

UNITED NATIONS (UN) GLOBAL COMPACT

COMMUNICATION ON PROGRESS (COP) INCLUDING CEO WATER MANDATE 2021



The UN Global Compact is an international initiative for companies that are committed to responsible business. Within the UN Global Compact there are ten principles that specify the behaviour expected from signatories covering: human rights, labour, environment and anti-corruption. Sasol has been a signatory to the UN Global Compact since 2001.

By incorporating the UN Global Compact principles into our business policies and procedures, we operate from a premise of integrity as encapsulated in our Code of Conduct and supporting policies. The table provides a brief overview of our implementation of the ten principles. Best practices that meet the 21 Global Compact Advanced Criterion are included throughout this document. More detailed information is available in our 2021 Integrated Report (IR), Sustainability Report (SR), Climate Change Report (CCR) and in our Global Reporting Initiative (GRI) Standards content index.

This submission is intended as a stand-alone document and covers the period 1 July 2020 to 30 June 2021. Where appropriate, the UN Global Compact COP contains references to actions and policies relating to human rights, labour, anti-corruption and the environment. Where we have targets in certain areas, these have also been included.

Although this COP statement has not been assured by a credible third party, key aspects of our sustainability report have. An independent assurance statement is available in our SR.

Our SR from which this information is drawn, adheres to the GRI Sustainability Reporting standards.

Further detail on our company profile can be obtained at www.sasol.com

Incorporating the UN Sustainability Development Goals (SDGs) into the COP (Criterion 15)

Our Purpose 'Innovating for a better world' compels us to deliver on triple bottom line outcomes of People, Planet and Profit, and we have placed sustainability firmly at the center of our strategy. As part of our performance in our four sustainability focus areas, we show our contribution to our four prioritised SDGs which is supported by our updated absolute medium-term greenhouse gas (GHG) emission reduction target to 2030, the associated roadmap and our ambition to be net zero by 2050. In addition, we are tracking our delivery to all SDGs, aspiring to improve our environmental, social and governance (ESG) ratings on a year-on-year basis with the ultimate aim of being included in the Dow Jones Sustainability Index. Delivering on our targets and commitments up to 2030 will be critical to resetting and transitioning Sasol. In so doing we will not only make Sasol more robust but this will also contribute to the Decade of Action. Our material matters as reported in our 2021 IR are factors that have the potential to impact, both positively and negatively, value preservation and creation and take into consideration our contribution to our four prioritised SDGs.

SUSTAINABILITY STATEMENT

Advancing chemical and energy solutions that contribute to a thriving planet, society and enterprise.



Focus areas



Safe and enduring operations



Growing shared value



Resilience in a lower-carbon future



Minimising our environmental footprint

Importance to Sasol

Safe, reliable and enduring operations are critical to value creation, supporting our strategy. We engage in transformational dialogue on safety, health and environmental (SHE) performance and focus on culture, leadership and humanising safety within Sasol. We strive to reduce risks and minimise the potential impact of any incidents.

We work to create a positive and measurable socio-economic impact, responding to key societal challenges in our operational geographies and fenceline communities.

We have set a bold ambition to meet net zero by 2050 to decarbonise for sustainability. We have tripled our 2030 emission-reduction target for our Energy and International Chemicals* Businesses. In South Africa, we are uniquely positioned to lead the energy transition through leveraging our own Fischer-Tropsch (FT) technology and expertise to deliver sustainable fuels and chemicals.

Our activities, by their very nature, 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 and legally compliant way.

* Excluding the South African Chemicals operations

SR Further detail on our contribution to the SDGs can be found in our 2021 Sustainability Report on pages 7 and 54.



Implementing the UN Global Compact ten principles into strategies and operations

Sustainability for Sasol means: providing chemicals and energy in a responsible way; respecting people, their health and safety, and the environment; and contributing to the socio-economic development of the countries in which we operate.

Focusing on ESG matters remains a major focus for the Sasol Board of Directors (Board) and Group Executive Committee and is reflected in the adoption of Sasol's new Purpose - Innovating for a better world. Sound corporate governance principles and practices are the cornerstone of our business and the foundation of our new strategy supporting the delivery of Future Sasol. In 2021 the Remuneration Committee reviewed all short-term incentive and long-term incentive targets to align with Future Sasol priorities and include a holistic focus on sustainability matters. More detail on our governance structures and remuneration philosophy can be found on pages 31 to 43 of the 2021 IR.

