

**EVP ENERGY
PRISCILLA MABELANE**

**CAPITAL MARKETS DAY 2021
SCRIPT**

**WEDNESDAY, 22 SEPTEMBER 2021
JOHANNESBURG**

INTRODUCTION



LEADING THE ENERGY TRANSITION

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Executive Vice President: Energy



Capital Markets Day 2021

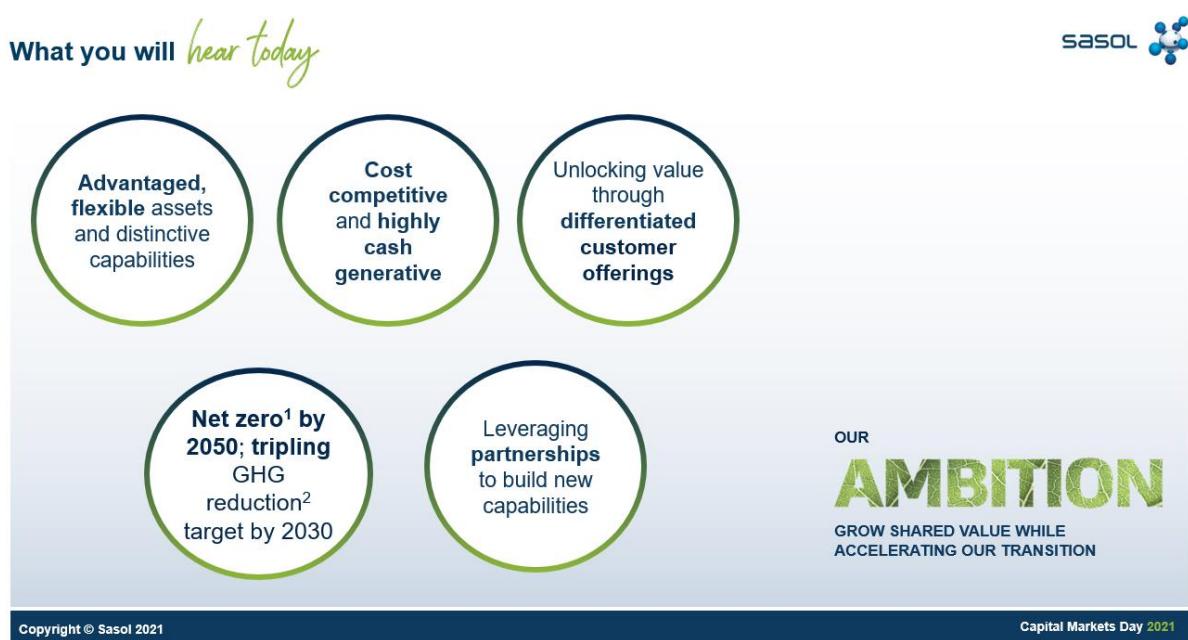
Thank you Paul, and good day everyone.

This month marks my first year at Sasol and it has been an incredible journey!

I am inspired by the drive and commitment of my colleagues, as they worked tirelessly during very uncertain times, to deliver energy solutions to our customers and value to our shareholders.

The care and innovative spirit continues to energise me.

WHAT YOU WILL HEAR TODAY



Building on Fleetwood's opening remarks, our strategy is guided by our purpose of "Innovating for a better world".

We have embraced the drive to our net zero ambition as a purposeful opportunity and platform for growth and value creation.

We believe that this journey will require collaboration and strong leadership in the region.

Sasol is poised to lead and drive the much-needed collaboration.

The key messages that I intend to share today are:

* Firstly, we have advantaged and flexible assets, coupled with our distinctive capabilities, to generate cash and strong returns.

* Secondly, we will continue to drive the resilience of our portfolio to top quartile through improvement in reliability and cost competitiveness while also offering differentiated customer propositions to unlock value for our shareholders.

* Thirdly, we are preparing for a net zero future by 2050.

To underpin this ambition, we are tripling our 2030 GHG reduction target for scope 1 and 2 announced last year and we are introducing a scope 3 reduction target by 2030.

* And lastly, our feedstock agnostic FT technology, coupled with our existing chemicals and refining units, provide an opportunity to repurpose our assets.

This can be done in a flexible manner, in line with demand for sustainable solutions, while also targeting high value products.

This is a huge and unique competitive advantage.

* We will leverage our partnership platforms to share risks and build new capabilities in low carbon solutions.

