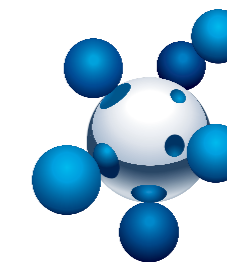


SASOL LIMITED SUSTAINABILITY REPORT

for the year ended 30 June 2020



SASOL

Celebrating
70 years

POSITIONING FOR A
SUSTAINABLE FUTURE

POSITIONING FOR A SUSTAINABLE FUTURE

Creating a future Sasol that is resilient and delivers cleaner energy and chemical products to society.



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DISCLAIMER

Sasol may, in the Sustainability Report, make certain statements that are not historical facts and relate to analyses and other information 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 taking into account the impact of COVID-19 on Sasol. Refer to the inside back cover (IBC) for our full disclaimer on forward-looking statements.

OUR SUITE OF REPORTS

These reports are available on our website, www.sasol.com, or on request from Investor Relations. Contact details are on page 79.



IR

Integrated Report

Concise communication about how Sasol's strategy, governance, performance and outlook lead to the creation of value over the short-, medium- and long-term.



SR

Sustainability Report

Communication about Sasol's environmental, social and governance (ESG) performance.



CCR

Climate Change Report

Information about Sasol's climate change risk management process, response strategy and summary of work underway to address our climate change risks.



AFS

Annual Financial Statements

Contains full analysis of the Group's financial results, with detailed financial statements, as well as the full Remuneration Report together with the report of the Audit Committee.



20-F

Form 20-F

Our Annual Report which is filed with the United States Securities and Exchange Commission (SEC), in line with the requirement of our New York Stock Exchange listing.



REPORT OF THE CHAIR OF THE SAFETY, SOCIAL AND ETHICS COMMITTEE (SSEC)

Muriel Dube
Chairman of the SSEC

In 2020, we have experienced and witnessed the impact of extraordinary disruption to people and society, where conventional economic and business norms have been upended. Globally, the COVID-19 pandemic has stretched the social fabric. Sasol, its people and stakeholders have not been spared either. Against this backdrop, I am encouraged to report that the Group continued its efforts to respect and care for the health and safety of its employees, communities and manage its environmental footprint.

Consistent with its mandate in fulfilment of regulation 43 of the South African Companies Act, the SSEC has remained steadfast in its role to ensure independent oversight of the effective management and governance of sustainability matters in fulfilment of Sasol's commitment to good corporate citizenship. Careful consideration of worldwide events impacting Sasol, including constructive stakeholder engagement, has enabled the Committee to guide Sasol's response in an increasingly dynamic world. This has been achieved through the pursuit of ethical conduct which is a cornerstone of the company's behaviour.

In the year, Sasol embedded sustainability at the core of its strategy by prioritising four sustainability focus areas and four Sustainable Development Goals (SDGs) of relevance to Sasol. To enhance governance in this respect, we strengthened the Committee's Terms of Reference. Together with Sasol's newly developed internal Sustainability Decision-Making Framework (DMF) and a balanced scorecard, we are positioned to evaluate the Group's sustainability performance and ensure it is aligned to the four sustainability focus areas. This year's report reflects this perspective, while demonstrating Sasol's ongoing sustainability journey.

Given that safety is a top priority at Sasol, we are deeply saddened by the tragic loss of six colleagues in the year. This loss is unacceptable. We remain resolute in our efforts to address this distressing loss of human life. There is honest recognition that further, pointed effort is necessary with emphasis on employee engagement and communication. We are encouraged that management continues with efforts to prioritise workplace safety by implementing various measures to stabilise the operating performance under exceptionally difficult circumstances. Detail of the impact of COVID-19 on operations and Sasol's response is shared in this report with input on our High Severity Incident Programme. As the company embarks on the Sasol new strategic journey, the Committee is cognisant that employee wellbeing and morale is likely to be affected by the process of Sasol's strategic reset. To this end, management continues to implement various carefully considered fit-for-purpose wellbeing solutions.

Details can be found in the occupational health and wellbeing section.

Upholding human rights is central to how Sasol conducts itself and manages the potential risks associated with any infringement of human rights. Sasol is committed to doing business ethically and transparently, underpinned by the Sasol values, the Code of Conduct and the recently updated Human Rights Policy. In bolstering governance in this area, the Committee approved a Business and Human Rights Framework to ensure that Sasol's human rights performance is aligned to the UN Guiding Principles on Business and Human Rights, as appropriate to our circumstances at Sasol.

To further strengthen Sasol's commitment to human rights, training has been provided to employees to better create an enabling environment conducive to dignity and respect by promoting ethical conduct. Specific training to address sexual harassment in the workplace has been rolled out. Sasol employees, contractors, vendors, third parties and other stakeholders are encouraged to speak up. A new Whistle-Blower Policy and a new Ethics Investigation Policy have been adopted to support the reporting, investigation and management of actual or suspected unethical conduct, including actual or alleged human rights violations without fear of retaliation.

With Sasol's activities having an impact on the environment, the Committee continued oversight and steer of Sasol's efforts to mitigate these impacts and to deliver on its environmental compliance requirements. In support of this objective, we ensured Sasol engaged with key stakeholders, including on its climate change ambition and emission reduction roadmap which sets out impactful economic and socially acceptable solutions to reduce greenhouse gas (GHG) emissions in South Africa. For more on this, we invite you to read our 2020 Climate Change Report [CCR](#).

We have considered the risks and risk-based approach in respect of contaminated land, biodiversity and waste management. Measures are in place to continue to mitigate and manage air quality, water, product stewardship and plastics sustainability. This approach takes into consideration the overlap between health, safety and environmental impacts.

This year, Sasol has continued with its commitment to support economic inclusion across our operations and fenceline communities. Sasol contributed R1,2 billion through social investment programmes, with 89% invested in South Africa and 9% invested in Mozambique. Following a process of understanding our stakeholders' issues and desired outcomes, we identified social investment focus areas

“ Sasol's progress is set out in this report to reflect our efforts for the year in giving effect to our commitment to conduct our business with respect and care for people and the environment. ”

and themes through which programmes are implemented within our communities, taking into account human rights principles. At the core of our social investment approach is catalysing positive change and economic inclusion through our investment in education, skills development, community development, economic transformation and local content, environmental stewardship and Sasol for Good. Each of these aspects is covered in more detail in this report.

Testament to Sasol's commitment to transformation in South Africa, concerted effort has gone into better leveraging its supply chain and increasing its spend with Black-owned companies. We are pleased to report that spend for the year exceeds the targets across all elements, including local Black-owned and Black women-owned businesses.

Despite the significant challenges in the past year, this report reflects Sasol's ongoing commitment to being a good corporate citizen that conducts business ethically through respect and care for people and the environment. In conclusion, I am confident that the Committee has fulfilled our mandate as prescribed by the Companies Regulations to the Companies Act and that there were no instances of material non-compliance to disclose.

Muriel Dube
Chair of the Safety, Social and Ethics Committee
21 August 2020

PERFORMANCE AT GLANCE

Focus areas	SAFE AND ENDURING OPERATIONS	MINIMISING OUR ENVIRONMENTAL FOOTPRINT	RESILIENCE IN A LOWER-CARBON FUTURE	GROWING SHARED VALUE
Operating context	The lockdown in South Africa negatively impacted demand and feedstock supply, while exacerbating already acute socio-economic and structural pressures. Ongoing economic volatility will influence product demand, thereby impacting labour stability.	Increasing environmental regulatory requirements. Meeting air quality compliance targets in 2025, with revised SO ₂ targets. Continually assessing commercially available technologies for SO ₂ abatement.	Global expectations are for accelerated transition to a lower-carbon economy. Available recovery funding in a post COVID-19 world incorporates green or climate action considerations.	Lower product demand and reduced earnings affects Sasol South Africa's ability to pay off the loans of the Broad-based Black Economic Empowerment (B-BBEE) transaction Sasol Khanyisa. Refer to www.sasolkhanyisa.com
Performance	Fatalities 6* RCR 0,27* Employee turnover 1 936 Major and Significant FERs 23*	Water Total consumption increased by 6% and Recycled water decreased by 11% Waste Total waste decreased by 7%	Energy efficiency 14,3% improvement for the Sasol Group and 16,8% improvement for Sasol South Africa off the 2005 baseline GHG emissions Total GHG decreased by 0,8%	Social investment spend R1,2 billion Black-owned spend R26,3 billion Black women-owned spend R17,3 billion

* Assured by Deloitte - refer to page 76



PRESIDENT AND CHIEF EXECUTIVE OFFICER'S STATEMENT

Fleetwood Grobler
President and
Chief Executive Officer

“ A swift and decisive response was required to stabilise our business in the short term, while charting a path forward to long term sustainability under a revised strategy and operating model. ”

At the outset, I must express how deeply saddened I am by the tragic and unacceptable loss of six of our colleagues during the past year. I convey my personal sincere and heartfelt condolences to the families, friends, and co-workers of the deceased. As we mourn these terrible losses, we are reminded that the safety and wellbeing of our employees and service providers remains our top priority. It is for this reason that I maintain a personal interest in the fatality root cause analysis investigations and I am leading a group-wide safety engagement based on a mindset of "safety because we care".

In our continued efforts towards zero harm, we recognise safety and operational discipline as the bedrock for exceptional performance. My expectation is that the behaviour of all our employees and service providers supports our continued focus on eliminating fatalities and high severity injuries through maintaining the positive momentum of the High Severity Incident Programme (HSI).

Managing our COVID-19 response

We launched an integrated response to COVID-19, reprioritising our activities in the last quarter of the financial year to respond positively to the pandemic. This enabled us to also contribute to ensuring the stability and safety of our employees, their families and our fenceline communities. Working together with our social partners we contributed to equipping and supporting those who are at the frontlines of fighting this pandemic and those most at risk of infection. For more detail refer to pages 10 to 11.

We put in place detailed COVID-19 response plans at our all sites globally, with dedicated task teams closely monitoring and managing the situation in line with relevant local guidance and legal requirements. The number of COVID-19 infections across our workforce at the end of June 2020 was 130 cases in total, with 46 recoveries and 84 colleagues in isolation, receiving appropriate support.

Positioning for a sustainable future

At the time of my appointment I emphasised the need to prioritise some practical objectives and be realistic about the challenges we face. By focusing on the issues within our control, we deliver on the expectations of all our stakeholders. We have been through a difficult period, but the real work of

regaining market confidence and trust in Sasol has started. Improving our culture remains paramount and it is critical that we optimise the efficient running of the business in the short-term, while positioning Sasol for a sustainable future. With this in mind, we revised our strategy and commenced the process to redesign our operating model, taking important steps in our journey to deliver the new strategy.

The new reset strategy places us on a path for climate change resilience amid a transition to a lower-carbon economy. We have concentrated on areas where we believe there are growth prospects which are low risk and with lower-carbon intensity to derive shareholder value. These views are informed by evolving consumer needs and megatrends. We have made portfolio choices, notably to stop all oil growth activities in West Africa and resize the upstream portfolio to focus on gas. We remain firmly committed to transitioning to a lower-carbon world and developing solutions to meet our sustainability goals. We are pursuing a gas enabled pathway as a complementary feedstock to achieve the 2030 South African GHG emission reduction objectives, with renewables as a supplementary energy source. We will also initiate growth into new industries within the overall energy transition. This is further detailed on pages 44 and 45 of the report.

Performance within our four sustainability focus areas

In 2020, given the challenges that Sasol is facing, we made sure not to neglect our sustainability imperative. In this report, our sustainability performance is reflected across the four focus areas, demonstrating how Sasol's sustainability approach has been embedded across the organisation.

Safe and enduring operations

Pursuing zero harm and proactively eliminating fatalities and high severity injuries remains a top priority. We have supplemented our HSI programme with the addition of a fifth focus area: Addressing loss of primary containment – and have constituted a Fatality and High Severity Injuries Elimination Taskforce at Mining.

However, the Group's recordable case rate (RCR), deteriorated marginally from 0,26 to 0,27, which demonstrates that there is more that we can and will do as we pursue zero harm.

We are focusing on the transformation of Sasol's culture. I have introduced changes to deliver the key behaviour shifts to progress our improved culture and I personally commit to setting the right tone from the top.

In 2020, the Ziegler and Guerbet alcohol units at the Lake Charles Chemicals Complex (LCCC) achieved safe beneficial operation.

Minimising our environmental footprint

Historically, our gas and crude oil processing units' emissions contribution has been minimal compared to our coal process operations, however due to the full commissioning of the Lake Charles Chemicals Project (LCCP) in the United States (US) nearing completion, these processing units' emissions contribution has increased during 2020.

Our 2020 water-use efficiency targets (set in 2016) for our most water-intensive business units come to a close in 2020. Our Mining operations successfully achieved the target, while our Secunda and Sasolburg operations noted a deterioration as a result of poor feed water quality and lower production levels.

The exclusion of ash from the definition of waste when used for specific applications, supports ash beneficiation business opportunities for our South African operations as well as our fenceline communities as part of our social value contribution.

Resilience in a lower-carbon future - climate change

Our first goal is to reduce GHG emissions for our South African operations by at least 10% by 2030 off our 2017 baseline. This target – over and above the 14% GHG improvement achieved since 2004 – is challenging for a carbon-intensive petrochemicals complex. However, our internal analysis shows that this necessary target is attainable.

Our programme to reduce GHG emissions contributes towards global concerns around climate change impacts. As a result, we have progressed our climate change response as a top priority among various other important sustainability-related matters, to respond in a strategic and holistic manner. For further details and this response and for the progress on our emission reduction roadmap, refer to our Climate Change Report [CCR](#).

Growing shared value

We work with communities to identify beneficial opportunities for them. While 2020 was a tumultuous year for the world economy and for us, we made great strides in our support of economic inclusion across our operations and fenceline communities. During the year we invested more than R1,2 billion in social investment programmes, to contribute to socio-economic development of communities. This excludes our COVID-19 response initiatives.

In South Africa, we also spent R26,3 billion on Black-owned businesses, with our spend on Black women-owned businesses increasing to R17,3 billion.

Conclusion

We are undoubtedly experiencing the most challenging period in Sasol's history. This requires decisive action for us to adapt to a highly dynamic environment, while making tough choices to ensure the viability of our business. We are grateful to our people who have to work from home at this time, as we are to our operations teams who are keeping our mines and global production facilities running.

Transitioning to Sasol of the future will be challenging. Notwithstanding, we will undertake this process in a transparent and values-based manner. Fairness and transparency will be two keystones of this journey.

We have a vision that will deliver a better company – a company more suited to meeting stakeholder needs and flourishing in a world undergoing continuous change.

Fleetwood Grobler

President and Chief Executive Officer

21 August 2020

OUR STAKEHOLDERS' MAIN ISSUES

Sasol has a wide range of stakeholders with whom we engage. During such engagements we communicate our value proposition across a range of areas including our contribution to economic activity and employment, value to society through delivering our products, social investment and compliance with legal requirements. We provide regular updates and internalise feedback regarding progress on our commitments as well as on environmental, social and governance (ESG) issues raised.

Our approach to stakeholder engagement is solutions-focused and collaborative. We proactively reach out to stakeholders and also respond to stakeholders who request to meet with us or respond to written issues. Our intention is to listen with a view to better understand the concerns being raised. We also record and track progress on issues impacting Sasol and its stakeholders as well as commitments made. The table reflects issues raised by stakeholders in the period under review, and progress and our response thereto.



This report covers issues that reflect Sasol's significant material environmental and social impacts as informed by our stakeholders' concerns and Sasol's strategic intent.

Climate change

GHG emission reduction plans and targets refer to **CCR**

Issue

- Efficacy of Sasol's GHG emission reduction roadmap in achieving stated target and addressing climate change risk.
- Further ambition for Sasol's GHG emission reduction target.
- Transitioning Sasol to a lower-carbon footprint taking into account a Just Transition contributing to socio-economic development.
- Sasol is the largest single GHG point-source emitter.
- Sasol's consideration for transitioning towards lower-carbon energy sources including renewables.

Page Refer 44

Southern African exploration and production activities

Issue

- Environmental sensitivity of the area could be disrupted.
- Sasol's potential impact on tourism, livelihoods and the local fishing industry.

Page Refer 40

Product safety and sustainability

Issue

- Sustainable products that are safe and lawful for use.
- Understanding the life cycle impacts of our products.
- Sasol's response to the plastics waste challenge.

Page Refer 26 to 29

Air quality

Compliance with the Minimum Emission Standards

Issue

- Health concerns arising from Sasol's air emissions.
- Plans to convert the Secunda plant from coal to gas to improve Sasol's emissions footprint.
- Meeting postponement conditions.

Page Refer 32 to 35

Environmental compliance to licence conditions

Issue

- Ensuring transparent reporting on non-compliance issues.

Page Refer 42

Water

Issue

- Efforts to reduce Sasol's water consumption in water scarce areas.
- Ensuring that the quality of the water catchment areas does not deteriorate.

Page Refer 36

Safety

Issue

- Number of fatalities despite Sasol's zero harm goal.

Page Refer 14

Employment

Creation of and local access to employment opportunities and transformation

Issue

- Sasol's ability to create equal employment opportunities specifically where Sasol has a presence.
- Addressing wage inequality and ensuring a living wage.
- Enhancing the Sasol culture.

Page Refer 16 to 19

Human rights

Issue

- Appropriate management of Sasol's human rights impacts.

Page Refer 22

Social investment

Issue

- Misinterpretation of community priorities.
- Preferential procurement spend adequately covering small to medium businesses.
- Open and transparent communication to all affected stakeholders.

Page Refer 46

Supply chain opportunities

Local entrepreneurs have requested greater access to supply chain opportunities

Issue

- Localisation of the procurement coupled with economic transformation to increase spend on Black-owned and Black-women-owned companies.
- Incubating opportunities.
- Due diligence to ensure responsible sourcing.

Page Refer 58 to 63

COVID-19 RESPONSE

Our people

Sasol remains committed to health and safety in the workplace as well as that of our service providers, suppliers and customers. The health and wellbeing of our employees is a priority.

With a strong emphasis on business continuity, Sasol has established an integrated Group COVID-19 response programme, where operational task teams are enabled with functional support in following a risk based approach to mitigate the potential impact of the pandemic on our operations and fenceline communities.

The Group COVID-19 response teams follow developments associated with the pandemic and monitor recommendations and guidance from the World Health Organisation, Centres for Disease Control, and other national authorities in order to adapt Sasol's response as appropriate.

Risk informed COVID-19 response framework

A risk informed COVID-19 framework guides the global operating model entities' (OMEs) response plans to reduce risk exposure. Consideration is given to OME specific risk profiles, including occupational workplace risks and legal requirements applicable in the specific jurisdictions in which the OME operates. The key elements of the framework include:

- Protecting the workforce;
- Supporting fenceline communities;
- Managing the business;
- Engaging with organised labour, and
- Collaborating with stakeholders.

Fundamentals of Sasol's COVID-19 response

- Leadership takes accountability;
- COVID-19 specific workplace risk assessments are conducted and controls implemented;
- Vulnerable and high risk employees are supported with extra care;
- Working from home applies where possible, considering business continuity;
- Social distancing is maintained;
- A face mask is worn as required by the respective OME jurisdictions;
- Workplace hygiene practices are in place with frequent washing of hands or the use of available hand sanitisers;
- Workplace disinfection and sanitation programmes are in place;
- A workplace disease surveillance programme is in place, enabling COVID-19 screening and testing;
- A disease management programme is in place for suspected and infected cases; and
- Employees are informed and educated on COVID-19 and the associated workplace protection measures to nurture safe and considerate behaviour.

Our communities

Working with a broad range of social partners within our fenceline communities, our response efforts are focused on equipping and supporting those at the frontlines of the pandemic and those who are most at risk of infection.

Sasol's integrated response to COVID-19 re-prioritised our planned social activities in the last quarter of the financial year. This enabled us to respond positively to the crisis and to assist our fenceline communities in maintaining stability, safety and awareness.

Sasol's COVID-19 response in our communities

Donating preventative hygiene and medical supplies

- Fast tracked the production of a new unique alcohol blend, which is safe and suitable for the manufacturing of disinfectants and hand sanitisers, thereby increasing the donation of hand sanitisers to the South African and Mozambican communities and local hospitals.
- Approximately 240 000 litres of sanitiser was donated in South Africa and 60 000 litres in Mozambique to communities, hospitals and government to reduce the spread of COVID -19 infections. In South Africa, partnered with AngloGold Ashanti and Imperial Group to supply in bulk hand sanitiser to the staff and patients of the major Gauteng provincial hospitals - Chris Hani Baragwanath Academic, Charlotte Maxeke Academic, Helen Joseph, Leratong and Nelson Mandela Children's hospitals.
- Donated HazMat suits, hand sanitiser and hand soap to local government representatives who formed the COVID-19 tracer teams in the Secunda community in South Africa.
- Supported the Fezile Dabi District, Free State, Department of Health, South Africa, with a donation of 2 700 FFP2 masks, 30 700 pairs of surgical gloves and 672 coveralls for use by healthcare workers.
- Together with Sonatrach we donated state -of-the-art emergency medical equipment for use in intensive care units at the Muscatello hospital, in Augusta, Italy.

Health facilities

- Donated six multifunctional containers to the Provincial Health Department in Temane, Mozambique, to be used for consultations or additional hospital beds and facilities.
- Supported Provincial Departments of Health by providing three mobile science laboratory vehicles (one in Sasolburg, one in Gauteng and one in Secunda) to assist staff, community with screening and testing campaign. Two additional vehicles were made available to help with COVID 19 staff transportation in the Secunda area, as well as 2 560 litres of fuel for these vehicles.
- Donated mobile accommodation and diesel generators for the operations of the South African National Defense force and South African Police services in Secunda during the National lockdown in South Africa.

Education and awareness

- Delivered about 400 000 awareness and educational materials on COVID-19 in South Africa and Mozambique in relevant local languages within our fenceline communities.
- 250 000 learners reached through the various online learning platforms to date including partnerships between Sasol Foundation, the Department of Basic Education (DBE) and Africa Teen Geeks to provide free online and interactive Science, Technology, Engineering and Mathematics (STEM) learning in South Africa.

Pledges and donations

- Donated over 900 000 litres of jet fuel, which was utilised by South Africa's national airline, South African Airways, for the repatriation of stranded people. Approximately 1 300 South African citizens were direct beneficiaries.
- Pledged US\$100 000 in Southwest Louisiana, US towards COVID-19 relief efforts, with an emphasis on supporting front-line emergency responders, healthcare professionals, educators and food service providers.
- Through our employee humanitarian support programme, Sasol for Good, R61 000 was raised by employees to various causes to fight the COVID-19 spread and give to those who are in need.

SAFE AND ENDURING OPERATIONS

Importance to Sasol

Safe, reliable and enduring operations are critical to value creation, supporting our strategy. We work to build a strong, safety culture within Sasol and strive to reduce risks and minimise the potential impact of any incidents.

In this section

- Occupational safety and high severity incident programme
- Labour management
- Occupational health and wellbeing
- Human rights
- Ethics
- Process safety
- Enduring operations
- Product stewardship

Our approach

Zero harm remains our top priority. We aim to achieve this by:

- Eliminating fatalities and high severity injuries;
- Implementing our HSI programme;
- Maintaining a stable labour environment, building leadership capacity and an enabling organisational culture and diversity;
- Integrating occupational health and well-being;
- Upholding the human rights of all people through our Human Rights Policy;
- Promoting high ethical standards and combatting corruption throughout our sphere of influence by applying our Code of Conduct;
- Maintaining safe, reliable, and enduring operations and having programmes to prevent fires, explosions and releases (FERs) through our Process Safety Management (PSM) Framework;
- Limiting the safety, health and environmental (SHE) impacts of our products; and
- Maintaining reliable and safe operations through our Operations Management System (OSM) to minimise operational interruptions and create sustainable value.



Implementation of our Women Empowerment Programme and fit-for-purpose programmes progressed well, resulting in improved female representation across all layers of the organisation - specifically in senior leadership.



Refined our Employee Wellbeing programme to shift focus from reactive disease and health management, to proactive care aimed at identifying factors that have a direct impact on overall labour stability, employee wellbeing and productivity.



We do not tolerate any form of prejudice or unfair discrimination in any of the jurisdictions within which Sasol has presence and we continue to value diversity and inclusion.



Doing business on the basis of fair, lawful, efficient and transparent practices.

What are we doing

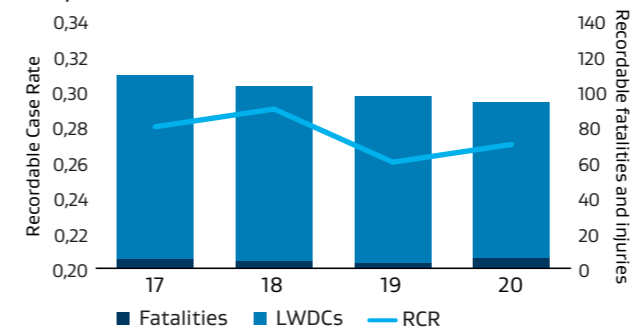
We conducted a critical review to better understand the effectiveness of our HSI programme. While we acknowledge that our operations were interrupted during lockdown regulations, we experienced six fatalities this reporting period. Our HSI review demonstrated the need to refocus on certain performance areas including but not limited to:

- Behaviour as it relates to operational discipline and adherence to our Life Saving Rules (LSRs);
- Adequate risk management with respect to the quality of our Pre-Task Risk Assessments (PTRAs) and critical control identification and implementation;
- Review of procedures for task execution;
- Aligning training and competency of individuals with requirements; and
- Institutionalising lessons learnt from previous incidents.

An in-depth analysis of our process safety incidents highlighted that organisational, workplace and individual factors contributed to the observed FERs. The analysis revealed that heightened operational discipline is required and that we need to strengthen our risk management and communication in the multi-disciplinary project teams. This is being addressed across our operations.

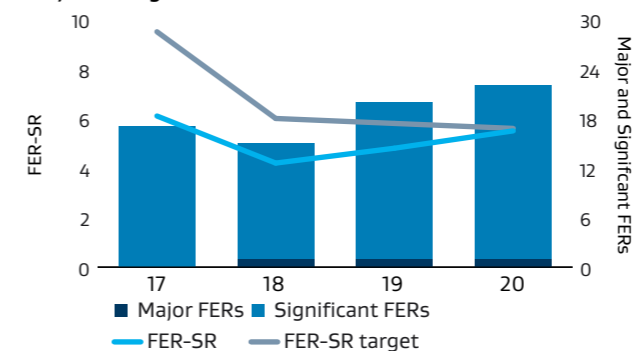
Performance

RCR, fatalities and LWDCs



- We experienced six tragic fatalities in the Group in 2020 and completed the related incident investigations to determine the root cause. For all incidents we apply learning to reinforce safe behaviours.
- Our recordable case rate (RCR) has regressed slightly from 0,26 to 0,27 over the 12 month reporting period.
- We achieved our lost work day case (LWDC) rate target of 0,11. Our plateauing RCR is a reminder to constantly keep the mind-set of zero-harm.

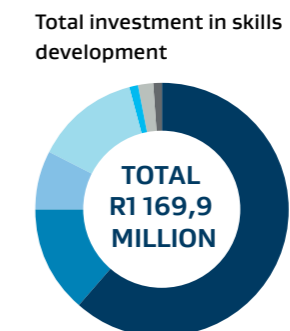
Major and significant FERs and FER-SR



- The FER severity rate (FER-SR) was at 5,5 at the end of June against a target of 5,6 and it had increased when compared to 2019. This was mainly due to an increase in the number of low severity incidents experienced throughout Sasol sites as a result of increased reporting and addition of new operating facilities. The actual number of FERs was above our intended target of less than 16 with 23 occurrences in 2020.
- To develop and sustain a pipeline of future talent, we continued to invest significantly in critical skills and capability development. In 2020 we invested R1,17 billion in

skills development, which includes our employee training and development, bursaries, graduate development and learnership as well as our apprenticeship and internship programmes.

- On average, 80% of learnerships are permanently appointed within Sasol operations upon completion of their training. Unemployed youth from our fenceline communities comprise 98% of beneficiaries of our bursary, learnership and internship programmes.
- Female representation in our bursary and artisan learnership pools is at 53% and 35% respectively.



- Employee training and development **R537,8 million**
- Bursaries **R118,3 million**
- Graduate development programme **R117,3 million**
- Learnerships **R356,6 million**
- RSA YES programme **R13,6 million**
- Employee study aid **R11,6 million**
- Technicians and inspectors in training **R14,7 million**

- Our employees and service providers are regularly screened for lifestyle diseases including hypertension, cholesterol and diabetes.
- Our occupational diseases have increased in 2020, with 16 cases of work related musculo-skeletal disorder from the Base Chemicals production area in South Africa. An ergonomics management plan is being actioned to address these, aligned with the regulatory requirements.
- Due to the enforced COVID-19 related lockdown and lower product demand where we operate, our operations have been impacted as follows:
 - Deviated from production plan and operated at 75% of capacity at our Secunda operations during the lockdown period.
 - Since lockdown restrictions were eased Natref resumed production at the end of June and will ramp up to full capacity as jet fuel demand increases.
 - Sasol used the period of lower production during lockdown to bring forward its planned September 2020 maintenance shutdown at SSO.

Occupational safety and high severity incident programme

Safety is a way of life and a top priority, where zero harm is possible through committed leadership, engaged people, teamwork and dedicated focus. Sadly, people still get injured on the job. Safety awareness therefore has to remain a focus in order to embed a stronger safety culture in every employee and service provider.



Our approach to occupational safety

Pursuing Zero Harm by proactively eliminating fatalities and high severity injuries is a priority for Sasol. The six fatalities which we experienced during the year are terrible losses which we mourn. These are simply not acceptable and occurred despite the considerable work over the years to reinforce safe behaviours. We are applying all learnings from these incidents to make certain they are not repeated. We retain our focus on safety discipline and adhering to our Life Saving Rules at all times. Our own safety, and that of colleagues, depends on it and we all want to go home safely at the end of each day.