Recognising that our impacts extend beyond our operations we continue to heighten our focus on the entire value chain. We engage proactively with stakeholders. We screen suppliers and contractors and require compliance with our Supplier Code of Conduct. We engage with our key suppliers to review their performance and approach on ESG related issues, conduct supplier awareness training and include contractual clauses to ensure that both Sasol and our suppliers adhere to the provisions and principles of ethical sourcing and procurement. (Criterion 2).

Our material matters are factors that have the potential to impact, both positively and negatively, value preservation and creation in the short, medium and long term. Determining our material matters includes assessing stakeholder expectations, for more detail refer to pages 21 to 22 of the IR. In preserving and creating value, we proactively manage risks and capitalise on the opportunities in our operating environment, leveraging input from our stakeholders, for more detail on our Enterprise Risk Management process refer to pages 24 to 26 of the IR.

Our ongoing engagement with stakeholders enhances our reputation and improves our understanding of stakeholders' needs and interests to best position us for Future Sasol. For more detail on engaging and addressing stakeholder concerns refer to pages 27 to 28 of the IR and page 8 of the SR. Additional detail on our approach can be found in the GRI Standards content index, disclosure numbers 102-42, 102-43 and 102-44 (Criterion 21).

Our social investment approach is covered in detail in the section Growing shared value - Sasol in Society on pages 24 to 41 of the SR. We have established our Centre for Shared Value Management and our SI approach focuses on being a catalyst for positive social impact and change in society. (Criterion 16).

We engage at all levels of government in order to contribute to the formation of sound public policy. We engage directly with government, as well as through industry bodies such as the South African National Business Initiative and Business Unity South Africa, refer to page 61 of the SR for more detail. Sasol views its contribution to public policy as critical in supporting the UN SDGs. (Criterion 17).

We have progressed key partnerships in support of our net zero ambition. Refer to pages 10, 22, 29, 40 and 50 of the IR and page 7 of the SR. (Criterion 18).

Our President and Chief Executive Officer's (CEO) letter addressing Sasol's commitment to the ten principles of the UN Global Compact is adjacent and part of this document. (Criterion 19).

The main focus of the Board is to ensure that strategy, risk, performance and sustainable development considerations are effectively integrated and appropriately balanced across the five Board committees (the Nomination and Governance Committee, Audit Committee, Safety, Social and Ethics Committee, the Remuneration Committee and the Capital Investment Committee), refer to pages 31 of the IR. (Criterion 20).



“ We are committed to creating value for all our stakeholders and sustainably decarbonising our operations to reach our net zero ambition by 2050 ”

Fleetwood Grobler
President and CEO

Letter of commitment

Dear Stakeholder

UN GLOBAL COMPACT COMMITMENT

Our commitment to the UN Global Compact commenced in 2001. We are pleased to reaffirm that commitment and pledge our support for the ten principles, the CEO Water Mandate and the 21 criterion of the advanced level reporting programme.

Our Purpose 'Innovating for a better world' compels us to deliver on the triple bottom line outcomes of People, Planet and Profit, responsibly and always with the intent to be a force for good. We are committed to creating value for all our stakeholders and sustainably decarbonising our operations to reach our net zero emission ambition by 2050.

Over the course of our participation, we have worked to embed the ten principles into the way we do business and continuously strive to improve our performance.

The update of our strategy and details on our performance, provided in our 2021 Suite of Reports, namely the IR, SR and CCR, demonstrate our commitment to the principles of the UN Global Compact and contribution towards the achievement of the SDGs.

The highlights of our achievements are contained within the COP, available at www.sasol.com and also uploaded to the UN Global Compact website.

We continue to view the UN Global Compact as a valuable guide to Sasol's operations and we are pleased to pledge our active support and engagement.