GLOBAL MEGA TRENDS ARE SHIFTING TO CREATE NEW OPPORTUNITIES

Shifting global megatrends creates *new opportunities*



GROWING POPULATION AND RISE OF MIDDLE CLASS	ENERGY MIX SHIFTING TO LOW CARBON	MORE AFFORDABLE LOW CARBON TECHNOLOGIES	SHIFT TO E-MOBILITY
A photograph of a modern city skyline at night, with lights reflecting off buildings and streets.	A photograph of a road leading through a field of wind turbines under a clear sky.	A photograph of industrial machinery and equipment in a factory setting.	A photograph of a white car's rear tire being charged by a power cord connected to a wall outlet.

Growing demand for energy despite technology efficiencies

Fossil-based supply **shift to renewables, hydrogen and DAC**

Green H₂ **expected to reduce** to ≤ US\$2/kg by 2030

Gradual shift in mobility to electrification, PtX and hydrogen post 2030

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In shaping our strategic ambition, we have analysed the global megatrends and their likely impacts on Southern Africa.

The growing global population and rise of the middle class is expected to result in an increased demand for energy, despite efficiencies through technology improvements and customer behavioral changes.

However, the energy mix is changing as society, regulators and customers are demanding cleaner and more affordable energy.

But this change will not happen overnight.

In South Africa, the pace of change depends on both global and local factors.

Our scenarios show that fossil-based liquid fuels demand in South Africa increases to 2025 and then remains relatively flat to 2030.

Thereafter, there is an acceleration of electrification predominantly for passenger vehicles, renewables and sustainable solutions.

By 2050, we expect the demand for green hydrogen production of 4-7 million tons in South Africa, supported by significant growth in renewables.

By 2030, we also expect the cost of hydrogen to reduce from around \$5 to below \$2 per kilogram, which will accelerate decarbonization opportunities for hard-to abate industries, including our operations.

Our commercial customers, particularly those with a global footprint, will require low carbon solutions to address their scope 1 and 2 emissions and remain competitive.

We also expect that our customers will continue to redefine mobility and convenience expectations, resulting in innovative solutions to repurpose our real estate.

An example is investing in new adjacencies such as hydrogen filling stations, while also providing growth through other convenience and digital platforms such as last mile delivery.

This emergence of new value pools will become more attractive through technology breakthroughs and scale up.

Further, regulatory reforms, such as SAF mandates and cross border tax, will accelerate investment in the development of sustainable energy solutions.

Whatever the pace and form the transition takes, Sasol is well poised to be an active participant.

UNIQUE POTENTIAL FOR LOW CARBON ENERGY

Unique potential for *low carbon energy*



SOUTH AFRICA FACES UNIQUE CHALLENGES

- High per capita GHG emitter given coal-based economy
- Stalled growth and high unemployment
- Infrastructure / power challenges

...BUT HAS HUGE HYDROGEN OPPORTUNITY

- Advantaged endowment for renewables
- Vast mineral resources including PGMs to create new industries
- Geographically well positioned for scale export
- Differentiated FT technology and distinctive capabilities to run complex value chains and facilities



SASOL IS POISED TO LEAD THE ENERGY TRANSITION THROUGH OUR UNIQUE ASSETS AND TECHNOLOGY

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The energy transition presents unique challenges for South Africa, given that it is among the world's highest per capita greenhouse gas emitters.

Our economic context is also challenging, with infrastructure constraints, shortage of skills and rising unemployment, limiting the growth potential in the medium term.

However, at the same time, we have a deep belief that the changing energy mix and flows present a huge opportunity for a green hydrogen economy.

This could be the catalyst for growth given strong endowments in wind and solar resources, platinum group metals and access to unique technologies, such as FT.

We also believe that Southern Africa can grow its export market for low carbon products given our advantaged geographic positioning.

To achieve this, we will require collaboration between governments and private sector, with a roadmap which supports the transition.

Our distinctive competitive advantages, iconic brand and deep capabilities in running complex value chains play to the energy transition era and we, as Sasol, aspire to lead the change in Southern Africa.

AMBITION TO LEAD THE ENERGY TRANSITION IN SOUTHERN AFRICA

Ambition to lead the *energy transition* in Southern Africa



Against this backdrop, our strategy is built on three pillars.

Each pillar represents an exciting opportunity in its own right.

First, the decarbonisation agenda has already started.

We want to be well advanced in our GHG emission reduction activities by 2030, which underpins our 2050 net zero ambition.

This we will do by pursuing energy efficiency levers, such as energy integration to produce more steam, implementing renewables at scale, while also transitioning to lower carbon feedstock, such as gas.

