leverage its technology commercially, during the year, the board approved a project for the first commercial application of Sasol Technology's pioneering tetramerisation technology at the Sasol Lake Charles site in Louisiana, United States.

The plant, which we expect to come on stream in the 2014 financial year, will produce 100 000 tons per annum (tpa) of 1-octene and 1-hexene. Sasol currently supplies about a quarter of the world's comonomers, producing over 350 000 tpa.

The tetramerisation project will lead to a sharp increase in our comonomer product yields, supporting the strong growth in demand we expect from major customers. We have already

secured long-term supply contracts for a significant portion of plant output, much of it from emerging markets.

The Lake Charles complex is a suitable choice for a site as ethylene feedstock will be sourced from our existing ethane cracker. There are other excellent site synergies such as high-level engineering and process management skills. Sasol O&S is project managing the building of the plant, and will manufacture the octene that we will market.

Meeting customer demand. In March 2011, the project to expand the Sasol-Huntsman joint venture's manufacturing capacity of maleic anhydride to 105 000 tons from 60 000 tons, at Moers in Germany, reached beneficial operation. The expansion by 75% was motivated by strong demand for maleic anhydride, mainly in Europe. This is the case, particularly in industries that produce glass-fibre-reinforced resins for the construction, automotive and boat-building sectors.

Expanding profits. Sasol Solvents increased turnover to R17 280 million from R15 765 million in 2010, and raised operating profit to R1 655 million from R1 154 million in 2010,

Operating profit increased to R1 655 million from R1 154 million in 2010.

notwithstanding a drop in production volumes to 1,56 million from 1,71 million tons in 2010.

The business benefited from increased margins from its diverse range of solvents and chemical intermediates, despite increased oil-related feedstock costs and in Europe, growing competition from imports. Operating profit was also aided by savings in cash fixed costs resulting from the various business improvement initiatives across the Solvents group.

The better financial performance was despite the strength of the rand against the US dollar and was largely the result of higher global chemical prices during the year in a tight market, particularly in North America. These market conditions were supported by the disruption to Japanese output of comonomers and methyl ethyl ketone due to natural disasters in that country during the year.

Feedstock costs increased on the back of higher crude oil and ethylene prices. Rising input costs in South Africa – particularly for electricity and labour were offset by higher margins.

Demand for comonomers is directly linked to the fortunes of the polymer markets and these continue to be strong, driven by good gross domestic product growth in the developing world, as living standards continue to improve.

Planned maintenance outages took place at Secunda, Sasolburg and our German operations during the year. This led to a drop in production and a decline in sales volumes to 1,61 million tons in 2011 from 1,71 million tons in 2010.

Working to get our product to market. A reliable and efficient supply chain is essential to make our offering attractive and to ensure smooth production.

The Sasol Solvents public-private partnership with transport utility Transnet Freight Rail is an effort to improve the reliability of rail transport in South Africa so we can improve our service to our customers. Under this agreement, we have purchased 359 dedicated chemical tankers. The next step is the R110 million purchase of another 95 purpose-built wagons, which are due to be delivered shortly. This partnership aims to assist in increasing the capacity of Transnet, which will continue to manage the scheduling and servicing, as well as providing the locomotives to move the tankers to ports for export.

In the year ahead, the biggest challenge is to improve production volumes by addressing both internal and external disruptions through operations excellence. We continue to work to reduce our carbon emissions by introducing more efficient energy solutions and are exploring opportunities to move towards 'greener' solvents, including, possibly, bio-butanol. Through our Bambanani programme, we are still scrutinising all our South African assets for profitability and optimal operation.



sasol wax

Sasol Wax produces and markets wax and wax-related products for commodity and speciality wax markets globally.

Key developments:

- Increased production volumes and profits
- Launched new environmentally friendly road additive for recycling old asphalt
- Made good progress on hard wax expansion project
- Approved electricity co-generation plant in Hamburg, Germany

| Financial performance | | % change | 2011 | 2010 |
|--|----|----------|------|------|
| Operating profit | Rm | 13 | 742 | 659 |
| Operating margin | % | | 10 | 10 |
| Contribution to group operating profit | % | | 2 | 3 |

| Operational performance | | % change | 2011 | 2010 |
|-------------------------|----|----------|-------|-------|
| Total sales | Mt | 2 | 0,64 | 0,63 |
| Total production | Mt | 2 | 0,62 | 0,61 |
| RCR | | 32 | 0,45 | 0,34 |
| Employee numbers | | 4 | 1 108 | 1 061 |

| Environmental performance | | % group total | 2011 | 2010 |
|--|-----------------|---------------|------|------|
| Direct GHG emissions (carbon dioxide) ¹ | Mt | 0,1 | 0,07 | 0,06 |
| Total water use ¹ | Mm ³ | 2 | 2,84 | 2,92 |

1. From all processes.



Sasol Wax performed well in 2011, increasing production and profitability and making good progress on the hard wax expansion project. We approved the construction of an electricity co-generation plant in Hamburg, Germany that will help to reduce our environmental footprint.

Operating safely. Safety remains our top priority and each of our three main manufacturing sites has now implemented the management safety system OHSAS18001. In recognition of the gains made in our safety record in recent years, we were awarded the annual Sasol group safety prize for 2010. In 2011, our recordable case rate was 0,45 from 0,34 in 2010.

Benefiting from a stronger market. Market conditions were robust, particularly in Germany, where we successfully increased production to meet increased demand resulting from the general economic recovery.

In the United States, depressed economic activity in the construction industry negatively affected production and sales of wax blends from our Richmond, California, facility. The introduction of the Sasol Wax Difference (through which

we offer high-value products and services, rather than commodity wax products) is starting to bear fruit and we expect a better performance from this facility in the 2012 financial year.

We continued to benefit from the group's operations excellence programme, which included improving the volume of hard wax produced in Sasolburg. This has allowed Sasol Wax to increase inventories at warehouses close to our customers abroad, enhancing our reliability and mitigating the risk of supply-chain disruptions. Almost the entire hard wax output from Sasolburg is sold to customers outside South Africa.

Despite continued strength in the rand, Sasol Wax lifted its profitability by better managing margins. We reported an operating profit of R742 million from R659 million in 2010. Turnover increased by 7% to R7 123 million from R6 636 million in 2010, as production improved by 2% to 0,62 million tons.

Instead of buying electricity from the grid, Sasol Wax in Germany will build its own power plant, which will be driven by natural gas. It will be configured to allow for significant cost savings.

Working with our people. Sasol Wax has drawn up a holistic employment equity plan for its South African operations to achieve business success through diversity. In Germany, the focus has been on addressing the effects of the ageing population trends in Europe to ensure that young professional employees are brought into our talent pipeline.

Making more sustainable products. In 2011, we continued to expand our product range, supporting the use of renewable, environmentally friendly products and processes. One example is a new patented process, developed by Sasol Wax and two industry partners, which allows bitumen in old asphalt road surfaces to be recycled. Usually the bitumen used in asphalt becomes brittle and hard with age and is consigned to a landfill when the road is resurfaced. Sasol Wax and its partners have developed a combination of a rejuvenator and Fisher-Tropsch-wax that makes it possible to use all the old asphalt, without adding any fresh bitumen, with good results.

Tests on a stretch of road in a busy commercial area in Hamburg show that after one year this asphalt is performing at least as well as conventional new product, with indications that its performance is actually better. The cost savings on raw materials far outweigh the cost of the additives, with the end result being a much more environmentally friendly solution.

Planning electricity co-generation plant in Germany. We received approval to build an electricity co-generation plant in Hamburg, that will lower the facility's carbon footprint when it comes into operation in 2013. Instead of buying electricity from the grid, Sasol Wax will build its own power plant, which will be driven by natural gas. It will be configured to allow for significant cost savings as steam will be captured from the power generation process to be used in keeping the wax molten in our tanks and pipes rather than being released into the atmosphere. With a total capital cost of €8,3 million and expected completion early in 2013, the project is expected to yield a 16% energy cost saving and reduce our carbon footprint by 17 000 tons per annum.

R8,4 billion

capital approved for new plant in Sasolburg to double wax production

Growing to meet robust demand. In line with the group's strategic imperative to grow based on our technological advantage and to nurture and expand our existing asset base, we made further progress with the construction of a new plant to double hard wax production in South Africa. Hard wax has many applications, including hot-melt adhesives – glue which is applied at high speed, for example to seal cereal boxes or milk cartons. Demand for packaged consumer goods is strong, driven mainly by countries in the developing world.

Construction of the first phase is scheduled to be completed by the end of 2012, and the second phase will follow two years later. Through diligent cost management, the cost of the work remains within the budget for this stage of construction. The approved capital for the entire project is R8,4 billion. The Sasolburg community is already benefiting from the construction phase, with the creation of some 3 500 jobs. On completion, we will create up to 100 new permanent positions.

Investigating new sources of wax raw material.

At our German operations, Sasol Wax manufactures wax products from slack wax. Global production of slack wax is decreasing because of a shift away from group 1 base oil production. We believe that this may lead to a shortage of this important raw material in the long term. To mitigate a potential shortfall, we are looking at options to extract wax from Sasol's proprietary gas-to-liquids process and are working closely with teams from the group's new business development division and Sasol Synfuels International to develop this potential opportunity.



sasol nitro

Sasol Nitro manufactures, markets and supplies industrial explosives, blasting accessories and fertiliser products, at our plants in Sasolburg, Secunda and Ekandustria (Bronkhorstspuit) in South Africa. We also market sulphur produced by other Sasol businesses.

Key developments:

- Increased profitability due to favourable commodity prices and improved operational performance
- Explosives business benefited from increased mining demand
- Lower fertiliser sales volumes due to divestiture of five regional fertiliser blending facilities
- Concluded outstanding matters raised with the South African competition authority

| Financial performance | | % change | 2011 | 2010 |
|--|----|----------|------|------|
| Operating profit | Rm | 99 | 610 | 306 |
| Operating margin | % | | 13 | 6 |
| Contribution to group operating profit | % | | 2 | 1 |

| Operational performance | | % change | 2011 | 2010 |
|-------------------------|----|----------|-------|-------|
| Total sales | Mt | (13) | 1 146 | 1 318 |
| Total production | Mt | (4) | 1 278 | 1 333 |
| RCR | | 74 | 0,75 | 0,43 |
| Employee numbers | | 10 | 2 271 | 2 061 |

| Environmental performance | | % group total | 2011 | 2010 |
|--|-----------------|---------------|------|------|
| Direct GHG emissions (carbon dioxide) ¹ | Mt | 0,4 | 0,2 | 0,3 |
| Total water use ¹ | Mm ³ | 0,5 | 0,7 | 1,4 |

1. From all our processes.



Our explosives business continued to grow from strength to strength, improving its operational performance, honing its superior customer service and benefiting from strong growth in the Southern African mining industry.

Rising to the challenges. Four Sasol Nitro employees, a service provider and the captain of a leisure boat drowned in November 2010 when the vessel capsized on the Witbank Dam, South Africa, at a year end recognition function. We continue to assist the authorities with the investigation into the accident and we convey our deepest sympathy to the family and friends of the men and women who lost their lives.

Sasol Nitro's recordable case rate rose to 0,75 in 2011 from 0,43 in 2010, including the Witbank Dam fatalities. We launched several initiatives to achieve our goal of zero harm, focusing specifically on vehicle driver behaviour, workplace housekeeping and safe behaviours, with notable success observed in the last two quarters of the financial year.

Sasolburg ammonia plant achieves record annual production

326 000 tons

Sasol Nitro has reduced employee numbers by more than 20% over the past two years. These reductions are the result of the closure of the Phalaborwa phosphoric acid plant, the redeployment of employees through the functional excellence programme, the change in the fertiliser operations at Secunda, and – in line with competition authorities' requirements – the change in the fertiliser marketing model and the divestiture of five regional fertiliser blending facilities.

Additional appointments were made to support the growth in our explosives business. The process to sell the Phalaborwa facilities is on track and we anticipate concluding the transaction soon. Sasol Nitro received several accolades from trade unions for the manner in which it secured alternative employment for many of our affected employees.

Increasing profitability. Sasol Nitro's continued focus on increasing the competitiveness of our value chain led to an improvement in the gross margin, a reduction in variable, energy and fixed costs and enhanced plant output performance in the year. Sasol Dyno Nobel recently commissioned a third automated detonator assembly line and the Ekandustria (Bronkhorstspuit)

Our operating profit almost doubled to R610 million mainly as a result of higher margins, increased volumes and lower cash fixed costs.

explosives facility installed a new automated production unit to manufacture packaged watergel explosives. Several other automation and new technology projects were commissioned across the business.

Our operating profit more than doubled to R610 million mainly as a result of higher margins, increased volumes and lower cash fixed costs, which were partially offset by the negative effects of the strong rand and fertiliser traded volumes.

Performing strongly in explosives. Our explosives business continued to grow, improving its operational performance, honing its superior customer service and benefiting from strong growth in the Southern African mining industry. We secured a large supply contract with one of the world's leading platinum producers during the year and increased the supply of explosives and explosives accessories to several neighbouring Southern African countries, including Mozambique, Zimbabwe, Namibia, and Lesotho. We have become the preferred provider of centralised blasting systems to the South African mining industry, assisting mines to increase the safe application of explosives in their operations. For our successes in this field, we won the 2011 Sasol Chief Executive's Award.

Buoyed by increasing demand from the mining industry, we re-commissioned the previously mothballed packaged emulsion explosives plant at Secunda. As world demand for minerals continues to grow, so too does the demand for mining explosives, particularly in Southern Africa. To take advantage of this trend, our explosives business is considering further expansion of production capacity.

Achieving record ammonia output. The Sasolburg ammonia plant achieved record production of 326 000 tons in the year due to the operations excellence programme and the stability of the Sasolburg gas loop. The demand for ammonia in South Africa continues to far exceed domestic supply. In the second half of the financial year, ammonia prices rose steeply as the supply from large producers in North Africa were disrupted following political unrest in several ammonia-producing countries in that region.

Concluding competition law compliance interventions. In July 2010, we concluded an agreement with the South African competition authorities in full and final settlement of alleged abuse of dominance contraventions of the South African Competition Act without admission of wrongdoing. In terms of the settlement agreement, Sasol Nitro

undertook to divest of five regional fertiliser blending facilities, thereby dissolving Sasol Nitro's regional retail fertiliser capability; the implementation of fertiliser sales from Secunda and surrounding districts; and the separation of the ammonia business from Sasol Nitro. The ammonia business was transferred to Sasol Infrachem on 1 July 2011.

Enhancing the sustainability of our fertiliser business. Late, heavy rainfalls and an over production of maize in the previous agricultural season led to lower plantings by South African farmers, reducing demand for fertiliser, especially that used in top soil application. This affected Sasol Nitro sales. Nevertheless, we believe Sub-Saharan African population growth and rising demand for food bodes well for the fertiliser business in the short to medium term.

We continue to improve the fertiliser business's competitive position through investment in two new plants at Secunda. The ammonium sulphate plant commissioned in 2009, initially faced production constraints, which have since been resolved, and is now operating at full capacity. We expect to commission the new limestone ammonium nitrate fertiliser granulation plant towards the end of November 2011.

We are focused on adding value to ammonia, and are working on several projects to increase the competitiveness of our Secunda facilities. We are also working with other Sasol businesses to investigate opportunities beyond South Africa's borders.



winning with people



33 708
employees across
the world

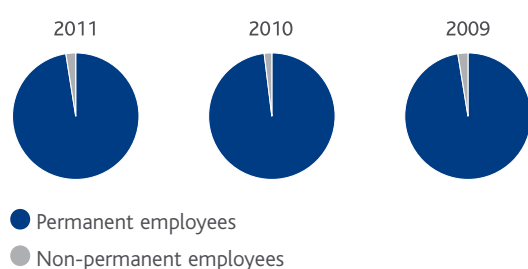
Sasol's people philosophy is to build a sustainable and adaptive organisation of talented, diverse, competent and inspired people who face the future with confidence.