Sincerely

Fleetwood Grobler

President and CEO
10 September 2021

Communication on Progress

GLOBAL COMPACT PRINCIPLE

BRIEF COP STATEMENT

REFERENCE TO ADDITIONAL INFORMATION

HUMAN RIGHTS

1. Support and respect the protection of international human rights within their sphere of influence.

Respect for human rights of all people is critical for the sustainability of our business. We uphold human rights and ensure integration into our business practices. Sasol's commitment to uphold the human rights and dignity of all people is captured in our Code of Conduct, Human Rights Policy and Supply Chain Policy, read with our Supplier Code of Conduct, SHE Policy, Security Policy and various other policies and practices related to fair labour and employment. (Criterion 3). A Business and Human Rights framework which is a road map to guide the integration of human rights matters in our business activities to the extent appropriate for Sasol, aligned with the UN Guiding Principles on Business and Human Rights. Business and Human Rights risk management is an aspect of the framework, with the objective of integrating business and human rights risks to our overall enterprise risk management approach.

Following the approval of the framework and the restructuring of Sasol's business, a review of the group wide risk profile commenced, and such review included an assessment of the business areas where business and human rights impacts may be prevalent. In conducting the review, the Sasol Enterprise Risk Management Framework and Risk Management approach is being applied in order to foster a systematic and standardised way to identify, prevent, mitigate and account for adverse impacts on business and human rights and this approach will support on how business and human rights impacts will be addressed and reported on. The framework incorporates the International Bill of Human Rights; UN Global Compact 10 principles and the UN Guiding Principles on Business and Human Rights; the International Labour Organisation's Declaration on Fundamental Principles and Rights at work; the Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises when operating in areas with high levels of conflict, poor human rights records or weak governance; and SDGs 8, 10 and 16.

Our Supplier Code of Conduct further governs the conduct of Sasol and all of our subsidiaries, sub-contractors, consultants, distributors and suppliers. The code outlines our commitments to human rights, labour rights, environmental protection and anti-corruption practices and describes our expectations regarding suppliers' employees and agents performance on these issues. Verification of compliance with the code is subject to audits by Sasol or a designated third party.

We offer employees and third parties the opportunity to make confidential disclosures to our Ethics Line, Group Ethics Office or 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, breaches of law, or allegations of human rights abuses. (Criterion 4).

Human rights:
SR page 16
Ethics: SR page 17

2. Make sure their own corporations are not complicit in human rights abuses.

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. If a national law conflicts with our business and human rights commitments, we uphold the international human rights law, which sets out the basic protections that all individuals are entitled to. Our compliance programme is a key enabler in this regard. We commercially require our suppliers to act ethically, fairly, to comply with all applicable laws and regulations, uphold fundamental human rights including fair labour practices and to be transparent in their business practices in accordance with our Supplier Code of Conduct. Our Executive Director and Executive Vice President: Strategy, Sustainability and Integrated Services is responsible for business and human rights in Sasol. The Human Rights Centre of Excellence is now headed by the Vice President: Securities and Governance Laws, following the restructuring of Sasol. The responsibility to implement and apply actions to advance human rights in the business also resides with the leadership of the businesses.

As we RESET, TRANSITION and REINVENT our business, we strive to follow the principles of the OECD Guidelines for Multinational Enterprises, and recognise that further monitoring may be required to provide full assurance that there is no potential complicity in human rights abuses. Compliance is managed through joint venture Memorandum of Understandings and through contracts with suppliers and service providers. Impact assessments are embedded into our projects, as well as community engagement processes that enable various stakeholders to raise concerns about our impacts and activities.

Through our human rights awareness campaigns, we remind employees about the company's commitment to uphold and respect human rights and our Human Rights Policy. Through our extensive stakeholder engagement processes, we are well placed to receive concerns from fenceline communities, and to assess whether such concerns have human rights implications. Sasol contracts include compliance to our Supplier Code of Conduct as a key requirement for doing business with Sasol and, where required, we encourage suppliers to implement their own code of conduct. Sasol reserves the right to terminate its business relationship with any supplier who violates the Supplier Code of Conduct or if any of supplier's employees, agents or subcontractors violate this Code. Sasol also reserves the right to terminate its business relationship with suppliers who fail to provide written confirmation to Sasol, upon request by Sasol, that they have a program in place to monitor their suppliers and subcontractors for compliance with the Supplier Code of Conduct. (Criterion 5).