Gas will play a critical role as a transitional carbon solution for our feedstock needs and customers, but will be introduced in a phased

approach to create flexibility and optionality to pivot to sustainable feedstocks as technology learning improves.

On renewables, we intend to procure at least 1200MW by 2030, which will see us become the largest off-taker of renewables in the country.

Secondly, as we decarbonise, we have to preserve and deliver value from our foundation business, which is key to our transformation as these cash flows enable our strategy.

First and foremost, we will maintain our absolute focus on safety and operational reliability.

Delivery of the R7bn additional EBITDA target, made up of cash cost and gross margin, through Sasol 2.0 by 2025 is key.

We have defined a clear set of initiatives and are making good progress to deliver our full potential.

We have an ambitious customer centric strategy to win and expand our market leadership in mobility and commercial channels.

We believe we have a right to win as the major downstream player with an iconic brand.

Our unique inland refining capacity positions us well to capture a disproportionate growth in key segments.

We aim to excite our customers with new and differentiated offers, modernised stores, digital offerings that increase convenience, and we will continue to build our network in high growth areas.

We will leverage on strategic partners to further enhance our offering.

As an example, we have concluded a strategic partnership with McDonald's South Africa aimed at enhancing customer experience through innovative solutions.

We understand the importance of loyalty programmes in South Africa and I am very excited to announce the plan to launch the first phase of our new, revitalised loyalty program in December 2021.

We have also partnered with Imperial Logistics to grow our commercial business both in South Africa and neighbouring countries, expanding our network footprint.

The third pillar of our strategy is that we plan to scale our low carbon opportunities in select markets where we see an opportunity for growth and integration.

True to our purpose, we will bring the mobility revolution to our customers, launching new businesses to grow mobile fuel delivery and offering sustainable fuels to support our customer needs.

We are well positioned to produce the first green hydrogen in June 2023, albeit on a small scale from our Sasolburg facility, at minimal cost.

This will position Sasol to demonstrate and capture a first mover advantage.

We are also participating in the H2 Global Auction, and aim to be the first producer of SAF in the country by 2025, out of Secunda in partnership with Linde, Enertrag and Navartis.

We are collaborating to develop hydrogen export post 2030.

We have taken learnings from our previous projects and will partner to share risks and to complement our capabilities.

In this regards, we have advanced a number of partnerships, with a few already announced, such as Toyota South Africa and Imperial Logistics, with others at an advanced stage.

Finally, we are very excited to have concluded the first public private partnerships in the region, with the Industrial Development Corporation, and Central Energy Fund to drive catalytic transformation.

These opportunities present huge prospects over the next decade.

CLEAR CHOICES MADE TO ACHIEVE FUTURE SASOL

Clear choices made to achieve Future Sasol



The infographic consists of four white rectangular boxes arranged in a 2x2 grid, overlaid on a background image of solar panels and a bridge under a cloudy sky. The top-left box contains the text "No investment in new coal reserves" with a coal icon. The top-right box contains the text "Gas as a transition feedstock" with a gas flask icon. The bottom-left box contains the text "Intensify investment in integrated renewable plays" with a sun and leaf icon. The bottom-right box contains the text "Leadership in Green H₂ in Southern Africa" with a magnifying glass and H₂ icon. Below the grid is a dark blue horizontal bar with the text "BALANCED APPROACH FOLLOWED ACROSS PEOPLE, PLANET AND PROFIT". At the bottom of the slide, there are two small text blocks: "Copyright © Sasol 2021" on the left and "Capital Markets Day 2021" on the right.

Following on from what Fleetwood shared earlier, let me provide further colour on the bold choices we have made to support our three pillars:

- * First, we will shift our feedstock and energy mix to low carbon alternatives by not investing in new coal reserves.

As we transition and reduce our coal use, we will continue our focus on coal quality and efficiencies leveraging partnerships.