Sasol's vision and shared value of 'winning with people' indicates our understanding of the integral role that talented people play in achieving responsible and sustainable growth. The group's overarching strategic objective to create value for all our stakeholders is ultimately delivered by our skilled and engaged employees. For this reason, a specific pillar of our strategy is to develop and empower our people. Under this pillar, we endeavour to be an employer of choice by creating safe, healthy and rewarding workplaces, paying competitive, market-related salaries and wages, and promoting positive corporate values. We invest significantly in skills development and training, focused leadership development and succession planning, to ensure a pipeline of talent to meet our strategic objectives.

Comprehensive information on Sasol's people management approach and practices is provided in our sustainable development report available on www.sasolsdr.com.

Our human resources strategy. Sasol's human resources (HR) strategy focuses on sourcing core skills, promoting long-term talent and career development, ensuring competitive rewards, and fostering sound employee relations and cultural transformation in order to meet Sasol's strategic and business needs.

Employee statistics. At 30 June 2011, Sasol had a total of 33 708 employees (permanent and non-permanent) in our global operations, comprising 28 915 employees in South Africa and 4 793 employees in our international companies. The total number of employees decreased by 654 for the year (excluding joint ventures). Our employee turnover rate for the year in our South African operations was 6,3%, comprising 4,2% voluntary turnover and 2,1% involuntary turnover. The employee turnover rate for the year in our international companies was 4,1%, comprising 1,7% voluntary turnover and 2,4% involuntary turnover. The turnover experienced in the international businesses was due to restructuring that has taken place within those businesses.



Our work composition at 30 June is presented below:

| | 2011 | 2010 | 2009 |
|---------------|---------------|--------|--------|
| South Africa | 28 915 | 28 327 | 28 282 |
| Europe | 3 217 | 3 288 | 3 422 |
| North America | 724 | 718 | 744 |
| Other | 852 | 721 | 716 |
| Total | 33 708 | 33 054 | 33 164 |

We strive to maintain fair, open and constructive relations with all employees within the relevant legal frameworks of the countries in which we operate.

| Turnover (permanent employees) | Total |
|--------------------------------|--------------|
| Resignations (voluntary) | 803 |
| Retrenchment (voluntary) | 347 |
| Dismissal | 175 |
| Retirement | 105 |
| Death | 145 |
| Medical impairment | 98 |
| Retrenchment: normal | 56 |
| Sale of business unit | 9 |
| Total | 1 738 |

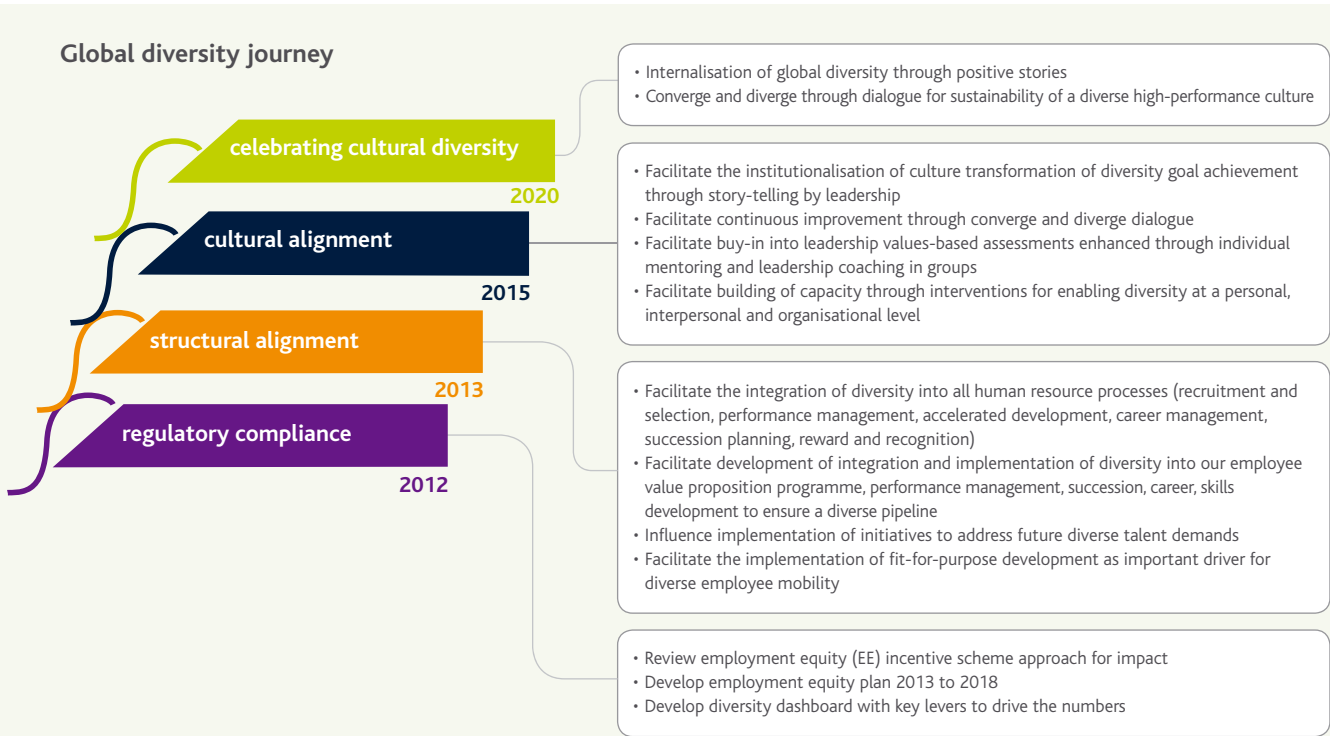
Engaging our people. We connect with employees in many different ways. These include a regular letter from the chief executive officer, internal group and business unit newsletters, the Sasol intranet, shop-floor briefings and monthly works discussions. We give employees formal feedback on their performance twice a year, supported by a 360-degree assessment of behaviour based on the six shared Sasol values. The Sasol leadership forum, held twice a year, is an opportunity for the chief executive officer to engage with the group's leadership. We recently started a lunch-and-learn programme for all employees whereby colleagues give presentations on topical issues. These sessions are made available on video to a wider group of employees.

Fostering positive employee relations. We strive to maintain fair, open and constructive relations with all employees within the relevant legal frameworks of the countries in which we operate. More than 60% of Sasol employees are members of trade unions and are covered by collective agreements entered into with trade unions. Within our German operations, these agreements are covered by works council agreements.

Enhancing workforce diversity. We recognise the value in having a skilled workforce that sufficiently reflects the demographic profile – in terms of culture, race and gender – of the economically active population of the regions in which we operate. With a renewed focus on managing diversity across our operations, our global diversity journey focuses on promoting personal growth. We believe that increased self-awareness and a desire to learn about other cultures will build our capacity to deal with internal culture change and help us build successful relationships with our international partners.

Enhancing diversity and employment equity. Although we have made good progress on diversity and employment equity, we have not achieved the targets set out in our employment equity plan. We believe that the primary challenge in this regard is that our targets are relatively uninformed based on the environment in which we operate. We are starting to design the employment equity plan for 2013 to 2018 and we seek to include more realistic, yet challenging targets. While Sasol has a wealth of qualified and diverse people mostly at lower levels, the employment equity challenge remains at the upper levels.

The middle management pipeline is somewhat static and we are not seeing enough diversity candidates promoted to higher management. Additionally, progress in representation by woman has been slow. We have implemented a number of initiatives, including dialogue with our employees, to improve our performance.



Promoting the wellbeing of our employees. Sasol’s wellness programme aims to provide a work environment in which our employees can operate in a healthy, energised and engaged manner that contributes both to their personal development and the company’s success.

Our wellness strategy seeks to:

- enhance individual productivity by contributing positively to work-life balance;
- proactively manage and reduce health risks by providing access to quality healthcare; and
- educate, inform and empower employees to take responsibility for their health and wellbeing.

Since May 2009, we have been implementing an employee wellness scorecard for most business units in South Africa.

We have also embarked on a programme to use occupational health data to gain a holistic view of the health risks profile of our employees.

Reducing and managing the incidence of HIV/AIDS in the workplace.

Our integrated Sasol HIV/AIDS response programme (SHARP), now in its seventh year, focuses on identifying and providing support services to HIV-infected employees and their families, as well as on preventing new infections through awareness, education, access to testing, counselling and treatment. The programme is driven at business unit level and evolves continually to ensure it is aligned to international best practice in prevention, care, treatment, support and eradicating discrimination.



A summary of our material challenges, commitments and progress relating to employment equity is available in our sustainable development report on diversity challenges and commitments.

Maintaining high levels of occupational health. Our occupational health services – which are provided both to employees and service providers – include baseline analysis, ongoing monitoring and management of illnesses, the adoption of preventative measures, the development of rehabilitation and return-to-work programmes, and the management of compensation claims and payments for disabilities in accordance with legislative requirements. During 2011, the most significant work-related illness was noise induced hearing loss (NIHL), with 32 reported cases. This compares with 27 cases in 2010 and 13 in the 2009 financial year, and represents 55% of total illness reported cases in 2011. The other 45% of cases are lung ailments, such as asbestosis, mesothelioma, pneumoconiosis, and tuberculosis (TB). TB is by and large not work-related, but is reportable to authorities for mineworkers. HIV/AIDS increases the risk of contracting TB and 90% of our TB cases are HIV/AIDS-related. The poorer health-related performance throughout the group can, in part, be explained by an ageing workforce in Sasol Mining.

Developing meaningful careers. We are working to create a high-performance culture, developing global business leadership capacity that emphasises diversity and inclusion, and developing meaningful careers for our employees, many of whom have been with the group for many years. Through career planning, we help employees determine the opportunities available to them in the group. We focus on aligning our employees' long-term career aspirations and interests with their value to Sasol. We align career opportunities with practical personal development plans for

advancing to more senior positions or broader exposure to fields within the individual's discipline. Our learning strategy is based on lifelong learning, where standard curriculum-based education is combined with on-the-job application. We offer various training programmes that focus on a balance between leadership, managerial and technical competence.

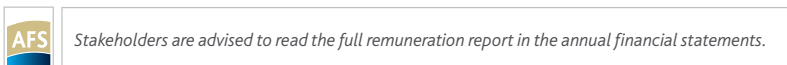
Facilitating the involvement of our employees in helping communities. Central to Sasol's understanding of community development is the belief that we have a role to play in shaping and strengthening them. This is in line with our values-driven approach and the seriousness with which we take our role as a responsible corporate citizen. We understand that many people feel more fulfilled when they help others, which is why we facilitate the involvement of our employees in making donations or volunteering their time outside work. Since 2005, our change reaction programme has helped employees make contributions to community development, which the group matches rand for rand. We also coordinate in-kind donations. We direct our employees to worthwhile causes, explaining what kind of assistance is required, who to contact, and what to do. Apart from the benefits to the communities involved, our change reaction programme has helped develop employees through their participation in rewarding experiences that change their perceptions of social challenges in communities worldwide. It has also stimulated a spirit of collaboration, encouraging like-minded colleagues to volunteer together.



remuneration overview

Sasol strives to design internationally competitive, cost-effective, holistic and integrated reward policies and practices, which enhances the company’s employee value proposition. Sasol’s remuneration policy is aligned with our key performance indicators for our businesses and our employees.

This overview is a high level extract from the remuneration policies implemented by the company. The Sasol board has delegated its powers in terms of approval of remuneration policies to the Sasol remuneration committee (the committee).



The remuneration committee’s charter is included on Sasol’s website www.sasol.com.

Remuneration policy. Sasol’s remuneration policy takes a holistic approach and:

- plays an integral part in supporting and achieving the business strategies;
- ensures that policies are competitive in the markets wherein Sasol operates;
- is designed to motivate and reinforce individual, team and business performance;
- embraces defensible differentiation in remuneration for purposes of attraction and retention of key staff and promotion of diversity; and
- is equitably, fairly and consistently applied in relation to job responsibility, the employment market and personal performance.

Remuneration landscape. The following diagram illustrates the key components of Sasol’s remuneration policy:

| Remuneration component | Strategic intent and drivers |
|---|---|
| Base pay | <ul style="list-style-type: none"> • Attraction and retention of key employees • Internal and external equity • Recognition of service and competence at bargaining unit level • Individual performance at non-bargaining unit level |
| Benefits | <ul style="list-style-type: none"> • External equity and market competitiveness • Benefits offered integrate with the Sasol wellness strategy |
| Allowances | <ul style="list-style-type: none"> • Compliance with legislative, negotiated and contractual commitments |
| Short-term incentive scheme (<12 months) | Alignment with group/business unit/functional performance in terms of <ul style="list-style-type: none"> • Financial targets • Employment equity (SA employees only) • Safety performance • Compliance • Business unit/functional/team-specific performance against targets • Individual performance group executive committee (GEC) only |
| Medium-term incentive scheme (three years) | <ul style="list-style-type: none"> • Performing employees at senior management and above participate in order to enable the attraction and retention of employees at these levels • Encourage interest in share performance of the company • Vesting is linked to continued service and the achievement of corporate performance targets • Reward individual performance • The vesting periods are aligned with the business development cycle |
| Share appreciation rights scheme (two – nine years) | <ul style="list-style-type: none"> • Reward individual performance • The vesting periods are aligned with the business development cycle |

Sign-on and retention payments. Sign-on payments may be offered to new employees to compensate them for the value that is locked into variable pay schemes with previous employers, that is lost when they join Sasol.

Retention payments are offered by exception and only if approved by the committee.

Remuneration components. The components of the remuneration mix take into account market realities and talent requirements in different geographic locations. There is strong alignment between the types of benefits that are offered to all permanent employees. Executive remuneration is benchmarked to data provided in national executive remuneration surveys as well as to information disclosed in the remuneration reports of competitor organisations.

The committee is confident that the remuneration policy aligns top management's interests with shareholders by promoting and measuring performance that drives long-term growth and sustained shareholder value.

Remuneration of executive directors and group executive committee. The committee considers the appropriate actual level of total remuneration for each member of the GEC, relative to the target amounts approved for predetermined performance levels. The relative proportion of the remuneration components of the GEC within the approved remuneration mix is set out in the following table:

| Role | Fixed | | Variable ¹ | | |
|-----------------------------------|---------|----------------------------------|---|---|---|
| | Total % | Total guaranteed package (TGP) % | Max short-term incentive ³ % | Target medium-term incentive ² % | Target long-term incentive ² % |
| Chief executive officer | 100 | 32 | 36 | 13 | 19 |
| Executive director | 100 | 36 | 33 | 12 | 19 |
| Senior group executive | 100 | 38 | 30 | 13 | 19 |
| Group executive committee members | 100 | 43 | 32 | 10 | 15 |

1. Reviewed during June 2011 and may be adjusted in 2012 to align with benchmarks.

2. Linked to corporate performance targets and can be increased or reduced depending on levels of achievement.

3. Subject to achievement of targets.

Total guaranteed package. The term total guaranteed package is common in the South African market and refers to the cost of base pay and benefits collectively. Annual increases are determined with reference to the level of an employee's role, benchmarks and individual performance. More than half of Sasol's employees form part of collective bargaining forums.

Short-term incentive scheme. The group annual short-term incentive (STI) scheme intends to recognise the achievement of a combination of group and business unit performance objectives. Target incentive values for the short-term incentive in relation to the total guaranteed package for top management are determined through referencing to a comparator group of companies, namely four global resources companies with significant South African presence (BHP Billiton, Anglo American, GoldFields, AngloGold Ashanti), two South African global industrials (SABMiller, Sappi), and six United States and European oil majors (ExxonMobil, Chevron, ConocoPhillips, Shell, BP, and Total).

The committee has the final discretion in determining the individual amounts that are paid out under the group short-term incentive scheme considering overall performance versus predetermined targets. The extent to which financial and other strategic drivers had been satisfied in 2011, was considered by the remuneration committee on 8 September 2011.

The structure of the short-term incentive scheme for members of the GEC was reviewed for 2012 and the committee agreed to continue the balanced scorecard approach with 20% of the total weighting linked to individual performance, and with a balance in appropriate weightings towards business/function and group performance targets.