Human rights:
SR page 16
Focus story – Supply chain:
at www.sasol.com

LABOUR

3. Freedom of association and the effective recognition of the right to collective bargaining.

We continued to recognise and respect the right to collective bargaining as part of the trade union recognition agreements. In this regard, we maintained constructive relationships with all recognised trade unions and works councils in all the countries within which we operate. In line with applicable labour laws, these key stakeholders retained consultative or negotiating powers on issues of mutual interest. To ensure that these rights promote and enable us to realise improved 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. Throughout the transition process, we maintained ongoing engagements with leadership of trade unions and works council leadership on the transition to Future Sasol. Trade union partners were fully engaged regarding the workforce transition principles, framework and process. (Criterion 6).

Human Capital: Labour management: SR page 11-13

4. The elimination of all forms of forced and compulsory labour.

The Sasol Code of Conduct and Sasol's commitment to the UN Global Compact principles specifically prevent forced labour. All labour is sourced from the open labour market; employees are provided with labour contracts in accordance with relevant labour legislation and are free to resign at any time. Our risk management and stakeholder engagement processes expose our levels of risk with respect to labour principles. (Criterion 7). We have forged strong relationships with trade unions and we regularly engage and discuss our progress in addressing labour standards. We commercially require our suppliers to act ethically, fairly, to comply with all applicable laws and regulations, uphold fundamental human rights including fair labour practices and to be transparent in their business practices in accordance with our Supplier Code of Conduct. Our Supplier Code of Conduct affirms that all human beings have the right to work freely and of their own free will in accordance with applicable legislation. It requires suppliers not to participate in or benefit from any form of forced labour – which is work performed involuntarily under threat of penalty. In this context, forced labour includes bonded labour, debt bondage, forced prison labour, slavery, servitude or human trafficking. Through the implementation of our supplier engagement plan we review the practices of suppliers and contractors. We also conduct due diligence investigations in respect of prospective transactions, contracting parties and business partners. We have not detected any significant issues relating to incidents of forced or compulsory labour. The Ethics Line is available to all employees (and other stakeholders) to report any transgressions.

Human Capital: Labour management: SR page 11-13
Human rights: SR page 16
Ethics – Code of Conduct: SR page 17 and at www.sasol.com

5. The effective abolition of child labour.

Sasol has a number of policies that provides Sasol's position on matters such as child labour and our support to eliminate discrimination in respect of employment and occupation. The Sasol Code of Conduct expressly states that we are against child labour and for the abolishment of modern slavery and human trafficking and that our commitments are informed by the International Bill of Rights, applicable UN Global Compact guiding principles and internationally accepted codes of conduct and performance standards. We monitor and ensure our compliance with the labour legislation in all of the countries within which we operate. Through the implementation of our supplier engagement plan, we review the practices of suppliers and contractors (Criterion 8). In 2021, Sasol will publish its statement on Slavery and Human Trafficking Statement in terms of Section 54 of the United Kingdom Slavery Act 2015, and will circulate modern slavery and human trafficking awareness communications to our suppliers.

Human Capital: Labour management: SR page 11-13
Human rights: SR page 16
Ethics – Code of Conduct: SR page 17 and at www.sasol.com
Responsible sourcing and procurement – SR page 38

Communication on Progress (continued)