- Striving to achieve zero harm in all of our operations through improved process and the application of our safety risk management procedures.
- Implementing rigorous critical control management and assurance.
- Continuous lessons learnt management and process improvement.



HSI | Sasol has developed a high severity incident programme to eliminate fatalities and reduce high severity injuries. Discover https://youtu.be/M_-5kEAV6ik

Targets	Zero fatalities	Recordable case rate (RCR) of 0,26	Lost workday case rate (LWDCR) of 0,11
Performance	Six tragic fatalities occurred. The CEO and senior leadership have become even more involved in root cause investigation process to facilitate the implementation of learning throughout the organisation.	The RCR is 0,27 for 2020 compared to 0,26 for 2019.	The LWDCR is 0,11 for 2020 compared to 0,10 for 2019.

Fatality and High Severity Injury Elimination Taskforce

Given the resolve to find ways to ensure zero harm becomes a reality, in 2020 we established a Fatality and High Severity Injury Elimination Taskforce at Mining. We identified four focus areas:

- SHE Risk Management
- SHE integration into planning
- Operational Discipline
- Safety Leadership Development

Mining has also appointed DuPont Sustainable Solutions (DSS) to assist with a more focused approach to enhance safety leadership capabilities, address key risks across areas, integrate risk management into processes and drive desired behaviours through discipline. The first wave of the programme began in January 2020 and was planned for implementation over 10 months. However, the programme was suspended during the lockdown until August 2020 when it will be resumed and continue to January 2021.

Proper planning and risk assessments for tasks – before, during and after work – remains key. Retaining this discipline is essential while we orientate ourselves towards a “new normal” of managing daily life and the constraints of staying safe in a post COVID-19 world. Our leaders continue their efforts to really connect with teams at the beginning of a shift or job, checking in and understanding team member challenges and mindsets. At Sasol, we believe that this is vital, so that safety takes on the face and name of each one of us at work.

HSI Focus areas



UNDERSTANDING AND INFLUENCING HUMAN BEHAVIOUR

Behaviour Transformation (BT) is integrated into human resources and wellness functions to align interventions such as leadership training and development, wellness support after incidents, and frontline supervisor training. Our focus is to encourage further collaboration between these functions to better understand and influence human behaviour. We are developing new training modules aimed at making future ways of working more safe.



PRE-TASK RISK ASSESSMENT, IDENTIFICATION AND FIELD VERIFICATION OF CRITICAL CONTROLS

Pre-task risk assessments (PTRA) have been standardised and rolled out specifically to first line supervisors and the teams that perform pre-task functions in our operating model entities (OMEs). The PTRA take into account the risk profile, applicable Life Saving Rules and learnings from previous incidents. These assessments are aimed at creating awareness of the emotional state of mind of the teams before a task is executed. Verification of required critical controls is performed by middle to senior management.



SASOL LIFE SAVING RULES (LSRs)

We integrated the 12 LSRs with the five HSI focus areas, with guidelines developed for the risk owner, control owner and control executor.



INSTITUTIONALISING LESSONS LEARNT FROM PREVIOUS INCIDENTS

Sasol is driving a standardised approach to develop, communicate and embed learnings from actual and potential high severity injuries and near misses to eliminate and prevent repeat incidents. BT focus groups will be conducted at a control executor level to support the learning modules that are being developed.



ADDRESSING LOSS OF PRIMARY CONTAINMENT

The intent is to reduce the risk of loss of primary containment from errors caused by people; inadequate systems or processes; inadequate equipment integrity; and process changes. This focus area is anchored on the 12 Process Safety Fundamentals which are aimed at strengthening the process safety culture. Operational teams are enabled to identify, understand and practically manage any threats to the integrity of the process safety controls. We embrace a sustainable zero harm culture as a way of life and aim to achieve this through the implementation of a standardised approach regarding the prevention of loss of primary containment across all Sasol sites. This includes the provision of enablement toolkits that encourage the correct behaviour when managing operational risk.

HSI reviews at operating model entities (OMEs)

During 2020, we continued with the OME reviews to determine the effectiveness and maturity of the HSI programme. Our CEO-led introspection sessions were supported by group-wide safety engagements. These focus on creating a safety climate in the operations, and driving a mindset of “safety because we care”. Through visible leadership, our leaders are taking personal accountability for the effectiveness of the HSI programme, including service providers. We used HSI toolkits to measure how the programme supports and enables the OMEs' performance requirements.

After reviews were conducted by several of our OMEs, we are paying specific attention to the following focus areas related to our HSI programme:

- Behaviour as it relates to operational discipline and adherence to our Life Saving Rules (LSRs);
- Adequate risk management with respect to the quality of our Pre-Task Risk Assessments (PTRAs) and critical control identification and implementation;
- Review of procedures for task execution;
- Aligning training and competency of individuals with requirements; and
- Institutionalising lessons learnt from previous incidents.

Human Capital: Labour management

Attracting, developing and retaining high performing people is fundamental to creating value. We are committed to offering a compelling employee value proposition fostering positive relationships with our employees, developing our leadership capacity, promoting a culture of diversity and developing talent and critical skills.



Our approach to labour management

We have a global human resources (HR) team that delivers fit-for-purpose solutions to enable business performance. HR management is executed through our five key focus areas:

- Labour stability and employee productivity
- Leadership capability and capacity
- Global talent development
- Critical skills supply to sustain existing asset base and enable business growth
- Organisational culture and diversity

This is enabled by standardised policies, processes, analytics, governance and technology enablement, overall intended to deliver an attractive employee value proposition.



- Globally, 65% of our employees are currently members of trade unions or works councils.
- 80% of our learner artisans trained through the Skills Academies are permanently appointed within Sasol.
- R118,3 million investment in bursaries to build our critical skills pipeline.
- Our leadership approach is reviewed continuously to define a leadership style that drives the acceleration of our culture transformation.
- Implementation of fit-for-purpose programmes across the organisation such as our Women Empowerment Programme.



Sasol Khanyisa | Sasol's Broad-Based Black Economic Empowerment ownership structure that holds a 25% direct and indirect shareholding in Sasol South Africa Limited (SSA). Discover <https://www.sasolkhanyisa.com>

Delivering a compelling employee value proposition

In responding to the shortfalls identified in our Quality of Life survey conducted in 2018, we placed focus in South Africa on assisting employees through the Sasol Cares programme. Sasol Cares Cycle 2 was successfully implemented and well received by our employees and trade unions, with the following elements and options:

- **Education Support**, School Bag and Stationery options provided employees with assistance with school fees and/or tertiary education costs as well as a stationery packs. 8 011 employees chose this option with 9 928 beneficiaries receiving the benefit of a contribution towards school fees. We also distributed 5 684 school bags.
- **The Sasol Share Savings Plan encouraged employees to save towards long-term goals through the purchasing of units in our Share Savings Plan.** 10 504 employees chose this option. 3 881 employees also opted for retirement support. During Cycle 2, more employees opted for the Share Savings and Retirement Funding options
- **Sasolmed Support provided employees with assistance towards "out-of-pocket" medical expenses not covered by our medical aid scheme.** 420 employees chose this option.
- **Money Matters recognised that employees are struggling with high debt and this programme provided practical assistance and support towards managing debt.** 2 750 employees participated in the Money Matters programme for focused assistance in managing debt.
- **Home Ownership was introduced to assist employees towards acquiring their own homes.** 364 employees selected home ownership support for purchasing their first home.
- **In Mozambique, focus was on enhancing the Medical Aid and the Home ownership schemes.** Work also started on the Maputo office relocation. In the US, we offered support towards Disaster Recovery Loans after the natural disasters.

Our employees indicated their appreciation of the Sasol Cares programme on them and their families. Unfortunately, in 2020, Sasol Cares Cycle 3 has been suspended due to the impact of COVID-19 on Sasol's financial position, however, may be resumed as soon as the financial situation allows.

Labour stability and employee productivity

Maintain stable labour environment and strengthen employee engagement to improve productivity

We uphold our basic responsibility to people and planet, and in turn ensure long-term business success. Our organisational sustainability is anchored on our values and principles-based approach to doing business. By incorporating the UN Global Compact Principles into our business policies and procedures, we establish a culture of integrity. We have formal policies, procedures and conditions of employment that regulate all our employment relationships and we adhere to and comply with all local forms of employment law in countries within which we operate. Our compliance in this regard is strengthened by local employee hand books, policies and the display of relevant codes of conduct.

At Sasol, entry-level salaries are determined by the Company and negotiated through collective bargaining structures and further enhanced by value-added benefits aligned with our employee value proposition. In all sectors our minimum wage is higher than what is generally considered a living wage in the geography or location.

To protect collective bargaining interests we continue to recognise and respect the right to collective bargaining as per the trade union recognition agreements entered into. In this regard, we maintain constructive relationships with all recognised trade unions and works councils in all the countries in which we operate. According to applicable labour laws, these key stakeholders retain consultative or negotiating powers on issues of mutual interest. To ensure that these rights promote and enable us to realise decent working conditions, we regularly review and update our policies and procedures in line with business, legislative requirements and key conventions of the International Labour Organisation (ILO).

To maintain a stable, productive and engaged labour force, we continued to

- review and improve components of our employee value proposition aligned to socio-economic trends and remuneration instruments across geographies in which we operate; and
- strengthen our efforts around our employee safety, wellbeing, engagement and morale in light of the COVID-19 pandemic and its unprecedented impact on the macro economic environment globally.

Leadership capability and capacity

Develop leadership capability and capacity to drive business performance and culture transformation

To build critical leadership bench-strength we continued placing emphasis on leadership development methodologies, coaching and mentoring.

We strengthened our leadership capability by:

- Continued roll out of Leadership Masterclass series to support all leaders across the group focusing on areas such as constructive dialogue, communicating in challenging times and climate change and sustainability
- Our Sasol LEAP programme for emerging leaders continued with the 2016 and 2018 intakes. The current gender make-up of the LEAP candidates recruited is 50% females. Through LEAP, we continue to identify and develop our high potential individuals into senior leadership roles through focused, integrated and accelerated talent development, career planning and mobility. This programme is a two- to five-year career development programme that gives exposure to different roles across our business, supported by formal learning and mentorship; and
- The Frontline Leadership Development Programmes continued to strengthen frontline leadership capability across Sasol with modules emphasising safety, culture and team leadership. The Sasol Management Academy enables leaders to develop the desired leadership behaviours and competencies from an awareness level through to proficiency in leadership practices.

Global talent development

Build a diverse base of global talent to enable business strategy

Our reviewed talent management process drives the building of our leadership capability and talent bench-strength for the sustainability of our current, and future business. Our succession management approach is designed to enhance career development opportunities for emerging leaders, to drive greater employee engagement and retention of our top talent.

One of the core focus areas of our succession management remains the mobility of talent between our business entities to develop requisite competencies. Our leadership succession pools have a target cover ratio of 2:1: i.e. 2 successors identified per leadership position. Diversity of our successors and talent pool is a key consideration.

Through our Talent Forums, we continued to identify potential successors to senior leadership. We also mapped key roles and scarce skills through our integrated talent management process as well as monitored various key talent indicators such as employee turnover and talent readiness within key talent segments. Mitigating tools include development assessments and interventions as well as using retention measures.

Critical skills supply to sustain existing asset base and enable business growth

Developing a diverse talent pipeline of critical skills to sustain a resilient organisation of the future

To develop and sustain a pipeline of future talent, we continued to invest in critical skills and capability development to enable the sustainability of our business. In 2020 we invested R1,2 billion in skills development, which includes our employee training and development, bursaries, graduate development and learnership as well as our apprenticeship and internship programmes. We continue to build and sustain technical and operational talent pools through the bursary and learnership programmes. On average, 80% of learnerships are permanently appointed within Sasol operations upon completion of their training.

Through our Talent Forums, we identify future skills required to enable our business strategy and develop a human capital plan to address any skills gaps.

We have strategic partnerships in place to build a broader pool of skills in areas in which we operate. In South Africa, we have partnerships with local Technical and Vocational Education and Training (TVET) colleges, with the support of the Chemical Industries Education and Training Authority. These colleges provide vocational training for chemical operations processes and maintenance trade qualifications (mechanical, instrumentation, electrical, boiler making, welding and turning).

In Mozambique, we established a three-year learnership programme at the Central Processing Facility (CPF). In Europe, we have well established and recognised apprenticeship and graduate programmes in place. In US, the Louisiana Economic Development department, the local university and technical college remain key partners supporting the talent and learning requirements for our operations.

Sasol, as a signatory to the Chief Executive Officer (CEO) Initiative, committed to supporting efforts aimed at building an inclusive South African economy. To this end, Sasol is supporting the YES (Youth Employment Service) Programme, as part of the CEO Initiative and 1 000 YES positions were committed over a four year period. Since the official launch of the Sasol YES programme on 1 July 2018, 533 YES Learners to date have been employed with 95% of these recruited from Sasol's fenceline communities.

Organisational culture and diversity

Enable culture transformation towards a diverse, inclusive and resilient organisation of the future

At Sasol, our vision, purpose, values and culture commitment is one of non-discrimination, and to foster diversity by ensuring that our workplaces globally are inclusive, fair, open, flexible and supportive. As a company, we do not tolerate any form of prejudice or unfair discrimination in any of the jurisdictions within which Sasol has a presence. We continue to value diversity and inclusion. Sasol commits to:

- eliminating all forms of prejudice and discrimination (e.g racial prejudice, harassment and all other forms of prejudice) at every level of the organisation including our stakeholders;
- growing an inclusive organisational culture supported by practices that promote human rights and dignity;
- taking an affirmative stance towards diversity and inclusion in all Sasol policies and interventions;
- ensuring that all perceived violations are considered as serious transgressions and dealt with in a manner that is fair, expeditious and free of re-accusation; and
- safeguarding our global policies, procedures, systems, and practices to eradicate all forms of discrimination and harassment. As such our remuneration policy also places emphasis on equal and non-discriminatory reward practices.

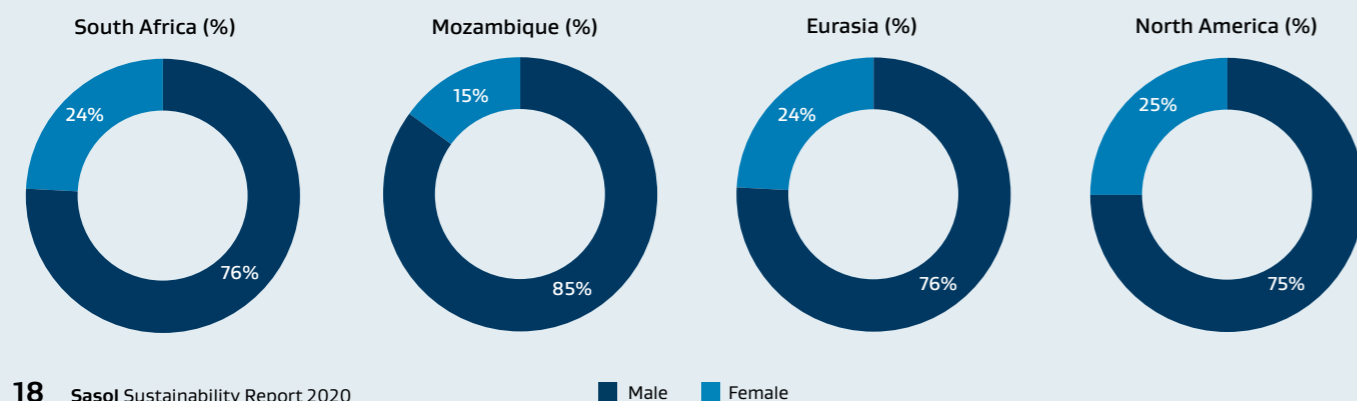
Our Sasol leadership is a critical enabler of our Sasol culture journey. Therefore, our organisational culture journey continues to promote values-driven management and leadership behaviours. In 2020, we continued with our focus on the following:

- Accelerating our culture transformation journey by implementing Heartbeat 2019 action plans, enhancing current interventions, strengthening capabilities to accelerate transformation specifically within our Group Executive Committee and leadership structures.
- Rolling out of key interventions, including leadership coaching and dialogues; and Living the Sasol Values (LTSV) workshops to create awareness and provide opportunity for inclusive and constructive dialogue on our values.

- Equipping 2 368 leaders across Sasol with the desired leadership style and behaviours to lead and implement our Sasol strategy, values and further embed our culture by exposing leaders to multiplier behaviours and Diversity and Inclusion workshops in the LEAD Sasol programme.
- Conducting pulse surveys across various operations globally to understand employees' views, concerns and effect appropriate intervention. The Leadership 180° tool (rolled out to all executive leadership with plans to extend to the rest of the organisation) aims at providing leaders with feedback on their Sasol values and culture shifts behaviour.
- Reviewing and approving key policies or policy statements to enhance our culture transformation efforts and the subsequent introduction of a leadership review panel to provide assurance on and strengthen the Sasol disciplinary code and processes.
- Emphasising women representation across all layers of the organisation particularly on senior leadership layers. Women representation at vice president and senior vice president layer increased by 11.
- Driving employment equity (EE) and Broad-Based Black Economic Empowerment (B-BBEE) goals in South Africa and continuing our commitment to localisation in Mozambique, where over 95% of employees are Mozambicans in line with our Mozambique local content goals.
- Our diversity-10-point-plan which provides a set of qualitative measures designed to enable the achievement of our diversity objectives, including the recruitment, development and retention of candidates from under-represented groups as well as measures to enhance gender equity in South Africa. In this regard, we are further enhancing our diversity and inclusion focus, by specifically redefining our global diversity and inclusion approach, with more emphasis on inclusion.

Global gender and diversity profile

Global representation, including management



South Africa gender and race profile

Occupational level	Male				Female				Foreign nationals		Total
	A	C	I	W	A	C	I	W	M	F	
Top management	6	4	4	13	5	0	3	2	0	0	37
Senior management	150	22	110	465	57	14	36	116	13	4	987
Middle management	915	119	254	1 266	643	78	210	627	45	16	4 173
Junior management	5 407	271	280	3 008	1 702	195	150	1 054	29	9	12 105
Semi-skilled	6 664	141	87	692	1 550	70	17	166	154	2	9 543
Unskilled	595	7	1	87	176	8	0	8	5	0	887
Total permanent employees	13 737	564	736	5 531	4 133	365	416	1 973	246	31	27 732
Non-permanent	19	2	1	9	26	4	2	7	0	0	70
Total including non-permanent employees	13 756	566	737	5 540	4 159	369	418	1 980	246	31	27 802*

A: African C: Coloured I: Indian W: White
* Assured by Deloitte - refer to page 76

Occupational health and wellbeing

Sasol follows an integrated approach to occupational health and wellbeing, where international best practices are appropriately applied. Emphasis on continuous improvement of occupational health performance drives our goal of zero harm.



Our approach to occupational health

Occupational health is strategically supporting the organisation through:

- A governance framework setting uniform standards for occupational health and wellbeing services, delivered by competent and skilled healthcare professionals;
- Optimally integrated management of occupational health and wellbeing; and
- Integrated risk-based health management systems with the emphasis on a health risk reduction methodology.

Our occupational health perspective includes:

- Management of exposure to physical, chemical, biological and ergonomic factors; Prevention of occupational diseases and injuries; Prevention of excessive workload and work-life balance constraints; and
- Promotion of health and workability, rehabilitation and return-to-work as well as first aid and curative services.

Focus areas

All Sasol operating model entities implement and align their occupational health services according to Group requirements, consisting of the following functional areas:

- **Occupational medicine:** preventing and managing occupational and work aggravated illnesses and lifestyle diseases through medical surveillance programmes, primary health care, injury on duty management and rehabilitation;
- **Occupational hygiene:** identifying occupational health hazards and advising on the implementation of preventative controls and work practices to eliminate or mitigate exposures in the workplace;
- **Integration with wellness:** ensuring a holistic approach to health and wellbeing of our employees and employees of service providers;
- **Medical emergency response:** providing a standard approach for responding to medical emergencies;
- **Environmental health:** describing the health impacts of Sasol operations within the surrounding communities; and
- **Service provider health delivery:** following an aligned approach to that of Sasol for the employees of service providers.

The following key performance measures apply:

Leading and lagging key performance indicators (KPIs) are defined for each functional area. The KPIs are reflected in an integrated health performance profile. To achieve sustainable and long-term health and wellbeing, continuous improvement initiatives are developed and implemented.



Our various chronic disease management programmes support high risk individuals to remain fit for work. An outcome based approach allows for unique wellbeing interventions to be implemented which include, but are not limited to specialist interventions and short-term counselling sessions through our Employee Assistance programme.



In South Africa, Sasol employees and service providers are subject to lifestyle diseases screening, including hypertension, cholesterol, diabetes and HIV disease.

Performance

Our occupational diseases have increased in 2020, with 16 cases of work-related musculo-skeletal disorder were reported from the Base Chemicals production area in South Africa. An ergonomics management plan is being actioned to address these, aligned with the regulatory requirements.

Historic risk management approaches and the latency factor between risk exposure and the onset of disease play a role where the benefit of deployed engineering, administrative and personal protective equipment controls to prevent future occupational diseases from occurring, may only be realised in later reporting periods.

We continue to:

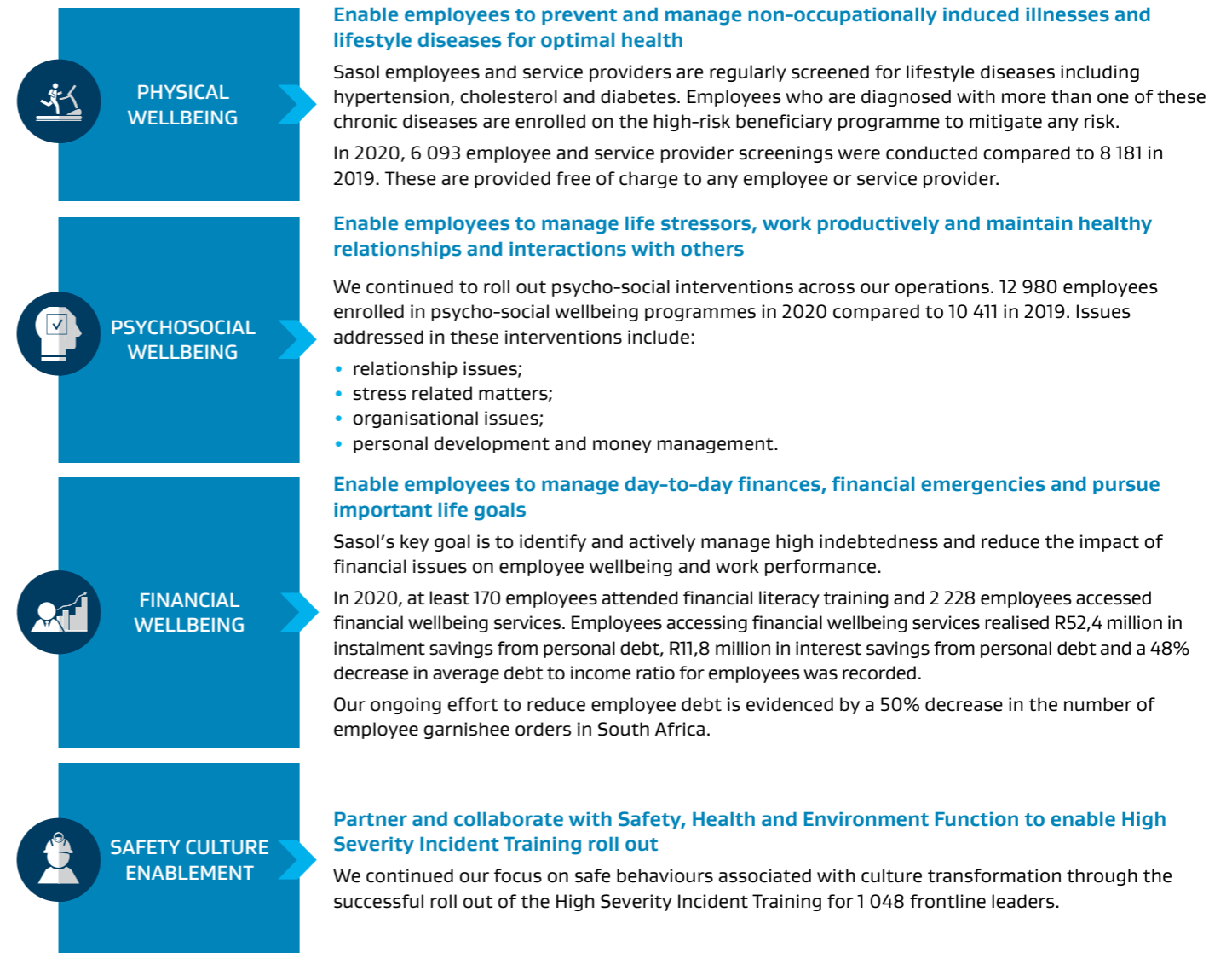
- identify and monitor non-reportable work-related noise induced loss of hearing cases;
- closely monitor occupational and biological exposure for potential and known exposure to identified carcinogens and teratogens within the petrochemical environment;
- improve our diagnostic screening capabilities in our medical centres; and
- research effective measures to eliminate and reduce occupational health risk in the workplace.

	2020	2019
Statutory reported occupational diseases	77	66
Occupational disease incident rate (ODIR)	0,095	0,070
Incidents of work-related noise induced hearing loss	34	34
Mining occupational diseases	37	38
Irreversible lung disease	22	31

Delivering a fit-for-purpose wellbeing solution to all our employees

Employee wellbeing at Sasol continues to be one of key enablers of a stable employment environment and a productive and engaged labour force across all our operations. In 2019, our Employee Wellbeing programme was refined to shift our focus from reactive disease and health management, to proactive care aimed at identifying and addressing other social and environmental factors that may have a direct impact on overall labour stability, employee wellbeing and productivity. This shift has been well received by employees with a notable uptake on various implemented wellbeing programmes.

Our approach to wellbeing encourages employee-centric support where we attempt to assist colleagues at first contact. We continuously ensure that managers are better capacitated with skills to identify and appropriately manage wellbeing issues in the workplace. The aim is early identification, referral and management of employee wellbeing concerns. The implementation of the programmes listed below is aimed at delivering the following service improvements: improved employee wellbeing and line manager wellbeing support, improvement in service response times, expansion of services, realisation of economies of scale and scope, increased utilisation of wellbeing services and reduction in absenteeism.



We continued to facilitate confidential analysis of medical aid engagements for trends to inform accurate wellbeing interventions. As part of our holistic approach to employee wellbeing, we offer short term counselling sessions through our Employee Assistance Programme to assist employees on managing life stressors, work productively and maintain healthy relationships and interactions with others.

Human rights

We are committed to enhancing disclosure of our human rights practices. Our analysis and new programme ensures that we make our commitment to uphold human rights more visible in our policies and publications.

Our approach to human rights

- **Respect for human dignity and rights of all people** is critical for the sustainability of our business.
- **We respect, uphold and protect human rights, and conduct business based on fair, lawful, efficient and transparent practices.** Our approach is premised on compliance with applicable legal requirements in all the jurisdictions in which we conduct our business, including on child labour and the abolishment of modern slavery and human trafficking. Our compliance programme in all the jurisdictions in which we operate is a key enabler in this regard.
- **Our commitment to uphold the human rights of all people is captured in our Code of Conduct and Human Rights Policy** read with our Supplier Code of Conduct, SHE Policy, Sasol Security Policy and various policies and practices related to labour and employment.
- **We aim to avoid adverse human rights impacts, abuses or violations in any of our business activities** and through our relationships, including with employees, communities, joint venture and business partners, suppliers and service providers within our sphere of influence.
- **Our Code of Conduct and Human Rights Policy were revised during 2020 to strengthen our commitments** and approved by the SSEC.
- **Our Human Rights Framework was accordingly also approved and incorporates the International Bill of Human Rights, the Ten Principles of the United Nations (UN) Global Compact and the UN Guiding Principles on Business and Human Rights.** Our framework supports that our human rights due diligence processes are aligned with the above. Sasol's human rights risk profile has been reviewed and we have embarked on a programme to demonstrate that human rights risk management is embedded in our group-wide Enterprise Risk Management programme.
- **We also subscribe to and endorse the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work and the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises** (when operating in areas or countries with high levels of conflict, poor human rights records or weak governance) as well as the UN conventions that address specific populations or issues.
- **Our Executive Director and Executive Vice President: Advisory, Assurance and Supply Chain is responsible for business and human rights in Sasol.** His 2020 performance scorecard included responsibility to deliver a revised framework and human rights policy in the 2020 financial year. His goals included the enhancement of Sasol's disclosures in relation to human rights as measured by various surveys. A Senior Vice President manages a Centre of Expertise in Sasol to provide functional direction to the Sasol group on human rights, with individual Senior Vice Presidents supporting the implementation and application of actions to advance and uphold human rights in their areas of responsibility.

Focus areas

- Sasol only enters into business relationships with parties that act with integrity and are aligned with our seven values that serve as the foundation of our Code of Conduct.
- Our Supplier Code of Conduct requires our suppliers to act ethically and comply with all applicable laws and regulations, as well as uphold fundamental human rights and fair labour practices.
- Awareness of our Code of Conduct and Human Rights Policy is maintained through focused, direct communication on the Sasol website and through our supplier network and management structures.
- We aim to identify and manage human rights related risks and to remedy any violations caused or that we may have contributed to. A risk-based approach that includes consideration of human rights and community impact issues is applied towards our current and future projects in line with international standards.
- Due to the nature, location and scale of our activities the most prevalent human rights issues for Sasol relate to the communities near our operations. We minimise negative effects on local communities as informed by due diligences or impact assessments.
- These are addressed, among others, in our SHE, product stewardship, supply chain and security practices, and monitored by our operations with support from our corporate affairs teams.
- We provide grievance mechanisms and ensure that human rights concerns and complaints are appropriately investigated and reported on.
- We engage with and disclose to our stakeholders our approach and performance in a transparent manner.