The following table indicates the actual percentages achieved on the pre-determined group objectives as stated in the short-term incentive scheme for members of the GEC.

| Measure | 2011 Target | 2011 Actual achievement |
|-------------------------------------|--|--|
| Group attributable earnings | 2010 + consumer price index (CPI) + 7,5% | The target set was exceeded resulting in 100% being allocated towards the financial component |
| Safety | RCR¹ < 0,42 | Actual achievement: RCR = 0,37 However, achievement of 100% was reduced by 50% as a result of the fatalities that unfortunately occurred during the year |
| Compliance | Oversee and manage group's compliance | All compliance targets were achieved resulting in an achievement of 100% |
| Diversity (broad-based BEE (BBBEE)) | Progressing group's diversity profile towards targeted BBBEE levels | <p>Skills development:</p> <ul style="list-style-type: none"> ➤ Threshold 9 points ➤ Achievement 8,83 points <p>Preferential procurement:</p> <ul style="list-style-type: none"> ➤ Threshold 10 points ➤ Achievement 15,83 points <p>Employment equity: on a weighted average basis, the group achieved 43,4% of the required improvement targets resulting in the same percentage being applied in the incentive calculation</p> |

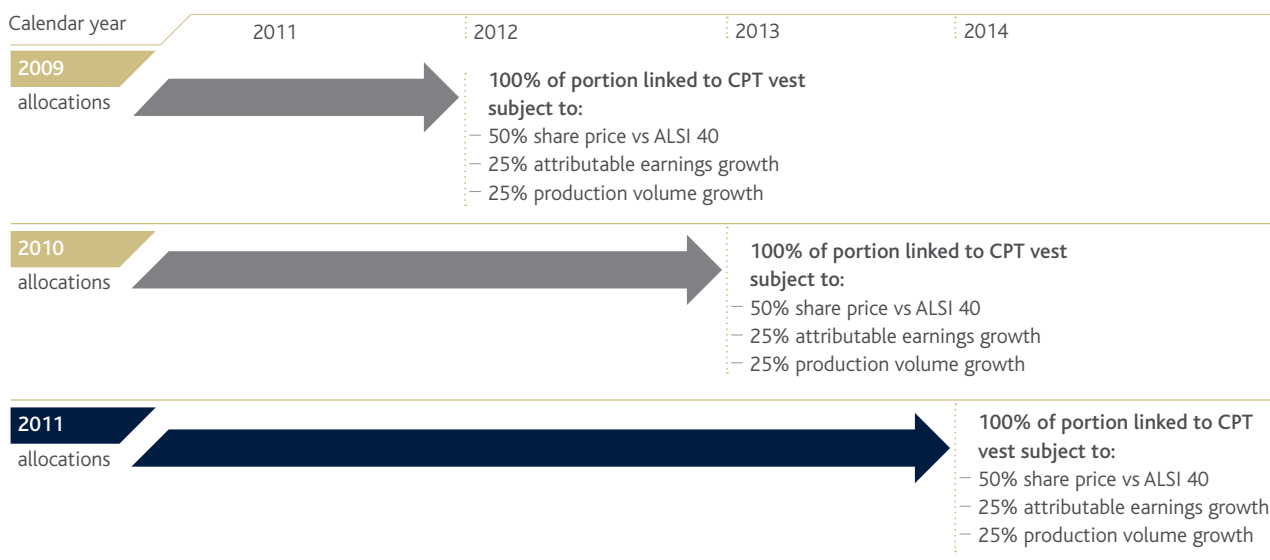
1. Recordable case rate, including injuries and illnesses.

Medium-term incentive scheme. The medium-term incentive (MTI) scheme intends to provide senior management with an incentive to advance the interests of the group over the medium term. The strategic intent of the plan includes the retention of key employees, balancing the reward mix and providing eligible employees with an opportunity to participate in the growth of the group and to create better alignment with shareholder interests. MTI rights are linked to the achievement of pre-determined performance targets that are aligned with the medium-term business goals of the organisation. Up to 50% of MTI rights can be forfeited if the corporate performance targets (CPT) are not met. MTI rights can also be enhanced by up to 50% if the performance targets are significantly exceeded. The committee has reviewed the vesting percentage and concluded that it meets the primary aims of the scheme by linking medium-term reward opportunities to sustainable performance over the same period, as well as retain key employees.

Under the MTI scheme, participating employees are given the opportunity, subject to the vesting conditions, to receive a future cash incentive payment calculated with reference to the market value of a Sasol ordinary share after a three year vesting period. The scheme does not confer any right to acquire shares in Sasol Limited and employees are not entitled to dividends.

The scheme was introduced in 2009. The first three year performance period ends 30 June 2012, and vesting of rights in September 2012, will be dependent on the vesting conditions.

The following chart indicates the allocation and vesting dates of MTIs as well as the percentage linked to corporate performance targets that will influence the percentage of rights that may vest in the hands of the participants.



No changes are anticipated for 2012.

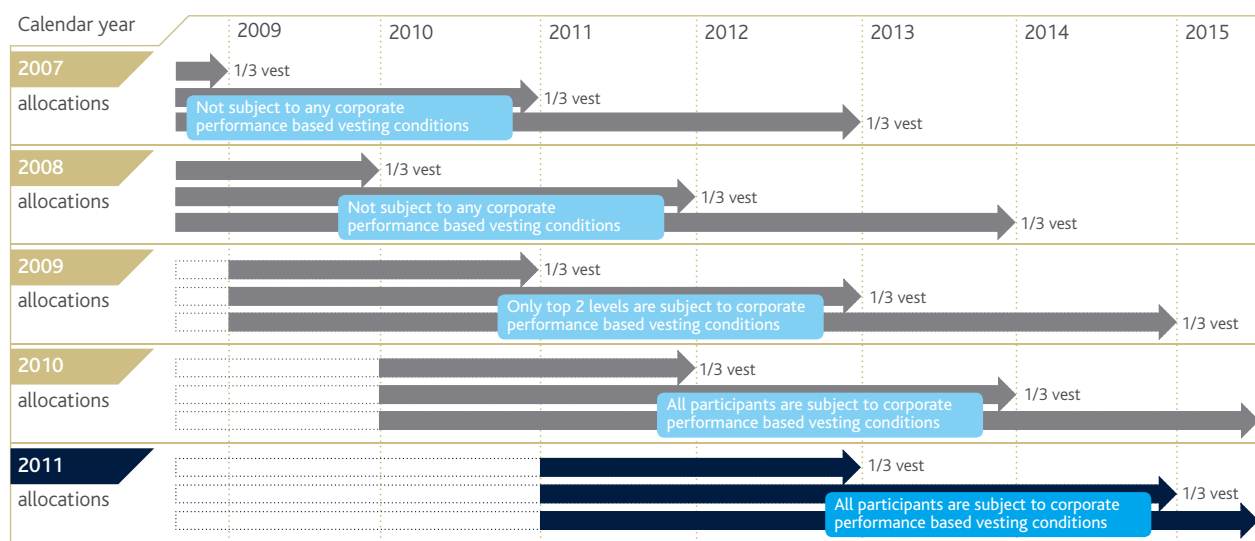
Long-term incentive schemes. Long-term incentives are offered through participation in the Sasol Share Incentive Scheme and the Share Appreciation Rights (SAR) scheme, intended to reward improved, sustainable group business performance and create alignment with shareholder interests over the longer term (up to nine years).

The Sasol Share Incentive scheme is a closed plan and no allocations have been made under this scheme since the introduction of the SAR scheme in 2007. Previously granted options remain valid and unaffected by the introduction of the SAR scheme.

Share Appreciation Rights scheme. The SAR scheme provides eligible employees with the opportunity to receive long-term incentive remuneration payments based on the increase in value of Sasol shares over certain prescribed periods of time, and those awarded with corporate performance targets are subject to certain pre-determined performance conditions. Participants are not entitled to any rights in Sasol shares, but are awarded conditional rights to a future cash amount calculated with reference to the increase in the market value of a Sasol ordinary share between the date of the grant of the right (grant price) and the exercise of the right (exercise price) and performance measured against performance targets, where applicable. SARs are granted to senior management in relation to their respective positions, their level in the organisation and their individual performance.

SARs have, since 2009 for top management and since 2010 for all participants, been issued with corporate performance targets, that are aligned with the medium-term and long-term business goals of the organisation. Up to 25% of these SARs can be forfeited if the corporate performance targets are not met. SARs can also be enhanced by up to 25% if the performance targets are significantly exceeded. The committee has reviewed the vesting percentage and concluded that it meets the primary aims of the scheme by linking long-term reward opportunities to sustainable performance over the same period, as well as retain key employees.

The following chart indicates the vesting periods linked to SARs and periods where corporate performance targets were introduced.



Corporate performance targets. In respect of awards allocated during 2011, a combination of internal and external targets were used. These corporate performance targets link directly to the company's business strategy and provide a medium-term to long-term perspective on sustainable performance. Awards will be granted during 2012 on the same basis but by using the 2011 baseline.

The table below summarises the relative weighting of the corporate performance targets under which the SAR and MTI rights were granted during 2011:

| Corporate performance target (CPT) | Proportion of award linked to CPT | Threshold grant (proportion of total award) | Target grant (proportion of total award) | Stretch grant (proportion of total award) |
|------------------------------------|-----------------------------------|--|--|--|
| Relative share price performance | 50% | SARs: 37,5% (<90% of ALSI 40) MTIs: 25,0% (<85% of ALSI 40) | SARs: 50% (between 90% and 120% of ALSI 40) MTIs: 50% (between 85% and 130% of ALSI 40) | SARs: 62,5% (>120% of ALSI 40) MTIs: 75,0% (>130% of ALSI 40) |
| Growth in attributable earnings | 25% | SARs: 18,75% (<90% of CPI) MTIs: 12,5% (<85% of CPI) | SARs: 25% (between 90% and 120% of CPI) MTIs: 25% (between 85% and 130% of CPI) | SARs: 31,25% (>120% of CPI) MTIs: 37,5% (>130% of CPI) |
| Growth in production volumes | 25% | SARs: 18,75% (<0%) MTIs: 12,5% (<0%) | SARs: 25% (0% – 1%) MTIs: 25% (0% – 2%) | SARs: 31,25% (>1%) MTIs: 37,5% (>2%) |
| Total | 100% | SARs: 75% MTIs: 50% | SARs & MTIs: 100% | SARs: 125% MTIs: 150% |

The threshold, target and stretch grant numbers in the table reflect the portion of the total allocation that is linked to the corporate performance targets that would result in a loss or gain of MTIs and SARs depending on whether targets are achieved, exceeded or missed. The corporate performance targets that apply to medium-term incentive rights are more stretching than for share appreciation rights with the resultant greater upside potential if these targets are exceeded. The committee has also taken into consideration that the inherent risk attached to MTIs is lower than for the SARs resulting in up to 50% of the MTI award being forfeited if the targets are not achieved.

There is no opportunity for retesting of targets. Vesting is considered in terms of the weighted performance measured against the three targets. If targets are not met, some SARs and MTIs are forfeited and if targets are exceeded significantly, additional SARs and MTIs are awarded.

All scheme rules and targets are regularly reviewed by the committee to ensure they remain relevant and effective in enabling Sasol's business strategy by driving appropriate behaviours and providing retention incentives.

Summarised report on remuneration and benefits awarded during 2011

Chief executive and executive directors' emoluments

Remuneration and benefits paid and short-term incentives approved in respect of 2011 for executive directors were as follows:

| | Salary R'000 | Retirement funding R'000 | Other benefits R'000 | Annual incentives ¹ R'000 | Total² 2011 R'000 | Total ³ 2010 R'000 |
|----------------------------|---------------|--------------------------|----------------------|--------------------------------------|-------------------------------------|-------------------------------|
| Executive directors | | | | | | |
| LPA Davies ⁴ | 8 060 | 1 685 | 3 883 | 10 828 | 24 456 | 20 568 |
| VN Fakude | 4 626 | 876 | 458 | 4 984 | 10 944 | 8 819 |
| AMB Mokaba ⁵ | n/a | n/a | n/a | n/a | n/a | 9 317 |
| KC Ramon | 4 275 | 1 281 | 235 | 4 987 | 10 778 | 9 052 |
| Total | 16 961 | 3 842 | 4 576 | 20 799 | 46 178 | 47 756 |

1. Incentives approved on the group results for the 2011 financial year and payable in the following year. Incentives are calculated as a percentage of total guaranteed package. The difference between the total amount approved as at 8 September 2011 and the total amount accrued as at 30 June 2011 represents an over provision of R0,3 million. The over provision for 2010 (R0,6 million) was reversed in 2011.

2. Total remuneration for the financial year excludes gains derived from the long-term incentive schemes.

3. Includes incentives approved on the group results for the 2010 financial year and paid in 2011.

4. Retired as a director of Sasol Limited on 30 June 2011. Employment contract ends 12 September 2011.

5. Resigned as a director of Sasol Limited on 14 October 2009.

Prescribed officers/group executive committee members

Remuneration and benefits paid and short-term incentives approved in respect of 2011 for prescribed officers/GEC members (including the top three earners) were as follows:

| Prescribed officers | Salary R'000 | Retirement funding R'000 | Other benefits ² R'000 | Annual incentive ¹ R'000 | Total 2011 R'000 | Total ⁸ 2010 R'000 |
|---------------------------|-----------------|--------------------------------|---|---|------------------------|-------------------------------------|
| DE Constable ³ | 755 | 12 | 1 209 | 828 ⁷ | 2 804 | n/a |
| A de Klerk ⁴ | 2 480 | 899 | 718 | 2 415 | 6 512 | 6 910 |
| AM de Ruyter | 3 584 | 672 | 79 | 3 747 | 8 082 | 5 775 |
| NL Joubert | 4 001 | 827 | 1 099 | 3 269 | 9 196 | 7 603 |
| VD Kahla ⁵ | 1 698 | 224 | 658 | 1 296 | 3 876 | n/a |
| BE Klingenberg | 2 950 | 727 | 304 | 2 763 | 6 744 | 5 270 |
| M Radebe ⁶ | 1 567 | 307 | 221 | 1 299 | 3 394 | n/a |
| CF Rademan | 2 712 | 570 | 696 | 2 679 | 6 657 | 5 584 |
| GJ Strauss | 4 212 | 869 | 1 588 | 3 751 | 10 420 | 7 442 |
| Total | 23 959 | 5 107 | 6 572 | 22 047 | 57 685 | 38 584 |
| Number of members | | | | | 8 | 6 |

- Incentives approved on the group results for the 2011 financial year and payable in the following year. Incentives are calculated as a percentage of total guaranteed package. The difference between the total amount approved as at 8 September 2011 and the total amount accrued as at 30 June 2011 represents an over provision of R0,5 million. The over provision for 2010 (R0,5 million) was reversed in 2011.
- Other benefits include vehicle benefits, medical benefits, vehicle insurance fringe benefits, leave encashment and exchange rate fluctuations as well as the sign on payments for Mr DE Constable.
- Appointed as a GEC member with effect from 1 June 2011, as chief executive officer designate. Appointed as chief executive officer and executive director of Sasol Limited, effective 1 July 2011.
- Retired as a GEC member with effect from 30 April 2011.
- Appointed as a GEC member with effect from 1 January 2011.
- Appointed as a GEC member with effect from 1 November 2010.
- Mr DE Constable was entitled to participate in the short-term incentive scheme with effect from 1 June 2011. The group's achievement against group targets was used to calculate the incentive as a percentage of his maximum bonus, for the one month of service.
- Includes incentives approved on the group results for the 2010 financial year and paid in 2011.

Non-executive directors. Non-executive directors are appointed to the Sasol Limited board based on their ability to contribute competence, insight and experience appropriate to assisting the group to achieve its objectives.

Consequently, fees are set at levels to attract and retain the calibre of director necessary for an effective board. Non-executive directors receive fixed fees for board and committee membership and no incentives. Fee proposals are prepared with the support of internal and external human resources specialists, for consideration by the committee and the board.