GLOBAL COMPACT PRINCIPLE	BRIEF COP STATEMENT	REFERENCE TO ADDITIONAL INFORMATION
LABOUR (continued)		
6. The elimination of discrimination in respect of employment and occupation.	<p>At Sasol, our 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. We do not tolerate any form of prejudice or unfair discrimination. In line with our business and human resource principles, we promote workplace equality and seek to eliminate all forms of unfair or arbitrary discrimination. Incidents are dealt with in accordance with the Group's disciplinary procedures and where proven, appropriate disciplinary action is taken which includes dismissal. We have a 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 underrepresented 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. Our Women Empowerment Strategy and Women Mentoring circles to help us focus on empowering women and improving their representation at all levels of the organisation. In South Africa, the appointment of persons with disabilities has been included as a measurement on our scorecard. Overall female representation at leadership (Vice President level) and Group leadership (Senior Vice President level) improved from 24% to 26,2%. 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. (Criterion 6, 7 and 8).</p>	<p>Human Capital: Labour management: SR page 11-13 Human rights: SR page 16 Ethics: SR page 17</p>
ENVIRONMENT		
7. Support a precautionary approach to environmental challenges.	<p>Sasol is dependent on natural resources including coal, crude oil, natural gas and water for our business activities. Our activities, by their very nature, 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 and legally compliant way. Our actions aim to ensure that 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.</p> <p>Where particular applications or uses of our products are scientifically considered harmful, and effective risk reduction measures cannot reasonably be implemented, we adopt a principle of not selling the product for that application.</p> <p>Our SR includes targets relating to water use efficiency, energy efficiency, GHG Scope 1, 2 and 3 emissions, health and safety, and our performance against these measures.</p> <p>We continue to monitor suppliers with respect to environmental standards, based on OSHAS 14001. This is used as a guideline for supplier assessments. Suppliers are required to have procedures and records in place for recording and investigating non-conformances to indicate immediate actions taken to avoid problems pending further investigation. (Criterion 9).</p>	<p>Occupational Safety and HSI Programme: SR page 10 Resilience in a lower-carbon future: SR page 42 Minimising our environmental footprint: SR page 43 - 52</p>
8. Undertake initiatives to promote greater environmental responsibility.	<p>Our commitment to this all-encompassing principle is evidenced in the nature of our SHE policies, programmes and targets, our product- and water-stewardship approaches, our commitment to compliance, and our environmental performance, as reported in our SR.</p> <p>We have integrated sustainability better into our strategy and are refining aligned environmental targets and key performance indicators. We are investigating alternative water- and energy- supply options for our operations.</p> <p>Our Businesses maintain external certification including the International Organisation for Standardisation (ISO) 9001, 14001 and 45001 and third party Responsible Care® verification. This includes the investigation of alternative options for water and energy, and technical roadmaps for enhancing waste management. SHE regulatory compliance audits are conducted within the businesses to assist in compliance management and assurance in addition to the Sasol Group Compliance programme. We report annually against the GRI environmental indicators. We apply best in practice global reporting frameworks and continuously evaluate the applicability of other reporting standards. Our evaluation indicates that GRI, Task Force on Climate-related Financial Disclosure and UN Global Compact reporting criteria covers the spectrum of reporting needs. We also respond to CDP Climate Change and Water. We have committed to implementing an integrated global energy management system within 10 years, as part of our joining the EPI00 initiative in 2018. We are a founding member of the global alliance to end plastic waste. Our EthicsLine provides process for the declaration of, and response to, environmental incidents. (Criterion 9, 10, and 11).</p>	<p>Product stewardship: SR page 20-22 Minimising our environmental footprint: SR page 48 - 50 Resilience in lower carbon future: SR page 44-45; Climate Change Report</p>
9. Encourage the development and diffusion of environmentally friendly technologies.	<p>Our Company has been built on the basis of pioneering research and development of innovative technologies. Recognising the challenges of operating plants and equipment that are subject to increasing demands for improved resource efficiency and reduced emission intensity, we continue to invest in research and developments and new equipment and practices aimed at minimising our environmental footprint.</p> <p>Our product stewardship approach involves identifying opportunities in enhanced product design, technology and digitalisation. We are investigating alternative water- and energy-supply technologies to support our operations. We develop and invest in technologies to treat, reuse and recycle water from our operations to reduce our demand, minimise our ecological impact and to reduce our exposure to water-related risks.</p>	<p>President and CEO statement: IR page 10 - 12 President and CEO statement: SR page 6</p>
ANTI-CORRUPTION		
10. Work against corruption in all its forms, including extortion and bribery.	<p>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. Sasol has adopted various anti-bribery and competition law policies which set out the parameters for engagements with external parties to enable compliance with applicable laws. (Criterion 12).</p> <p>We provide training annually to particular employees on matters relating to anti-bribery and competition (anti-trust) laws. The target audience of employees is linked to the risk profile of their positions and roles at Sasol. As part of the training, employees participate in an assessment to test their understanding of the training modules. All suppliers are required to operate within the ethical and legal parameters stipulated in the Sasol Supplier Code of Conduct as well as the anti-bribery and corruption requirements. (Criterion 13).</p> <p>In our SR we disclose the outcomes of our EthicsLine, as well as on progress in our ethics governance practices.</p> <p>In our detailed GRI content index a response is provided to all the GRI indicators. (Criterion 14).</p>	<p>Ethics: SR page 17 Responsible sourcing and procurement: SR page 38 GRI Index</p>