Ethics

Promoting high ethical standards and combating corruption throughout our sphere of influence is an important part of our drive to deliver social value through our core activities.



Our approach to ethics

- Sasol, as a signatory to the United Nations Global Compact, has our organisational sustainability anchored on our value system and principles-based approach to doing business.



Performance

The typical nature of ethics calls received related to allegations of appointment irregularities, dishonesty, discrimination, abusive or disrespectful behaviour.

During 2020, 470 calls were made to the Ethics line, many of which had multiple allegations of ethical breaches.

- The Group Ethics Office ensures that appropriate corrective actions are taken on ethical transgressions.
- In 10 instances the investigations resulted in service terminations. These related to behaviour such as bribery and corruption, conflicts of interest, intimidation and victimisation, fraud and misrepresentation, and falsification.
- A total of 26 allegations resulted in suspensions, verbal, written, serious and final warnings.

WHISTLEBLOWER PROTECTION

Sasol offers employees and third parties the opportunity to make disclosures via its Ethics Line, to its Group Ethics Office or via the trained Sasol Ethics Officers. The Ethics Line is a confidential and independent system through which any person can report suspected transgressions of the Code of Conduct. The Ethics Line is operated as a toll-free line in South Africa, USA, UK, China, Singapore, Germany, Mozambique, Canada and Italy, and callers are assisted in the local language of their choice, including English, Afrikaans, Zulu, Sotho, Xhosa, Pedi, Venda, Tswana, SiSwati, Ndebele, Tsonga, Mandarin, Portuguese, Italian and German.

MANAGING CONFLICTS OF INTERESTS

We continuously raise awareness on our conflicts of interest policy through training and awareness campaigns. Awareness creation related to conflicts of interest is part of the on-boarding training provided to all new Sasol employees so that actual, perceived or potential conflicts of interest can be identified upfront and appropriately managed.

Declarations of conflicts of interest are either made in the Sasol Declaration System or manually in jurisdictions which do not have access to the Sasol Declaration System.

MANAGING GIFTS AND ENTERTAINMENT

To reduce possible fraud or corruption by Sasol staff and trading partners, and adhering to Prevention and Combating of Corrupt Activities Act all gifts offered by Sasol or received by Sasol which are above the agreed thresholds or which may create a conflict of interest must be pre-approved and formally disclosed in the Sasol Declaration System (or manually where there is no access to this system).

Sasol, through the Group Ethics Office, or via compliance officers, will dispose of gifts that may not be retained by the receiving employee.

Focus areas

We made progress on the following:

- Ethics culture surveys are conducted through external parties so that we continuously monitor how we are operating in ways that fulfil fundamental responsibilities in the area of human rights and employee culture.
- Various interventions like "Women in Operations" and sexual harassment awareness workshops are being implemented across the organisation as educational and corrective measures on both ethics and grievances.
- Ethics Officers are appointed per OME by the respective Senior Vice Presidents. The role of Ethics Officers is to promote the advancement of ethics as well as ensure proper and adequate investigation into unethical conduct.
- In June 2020 Sasol adopted a new Whistleblower Policy which sets out Sasol's commitment to protecting all stakeholders who, in good faith, report unethical conduct and alleged human rights abuses. This policy is intended to encourage all stakeholders who have dealings with Sasol to make reports on unethical conduct without fear of reprisal.
- Anti-Bribery, Anti-Trust and Competition Law training interventions are provided on an annual basis to a predetermined target audience of employees which is linked to the risk profile of the various positions and roles within Sasol. An assessment aimed at testing the employees knowledge and understanding of the training is completed as part of these training modules. During 2019 more than 5 000 employees completed the Anti-Bribery, Anti-Trust and Competition Law training modules.

Our code of conduct

The Sasol Code of Conduct is supported by our values. By acting in accordance with these values, Sasol fosters a business culture which everyone can be proud of. Management and employees identified as being in potentially exposed positions, are required on an annual basis to formally confirm that they know and understand the Code of Conduct and its associated guidelines.

Process safety

Reaching zero harm means maintaining reliable, safe and sustainable operations. We measure the severity of our fires, explosions and releases (FERs) through our Process Safety Management (PSM) Framework.

Our approach to process safety management

To ensure continuous improvement, our PSM priorities consist of:

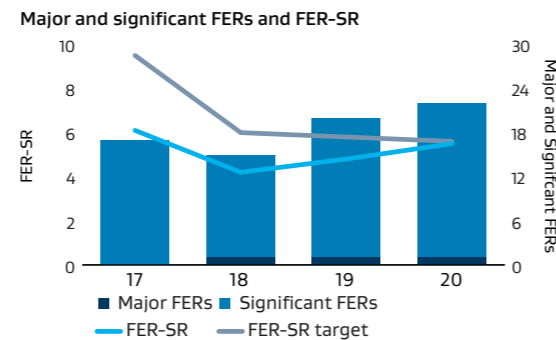
- Monitoring adherence to the inspection schedule (identified Process Safety Critical Equipment (PSCE)). This allows us to give assurance on the integrity of the controls to prevent major process safety incidents within the identified high hazard process units;
- Monitoring the enhanced Sasol group process safety performance indicators to ascertain the effectiveness of our proactive activities and programmes in improving our overall PSM;
- Continuously reviewing the information to ensure that performance indicators are measured correctly and the information provides a true and accurate reflection of our process safety performance;
- Continuing to provide improved assurance on the integrity of controls for the prevention of fatalities, major loss of containment and major asset damage, subsequent to the revision of the PSM audit programme;
- Conducting thorough analyses on the incident root causes and implementing measures to prevent the recurrence of incidents;
- Sharing of lessons learnt from incident investigations across all OMEs for review of applicability, adoption, tracking and closure of identified corrective and preventive actions;
- Planning to implement the requirements of the established guidelines for operating discipline and process safety leadership and culture; and
- Enhancing our operations' process safety related field observations by developing standardised enablement tools.

Focus areas

We are focusing on maturing our culture around process safety near miss incident reporting and potential high severity incidents.

Aligned with our approach in 2019, measures have been implemented to mitigate our process safety risks including:

- Improving our preventive maintenance programme to prevent major and significant process safety incidents;
- Improving our process hazard analysis (PHA) programme, tracking the actions from the PHA studies and continuously communicating risks and safeguards to all our operations' personnel;
- Continuing to monitor process safety leading indicators to provide an early warning in the potential weaknesses of our controls so as to prevent major loss of containment and FERs;
- Developing performance criteria for critical controls to support the audit process for the evaluation of the integrity of these controls;
- Continuing with process safety training for our employees across all OMEs; and
- Continuing to explore the use of digitalisation to improve the efficiency of our processes.



Performance

An in-depth analysis of the organisational, workplace and individual factors that contributed to these incidents revealed the need for increased focus on operational discipline and to strengthen risk management and communication in the multi-disciplinary project teams. Additionally, measures around maintenance integrity, adequacy of procedures and personnel behaviour regarding adherence to procedures will be optimised.

There were 23 process safety incidents in 2020 (two major and 21 significant incidents) against a target of 16 or fewer incidents. The target for FER severity rate (FER-SR) has been reduced over the past five years to continuously improve our performance in reducing injuries and property damage caused by process safety incidents.

The FER-SR was at 5,5 at the end of June against a target of 5,6 and it had increased when compared to 2019. This was mainly due to an increase in the number of low severity incidents experienced throughout OMEs as a result of increased reporting and addition of new operating facilities.

Enduring operations

To be excellent in operating safe, reliable and predictable operations. This enables us to meet budgeted volume of quality products efficiently at an optimal unit cost, in a safe and environmentally responsible manner.

Our approach to enduring operations

- Our ability and capacity to ensure optimal operational performance is critical in delivering on a sustainable business and increased earnings into the future.
- To effectively and efficiently convert feedstocks to quality products for Sasol and its clients.
- Our ability to ensure optimal operational performance is part of the Group top risks and overseen by our Board.



Effectively and efficiently convert feedstocks to quality products, for Sasol and our customers.

We continue to drive safe and stable operations.

OPERATIONS MANAGEMENT SYSTEM

Our operations management system drives practices towards sustained performance. It describes a framework of implementation and continuous business improvement. We have developed a roadmap to 2030 which seeks to actualise our operations strategic focus areas and governance approach to achieve world class operational performance.

Continuous improvement levers have been identified and prioritised that will support the roadmap to world class operations.

Focus areas

Our continuous improvement levers are underpinned by a number of focus areas which facilitate operational performance. The focus areas include supplier management, safe operations, optimal operational and asset performance through to effective and safe shutdowns.

Through optimal control of these continuous improvement levers we are able to optimise our production costs, ensure stable and reliable plant operations with high production efficiencies. Given this prioritised approach we can deliver on:

- Optimised saleable volumes
- Optimised unit cost of production
- Reduced cash fixed costs; and
- Reduced capital expenditure and working capital

Our focus is on aspects which we can control despite the external pressures arising from the current macroeconomic developments. We have adhered to the COVID-19 lockdown restrictions for the respective jurisdictions where we operate however this has influenced the achievable production capacities.

ASSURANCE

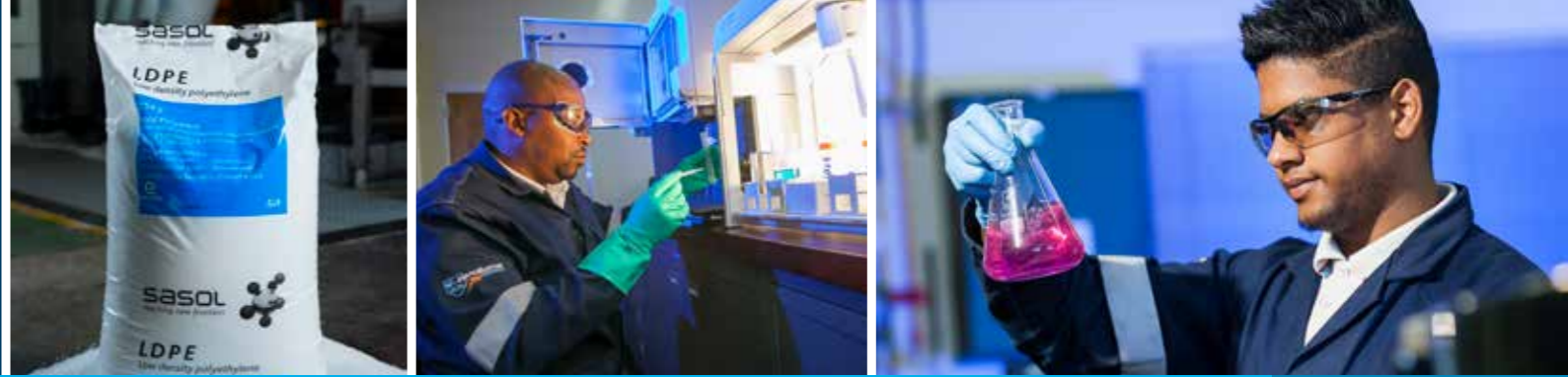
In providing assurance to our leadership we have developed key performance indicators within the context of our continuous improvement objectives. We have identified the indicators of the high impact causes (HIC) to operational interruptions and these include, failure of critical assets, feedstock and supply chain disruptions and utility interruptions, extreme weather events and licence to operate. The key performance indicators are cascaded through the operating entities to ensure alignment and congruency with our overall goals at different activity levels.

Performance

- The COVID-19 lockdown restrictions in South Africa impacted the market demand for our products to the extent that production at Secunda Synfuels Operations (SSO) had to be cut back and Natref ceased operations until the end of June 2020. Despite limited flexibility in our integrated value chains, our teams designed and implemented elegant conversion plans to maximise chemicals production relative to our liquid fuels products.
- Our energy efficiency performance was negatively impacted compared to 2019 due to changes of our production mode. We continue to track overall performance against our 2005 baseline.
- In order to counter supply disruptions for some of our products we processed off-specification material to ensure a stable and constant stream of components to Base Chemicals to support market requirements.
- We brought forward the shutdown of SSO given the decrease in product demand. This pit stop shutdown was successfully completed with critical maintenance done to achieve the intended benefit of delaying the September 2020 shutdown.
- Our continuous improvement efforts continued in earnest and we implemented a revised Permit-to-Work procedure at SSO via an agile approach, with the expectation of rolling it out across all operating hubs.

Product stewardship

We work diligently to limit the safety, health and environmental (SHE) impacts of our products, as well as manage security throughout the product life cycle, in partnership with suppliers and customers.



Our approach to product stewardship

- Demonstrating product stewardship along the value chain helps build trust in the Sasol brand by reducing Sasol's product risk and liability, enabling compliance with applicable regulations and sustaining our ability to deliver products that meet customer needs today and into the future.
- This includes having a sound understanding of the hazards, risks and regulatory requirements applicable to all our products and driving continuous improvements to prevent product related incidents and limit health and environmental exposure.
- We continue to build on our approach, informed by global guidance such as the Strategic Approach to International Chemicals Management objectives, evolving chemical control legislation, our product hazard and risk assessments, and opportunities identified in product design, digitalisation, and customer feedback.
- Product Stewardship involves conscientious engagement of partners and stakeholders along the value chain. Through our collaborative approach we promote the safe and responsible storage, use, conversion and end-of-life management of our products.



Taking action to limit impact of hazardous chemicals on health and the environment.



Promote sustainable consumption and production, and the environmentally sound management of chemicals and waste through the product lifecycle.



Partnership with International Council of Chemicals Associations (ICCA) and representative country associations on Responsible Care®.

NONYLPHENOL ETHOXYLATES REPLACEMENTS IN AGROCHEMICALS

Several years ago, the use of nonylphenol ethoxylates (NPE) was proactively phased out in laundry and homecare applications on a voluntary basis. Subsequently this was also regulated and restricted in various applications in Europe and other regions. Our Performance Chemicals division is working with customers in the agrochemical sector to apply this learning to develop alternatives to NPE that meet their performance requirements as agricultural adjuvants, while also fulfilling environmental criteria. This will allow Sasol to offer solutions that avoid NPE in agrochemical applications in anticipation of NPEs being phased out for this purpose in future.

Designing safe chemicals

Sustainable products make a net positive contribution to society in their particular applications and uses while minimising harm to human health and the environment. This requires a holistic assessment of a product's impacts and benefits along the life cycle.

A product classified as hazardous, when responsibly managed, can be of significant value to society. Sasol supports the responsible management of all materials and chemicals across the life cycle, regardless of their hazard classification. This approach means that a sound understanding of product chemistry, hazard profiles and potential exposure to people and the environment is required to establish whether a product is suitable and safe for use in its applications. We have recently initiated a pilot project to evaluate products from a sustainability perspective of which chemical safety is but one component, and is detailed in the pilot study.

Our ongoing portfolio review process is fundamental to ensuring that Sasol offers the market a safe and competitive product portfolio for today and the future. Regulatory scanning, screening of peer-reviewed scientific research on chemical safety, and product development work occur on a continuous basis to ensure that any anticipated changes in legal requirements that impact our products, are known and addressed in advance of formal regulatory changes being adopted. As a result of this, while Sasol has fewer than ten products listed on the European Union's REACH substances of very high concern (SVHC) Candidate list, we have no products on the REACH Authorisation list, since chemical substitutions were made in advance of these developments.

We also do not have any materials present in our value chain relating to multilateral environmental agreements on chemicals under the Montreal Protocol or the Stockholm Convention. One product will require Prior Informed Consent under the Rotterdam Convention and the international shipment of some low-volume spent catalyst material, classified as hazardous waste, is managed under the Basel Convention with all required permits in place, and is necessary to enable catalyst regeneration.

ULTRA-HIGH PURITY ETHANOL FOR PHARMACEUTICAL APPLICATIONS

Conventional manufacture of ethanol, whether fermentation-based or synthetic, contains traces of acetaldehyde, is problematic in pharmaceutical applications due to its toxicity and potential for side reactions. A new production design was implemented at our Secunda facility allowing Sasol to reduce the acetaldehyde concentration limit in our ethanol by 50% on-demand. This ultra-high purity ethanol can now be used in specialised processes for the production of pharmaceutical drugs with specific life-saving capabilities. Commercial supply commenced in 2020.

In response to the surge in demand for disinfectants and hand sanitisers as a result of the COVID-19 pandemic, Sasol was able to apply this ethanol product in its first hand sanitiser product, made according to the World Health Organisation formulation.

Performance

Product life cycle stages:



Buy stage

Significant effort is being placed in addressing customer requests for increased transparency in our supply chain. Activities relating to the responsible sourcing of raw materials are detailed on page 62. In 2020, new system controls were introduced into our procurement process in South Africa to limit the risks of any inadvertent non-compliant purchases of controlled chemicals without the necessary permits in place.



Make stage

Compliant and safe manufacturing of our products is our utmost priority. In 2020, work continued to implement a revised procedure supporting compliance with international chemical legislation. Training of impacted employees along the value chain on chemical control legislation and the safe handling of hazardous chemicals is ongoing.



Sell stage

We implement all applicable regulatory requirements to secure and maintain our licence to manufacture and sell products in the numerous markets we serve. In 2020, work continued to revise and update REACH registrations for chemicals we produce or import into Europe following dossier and substance evaluations by the European Chemicals Agency (ECHA) and the European Union (EU) Member States. Sasol has also signed a declaration of intent to support ECHA's and the European Chemical Industry Council (CEFIC's) Joint Action Plan to proactively and systematically review and improve, if needed, the data previously submitted in REACH registration dossiers. New chemical notifications were also filed in the United States, Canada, China, South Korea and Taiwan, among others. The prevalence of REACH-like laws continues to expand, with Turkey, India and the Eurasian Economic Union to follow suit.



Logistics stage

Our Transport Indicator of Performance (TloP) is a group-wide measure of the incident severity rate as a function of product transport distance travelled. In 2020, we split the TloP into two components: the TloP reflecting on avoidable incidents, where the transporter driver could reasonably have done something more to prevent an incident, and the TloP reflecting on the unavoidable component where all incident preventative controls were adhered to and nothing further could reasonably have been done to avoid the incident.

The TloP improved from 2,84 in 2019 to 2,02 in 2020. With fewer passenger vehicles on the road globally from March through June as a result of COVID-19 lockdowns, a substantial reduction in transport incidents was witnessed over this period, contributing to the improved TloP. The total number of incidents for 2020 were 36, of which 17 involved loss of product containment. The number of major and significant events reduced from 8 in 2019 to 3 in 2020.

	2020	2019	2018	2017
Total severity of incidents	167	260	220	372
Transport Indicator of Performance (TloP)	2,02	2,84	2,29	4,09
Number of third party and transporter fatalities	1	19	4	7

For product storage, we focus on supply chain optimisation resulting in local warehouse storage facility for hard wax products manufactured in Sasolburg. The benefits of this facility include shorter road transport distances and rail infrastructure to port. **Rail transport of Sasol hard wax products has increased from 25% in 2019 to 85% in 2020.**



Use stage

Customer assessments and training to ensure the responsible and effective use of our products is an important contributor to our Responsible Care® commitment under the Product Stewardship code. We continue to train approximately 2 000 employees each year of our caustic soda, cyanide and chlorine customers, and to conduct customer site SHE assessments before agreeing to supply these products.

Each month, approximately one thousand customer queries of a technical or product stewardship nature are handled. Queries are dealt with through formal systems and controls are in place to ensure accurate information is provided.

Increasingly, customers request information regarding the environmental footprint of the products they buy from Sasol. Life cycle inventory work has been completed for some of our Performance Chemicals product portfolio, and in 2020 work commenced to expand the analysis to include products from our other operations. Where available and requested, this is shared with customers under non-disclosure agreements.



End-of-life stage

In recognition of the environmental harm posed by plastic waste in the environment, we support Extended Producer Responsibility mechanisms that enable the effective collection and beneficial recycling or re-use of plastic materials.

PILOT STUDY ON PRODUCT SUSTAINABILITY PORTFOLIO ASSESSMENT

Background

Sasol has received an increasing number of requests to quantify and explain sustainability advantages that can be attributed to the current product portfolio. Sasol has developed and deployed a sustainability framework which identifies three major pillars:



The ambition to shift Sasol's portfolio to be less carbon-intensive inspired the idea and interest to perform a Sustainability Portfolio Assessment (SPA) to gain a deeper and more robust understanding of how the current portfolio ranks compared to alternative products that are available to the market.

The World Business Council for Sustainable Development (WBCSD) has developed a specific guiding framework on how to perform a SPA within the chemical industry. The framework merges different approaches to the topic developed by various companies, combining this with industry best practices to provide a supporting knowledge base to companies in this process.

Status

After a pilot study, where two methods were tested and investigated with different experts and a small product group, the findings were used to increase the scale of the assessment in a second step. The portfolio of an entire business division is in the process of being assessed with experts from the various applications, technical specialists and divisions applying the WBCSD methodology. An initial briefing on methodology and procedure is followed by individual assignments and cross-functional workshops.

Methodology

The methodology aims to analyse our sustainability opportunities, challenges as well as existing benefits or advantages in our businesses, products and applications along their value chains. The assessment is generally performed according to the methodology on the level of PARCs (Product-Application-Region Combinations). It was important that the criteria cover all aspects of sustainability, not only economic but also ecological and social aspects, meaning that topics that are material to Sasol are considered.

The core elements in the assessments are the so-called signal categories, namely: Chemical hazard and exposure across the life cycle, global regulatory trends; sustainability ambitions in the value chain; authoritative ecolabels; sustainability performance compared to alternative solutions; economic value creation vs. the use of natural capital; contribution to the UN SDGs; and company internal guidelines and objectives.

On the basis of the PARCs, all signal categories are then analysed and evaluated to obtain an overall rating, which is based on a predefined decision tree. The rating categories cover the range of a potential classification of A++ (one or more strong sustainability-related benefits and no material sustainability challenges identified) up to C-- (PARC has strong sustainability-related challenges).

The framework of our SPA includes the following five process steps illustrated below:

- 1 DEFINING OBJECTIVES, SCOPE AND PROCESS
- 2 DEFINING ASSESSMENT SEGMENTS
- 3 DETECTING MARKET SIGNALS
- 4 CATEGORISING THE PORTFOLIO
- 5 REPORTING AND USING PSA RESULTS

Outlook

The results are intended to be used internally, enabling management to reach strategic decisions while obtaining a transparent and quantifiable evaluation of the sustainability performance of our product portfolio, developed using a recognised and independent methodology. It is also envisioned to support ideation and innovation processes by providing a strengths, weaknesses, opportunities and threats (SWOT) overview for relevant product application and region combinations. The results may also be used for external reporting in order to respond to enquiries. Our target is to cover our entire portfolio. Through this analysis, we can identify opportunities and risks in the assessed divisions and therefore support the market development of products.

SUSTAINABLE USE OF PLASTICS



Our approach to beneficial reuse or recycling of plastic materials

Sasol supports the view that plastic waste in the environment and oceans is unacceptable and our initiatives globally will aim to address this challenge by embracing the principles of the circular economy and waste hierarchy.

- Given our current polymer market share in South Africa, Sasol will focus our initial effort in South Africa.
- Actions include own and partnership initiatives supporting plastics education, improved waste collection, bolstering recycling, job creation and contributing to marine litter collection.
- A significant component of this response will take place through the global Alliance to End Plastic Waste (AEPW) of which Sasol is the only founding member headquartered in Africa.
- A South African plastics value chain response called the South Africa Initiative is also being supported.

South African Plastics Colloquium

The Department of Environment Forestry and Fisheries (DEFF) in conjunction with Plastics SA and The Consumer Goods Council, as industry representatives of the South African Initiative to End Plastic Waste, collaborated to host a Plastics Colloquium in November 2019, to create a platform for stakeholders to engage on issues pertaining to plastics sustainability. The event attracted more than 500 leaders representing all sectors of the plastics value chain.

Sasol had the opportunity to demonstrate our support by sharing our position on plastics sustainability, and our efforts in preventing plastic waste leakage into the environment.

The Sasol team participated in various working group sessions and a Sasol exhibition stand which demonstrated useful plastic applications and our current contributions.

Polymer Technology Science Centre upsills converters

A key component of tackling plastic waste is to educate and create awareness among all stakeholders. While Sasol places a strong emphasis on educating communities including the youth at schools, we saw the opportunity to educate our customers who have a direct impact on product design.

We developed a plastic sustainability module in September 2019 and included as part of a film course which is offered to Sasol's South African polyethylene packaging converters. The main objective is to raise awareness regarding sustainability issues

The course has been presented to delegates of 11 companies who manufacture packaging products such as flexible films, geomembranes, tubing and insulation. Sasol plans to enhance the course content and explore opportunities to reach a broader audience.

Pellet containment in our value chain

Sasol has started a journey to ensure that our polymer is managed responsibly throughout the life cycle stages to prevent any release into the environment.

We have conducted internal assessments at the South African production sites and implemented improvements e.g. reinforcing good housekeeping practices, employee awareness, implementation of screens on drains.

Sasol is in the process of engaging with supply chain partners to assist them where necessary in adopting these important practices.

Supporting waste collection through Packa-Ching

Polyco, a producer responsibility organisation that looks after the interests of the South African polyolefin industry, has developed a mobile recyclables buy-back business as a solution towards the plastic waste challenge.

Sasol believes these units are an important and innovative initiative that combats all recyclables waste pollution but also serves to support low income communities by paying community members for their recyclables via a cashless e-wallet system empowering business owners, creating jobs and educating communities on the importance of a cleaner environment.

In 2020 Sasol concluded a contract with Polyco to roll out 25 Packa-Ching units across the country and to provide fuel support to the entrepreneurs operating these mobile recycling collection units.

KwaZulu-Natal Waste Marine Network South Coast Baseline study

In South Africa, the Umbongitwini and Amanzimtoti rivers are the two main rivers that flow directly into the Indian Ocean south of the city of Durban. Both rivers are critical to the local economy and tourism industry.

Inadequate waste management for settlements located next to these rivers results in pollution being carried downstream, introducing waste to beaches and into the Indian Ocean. Although the waste is generic, plastic waste has become one of the more visible challenges in the area.

Sasol became one of the founding members of the KZN Marine South Coast Waste Network established in May 2019 and commissioned a baseline assessment with the intent to understand among other elements the existing infrastructure, role players, social dynamics and underlying factors contributing to plastics waste pollution in the region. The baseline is an important element that has set a solid foundation for the development of an integrated waste management programme.

The KZN Marine South Coast Waste Network has named the project, Inkwazi Isu (African Fish Eagle) and ran a series of solutions workshops towards implementing programmes that will eliminate plastic waste pollution from the Umbongitwini and Amanzimtoti rivers.

With Sasol's role as the chair of the infrastructure committee for the South African Initiative to End Plastic Waste we are also leveraging resources from this platform to further support this project as a blue print for other coastal towns in South Africa and other developing countries.

MINIMISING OUR ENVIRONMENTAL FOOTPRINT

Importance to Sasol

Sasol is dependent on natural resources including coal, crude oil, natural gas and water for our business activities. Our activities have an unavoidable impact on the environment; and we remain committed to minimising these impacts. We recognise and understand the environmental footprint associated with our activities and responsibly manage these in a prudent way. Our actions are directed by the company core values of ensuring that safety, health and environment (SHE) is a top priority. Additionally, our SHE Policy commits us to responsibly address our environmental challenges with consideration for the interests of our stakeholders.

In this section

- Air quality management
- Water management
- Waste management
- Land and biodiversity
- Environmental compliance



Our approach

An integrated risk-based approach is adopted for managing environmental challenges

- We remain committed to compliance with all applicable regulations and continue to investigate opportunities to mitigate and minimise our environmental footprint while expanding our understanding of our impacts both internally and through engagement with leading authorities.
- Our air quality improvement roadmaps consider alternative feedstocks, optimised processes, improved efficiency and focused abatement technology retrofits.
- Water is a critical feedstock required at a high level of assurance for Sasol's operations. Our water use globally is highly regulated through water use authorisations which we adhere to.
- We continue to support the United Nations Global Compact CEO Water mandate as a signatory.
- Our waste management approach centres on complying with applicable legislation and adhering to waste management hierarchy principles.
- Sasol's approach to land management and its contamination liabilities are addressed by managing the Group top risk of major SHE Incidents.

What are we doing

Sasol continues to mitigate the risks related to air quality, water consumption, waste footprint, land use and the impact on biodiversity through the investigation of alternative feedstocks, optimised processes, improved efficiency, and focused abatement technology retrofits. This includes offsets, monitoring air quality through an extensive monitoring network as well as research of the impacts on the environment.

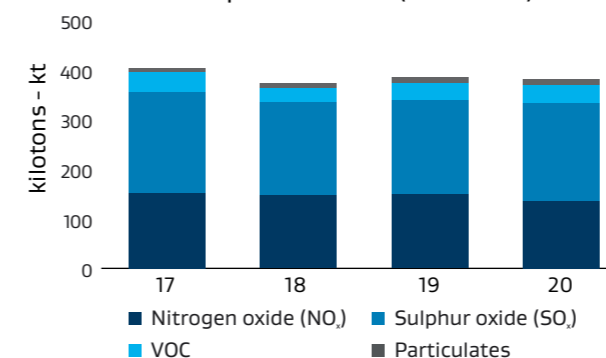
Investments to reduce the environmental footprint of our existing facilities will benefit natural, human and social capital. By converting natural capital into value-added products, we boost the stocks of all the other capitals.

Refer to the trade-offs in **AR** on page 40.

- 3 GOOD HEALTH AND WELL-BEING** Committing to ensuring our employees and host communities health and wellbeing is not negatively impacted by our water usage.
- 6 CLEAN WATER AND SANITATION** Improving water quality and providing sanitation support to our fenceline and host communities.
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION** Driving to create market for small to medium ash beneficiation operations, providing employment and economic growth while managing ash responsibly.
- 15 LIFE ON LAND** Identifying and implementing reuse of waste. Removal of invasive plants and species on our land and conservation areas.

