

TERMS OF REFERENCE

SASOL LIMITED

CAPITAL INVESTMENT COMMITTEE

1. PURPOSE AND OBJECTIVES

The Capital Investment Committee (the Committee) has been appointed by the Sasol Limited Board of Directors (the Board) as a committee of the Board to:

- oversee and provide direction on the Group's strategic transformation initiatives, strategic execution, major investment decisions, and capital allocation;
- evaluate and monitor material mergers, acquisitions, divestments, disposals, major capital investments and technology and innovation programmes, ensuring effective execution and delivery of key strategic and operational commitments; and
- oversee digital strategy and execution, recognising that digital initiatives as critical drivers of value, and ensures that investment in digital, technology and innovation delivers measurable outcomes.

Through this mandate, the Committee supports the Group's long-term value by focusing on investment discipline, delivery risk, benefits realisation, and avoiding duplication of the Audit Committee's control and assurance role.

2. CONSTITUTION AND MEMBERSHIP

- 2.1 The Committee shall comprise of no less than three directors appointed by the Board, the majority of whom shall be independent, non-executive directors.
- 2.2 The Board shall appoint an independent non-executive director as the Chairman of the Committee and determine the period for which he or she shall hold office.
- 2.3 The Committee shall appoint a Committee Secretary.

3. MANDATE

3.1 Capital investments, mergers and acquisitions, divestments and disposals

The Committee shall provide direction to the Board on strategic considerations and risks in respect of the following proposed investments or divestments within the Sasol Group prior to approval by the Board:

- 3.1.1 capital investments with a nominal end-of-job cost exceeding R7 billion (US\$500 million);
- 3.1.2 transactions¹ with a transaction value of more than R7 billion (US\$500 million);
- 3.1.3 transaction categorised as a category 1 (30% or more of market capitalisation or if the total consideration is not subject to any maximum) and category 2 (5% or more but less than 30% of market capitalisation) in terms of the JSE Listings Requirements;
- 3.1.4 disposal, transfer, encumbrance or capital expenditure write-off of tangible or intangible property or assets (not in the ordinary course of business or at below market value) with a financial implication of more than R7 billion; and
- 3.1.5 plant closures affecting more than 5% of Sasol's group wide turnover or profit in the preceding financial year.

In addition, the Committee shall:

- 3.1.6 approve deviations of up to 10% (on a cumulative basis) from the Board-approved capital cost of any specific project for which the initial approved capital expenditure exceeding R7 billion (US\$500 million), provided that:
 - such cumulative approved deviation for projects outside of South Africa does not exceed US\$100 million; and
 - the Board is informed of any such approved deviation;
- 3.1.7 approve the disposal, encumbrance or transfer or capital expenditure write off of tangible or intangible property or assets (not in the ordinary course of business or at below market value) with a financial implication of between R4 billion and R7 billion;
- 3.1.8 monitor the execution / implementation of the approved transactions and investments mentioned in these Terms of Reference;
- 3.1.9 when evaluating or monitoring any matter within its mandate, and as appropriate and applicable:
 - assess alignment with the Sasol Group strategy, financial viability, financing, feasibility and sustainability;

¹ Transaction" shall be interpreted as including, but not limited to, mergers or acquisitions, formation of joint ventures or acquiring or divesting a business.

- assess the cost benefit analysis, considering key risks and the short- and long-term environmental and social-economic impacts, ensuring the necessary mitigation controls are implemented;
- assess the sensitivity to determine whether investments would remain feasible if assumptions used in the calculations / projections were to change;
- assess cost effectiveness and arrangements for implementation in order to ensure efficiency and execution within time and budget;
- consider the Sasol Group structure and funding strategies which would best support the investment; and
- consider the appropriateness of a communication strategy if applicable.

3.2 Monitoring execution of strategic initiatives and commitments

The Committee shall oversee the execution of material strategic transformation initiatives and stakeholder commitments (including those communicated through Capital Markets Day or equivalent disclosures), with a focus on value delivery, capital discipline, returns relative to the Group's cost of capital, and strategic alignment. In doing so, the Committee shall:

- 3.2.1 review progress against material operational improvement and transformation programmes (for example, Group-wide efficiency programmes and business turnaround initiatives), including delivery against agreed targets, key milestones and interdependencies;
- 3.2.2 review progress of business building and growth initiatives (including the growth funnel and strategic opportunity pipeline), with emphasis on strategic fit, investment discipline, scalability and expected value contribution, including expected risk-adjusted returns relative to the Group's cost of capital (WACC);
- 3.2.3 monitor the delivery status of major capital projects and strategic programmes within its remit, including schedule and cost performance, key delivery risks, mitigation actions and continued alignment to the approved investment case;
- 3.2.4 require management to report on benefits realisation for material initiatives, including variances to approved value cases, performance against expected returns relative to the Group's cost of capital, and corrective actions where delivery or value is at risk; and
- 3.2.5 monitor material innovation and strategic technology developments to the extent relevant to future competitiveness and capital allocation.

3.3 Digital strategy, technology and value delivery

Digital strategy and execution oversight forms part of the Committee's mandate in recognition of digital initiatives as a material driver of strategic execution and value delivery. The Committee oversees digital strategy execution and investment discipline to ensure that digital initiatives deliver measurable value, while oversight of IM strategy, cyber security risks and assurance over controls and disclosures remains the responsibility of the Audit Committee.

Accordingly, the Committee shall:

- 3.3.1 oversee delivery of the Group's Digital strategy (as determined by management), including prioritisation of the Digital portfolio, alignment to strategic and operating model requirements and focus on practical use cases that deliver measurable outcomes.
- 3.3.2 review and oversee Digital programmes and investments within its remit, focusing on:
 - alignment with strategic priorities and capital allocation principles;
 - investment rationale and measurable benefits;
 - key delivery milestones, dependencies and risks; and
 - benefits realisation and corrective actions where delivery or value is at risk.
- 3.3.3 Monitor material digital-programme implementation and strategic technology risks.