CEO Water Mandate Communication on Progress

FOCUS

BRIEF COP STATEMENT

REFERENCE TO ADDITIONAL INFORMATION

HUMAN RIGHTS

1. Direct Operations

Sasol's water footprint lies predominantly in our Energy Business located in South Africa. Our South African operations are highly dependent on the Integrated Vaal River System (IVRS) for water. Sasol operations with the largest water demand set voluntary water targets applicable for a five-year period up to 2020; tracking performance against the target was extended to 2021 since new targets still need to be concluded following the restructuring of the organisation:

Our Sasolburg Operations' set a target to maintain the 2015 baseline of 9,8 tons of water use per ton of saleable production; this year our performance was a 14% deterioration against the 2015 baseline.

Our Secunda Operations' set a target to achieve a 2,5% improvement in water intensity against actual consumption in 2014 of 11,6 tons of water per ton of saleable production; this year we reported a 1% improvement against the baseline as a result of poor feedwater quality resulting in increasing demand.

Our mining operations reported a 25% improvement during 2021 against the 2015 baseline, meeting their 2020 target of restricting the increase in potable water use to a maximum of 10%.

In 2018, we started the process of setting context-based water targets. A potable water reduction target of 5% till 2020 has been set for Sasol Group based against a 2016 baseline. We continue to support our host municipalities to implement water conservation/ water demand management initiatives. In 2021, we achieved a 13% reduction in Sasol Group Potable Water demand. Sasol has commenced the process of setting new water targets post 2021 by supporting the UN Global Compact CEO Water Mandate in piloting the application of contextual water targets for the Upper Vaal Catchment. Sasol contributed \$US20,000 to this study. The recommendation from the pilot study was for water users from the IVRS to set a water quantity target to reduce river water demand from the system by reducing water losses onsite and within municipalities. The outcomes of the piloting study will be used in shaping Sasol's future water targets. Sasol has invested in the following water management best practice and recycling initiatives to reduce environmental risks and indirectly reduce demand:

Sasolburg Ekundustria Operations (SEO): SEO has identified two projects at their Sasolburg facility to reduce its river water demand. The projects are (1) Baseload for Cooling Water project and the (2) Demin Feed Water Pre-Treatment project. Pre-feasibility studies on the two projects were completed; plans are in place to have the projects implemented by December 2024.

Secunda Operations (SO): made several investments which include: (1) Invested R660 million year to date on an R6billion project to construct a new state of the art fine ash dam disposal site. (2) Invested over R 263 million on a renewal project to restore the integrity of the process cooling towers. (3) A further R83,4 million was spent on effluent management related infrastructure (including line renewals, storm water management, seepage reduction and effluent dam statutory compliance measures). This was done to maintain SO as a zero-liquid discharge facility thereby reducing SO's potential environmental impact. (4) Spent R28 million as capex and renewal project to maintain the integrity of the factory's steam and condensate infrastructure. This will safeguard against water and steam losses and thus reduce the intake of additional raw water to replenish these losses.

Community related environmental programmes: SR page 28
Water Management: SR page 48

2. Watershed Management

The greatest need for water is for our South African operations requiring over 80% of Sasol's global demand, specifically SO and SEO.

The water demand for these operations is supplied from the IVRS as river water. Our potable water for our South African Operations is also sourced from the IVRS through Rand Water. Sasol is the largest private sector user of River Water from the IVRS having a demand of about 3,5% of the system.

Demand from the IVRS is currently outstripping supply on a sustainable yield basis hence given the growing risk we face regarding water supply; Sasol's mitigating actions have included:

- Providing technical support and advice to Department of Water and Sanitation (DWS) on maintaining critical water supply pump stations in the Vaal river water supply scheme.
- Attending operational meetings to understand the challenges faced by the operators which create a platform for industry to contribute to the challenges being faced by the DWS. Sasol has always positioned itself to support the DWS where feasible rather than continuously raising challenges.
- Maintaining relationships with the teams operating the water transfers. These relationships are critical to obtaining early warning signals for critical water supply challenges. Regular engagements with operators on the ground have informed us of supply challenges that we have been able to timeously escalate.
- Continuously participating in planning sessions to stay abreast on the latest developments related to the water supply situation from the Vaal river.
- Escalating challenges through formally submitting letters to the office of the Minister and Director General of DWS.
- Constituting quarterly engagements with the DWS to resolve issues with water use license applications and amendments. The quarterly engagements have also helped in resolving issues with the awarding of water use licences and has created a platform to raise other water use challenges.