Performance

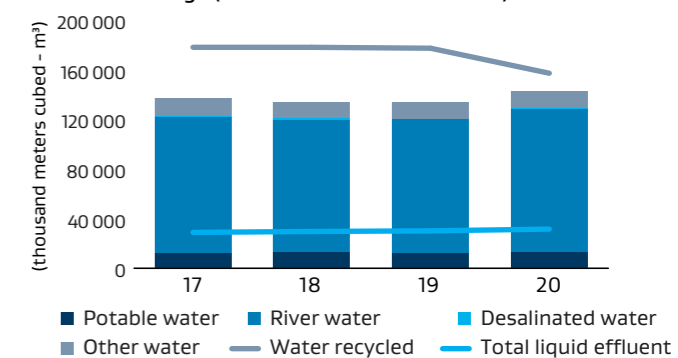
South African atmospheric emissions (kilotons - kt)



- 30% reduction in volatile organic compounds (VOCs) at our Secunda operations, off a 2009 baseline, due to completion of four projects.
- For particulate matter (PM) and oxides of nitrogen (NO_x), notable improvement in the emissions measured in the applicable stack flues were made possible by intensive maintenance and renewals programmes, operational improvements and process/technology improvements. For SSO, PM emissions reduced by 50% since 2014. To date NO_x emissions have reduced by 8% since real-time measurements have commenced in 2017*.

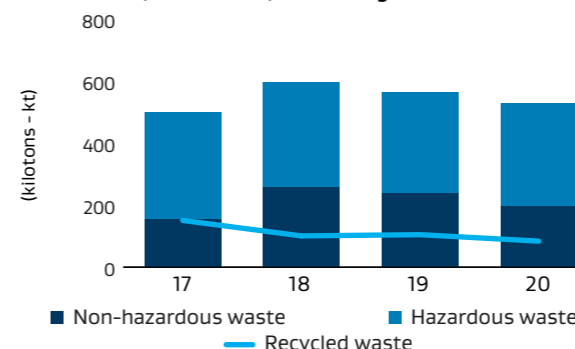
*An update in 2020 to the previous calculation tool used at SSO, on the main stack, resulted in improved reporting accuracy. This necessitated the restatement of the 2019 data for comparative purposes.

Total water usage (thousand meters cubed - m³)



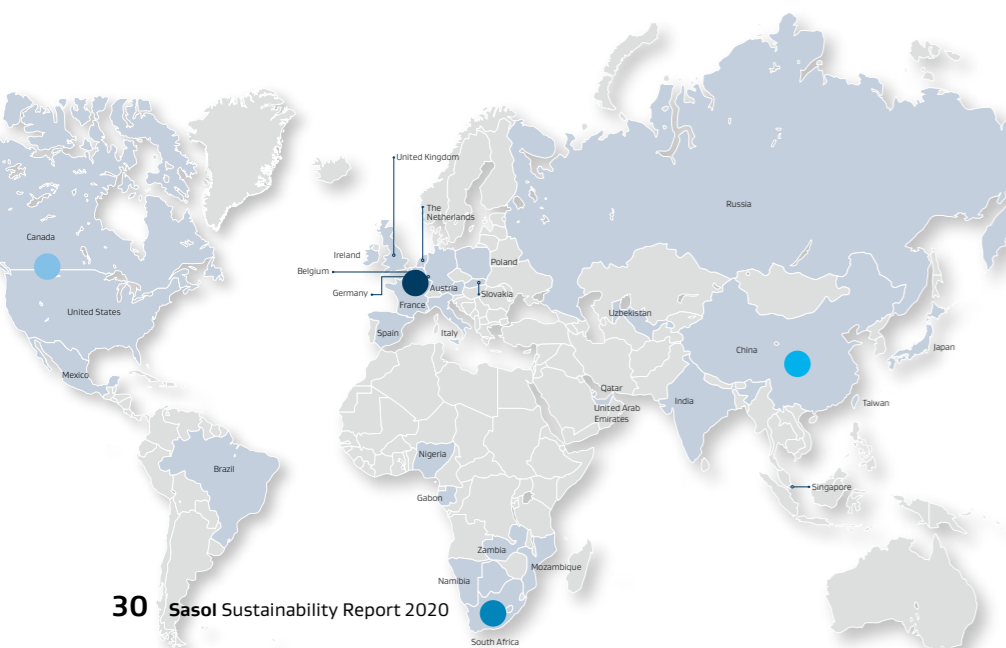
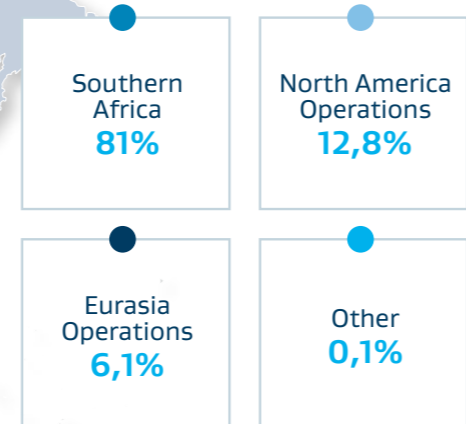
- Since 2017 the following trends can be reported:
 - Total water use has increased from 134,2 million m³ in 2019 to 142,6 million m³ in 2020.
 - River water use increased from 107,4 million m³ in 2019 to 115,5 million m³ in 2020 due to the commissioning of new production assets in the US.
 - Potable water use has increased from 12,6 million m³ to 12,9 million m³ which is attributed mainly to an increase in demand for potable water in Secunda for industrial purposes to offset a deterioration in river water quality.
 - Other water use has decreased slightly by 0,5% from 2019.
 - Sasol's global water demand grew about 6% in 2020 due to the increase in water demand from new production assets in the US.

Total waste (kilotons - kt) - excluding ash



- Sasol's approach to waste management has undergone significant changes over the years in response to changing legislation and industry practices.
- Hazardous waste generation increased slightly from 328 kt in 2019 to 333 kt in 2020. We generated 195 kt of non-hazardous waste, down from 237 kt in 2019, due to COVID-19 lockdown measures. Total recycled waste decreased from 105 kt in 2019 to 83 kt in 2020.

Sasol's water demand by region (as % of total)



Air quality management

We acknowledge the link between our activities and air quality and the need to act responsibly in managing our impacts in the regions that we operate. We firmly believe in a holistic air quality management approach informed by internationally acceptable practices.



Our approach to air quality management

Due to the complexity and diversity of our operations, we apply a risk based approach to managing air quality. This includes:

- Detailed monitoring and reporting of emissions.
- Actively tracking and focusing on compliance.
- Sustainably reducing emissions from our operations.
- Community based offsets contributing towards improved ambient air quality.



Monitor and investigate factors that influence ambient air quality across our operating regions.

Our air quality landscape

- Sasol's atmospheric emissions profile is activity dependent and varies over the geographical regions in which we operate. Our South African operations' emission profile stems predominantly from our coal-to-liquid (CTL) and gas-to-liquid (GTL) operations in Secunda and Sasolburg, as well as our unique inland crude oil refinery, Natref.
- Our international operations' feedstock dependency includes gas and crude oil derived feedstocks. Historically, our gas and crude oil processing units' contribution has been minimal compared to our coal processes but has increased during 2020 as a result of the addition of seven operating units at the LCCC in the US.
- The emissions from our coal feedstock technologies make up the greatest portion of our contribution to the airshed and include coal-gasifiers (SSO only), coal-fired boilers as well as the downstream clean-up and coal derived production units.
- At SSO, an integrated tool with validated and standardised calculations for reporting of the main stack data was developed and implemented in 2020 and resulted in an update to the previous calculation tool used for reporting. This improved reporting accuracy and necessitated the application of the tool on the 2019 data for comparative purposes. Therefore the 2019 data has been restated accordingly.

Managing emissions from the commissioning of LCCP

As expected, the commissioning of LCCP has increased the environmental footprint of the facility. Sasol's atmospheric emission footprint increased due to the ramp up of the new facilities at LCCC.

Our footprint on the environment regarding air emissions is managed through continued implementation of a new Environmental Management System (Enablon) including Unit/Source-specific tracked parameters and current United States Environmental Protection Agency (EPA) estimation methodologies.

Continued implementation of Best Available Control Technology (BACT) for LCCC remains the primary focus.

An important tool in our continuous drive to improve our understanding of our atmospheric impacts is the comprehensive air quality monitoring networks in the Vaal and Highveld priority areas. Sasol has been able to sustain accreditation of the thirteen stations, as well as the real-time supply of data to the South African Air Quality Information System (SAAQIS).

Sasol has established an agreement during the course of the year with one of the schools where a monitoring station is located. Learners are being shown all aspects of operating a monitoring station, including the maintenance, calibrations, data management and data interpretation into useful information. The plan is for these learners to then present the data to their own community. Through this it is hoped that a love for science will be established within the learners and that exposure to the operation of the monitoring station could open possible career insights for their future careers. With the learners playing the role of observers, credibility is also given to the process in the eyes of the community.

Managing air quality compliance

- Our existing plants in South Africa were required to meet more stringent point source standards for air quality emissions applicable to newly commissioned plants by 1 April 2020.
- Meeting some of these requirements means retrofitting of some of our existing plants. Accordingly, we obtained postponements on these compliance timeframes from the National Air Quality Officer (NAQO) to implement abatement projects in accordance with our air quality roadmaps along extended timeframes.
- Our roadmaps also include air quality risk mitigation through the investigation of alternative feedstocks, optimised processes, and improved efficiency in addition to focussed abatement technology retrofits.
- All major operations in South Africa reside within priority areas and therefore need to contribute to achieving the goals set out in the Vaal and Highveld priority area improvement plans.
- We continue to operate under the associated conditions included in our atmospheric emission licences (AELs).
- Apart from reporting on our emissions to the local licensing authorities frequently, as per the conditions of our AELs, we also submit our comprehensive annual air quality compliance reports to the relevant regulatory authorities.

An amended minimum emission standard for existing combustion installations for sulphur dioxide (SO₂) was promulgated by the Minister of Environment, Forestry and Fisheries (DEFF) on 27 March 2020. Although it will require

significant effort from Sasol to achieve, we believe that the recently promulgated 1 000 mg/Nm³ SO₂ limit for old combustion plants represents a reasonable standard. A comprehensive technical review of available coal boiler SO₂ abatement technologies was made available to the DEFF via its constituted SO₂ technical panel in January 2020. From an SO₂ emissions perspective, it is important to note that independent assessments of Sasol's SO₂ impact on the airshed where it operates are well below the National Ambient Air Quality Standards (NAAQS) which are informed by international guidelines. We collaborated with the technical panel towards enabling sustainable solutions for maturing plants.

We remain committed to compliance, however over the past year the impact of COVID-19 and other market related factors contributed to a significant deterioration in Sasol's financial position and liquidity, warranting the implementation of short-term cash conservation measures necessitating deferred capital expenditure. We are assessing the impact of the possible delayed capital expenditure on the timely execution of some air quality roadmaps and are continuing transparent engagements with the authorities in this regard. We continue to revise and adapt our roadmap delivery with the aim of progressing the abatement projects as reasonably practicable, whilst also attempting to proactively mitigate any potential risks of non-compliance associated with delayed implementation schedules beyond 31 March 2025 being the key compliance target date. See our air quality roadmap on page 34. Meeting the new plant standard for SO₂ beyond 2025 remains a feasibility challenge for SSO.

The Sasol offset projects in eMbalenhle, Lebohang and Zamdela delivered satisfactory results during 2020:



Offset projects Sasolburg:

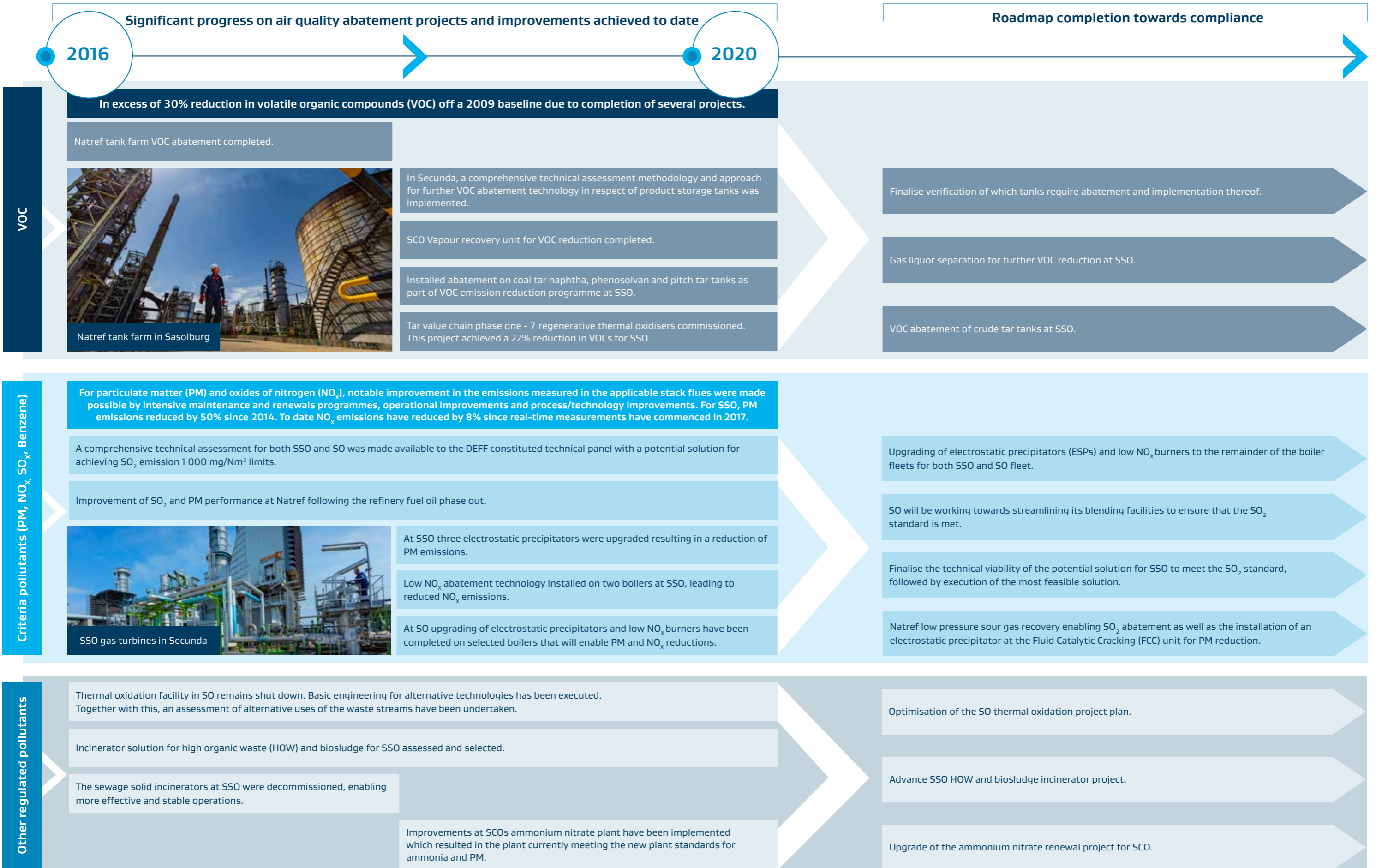
- Removal of approximately 4 091 tons domestic waste in areas without municipal services.
- Vehicle emissions testing commenced and will be expanded.
- Approximately 888 591 m² of grass was cut to reduce the potential of veld fires.
- Education and awareness campaign on air quality matters to the broader community.



Offset projects Secunda:

- Insulation of Reconstruction and Development Programme (RDP) homes to improve thermal efficiency and exchange of solid-fuel burning coal stoves. 5 537 houses have been completed to date.
- Many small, medium and micro enterprises are employed to undertake various activities during the insulation of homes.
- 7 000 households were reached in the door-to-door awareness campaign which address air quality related matters.
- Education and awareness campaign - together with the Department of Basic Education and principals of schools (27 primary schools in Govan Mbeki Municipality). Specific activities and material were developed for primary school learners to teach them about air quality. 26 000 learners participated in various activities.

Air quality improvement roadmap



Water management

Sasol's water management programme is based on the water specific risks we've identified and our response is shaped through a corporate water stewardship approach. As a signatory to the United Nations Global Compact CEO Water Mandate (the Mandate), we have adopted the Mandate's Water Stewardship Framework in responding to water risks.



Our approach to water management

- Assurance of supply of water to our operations has been identified as our most material water risk. While the assurance of water supply to all operations is currently secure, the medium to long-term assurance for some operations (specifically in South Africa) is less so.
- Based on such risks, the Mandate has been advocating to companies operating in water-scarce areas to set aspirational contextual (catchment-based) water improvement targets that are aligned to Sustainable Development Goal 6 (SDG 6) to mitigate against these risks.
- In support of the above, Sasol piloted the development of context based water targets in the Upper Vaal Catchment in South Africa and is using the outcomes of this study to shape our water ambition and to set future water targets.



Committing to ensuring our employees and host communities health and wellbeing is not negatively impacted by our water usage.



Improving water quality and providing sanitation support to our fenceline and host communities.

Refer to page 48 for Sasol's water stewardship initiatives



The annual Communication on Progress (COP) against the six focus areas of the CEO Water Mandate can be accessed from the following link www.sasol.com.

Water consumption

River water availability	River water quality	Community protest actions	Licence applications
The Integrated Vaal River System (IVRS) continues to experience several challenges placing Sasol's long-term supply at increased risk. Delays in the implementation of the Lesotho Highlands Water Project Phase 2, slow progress by municipalities in reducing water losses and lack of progress in eradicating unlawful water use are increasing the risk of restrictions being placed on users.	In the past year, water quality challenges were experienced with the feed water supplied to SSO. The primary source of supply to SSO is the Grootdraai Dam and its associated transfer system. Grootdraai Dam water quality has been progressively deteriorating which resulted in an increase in SSO's demand for river water. The poor water quality supplied by DWS reduced boiler efficiencies and increased salt loading on site. Sasol is engaging the Department of Water and Sanitation (DWS) and other affected stakeholders to investigate the deterioration of water quality in the catchment.	Community protest action over the last three years, in the form of demands for jobs from DWS or for improved service delivery from local municipalities, has prevented optimal operation of the critical pump stations of the DWS. Over the past year, our Secunda Corporate Affairs team has assisted DWS to resolve protest action outside a critical pump station in the Vaal River system by fulfilling some of the requests from the community.	In 2020 the most pressing regulatory challenge faced by several OME's has been the delays in applications and amendments of water use licences (WUL's). Due to the COVID-19 pandemic, the DWS was operating with reduced staff impacting the finalisation of the WUL's. A process has commenced to engage with DWS based on a list of high priority licences which require an urgent response.

Voluntary water use efficiency target set for our major water using entities

	SSO Total water use per ton saleable production (ton/ton)	SO Total water use per ton saleable production (ton/ton)	Mining Potable water use (Megalitres - ML)	Group % Group potable water reduction
Target*	Track performance against 2020 target of improving against baseline of 2,5%.	Track performance against 2020 target of maintaining against baseline of water use.	To ensure potable water use does not increase more than 10%.	Group potable water reduction target of 5% by 2020 against the 2016 baseline.
Baseline	Baseline set in 2016 of 11,58 2019 = 11,19 2020 = 11,93	Baseline set in 2016 of 9,81 2019 = 11,63 2020 = 10,83	Baseline set in 2014 of 2 114 2019 = 1 520 2020 = 1 431	Baseline set in 2016 2019 = 15% 2020 = 18%
Status	Current performance against target is a 3,0% deterioration against the baseline associated with a deterioration in feed water quality.	Current performance against target is a 10,4% deterioration against baseline. This is due to higher water demand and lower production.	Mining reported a 32% improvement during 2020 against the 2014 baseline, meeting their target of restricting the increase in potable water use to a maximum of 10%.	This target has been achieved mainly due to enhancements implemented by SSO.

Current corporate water stewardship practices have advocated for a move away from efficiency targets to setting context-based water targets.

*The new targets (2021 – 2025) will be “context-based” and will focus on reducing the absolute volume of water used for production aligned to the 2015 baseline, without compromising production.

Investing in water management best practices and recycling initiatives:

- The Nitro Dam Water Treatment facility at SCO is made up of two units, the Ultrafiltration or Reverse Osmosis Unit and the Triple Effect Evaporation or Thermal Unit. Beneficial operation was reached on both units by December 2019.
- SO has embarked on a process to reduce wastewater discharge volumes specifically from the Midland site. Some projects have already been implemented, for example the recovery of flocculated water, which is now rerouted to Midland site to displace potable water intake (phase 1). Consequently, this also had a beneficial effect on the abstraction and potable water requirements.
- SSO concluded several investments this year to improve its water management systems including:
 - R43 million to refurbish a cooling tower blowdown recovery unit. This unit upgrades blow down quality water (450 µS/cm) to condensate (10 µS/cm) and polish water (0,1 µS/cm) quality.
 - R39 million on implementing three separate projects to improve stormwater management and seepage reduction via cut off trenches, thereby reducing SSO's potential environmental impact.
 - over R100 million to construct a pollution control dam for the onsite domestic waste landfill site to effectively manage stormwater run-off and seepage.
- Mining is finalising the development of a water use authorisation (WUA) tool to develop a risk profile of the water use related risks for each mine. This is a pro-active approach of assessing high-risk water activities to facilitate timeously prioritised and implemented actions to address the identified potential risks.

SCO Nitro Facility

The SCO Nitro facility has over the past few years been implementing various rehabilitation measures to address legacy practices and a persistent positive wastewater balance in the on-site storage dams.

The unfavourable water balance posed an increased risk of potential overflows resulting in the uncontrolled release of nitrogen-containing wastewater to the environment, mostly during the rainy season. Measures have been taken to reduce the generation of wastewater requiring storage by reducing the surface area of the wastewater storage dams, upgrading stormwater management infrastructure, and commissioning a wastewater treatment facility to reduce wastewater volumes and generate a usable fertiliser product. All the measures combined are helping to significantly reduce the environmental footprint of the Nitro site.

During the reporting year, the wastewater treatment plant was commissioned and is operational. The Nitro Dam Water Treatment facility at a cost of R381 million is designed to produce 1,35 MI/day of clean water, that is re-used in the fertiliser facility. Currently, normal operations have been able to achieve a production rate of around 85% of design capacity. Unfortunately, some equipment has experienced start-up issues causing downtime of the units. The equipment is monitored closely to minimise the impact. In addition to reducing the water footprint of the site, the unit is also producing a fertiliser product which is planned to be sold into the market.

Furthermore the lining of one of the storage dams has been undertaken while another storage dam was rehabilitated and grassed. The design phase progressed for reinstating the wetland to reduce Nitrates in the Groot Bossiespruit while regulatory approvals are being sought for this proposed solution.

Waste management

Our waste management approach centres on complying with applicable legislation and adhering to waste management hierarchy principles. The waste footprint of each OME differs inline with its feedstock and process activities and hence roadmaps have been tailored at an OME level to implement programmes to meet legal requirements.



Our approach to waste management

- Sasol's approach to waste management has undergone significant changes over the years in response to changing legislation and industry practices.
- We continue to explore ways to improve on waste management practices, notably in implementing waste minimisation initiatives and alternative usage solutions.
- Most onsite waste disposal practices have been discontinued and the legacy sites closed and rehabilitated.



SSO is supporting opportunities to create a market for small to medium ash beneficiation operations, providing employment and economic growth while managing ash responsibly.



Identifying and implementing reuse of waste.

Total waste (kilotons - kt) - excluding ash



Update on ash

Ash has now been excluded from the legal definition of waste when used for specific applications in South Africa. The ash exclusion regulation introduces a mechanism whereby ash users can access and use Sasol's ash without a waste management licence.

This will enable Sasol to better support ash beneficiation business opportunities and perhaps our fenceline communities as part of our social value contribution.

For the reporting year 9 649 kilotons (kt) of ash was generated by SSO and 458 kt generated by SO. Further the volume of ash recycled at SO was 473 kt and at SSO 141 kt was re-used.

Focus areas

- Advancing the application of the waste hierarchy.
- Finding and implementing technically viable and cost effective solutions for some specific waste streams.
- Ensuring third party waste service providers sustainably accommodate waste streams.
- Making ash available in line with government expectations to support an ash beneficiation sector.
- As a significant producer of polymers, we play a meaningful part in addressing the impact of post-consumer plastics on freshwater and marine ecosystems.

Policy engagements

Sasol actively participated in a review initiated by the South African DEFF of the National Waste Classification and management regulation and supporting standards. These contributions were given with the intent to inform refinements to the existing legislation. Sasol also supported a Business Unity South Africa (BUSA) led review of the draft third edition of the National Waste Management Strategy (NWMS) which was published for public comment. While the NWMS proposed introducing much needed reform to the sector, a concern was highlighted regarding the introduction of untested waste minimisation targets which may not be achievable by the sector.



Ash dam in Sasolburg

We continue to work to find alternatives to landfill for our waste streams. By collaborating with waste management service providers, we have established a number of opportunities, a few of which we have implemented:



- 100% biosludge waste stream diverted from landfill for application in land remediation.
- Waste methanol converted to a product that can now be sold.
- All wax and solvents spent catalyst was recycled during the financial year.
- All the "heavy ends" streams used as an alternative fuel at a cement kiln, avoiding landfill.
- Internal assessments were undertaken of our South African polymer manufacturing facilities to identify gaps in our polymer containment practices. Extensive awareness was raised on the implications associated with polymer loss to the environment.



- We investigated the potential for bioremediation of biological sludge generated at the SSO facility, to reduce the volume of sludge being incinerated. Composting of biological sludge is recognised as an acceptable technique to produce material that could be used for on-site stabilisation of soils and other areas that require soil enrichment. We conducted composting trials in collaboration with third party vendors to evaluate the process and the quality of the compost product. Building on previous successes and lessons learnt over many years of research in this field, the process was found to produce an organic compost of an acceptable quality according to South African National Standards. The outcome of the study is intended to enable the implementation of such a programme on a larger scale, as well as include other waste streams from water treatment processes for inclusion into the remediation programme to assess their suitability. No projects are yet active.



- We made progress on rehabilitating the Secunda black products area and are in the early stages of closing the Medium Term Vanadium (MTV) landfill facility.
- Over the years we have prioritised the rehabilitation of the black product site to make additional space available for coarse ash stacking. This is nearing completion which will ensure that the progression of the coarse ash site will not be hindered.
- Waste avoidance is one of the options we are exploring, where the material is reprocessed back into the value chain to extract additional products. A good example is the progress in identifying alternative handling options for the Phenosolvan gas liquor sludge. A waste management service provider supplied a centrifuge system to clean-out the tank online and separate the stream into various fractions, including fine coal, gas liquor and oily sludge. All material is then returned back into the process. Previous cleanouts resulted in this stream being disposed of, or handled at alternative fuel facilities. This year, all 7 500 tons were returned back into the value chain adding value to Sasol as well as saving money on the cleanout and processing.
- SSO spent R622 million this year on the project aiming to construct a new fine ash dam disposal site. The scope includes dam construction, water and runoff management as well as seepage prevention and leak detection system that is achieved via multi-layer HDPE and geo membranes. We aim to bring the facility to beneficial operation in 2023.

Land and biodiversity

Sasol's approach to land risk and associated contamination liabilities is addressed by managing the Group top risk of major SHE Incidents. Due to the potential impact of Sasol's activities on biodiversity, all areas of the business model needs to be considered.



Our approach to managing land and biodiversity

Consistent with our SHE Policy, we recognise that we have a custodial responsibility to respect and care for the environment, which includes addressing land and biodiversity matters.

Sasol's activities have the potential to result in various biodiversity impacts including:

- reductions or deteriorations in virgin land size;
- on terrestrial plants and animals; and
- deterioration of river water and groundwater quality and quantity.

Appropriate management, systems and governance structures are in place for managing environmental and asset retirement obligations. For detail on environmental orders refer to page 142 in the **AFS**



Focus on removal of invasive plants and conservation initiatives to safeguard protected areas.



Sasol relinquishes Block 16/19 licence media release Discover: <https://www.sasol.com/media-centre/media-releases/sasol-relinquishes-blocks-16-19-license>

Focus areas

The Biodiversity Disclosure Project is a new initiative managed by the Environmental Wildlife trust (EWT), a South African NGO. In February 2020, they published their second assessment of the biodiversity performance of all JSE listed companies. Although Sasol received a low score and areas of improvement have been highlighted, we were placed in the top 3,5% of the highest scores of the 320 JSE listed companies. Scores are based on publicly available information. We continue to work with the EWT to improve our biodiversity management practices.

Relinquishing rights to Block 16 and 19, Mozambique

Following a rigorous technical evaluation of the subsurface data, Sasol has decided to relinquish its exploration licences in Blocks 16 and 19 offshore Mozambique. Understanding and appreciating the environmental sensitivity of the area, Sasol undertook a robust and transparent environmental impact assessment (EIA) process. This process involved consultation with all relevant stakeholders, from government on all levels, industry, such as tourism and fisheries, to academia. Sasol will relinquish Blocks 16 and 19 in their entirety to the Government of Mozambique. A withdrawal notification has been issued to the relevant Mozambican authorities. We have acknowledged all the comments received during the prefeasibility phase of the EIA process and values the input that all stakeholders contributed.

South Fork Mitigation Project

The South Fork Mitigation Project is a sustainable wetlands restoration solution to restore poor-to-medium quality wetlands impacted by Sasol's project in Southwest Louisiana.

The mitigation area, which Sasol purchased, is situated along portions of the South Fork Black Bayou, which discharges into the headwaters of the Calcasieu Lake (Big Lake) Estuary. It consists of four parcels of land within the Cameron and Calcasieu parishes.