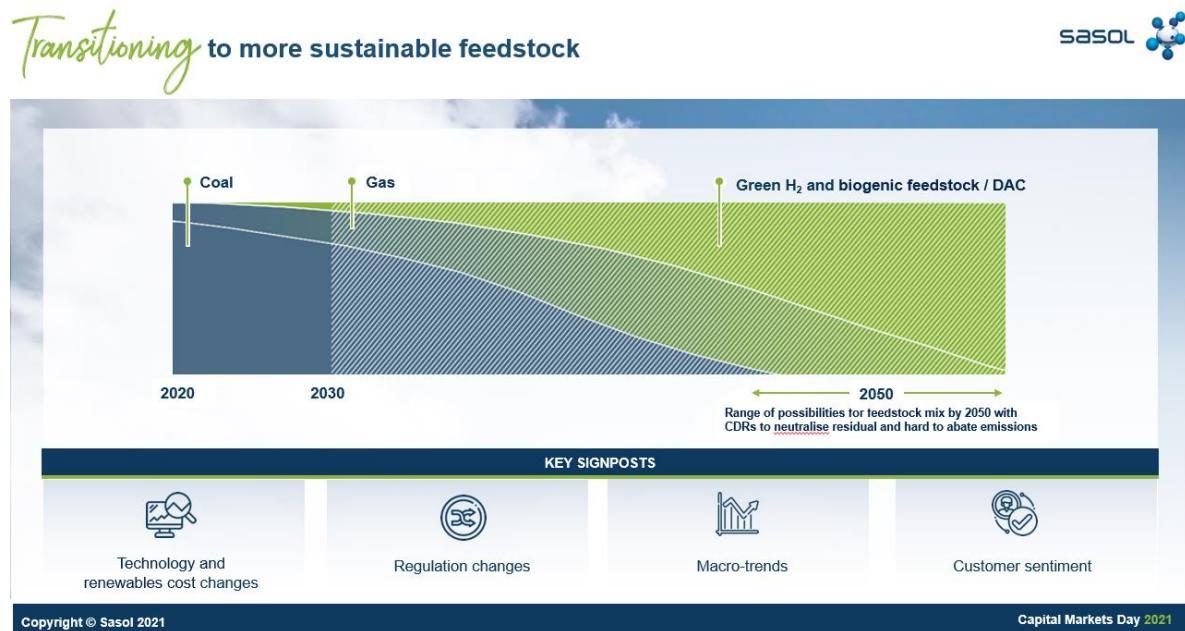
- * Second, we will introduce additional gas incrementally as a transitional feedstock.

This will enable us to avoid long term lock-ins while also creating flexibility and to take advantage of technology breakthroughs.

- * Through partnerships, we are also intensifying our investment in integrated renewables to decarbonise our operations while laying a platform for our green hydrogen ambitions.
- * Lastly, we will accelerate green hydrogen at scale through our installed FT asset base.

Our strategic choices will ensure we deliver on our ambitions and leverage the best parts of Sasol, while also profoundly changing the way we work.

TRANSITIONING TO MORE SUSTAINABLE FEEDSTOCK



The pace and the economics of the decarbonisation agenda remain uncertain and will depend on a number of factors which are difficult to predict.

To that end, we have developed flexible pathways to leverage technology advancement while preserving shareholder value.

We aim to replace 10mt of coal by 2030 with gas.

Today we are a leader in gas in Southern Africa, with operational capabilities and infrastructure in Mozambique.

We will build from this leadership position to bring in incremental gas via LNG imports to replace coal.

We are making good progress in negotiating a term sheet for LNG imports via Mozambique with a global player and are in advanced discussions with potential partners to unlock Richards Bay terminal.

Our gas strategy remains to maximise our own resources first before procuring LNG.

Gas from our Pande-Temane gas fields is declining, as expected, and we are optimising the maturation of these resources.

Further, our drilling campaign to access new wells in both the Pande-Temane field and Production Sharing Agreement is progressing better than planned.

Our gas-to-liquids process emits 8 times less CO₂ per ton of product compared to Coal-to-liquids.

Therefore, an incremental transition to more gas will bring significant reductions in emissions during the transition.

To promote gas as a critical enabler for decarbonisation, the Central Energy Fund and Sasol have signed a memorandum of understanding to collaborate on the acceleration of gas solutions in Southern Africa.

This agreement brings together South Africa's two leading pioneers of the gas industry, both with deep experience across the gas value chain.

Towards the middle of the decade, we expect to introduce alternative low carbon feedstocks, such as green hydrogen and biomass.

These feedstocks will accelerate our decarbonisation agenda and reduce our scope 1 emissions in the longer term.

The pace of feedstock transition will be informed by key signposts, namely, technology changes which could reduce costs.

As an example, as green hydrogen costs reach the range of \$1 to \$2 per kg, it becomes cost competitive with coal as a feedstock.

In addition to green hydrogen, we also require a sustainable carbon source.

Initially we will start by using biomass in small quantities but eventually we will require technologies like Direct Air Capture to become economically viable to address the scale of hydrogen that is required to meet the country's decarbonisation objective.

We see the potential for application of this technology once costs approach \$200 per ton, which will likely to be beyond 2040.

Development in regulations, including carbon tax and potential incentives are additional signposts that Sasol will monitor and proactively manage through our advocacy plan.