Non-executive directors' remuneration for the year was as follows:

| Non-executive directors | Board fees ⁶ R'000 | Lead director fees R'000 | Committee fees R'000 | Share incentive trustee fees R'000 | Total 2011 R'000 | Total 2010 R'000 |
|--|-------------------------------------|-----------------------------------|----------------------------|--|------------------------|------------------------|
| TH Nyasulu (Chairman) | 3 450 | – | 433 | 67 | 3 950 | 3 750 |
| JE Schrempp (Lead independent director) ² | 892 | 307 | 247 | 67 | 1 513 | 1 428 |
| C Beggs | 397 | – | 317 | – | 714 | 533 |
| BP Connellan ¹ | 190 | – | 284 | 67 | 541 | 1 039 |
| HG Dijkgraaf ² | 892 | – | 704 | 67 | 1 663 | 1 418 |
| MSV Gantsho | 397 | – | 284 | – | 681 | 593 |
| A Jain ^{2, 3} | 372 | – | – | – | 372 | 862 |
| GA Lewin ^{2, 4} | 656 | – | 102 | – | 758 | 220 |
| IN Mkhize | 397 | – | 216 | 100 | 713 | 528 |
| JN Njeke | 397 | – | 175 | – | 572 | 533 |
| TA Wixley ⁵ | 190 | – | 142 | – | 332 | 636 |
| Total | 8 230 | 307 | 2 904 | 368 | 11 809 | 11 540 |

- Retired as a director of Sasol Limited on 31 December 2010.
- Board fees paid in US dollars.
- Retired as a director of Sasol Limited on 26 November 2010.
- Resigned as a director of Sasol Limited on 1 April 2011.
- Retired as a director of Sasol Limited on 31 December 2010.
- Includes fees for scheduled ad hoc board meeting attended during the year.

corporate social investment

The vision of Sasol's corporate social investment (CSI) programme is to promote people-centred, needs-driven and sustainable development of communities. Our community engagement focuses on strengthening the ability of communities to thrive, by supporting civil society, government and private sector role players in plans to stimulate growth, strengthen development and foster dignity.

Investing in our communities. Many of the communities in which we operate have multiple social and development challenges and require expert and long-term support to address the impacts of intergenerational poverty. This demands a commitment beyond financial assistance. We invest in creating value for communities by

supporting strategic economic drivers, skills and capacity development and by increasing the involvement of communities in our value chain.

We channel the majority of our CSI into five priority areas:

- education, with a particular focus on science and technology (50%);
- job creation, by investing in initiatives that promote the sustainable creation of employment, particularly for unskilled or marginalised groups such as women and youth (20%);
- health and welfare, with an emphasis on key social challenges such as HIV/AIDS (20%);
- arts, culture and sport development with a particular emphasis on identifying opportunities for uplifting the quality of life of communities (5%); and
- the environment, by supporting specific conservation projects, as well as education and capacity building initiatives (5%).

During 2011, we invested R184 million in community development, including R25 million on capacity building of South African universities and R39 million on bursaries in South Africa. While most of our social investments are undertaken in Southern Africa, community-based initiatives are undertaken by our United States and European operations, according to the particular needs and opportunities in their communities.

sasol inzalo foundation

Established as part of Sasol's R24 billion broad-based black economic empowerment transaction, the Sasol Inzalo Foundation (the Foundation) owns approximately 1,5% of Sasol's total issued share capital. The Foundation focuses on skills development and capacity building of black South Africans, in the critical areas of science, technology, engineering and mathematics. This is done through exploring and using opportunities for collaboration, working with effective partners to support our wide range of programmes and projects.



Comprehensive information on Sasol's CSI programme, the activities of the Sasol Inzalo Foundation and our corporate sponsorships is provided in our sustainable development report available on www.sasolsdr.com.

sponsorships



Sasol invests in a number of sponsorships with an emphasis on sport, arts and culture, science and technology and the environment.

Since 2009, we have been the sponsor of the South African national women's football team, Banyana Banyana, as well as the Sasol League, a provincial women's football league. In 2009, we renewed our sponsorship with SASCOC to co-sponsor the South African Paralympics team, and continue to support wheelchair basketball and motor sport, including the annual Sasol Rally in Mpumalanga.

At the end of 2010, Sasol's six-year sponsorship of the Springboks came to an end. During the Sasol Springbok tenure, the national rugby team played 85 matches. In that time, they won 55 matches, lost 29 and drew one for a win ratio of 64,7%. During this period, they won the 2007 World Cup, the Tri Nations, the Laureus World Team of the Year in 2008, and the IRB World sevens series title, also attaining the IRB number one ranking.

In art, we sponsor the Sasol New Signatures art competition and in music, the Black Tie Ensemble and the South African National Youth Orchestra. An annual highlight is the Techno X festival of science, engineering and technology held in Sasolburg. Sasol also sponsors conservation programmes aimed at securing the survival of vultures, ground hornbills and wild dog populations in Southern Africa. We have provided funding for the publication of numerous natural history books including the best-selling Sasol Birds of Southern Africa field guide. This support also extends to the provision of bird hides, birding events in national parks and the popular annual Sasol Birds and Birding Fair at the Johannesburg Zoo.

setting internal targets and building partnerships to conserve a precious resource.

working to save water

South Africa is a water-stressed country. The Vaal River System on which Sasol relies has benefited from good planning and a prolonged period of above-average rainfall. But the wet years have masked the fact that the system is out of balance with demand continuing to be greater than the Vaal's sustainable supply. Extensive studies by the South African Department of Water Affairs show that water shortages in this area could arise in future unless something is done soon.

Setting water targets for our operations

Sasol's demand from the Vaal River is around 3,5% of the total supply capability. While this is not insignificant, it is important to understand that the main users are in fact those in the urban, domestic and agricultural sectors concentrated around Gauteng – the engine room of South Africa's, and arguably, the continent's economy.

Sasol's scientists are working hard to improve the group's water efficiency. New designs are being developed to maximise water use efficiency through total water recycle and re-use. To support these efforts Sasol Technology is developing and piloting key technology steps in the process. In 2011, our main operating facilities at Sasolburg and Secunda set voluntary internal water efficiency targets, which took into consideration site-specific constraints and opportunities. With usage in 2010 as a baseline, Sasol Synfuels at Secunda has a target to improve its water use intensity cubic metres (m³) of water used per ton of product by 5% by 2015, while at Sasolburg, Sasol

15% Sasol Infrachem's target to improve water use intensity



R8 million
Sasol's commitment to water conservation partnerships

Infrachem is targeting a 15% improvement. These targets are linked to the successful implementation of specific capital projects and interventions, which will help the overall site water balances.

Driving collective action

After reviewing various water conservation opportunities, we came to realise that significantly reducing the demand for water from Sasol's direct operations would not have the largest impact on achieving water security across the catchment area. In fact, one of the biggest contributions to reducing the risk of insufficient water supply could be made by addressing water losses in the surrounding communities located in the same catchment area. As a result, Sasol is focusing on physical water losses in surrounding municipalities.

We understand the constraints on the capacity of national and local government, as well as limits on funding, meaning that

unless we do something collectively about it now, the required water-saving interventions are unlikely to be adequate to mitigate the risk of water shortages.

So we have taken the initiative and are in the process of concluding three multi-stakeholder partnership agreements to help reduce physical losses in the catchment areas within which we operate. We will do this through water conservation partnerships with local municipalities, by supporting a programme which repairs household water leaks as well as leakages from distribution pipelines. So far, Sasol has committed R8 million to support these partnerships, with a committed leveraged partner funding of R9 million. Through this collective action, beyond our direct operations, we aim to unlock substantial savings to enable municipalities to sustainably fund and implement further water conservation projects. We also plan to use these partnership projects as case studies for the development of a national water offsetting model in collaboration with the South African Department of Water Affairs.

reducing our environmental footprint

Due to the nature of our business, we face significant challenges relating to our environmental impacts. Investors and other stakeholders have requested further information on our climate change response strategy, the steps we are taking to meet new expectations on air quality, our activities for complying with new waste management regulations and the measures we are taking to promote water security.

In our integrated annual report we have chosen to focus on these issues in some detail. However, our commitment to reducing our environmental impact is comprehensive and wide-ranging and includes many important strategies and initiatives.



Stakeholders are advised to read our sustainable development report, available on www.sasolsdr.com, for a full view of our efforts to manage our environmental footprint, including our efforts in biodiversity and product stewardship.

Investing in managing our environmental impacts.

In response to requests from various stakeholders for further information on the nature and extent of our capital and operational expenditure on environmental matters, we have initiated a process to consolidate our tracking of environmental expenditure. Due to a lack of global standards on reporting environmental expenditure, we have defined categories to calculate our total environmental expenditure, as shown in the table below.



| Category | Description |
|--|---|
| Functional operational expenditure | The cost of the group's environmental function, including the expenditure associated with the specialists we employ. |
| Project operational expenditure | Including project expenses, studies and environmental research, mainly at Sasol Technology. |
| Capital expenditure | Capital expenditure to meet environmental (often legal) requirements. For example, the sulphuric acid plant at Sasol Synfuels is not merely an environmental investment. |
| Operating expenditure in business units | Business units are spending money to operate water treatment plants and air emission abatement equipment (these costs are not covered in the above categories). |
| Expenditure against long-term provisions | The business units have certain obligations according to legal or constructive requirements to undertake site assessments, soil and groundwater remediation and monitoring. |

Using the categories above, Sasol's total environmental expenditure was approximately R1 500 million in 2011. Included in this amount is:

- approximately R400 million which was functional operational expenditure and operating expenditure in business units;
- execution of the environmental projects of a capital nature amounted to R961 million; and
- utilisation of long-term environmental provisions was R182 million.

Sasol also reports other environmental expenditures and provisions in our annual financial statements and listing documents. These are not included in the above definition of capital and operating costs and include provisions for:

- Sasol's environmental obligation accrued at the end of 2011 was R6,9 billion (up from R6,1 billion in 2010). Included in the balance is an amount accrued of R2,7 billion in respect of site assessments, remediation of soil and groundwater contamination and ongoing monitoring;
- the allocation of bursaries for environmental engineering and environmental scientists for 2011 amounted to R3,9 million, while environmental sponsorships were R27 million;
- investments in Sasol New Energy in 2011 of R100 million; and
- environmental fines and penalties of approximately US\$1 million in 2011.

In the future, growing investments by Sasol New Energy (SNE) in carbon capture and storage (CCS), renewable energy and other low-carbon initiatives will contribute significantly to increasing environmental expenditure.

During the year, we continued implementation of various interventions aimed at reducing the emissions and associated risks of volatile organic compounds (VOCs). The projects currently planned for implementation at Sasol Synfuels during the period 2010 to 2013 will require an estimated capital investment of about R3 billion to meet our VOC target.

Responding to the climate change challenge. Sasol recognises the significant challenge that climate change poses for our business, in terms of emissions reduction and policy implications. We also realise that our business success has been built upon our greenhouse gas (GHG)-intensive coal-to-liquids (CTL) process, which has delivered multiple societal benefits, including jobs and energy/fuel security. We are fully aware of the pressure to shift to a low-carbon future and of the need to prepare for this reality. We have therefore been actively implementing measures to mitigate our emissions and to better understand the need for adaptation. The challenge of balancing immediate energy security needs with the desire to move to a low-carbon future is profound. We are committed to using our proven skills – particularly in technology innovation and commercialisation – to contribute to finding solutions to this challenge of climate change.

Internationally there is a shift towards viewing gas as a bridging energy source in the transition to a low-carbon economy. Sasol's strategic objective is to aggressively grow our global gas-to-liquids (GTL) portfolio and related upstream asset base. The emergence of shale gas as a new source of gas supply, combined with the oil/gas price dynamics, make a compelling case for investing in shale gas.

In South Africa, where the bulk of our GHG emissions occur, we welcome the government's initiative to develop national policy aimed at ensuring a coordinated, coherent and effective response to this global challenge. Sasol believes that South Africa must make the transition to a lower-carbon economy, while remaining sensitive to the urgent developmental needs of the country and retaining global competitiveness. We understand that this can only be achieved through an integrated policy that is appropriate

to the unique circumstances of South Africa, and seeks to find an appropriate balance between environmental effectiveness, economic efficiency and social equity, while addressing the immediate challenge of job creation.

Accountability for our climate change strategy rests with the group executive committee (GEC) safety, health and environment (SHE) committee. The committee steers the group and gives direction on environment and climate change issues, informed by specialist forums on water stewardship, waste management and other areas. The Project Everest mandating committee has responsibility for the execution of this strategy. The focus of the Project Everest team is to integrate Sasol's approach to climate change into Sasol's core strategy. One of the priorities has been to understand the implications of the climate change response green paper and the proposed carbon tax in South Africa, and engaging with the South African government on these policy developments. The Project Everest mandating committee met nine times during 2011.

Ambitious targets guide our strategic response. We have developed a comprehensive climate change response strategy and have adopted ambitious emission reduction targets. In December 2008, the GEC approved a revised GHG policy and environmental roadmap for the next decade, including updated GHG targets. We have committed to reducing the GHG emissions intensity of all our operations by 15% by 2020 on a 2005 baseline, and to reducing our absolute GHG emissions by 20% for all new CTL plants commissioned before 2020, and by 30% for plants commissioned before 2030 (with the average 2005 CTL design as the baseline).



Refer to the key performance indicators section for more information regarding our performance against these targets on page 34 to 37.

Among other initiatives, we are striving to meet these targets by:

- promoting energy efficiency measures in our existing plants and processes;
- developing and implementing alternative energy and carbon-efficient technologies and processes, primarily through the SNE business unit;
- investigating opportunities for carbon capture and storage (CCS) as part of the potential international expansion of our CTL interests and existing businesses in South Africa;
- actively pursuing mitigation-related financial instruments such as the clean development mechanism (CDM);
- working with governments and other stakeholders in the countries where we operate; and
- engaging our employees on climate change.

Reducing GHG emissions forms part of the risk profile of all new projects exceeding R150 million, and therefore influences the final investment decision on these projects. A carbon calculator has been in use for three years to assess the GHG footprint of all new projects, enabling project teams to assess the cost of carbon and factoring this cost into the overall project cost.




For more information on our carbon mitigation activities, refer to the Sasol New Energy review on page 78.


Achieving improvements in our GHG emissions intensity.

The increase in our absolute emissions of GHGs globally (measured in CO₂ equivalent) from 75,0 million tons (Mt) in 2010 to 75,4 Mt in 2011 must be seen in the context of the increase in production levels over the same period. Our GHG emissions figure has been determined using the Greenhouse Gas Protocol of the World Business Council for Sustainable Development and the World Resources Institute. This figure includes: direct emissions associated with our processes, including emissions arising from our own tanker fleets (Scope 1 emissions); indirect emissions associated with our electricity imports (Scope 2 emissions); and emissions associated with the transportation of goods and services to and from most of our operations.

For joint-venture projects over which we have operational control, we include 100% of the GHG emissions in our calculations, even

though we may only have part ownership of the joint venture. We have not included emissions data for those operations not under our operational control. Our direct and indirect emissions levels have been independently verified by an external assurance provider.

 For quantitative data on the GHG emissions of Sasol's business units, refer to our operating performance starting on page 70.

 Additional information on the approaches we are taking to meet our GHG reduction targets is provided in our online sustainable development report, available on www.sasolsdr.com. The online report includes a detailed review of the risks and opportunities that climate change presents for Sasol, a review of the CEO forum on climate change and a summary of Sasol's response to the South African National Treasury paper on a proposed carbon tax.


A high-level summary of these emissions is provided in the table below. Progress against the Sasol target is shown in the following figure and improvement is occurring as planned; assisted largely by Oryx GTL production and Sasol Synfuels GHG intensity improvement following the gas turbine commissioning.

Sasol GHG emissions

| Sasol facilities by country | Scope 1 emissions (kilotons CO ₂ e) | | Scope 2 emissions (kilotons CO ₂ e) | |
|---------------------------------|---|---------------|---|---------------|
| | 2011 | 2010** | 2011 | 2010** |
| South Africa | 61 374 | 61 065 | 8 895 | 10 439 |
| Germany | 604 | 538 | 126 | 136 |
| United States | 823 | 854 | 239 | 236 |
| Others (Oryx GTL included 2010) | 2 648 | 1 709 | 127 | 5 |
| Sasol total | 65 449 | 64 166 | 9 387 | 10 816 |

** Restatement of 2010 figures as a result of improved recording.

Addressing the challenge of water security. Ensuring access to a reliable supply of water is a critical strategic priority for Sasol. We operate facilities or are planning projects in various regions of the world where there are various site-specific challenges relating to the supply, quality and reliability of water resources. Water management has therefore been identified as a material issue in terms of Sasol's governance matrix. A dedicated sustainable water function has been established within SNE to respond to these challenges.