Sasol will restore more than 1 940 acres of wetlands in the Lower Calcasieu Watershed to increase the quality and quantity of wetlands in the area. Wetland hydrology will be established and native trees, shrubs and grasses will be planted in the mitigation area.

Sasol's mitigation activities will restore the following habitats:

- 1 225 acres of bottomland hardwood forest wetlands
- 555 acres of high-quality coastal prairie wetlands
- 89 acres of high-quality tidal freshwater marsh wetlands
- 66 acres of non-wetland forest
- 5 acres of non-wetland coastal prairie areas

The mitigation area will be protected by conservation servitude, a legal agreement that prevents future development on the site, ensuring that it remains in its restored state. Sasol will also establish a trust to ensure that funding is available to cover anticipated costs associated with long-term maintenance and management of the South Fork Mitigation Project area.

The South Fork Mitigation Project's goal is to ensure that all fish and wildlife species in the impacted area, as well as ecosystem functions, are maintained at greater-than-existing levels, while creating greater diversity of habitat types that will benefit a larger variety of species. The restoration, maintenance and protection of these varied habitat types will benefit native wildlife, nesting wildlife species, migrating birds, reptiles, amphibians, fish and pollinating insects.

Our land and biodiversity management activities

SATELLITE OPERATIONS

- We noted an increase in attempts of theft along the fuel pipeline network which in some instances resulted in environmental contamination. Sasol conducts regular inspections along the pipeline.

ENERGY

- The retail team of Sasol Energy received recognition from the DEFF for submitting notifications (Part 8 notifications) for retail sites with known soil and/or groundwater contamination so that appropriate remediation measures can be conducted. This award was handed over at the Waste Khoro, Asbestos and Land Remediation summit held in September 2019 in Kimberley. This is a good reflection on Sasol and the oil industry at large for the efforts being made to responsibly manage the contaminated land impacts associated with our activities.
- Secunda Tankfarm received a remediation order amid the part 8 process only requiring ongoing monitoring of the site. The related investigations greatly assisted both Sasol and the DEFF to better understand the land risks and align on the process going forward. Other areas in Secunda will be subject to the same process as the investigations proceed.

SASOLBURG OPERATIONS

- SO manages two nature reserves in the vicinity of Sasolburg. The reserves host 14 game species including gemsbok, eland, giraffe, springbok, impala and black wildebeest to protect grassland for future generations.
- Consolidation of waste materials from remedial activities on the old tar pit footprint is continuing.
- We aim to implement a permeable reactive barrier (PRB) to address elevated nitrates in groundwater. The proposal under consideration is to install the PRB alongside the downstream boundary of the Bunsen site.
- SO is awaiting remediation orders from the authorities for land assessed under the contaminated land management (Part 8) section of the National Environmental Management: Waste Act.

SECUNDA SYNFUELS OPERATIONS

- SSO contribution towards the conservation of biodiversity assets pivots on annual biodiversity management plans, monitoring assessments and feedback reports.
- SSO continued to publish scientific articles related to the biodiversity efforts on the Secunda site. The British Broadcasting Corporation (BBC) recognised Sasol again in a wildlife documentary on the serval cat research project.
- Priority biodiversity focus initiatives include rehabilitating some wetlands through better stormwater management, maintain a continued focus on alien invasive species and other conservation initiatives to safeguard protected species.

SASOL EXPLORATION & PRODUCTION INTERNATIONAL

- We conduct in Mozambique:
 - natural gas activities in accordance with applicable biodiversity laws and environmental requirements. We undertake continuous environmental monitoring across operations and projects, including ecological, groundwater, soil, noise and air;
 - ecological monitoring as per the requirements specified in the environmental management plan at well pads, seismic lines, access roads and borrow pits. We have achieved progressive vegetation recovery although some areas require ongoing maintenance and monitoring;
 - groundwater and soil monitoring at defined monitoring points around the Central Processing Facility (CPF) and surrounding areas;
 - rehabilitation along seismic lines, well pads, access roads and borrow pits;
 - contaminated soils management as per requirements specified in national legislation;
 - risk mitigation planning to address the legacy Pande well, focusing on water containment and environmental monitoring including soil, air, gas flow, surface and groundwater;
 - well integrity assessments;
 - plug and abandonment and hot tapping of wells in line with the legal requirements and international best practices;
 - equipment cleaning before mobilisation to site, as well as prior to moving equipment from one area to another to control the spread of invasive species; and
 - site monitoring to verify the presence of invasive species.

Environmental compliance

Sasol is committed to complying with all applicable laws and obligations arising from our environmental authorisations. Legal compliance is embedded in our Code of Conduct. Ongoing compliance is managed by our operations with the assistance of dedicated environmental teams and subject matter experts for various environmental media including air, waste, water, biodiversity and contaminated land management.



We highlight environmental compliance challenges that we managed and reported on over the period under review, recognising that most of these are associated with our South African operations.

Managing and reporting on our compliance challenges

We engage in a transparent and collaborative manner with authorities through established forums and where we anticipate or identify compliance challenges. We report non-compliances including details of the corresponding corrective and preventative measures.

We submit required periodic, quarterly and annual reports. We also communicate to our stakeholders on our performance.

Sasol follows a robust process aimed at reporting and mitigating environmental incidents, including any deviations from legal requirements that could lead to environmental harm. This approach is based on an incident classification system which includes assessing incidents based on their potential to create significant degradation or pollution of the receiving environment. Incidents are investigated and detailed assessments are conducted as necessary in order to ensure effective remedial measures are implemented. Learnings sprouting from these investigations are shared throughout the Group to minimise the likelihood of a similar incident occurring again.

We collaborate with the authorities on environmental inspections conducted at our various facilities. Our responses to findings, among others, include key remedial interventions aimed at sustaining compliance. For the financial year no final enforcement actions have been instituted for our South African operations.

Our South African operations

Engagements with the Department of Water and Sanitation (DWS)

Our operations had several engagements with the DWS. In Sasolburg, SO and Natref continued engagements with the DWS on pending water use licence (WUL) amendments, aimed at mitigating compliance challenges mainly associated with storm water management and discharge quality objectives. We await the outcomes of these applications. SO pro-actively informed the DWS of minor incidents of industrial sewer and waste water overflow, despite these not having had any confirmed impact on water sources. Natref reported an incident in terms of section 30 of the National Environmental Management Act (NEMA incident) associated with the leaking of low quantities of product posing a risk of stormwater contamination from tanks leased at the Fynlands site in Durban. We have not received any feedback yet.

In Secunda, Mining continues engagements with the DWS regarding water use authorisations and WUL amendment applications previously submitted and reported on. It also reported overflow incidents into the Trichartspruit in December 2019 from sumps and a sewerage plant at Syferfontein due to heavy rains and electricity outages. The DWS did a follow up site visit in February 2020 and no further action was required. Following site visits by the DWS to SSO in November 2019 in relation to SSO's pending WUL amendments, SSO submitted applications for new water uses and further amendment applications to reflect all water uses and requesting changes to some conditions that are not site specific and feasible. SSO is

preparing the requisite technical reports to further substantiate these applications.

SSO reported exceedances of water quality objectives, leaks that spilled over into the Bossiespruit and an effluent spillage at the waste recycling facility. No additional requirements were imposed by the authorities following the incident management actions taken. Base Chemicals submitted general authorisation registration applications as previously reported on for its Witbank explosives operations in 2019.

Engagements with the DEFF

To enable lawful implementation of air quality roadmaps towards compliance with the new plant standards by 1 April 2025 in accordance with the National Environmental Management: Air Quality Act, Natref, Sasol Chemical Operations, (SCO), SSO and SO received postponement decisions in November 2019 from the National Air Quality Officer (NAQO). SSO submitted further postponement applications on 2 April 2020 for four additional point sources, following a condonation granted by the Minister of DEFF and is awaiting the NAQO's decision. All AELs were varied to reflect the conditions of the postponement decisions save for Natref's online variation application that is pending due to activity restrictions on the local licensing authority during lockdown. Approval of the required updated offset programmes are pending. The AELs for the Secunda operations have also been duly reviewed and renewed in accordance with licensing requirements. See pages 32 to 35 for more details on air quality management.

For our Satellite Operations, an AEL amendment on monitoring frequencies for its Ekandustria operations is pending. SCO reported an exceedance associated with a nitrogen oxide gas leak

at its fertiliser plant and SSO reported emission limit exceedances of sulphur dioxide and hydrochloric acid (HCl) associated with high feed rates and quality, ammonia vents and black smoke due to plant trips and a particulate matter exceedance. We have made the necessary adjustments to prevent recurrences. SSO is engaging with the DEFF about some corrections required in its integrated waste management licence (including the correction of coordinates of waste disposal facilities and associated property descriptions) and to update its surface water monitoring to show a downstream monitoring point.

Satellite Operations had several engagements with the provincial environmental authorities regarding petroleum product spills from pipelines, mainly associated with attempted product theft. These incidents have been reported in terms of section 30 of the National Environmental Management Act (NEMA incidents). Initial spill containment and clean up have in all instances been completed, with further assessments underway in two instances to confirm the extent of the contamination and further remedial action required. Our Energy business reported a NEMA incident related to a petroleum product spill at a retail site (Sasol Bowling Avenue). Long-term remediation is in progress following initial clean up and containment.

Engagements with the Environmental Management Inspectorate

Our operations in Secunda were subject to various authority inspections at national and local level. The matter at SSO, related to the issuing of two pre-directives by the DWS in April 2019 as previously reported on, was closed out in January 2020 through the withdrawal of the pre-directives. Apart from undertaking the actions included in SSO's responding submission, no further actions were required. The DWS conducted its annual site inspection in August 2019 and issued a report in November 2019. In response, SSO commenced with pollution plume modelling to inform a position on the lining of some operational dams. The DEFF issued a pre-compliance notice to SSO in February 2020, following an inspection on air, water and waste management in April 2019. The pre-compliance notice in the main related to air quality exceedances on the incinerator limits, which have been the subject of a successful postponement application, as well as receiving environment surface monitoring (RESM) exceedances which have been the subject of ongoing discussions with the DWS. Sasol is awaiting an outcome following the submission of its response to the notice. The local authorities also conducted a site inspection at the SCO explosives operations on the Secunda site in March 2020 to assess compliance with environmental laws, bylaws and occupational health and safety management. The report is pending.

Natref provided information including environmental licences, monitoring reports as well as internal and external inspection/audit reports, to the environmental inspectorate in a follow up to an inspection conducted in 2015 and which did not result in the imposition of further enforcement action, fines or penalties.

Our Energy business provided annual audit reports to the provincial inspection authority during a site inspection in February

2020 at the Pretoria West Depot. The authority was satisfied with the status of compliance and no further enforcement action was taken.

The inspections conducted by the authorities did not result in final enforcement action or prosecution and no fines and penalties were imposed.

Our global operations

Environmental authority inspections were carried out at our North America Operations (NAO) and our Eurasia Operations (EAO). In most instances no deviations and hence no material findings were recorded. An improvement plan was implemented in Nanjing, China, to address some findings related to emissions reductions, waste storage, labelling, ventilation and waste water treatment at the site. At our Brünsbuttel operations in Germany, the remedial actions previously reported (involving plant process changes required to be implemented at the waste gas incineration unit to enable sustained compliance with emission limits) were completed in accordance with the requisite permits and compliance was confirmed by the authorities in March this year. A water permit compliance inspection at our operations in Slovakia was conducted in February 2020 and based on preliminary indications amid the finalisation of the report there are no deviations or findings. At our Terranova operations in Italy, only minor findings were recorded during a Seveso III EU Directive inspection. The authorities also inspected the site in June 2020 and confirmed the completion of soil and groundwater remediation following an earlier paraffin spill. NAO fulfilled the requirements of an Administrative Order of Consent, issued on a no penalty basis, with regards to an administrative emissions reporting error from the Lake Charles East Plant. Engagements in the normal course of operations took place with the environmental authorities (regulatory agencies) with regards to annual reports, permit modifications, renewals and variances. Similarly, NAO duly reported environmental releases above reportable quantities, as legally governed, to the authorities and submitted the follow up reports. The inspections conducted by the authorities did not result in final enforcement action or prosecution and no fines and penalties were imposed.

Engagements in Mozambique are ongoing with the regulatory authority regarding the renewal of the environmental licence associated with the Production Sharing Agreement Licence (PSA). Following from discussions with the authorities, the licence will also require an amendment to reflect changes in the PSA project scope which is subject to an environmental impact assessment. Due to the declared State of Emergency associated with COVID-19, the renewal process is still pending. The situation also affected the meeting of certain environmental monitoring and auditing requirements included in authorisations governing the operations and a revised programme was agreed with the Ministry of Land and Environment (MTA). Three minor environmental incidents were recorded and are reported as part of a six monthly environmental report to MTA.

RESILIENCE IN A LOWER-CARBON FUTURE

Importance to Sasol

The Paris Agreement codified the need for society to act with greater urgency to limit global warming to well below 2°C above pre-industrial levels and to pursue further efforts to limit this increase to 1,5°C. Sasol recognises that much more needs to be done to support the aims of the Paris Agreement. As this section is a high level extract from the Climate Change Report (CCR), please refer to the CCR for further details including on our GHG emission reduction roadmap.



Refer to the Climate Change Report for more information



Our approach

We are actively seeking to meet our energy needs through reliable, affordable and lower-carbon energy. We intend to achieve further transformational changes through collaboration, technology and innovation. We advocate for enabling climate change policy to advance a future that supports the intent of the Paris Agreement taking our national circumstances into account

Our first milestone is our commitment to reduce our absolute emissions in South Africa by at least 10% by 2030 (off a 2017 baseline). To meet this target, we are pursuing a gas enabled pathway as a complementary feedstock, to achieve our 2030 GHG emission reduction objectives, with renewables as a supplementary energy source.



Sasol aims to make our fair contribution to reducing the country's GHG emissions

What are we doing

The required transition away from reliance on coal and other fossil fuel-based energy sources has significant implications for those regions that are reliant on coal mining and which are dependent on coal-based energy. South Africa's emissions profile is dominated by coal combustion emissions. A successful transition will see the economy built on a very different energy mix than that of today, with a different suite of energy related commodities and technologies.

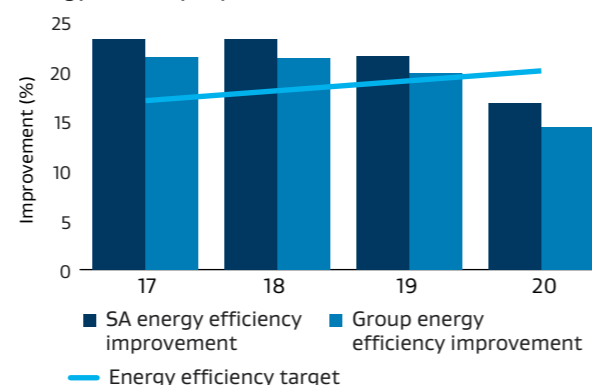
The combination of renewable energy technologies and gas, as a transition fuel, represents the least cost energy mix* and possibly the fastest route to decarbonise South Africa. It is for this reason that Sasol has focused its short- to medium-term climate change response plans on gas and renewable energy for our South African operations within our energy business.

Our 2030 emission reduction roadmap is focused on renewable energy to reduce our indirect emissions. Renewables is a low carbon energy source emissions and significantly cheaper than coal-based electricity. In addition, it offers us a route to green hydrogen into the long term which has the potential, if costs reduce to significantly reduce our emissions profile.

* sourced from Council for Scientific and Industrial Research, 2016

Performance

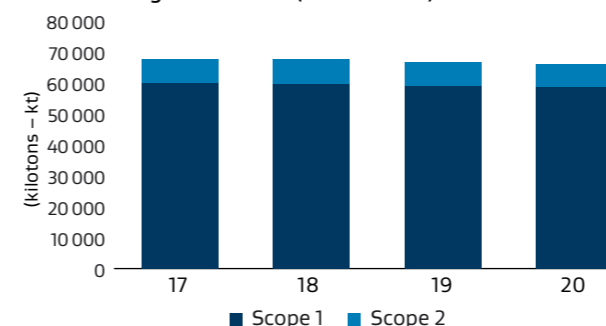
Energy efficiency improvement off the 2005 baseline



- Through our energy efficiency drive, the Sasol Group has delivered a 14,3% energy efficiency improvement from 2005 to 2020, towards a 30% energy efficiency improvement target by 2030.
- Since 2005 our cumulative South African energy efficiency improved by 16,8%.
- Sasol has been a proponent of energy efficiency improvement from as early as 2005 and in 2018 committed to the Energy Productivity 100 (EP100) initiative. Our energy efficiency roadmap includes a large number of different initiatives covering operational energy interventions and deploying capital-based solutions that improve the overall utility energy efficiency.
- COVID-19 had an adverse effect on the 2020 energy efficiency performance, primarily due to reduced production rates at all OMEs in South Africa. Similarly our international operations were also adversely impacted by a combination of plant pandemic response plans due to weak market demand for product. Energy efficiency improvements have become incrementally more challenging as our least cost mitigation options have been exhausted.
- On returning to full production and stable operations, we anticipate the historic energy efficiency programmes again delivering results towards the 30% energy efficiency improvement target by 2030.

Performance

Greenhouse gas emissions (kilotons – kt)

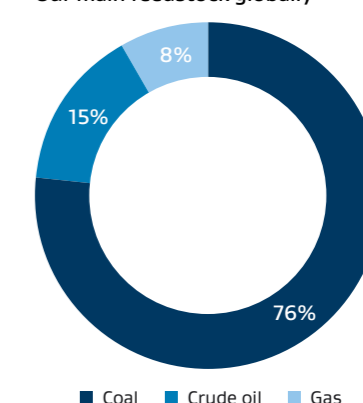


- Our carbon footprint is dominated by scope 1 and 2 emissions from our South African operations and in 2020 our total GHG emissions decreased to 66 015 kt CO₂e from 66 558 kt CO₂e. Our GHG emissions have been decreasing over the last four years, through mitigation interventions since 2017.
- The reduction of our GHG emissions has resulted primarily from our energy efficiency initiatives.
- The contribution from our North American Operations will increase our overall GHG footprint as the Lake Charles Chemical Complex (LCCC) reaches full capacity. We acknowledge this projected rise in our GHG emissions, however the benefit is that our future utility energy mix will be dominated by low carbon energy sources of natural gas and renewable energy. In addition, the LCCC results in a significant decrease in GHG intensity from a higher production base. Our Southern African operations will continue to constitute approximately 80% of our total GHG footprint.
- There is increasing recognition and focus on addressing scope 3 emissions. Our scope 3 emissions are those that are generated indirectly in our value chain, including upstream of Sasol's operations by suppliers and downstream by customers when they use our products. All applicable categories of scope 3 emissions are detailed in the CCR. Scope 3 emissions are calculated using methodologies consistent with the GHG Protocol Corporate Value Chain Accounting and Reporting Standard. Further work is being conducted to improve our tracking and validation of scope 3 emissions.

2030 GHG emission reduction roadmap

- We have analysed more than 100 mitigation opportunities in support of our 2030 roadmap. To date, we have achieved 3,1% reduction towards our 10% target, from the 2017 baseline, through energy and process efficiency measures.
- The first phase of our emission reduction roadmap continues to leverage process and energy efficiency options as the primary mitigation options dealing with scope 1 and 2 emissions.
- We have entered the market and invited bids to supply 600 MW of renewable energy by 2030. Integrating renewable energy will initially target air reduction in scope 2 emissions will reduce operating cost.
- Our second phase of the emission reduction roadmap, 2025 – 2030, is focused on transforming our operations by securing additional natural gas. Gas, as a complementary feedstock, coupled with low carbon renewable energy are key enablers for reducing our GHG emissions into the future.
- Further energy and process efficiency improvements will be pursued in the event that gas is unavailable or unaffordable.
- Our work regarding our long-term ambition and associated roadmap for 2050 is ongoing and we continue to explore collaboration and partnership opportunities in multiple technology areas including, hydrogen production.

Our main feedstock globally



GROWING SHARED VALUE - SASOL IN SOCIETY

Importance to Sasol

At Sasol, we contribute to social value by creating a positive and measurable socio-economic impact aimed at creating meaningful change. This allows us to respond to key societal challenges in our operational geographies and fenceline communities.

In this section

- Environmental stewardship
- Education
- Skills development
- Community development
- Economic transformation and local content
- Sasol for Good

Our approach

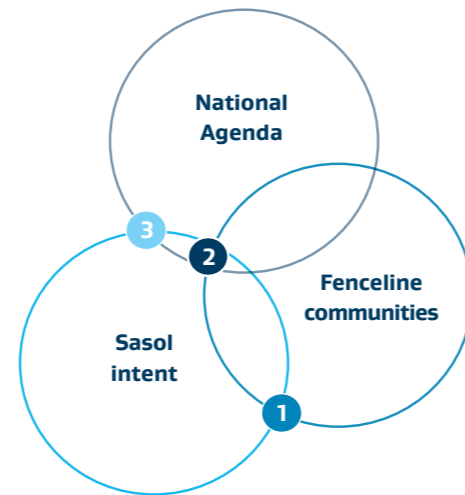
Following a process of understanding our stakeholders' issues and desired outcomes, we identify social investment focus areas and themes through which programmes are implemented within our fenceline communities and nationally as appropriate, taking into account human rights principles.

This approach is based on an understanding that:

- creating social value through investment in society involves an appreciation of the different issues of stakeholders, with relevant solutions being crafted to achieve the desired impact or value creation;
- streamlining our involvement and investments, aligned with global priorities while responding to local realities, has greater community impact;
- supporting the principles of human rights and non-discrimination with a focus on previously disadvantaged groups.
- our focus is being a catalyst of positive change and economic inclusion through our investments in education, skills development, economic transformation and local content, environmental stewardship and humanitarian support through Sasol for Good.

Streamlining our involvement and investments for greater community and societal impact

Our aim is to play an active role aligned with governments' agendas and serving the needs of our fenceline communities.



Performance

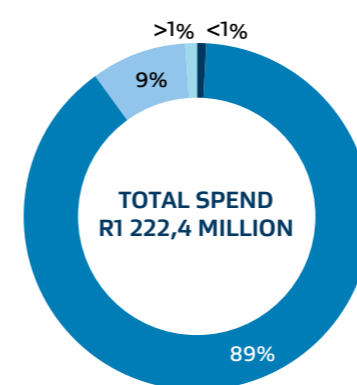
70 years into our history we are proud of the legacy that we have created and our investments into our host countries and our fenceline communities. We continue to listen to our stakeholders' issues and concerns regarding economic transformation and localisation of procurement. We have open and transparent communication regarding community interventions. In 2020, we invested R1,2 billion directly into our communities and spent R26,3 billion through preferential procurement in Black-owned businesses in South Africa and Mozambique. Our investments are specific to the needs of the country and region in which we operate and are aligned to the national, regional and local priorities. Our investment contributed to:

- Increasing environmental awareness through environmental stewardship programmes which contribute to building sustainable communities.
- Improvement of the quality of education outcomes for our learners from early childhood development to tertiary education.

- Increasing the pool and quality of relevant skills in our fenceline communities to increase the employability and portable skills for our youth.
- Building resilient community infrastructure to improve the health, sanitation, electricity and roads for our fenceline community issues through our community development programmes.
- Enabling economic inclusion opportunities for small businesses to contribute to the economic growth in the country through our economic transformation and local content which promotes small business development and preferential procurement programmes.
- Creation of sustainable connections between Sasol employees, civil society and non-profit organisations who do good in our communities through our Sasol for Good programme including voluntary payroll donations, once-off donations and disaster relief contributions.

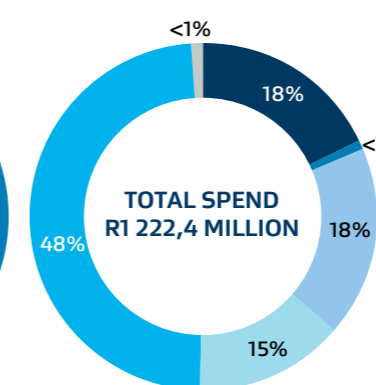
Environmental stewardship	Education	Skills development	Community development	Economic transformation and local content
Protecting the environment <ul style="list-style-type: none"> • Environmental awareness education in schools and communities • Community-based environmental stewardship projects • Implement and support air quality offset initiatives 	Contributing to education of the national workforce <ul style="list-style-type: none"> • Early childhood education • Management and practitioner development • Learner and parent development • Infrastructure and resources improvement Promoting science, technology, engineering and mathematics (STEM) education at schools <ul style="list-style-type: none"> • Management and teacher development • Learner and parent development • Infrastructure and resources improvement Enabling access to tertiary education <ul style="list-style-type: none"> • Bursaries • Postgraduate research funding and university collaboration • Infrastructure improvement 	Enabling access to work opportunities <ul style="list-style-type: none"> • Bolstering the pool of technical, vocational and STEM-related skills • Artisan training • Technical and Vocational Education and Training (TVET) collaboration • Workforce experience. 	Contributing to improved quality of life <ul style="list-style-type: none"> • Investing in community infrastructure • Collaborating to advance delivery of municipal services Investing in community health and wellbeing <ul style="list-style-type: none"> • HIV/Aids support • Healthcare facilities improvement • Disability support 	Enabling access to economic opportunities <ul style="list-style-type: none"> • Small business development • Nurturing entrepreneurship talent • Developing and funding of small businesses. Transforming the supplier base <ul style="list-style-type: none"> • Identify opportunities • Provide access • Spend with qualifying suppliers Responsible sourcing and procurement

Spend by region



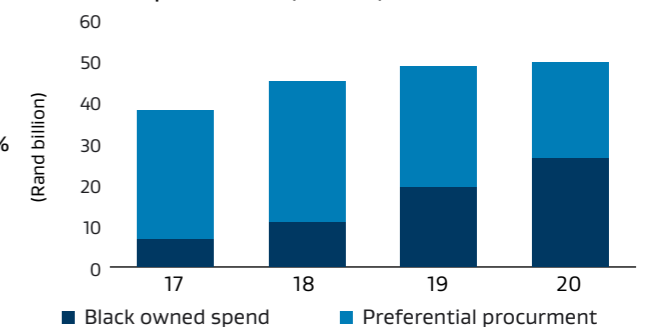
- Qatar and Nigeria R3,2 million
- South Africa R1 092,6 million
- Mozambique R110,2 million
- North America R16,4 million

Spend by focus area



- Skills and development R223,8 million
- Environment R7,5 million
- Education R218,7 million
- Community development R185,7 million
- Small business development R581,7 million
- Sasol for Good R5,0 million

Preferential procurement (R'-billion)



To meet the aspired Preferential Procurement and Economic Transformation targets, Sasol transformed the composition of its current supply chain by increasing the spend on black-owned companies.



Environmental stewardship

Developing communities and social enterprises with a focus on environmental stewardship.

Our environmental stewardship programme contributes to mitigating the impact of our environmental footprint outside our fence line in communities around our operations. Our investments focus on sustainable water, air, sanitation and health programmes.



Our programmes assist learners, educators and the community at large to understand the connection between environment and economic opportunities and our dependencies on the environment. The programmes cover waste management, water conservation, air quality, biodiversity, and sustainable food systems.

Globally, we have reached over 150 000 community members and school children through our environmental stewardship programmes.

Environmental awareness in South Africa

- **Reducing gas emissions in the long-term starts with environmental awareness at a young age.** In Sasolburg, we have been the primary sponsor of the Sasol-Forever Resorts Enviro Quiz since 2004. This is a competition for Grade 6 learners in the Free State and Eastern Cape to develop environmentally responsible learners who will one day become environmental ambassadors in our community. The Environmental Empowerment Directorate of the Free State Department of Economic, Small Business Development, Tourism and Environmental Affairs, initiated the competition in 1994 and is still the implementation partner.
- **The competition consists of three rounds over a year.** In the first round, all primary schools in the Free State and parts of the Eastern Cape are invited to participate. The Department of Environmental Affairs does presentations to encourage environmental awareness among the learners before teams of four learners complete a questionnaire on the presentations. The best performers in the quiz proceed to the next round. Annually about 5 000 learners from more than 800 schools participate in this round. During the second round, 115 teams from the Free State and 20 from the Eastern Cape compete. Semi-finalists are required to complete an environmental project at their school. These projects are then evaluated by a panel of judges and the best projects continue to the final round.
- **In 2019 teams from 19 primary schools from the Free State and Eastern Cape qualified** for the third and final round of the competition. Over the years the competition has reached more than 70 000 learners.
- **We continued to roll out environmental awareness on waste management through community door to door and school awareness campaigns in Zamdela where 15 schools were reached in the area.** This has resulted in: Classroom interaction sessions which impacted 10 320 learners and 361 teachers to date. We have reached 6 936 learners through industrial theatre/puppet shows, visited 3 012 houses to date, visited 60 early childhood development centres (ECDs) reaching 2 994 children and completed a community clean-up campaign.

Community projects related to water, implemented over five years

In Secunda, we continued to support the Govan Mbeki Local Municipality (GMM) by investing approximately R60 million in water infrastructure projects over the last few years where we:

- Upgraded the sewer network in surrounding townships, thus preventing sewage spillages and improving the health of our employees and community.
- Supported GMM's turn around project of fixing and repairing water leaks including the appointment and secondment of five plumbers as well as back office support to the municipality.

In Sasolburg we continued to support the Metsimaholo Local Municipality (MLM) through the implementation of the following projects:

- Water Demand Management Programmes in Zamdela where three mobile maintenance units were deployed in the water and sanitation department of the local municipality which resulted in an overall reduction of water losses from 40% to 10% in the greater Sasolburg area.
- Ongoing mechanical, electrical and civil work on 11 sewerage pump stations which ensure effective biowaste management.
- Ongoing support for an additional maintenance unit for exclusive use for sump cleaning, maintenance of pump stations infrastructure and servicing of pumps has been commissioned.
- Remedial work to prevent the ingress of stormwater into the Sasolburg Sewage system was completed. This intervention has been effective in the reduction of the load to the Sasol Bioworks, specifically during high rainfall periods.
- Extensive civil and security upgrades have been done at the Welgelegen Pump Station in the Eco Park, including the installation of two new pumps and a new transformer. Leak repairs on the main sewer reticulation systems and replacement of pipeline sections has ensured full functionality of the sanitation system in the Park.
- CCTV inspection of the main sewerage network.
- Completion of a sewerage and stormwater master plan.