Lastly, customer sentiments and pricing changes will afford us an opportunity to accelerate the transition.

We are initially targeting markets in Europe where sustainable products are trading at a premium.

In the long term, Secunda could be one of the lowest cost producers of sustainable products globally.

We acknowledge the scale of the challenge and are committed to taking action to meet it.

We will update you on progress as our plans evolve.

We believe that our net zero ambition is possible, and we have multiple levers, beyond feedstock, to achieve this.

Like with the rest of our strategy, we will not do this on our own but we will leverage on strong existing technology and innovation partnerships.

These include partnering with the Council for Geosciences on Carbon, Capture and Storage, enhancing our university support programmes and working closely with the South African government to develop a hydrogen masterplan and roadmap.

ADVANTAGED ASSET BASE PROVIDES A FOUNDATION TO TRANSITION

Advantaged asset base provides a foundation to transition



ROBUST AND RESILIENT INFRASTRUCTURE

SECUNDA

SASOLBURG

GO-TO-MARKET INFRASTRUCTURE

- Highly cash generative
- Resilient to price volatility
- Flexibility for high margin products
- Advantaged assets for local and export markets
- Flexibility to scale and align to H₂ market demand
- Advantaged gas and liquid fuels infrastructure
- Retail network positioned to capture growth

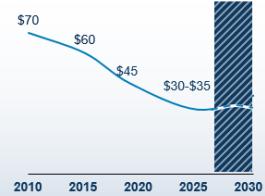
... STRIVING TO ACHIEVE TOP QUARTILE PERFORMANCE



Operational, capital and labour efficiencies



External spend and supplier management



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Our long-standing portfolio of assets is at the core of our heritage and important to meet South Africa's energy and economic needs.

We run some of the most complex value chains globally, while maintaining safe and reliable operations.

This provides us with a solid base to transform. We have high levels of confidence that we can convert the Secunda facility to produce green hydrogen and selected high premium sustainable chemicals to benefit our customers and the country.

Our assets are highly cash generative and provide access to both domestic and export markets.

We are very proud of our cost competitive position relative to peers, with the break-even cost reducing drastically since 2010 due to efficiencies, digitalisation and our highly capable people.

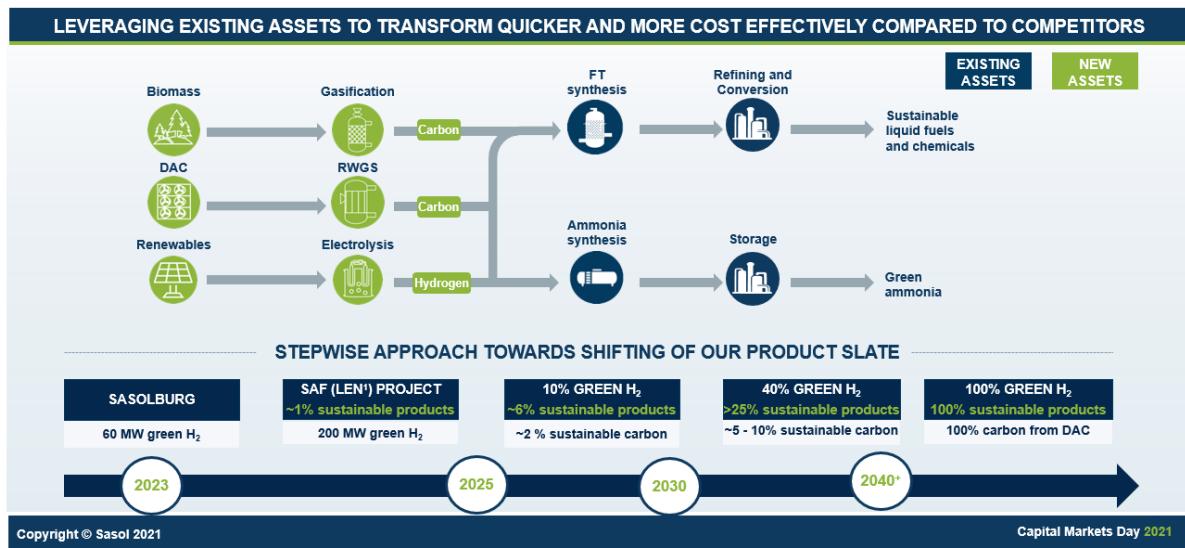
Through Sasol 2.0, we plan to further improve on this break-even point targeting \$30-\$35 per barrel by 2025 and beyond through further efficiency gains, optimisation of external spend and better supplier management.