 For more details on our water management initiatives, refer to the story on water on page 124.

Sasol is a signatory to the United Nations Global Compact CEO Water Mandate, a public-private initiative launched in July 2007 to assist companies in the development, implementation and disclosure of water sustainability policies and practices. We use its framework to assess our response in the following areas:

- direct operations;
- supply chain and watershed management;
- collective action;

- public policy;
- community engagement; and
- transparency.

We made good progress in the 2011 financial year on initiatives relating to each of these areas.

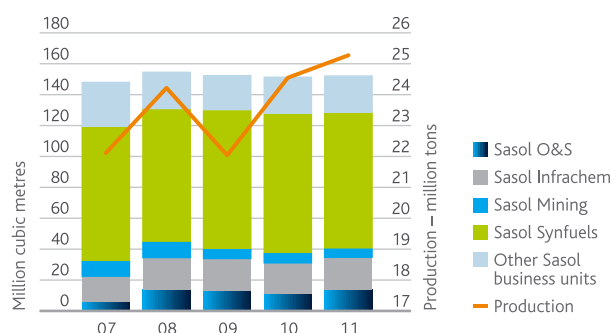
Reducing our water footprint in our direct operations.

Sasol's refining and chemical manufacturing processes require significant volumes of water, primarily to regulate temperatures and generate steam. We recognise that before embarking on any interventions beyond our own operations, we need to focus our efforts on improving our own direct water use. Voluntary, site-specific internal water efficiency targets have been set by the main operating facilities located in Sasolburg (Sasol Infrachem) and Secunda (Sasol Synfuels). The target for Sasol Synfuels is a 5% water use intensity improvement (measured by cubic metres per ton of product) and for Sasol Infrachem a 15% intensity improvement by 2015 on a 2010 baseline. These targets are linked to specific capital projects and interventions at the respective sites.

Water management strategies have been developed for all Sasol's relevant operations to address long-term water risks. While our engagement with the South African Department of Water Affairs (DWA) remains good, we face challenges with regard to the issuing of water-use licences. Although systems are in place to ensure we are compliant and adhere to water licence conditions imposed by the DWA, we are concerned by the continuing delays in issuing water use licences.

Our total water demand for 2011 remained relatively unchanged from 2010 at 151,0 million cubic metres (m³). The total quantity of water recycled in the 2011 financial year was 128,7 million m³.

Water use
(Million cubic metres)



IR For quantitative data on water usage and effluent levels of Sasol's business units, please refer to our operating performance starting on page 70.

Minimising our atmospheric pollution. We are committed to reducing our air pollution emissions to ensure that we minimise any potential health impacts to employees and society, and, as a minimum, comply with regulatory requirements. The majority of our atmospheric emissions come from our two largest sites at Sasolburg and Secunda in South Africa. The recently promulgated National Environmental Management: Air Quality Act sets ambient air quality and minimum point source emission standards for all major industry sectors in South Africa. The Air Quality Act (the Air Quality Act) also makes provision for the declaration of priority areas, and the revision of current air permit requirements with the aim of aligning current permits with new point source emission standards.

Our Sasolburg and Secunda facilities are both situated in designated priority areas, and are therefore required to have atmospheric emission improvement plans. The Vaal Triangle Priority Area Air Quality Improvement Plan (where our Sasolburg plant is situated) has been finalised and implemented. The Highveld Priority Area Air Quality Improvement Plan (where our Secunda operations are situated) is open for comment. The extent of our commitments will be known following this comment period.

Minimum point source emission standards were published on 31 March 2010 and new facilities are required to comply with immediate effect. Existing plants were given five years from date of publication to comply with existing plant standards and 10 years to comply with the more strict new plant standards. There are no exemption provisions but opportunities exist to award extensions of compliance time frames.

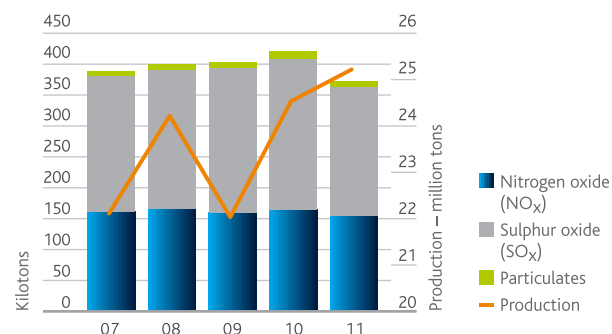
Significant investments by Sasol will be required to meet the requirements. We are conducting detailed assessments of potential technology options for further emissions reduction.

Developing technical solutions face a number of challenges, including:

- elements of the legislation which are in potential conflict with other national objectives relating to climate change, energy efficiency and water security;
- extensions to the compliance date may be required to ensure that we have sufficient time to implement most feasible mitigation measures; and
- future environmental costs (including the possible introduction of a carbon tax) will place additional obligations at these same emission sources.

There are valuable opportunities to reduce atmospheric emissions outside of Sasol's operations, enabling us to achieve significant improvements in air quality at a far lower cost than that required to reduce our direct impacts. For example, emissions from fuelwood burning in local communities could be significantly reduced through the use of alternative technologies, while adopting efficiency standards for new government housing developments could improve energy efficiency at a large scale. This investment could potentially offset the need to invest in air quality improvement in other areas.

Atmospheric emissions
(Kilotons)



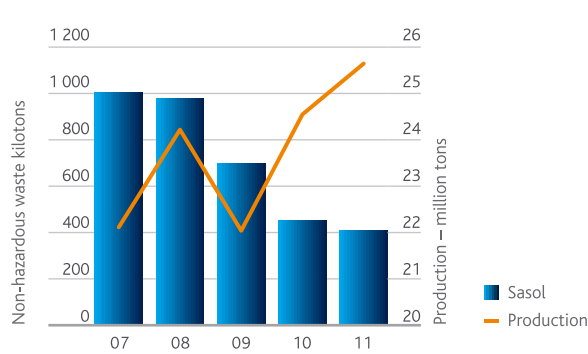
Promoting waste minimisation and site remediation. Sasol adopts a systematic and hierarchical approach to integrated waste management (avoid, reduce, re-use, recycle, treat, dispose) with the goal of zero hazardous waste. Although we have achieved many waste minimisation successes, the changing legal landscape for waste management is likely to have potentially significant implications for Sasol. This is particularly the case in South Africa following promulgation of the National Environmental Management: Waste Act (the Waste Act).

The Waste Act imposes various duties on all holders of waste, requires licences for the commencement, undertaking or conducting of waste management activities, and is soon to include requirements for reporting on waste information. It also includes regulations on waste management and classification, and specifies standards and certain restrictions on the disposal of wastes to landfill. The draft National Waste Management Strategy could

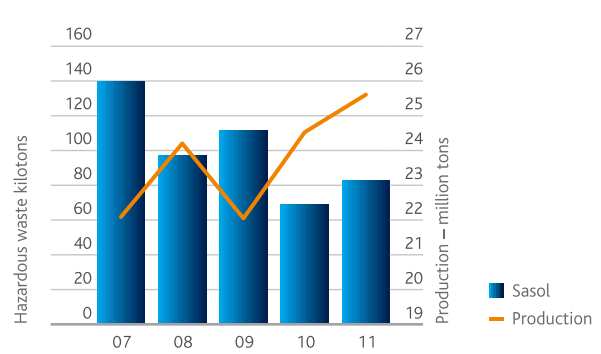
have further implications for Sasol. We continue to engage with the Department of Environmental Affairs on the development of the legal instruments to bring the Waste Act into effect. Sasol has embarked on several internal initiatives to meet the requirements of the Waste Act and the expected regulations and standards.

This year, Sasol operations generated 84 kilotons (kt) of hazardous waste, representing a 23% increase on the previous year. Over the same period, we generated 409 kt of non-hazardous waste, 10% less than the 454 kt produced in 2010. The increase in hazardous waste generation is attributed to the cleanout of the oily sewer system undertaken at Sasol Synfuels during the reporting period.

Non-hazardous waste (Kilotons)



Hazardous waste (Kilotons)



Sasol successfully concluded the remediation of mercury contaminated sites in Sasolburg. The total project budget was R58 million. A total of 42 000 tons of mercury contaminated soil and building rubble was safely disposed at the hazardous waste facility. The remediated areas have been reinstated and can be used for future development.

Contamination of soil and groundwater from chlorinated hydrocarbons related to historical business operations has been identified as a risk due to the technical difficulties in locating and remediating these contaminants. This is an emerging concern for South Africa and very few of the technologies required to assess the extent of contamination are available. Consequently, the technologies necessary to understand and mitigate the risk have been acquired from the United States and adapted to the South African environment. This required collaborations with various stakeholders.



glossary

Ammonium nitrate solutions: A colourless, crystalline compound derived from ammonia and nitric acid. Sasol uses ammonium nitrate for making fertilisers and commercial explosives.

Autothermal reformer: A catalytic partial-oxidation reactor in which the endothermic heat needed for the reforming reactions is provided by the combustion reactions of oxygen in the feed. Endothermic refers to a process in which heat is absorbed rather than released, as in exothermic.

Barrel: A standard international petroleum industry volumetric measure equal to 159,1 litres, 42 US gallons or 35 imperial gallons.

Biodiesel: Diesel derived in part from renewable biotic sources such as soybeans.

Catalyst: Usually a metal or metal-containing material used to accelerate a reaction between two or more chemical elements or compounds.

Central processing facility (CPF): A petrochemical processing plant with support infrastructure used at or near gas fields to conduct several processing steps on natural gas, sourced from multiple wells, before the gas is fed into a transmission pipeline for supply to customers.

Coal-to-liquids (CTL): A petrochemical term referring to a process technology, plant or venture that entails the conversion of coal into liquid transport fuels and related hydrocarbons, including petrol, diesel, kerosene and naphtha, as well as chemical feedstock.

Cracker: A chemical reaction vessel used for decomposing (cracking) petrochemical compounds such as naphtha, liquefied petroleum gas or waxes.

Ethylene: A colourless, flammable, hydrocarbon gas used principally by Sasol as feedstock for producing polyethylene and polyvinyl chloride.

Fracking: Is the process of initiating a fracture in a rock layer, by means of a pressurised fluid, in order to release petroleum, natural gas, coal steam gas or other substances for extraction.

Gas-to-liquids (GTL): A petrochemical term referring to an integrated process technology or production plant for converting a hydrocarbon feedstock gas (usually natural gas or methane) into liquid hydrocarbons such as diesel, kerosene and naphtha.

Gasification: The conversion of coal in a gasifier into gases and co-products under high temperature and pressure in the presence of steam and oxygen. The purified gases and co-products are converted downstream into liquid fuels and chemical feedstock.

Hexene (1-hexene): A straight-chain C_6 hydrocarbon molecule that contains a single, terminal double-bond between atoms. Customers use it mostly as a comonomer for enhancing certain characteristics of polyethylene.

Ketones: Hydrocarbon compounds containing a carbonyl group (CO) in the molecule attached to two hydrocarbon radicals. Ketones include acetone, methyl ethyl ketone and methyl isobutyl ketone. Customers use our ketones mostly as solvents and chemical feedstock.

Liquefied petroleum gas (LPG): Petroleum gases such as propane, butane and pentane pressurised in liquefied form and used for heating applications such as camping stoves and lighters.

Methanol: A toxic, colourless alcohol used as an important intermediate chemical and a versatile solvent.

Monomer: A chemical such as ethylene or propylene capable of being converted into a long-chain polymer or a synthetic resin by combining with itself or other similar molecules or compounds.

Naphtha: A generic term for a mixture of flammable, light distillate hydrocarbons used for producing petrochemicals downstream.

In the case of Sasol's GTL process, GTL naphtha is used as feedstock for ethylene cracking.

Natural gas: A mixture of hydrocarbon gases in the earth's crust containing methane, as well as ethane, propane, butane, nitrogen, carbon dioxide and sulphur compounds.

Octene (1-octene): A straight-chain C_8 hydrocarbon molecule that contains a single, terminal double-bond between atoms. It is used mostly as a comonomer for producing certain plastics.

Pentene (1-pentene): A straight-chain C_5 hydrocarbon molecule that contains a single, terminal double-bond between atoms. It is used for producing certain plastics and agrochemicals.

Polyethylene: A common plastic comprising long-chain ethylene molecules. Our customers use polyethylene to produce boutique shopping bags, food-wrap films and other packaging materials, pipe, moulded fittings, and wire and cable sheaths, among other products.

Polymer: A compound whose molecule is formed from a large number of repeated units of one or more compounds of low molecular weight (monomers). Synthetic polymers are used extensively in plastics. Polymers do not have a definite formula because they consist of many chains of different lengths.

Polypropylene: A notably versatile plastic derived from the polymerisation of propylene. Our customers use polypropylene for making automotive components, furniture, self-hinged containers, medical equipment, carpet backings and woven bags, among other products.

Polyvinyl chloride (PVC): A tough, white, solid thermoplastic that can be softened with plasticisers. Sasol produces PVC by polymerising vinyl chloride monomer derived from ethylene and chlorine. Our customers use PVC for sheathing cables, moulding footwear and moulding bottles and other packaging forms.

Propanol: A colourless and volatile alcohol existing in two isomers (iso-propanol and normal-propanol) used as a solvent and to prepare esters such as propyl acetate.

Propylene: A colourless, gaseous hydrocarbon obtained from petroleum by cracking alkanes, among other petrochemical processes. In the case of our Secunda operations, we produce propylene as a co-product of the Sasol Advanced Synthol™ process before we convert it downstream into polypropylene and butanol.

Reforming: A broad petrochemical process used to change feed molecules in some radical form. For example, naphtha reforming creates high-octane petrol components from low-value naphtha. Reforming also refers to the process of converting methane or natural gas into synthesis gas.

Sasol Advanced Synthol™ (SAS™) reactor: The proprietary Sasol reactor at the heart of the SAS™ process, the high-temperature version of Sasol's Fischer-Tropsch (FT) process used at Secunda, to produce a synthetic form of crude oil and chemical feedstock.

Sasol Slurry Phase Distillate™ (Sasol SPD™) process: A proprietary version of Sasol's low-temperature Fischer-Tropsch (FT) process, used with an advanced iron or cobalt catalyst, to convert synthesis gas into waxes and related petrochemical streams for producing and marketing waxes and/or diesel.

Solvent: A liquid that dissolves other substances to form a solution.

Synthesis: The formation of more complex chemical compounds or molecules from simpler compounds or molecules, as in the Fischer-Tropsch process.

Synthesis gas (syngas): A mixture of carbon monoxide and hydrogen used to produce liquid fuels and chemicals in downstream processes.

Volatile organic compounds (VOCs): Hydrocarbon compounds, including industrial alcohols, ketones and other solvents, that evaporate rapidly and easily at ambient temperature when exposed to the air and which are, or can be, harmful to human health due to overexposure or misuse.

Wax: A long-chain paraffinic compound, liquid or solid, with many applications, including hot-melt adhesives, mould-release agents, printing inks, cosmetics, board coatings, polishes, candles, and bitumen additives for road building.

contact information

Shareholder helpline

Assistance with AGM queries and proxy forms:

Telephone: +27(0) 11 370 5511

Telefax: +27(0) 11 688 5238

Shareholder enquiries

Telephone: +27(0) 86 110 0926

Telefax: +27(0)11 688 5238

Depository bank

The Bank of New York Mellon

Depository Receipts Division

101 Barclay Street

New York 10286, New York

Direct purchase plan

The Bank of New York Mellon maintains a sponsored dividend reinvestment and direct purchase programme for Sasol's depository receipts. As a participant in Global BuyDIRECTSM, investors benefit from the direct ownership of their depository receipts, the efficiency of receiving corporate communications directly from the depository receipt issuer, and the savings resulting from the reduced brokerage and transaction costs. Additional information is available at www.globalbuydirect.com.