Our Mining operations implemented the following projects as part of the Social and Labour Plans from 2016 to 2020:

- Upgrading of the Greylingstad sewer and wastewater treatment works with a spend of R22 million.
- Construction of a water pipeline from eMbalenhle to Charl Cilliers, with a cost of R12 million, providing the Charl Cilliers community better access to water.
- Construction completed on a stormwater drainage system in Lebohang Township in Leandra at a cost of R1,8 million.

Environmental education in schools and communities

SOUTH AFRICA

- The Eco schools, Wildlife and Environment Society of South Africa (WESSA) and Enviroquiz programmes reached an additional 25 466 learners and 361 teachers to date.
- On World Clean-Up Day which was observed on 19 September 2019 Sasol, Natref and Metsimaholo Local Municipality supported community members from Wards 8 to 12 in Zamdela, to participate in a clean-up campaign to help mark the significance of the day. The clean-up campaign formed part of a larger environmental programme which uses various approaches to empower communities to keep their areas clean. This programme educates communities to prevent dumping of waste and promote collection of recyclable waste. Sasol employees also came together to clean up the Bongani Mabaso Eco-Park.
- More than 3 000 pupils in Amanzimtoti community and surrounding schools participated in the Clean-up and Recycle SA initiative in support of the National Clean Rivers weekend World Ocean Day in KwaZulu-Natal.
- The need to eradicate food insecurity propelled over 1 900 children from more than 6 640 households to establish 209 food gardens for sustenance as part of the vulnerable groups – which include child-headed families empowerment programme in Dipaliseng and Govan Mbeki Municipalities
- As part of investing in sustainable solutions, the Sasol Envirowaste Recycling Programme (Enviro-Cycle) sought to provide a green transition through green jobs which empowered 20 youth who managed domestic waste of over 30 000 households in the Govan Mbeki Municipality. This co-operative programme created a positive sentiment within the community. This motivated the municipality to enter this initiative in the Greenest Town Competition where they secured third position.
- In support of our offset initiatives, we established a waste management project which distributed 151 waste skips with 40 waste chaperones in Sasolburg to enable the collection and removal of waste. In Secunda and neighbouring towns in the Govan Mbeki Municipality, 1 443 households were insulated and supplied with energy efficient appliances. This initiative benefited seven local SMMEs, which in turn created 240 jobs.

NORTH AMERICA

- Through the Partners in Parks programme, we supported the City of Lake Charles to host 10 educational events focusing on nature walks, biodiversity, and bird watching observations. The park also hosted two field trips at Tuten Park with 288 students attending.
- We support The Longleaf Legacy Project dedicated to the heritage, restoration and sustainability of the endangered longleaf pine forest. The initiative's objective is to help restore the longleaf pine habitat in Sam Houston Jones State Park near Sasol's site in Southwest Louisiana. The Project has achieved a major milestone with the mulching of Phase Three of the project site. Approximately 21,5 acres were mulched, representing the final area to be mulched as part the project.

MOZAMBIQUE

- As part of the local development agreements (LDA) signed to address water and sanitation and access to energy priorities, we partnered with the SNV Netherlands Development Organisation and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) - German Development Agency - to implement programmes in various communities. The expected impact will be 10 000 households even schools and six health facilities accessing quality drinking water and sanitation. This impacts 37 communities.

Education

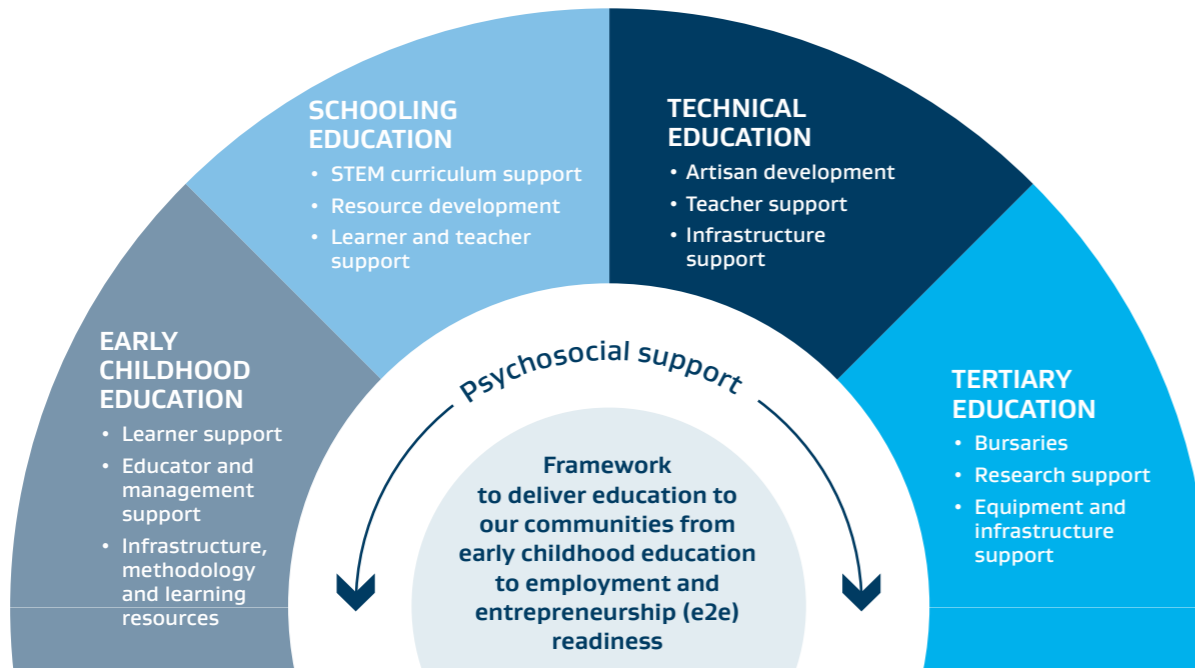
Education is an enabler and equaliser for achieving sustainable development, and it is the most powerful vehicle for upward socio-economic mobility of every individual.



Driving excellence in STEM education at all levels of the education value chain

Sasol invests in education to improve the quality of learning outcomes in order to benefit business and society in the countries where we operate. Our interventions focus on improving education outcomes in Science, Technology, Engineering and Mathematics (STEM), which contributes to global competitiveness, innovation and social development. Our interventions start from early childhood development (which prepares learners with a for strong foundation for learning) to until employment and/or entrepreneurship (which ensures the students are work-ready and able to contribute meaningfully to society).

In 2020 we had over 900 active bursaries awarded to learners globally to provide access to higher education to underprivileged youth, of which, approximately 200 are new intakes.



Early childhood education and development

SOUTH AFRICA

- Sasol supports over 180 Early Childhood Development (ECD) centres around the communities where we operate. Our interventions seek to improve the quality of programmes that are implemented to prepare children from 0 - 6 years for school readiness.
- Over 300 practitioners were trained and supported on site in all the centres in our programmes.
- In addition, 180 centre managers were trained to build their management capacity and supported with compliance and centre registration processes to enable them to access government financial support through a mentorship programme.
- Approximately 5 500 children at the centres that we support have access to at least one nutritious meal a day. To mitigate food insecurity in the families of children that are at some of the centres that we support, we have established food gardens which allow centres to share the produce with families that require support.
- Over 2 000 children benefited from the toy libraries in Secunda and Ekandustria.
- All the centres received indoor and outdoor learning resources for children across the different age cohorts to ensure that children are sufficiently stimulated, and all facilities are appropriately developed.
- This programme has impacted over 9 700 children across five provinces in 2020.

STEM in schools

Our interventions aim to enhance STEM education outcomes through teachers, learners, learning resources, career guidance and infrastructure improvement programmes.

Our interventions contributed to improvements in the 2019 matric results. In Sasolburg the Metsimaholo schools obtained a 91,3% pass rate and the Fezile Dabi district is in the top four education districts nationally.

In Secunda the performance of learners in the Sasol/Osizweni focused subjects (Accounting/Life Sciences/Mathematics and Physical Sciences) improved on average by 4,5 percentage points from 67,6% in 2018 to 72,1% in 2019.

Teacher support

- In the ever-changing STEM learning environment, it is essential for teachers to improve their curriculum knowledge and delivery methods. Our teacher interventions supported 46 teachers in the tertiary teachers' support project in Secunda. Further, 40 teachers attended workshops to enhance their mathematics and science teaching skills through our Primary Science Project in Ekandustria.
- In Sasolburg 162 teachers were supported through Boithorisong Resource Centre (BRC) and the Jumpstart Programme.

Promotion of STEM careers

- In August 2019, Sasol hosted its annual science exhibition known as TechnoX, more than 26 000 learners attended this STEM career expo in Secunda.
- The exhibition offers teachers and learners science workshops, tours, experiments, talks and competitions aimed at enthusing learners, students and the general public about the endless possibilities of science and technology. The week-long show ensured more than 900 local jobs were created for the unemployed youth and local SMME in and around Secunda.

Learner support

- Learner support is a critical element in increasing participation in STEM education. Sasol learner support projects offer extra tuition to more than 4 732 learners in Metsimaholo Local Municipality in the afternoons, during weekends, through holiday camps and classroom support.
- In addition, our mobile laboratories offer more than 2 483 learners access to science experiments that they would otherwise not cover because of lack of resources in their schools. These experiments were conducted during Science Week in August 2019.
- Sasol also promotes and rewards academic excellence in schools around our operations. Sasol in partnership with the provincial department of education in Mpumalanga and Gauteng awarded certificates of recognition to 111 (Secunda) and 547 (Badplaas and Bronkhorstspuit) learners respectively for their outstanding academic performance in Grade 12 in 2019.

Infrastructure support

- New kitchen facilities and equipment were handed over to three schools in South Africa in support of the school nutrition programme.
- Two classrooms were rebuilt at a secondary school in Delmas, Mpumalanga.
- Two mobile labs were donated by the Sasol Foundation to Sci-bono and the North-West University. An additional mobile lab was donated to Osizweni Education Resource Centre to service schools in Badplaas to ensure that learners in under-resourced schools have access to science laboratories.

Technical education in schools

- Over the years the Sasol Foundation has played a pivotal role in embedding technical subjects, building teacher capacity and providing the resources required for technical education to succeed in the South African schooling system. The Foundation is supporting five technical high schools across the country and has contributed to the increase in performance and the number of learners enrolled for technical subjects in these schools. About 6 000 learners are benefiting from this intervention and 40 teachers receiving onsite support and training through workshops. One of our learners from the Gauteng North District was among the Top Ten learners in the country for Technical Maths and Science in 2019.

SOUTH AFRICA

NORTH AMERICA

- Sasol designed an interactive Sasol chemical manufacturing exhibition facility in Southwest Louisiana. The objective of the exhibit is to generate enthusiasm and interest among young people and their guardians and teachers to learn about the chemical manufacturing industry and ultimately careers available through those industries locally. About 9 000 people per quarter visit this facility in the US.
- Through established partnerships, we have supported 120 teachers in the Partners in Education programme.



Access to tertiary education

The lack of access to tertiary education undermines broader economic development and social stability. Sasol therefore invests in tertiary education to support individuals to build skills that will enable them to participate in the economy including but not limited to employment by us, contribute to social development and allow them to be responsible self-reliant citizens in the communities closest to our operations; we also support institutions with research and capacity building for innovation, economic growth and social advancement of the countries where we operate.

SOUTH AFRICA

- Sasol awarded approximately 200 new bursaries from undergraduate to postgraduate students in 2020; these include seven bursaries that were awarded to students living with disabilities in South Africa. Our bursary programmes offer a comprehensive package that includes academic support, and psychosocial support to enable students to deal with the academic demands as well as other issues that may impact their performance.
- To ensure that students start their careers on a strong footing, we offer work readiness courses to all our students through our online support. As part of building skills in response to our communities' needs, Sasolburg is supporting 23 local students to further their studies through distance education while they receive tutorials and access to electronic learning material at the Boitjhorisong Resource Centre.
- Sasol collaborates with universities to strengthen their research and development capacity. Regarding national capacity development and scientific excellence, five students graduated with postgraduate qualifications, 63 papers were published in peer-reviewed journals and 126 oral or poster presentations were made at local and international conferences during 2019.

MOZAMBIQUE

- Interventions continue to contribute to building a pool of oil and gas graduates in the country, 22 new skilled and capable engineers were added to the Mozambican market; 10 students are in Malaysia, six in South Africa and six in Mozambique studying at various learning institutions.
- Seven students have already completed their degree courses.

Enabling digital access to education during South African COVID-19 lockdown

The Sasol Foundation partnered with the Department of Basic Education (DBE) and Africa Teen Geeks, to provide free online classes to ensure that learning and teaching continued during the national lockdown which was introduced in response to the global COVID-19 pandemic. The STEM Lockdown Digital School, as it was called, formed part of the Foundation's commitment to support and enable access to quality education and to promote excellence in science, technology, engineering and mathematics. The platform provided learners with a virtual classroom experience enabling interaction between the teacher and the learners.

Since the launch of the initiative, more than 250 000 Grade R to 12 learners accessed these online lessons, with the majority reporting the courses to be engaging and stimulating. More than 1600 videos have been produced from this initiative covering lessons from Grade R to 12 curricula with a focus on Mathematics, Mathematics Literacy, Natural Sciences, Physical Sciences, Numeracy, Computer Application Technology (CAT), Information Technology, Coding and Literacy. The project also recruited and trained 54 teachers to develop and deliver online classes. All lessons were recorded and uploaded on YouTube and are available for learners who may have missed the classes or those wishing to re-watch the lessons.

The challenge with delivering online classes has been the digital divide, creating issues of access. Only children who have devices such as laptops, tablets or smart phones could access the classes. High cost of data for those that had devices, was prohibitive impacting consistency in participation. The Sasol Foundation is working towards migrating all the content developed through the digital school platform, to the zero rated DBE portal. This is to ensure that millions of learners across the country have equitable access to learning resources that permeate not only digital but also socio-economic and geographical divides.



Sasol's CEO, Fleetwood Grobler, and EVP Human Resources and Stakeholder Relations, Charlotte Mokoena with Minister of Basic Education Angie Motshekga. Sasol Foundation Trust 10 year legacy.

Skills development

Improving labour market prospects for youth through skills development.

Skills development plays a pivotal role in creating sustainable livelihoods and driving both the formal and informal economies globally. However, recently the COVID-19 pandemic has presented an unprecedented challenge for the skills development systems in the world economy forcing them to rethink skills that would be required for the economy in the immediate and near future, as well as how these will be accessed by the youth.



Enabling youth employment

Considering the nature, location and scale of our activities, Sasol recognises its role in contributing to the improvement of labour market prospects for the youth. We understand that to create real and lasting value, a focused effort is needed to improve the standard of training and offer programmes that lead to enhanced economic opportunities in our fenceline communities.

Sasol offers targeted interventions that provide youth with core skills such as technical, vocational and work readiness training to enable the youth to be self-sustainable and become positive contributors to local and national economies. In addition, we prioritise development interventions that are linked to local community value chain services such as plumbing, electrification and tiling.

In 2020, over 55 000 youth benefitted from Sasol's skills development programmes globally to assist them with employability and business development skills that enable them to be self-sufficient and active contributors to the economy.



Inhassoro Training Centre produces more artisans

20 welders recently graduated from the Inhassoro Training Centre in Inhambane province which falls under a partnership between Sasol and the Mozambique Institute of Vocational Training and Labour Studies Alberto Cassimo (IFPELAC).

The Inhassoro Training Centre, which has been operational since 2014, offers training in a variety of trades, including welding, scaffolding, steel fixing and painting. Over 320 artisans have been trained to date, a total of 460 is expected to be trained within coming years. The Inhassoro Training Centre is a commitment made in the Production Sharing Agreement (PSA) Field Development Plan (FDP).

Ovidio Rodolfo, Managing Director for Sasol in Mozambique said at the graduation ceremony, "As Sasol, we invest in targeted education, skills development and capacity building of Mozambicans. We wish to play our part in reducing unemployment, promoting the development of local skills in response to the market needs of the oil and gas sector, and developing a much-needed pool of skilled Mozambicans."

"We believe that learnerships are a critical platform to enable the youth of Mozambique. In partnership with Mozambique Institute of Vocational Training and Labour Studies Alberto

Cassimo (IFPELAC), we have established the training centre in Inhassoro where we are today," he further added. He also highlighted that "today, we are here to celebrate the graduation of these 20 young welders. The skills sets that these young men and women are much sought after within the sector. And we believe that through the practical experience obtained through working at the Central Processing Facility in Temane these young people have unique experience that they wouldn't get in many other centres."

He remarked that he was most impressed by the high number of women who have attended the centre over the years and he understands that it has been an average of about 30% women over the various intakes. The seven young ladies who recently graduated were an inspiration to others in this traditionally male industry and he commended them for selecting their field of study.

These graduates come from Govuro, Inhassoro, Massinga, Mabote and Vilanculos districts within Province of Inhambane. The centre offers Mozambicans a chance for socio-economic upliftment and is creating a talent pipeline for the country's industrial growth.

Skills development in learning institutions and communities

SOUTH AFRICA

Youth Employment Service

- Sasol was one of the first adopters of the Youth Employment Service (YES) programme when it was introduced to mitigate the high youth unemployment in the country. To date 502 YES learners have been employed for 12 months to gain meaningful work experience across our operations since September 2018.
- Before the lockdown, 165 YES learners were given work experience at Sasol.
- Ongoing interventions are in place to support the YES learners on topics such as re-entering the job market, job search skills and financial skills.

Farming skills

- In collaboration with our partners, Sasol has funded the training of 120 young local emerging and subsistence farmers from Gert Sibande to gain technical, financial and business skills. On completion of their training these emerging farmers will be mentored and assisted to set up their farming enterprises.

Business development skills

- Sasol co-sponsored, for the sixth consecutive year, the National Step Up to A Start Up programme. In the past financial year 101 schools participated and over 12 000 learners received a challenge on developing a business idea which will enable them to improve their business development skills while nurturing the idea of being entrepreneurs.

Artisan skills

- 57 unemployed youth from Gert Sibande TVET College underwent the trade test for plumbing. This is aimed at enabling them to be self-employed in the skills which are required by the community in Secunda.
- 95 unemployed youth are undergoing a work integrated learning programme in road traffic management, safety and security and waste management in Secunda.
- 17 youth skills development centres have been launched in the Gert Sibande District Municipality assisting youth with various portable skills. To date over 45 000 youth have benefitted.
- In Sasolburg, we have supported local youth to qualify as artisans in various disciplines such as mechanical fitting, welding, rigging, plumbing, motor mechanics, electrical work and instrumentation. Currently 94 of the 99 artisan candidates have been placed for work integrated learning (WIL) at Sasol, six local businesses, the Metsimaholo Local Municipality and the Department of Health, Free State. In Sasolburg 12 blind and partially sighted local community members completed the JAWS Microsoft screen reader and Braille literacy skills programmes.

Skills for people living with disabilities

- The inclusion of people living with disabilities in the mainstream economy is an important element of our interventions. Sasol has partnered with the Living Link to enable 12 intellectually challenged young adults to develop skills that will equip them sufficiently to participate in the economy.

NORTH AMERICA

- Through a number of skills workshops we conducted, we assisted a number of businesses. One participant improved his life by going from an employee at a chiropractic office to owning his own practice, while another with automotive skills opened his own used car service station. These skills development workshops have seen a number of businesses growing and creating jobs.

MOZAMBIQUE

- Over 30 graduates from the Matola centre visited the plant in Temane as part of field readiness learning on the "Get Energy Field Ready" training programme which exposes youth to the oil and gas industry. The current intake of graduates come from Nampula and Matola communities.

Community development (Infrastructure, health and disability)

Our Community Development programmes are premised on the needs of those closest to our fenceline, understanding that we have a symbiotic relationship, more so because our employees live in these communities. Investing in the infrastructure surrounding our operations and in the health of our communities is good business. By investing in these programmes, we contribute towards the creation of healthy, sustainable communities.



We invest in programmes that support and improve systems that are able to sustain our communities. It is often the most marginalised members of a community that are impacted by lack of access to service delivery, often leaving them exposed to numerous health and safety risks. We recognise that it is not the primary role of Sasol to provide municipal services, but as a partner in the many regions in which we operate, more so in South Africa and Mozambique, we understand that we have a role to play in supporting local government efforts to create an enabling environment for not only communities to thrive but our business as well. This is the reason we invest in:

- Infrastructure development;
- Health and wellness programmes for healthier communities who will be productive and in turn contribute positively to society; and
- Disability programmes.

This is why collaboration with local governments to provide access to basic healthcare services and infrastructure facilities is key to our success.

Globally, over 200 000 community members were positively impacted by our community development programmes in the past year.

Rehabilitation of EN1 Road in Mozambique

Sasol and partners delivered a rehabilitated 35 km stretch of National Road Number 1 (EN1), linking Pambara, in the Vilanculos district, and Mangungumete, in the Inhassoro district. The works were financed by Sasol and its partners, namely Companhia Moçambicana de Hidrocarbonetos S.A (CMH) and International Finance Corporation (IFC).

It is the road that is used as the main North-South land gateway in the country and widely used by local communities to transport people and goods to and from the rest of the country.

For a significantly long period of time, the circulation of vehicles on this section of the EN1 Road was an enormous challenge for users, including Sasol, due to the marked state of degradation in which it found itself.

It was in view of this degrading situation that Sasol, within the scope of its corporate social responsibility, signed an agreement with the National Road Agency (ANE) and with its partners – CMH and IFC – financed the rehabilitation of this EN1 Road, with a total cost of US\$6 million.

The EN1 road delivery ceremony was led by the Minister of Public Works, Housing and Water Resources, João Machatine, in the presence of representatives of the local government, the National Road Agency (ANE) and the community.

Speaking to those present, Minister João Machatine expressed his satisfaction with the support provided by Sasol and partners. **“This intervention was made at an opportune time and in the place where the degradation was actually quite accentuated, so we want to greet all the stakeholders who were involved in this undertaking and take this opportunity to recognise Sasol’s gesture”**, said João Machatine. Afonso

Siteo, a resident of Maimelane, district of Inhassoro, an area crossed by the road now rehabilitated who supports his wife and children with revenue from this route as a transporter, said he was satisfied with the rehabilitation. **“Before, transit was very difficult due to potholes and our cars always had breakdowns. But, from now on, thanks to Sasol’s support in the rehabilitation of the road, we will be more comfortable to do business and carry on with our life”**, said Afonso Siteo.

Afonso’s opinion is shared by the other members of the communities who live along the road, as witnessed by Jaime Ngolove, community leader in Maimelane. **“I thank the Government and Sasol because together they realised that there was a need to rehabilitate the road and we are already seeing the benefits of this”**.

The rehabilitation of this section represents a relief not only for the local communities, but also for the long-haul transporters who now have better conditions of transit.

“We financed this project because safety is an integral part of our values and the way we do business and because we believe that investing in a road like this is a significant contribution to the country’s economy,” said Ovídio Rodolfo, General Manager of Sasol in Mozambique.

The rehabilitation work was coordinated by ANE, guaranteeing the efficiency and the highest specifications of the works, for the benefit of all road users. According to the technical team, a new technology called “Cape Seal” was applied in this rehabilitation, for the first time in EN1, which consists of a single sealing with the application of a layer of 80/100 bitumen in 14 mm stone, which guarantees a smoother and more durable surface.

SOUTH AFRICA

Infrastructure development

- Our towns and cities are at the front line of coping with large population growth and the COVID-19 pandemic affecting public health. In support of local government, Sasol eliminated the risk of a sewer pollution that would have negatively affected the communal environment by constructing four pump stations in the Govan Mbeki Local Municipality town of Kinross. 25 people were employed in the project, 15 of whom were initially unskilled and six of whom were women. Two local business opportunities were generated by this project.
- Completed the installation of four electrical substation switchgears and panels for Govan Mbeki Municipality. This project will bring stability to the electricity distribution in the community.
- Rehabilitation of various roads including a portion of R59 in Sasolburg to assist with safety of commuters. This construction work was undertaken by a local B-BBEE principal contractor and benefitted four other local SMMEs, therefore creating 38 jobs and retaining others through extended maintenance.

Health and wellness in communities

- In improving the health of communities, over 4 500 community members in Govan Mbeki Local Municipality accessed health services during the HIV/AIDS awareness and anti-retroviral treatment campaigns through which 90 jobs were created.
- In Fezile Dabi district, 76 448 people were reached through Sasol’s HIV and TB awareness, testing and screening campaign including schools and prisons in the area. This project created six jobs and retained others. This was done in partnership with the Free State Department of Health, Epilepsy South Africa and a local HIV/Aids non-government organisation.

MOZAMBIQUE

Infrastructure development

- We completed the rehabilitation of two passenger ferries, Maguluti and Baia de Inhambane, which were damaged by tropical storm Dineo, in order to obtain full sea-worthiness certification from INAMAR and to bring the ferries to a suitable condition for passenger transport. This has enabled the communities to travel across the sea with ease.
- To drive economic development and access to electricity, we entered into Local Development Agreements (LDAs) with Inhassoro and Govuro district governments in Mozambique to enable 13 000 people access to off-grid electricity; 500 households access to on-grid electricity and more than 4000 people access to improved stoves. This initiative is being executed in partnership with GIZ.
- Completed the rehabilitation of three health care centres in Sofala (Mafambisse health centre, Macharote health centre and Inhamizua health centre), following their destruction during Cyclone Idai. These centres provide access to healthcare services for over 75 000 community members.
- We completed the rehabilitation of two schools in Inhambane (Palmeiras Primary school and Chitsecane Primary school) that contribute to access to education for local communities.

Economic transformation and local content

We aim to achieve a transformed, sustainable, diverse and high performing supplier base through simplifying our processes and accelerating the development of small and transformed businesses and giving them enterprise and funding support.



Our approach to economic transformation

- Our economic transformation and local content programme was refocused to align with the shared value approach to integrate all our interventions which deal with economic inclusion. This includes a focus on nurturing early stage entrepreneurial talent to enable a mindset for development and agility in our communities.
- Our aim is to enable economic inclusion and access for small businesses, to contribute to economic growth, through our economic transformation programme. Our primary objectives are:
 - Identifying and nurturing entrepreneurial talent and capability.
 - Accelerate development of transformed SMMEs by:
 - supporting them with relevant resources including funding; and
 - creating meaningful opportunities to enable participation in commercial supply chains, including Sasol's.
- Ensure transformation of our supply chain and apply responsible sourcing and procurement principles.

Focus areas to enable economic inclusion for small, medium and micro enterprises (SMMEs)

There are a number of key focus areas which we have considered internally to ensure that we give adequate support to SMMEs in order to align to the principles of our economic transformation programme.

Enterprise and supplier development (ESD) has been included in the supply chain procurement process across all spend categories including once off spend. This process is now confirmed with the approval of sourcing plans which include ESD in its totality.

We have transformed Sasol's supply chain to include the maximum number of sustainable SMMEs in current and future procurement spend.

An economic identifier has been implemented in our SAP system which will enable the dedicated use of transformed businesses as a preference in the procurement of goods and services in South Africa.

A technical accreditation handbook has been developed to enable SMME suppliers to successfully prepare and participate in the accreditation processes.

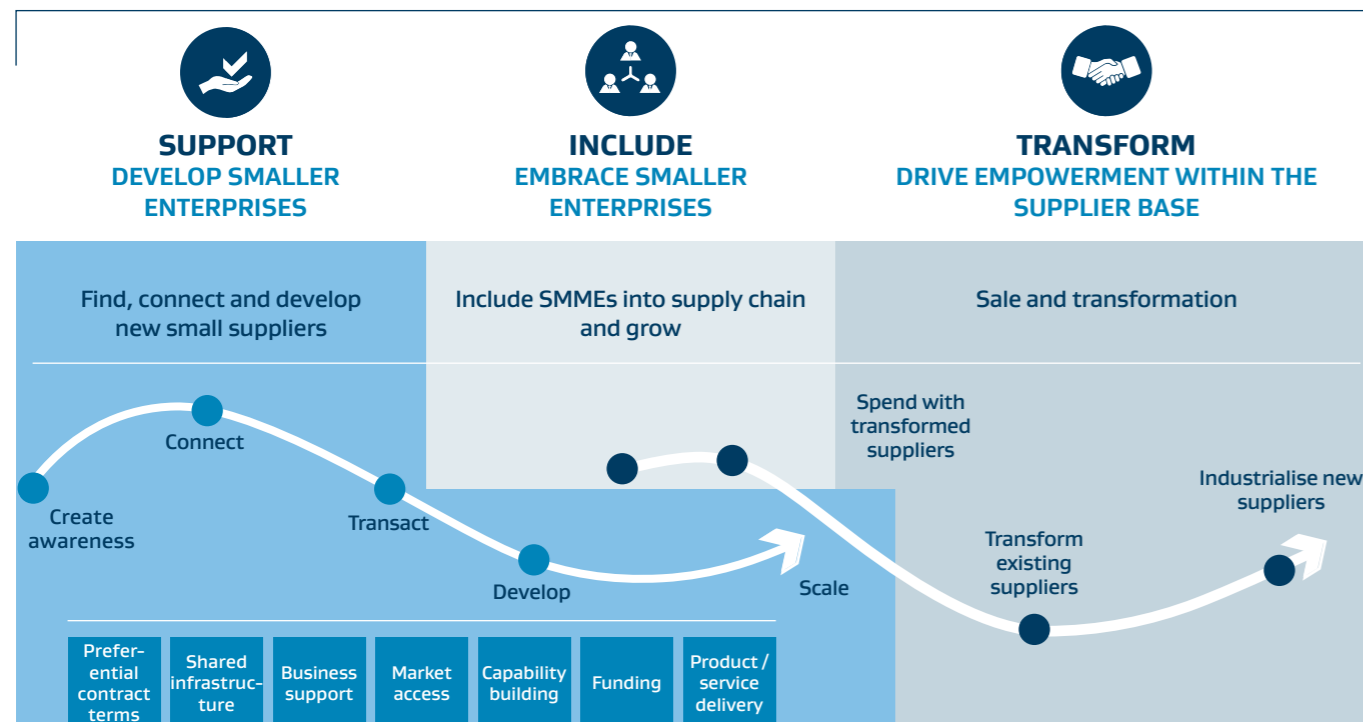
Supplier access is enhanced through broader eco-system engagement facilitated through participation in various industry events and exhibitions enabling an opportunity visibility platform for engagement and collaboration.