This is despite the higher feedstock and decarbonisation costs.

Our Energy Business has an unmatched record of delivery and we will continue to meet our targets to enable us to self-fund our transition.

FLEXIBLE ASSET BASE REPURPOSED FOR HIGH VALUE LOWER CARBON SOLUTIONS

Flexible asset base repurposed for high-value low carbon solutions



Looking at our asset portfolio, we have flexibility to repurpose our facilities to open up high value, low carbon opportunities.

Our proprietary FT technology and process is feedstock agnostic, allowing us to transition from our current fossil feedstock to sustainable carbon and green hydrogen.

This can be introduced incrementally into our Secunda facility and provides us with flexibility to progressively move toward a future without fossil fuel feedstocks and emissions.

Our advantaged assets in Secunda and Sasolburg are located in the demand hub for the region.

These assets provide the opportunity to incrementally scale the introduction of green hydrogen to up to 2 million tons per annum, to produce sustainable products.

This anchor demand provides a continuous offtake allowing for optimal capital allocation, while providing customer solutions in line with market demand.

With minimal changes, we can immediately produce high value, premium products, that customers will be demanding into the future, such as SAF, green ammonia, green methanol and high value chemical derivatives.

As an example, we can scale SAF production from a few hundred barrels per day to 20 000 bpd at a relatively low cost.

We can also introduce up to 200ktpa green hydrogen into our facilities, the equivalent of 1.5 to 2 GW of electrolyser capacity, with minimal changes to our site.

A significant part of our asset base, as depicted in dark blue, can be repurposed to produce sustainable products.

This distinctive advantage coupled with our technical capabilities provides us with huge competitive benefit to outperform our competitors and capture value.

We will review the optimal location for renewables and hydrogen production to achieve the best cost.

Our ability to use green hydrogen at scale places us in a unique position to play a leading role in the growth of South Africa's green hydrogen economy.

We acknowledge that Sasol's vision for our South African operations is considered impossible by many of our stakeholders.

Given our high energy and carbon-intensive coal-to-liquids and gas-to-chemicals operations, it may be difficult to imagine a future where Sasol produces sustainable fuels and chemicals. Ironically, converting green hydrogen to produce SAF is easier for Sasol, compared to others.

A path to zero fossil products can be implemented in phases and over time horizons as the technology becomes cost affordable.

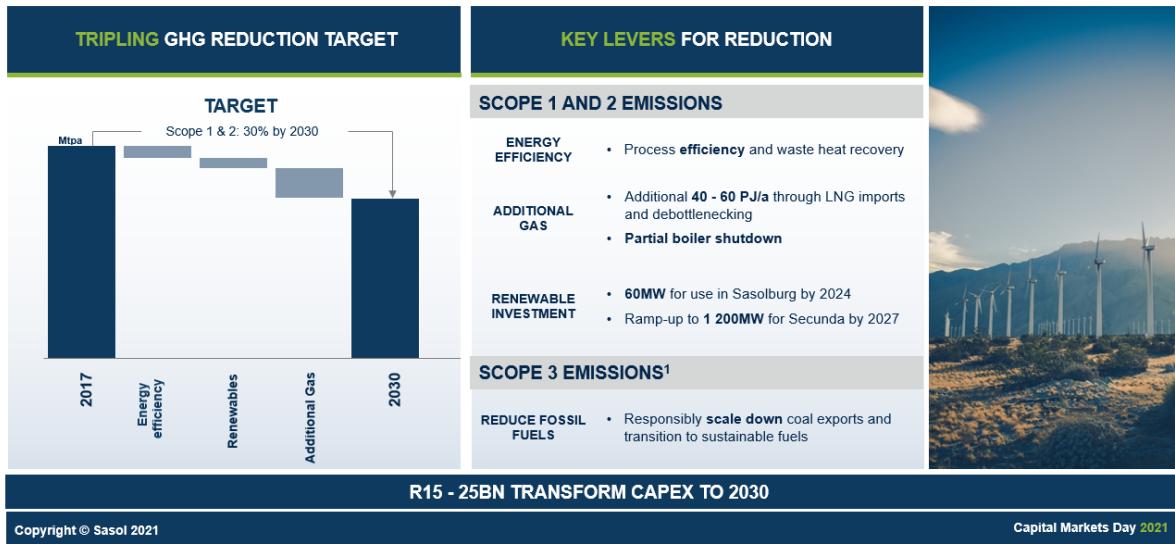
The unique opportunity that this transformation creates is to completely decarbonise and make sustainable customer solutions based on demand.