Water Management: SR page 48

HUMAN RIGHTS

3. Collective action

Given the scale of water-related challenges, we recognise the need to work collaboratively with a range of partners.

In addition to our existing and proposed partnerships with municipalities to pursue water conservation opportunities, we have continued to contribute to the activities of the South African Strategic Water Partners Network (SWPN). A representative from Sasol, Martin Ginster continued to play the role of private sector co-chair of the SWPN together with the acting Director General of the DWS.

Sasol continues to contribute to the Water and Sanitation Sector Leadership Group Task Team on SDG6, an initiative hosted by DWS.

Water Management: SR page 48

CEO Water Mandate Communication on Progress

FOCUS	BRIEF COP STATEMENT	REFERENCE TO ADDITIONAL INFORMATION
4. Community engagement	<p>SO supports their local municipality, Govan Mbeki Municipality (GMM), to implement the following projects:</p> <ul style="list-style-type: none"> Reducing the sewer spillages in GMM which improve the health and safety of the community at a budget of R20 million. Donated 200 hall chairs to the value of R16 000 to the community of Mamello / Boschkop informal settlement. Sasol Secunda operations have been affected by protest action by this community at the entrance of the VERSAP water transfer Pump Station in the Midvaal Municipality which Sasol Secunda Operations is reliant on. To date Sasol has donated 198 760 litres of sanitisers to our stakeholders (locally and provincially) to the value of R4,9 million. <p>SEO supported their host municipality, Metsimaholo Local Municipality (MLM), to implement the following projects: Installation of water savings devices called Aquatrips at 28 township schools in MLM to help curb high water losses in schools. Water saving education and awareness in Zamdela including retrofitting of toilet cisterns in 10 000 households are in progress.</p> <p>Our Sasol Mining operations implemented the following projects as part of the Social and Labour Plans:</p> <ul style="list-style-type: none"> Upgrading of the Greylingstad sewer and wastewater treatment works with a spend of R800,000. Construction of a water pipeline from eMbalenhle to Charl Cilliers with a budgeted cost of R12 million. This was done to provide the Charl Cilliers community with access to water. In Ogies, close to R6 million was spent on cleaning of calverts, rehabilitation of bridge walls and walkways and improving storm controls. 	Water Management: SR page 48
5. Public Policy	<p>Sasol continues to respond to policy, planning and regulatory developments as they arise including translating technical implications for Sasol and responding accordingly with technical inputs. This year Sasol contributed to the following:</p> <ul style="list-style-type: none"> Global Industry Standard for Tailings Management. Responded to notice proposing the merger of the Vaal and Orange water management areas to form a merged Vaal-Orange Catchment Management Agency, <p>We continue to demonstrate business value in beyond fence-line water conservation partnerships with host municipalities. The lessons learnt from these partnerships will be used to further inform the development of government policy on incentivising such initiatives.</p>	Water Management: SR page 48
6. Transparency	<p>Sasol has been voluntarily reporting to CDP since 2010 and was one of the first respondents to do so.</p> <p>Our disclosure is for the previous financial year and therefore lags by a year against our annual reports.</p> <p>We report on climate change, supply chain and water security issues through separate questionnaires, led by the relevant Sasol specialist in the company.</p> <p>Sasol has, over the years, scored higher than the African region average and the Oil and Gas Extraction & Production sector average. Sasol is now scored in the Chemical Sector.</p> <p>We are pleased to report that in 2020 Sasol Limited received a score of A- which is in the Leadership band. This is higher than the Africa regional average of B, and higher than the Chemicals sector average of B. This year we scored higher in water security than we have before. Significant improvements came from the section on governance with our score increasing from a C to an A-. The only area our score decreased was in water accounting and this along with areas where our score stayed the same will be looked at in more detail for the next submission.</p>	Water Management: SR page 48

Water is a critical feedstock for our processes, used primarily for steam generation, process cooling and the production of hydrogen. Water is also a significant consideration across much of our value chain, which extends into urban settlements, agriculture and mining. As many of our larger facilities, suppliers and surrounding communities are in water-stressed areas, we have a heightened responsibility for ensuring good water stewardship.