Preferential contractual terms have been introduced.

The operationalisation of the programme entails looking at the opportunities and risks to ensure that value is extracted while risks are mitigated for the benefit of Sasol and the SMMEs.

- Opportunities include partnerships and introduction of SMMEs to new opportunities and giving them access to our core business' value chain. One of the opportunities which has been realised for our operations is through Local Development Agreements (LDAs) in Mozambique which will enable the localisation of supply chain through local content plans.
- The Sasol SHE risk based approach will be utilised to assist Sasol in determining the actual SHE risk of the supplier and therefore accredit the supplier appropriately. In turn, it will also assist the SMMEs to understand the impact of the risks on the transactions and find ways to mitigate them in order to ensure adherence and improve their systems.

Our economic transformation approach is outlined below:



Economic transformation and local content (continued)

Focused development of small businesses to maximize impact and benefit both for Sasol suppliers and the community.

Identifying and nurturing entrepreneurial talent

- The identification, nurturing, connection and development of entrepreneurs is the first step towards small businesses development and economic inclusion of the disadvantaged communities within our fenceline operations. This includes a development programme where youth are introduced to various models to nurture their entrepreneurial talent, after which they are assisted on how to develop an idea, register a business and obtain funding for the business.
- Once businesses have been registered and are functional, further development support is given to assist with how to operationalise the business, create networks, transact and obtain funding for expansion of the business.
- The business development model for Sasol ensures that SMMEs are able to deliver services and goods to meet community, industry and societal needs.
- It is important for fenceline SMMEs to provide goods and services which are aligned with Sasol's value chain, it is not feasible, nor sustainable, to trade with all of them.
- It is within this context that Sasol supports SMMEs within our fenceline communities with grants and funding which is intended to enable them to grow and thrive in order to create sustainable economic opportunities and jobs within our communities.

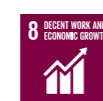
Our approach to enterprise and supplier development

In 2020 Sasol's Enterprise and Supplier Development (ESD) embarked on a journey to re-design its approach to deliver programmes that are aligned with opportunities within supply chain and linked to the overall business strategy. Qualifying SMMEs have direct access to finance through Sasol Siyakha Trust, which serves as a vehicle to assist black owned suppliers, enterprises and entrepreneurs with funding to enable their accelerated growth. Supply chain shapes and ensures sustainable sourcing and delivery of materials, services, and products to customers internally and externally to achieve Sasol's strategy with a focus on shareholders, OMEs, suppliers and customers.

- Sasol's ESD approach is in line with and supports the strategic pillars of the B-BBEE Codes of Good Practice.
- Sasol changed its approach from focusing solely on driving shareholder value, to driving "shared value" within the communities we operate in.



Sasol upskills members of our fenceline communities through masterclasses, enterprise development interventions, loans, grants and training.



Expenditure with Black-owned enterprises increased to R26,3 billion and with Black women-owned business to R17,3 billion.



Assisting Black-owned suppliers with coaching, mentoring and training.

Globally, over 1 000 small businesses directly benefited from grants, loan-funding and development support to improve business sustainability and increase profitability while spend with local (Secunda and Sasolburg) Black-owned companies increased from R8 206 million in 2019 to R10 482million in 2020.

Small business development and funding

- Accelerating small business development support of transformed SMMEs is one of our key priorities in countries where we operate. This is done to contribute to economic inclusion, while also working towards complying with the localisation requirements of countries in which we operate. This is done through our ESD which is scaling up the development programmes offered to small businesses. The focus has changed from driving spend for compliance to offering effective programmes that will lead to SMMEs participating in economic activity in their respective regions. The SMME journey in the ESD programme is underpinned by a suite of interventions that seek to enable a holistic development approach.
- One of the strategic levers in accelerating the development of SMMEs is to provide them with market access opportunities. Collaborative platforms where SMMEs could meet, share ideas and learn more about growing their businesses were created. An example of this was the Sasol ESD Ecosystems event held in Sasolburg, where Sasol, in partnership with Innovation Hub and SEDA hosted SMMEs to trade with each other. SMMEs supported by these institutions were invited and encouraged to pitch their businesses to other SMMEs with the intent of stimulating local trade. In addition to this, Sasol hosted a three-day Fourth Industrial Revolution (4IR) masterclass where engineering and IT specific industry developments were shared with our SMMEs. On the last day SMMEs were afforded an opportunity to pitch their businesses to Sasol service providers for partnership opportunities. Our new ED approach is presented alongside:

The Sasol Enterprise Development Approach (2020)		
Market access	<ul style="list-style-type: none"> Exhibition and industry events Digital platform 	To create market access opportunities for SMMEs. <ul style="list-style-type: none"> A centralised digital platform where supply chain opportunities are advertised to the community and small business can be identified is under development. Masterclasses to create a collaborative platform and facilitate industry conversations.
Product / service development	<ul style="list-style-type: none"> Incubation hub 	To develop a fit-for-purpose incubation hub in Secunda and revisiting the Sasolburg hub service offering. <ul style="list-style-type: none"> Planned incubation hub in Secunda. Sasolburg hub.
Business support	<ul style="list-style-type: none"> Business training Shared service support 	To offer a business support programme that enhances value for SMMEs. <ul style="list-style-type: none"> Training curriculum currently on offer. Supplier procurement support in Secunda and Sasolburg introduced.
Capability building	<ul style="list-style-type: none"> Technical training Technical events Mentorship and coaching 	To offer technical support aligned with procurement needs. <ul style="list-style-type: none"> Base Chemicals and Energy - Sasol Transporter Programme Introduced technical training based on SMME needs. Example: SteamTec programme with Movidna and KT Engineering in Sasolburg
Business infrastructure	<ul style="list-style-type: none"> Access to hardware and software 	To provide hardware and software access as a technology enablement tool to small business. <ul style="list-style-type: none"> Offering hot desking in Sasolburg.
Funding	<ul style="list-style-type: none"> Scaling up the supplier loan book and enterprise development funding through loans and grants 	To broaden the funding options for beneficiaries. <ul style="list-style-type: none"> ED grant funding.
Special projects	<ul style="list-style-type: none"> Special projects to drive enterprise and supplier development 	To drive implementation of special projects <ul style="list-style-type: none"> Hand sanitiser project.

Enterprise and supplier development activities

- SOUTH AFRICA**
 - 400 SMMEs have received development support with many graduating from an Enterprise Development to Supplier Development path with revenue growth. Over 119 employee volunteering hours have been spent to date by Sasol employees who have provided technical business support to the SMMEs.
 - Sasol Siyakha Trust continues to accelerate SMME growth by providing loans to black owned suppliers, enterprises and entrepreneurs.
 - Opportunity identification for sustainable opportunities across the various supply chain categories have delivered in the order of R2,1 billion worth of opportunities which are in the process of being allocated to SMMEs over the next two to three years.
 - Total Black-owned spend with suppliers increased to R26,3 billion against a target of R21,8 billion for 2020.
 - Satellite Operations spent R474,4 million with Black-owned suppliers in different areas across South Africa.
 - A technical accreditation handbook has been developed to enable SMME suppliers to successfully prepare and participate in the accreditation processes.
 - Our spend with local (Secunda and Sasolburg) black-owned companies increased from R8,2 billion in 2019 to R10,5 billion in 2020.
 - Our loan book provided funding of R488,7 million against a target of R522 million for Supplier Development. It came in lower than budgeted as a result of SMME payment relief applications and approvals brought about by the COVID-19 pandemic.
- NORTH AMERICA**
 - Over 615 small business from minority, woman owned and disadvantaged groups made over US\$2,7 million in the past year, funded from 25 certification workshops and other forms of support interventions by Sasol. These businesses created about 137 jobs in the current year.
- MOZAMBIQUE**
 - In a programme that commenced over three years ago, 60 beneficiaries have now become established entrepreneurs through Sasol's Asset Based Community Development programme in Chitsotso, Mangungumete and Maimelane communities. The programme has upskilled the youth in food security, farming methods for chicken and eggs production and horticulture.
 - Dedicated programme focused on including smaller enterprises into our supply chain. In Mozambique we have reached 1 173 suppliers. Study aid provided to 1 515, female and 945, male employees with 1 501 employees in apprenticeship and learnership programmes.

SUPPLY CHAIN TRANSFORMATION AND RESPONSIBLE SOURCING AND PROCUREMENT

Supporting local economies through supply chain transformation:

Sasol believes that the transformation of our supply chain will require a shift in how we have been doing business and procuring from suppliers. This entails taking steps such as:

- **Intentionally opening opportunities for previously disadvantaged groups** to ensure diversification of the supply chain to include SMMEs from our fenceline communities. An example is KT Engineering, one of two SMMEs who were selected for technical competency training and mentorship. It was enabled to independently and successfully provide the monitoring of steam traps as per Sasol's requirement. KT Engineering successfully completed the training and is a graduate of Steam-tec technical training programme. It operates from the incubation centre and has successfully delivered on an emergency steam trap maintenance work during the lockdown.
- **Deliberately reserving some of the services required by the business for particular fenceline community SMMEs** in order to give them an opportunity to bid for such services. An example is the building of the laundromat facility for Sasol employees working in a hazardous chemicals environment and were required to wear personal protective equipment (PPE). Sasol supply chain was intentional about reserving the opportunity for SMMEs from the fenceline community. Business, technical and safety related training tailored to each SMME's needs was provided by ESD. 20 local Ekandustria SMMEs were selected and developed by ESD, in addition, the SMMEs received grants to purchase the basic tools to enable them to execute their respective scope on projects.
- **Providing funding to qualifying suppliers to enable them to execute their contract mandate.** Through Sasol Siyakha, small businesses are given funding to enable them to provide the services which they had been contracted for. An example of a success story is:
 - Rothe PlantScapers, a Sasol Siyakha beneficiary, is a service provider, that offers irrigation and garden maintenance services. The business initially founded in Gauteng in 2010, approached Sasol Siyakha in 2014 for a loan, which assisted them to purchase machinery and equipment to service their contracts. In 2016 they requested an additional loan which was used to acquire land in Linbro Park, which is earmarked for their future head-quarters and business centre. They have grown and now have a nationwide reach with revenue growth increasing from R14,5 million in 2014 to R47,4 million in 2019. Their staff complement grew to 380 employees nationwide.

Responsible sourcing and procurement:

The Economic Transformation Programme is enabled and underpinned by the:

- principles of responsible sourcing and procurement:
 - do not support conflict;
 - act in compliance with all legal requirements regarding international control of trade in chemicals; and
 - limit the impacts on human health and the environment.
- zero tolerance approach to any unethical behaviour, bribery and corruption practices in any of our supply chain and sourcing processes to mitigate risks.
- Sasol's core values in how we do business including the Code of Conduct, Human Rights Policy and labour practices in our operational geographies.

Zero tolerance for unethical behaviour, bribery and corruption

Sasol is committed to:

- Fair treatment of suppliers and continuous improvement to deliver optimum value is achieved.
- Effective and mutually beneficial supplier relationships are maintained including the implementation of legislative requirements when transacting with suppliers.
- Adherence to the supply chain governance framework dictates the parameters of daily operations.
- Identification and management of daily potential risks that ensure compliance with legislation.

Partnership opportunities through the local development agreements (LDAs)

In Mozambique the LDAs signed with Inhassoro and Govuro Districts, enable 39 fenceline communities to benefit from the economic impact through the agreed five year development programme.

Local content is the economic value contributed and retained in the domestic economy through the procurement of national goods and services. In Mozambique, Sasol adds value through:

- the employment of Mozambicans,
- investment and development of Mozambican-owned suppliers and workforce;
- nationwide contributions to research and development; and
- technology transfer.

Inclusive growth and enabling transformed access to Sasol value chain

PROCUREMENT OF BANNED AND RESTRICTED SUBSTANCES	CONFLICT MINERALS	PALM OIL AND RENEWABLE FEEDSTOCKS
We screen all orders for inbound chemicals and materials to ensure we do not procure illegal or banned substances; and where substances are restricted or controlled, permits are in place and are managed by our Product Stewardship function, to ensure adherence to all related requirements.	Sasol makes an annual submission as part of our Securities and Exchange Commission (SEC) filing in terms of the Dodd- Frank Act, on our use of any of the four minerals that have been linked to conflict in African countries (conflict minerals).	Sasol produces a limited quantity of products using sustainably sourced palm, eruca and coconut oil from certified suppliers. Sasol is a member of the Round Table on Sustainable Palm Oil (RSPO) and has a Palm Oil Policy in place, specifying requirements for the traceability of renewable resources.

Supplier Code of Conduct

Sasol employees, service providers and stakeholders are required to adhere to the code of conduct, practise human rights principles and comply to International Labour Organisation's requirements. Any contraventions can be reported to Sasol's ethics line found on our website at www.sasol.com.

- The supplier Code of Conduct states that "Suppliers must not participate in, or benefit from, any form of forced labour – which is work performed involuntarily under threat of penalty".
- We proactively assess human rights, both at our operations and suppliers and will address non-compliance appropriately in line with our disciplinary codes.

We encourage all our suppliers and stakeholders to "Speak up" against any suspicious unethical and economic crime activities on the provided platforms to ensure that both Sasol and its suppliers adhere to the provisions and principles of ethical sourcing and procurement.

KSM Chemicals delivers hand sanitisers to SA through Sasol business development support

A highly coordinated effort to deliver thousands of litres of hand sanitiser to healthcare facilities and areas in need across South Africa has seen Sasol support a business that was developed at our incubation centre, KSM Chemical Solutions, the company tasked to manufacture the vital product. Since partnering with Sasol to produce laboratory tested alcohol-based sanitiser, KSM, the company that is located in Sasolburg, has been able to get its production up to 5 000 litres (L) a day within its first week of production, the company increased production to the current level of 10 000 L a day, with the intention to ramp this up to 15 000 L as demand continues to increase around the country.

By 30 June 2020, KSM has helped deliver over 250 000 L of sanitiser to beneficiaries, which include Sasol Energy, Mozambique Government, Sasol Mozambique, Sasol Satellite Operations, Sasol's Sandton head office. Sasol partnered with Anglo Gold Ashanti, and the Imperial Group where four Gauteng hospitals; Chris Hani Baragwanath, Charlotte Maxeke, Helen Joseph, Leratong and Nelson Mandela's Children's hospitals were supplied.

Further shipments were delivered to the Gauteng Department of Health, which supplied its clinics and hospitals around the province in greatest need, particularly Tembisa Hospital, Dr George Mukhari Hospital, Zandspruit Clinic and others.

Sasol also donated thousands of gloves and masks, as well as sanitiser and soap to destitute communities across all the seven regions of the City of Tshwane, the City of Ekurhuleni and the taxi industry in Gauteng.

While Sasol's Research and Technology divisions in Secunda and Sasolburg have both begun production of sanitiser liquid, KSM has produced the bulk of the product. This has ensured the constant supply to communities in greatest need since March when the small company was appointed as a toll manufacturer of the hand sanitiser. Sasol supplies KSM with an ethanol blend, which the smaller chemical maker turns into high grade sanitiser for delivery to the various beneficiaries.

KSM was first established in 2015 by founder Kelvin Jacobs and was incubated at the Sasol Business Incubation facility in Sasolburg from 2015 to 2016. The company began processing and recycling used oil from local McDonald's franchises to make biodiesel and produced cleaning products for Sasol's head office. The business grew to five employees just prior to the lockdown but was expected to close its doors along with hundreds of thousands of other businesses around the country when Sasol supported it to pivot to the manufacture of hand sanitisers.



Sasol in Society | Contributing to social and economic development in the regions where we have operations is essential to securing and maintaining our licence to operate. Discover https://youtu.be/GHzwsUJb_68

Sasol for Good – employees volunteering to uplift others

Harnessing the collective skills and talent of our people for good.

The role of volunteering is recognised as an important vehicle in achieving the 17 United Nations Sustainable Development Goals (SDGs) along with other key stakeholders. Volunteerism is also viewed as a powerful means of implementation as nations strive to build capacities, thus enabling this global agenda to take root by localising the SDGs and enabling scalable actions.



Sasol for Good, the company's employee volunteerism programme, structures and formalises employees' inherent willingness to give – placing people at the centre and realising the essence of partnership and co-operation. The programme encourages employees to get involved in humanitarian support in their communities by volunteering their time, skills and resources through company and employee-initiated social development causes. This allows causes to benefit from employee giving, and also enriches employees' understanding of community issues, making them advocates of communities on those issues.

We grant employees 40 hours per annum to dedicate their time to volunteering initiatives of their choice. We support our employees by granting paid volunteering time, and also complement their financial contribution and fundraising initiatives to organisations of their choice via payroll deduction, matching gifts and volunteer grants.

Over 4 000 Sasol employees have registered to volunteer to causes, donating over 2 499 volunteering hours. Sasol and employees contributed over R5 million to more than 290 organisations as part of our payroll and match giving.

Collective action is intrinsically rooted in Sasol's core values, and through the mobilisation of our employees globally, we are able to complement our corporate-led social investment activities with what is valuable to our employees, thereby allowing Sasol to support a much wider range of initiatives that are based on the individual choices of employees supported by a strong enabling governance structure.

"Making a difference South Africa"

Chan Naidoo, Head of SHE Governance and Assurance does exceptional work through Making A Difference South Africa (Making a Difference SA), a non-profit organisation he co-founded with his wife, Keshnee Naidoo.

The organisation works across multiple areas including providing school shoes, socks and stationery to disadvantaged learners; disaster relief; animal welfare; annual Mandela Day Charity; annual Christmas Charity; annual Diwali Charity.

Making A Difference South Africa has grown considerably over the past few years, thanks to the support received from Sasol colleagues, friends and family and digitally, through social media.

A turning point for the organisation was the launch of the Sasol for Good Employee Volunteer Programme in 2016, which provided a platform for Sasol employees to contribute to making a difference in their work and home communities. The employee pledging and Sasol matching schemes have enabled the organisation to increase its support of various campaigns.

In recognition of the work being done, Making A Difference SA received three nominations over the past 12 months:

➤ Influential Man of the Year 2019

Chan received this award for the various charity drives implemented by Making A Difference South Africa and the influential impact it had on people across the country. The impact was only achievable through the support of Sasol colleagues.

➤ Gauteng Premier Service Excellence Awards

This award was received for the work done in Gauteng and the communities touched across the landscape of the province.

The personal effort and support put into Gauteng projects in disadvantaged communities by Sasol colleagues was instrumental in this award being received.

➤ The Presidential Order of Baobab

This nomination is a South African civilian national honour and awarded to those for community service.

Chan was quick to point out that he does not see these nominations as personal recognition, but an acknowledgment of the work being done by Making A Difference SA. He further added that this is also a recognition of the generosity and kindness of Sasol colleagues who get involved in different projects. He also believes that recognition of this nature lends credibility that will allow the organisation to grow and help even more people in need.

The charity is a story of what makes this country great, ordinary South Africans coming together under a single banner of Making A Difference SA to bring about positive change.

It is this hope and the work of similar organisations across this country, that will be the vehicle which truly drives change at grass-roots levels in our country.



SOUTH AFRICA

Mandela Day

- In 2020, over 1 300 employees in South Africa packed over 168 000 meals which were distributed to Early Childhood Development Centres as part of the annual Mandela Day Celebration under the theme "#Be-the-Legacy", Rise Against Hunger in partnership with the Rise Against Hunger Foundation.
- The campaign expanded its offering to cater for the diversity within our organisations and employees created toys from waste material for ECD centres hosted by Clothes 2 Good, an organisation that utilises the clothing supply chain, especially waste, to support ECD in South Africa. The campaign included an ECD literacy component, with focus on literacy in the mother tongue.

Social justice, health and payroll giving

- Sasol partnered with five organisations advocating against gender based violence (GBV), hosting the "#It's-My-Responsibility Too" campaign, as part of our culture and goal of zero harm. Following a steep rise in incidences in 2019, we invited over 50 non-profit organisations from diverse sectors, to Sasol Place and employees to participate in a week long campaign as part of the 16 days of activism for no violence against women and children.
- In addition to the campaign we hosted a market day to raise funds for social enterprises and non profit organisations who work in the GBV environment. We invited them to sell their products to Sasol employees in order to raise funds and expand their market. This initiative was a great success and created the awareness while raising funds in the fight against GBV.
- Sasol continues to invest in organisations who are frontliners in advocating against GBV, inclusion and other social justice issues and has contributed over R10 million to these organisations over the past few years. Sasol believes that diversity and inclusion are more effective when driven as an integral part of the business strategy as clearly demonstrated by our HR plans and policies. Extending this mindset to our employees and fenceline communities is an imperative.
- In support of CANSA Shavathon, Sasol employees in Secunda raised over R44 000 and Sasolburg employees raised over R45 000, from donations and sales of various items. The funds were donated to organisations that deal with cancer.
- Over R720 000 was contributed by Sasol employees and Sasol added R631 000 to about 137 organisations to enable them to deliver value in communities.

NORTH AMERICA

- In the Lake Charles area, 70 Sasol for Good volunteers performed hands-on, scientific demonstrations for over 3 000 six graders as part of the Chemicals Expo hosted to create awareness to the youth to take STEM subjects.
- Over R2,3 million was contributed by Sasol employees and Sasol added R1,78 million to about 158 organisations to enable them to deliver value in communities.

DATA AND ASSURANCE

Every effort has been taken to ensure the accuracy of the reported data. We recognise that some data may be subject to uncertainty relating, for example, to different interpretations of the internal reporting guidelines and possible human error in recording and submitting data.

The continuous improvement of data quality and accuracy is an ongoing effort. Our Global Data Management System (SAP Sustainability Performance Management – SuPM) for key SHE non-financial performance indicators aims at ensuring the appropriate governance of our data collection process and assists in the assurance of the data collected. It also provides for the appropriate approval of data at source level. This system enables the reporting of our data at a disaggregated level by region as can be noted with the Natural Capital – Our Environmental data on pages 68 to 74.

In addition, we consistently retrain our employees on Group procedures and key performance indicator definitions. The Executive SHE Committee has regular discussions on the reporting process effectiveness and assurance of data quality issues. We have formalised and follow an internal review process of group-wide SHE and sustainable development (SHE&SD) data and have initiated a Technical Working Group to address issues and queries that may arise around this.

Selected SHE&SD data reporting processes have been integrated into the scope of second party audits. Sasol Assurance Services (SAS) has completed audits on non-financial SHE and non-SHE sustainability data. Deloitte and Touche have completed our annual external SHE&SD data assurance. SAS also provides an overall assessment of the adequacy and effectiveness of the combined assurance landscape related to data integrity. In parallel, the Risk and SHE Audit team continues to review and recommend implementation of controls and testing of this reporting process.

Risk assurance

The Sasol SHE risk-based assurance sub-function within the Group Risk and SHE function oversees the process for provision of combined assurance for our SHE risks which includes the external certification process for our operations. External certification includes the International Organisation for Standardisation (ISO) 9001, 14001 and 45001 and third party Responsible Care® verification audits. SHE regulatory compliance audits are also conducted to assist in compliance management and assurance in addition to the Group Compliance programme.

Most of our German operations are ECO Management and Audit Scheme (EMAS) validated and our wax operations in Hamburg, Germany are Energy Management Systems (ISO 50001) certified. North America Operations are Responsible Care® (RCMS) or ISO 14001 (RC14001) certified.

Reporting assurance

Our Sustainability Report follows the GRI's Sustainability Report Standards, including the GRI's Mining & Metals and Oil & Gas sector supplements. We apply the reporting criteria of the UNGC and this report meets the 21 advanced criteria.

Performance data

Human Capital – Our people

	Footnote	2020	2019	2018	2017	Level of assurance 2020
Employee numbers	1	31 001	31 429	31 270	30 900	
Employee turnover		1 936	1 780	1 560	1 523	
Safety						
Recordable Case Rate	2	0,27	0,26	0,27	0,28	Limited
– Employee		0,31	0,31	0,30	0,36	
– Service provider		0,23	0,22	0,25	0,23	
Lost Work Day Case Rate (LWDCR)		0,11	0,10	0,11	0,12	
– Employee		0,14	0,13	0,15	0,17	
– Service provider		0,08	0,08	0,09	0,09	
Employee and service provider fatalities		6	3	4	5	Limited
– Employee		3	2	3	4	
– Service provider		3	1	1	1	
Employee and service provider fatal injury frequency rate		0,007	0,003	0,004	0,006	
Total major and significant fires, explosions and releases	3	23	20	15	21	Limited
– Major fires, explosions and releases		2	1	1		
– Significant fires, explosions and releases		21	19	14	21	
Major and significant product road transport incidents		8	8	7	10	Limited
Total number of first aid cases		530	883	801	724	
Total number of person hours worked (million)		162,6	187,6	180,9	171,7	
– Employee		76,2	77,5	76	74	
– Service provider		86,4	110,1	104	98	
Occupational illness						
Irreversible occupational diseases (IROD) have permanent health effects						
Asbestosis		0	–	–	2	Limited
Mesothelioma		0	–	1	–	
Chronic obstructive airway disease (COAD)		16	21	–	6	
Occupational asthma (including allergic sensitisation)		3	1	2	1	
Pneumoconiosis		7	12	14	9	
Noise-induced hearing loss		35	31	15	21	
Chronic work-related upper limb disorder (WRULD)		16	0	–	1	
Other		1	1	5	1	
Reversible occupational diseases (ROD) have temporary health effects						
Reactive airway dysfunction syndrome (RADS)		62	41	40	36	
Tuberculosis		6	4	1	–	
Allergic reactions other than RADS		33	34	34	29	
Post-traumatic stress disorder (PTSD)		9	1	5	1	
Heat-related disease		0	–	–	–	
Shift worker's sleep disorder		2	–	–	2	
Work-related upper limb disorder (WRULD)		0	–	–	1	
Other		3	1	–	3	
		9	–	–	–	
Skills development						
Total skills development expenditure (R million)		1 170	1 392	1 284	1 024	Limited
Investment in employee learning (R million)	5	967	1 272	1 128	970	
Investment in learning as a % of payroll		5,9	6,8	6,3	5,1	
Investment in black employees (R million)	6	748	978	811	500	
Development interventions (number of individual interventions)	7	173 514	195 888	177 717	158 796	
Investment in bursary scheme (R million)		59,6*	60,8	50,5	53,0	
Undergraduate and postgraduate bursars		918	1 042	462	473	
Number of employees receiving leadership training	8	7 097	7 481	9 898	2 005	
Number of employees in Sasol's maintenance artisan learner pools		798	809	702	551	

*This includes bursaries awarded in Mozambique

Data and assurance (continued)

Natural Capital – Our environment

	Footnote	2020	2019	2018	2017	Level of assurance 2020
Production performance						
Production meant for external sale (kilotons)	9	16 879	18 446	17 836	18 472	Reasonable
Secunda		6 505	6 736	6 720	6 974	
Sasolburg		1 440	1 467	1 585	1 561	
Mining		1 945	3 209	3 192	2 976	
Natref		3 294	4 271	3 578	3 964	
Eurasia		1 275	1 277	1 341	1 345	
North America		1 695	688	707	811	
Mozambique		46	53	54	64	
Satellite Operations, Strategic Business Units and Functions		679	745	659	776	
Greenhouse gases (GHG) (kilotons)						
Direct methane (CH₄)	10	106	105,04	109,18	110,68	Reasonable
Secunda		95	96,16	98,34	99,52	
Sasolburg		6,98	5,34	7,24	7,42	
Mining		3,51	3,49	3,55	3,73	
Natref		0,05	-	-	-	
Eurasia		-	-	-	-	
North America		0,07	0,04	0,04	-	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		0,01	0,01	0,01	0,01	
Nitrous Oxide (N₂O)		1,49	1,64	1,44	0,51	Reasonable
Secunda		0,83	0,90	1,18	0,34	
Sasolburg		0,64	0,73	0,26	0,16	
Mining		-	-	-	-	
Natref		-	-	-	-	
Eurasia		-	-	-	-	
North America		0,01	0,01	0,01	-	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		-	-	-	-	
Direct carbon dioxide (CO₂) Scope 1		55 605	56 004	56 731	57 281	Reasonable
Secunda		48 152	48 418	49 411	49 284	
Sasolburg		4 123	4 557	4 517	5 017	
Mining		17	16	18	16	
Natref		853	932	791	903	
Eurasia		631	610	698	773	
North America	11	1 523	1 163	988	978	
Mozambique		261	261	258	260	
Satellite Operations, Strategic Business Units and Functions		45	47	51	51	
Indirect carbon dioxide (CO₂) Scope 2		7 538	7 653	7 756	7 659	Reasonable
Secunda		5 495	5 596	5 580	5 598	
Sasolburg		502	400	723	527	
Mining		706	726	697	705	
Natref		235	289	248	263	
Eurasia		104	108	125	170	
North America		467	498	349	360	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		28	36	37	37	
Indirect carbon dioxide (CO₂) Scope 3			Refer to page 23 of the CCR			Limited