Questions or correspondence about

Global BuyDIRECTSM should be addressed to:

The Bank of New York Mellon

Shareowner Services, PO Box 358516

Pittsburgh

PA 15252-6825

Toll-free telephone for US Global BuyDIRECTSM participants:

1-888-BNY-ADRS

Telephone for international callers: 1-201-680-6825

E-mail: shrrelations@bnymellon.com

Website: www.bnymellon.com/shareowner

Share registrars

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Republic of South Africa

PO Box 61051

Marshalltown 2107

Republic of South Africa

Telephone: +27(0) 11 370 7700

Company registration number

1979/003231/06

Sasol contacts

Business address and registered office:

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Johannesburg

Republic of South Africa

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Corporate affairs

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Forward-looking statements: Contingent resources are defined as those quantities of petroleum estimated, as of a given date, to be potentially recoverable from a known accumulation by application of development projects, but which are not currently considered to be commercially recoverable due to one or more contingencies. There is therefore uncertainty as to the portion of the volumes identified as contingent resources that will be commercially producible. Sasol may, in this document, make certain statements that are not historical facts and relate to analyses and other information which are based on forecasts of future results and estimates of amounts not yet determinable. These statements may also relate to our future prospects, developments and business strategies. Examples of such forward-looking statements include, but are not limited to, statements regarding exchange rate fluctuations, volume growth, increases in market share, total shareholder return and cost reductions. Words such as "believe", "anticipate", "expect", "intend", "seek", "will", "plan", "could", "may", "endeavour" and "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, forecasts, projections and other forward-looking statements will not be achieved. 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. These factors are discussed more fully in our most recent annual report under the Securities Exchange Act of 1934 on Form 20-F filed on 7 October 2011 and in other filings with the United States Securities and Exchange Commission. 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.

Please note: A billion is defined as one thousand million. All references to years refer to the financial year ended 30 June. Any reference to a calendar year is prefaced by the word "calendar".

Feedback. Through our reporting process we seek to move beyond compliance and enter into an inclusive and challenging dialogue with our stakeholders, with the aim of informing our strategy and building trust.

We value feedback, invite questions and comments on our reporting. For these or requests for hard copies, please direct to our corporate affairs division or to the feedback form on our website at www.sasol.com

sasol limited

registration number 1979/003231/06

share codes: JSE: SOL NYSE: SSL

SOLBE1

ISIN codes: ZAE000006896 US8038663006

notice of annual general meeting

Notice is hereby given that the 32nd annual general meeting of Sasol Limited ('Sasol' or 'the company') will be held on Friday, 25 November 2011 at 9:00 at AstroTech Conference Centre, Corner of Anerley Road and 3rd Avenue, Parktown, Johannesburg, South Africa.

This document is important and requires your immediate attention. Holders' attention is drawn to the notes at the end of this notice, which contain important information with regard to holders' participation in the annual general meeting.

The holders of Sasol shares ('the shareholders') and any persons who are not shareholders but who are entitled to exercise any voting rights in relation to the resolutions to be proposed at the meeting, (collectively the 'holders' or 'you') as at the record date of 21 November 2011 are entitled to participate in and vote at the annual general meeting in person or by proxy/ies, and may appoint more than one proxy to exercise voting rights attached to different securities held by the person entitled to vote. A proxy need not be a person entitled to vote at the meeting.

The board of directors has determined, in accordance with Section 59 of the Companies Act 71 of 2008, that the record date for holders to be recorded as shareholders in the securities register of the company in order to be able to attend, participate and vote at the annual general meeting is 21 November 2011. The last date to trade to be able to attend, participate and vote at the annual general meeting is 14 November 2011.

This document is available in English only. The proceedings at the meeting will be conducted in English but will be available in five other official languages¹.

The purpose of the annual general meeting is for the following business to be transacted and the following resolutions to be proposed, all of them as ordinary resolutions unless the contrary appears:

- 1 To present the audited annual financial statements of the company and of the Sasol group, for the financial year ended 30 June 2011, together with the reports of the directors and auditors. The financial statements of the company relating to the prior financial year can be obtained from the Sasol website at www.sasol.com;
- 2 To present the report of the audit committee appointed by the directors for the financial year ended 30 June 2011;
- 3 To elect as directors, each by way of separate vote, the following directors who are required to retire in terms of articles 75(d) and 75(e) of the company's memorandum of incorporation and who are eligible and have offered themselves for re-election²:
 - 3.1 JE Schrempp
 - 3.2 C Beggs
 - 3.3 MJN Njeke
 - 3.4 VN Fakude

The nomination and governance committee of the board of directors of the company ('the board') has reviewed the composition of the board against corporate governance and transformation requirements and has recommended the re-election of the directors listed above. It is the view of the board that re-election of the candidates referred to above, and in items 4 and 5 below, would enable the company to:

- responsibly maintain a mixture of business skills and experience relevant to the company and balance the requirements of transformation, continuity and succession planning; and
 - comply with corporate governance requirements in respect of matters such as the balance of executive, non-executive and independent directors on the board;
- 4 To elect, each by way of separate vote, the following directors who retired in terms of article 75(i) of the company's memorandum of incorporation, and were thereafter re-appointed as directors by the board in accordance with article 75(h), and who are eligible and have offered themselves for re-election³:
 - 4.1 TH Nyasulu
 - 4.2 KC Ramon
 - 4.3 HG Dijkgraaf

1. IsiZulu, Sesotho, Sepedi, SiTsonga and Afrikaans.

2. In terms of articles 75(d) and 75(e) of the company's memorandum of incorporation at least one third of the directors must retire each year and are eligible for re-election. The directors who shall retire shall be the longest serving directors since their last election. Depending on whether or not a holder has elected to receive copies of the annual financial statements, brief biographies of directors who have offered themselves for re-election are included either on pages 42 and 43 of the integrated annual report or in Appendix 2 to this notice.

3. In terms of article 75(i) of the company's memorandum of incorporation, a director who has been appointed in that capacity for the first time at a general meeting or by the board after 27 October 1997, shall retire notwithstanding an interim re-election in terms of articles 75(e) on the date on which a period of five years after his initial appointment expires, and, is eligible for re-election if he or she is re-appointed in terms of article 75(f) or 75(h) after such retirement. Depending on whether or not a holder has elected to receive copies of the annual financial statements, brief biographies of directors who have offered themselves for re-election are included either on pages 42 and 43 of the integrated annual report or in Appendix 2 to this notice.

Each of the directors listed above, retired in accordance with articles 75(i) on a date 5 (five) years after his/her initial appointment and each was re-appointed by the board in accordance with article 75(h). Each of the directors listed above is therefore eligible for re-election at the annual general meeting in accordance with article 75(i). The nomination and governance committee of the board has reviewed the composition of the board against corporate governance and transformation requirements and has recommended the re-election of the directors listed above. It is the view of the board that re-election of the candidates referred to above, and in items 3 and 5, would enable the company to:

- responsibly maintain a mixture of business skills and experience relevant to the company and balance the requirements of transformation, continuity and succession planning; and
- comply with corporate governance requirements in respect of matters such as the balance of executive, non-executive and independent directors on the board;

- 5 To elect as director, the following director appointed by the board during the course of the year and who is required to retire in terms of article 75(h) of the company's memorandum of incorporation, at the annual general meeting, and who is eligible and has offered himself for re-election⁴:

5.1 DE Constable

The nomination and governance committee of the board has reviewed the composition of the board against corporate governance and transformation requirements and has recommended the re-election of the director listed above. It is the view of the board that re-election of the candidate referred to above, and in items 3 and 4 above, would enable the company to:

- responsibly maintain a mixture of business skills and experience relevant to the company and balance the requirements of transformation, continuity and succession planning; and
- comply with corporate governance requirements in respect of matters such as the balance of executive, non-executive and independent directors on the board;

- 6 To re-appoint the auditors, KPMG Inc. for the financial year ending 30 June 2012.

The audit committee of the company has concluded that the appointment of KPMG Inc. will comply with the requirements of the Companies Act, No 71 of 2008 (the Act) and the Companies Regulations 2011 (the Regulations), and has accordingly nominated KPMG Inc. for re-appointment as auditors of the company.

- 7 To elect each by way of a separate vote, the members of the audit committee of the company, namely:

7.1 C Beggs

7.2 MSV Gantsho

7.3 HG Dijkgraaf

7.4 MJN Njeke

Under the Act, the audit committee is no longer a committee of the board but instead is a committee elected by shareholders and others entitled to exercise votes at the meeting when the election takes place. The board has reviewed the proposed composition of the audit committee against the requirements of the Act and the Regulations⁵, as well as the US corporate governance requirements that apply to the company, and has confirmed that the proposed audit committee will comply with the relevant requirements, and have the necessary knowledge, skills and experience to enable the committee to perform its duties in terms of the Act. The board recommends the election of the directors listed above as the first members of the audit committee appointed by the holders.

4. In terms of article 75(h) of the company's memorandum of incorporation, directors appointed by the board shall retire at the first succeeding annual general meeting and shall be eligible for re-election as directors notwithstanding article 75(f). Depending on whether or not a holder has elected to receive copies of the annual financial statements, brief biographies of directors who have offered themselves for re-election are included either on pages 42 and 43 of the integrated annual report or in Appendix 2 to this notice.

5. Sections 94(4) and 94(5) of the Companies Act, 2008 read with Regulation 42 of the Companies Regulations, 2011.

- 8 To consider and, if approved, to pass with or without modification the resolutions set out below, in the manner required by the Act, as read with the Listings Requirements of the exchange operated by JSE Limited ('JSE'):

8.1 Special resolution number 1

Approval of non-executive directors' remuneration

"To approve for the period 1 July 2011 until the date of the next annual general meeting of the company, the remuneration payable to non-executive directors of the company for their services as directors as follows:

| Remuneration payable to non-executive directors for their services as directors | 2011 financial year⁶ | For the period 1 July 2011 until 30 June 2012, the annual amount set out below and for the period 1 July 2012 until the next annual general meeting of the company held in 2012, the annual amount set out below pro-rated |
|---|--|---|
| Chairman's remuneration inclusive of all board and committee fees (exclusive of actual subsistence and travelling costs per meeting attended) | R3 950 000 | R4 226 000 |
| Non-executive directors (resident) | R380 000 | R420 000 |
| Non-executive directors (non-resident) | \$125 000 | \$132 000 |
| Lead independent director (resident) (in addition to the above applicable non-executive director's remuneration) | R129 500 | R143 000 |
| Lead independent director (non-resident) (in addition to the above applicable non-executive director's remuneration) | \$43 750 | \$46 200 |
| Chairman of the audit committee (resident) | R350 700 | R350 700 |
| Audit committee members (resident) | R175 350 | R175 350 |
| Non-resident chairman of the audit committee | \$50 000 | \$50 000 |
| Non-resident members of the audit committee | \$25 000 | \$25 000 |
| Chairman of other committees (resident) | R216 300 | R216 300 |
| Members of other committees (resident) | R108 150 | R108 150 |
| Non-resident chairman of other committees | \$35 000 | \$35 000 |
| Non-resident members of other committees | \$17 500 | \$17 500 |
| Members/attendance of formal ad hoc committee meetings and board meetings | R16 550 | R17 650 |
| Sasol Share Trust 1988 | R67 000 | R67 000" |

6. Approved by shareholders at the annual general meeting held on 26 November 2010 and shown here for purposes of comparison.

Reason for and effect of special resolution number 1

This resolution is proposed in order to comply with the requirements of the Act. In terms of section 65(11)(h) of the Act read with sections 66(8) and 66(9) of the Act, remuneration may only be paid to directors for their services as directors in accordance with a special resolution approved by the holders within the previous 2 (two) years and, only if this is not prohibited in terms of the company's memorandum of incorporation.

The payment of remuneration to directors for their services as directors is not prohibited by the company's memorandum of incorporation. This special resolution applies only to non-executive directors, as executive directors are required to attend meetings as part of their terms of employment and do not receive remuneration for their services as directors in addition to salaries they receive by virtue of their employment by the company.

Non-executive directors did not receive any remuneration in respect of their services as directors after 30 June 2011 as the necessary special resolution required in terms of the Act had not by then been passed. Should the holders approve the payment of remuneration to non-executive directors, they will be paid the pro-rated remuneration in respect of the period 1 July 2011 to 24 November 2011 calculated with reference to the approved annual fee amount.

The proposed directors' remuneration payable to non-executive directors is based on best practice and aimed at ensuring fair and competitive remuneration practices. It is important for the company to attract new directors and retain directors with the relevant capabilities, skills and experience required to effectively conduct the business of the board and lead the company according to its strategic priorities.

8.2 Advisory endorsement

Endorsement of remuneration policy

"To endorse on an advisory basis, the company's remuneration policy (excluding the remuneration of the non-executive directors for their services as directors and members of board committees)."⁷

Motivation for advisory endorsement

In terms of the King Code of Governance Principles for South Africa 2009, an advisory vote should be obtained from shareholders on the company's annual remuneration policy. The vote allows shareholders to express their views on the remuneration policies adopted and their implementation, but will not be binding on the company.

8.3 Special resolution number 2

Loans or other financial assistance to subsidiaries and juristic persons that the company directly or indirectly controls

"To authorise, to the extent required in terms of Section 45 of the Act, the board (or any person/s authorised by the board to do so), as it in its discretion thinks fit but subject to the provisions of Section 45 of the Act and the Listings Requirements, to provide direct or indirect financial assistance as contemplated in Section 45 of the Act, including by way of a loan (on an interest free or a market related interest basis), guarantee, the provision of security or otherwise, to any of its present or future subsidiaries and/or any juristic person that the company directly or indirectly controls, for any purpose in the normal course of business of the Sasol group.

The board will, before making any such financial assistance available, satisfy itself that:

1. immediately after providing the financial assistance, the company will satisfy the solvency and liquidity test in the Act; and
2. the terms under which the financial assistance is proposed to be given are fair and reasonable to the company.

The authority granted to the board shall endure for 2 (two) years following the date on which this special resolution is passed."

Reason for and effect of special resolution number 2

Special resolution number 2 is proposed in order to comply with the requirements of Section 45 of the Act, to the extent that, on a proper interpretation, Section 45 requires approval of the holders, for the board to authorise any financial assistance by the company to its subsidiaries from time to time and juristic persons it controls. Section 45 of the Act provides *inter alia* that such financial assistance must be approved by a special resolution of the holders, adopted within the previous 2 (two) years.

In the normal course of business the company is often required to grant financial assistance to subsidiaries and other juristic persons in the Sasol group, including but not limited to financial assistance in the form of loans, guarantees in favour of third parties, such as financial institutions, service providers and counterparties (in respect to the provision of banking facilities, acquisition transactions, project financing, debt capital and structured financing transactions) for the obligations of such subsidiaries and juristic persons. Special resolution number 2 will enable the company to provide such financial assistance to subsidiaries and juristic persons in the Sasol group which may be required from time to time in the normal course of business.

7. Depending on whether or not a holder has elected to receive copies of the annual financial statements, the remuneration policy appears on pages 61 to 65 of the annual financial statements or Appendix 3.

8.4 Special resolution number 3

Loans or other financial assistance to any person and/or corporation that is or becomes related or inter-related to the company and/or to a member of such a related or inter-related corporation and/or to a person related to such a corporation

"To authorise, to the extent required in terms of Section 45 of the Act, the board (or any person/s authorised by the board to do so), as it in its discretion thinks fit but subject to the provisions of Section 45 of the Act and the Listings Requirements, to provide direct or indirect financial assistance as contemplated in Section 45 of the Act, including by way of a loan (on an interest free or a market related interest basis), guarantee, the provision of security or otherwise, to any person and/or corporation that is or becomes related or inter-related to the company as contemplated in the Act and/or to a member of such a related or inter-related corporation and/or to a person related to such corporation (other than those referred to in special resolution number 2) ('related and inter-related persons') for any purpose in the normal course of business of the Sasol group.

The board will, before making any such financial assistance available, satisfy itself that:

1. immediately after providing the financial assistance, the company will satisfy the solvency and liquidity test in the Act; and
2. the terms under which the financial assistance is proposed to be given are fair and reasonable to the company.

The authority granted to the board shall endure for 2 (two) years following the date on which this special resolution is passed."