Having said this, let me again reiterate that we do not underestimate the challenge ahead of us to transform our operations.

While we are not promoting that a total conversion of our Secunda Operations is feasible, or even necessary, we are developing a vision of the end state to guide our future moves.

CLEAR ROADMAP TO DELIVER GHG REDUCTION TARGET

Clear roadmap to deliver GHG reduction target



As mentioned, we are targeting a step change in our own decarbonisation effort over the next decade, with a target of 30% reduction in scope 1 and 2 GHG emissions by 2030.

This three-fold increase is delivered with the same capital budget as our original 10% target, demonstrating our innovative spirit and efficiency drive.

Our target to 2030 will result in a reduction of coal demand by 10 million tons and will also lower our scope 1 and 2 GHG emissions by 19 million tons.

A coal reduction of this magnitude has a further benefit of improving our air quality emissions and other environmental matters.

We will invest with the same capital budget, demonstrating both innovation and efficiency.

We have a clear integrated roadmap to underpin 25% of the scope 1 and 2 target, mainly driven by our current initiatives related to energy and process efficiency improvements, additional incremental gas of 40-60PJ p.a. and 35% shutdown of boilers in Secunda.

We currently use 1200MW of coal-based power which over time will be replaced with renewables.

We will start with 600MW by 2024, ramping up to 1200MW by 2027.

We are at an advanced stage with our partner, Air Liquide, to procure the first 600MW for use in our Secunda operations.

We have also agreed our first power purchase agreement for two embedded generation projects to procure 20MW to produce green hydrogen at our Sasolburg operations by 2023.

Further, we have set ourselves a new target to reduce our scope 3 emissions by 20% by 2030 predominantly driven by a reduction in coal exports and an incremental transition to lower carbon feedstock.

To reiterate the point Fleetwood made earlier, as we transition, the labour impacts are not significant up to 2030.

Notwithstanding, our transition is about our people and communities and will be undertaken in a just manner, enabled through our recently formed Just Transition office.

GROWING AND LEADING NEW VALUE POOLS IN SOUTHERN AFRICA

Growing and leading new value pools in Southern Africa

SASOL

GREEN H ₂ & AMMONIA EXPORTS	DOMESTIC PtX AND GREEN H ₂	SUSTAINABLE AVIATION FUELS		
				
<ul style="list-style-type: none">• Advantaged and low cost green producer for global markets	<ul style="list-style-type: none">• Alternative fuel for heavy duty transport• Sustainable chemicals for industrial processes	<ul style="list-style-type: none">• SAF as the best viable large-scale carbon reduction option		
Market size 3 - 5mt export opportunity for Green H ₂ by 2050	2 - 3mt Green H ₂ and PtX by 2050	~14 000 bbl/d SAF demand 2050		
OUR RIGHT TO WIN				
Strong H ₂ know-how	Advantaged and differentiated FT technology	Repurposing existing assets	Established mobility business	Partnerships with industry leaders

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Earlier I unpacked the megatrends influencing the energy mix and consequent new business opportunities to develop sustainable solutions for our customers.

The new value pools present a significant business opportunity for us given our geographic positioning, technical expertise and advantaged customer relationships.

To put it into context, we expect 3 – 5 million tons of green hydrogen export from Southern Africa with green ammonia being the first derivative to lead the export demand due to ease of transportation.

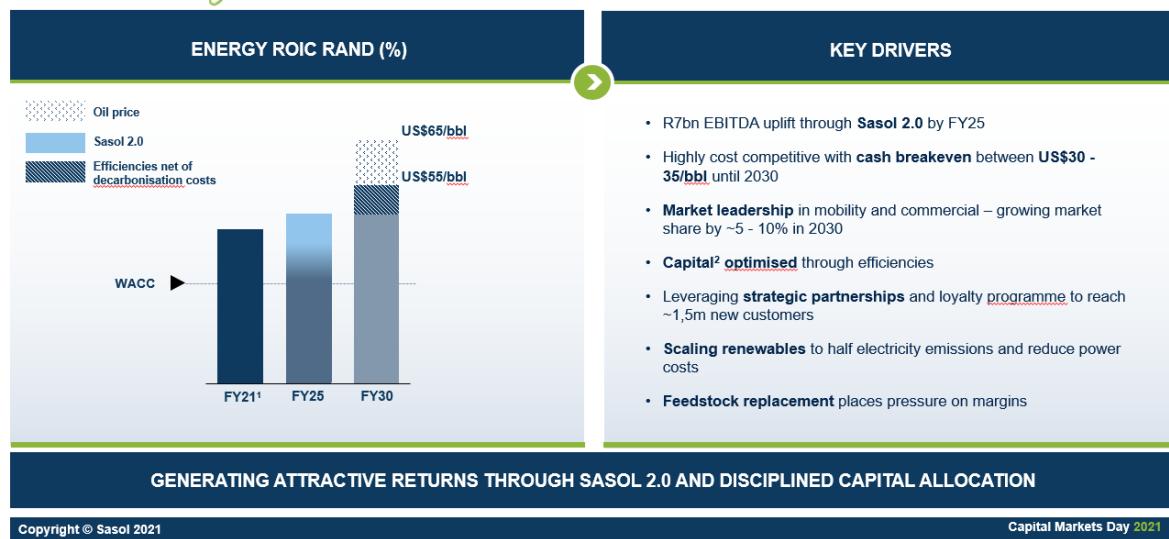
Similarly, local demand for hydrogen, power-to-liquids and sustainable chemicals are expected to be between 2 - 3 million tons per year, translating to a potential demand for SAF in excess of 14 000 barrels per day which we can tap into.