	Footnote	2020	2019	2018	2017	Level of assurance 2020
Total greenhouse gas (CO₂ equivalent)						
Secunda		56 081	56 492	57 586	57 267	Reasonable
Sasolburg		4 974	5 297	5 483	5 763	
Mining		804	822	797	807	
Natref		1 090	1 221	1 038	1 166	
Eurasia		735	717	823	943	
North America		1 996	1 665	1 340	1 338	
Mozambique		261	261	258	260	
Satellite Operations, Strategic Business Units and Functions		73	83	88	89	
GHG intensity (CO₂ equivalent/ton production)		3,91	3,61	3,78	3,66	Reasonable
Secunda		8,62	8,39	8,57	8,21	
Sasolburg		3,45	3,61	3,46	3,69	
Mining		0,41	0,26	0,25	0,27	
Natref		0,33	0,29	0,29	0,29	
Eurasia		0,58	0,56	0,61	0,70	
North America		1,18	2,42	1,89	1,65	
Mozambique		5,69	4,92	4,74	4,08	
Satellite Operations, Strategic Business Units and Functions		0,11	0,11	0,13	0,11	
Atmospheric emissions (kilotons)						
Nitrogen oxides (NO_x)						
		135,8	149,1	146,9	151,6	Reasonable 2019 restated
Secunda	12	119,2	131,6	129,6	131,9	
Sasolburg		13,4	14,7	14,8	16,7	
Mining		-	-	-	-	
Natref		1,2	1,2	0,9	1,5	
Eurasia		0,5	0,5	0,4	0,4	
North America		1,6	1,1	1,2	1,1	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		-	-	-	-	
Sulphur oxides (SO_x)						
		196,3	191,5	188,6	201,6	Reasonable 2019 restated
Secunda	12	172,0	167,6	165,4	166,5	
Sasolburg		17,2	19,0	20,6	29,0	
Mining		-	-	-	-	
Natref		7,1	4,9	2,6	6,1	
Eurasia		-	-	-	-	
North America		-	-	-	-	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		-	-	-	-	
Volatile Organic Compounds (VOC) Indicator of Performance						
Secunda		38,3	33,7	28,0	41,0	
Sasolburg		-	-	-	-	
Mining		-	-	-	-	
Natref		-	-	-	-	
Eurasia		-	-	-	-	
North America		-	-	-	-	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		-	-	-	-	
Particulates (fly ash)						
		10,7	11,6	10,2	10,0	Reasonable 2019 restated
Secunda	12	9,7	10,8	9,4	9,2	
Sasolburg		0,9	0,7	0,7	0,8	
Mining		-	-	-	-	
Natref		-	-	-	-	
Eurasia		0,1	0,1	0,1	0,0	
North America		-	-	-	-	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		-	-	-	-	

Data and assurance (continued)

	Footnote	2020	2019	2018	2017	Level of assurance 2020
Waste (kilotons)	13					
Hazardous waste		333	328	338	348	Limited
Secunda		262	236	253	250	
Sasolburg		33	44	46	52	
Mining		5	4	1	6	
Natref		14	24	18	20	
Eurasia		17	18	18	15	
North America		1	1	1	3	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		1	1	1	1	
Non-hazardous waste		195	237	258	154	Limited
Secunda		107	127	117	52	
Sasolburg		55	45	76	26	
Mining		5	5	5	26	
Natref		1	3	1	1	
Eurasia		13	18	17	11	
North America		11	16	21	17	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		4	23	17	20	
Total waste		528	565	596	502	Limited
Secunda		368	362	368	302	
Sasolburg		88	89	122	78	
Mining		11	9	7	33	
Natref		15	27	19	22	
Eurasia		30	36	35	26	
North America		12	18	22	20	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		5	24	21	21	
Recycled waste		83	105	101	151	Limited
Secunda		30	33	31	68	
Sasolburg		19	21	23	22	
Mining		6	6	6	20	
Natref		4	2	-	-	
Eurasia		22	23	24	20	
North America		0	-	-	-	
Mozambique		0	-	-	-	
Satellite Operations, Strategic Business Units and Functions		1	21	17	20	
Energy use (thousand gigajoules)	14					
Electricity (purchased)		27 226	26 225	28 476	28 064	
Secunda		18 664	19 006	20 281	20 112	
Sasolburg		1 703	1 360	2 630	1 915	
Mining		2 398	2 464	2 534	2 563	
Natref		799	983	901	956	
Eurasia		663	708	886	1 272	
North America		2 905	1 582	1 100	1 110	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		94	123	138	137	
Feedstock to electricity (self-generated)	15	39 472	43 202	42 006	45 223	Restated 2018 & 2017
Secunda		18 536	19 291	19 284	17 830	
Sasolburg		17 892	20 798	18 321	23 667	
Mining		-	-	-	-	
Natref		-	-	-	-	
Eurasia		2 096	2 129	3 466	2 744	
North America		-	-	-	-	
Mozambique		868	904	850	893	
Satellite Operations, Strategic Business Units and Functions		80	80	86	90	
Feedstock to steam		251 026	251 513	258 587	261 403	
Secunda		230 216	228 518	234 916	236 619	
Sasolburg		19 423	21 606	22 545	23 614	
Mining		-	-	-	-	
Natref		-	-	-	-	
Eurasia		1 388	1 389	1 126	1 170	
North America		-	-	-	-	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		-	-	-	-	

	Footnote	2020	2019	2018	2017	Level of assurance 2020
Mobile fuel use	16	613	590	629	521	
Secunda		160	183	224	156	
Sasolburg		-	-	-	-	
Mining		234	265	240	216	
Natref		27	15	20	11	
Eurasia		-	-	-	-	
North America		60	33	-	-	
Mozambique		12	12	8	8	
Satellite Operations, Strategic Business Units and Functions		120	130	137	129	
Stationary fuel use		3,2	3,4	3,4	3,6	
Secunda		-	-	-	0,6	
Sasolburg		-	-	-	-	
Mining		-	-	-	-	
Natref		-	-	-	-	
Eurasia		0,1	0,4	0,4	0,1	
North America		1,3	2,2	2,1	1,8	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		1,5	0,7	0,9	1,1	
Fuel gas		82 354	68 445	62 264	67 106	
Secunda		16 418	17 581	15 018	16 135	
Sasolburg		5 710	5 403	5 977	6 123	
Mining		-	-	-	-	
Natref		6 756	7 996	7 122	8 364	
Eurasia		9 445	8 623	9 106	10 765	
North America		40 089	25 017	21 172	21 933	
Mozambique		3 199	3 061	3 031	2 934	
Satellite Operations, Strategic Business Units and Functions		737	761	838	851	
Other energy use		13 084	12 663	12 134	13 038	
Secunda		8 572	8 116	6 624	6 164	
Sasolburg		732	323	374	1 127	
Mining		-	-	-	-	
Natref		82	818	648	774	
Eurasia		3 171	2 861	3 874	4 239	
North America		527	545	614	717	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		-	-	-	17	
Total energy use		413 776	402 641	404 028	418 151	Reasonable
Secunda		292 567	292 695	296 285	298 436	
Sasolburg		45 460	49 490	49 847	56 446	
Mining		2 632	2 729	2 774	2 779	
Natref		7 664	9 811	8 690	10 105	
Eurasia		16 763	15 711	18 459	20 190	
North America		43 582	27 179	22 888	23 762	
Mozambique		4 077	3 977	3 889	3 835	
Satellite Operations, Strategic Business Units and Functions		1 029	1 097	1 195	1 225	
Material use (kiloton)	17					
Coal (dry ash-free basis)		16 942	17 038	17 474	17 961	
Secunda		16 942	17 038	17 474	17 856	
Sasolburg		-	-	-	105	
Mining		-	-	-	-	
Natref		-	-	-	-	
Eurasia		-	-	-	-	
North America		-	-	-	-	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		-	-	-	-	
Crude oil processed (kilotons)		3 665	4 749	3 979	4 379	
Secunda		-	-	-	-	
Sasolburg		-	-	-	-	
Mining		-	-	-	-	
Natref		3 665	4 749	3 979	4 379	
Eurasia		-	-	-	-	
North America		-	-	-	-	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		-	-	-	-	

Data and assurance (continued)

	Footnote	2020	2019	2018	2017	Level of assurance 2020
Crude oil processed (mm bbl)		27,1	35,1	29,4	32,3	
Secunda		-	-	-	-	
Sasolburg		-	-	-	-	
Mining		-	-	-	-	
Natref		27,1	35,1	29,4	32,3	
Eurasia		-	-	-	-	
North America		-	-	-	-	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		-	-	-	-	
Nitrogen from air		543,0	560,5	583,9	583,3	
Secunda		-	-	-	-	
Sasolburg		542,8	560,3	583,7	583,1	
Mining		-	-	-	-	
Natref		-	-	-	-	
Eurasia		0,2	0,2	0,2	0,2	
North America		-	-	-	-	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		-	-	-	-	
Oxygen from air		12 198	10 936,3	11 854,8	12 872,6	
Secunda		11 379	10 234,0	10 979,0	12 059,0	
Sasolburg		813	696,6	869,7	813,6	
Mining		-	-	-	-	
Natref		-	-	-	-	
Eurasia		-	-	-	-	
North America		5,9	5,7	6,1	-	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		-	-	-	-	
Natural gas (kilotons)		1 865,5	1 871,2	2 006,6	2 007,4	
Secunda		1 119,5	1 194,7	1 156,1	1 219,1	
Sasolburg		732,8	663,7	837,0	786,1	
Mining		-	-	-	-	
Natref		-	-	-	-	
Eurasia		11,0	10,3	11,0	-	
North America		2,1	2,3	2,3	2,2	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		0,1	0,2	0,2	-	
Natural gas (bscf)	18	90,1	90,4	96,9	96,9	
Secunda		54,0	57,4	55,8	58,9	
Sasolburg		35,4	32,0	40,4	38,0	
Mining		-	-	-	-	
Natref		-	-	-	-	
Eurasia		0,5	0,5	0,5	-	
North America		0,1	0,1	0,1	0,1	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		0,0	0,0	0,0	-	
Other (e.g. chemicals, feedstock)		5 247	3 872	4 071	4 123	
Secunda		1 014	1 048	1 120	1 076	
Sasolburg		-	-	-	-	
Mining		-	-	-	-	
Natref		-	-	-	-	
Eurasia		1 215	1 288	1 398	1 356	
North America		3 013	1 531	1 550	1 644	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		4	5	4	47	
Total material use		40 461	39 027	39 969	42 093	Reasonable
Secunda		30 455	29 515	30 779	32 377	
Sasolburg		2 089	1 921	2 290	2 288	
Mining		-	-	-	-	
Natref		3 665	4 749	3 979	4 379	
Eurasia		1 226	1 298	1 409	1 356	
North America		3 021	1 539	1 558	1 646	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		5	5	4	47	

	Footnote	2020	2019	2018	2017	Level of assurance 2020
Water (thousand cubic meters)						
River water		115 493	107 405	107 207	109 365	
Secunda		82 007	80 776	83 598	87 113	
Sasolburg		20 744	22 182	21 577	20 043	
Mining		-	-	-	-	
Natref		1 928	2 446	2 025	2 209	
Eurasia		0,5	4	8	1	
North America		10 813	1 997	-	-	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		-	-	-	-	
Desalinated water		762	689	994	960	
Secunda		-	-	-	-	
Sasolburg		-	-	-	-	
Mining		-	-	-	-	
Natref		-	-	-	-	
Eurasia		762	689	994	960	
North America		-	-	-	-	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		-	-	-	-	
Potable water		12 947	12 685	12 729	12 566	
Secunda		7 017	5 887	6 935	6 873	
Sasolburg		2 029	2 984	1 752	1 586	
Mining		1 431	1 520	1 495	1 782	
Natref		300	184	280	169	
Eurasia		1 598	1 660	1 591	1 439	
North America		374	243	246	238	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		197	206	430	479	
Other water (e.g. borehole water)		13 412	13 480	13 514	14 241	
Secunda		-	-	-	-	
Sasolburg		-	-	-	-	
Mining		-	-	-	-	
Natref		-	-	-	-	
Eurasia		6 274	6 557	6 546	7 380	
North America		7 035	6 838	6 882	6 767	
Mozambique		99	85	86	94	
Satellite Operations, Strategic Business Units and Functions		3	1	1	1	
Total water use		142 614	134 260	134 445	137 061	Limited
Secunda		89 024	86 663	90 533	93 914	
Sasolburg		22 774	25 167	23 328	21 628	
Mining		1 431	1 520	1 495	1 782	
Natref		2 229	2 630	2 305	2 378	
Eurasia		8 635	8 910	9 139	9 781	
North America		18 222	9 078	7 129	7 005	
Mozambique		99	85	86	94	
Satellite Operations, Strategic Business Units and Functions		200	207	430	480	
Liquid effluent		31 664	30 281	29 771	29 034	
Secunda		3 709	3 767	3 417	3 066	
Sasolburg		16 225	16 973	16 477	15 220	
Mining		328	340	360	307	
Natref		1 524	1 550	1 486	1 505	
Eurasia		3 363	3 671	3 757	4 597	
North America		6 461	3 928	4 212	4 308	
Mozambique		22	21	32	-	
Satellite Operations, Strategic Business Units and Functions		30	31	31	31	
Water recycled		157 484	177 680	178 398	178 420	Limited
Secunda		92 306	110 138	104 131	101 599	
Sasolburg		7 256	8 403	7 791	9 629	
Mining		3 790	3 387	2 973	2 769	
Natref		-	-	-	-	
Eurasia		54 131	55 752	63 504	64 375	
North America		-	-	-	-	
Mozambique		-	-	-	49	
Satellite Operations, Strategic Business Units and Functions		-	-	-	-	

Data and assurance (continued)

	Footnote	2020	2019	2018	2017	Level of assurance 2020
Land and biodiversity (hectares)	19					
Surface area affected by operations		20 901	20 856	19 959	19 852	
Secunda		7 338	7 338	7 338	7 338	
Sasolburg		1 091	1 070	1 070	1 070	
Mining		10 577	10 595	10 580	10 580	
Natref		204	204	204	204	
Eurasia		84	82	90	97	
North America		924	924	34	34	
Mozambique		533	495	381	381	
Satellite Operations, Strategic Business Units and Functions		149	148	148	148	
Area dedicated to conservation		6 147	6 142	6 143	6 143	
Secunda		3 044	3 044	3 044	3 044	
Sasolburg		665	665	665	665	
Mining		2 057	2 051	2 051	2 051	
Natref		-	-	-	-	
Eurasia		21	22	24	24	
North America		-	-	-	-	
Mozambique		-	-	-	-	
Satellite Operations, Strategic Business Units and Functions		360	360	360	360	
Land use and mining (hectare)						
Underground mining area	20	28 743	27 836	27 184	29 514	
Legal compliance	21					
Fines, penalties and settlements (number)		-	-	-	1	
Fines, penalties and settlements (US\$ million)		-	-	-	0,018	

Social Capital – Our society

	2020	2019	2018	2017
	Rm	Rm	Rm	Rm
Value added statement (unaudited)				
Turnover	190 367	203 576	181 461	172 407
Less: Purchased materials and services	246 468	145 061	118 720	98 697
Value (lost) / added	(56 101)	58 515	62 741	73 710
Finance income	575	1 861	3 159	2 639
Wealth created	(55 526)	60 376	65 900	76 349
Employees	32 007	31 924	30 013	26 872
Providers of equity	(132)	11 727	9 369	9 767
Providers of loan capital (interest)	10 823	8 195	7 327	6 029
Direct taxes paid to government	930	5 847	6 633	7 134
(Utilised) / Reinvested in Group	(99 154)	2 683	12 559	26 547
Wealth distribution	(55 526)	60 376	65 901	76 349
Number of employees for the year	31 001	31 429	31 270	30 900
Turnover per employee (Rands million)	6	6	6	6
Value (lost) / added per employee (Rands million)	(2)	2	2	2
Wealth (lost) / created per employee (Rands million)	(2)	2	2	2
Broad-Based Black Economic Empowerment (B-BBEE)	2020	2019	2018	2017
B-BBEE verification certificate	Level 3	Level 4	Level 6	Level 8
Preferential procurement (score out of 27)	24,17	20,8	17,4	14,9
Preferential procurement (Rands billion) from all suppliers	49,4	48,7	44,9	38,0

Footnotes

- Employee numbers refers to employees that are assigned to approved Sasol organisational structure Staff Establishment positions, including permanent and non-permanent structures (project positions, non-permanent employee positions) as well as individuals that exist outside of formally approved Sasol organisational structures. These actual headcount figures are not tracked by Group Organisational Design (OD).
- The Recordable Case Rate (RCR) is a measure for reporting work-related injuries. The RCR is the number of fatalities, lost workdays cases, restricted work injuries and medical treatment cases for every 200 000 employee hours worked.
- A fire, explosion or release (FER) incident is registered as 'major' when it meets any of the following criteria: (i) it has a FER severity index score of 40 and greater; (ii) it results in on-site fatality or multiple hospitalisation cases, or off-site injury; or (iii) it results in direct financial loss greater than US\$1 000 000. A FER incident is registered as 'significant' when it meets any of the following criteria: (i) it has a FER severity index score of 26 and greater but less than 40; (ii) it results in a lost workday case (LWDC) or more serious injury; (iii) it results in direct financial loss greater than US\$100 000; or (iv) it causes a release in excess of the relevant threshold quantity for that chemical as defined by the Centre for Chemical and Process Safety (CCPS).
- Illnesses are recorded as work-related as a precautionary measure. The various evaluation authorities may subsequently classify them as not work-related, in which instance they are removed from the records. In addition, service provider illnesses have been recorded. Reversible and irreversible occupational diseases are now separated and additional reporting categories have been included to enable a comprehensive disease overview required for continuous improvement and a proactive approach in occupational health management.
- Investment in employee learning excludes the compulsory 1% skills levy.
- Black employees refers to African, Coloured and Indian people – for the purposes of South African employment equity considerations.
- Investment in skills development ramped up during 2017, despite the Response Plan, as committed during 2016.
- Post Response Plan a centralised Leadership Development Cost Centre was created intended to encourage higher participation in Leadership Development. Previously OMEs had carried the costs and had been cost conservative in their participation rates, as a result the centralisation has yielded desired results. These Leadership programmes include LEAD, LEAP, LODP, LSDP, POLC, etc.
- Production – external sales – The boundaries of this figure only include a product that is destined for sale to Sasol customers, and does not include a product utilised or sold between the Sasol Group of companies. A decrease in production was noted as a result of decreased demand due to the COVID-19 pandemic.
- Greenhouse gas (GHG) emissions have been calculated and reported in accordance with the GHG Protocol (www.ghgprotocol.org) and the Intergovernmental Panel on Climate Change (IPCC) 2006 Guidelines. In our GHG measurements, we have included 100% of the emissions for the following joint ventures (JVs): Natref in South Africa and Sasol Exploration & Production International. Data for those JVs where we do not have a significant influence or operational control is not included. An external assurance provider has once again independently verified our direct and indirect emissions levels. Our GHG emission intensity (tons CO₂e per ton of production – external sales) increased to 3,91 in 2020 from 3,61 in 2019, due to a decrease in the production – meant for external sale.
- The GHG emissions for NAO have increased by 31% as a result of the LCCP facility being commissioned.
- At SSO, an integrated tool with validated and standardised calculations for reporting of the main stack data was developed and implemented in 2020 and resulted in an update to the previous calculation tool used for reporting. This improved reporting accuracy and necessitated the application of the tool on the 2019 data for comparative purposes. Therefore the 2019 data has been restated accordingly.
- Waste: the definitions of waste vary widely around the world. For reporting purposes, we use the applicable definitions of regulatory authorities. In situations with insufficient guidance from legislation, the definitions of hazardous waste are reported if it is (i) removed from the premises for disposal and/or treatment, or (ii) disposed of on-site (e.g. by landfill). These figures exclude coarse ash from gasification and fly ash from boilers. Non-hazardous waste is waste which requires disposal on a general waste landfill site. Recycled waste is materials left over from manufacturing or consumption, which may be reused or recycled. Hazardous and non-hazardous waste figures have included recycled waste figures since 2013.
- Energy use: all energy use data are calculated at the standard measurement unit in gigajoules (GJ) to ensure standard calculation in the group.
- Feedstock to electricity (self-generated) decreased as a result of reduced demand and production across all sites..
- Mobile fuel use increased due to increased as a result of LCCP units being commissioned..
- Material use: all material data are calculated at the standard measurement unit of kilotons (kt) to enable calculation of input material across the group.
- Natural gas (material use) stayed constant as a result of the same quality of pure-gas produced and used in the plant.
- Managing land use and biodiversity: we do not have operations in areas that have been declared biodiversity hotspots (areas identified as being critical or endangered eco-regions). However, we do have interests in areas of potential sensitivity, particularly as part of some of our upstream exploration and extraction activities. In accordance with our environmental management practices, the protection of biodiversity issues is addressed formally in new projects through environmental impact assessments (EIAs) and in existing projects through environmental management plans and/or programmes (EMPs). We are also working to assess the biodiversity of the habitats in land currently owned, leased or managed throughout the Group. The surface area affected by operations has been updated for the years 2017 to 2018, following an internal audit review of the land use figures. The figures have been updated to include the secondary area adjacent to the Secunda Complex primary area.
- Underground mining area exclude pillars left underground and have been restated for the period 2013 – 2016.
- Legal compliance: the figure includes significant fines and penalties for non-compliance with all applicable international, regional, national and local laws and regulations associated with safety, health and environmental issues. Payments include fines due to non-compliance with laws, regulations and permits, compensation payments and regular proactive payments made as a result of non-compliance with regulations where there is a potential for any enforcement action. The payments do not include levies, or costs for lawyers and product liabilities. For more information on competition matters, please refer to the Annual Financial Statements.
- The increase in the preferential procurement number is due to more new B-BBEE certificates and affidavits being received from suppliers..

INDEPENDENT ASSURANCE REPORT TO THE DIRECTORS OF SASOL LIMITED

We have performed our reasonable assurance engagement and our limited assurance engagement in respect of the sustainability key performance indicators for the year ended 30 June 2020.

The subject matter comprises the sustainability key performance indicators disclosed in accordance with management's basis of preparation, as prepared by the responsible party, during the year ended 30 June 2020.

The terms of management's basis of preparation comprise the criteria by which the company's compliance is to be evaluated for purposes of our reasonable assurance engagement and limited assurance engagement. The sustainability key performance indicators are as follows:

Reasonable assurance

Selected sustainability information	Unit of measure	Boundary	Pg
Product meant for external sale	Kiloton	Group	68
Greenhouse gases: Total Greenhouse gasses (CO ₂ equivalent)	CO ₂ equivalent kiloton	Group	68
Greenhouse gases: Carbon dioxide (CO ₂) – direct (Scope 1)	Kiloton	Group	68
Greenhouse gases: Carbon dioxide (CO ₂) – direct (Scope 2)	Kiloton	Group	68
Greenhouse gases: Direct Methane (CH ₄)	Kiloton	Group	68
Greenhouse gases: Nitrous oxide (N ₂ O)	Kiloton	Group	68
Greenhouse gases: Intensity	Rate	Group	69
Total energy use	Thousand GJ	Group	71
Total material use	Kiloton	Group	72
Atmospheric emissions: Fly ash	Kiloton	Group	69
Atmospheric emissions: Nitrogen oxides (NO _x)	Kiloton	Group	69
Atmospheric emissions: Sulphur oxides (SO _x)	Kiloton	Group	69

Limited assurance

Selected sustainability information	Unit of measure	Boundary	Pg
Recordable Case Rate (RCR), including employees and service providers	Rate	Group	67
Fatalities	Number	Group	67
Major and significant fires, explosions and releases	Number	Group	67
Major and significant product road transportation incidents	Number	Group	67
Total irreversible occupational diseases (IROD)	Number	Group	67
Total water use	Thousand m ³	Group	73
Water recycled	Thousand m ³	Group	73
Total hazardous waste	Kiloton	Group	70
Total non-hazardous waste	Kiloton	Group	70
Total waste	Kiloton	Group	70
Recycled waste	Kiloton	Group	70
Skills development spend for South Africa	South African Rands	Group	-
Total workforce for South Africa	Number	South Africa	-

Directors' responsibilities

The directors being the responsible party, and where appropriate, those charged with governance are responsible for the key performance indicator information, in accordance with management's basis of preparation.

The responsible party is responsible for:

- ensuring that the key performance indicator information is properly prepared and presented in accordance with management's basis of preparation;
- confirming the measurement or evaluation of the underlying key performance indicators against the applicable criteria, including that all relevant matters are reflected in the key performance indicator information and;
- designing, establishing and maintaining internal controls to ensure that the key performance indicator information is properly prepared and presented in accordance with management's basis of preparation.

Assurance practitioner's responsibility

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements Other Than Audits or Reviews of Historic Financial Information. This standard requires us to comply with ethical requirements and to plan and perform our reasonable assurance engagement and our limited assurance engagement with the aim of obtaining limited assurance regarding the key performance indicators of the engagement.

We shall not be responsible for reporting on any key performance indicator events and transactions beyond the period covered by our reasonable assurance engagement and our limited assurance engagement.

Our independence and quality control

We have complied with the independence and other ethical requirements of the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards).

Deloitte applies the International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Summary of work performed

We have performed our procedures on the key performance indicator transactions of the Company, as prepared by management in accordance with management's basis of preparation for the year ended 30 June 2020.

Our evaluation included performing such procedures as we considered necessary which included:

- Interviewing management and senior executives to obtain an understanding of the internal control environment, risk assessment process and information systems relevant to the sustainability reporting process for the selected key performance indicators;
- Identify and assess the risks of material misstatement for reasonable assurance engagements and areas of likely misstatement for limited assurance engagements, design and perform audit procedures, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion;
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Inspecting supporting documentation and performing analytical review procedures; and
- Evaluating whether the selected key sustainability performance indicator disclosures are consistent with our overall knowledge and experience of sustainability processes.

Our assurance engagement does not constitute an audit or review of any of the underlying information conducted in accordance with International Standards on Auditing or International Standards on Review Engagements and accordingly, we do not express an audit opinion or review conclusion.

We believe that our evidence obtained is sufficient and appropriate to provide a basis for our reasonable assurance conclusion and our limited assurance conclusion.

In a limited assurance engagement, the procedures performed vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the key performance indicator information has been properly prepared and presented, in all material respects, in accordance with management's basis of preparation.

Reasonable assurance conclusion

In our opinion the selected sustainability key performance indicators are prepared, in all material respects, in accordance with management's basis of preparation.

Limited assurance conclusion

Based on our work described in this report, nothing has come to our attention that causes us to believe that the key performance indicators are not prepared, in all material respects, in accordance with management's basis of preparation.



Deloitte.

Deloitte & Touche
Registered Auditors

Per Mark Victor
Partner
21 August 2020

5 Magwa Crescent
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Private Bag X6, Gallo Manor, 2052
South Africa

ADDITIONAL INFORMATION

Under our commitment to sustainable development as a strategic priority, the work that we do is subject to independent review. Recognitions, participation in indexes, initiatives and commitments are included below.

Support to global and national initiatives:



Sasol engages actively and collaboratively on sustainability issues via various fora:

- We play an active role in developing and implementing the global chemical industry's Responsible Care® initiatives, and participate in working groups of the European Chemical Industries Council (CEPIC), South African Chemical and Allied Industries Association (CAIA) and the American Chemistry Council (ACC).
- We retain our focus on continually improving performance in line with meeting Responsible Care® management practices as a global signatory.
- We have been a United Nations Global Compact (UNGC) signatory since 2001, and have endorsed the UNGC CEO Water Mandate since March 2008.
- We sustain our commitment to industry best practices through our membership of the International Council of Chemicals Associations (ICCA), Chemicals Policy and Health Leadership Group (CP&HLG) and we continue to work with ICCA to promote safe chemicals management.
- We participate in the annual climate change and water disclosures of the Carbon Disclosure Project (CDP).
- We are a member of the National Business Initiative (NBI), of the Strategic Water Partners Network (SWPN) as well as of the South African Petroleum Industry Association (SAPIA) and Business Unity South Africa (BUSA).
- Sasol is a member of the Minerals Council of South Africa (Mincosa), formerly the Chamber of Mines.
- We have signed-up to the EP100 which is a global collaborative initiative on energy productivity.
- Only African founding member to the global Alliance to End Plastic Waste, which seeks to eliminate plastic waste from the environment.
- Sasol has been independently assessed according to the FTSE4Good criteria, and has satisfied the requirements to remain a constituent of the FTSE4Good index.
- Performance Chemicals continues to partner with EcoVadis for Corporate Social Responsibility assessments, which now include all major sites and evaluates key suppliers in the supply chain. Sasol Italy achieved platinum status (top 3% of those rated by EcoVadis) and Sasol Germany is in the top 5%. Sasol has furthermore received positive audit results in Germany and South Africa under the Together-for-Sustainability (TfS) programme, and two Supplier Ethical Exchange (SEDEX) Members' Ethical Trade Audits (SMETA) were completed in Germany and the USA. Observations and findings from these audits are used to systematically improve the maturity of sustainability related management systems.

Forward-looking statements disclaimer

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, expectations, developments and business strategies. Examples of such forward-looking statements include, but are not limited to, the impact of the novel coronavirus (COVID-19) pandemic on Sasol's business, results of operations, financial condition and liquidity and statements regarding the effectiveness of any actions taken by Sasol to address or limit any impact of COVID-19 on its business; statements regarding exchange rate fluctuations, changing crude oil prices, volume growth, increases in market share, total shareholder return, executing our growth projects (including LCCP), oil and gas reserves, cost reductions, our climate change strategy and business performance outlook. Words such as "believe", "anticipate", "expect", "intend", "seek", "will", "plan", "could", "may", "endeavour", "target", "forecast" 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 and others are discussed more fully in our most recent annual report on Form 20-F filed on 24 August 2020 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.

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