Reason for and effect of special resolution number 3

Special resolution number 3 is proposed in order to comply with the requirements of Section 45 of the Act, to the extent that, on a proper interpretation, Section 45 requires approval of the holders for the board to authorise any financial assistance by the company to its related and inter-related persons and/or corporations and/or to members of such related or inter-related corporations and/or to persons related to such corporations. Section 45 of the Act provides *inter alia* that such financial assistance must be approved by a special resolution of the holders, adopted within the previous 2 (two) years.

In the normal course of business the company is often required to grant financial assistance to related and inter-related persons in the Sasol group, including but not limited to financial assistance in the form of loans, guarantees in favour of third parties, such as financial institutions, service providers and counterparties (in respect to the provision of banking facilities, acquisition transactions, project financing, debt capital and structured financing transactions) for the obligations of related and inter-related persons. Special resolution number 3 will enable the company to provide such financial assistance to any other person that is or becomes related or inter-related to the company, other than those referred to in special resolution number 2, for any purpose in the normal course of business.

8.5 Special resolution number 4

Loans or other financial assistance to The Sasol Inzalo Public Facilitation Trust

"To authorise the board, for 2 (two) years following the date on which this special resolution is passed, and subject to the provisions of the memorandum of incorporation and subject to Section 44 of the Act, to provide financial assistance to The Sasol Inzalo Public Facilitation Trust ('Public Facilitation Trust') as it in its discretion thinks fit in order to enable the Public Facilitation Trust to acquire any such Sasol BEE Ordinary Shares which the holders thereof may be obliged to dispose of as a result of breaching any of the following:

1. the terms of the contract prescribed by the company concluded with a registered holder of Sasol BEE Ordinary Shares (who is also the beneficial owner) who acquired or acquires such shares on or after 8 September 2010 ('New Cash Contract');
2. the contract concluded by the company with each of the holders of the certificated Sasol BEE Ordinary Shares during 2008 when the Sasol BEE Ordinary Shares were allotted and issued, which contract contains, *inter alia*, provisions governing the holding of certificated Sasol BEE Ordinary Shares and a requirement that the registered holder and the beneficial owner of the Sasol BEE Ordinary Shares be the same person ('Cash Contract'), as amended by the replacement clauses as contemplated in the company's memorandum of incorporation ('Replacement Clauses') amending Annexure 17 forming part of such contract ('Amended Cash Contract');
3. the New Cash Contract as amended by the Replacement Clauses amending Annexure A forming part of the New Cash Contract ('Amended New Cash Contract');
4. the contract prescribed by JSE Limited ('JSE') which comprises the generic terms contained in that contract and the additional terms specific to the company contained in the company's memorandum of incorporation ('BEE Contract');
5. the company's memorandum of incorporation if no BEE Contract is signed; and/or
6. in the case of misdeals in terms of the Rules of the JSE, on the basis that such financial assistance will be made available by the company to the Public Facilitation Trust by way of loans by the company or by the company procuring that a third party make loans to the Public Facilitation Trust which are guaranteed by the company.

The board is authorised to decide at the relevant time whether to make such financial assistance available on an interest free or market related basis, particularly having regard to the fact that The Sasol Inzalo Foundation is the sole beneficiary of the Public Facilitation Trust.

The board will, before making any such financial assistance available satisfy itself that:

1. immediately after providing the financial assistance, the company will satisfy the solvency and liquidity test in the Act; and
2. the terms under which the financial assistance is proposed to be given are fair and reasonable to the company.”

Reason for and effect of special resolution number 4

This special resolution is proposed in order to obtain the approval of the shareholders in terms of Section 44 of the Act for the potential granting of financial assistance by the company to the Public Facilitation Trust if it becomes necessary for the Public Facilitation Trust to acquire Sasol BEE Ordinary Shares from holders thereof who have breached the provisions of any of the New Cash Contract, the Amended Cash Contract, the Amended New Cash Contract, the BEE Contract, and/or the Sasol memorandum of incorporation if no BEE Contract is signed and/or in the case of misdeals in terms of the Rule of the JSE. An identical resolution was passed at the general meeting of the company held on 26 November 2010 directly after the annual general meeting. Item 7(6) of schedule 5 of the Act provides that approval of financial assistance is subject to the Act even if it had been approved by the company's shareholders before the effective date of the Act, 1 May 2011. Because the company did not give any financial assistance to the Public Facilitation Trust before 1 May 2011, this resolution must be passed again under the Act.

Section 44 of the Act provides *inter alia* that the financial assistance must be provided pursuant to a special resolution of the holders, adopted within the previous 2 (two) years, either for a specific recipient or generally for a category of potential recipients and in such circumstances the specific recipient must fall within that category.

The effect of this special resolution number 4 is that the company will be authorised, to grant financial assistance to the Public Facilitation Trust in order for the Public Facilitation Trust to acquire Sasol BEE Ordinary Shares in the aforesaid circumstances for a period of 2 (two) years from the date of passing of the resolution.

8.6 Special resolution number 5

Approval for acquisition of company's securities

"That, as required by article 36(a) of the memorandum of incorporation, the board is authorised, as it in its discretion deems fit but subject to compliance with the requirements of the memorandum of incorporation, Section 48 of the Act, and the Listings Requirements, to approve the general repurchase by the company or by any of its subsidiaries, of any of the company's securities, provided that:

1. the general repurchase shall be limited to a maximum of 10% of the company's issued securities in the applicable class at the time that this authority is granted in any one financial year;
2. no voting rights attached to securities repurchased by a subsidiary of the company may be exercised while securities are held by the subsidiary, and it remains a subsidiary of the company;
3. the repurchase of securities may not be effected during a prohibited period, unless such purchase is done in accordance with the Listings Requirements;
4. the repurchase must be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counterparty (reported trades are prohibited);
5. any repurchase may not be made at a price greater than 10% above the weighted average of the market value of the securities for the 5 (five) business days immediately preceding the date on which the repurchase transaction is effected;
6. such details as may be required in terms of the Listings Requirements are announced when the company or its subsidiaries have repurchased an aggregate of 3% of securities in issue at the time the authority is given;
7. this general authority granted to the board will endure from the date of passing of this special resolution until the next annual general meeting, but shall not exceed a period of 15 (fifteen) months from the date of the passing of this special resolution;
8. at any point in time, the company may only appoint one agent to effect any repurchase on its behalf;
9. the board has acknowledged by resolution that the company will satisfy the solvency and liquidity test immediately after the repurchase and that since the test was done there have been no material changes to the financial position of the group; and
10. the general authority granted to the board may be varied or revoked, by special resolution, at any time prior to the next annual general meeting of the company.”

Reason for and effect of special resolution number 5

This resolution is proposed in order to enable the board to approve the acquisition of the company's securities by the company or by any of its subsidiaries, up to and including the date of the next annual general meeting of the company, subject to the conditions set out in paragraphs 1 to 10 above.

In terms of the Act, a shareholders' resolution is not generally required for the acquisition by the company or a subsidiary of the company of the company's securities (save if the acquisition is from a director or prescribed officer of the company, or a person related to a director or prescribed officer of the company). However, in terms of article 36(a) of the company's memorandum of incorporation, a special resolution is required for the acquisition by the company of its own shares. Further in terms of Listings Requirement 5.72(c), a special resolution is required to approve a general repurchase by the company of its securities, which shall be valid only until the next annual general meeting or for a period of 15 (fifteen) months from the date of the resolution, whichever period is shorter.

In terms of the Act and the Listings Requirements, the board must make a determination to acquire its securities only if the solvency and liquidity test is applied in accordance with the Act.

This resolution will enable the board to approve a purchase of up to a maximum of 10% of the company's issued securities on the open market in accordance with the Act and the Listings Requirements, until the next annual general meeting of the company, or until this authority is revoked.

This general authority to acquire the company's securities replaces the general authority granted at the annual general meeting of the company held on 26 November 2010.

Statement of intent

The board will implement a general repurchase of the company's shares only if prevailing circumstances (including market conditions and the tax dispensation) warrant it, and should the directors be of the opinion, after considering the effect of such maximum purchase, that the following conditions have been and will be met:

- a) the company and the Sasol group will be able, in the ordinary course of business, to pay its debts for a period of 12 (twelve) months after the date on which the board authorises the repurchase;
- b) the assets of the company and the Sasol group as fairly valued will exceed the liabilities of the company and the Sasol group as fairly valued, respectively, for a period of 12 (twelve) months after the date on which the board authorises the repurchase, both assets and liabilities being recognised and measured in accordance with the accounting policies used in the latest audited consolidated annual financial statements and with International Financial Reporting Standards;
- c) the company and the Sasol group will have adequate share capital and reserves for ordinary business purposes for a period of 12 (twelve) months after the date on which the board authorises the repurchase;
- d) working capital of the company and the Sasol group will be adequate for ordinary business purposes for a period of 12 (twelve) months after the date on which the board authorises the repurchase; and
- e) a resolution by the board that they authorised the repurchase, that the company passed the solvency and liquidity test and that since the test was done there have been no material changes to the financial position of the group.

For the purposes of considering special resolution number 5 and in compliance with section 11.26 of the Listing Requirements, the information listed below is provided or has been included in the integrated annual report or annual financial statements with which this notice of annual general meeting is distributed, at the places indicated:

- Directors and management (pages 42 to 45 of the integrated annual report)⁸;
- Major shareholders (pages 53 and 54 of the annual financial statements)⁹;
- There have been no material changes in the financial or trading position of the Sasol group since the results of the financial year ended 30 June 2011 were published on 12 September 2011;

8. Holders who elected not to receive copies of the annual financial statements should refer to Appendix 2.

9. Holders who elected not to receive copies of the annual financial statements should refer to Appendix 4.

- Directors (including their associates') direct and indirect beneficial interests in securities as at 30 June 2011 were as follows:

| Sasol director | Direct | Indirect ¹ | Total | % of the issued share capital |
|----------------------|--------|-----------------------|--------|-------------------------------|
| Executive | | | | |
| VN Fakude | 1 500 | – | 1 500 | <0.1 |
| KC Ramon | 21 500 | 41 556 | 63 056 | <0.1 |
| Non-executive | | | | |
| IN Mkhize | 1 313 | 18 626 | 19 939 | <0.1 |
| TH Nyasulu | – | 1 450 | 1 450 | <0.1 |
| Total | 24 313 | 61 632 | 85 945 | |

1. The indirect number of shares includes shares held through Sasol Inzalo Public Limited.

2. There were no changes in the directors' (including their associates') direct and indirect beneficial interests in securities between 30 June 2011 and 7 October 2011.

- Share capital of the company (pages 187 and 188 (note 45) of the annual financial statements and pages 55 to 56 of the directors' report contained in the annual financial statements)¹⁰;
- The directors, whose names are set out on pages 42 and 43 of the integrated annual report collectively and individually accept full responsibility for the accuracy of the information relating to this special resolution number 5 and certify that, to the best of their knowledge and belief, there are no other facts, the omission of which would make any statement false or misleading and that they have made all reasonable enquiries to ascertain such facts and that this special resolution contains all information required by law and the Listings Requirements; and
- There are no legal or arbitration proceedings (including any such proceedings that are pending or threatened of which the company is aware – refer pages 216 to 219 of the annual financial statements) which may have or have had a determinable material effect on the Sasol group's financial position over the last 12 (twelve) months.

8.7 Special resolution number 6

Company acquiring the company's securities from a director or prescribed officer

"That, when any general repurchase by the company of its securities takes place, the board is authorised to approve the purchase by the company, of its issued securities from a director and/or a prescribed officer of the company, and/or person related to a director or prescribed officer of the company subject to the provisions of the memorandum of incorporation, the Act, and the rules and requirements of the Listing Requirements, provided that –

1. such repurchase by the company may not, considered alone or together with other transactions in an integrated series of transactions, in the aggregate, exceed 5% of the issued securities in any particular class of the company's securities at the time this authority is granted;
2. the repurchase of securities may not be effected during a prohibited period, unless such purchase is done in accordance with the Listings Requirements;
3. the repurchase must be effected through the order book operated by the JSE trading system and done without any prior understanding or arrangement between the company and the counterparty (reported trades are prohibited);
4. any repurchase may not be made at a price greater than 10% above the weighted average of the market value of the securities for the 5 (five) business days immediately preceding the date on which the repurchase transaction is effected;
5. such details as may be required in terms of the Listings Requirements are announced when the company or its subsidiaries have repurchased an aggregate of 3% of securities in issue at the time the authority is given;
6. this general authority granted to the board will endure from the date of passing of this special resolution until the next annual general meeting, but shall not exceed a period of 15 (fifteen) months from the date of the passing of this special resolution;
7. at any point in time, the company may only appoint one agent to effect any repurchase on its behalf;
8. the board has acknowledged by resolution that the company will satisfy the solvency and liquidity test immediately after the repurchase and subject that since the test was done, there have been not material changes to the financial position of the group; and
9. the general authority granted to the board may be varied or revoked, by special resolution, at any time prior to the next annual general meeting of the company."

10. Holders who have elected not to receive copies of the annual financial statements should refer to Appendix 5.

Reason for and effect of special resolution number 6

This resolution is proposed in order to enable the board, up to and including the date of the next annual general meeting of the company, to approve the acquisition by the company of its securities from a director and/or a prescribed officer of the company, and/or a person related to any of them when a general repurchase by the company of the company's securities takes place in accordance with special resolution number 5.

Section 48 of the Act provides *inter alia* that a decision by the board to acquire securities of the company from a director or prescribed officer of the company, or a person related to a director or prescribed officer of the company, must be approved by a special resolution of the holders of the company. When a general repurchase by the company of the company's securities takes place in accordance with special resolution number 5, the company may inadvertently acquire shares from a director and/or a prescribed officer of the company, and/or a person related to a director or prescribed officer of the company and such repurchase must, in terms of the Act, be approved by a special resolution of the holders.

In terms of the Act and the Listings Requirements, the board must make a determination to acquire its securities only if the solvency and liquidity test is applied in accordance with the Act.

When a general repurchase of the company's securities takes place in accordance with special resolution number 5, this resolution will enable the board to approve purchases in the aggregate up to a maximum of 5% of the company's issued securities from directors and/or prescribed officers of the company, and/or persons related to any of them, until the next annual general meeting of the company, or until this authority is revoked by the holders. The board has no specific intention of acquiring securities from a director and/or a prescribed officer of the company, and/or any person related to them. The authority is intended to provide for instances where securities are inadvertently acquired from directors and/or prescribed officers and/or persons related to any of them during the execution of a general share repurchase programme in accordance with the authority provided for in special resolution number 5.

8.8 Ordinary resolution number 1

Approval of amendment to Sasol Inzalo Foundation Trust Deed to increase the contractual ceiling of any dividend declared in respect of the ordinary shares in the company held by the Sasol Inzalo Foundation

"In respect of the ordinary shares in the share capital of the company held by The Sasol Inzalo Foundation ('Foundation Shares'), to authorise the amendment of the trust deed of The Sasol Inzalo Foundation to permit the Foundation Shares to be entitled to the declaration and receipt of such percentage of dividends that are declared and payable on ordinary shares in the ordinary course, which percentage may differ from period to period, as the board in its discretion thinks fit, in place of the maximum 5% (five percent), which is currently permitted in the trust deed."

Reason for and effect of ordinary resolution number 1

This resolution is proposed in order to increase the contractual ceiling, currently 5% of any dividend declared in respect of the ordinary shares in the company, imposed in the trust deed of the Sasol Inzalo Foundation to such percentage (which percentage may differ from period to period) as the board in its discretion thinks fit, to enable the board to pay such variable percentage from time to time as the board may determine.