Against this backdrop, our right to win is underpinned by:

- * Our capabilities and skillset in producing the largest scale of grey hydrogen globally.
- * Our unique FT technology which is feedstock agnostic.
- * Our advantaged asset base which can be seamlessly repurposed to produce sustainable products.
- * A strong market position supported by a strong iconic brand and existing infrastructure.
- * Partnerships with industry leaders to accelerate the pace of transition and development of new value pools.

GENERATING STRONG RETURNS TO 2030

Generating *strong returns* to 2030



I have covered our competitive advantages, opportunities and plans.

All of these culminate into a solid value creating portfolio, generating strong competitive returns to 2030.

This will provide strong cash generation to fund our transition.

In the near term, our focus is on cash delivery and margin enhancement, while delivering on our Sasol 2.0 ambition.

This we will do by driving efficiencies and digitalisation to deliver a cash breakeven of between 30-\$35/bbl by 2030.

In addition, we will drive strong market leadership position in our mobility and commercial channels, underpinned by plans to grow our market share by 5-10% in 2030.

To grow our customer base, we will leverage strategic partnerships and our revitalised loyalty programme to reach 1m new customers by 2025?

We have also optimised our capital profile, which includes our emission reduction expenditure through efficiencies and better procurement processes.

As we scale renewables, we will half our electricity emissions and reduce related costs by 20%.

Up to 2030, we are likely to face many headwinds including carbon tax, higher feedstock prices and climate change-related expenditure, however, to ensure the resilience of the business, we have continued with our efficiency and margin improvement initiatives to deliver superior returns to our shareholders.

DELIVERING VALUE AND ACCELERATING DECARBONISATION

Delivering value and accelerating decarbonisation



-  **Advantaged assets and capabilities**
To create value and fund the transition

-  **Flexible pathways to net zero by 2050**
Credible plans to meet our 2030 GHG reduction target

-  **Cost competitive gas feedstock with optionality**
Multiple sources for own feedstock and customer needs

-  **Co-create sustainable solutions with customers**
Leadership in Green H₂

-  **Partnering to build new capabilities and manage risks**
Co-investing with key partners



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I have shared quite a bit of detail on our new strategy today, which is rooted firmly in our purpose – innovating for a better world.

To conclude, let me recap on a few salient points:

- * First, we have advantaged assets and distinctive capabilities to create value and fund the transition.

We are leveraging our competitive strengths in access to advantaged feedstock, technology experience to deliver our aspired future for lower carbon solutions and an even greater customer focus.

We intend to move fast, but with care and discipline.

- * Second, we have flexible pathways to achieve our net zero ambition by 2050 with credible plans to achieve 25% of our 2030 GHG target, and are confident that through technology improvements, we will achieve our 30% target.

- * Third, we are creating optionality for securing affordable gas at multiple sources for our own feedstock requirements and customer needs.
- * Fourth, we are committed to co-creating sustainable solutions with our customers and to be a market leader in green hydrogen in Southern Africa.
- * And finally, we are partnering to build new capabilities and manage risk.

As a proudly South African business, focused on delivering sustainable solutions for customers, we believe we can both help the country to decarbonize, while seizing the huge business opportunities the energy transition has to offer.

Our strategy is ambitious, but it is grounded in realism and we are confident that we will deliver.

Thank you for listening. I now hand you over to Marius to talk more about how we will leverage our FT technology in future.

END