The funds currently received by The Sasol Inzalo Foundation are insufficient to cover the costs of and to implement the principal objects of The Sasol Inzalo Foundation. The increase in the amount of dividends that could be paid in respect of the Foundation Shares will place The Sasol Inzalo Foundation in a better position to implement its principal objects and to carry out its public benefit activities in accordance with the provisions of the trust deed of The Sasol Inzalo Foundation.

notes to notice of annual general meeting

1. This document is addressed to all holders.
2. If you are a holder of Sasol certificated securities or hold Sasol dematerialised securities in your own name and are unable to attend the general meeting and wish to be represented thereat, you must complete and return the attached form of proxy in accordance with the instructions therein and lodge it with the transfer secretary, whose details are contained in the form of proxy. You may appoint one or more persons concurrently as proxies, and you may appoint more than one proxy to exercise voting rights attached to different securities held by you. Note that a proxy need not be a shareholder.
3. If you do not hold your Sasol dematerialised securities in your own name, you should inform your broker or central securities depository participant (CSD Participant) of your intention to attend the general meeting in order for your broker or CSD Participant to be able to issue you with the necessary authorisation to enable you to attend the general meeting or, alternatively, should you not wish to attend the general meeting, you should provide your broker or CSD Participant with your voting instructions.
4. If you are a beneficial holder of certificated Sasol securities you may attend and vote at the general meeting only to the extent that:
 - a. your beneficial interest includes the right to vote on the matters in this document; and
 - b. your name is on the company's register of disclosures as the holder of the beneficial interest, or you hold a proxy appointment in respect of the matters in this document from the registered holder of the Sasol securities.
5. **If you have disposed of all of your Sasol securities, this document should be handed to the purchaser of such Sasol securities or to the broker, CSD Participant, banker, attorney, accountant or other person through whom the disposal was effected.**
6. **If you are in any doubt as to what action you should take arising from this document, please immediately consult your broker, CSD Participant, banker, attorney, accountant or other appropriate professional advisor.**
7. **In accordance with Section 63(1) of the Act, before any person may attend or participate in the annual general meeting, that person must present reasonably satisfactory identification and the person presiding at the meeting must be reasonably satisfied that the right of that person to participate and vote, either as a shareholder or proxy has been reasonably verified. Without limiting the generality hereof, the company will accept a valid South African identity document, a valid driver's licence or a valid passport as satisfactory identification.**
8. In accordance with Sections 61(10) and 63(3) of the Act, you or your proxy/ies, may participate in the annual general meeting by electronic means. Teleconference facilities will be available for this purpose, and may be accessed at your cost, for the duration of the general meeting, subject to the arrangements in respect of identification and practicality as referred to in paragraphs a to d below.
 - a. In order for Sasol to arrange electronic participation, holders must deliver written notice to Computershare Investor Services (Pty) Ltd by **9:00 on Friday 18 November 2011** to indicate that they wish to participate by means of electronic communication at the annual general meeting.
 - b. The written notice referred to in a above must contain:
 - i) a certified copy of his/her South African identity document or passport if the holder is an individual;
 - ii) a certified copy of a resolution or letter of representation/proxy given by the holder if the holder is a company or other juristic person and a certified copy of the identity documents or passports of the persons who passed the relevant resolution. The authority resolution must set out who is authorised to represent the holder at the general meeting via electronic communication if the holder is a company or other juristic person;
 - iii) a valid e-mail address and/or facsimile number and/or telephone number of the holder; and
 - iv) an indication that the holder wishes not only to attend or participate in the meeting by means of electronic communication, but also to vote by means of electronic communication.
 - c. The company shall notify a holder who has delivered a valid written notice in terms of paragraph b above, by no later than 24 (twenty four) hours before the annual general meeting of the relevant dial-in details as well as the passcodes through which the holder can participate via electronic communication and of the process of participation via electronic communication.
 - d. Should a holder wish to participate in the general meeting by way of electronic communication as aforesaid, the holder or his/her proxy, will be required to dial in with the details provided by the company as referred to in c above by not later than 30 minutes prior to the commencement of the annual general meeting, during which time registration will take place.
9. A map showing the location of the venue of the meeting is attached as Appendix 1, an electronic copy of which may be obtained from Sasol's website at www.sasol.com.
10. Registration for those attending the meeting in person will commence two hours before the meeting and we request that holders register by not later than 15 minutes before the start of the meeting. Holders who attend the meeting in person must comply with the requirements under paragraph 7 above to expedite registration.
11. **ADR holders please note:** Registered holders who hold their American Depositary Receipts in physical form will receive a proxy card and voting instructions from the Bank of New York Mellon. Beneficial holders who hold their American Depositary Receipts in book entry form will receive their proxy card and voting instructions from their broker.
12. The company does not accept responsibility and will not be liable for any failure on the part of the broker, CSD Participant, banker, attorney, accountant or other appropriate professional advisor of any holder of dematerialised securities to notify the holder thereof of the contents of this document.

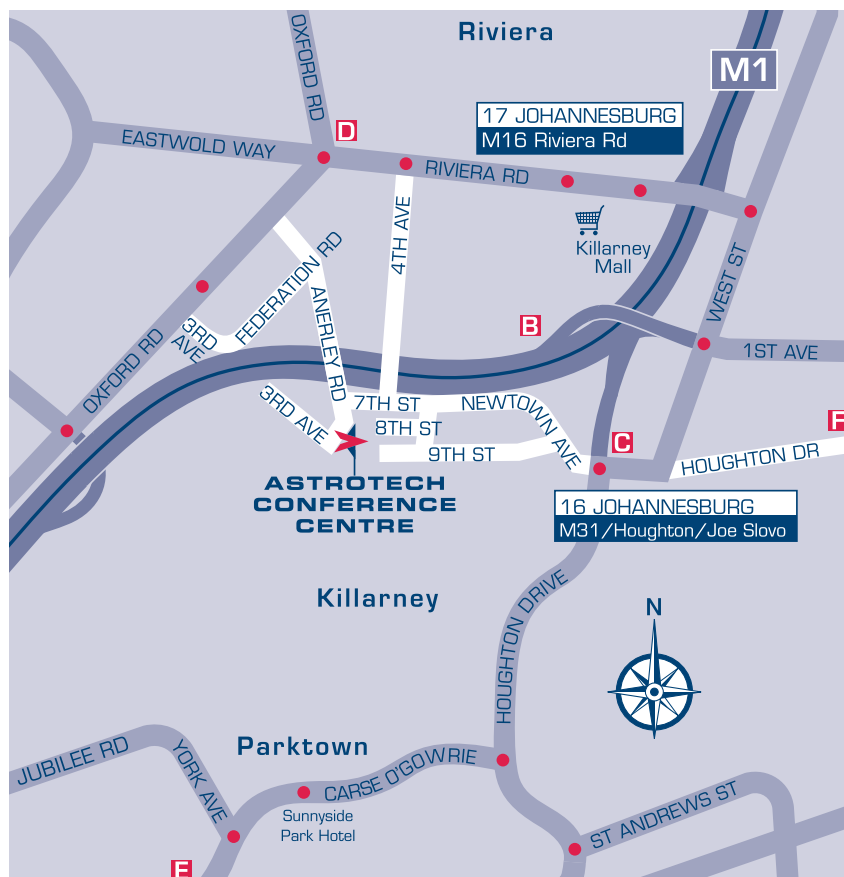
By Order of the board

appendix 1

Location of the Sasol Limited annual general meeting

Friday, 25 November 2011 at 09:00

AstroTech Conference Centre
Cnr Anerley Road and 3rd Avenue
Parktown
Johannesburg



GPS co-ordinates:

26:10.221 S
28:02:896 E

Directions

From Oxford Rd off-ramp

If coming off the Oxford Road off ramp from Soweto, south Johannesburg, East Rand or West Rand, travel past two traffic lights then turn right into Anerley Road. Travel over a bridge spanning the M1 and see the AstroTech Conference Centre on the left.

From the highway at 1st Ave/Houghton

If coming off the highway at 1st Avenue/Houghton (from the south), turn right at the first set of traffic lights into Newtown Avenue, through the traffic circle and left at the T-Junction and the AstroTech Conference Centre will be on your left.

Shareholder information helpline

We have reserved 0861 100 926 as our information helpline.
Assistance with AGM queries and proxy forms:
Telephone: +27(0) 11 370 5511
Telefax: +27(0) 11 688 5238
e-mail: solutions@computershare.co.za

Share Registrars

Computershare Investor Services (Pty) Ltd
70 Marshall Street, Johannesburg, 2001
Republic of South Africa
PO Box 61051, Marshalltown, 2107
Republic of South Africa
Information helpline 0861 100 926
Telefax +27 (0) 11 688 5238

Company registration number

1979/003231/06

Addresses

Business address and registered office

1 Sturdee Avenue, Rosebank, 2196
Republic of South Africa

Postal and electronic addresses and telecommunication numbers

PO Box 5486, Johannesburg, 2000
Republic of South Africa
Telephone +27 (0) 11 441-3111
Telefax +27 11 788-5092
Website: <http://www.sasol.com>

Depository Bank

The Bank of New York Mellon Corporation
Depository Receipts Division
101 Barclay Street
New York 10286, New York
USA

The Bank of New York Mellon maintains a Global BuyDIRECTSM plan for Sasol. For additional information, please visit The Bank of New York Mellon's website at: www.globalbuydirect.com

or call Shareholder Relations at
1-888-BNY-ADRS (for calls from within the USA)
or 1-201-680-6825 (for calls from outside the USA)

or write to:
The Bank of New York Mellon
Shareowner Services
PO Box 358516
Pittsburgh, PA 15252-8516
USA

e-mail: shrrelations@bnymellon.com
website: www.bnymellon.com/shareowner

form of proxy for annual general meeting

Sasol Limited

Registration Number 1979/003231/06

('Sasol' or 'the company')

Share codes: JSE: SOL; SOLBE1

ISIN codes: ZAE000006896

NYSE: SSL

US8038663006

I/We

(Please print – full names)

of (address)

appoint (see note 1)

1. _____ or failing him/her
2. _____ or failing him/her
3. the chairman of the meeting as my/our proxy to attend, participate in and speak and, on a poll, to vote for me/us and on my/our behalf at the annual general meeting of the company which will be held on Friday 25 November 2011 at 9:00, South African time (see note 4).

My /our proxy may (subject to any restriction set out herein)/may not delegate the proxy's authority to act on behalf of me/us to another person

| | Number of voting rights (insert): | | |
|--|-----------------------------------|---------|---------|
| | For | Against | Abstain |
| 1. To elect each by way of a separate vote, the following directors retiring in terms of article 75(d) and 75(e) of the company's memorandum of incorporation: | | | |
| 1.1 JE Schrempp | | | |
| 1.2 C Beggs | | | |
| 1.3 MJN Njeke | | | |
| 1.4 VN Fakude | | | |
| 2. To elect each by way of a separate vote, the following directors who retired in terms article 75(i) of the company's memorandum of incorporation: | | | |
| 3.1 TH Nyasulu | | | |
| 3.2 KC Ramon | | | |
| 3.3 HG Dijkgraaf | | | |
| 3. To elect, DE Constable who is required to retire in terms article 75(h) of the company's memorandum of incorporation | | | |
| 4. To re-appoint the auditors, KPMG Inc. for the financial year ending 30 June 2012 | | | |
| 5. To elect each by way of a separate vote, the members of the audit committee: | | | |
| 5.1 C Beggs | | | |
| 5.2 MSV Gantsho | | | |
| 5.3 HG Dijkgraaf | | | |
| 5.4 MJN Njeke | | | |
| 6. Special resolution number 1 – to approve the remuneration payable to non-executive directors of the company for their services as directors for the period 1 July 2011 until the date of the next annual general meeting | | | |
| 7. Advisory endorsement – to endorse, on a non-binding advisory basis, the company's remuneration policy for the year ending 30 June 2012 and its implementation | | | |
| 8. Special resolution number 2 – to authorise the board to approve loans or other financial assistance to subsidiaries and juristic persons that the company directly or indirectly controls | | | |
| 9. Special resolution number 3 – to authorise the board to approve loans or other financial assistance to any person and/or corporation that is or becomes related or inter-related to the company as contemplated in the Act and/or to a member of such a related or inter-related corporation and/or to a person related to such corporation (other than those referred to in special resolution number 2) | | | |
| 10. Special resolution number 4 – to authorise the board to approve loans or other financial assistance to the Sasol Inzalo Public Facilitation Trust | | | |
| 11. Special resolution number 5 – to authorise the board to approve the acquisition by the company or by any of its subsidiaries of the company's securities | | | |
| 12. Special resolution number 6 – to authorise the board, when any general repurchase by the company of its securities takes place, to approve the purchase by the company, of its issued securities from a director and/or a prescribed officer of the company, and/or person related to a director or prescribed officer of the company | | | |
| 13. Ordinary resolution number 1 – to approve an amendment to Sasol Inzalo Foundation Trust Deed to increase the contractual ceiling of any dividend declared in respect of the ordinary shares in the company | | | |

Signed at _____ on _____ 2011

Signature _____

Assisted by me (where applicable) _____

Each holder entitled to attend and vote at the meeting is entitled to appoint one or more individuals as proxy/ies to attend, participate in, speak and vote or abstain from voting in his/her/its stead. A proxy need not be a person entitled to vote at the meeting.

This form of proxy will lapse and cease to be of force and effect immediately after the general meeting of the company to be held at the AstroTech Conference Centre, Corner of Anerley Road and 3rd Avenue, Parktown, Johannesburg, South Africa on 25 November 2011 at 09:00 and at any adjournment(s) thereof, unless it is revoked earlier.

notes to form of proxy

for the year ended 30 June 2011

1. Holders are advised that the company has appointed Computershare Investor Services (Pty) Ltd as its proxy solicitation agent.
2. Proxy appointment must be in writing, dated and signed by the holder.
3. Forms of proxy must be returned to Computershare Investor Services (Pty) Ltd to be received on or before 9:00 on 23 November 2011, or may be presented to a representative of Computershare Investor Services (Pty) Ltd at AstroTech Conference Centre, Corner of Anerley Road and 3rd Avenue, Parktown, Johannesburg, South Africa before the commencement of the meeting. Forms can be posted or hand delivered.
4. A shareholder may insert the name of a proxy or the names of two alternative proxies of the shareholder's choice in the space provided, with or without deleting 'the chairman of the meeting.' Any such deletion must be initialled by the shareholder.
5. A shareholder's instruction to the proxy must be indicated by the insertion of the relevant percentage of voting rights exercisable by that shareholder in the appropriate space provided. Failure to comply with the above will be deemed to authorise the proxy to vote or abstain from voting at the meeting, as he deems fit, in respect of all the shareholder's voting rights exercisable thereat, but where the proxy is the chairman, failure to comply will be deemed to authorise the proxy to vote in favour of the resolution.
6. A shareholder or his proxy is not obliged to use all the voting rights exercisable by the shareholder or by his proxy, but the total of the voting rights cast and in respect whereof abstention is recorded may not exceed the total of the voting rights exercisable by the shareholder or by his proxy.
7. A shareholder's authorisation to the proxy, including the chairman of the meeting, to vote on his or her behalf, shall be deemed to include the authority to vote on procedural matters at the meeting.
8. The completion and lodging of this form of proxy will not preclude the relevant shareholder from attending the meeting and speaking and voting in person thereat and the exclusion of any proxy appointed in terms hereof should such shareholder wish to do so.
9. Documentary evidence establishing the authority of a person signing this form of proxy in a representative capacity must be attached to this form. Without limiting the generality hereof, the company will accept a valid identity document, a valid driver's licence or a valid passport as satisfactory identification.
10. Any alteration to this form must be initialled by the signatory(ies).
11. A shareholder may revoke the proxy appointment by: (i) cancelling it in writing, or making a later inconsistent appointment of a proxy; and (ii) delivering a copy of the revocation instrument to the proxy/ies and to the company at AstroTech Conference Centre, Corner of Anerley Road and 3rd Avenue, Parktown, Johannesburg, South Africa, for attention of Issy van Schoor or any other representative of Computershare Investor Services (Pty) Ltd, to be received before the replacement proxy exercises any rights of the shareholder at the annual general meeting of the company to be held at AstroTech Conference Centre, Corner of Anerley Road and 3rd Avenue, Parktown, Johannesburg, South Africa on 25 November 2011 at 9:00 or any adjournment(s) thereof.
12. The revocation of a proxy appointment constitutes a complete and final cancellation of the proxy's/ proxies' authority to act on behalf of the shareholder as of the later of: (i) the date stated in the revocation instrument, if any; or (ii) the date on which the revocation instrument was delivered as required in paragraph 10 (ii).

Computershare Investor Services (Pty) Ltd

PO Box 61051, Marshalltown, 2107
70 Marshall Street, Johannesburg, 2001
Republic of South Africa



Use your QR code reader on your smartphone to scan this barcode. The link will take you directly to www.sasol.com