

Response to Sasol intentionally polluting the Vaal River

Sasol categorically refutes any allegation that we have intentionally polluted (or continue to pollute) the Vaal River, or any other water source. Sasol fully appreciates that any such actions would not only be irresponsible, but constitute offences and invoke serious criminal and administrative sanctions under the suite of environmental laws we are subject to. Given the nature of our operations and the associated impacts thereof, we recognise our responsibility to ensure responsible environmental management. Legal compliance is fundamental to this and our commitment in this regard remains steadfast.

Our operations are continuously subject to various environmental authority inspections and associated compliance enforcement actions. We respect the mandate of the environmental authorities to monitor compliance and we believe that this provides the requisite oversight and assurance on compliance. We collaborate fully with the authorities during these inspections, resolve enquiries and duly respond to subsequent enforcement actions.

Our approach to environmental compliance management continues to be transparent and collaborative. We engage with authorities regularly through established forums and also proactively where we anticipate or identify compliance challenges. We report non-compliances with conditions of authorisations and the management thereof, as well as corrective and preventative measures to address these. This includes the reporting of environmental incidents as per statutory requirements and the submission of periodic, quarterly and annual reports. We also communicate to our stakeholders on our performance. This approach is underpinned by our principles on ethical behavior encapsulated in Sasol's Code of Conduct.

Context of our Secunda Operations and our Sasolburg Operations

- Secunda Operations (Secunda Chemical Operations and Sasol Synfuels Operations):
 - Sasol's Secunda Operations are located approximately 125kms east of Johannesburg in Mpumalanga
 - Our Secunda Operations lawfully discharges treated effluent (cooling water and treated domestic wastewater) and storm water into the Waterval catchment in accordance with the provisions of our Water Use License (WUL) issued by the Department of Water and Sanitation (DWS).
- Sasolburg Operations:
 - Sasol's Sasolburg Operations are located approximately 100 kms south of Johannesburg in the Free State.
 - Our Sasolburg Operations discharge treated waste water, in accordance with strict WUL conditions issued by the DWS.

Response to concerns on vanadium and potassium carbonate

The allegations made at the SAHRC on 20 February 2019 and subsequent media reports around vanadium and potassium carbonate being dumped by our Sasol Synfuels Operations into the Vaal River system is factually incorrect.

Sasol Synfuels Operations in Secunda utilizes these chemicals in its Benfield-operation units as agents to protect the metal of the equipment, as well as to absorb carbon dioxide. Due to the potentially harmful impact these chemicals can have on people and the environment, as these chemicals are managed (handled used and disposed of) in accordance with the various requirements governing these hazardous substances. Various precautionary measures are utilized to manage any possible exposure or leakage as dictated by applicable environmental and occupational health and safety legal requirements.

To pro-actively mitigate the risk of the potential presence of vanadium being present in any water resource, particularly in the vicinity of the Benfield-unit, a key operational control is a dual protection system. The first system is a closed (locked-out) chemical sewer system to contain any liquid. In accordance with applicable plant operating procedures, only the shift supervisor can open this

system, and record is kept of all instances when the locks are opened. In instances when the system contains any level of liquid, it is analyzed for potential vanadium content before being duly disposed in accordance with applicable requirements. Even in the event that the lock-out system, which isolates the chemical sewer, were to be unintentionally or inadvertently left open, this sewer is connected to the site's main oily water sewers, from which water does not flow into the local river system. All the water in these dams are recycled for eventual use (after biological treatment) as process water in our Secunda Operations.

Normal disposal of the Benfield chemical sewer typically occurs once a year via one of two potential routings:

- Firstly, storage at the local Class A waste handling facility (which is licensed to store Type 0 waste) where it is treated to conform to Type 1 waste, and finally landfilled, also at a Class A site.
- Secondly, removal from site via a licensed 3rd party in accordance with applicable waste disposal requirements under the National Environmental Management: Waste Act.

In addition, the authorities have conducted an inspection on site to specifically look at the Benfield chemical handling, as well as the Class A waste handling facility, and to date no transgressions have been reported.

Response to whistle-blower testimony

Sasol was not informed of the continuation of the inquiry on 20 February and also not of the testimony provided to the SAHRC by a whistle-blower. No representative from Sasol was designated or authorised by Sasol to provide such testimony.

We will approach the SAHRC to obtain the testimony in which Sasol, as an interested and affected party was implicated, to study and respond to the SAHRC appropriately. Sasol trusts that the SAHRC will ensure procedural fairness for purposes of enabling only validated information to inform the outcomes of the inquiry.

Sasol appreciates the heightened focus on environmental management and its associated disclosures approach, which is reflected in, amongst others, our adoptions of the recommendations made by the Task Force for Climate Related Financial Disclosures (TCFD).

We support dialogue and ongoing engagements with key stakeholders, as they contribute to the robustness of Sasol's progression of its environmental disclosures. At any point, Sasol is engaged with numerous stakeholders on our environmental management with varying requests and queries for information.

We wish to reiterate that Sasol is a key stakeholder to the sustainability of the Integrated Vaal River System. Accordingly, Sasol welcomes the inquiry and remains committed to fully cooperating with the SAHRC in the inquiry.

We are deeply concerned about the current state of the Vaal River, which is essential to residents, business and agriculture.

As a responsible corporate citizen, our objective is to respond as appropriate, given the numerous and varying requests, in a transparent manner, through dedicated teams.

Secunda visit by SAHRC on 5 February.

The SAHRC made an unannounced site inspection at our Secunda Operations on 5 February to inspect our water treatment facilities. Sasol accommodated the request of the SAHRC, on 5 February 2019, for its representatives and reporters from the SABC for an unannounced visit to our Sasol Secunda Operations (SSO) on the same day.

In addition to the explanations provided at the enquiry and outlined in Sasol's written submission, SSO's management and specialists provided an overview of SSO's water management activities at the site. Further, SSO representatives took the SAHRC representatives and the two SABC reporters

brought along by the SAHRC on a plant tour by bus. As part of this tour, the SAHRC representatives and SABC reporters visited the sewerage treatment plant and evaporation ponds. SSO also availed the senior manager and other personnel of the sewerage plant for questioning. Accessibility to certain areas within the SSO plant (otherwise known as the primary area) was however restricted due to the representatives not having conducted the required plant safety induction. This safety induction serves to protect the health and safety of all visitors to the plant and cannot be waived. It is standard protocol given the operation of the plant as a Major Hazard Installation (MHI) and is consistently observed by all visitors, including authorities conducting inspections and site visits.

We appreciate that, under the circumstances, not all the specific requirements of the SAHRC for the site visit on 5 February 2019, may have been met. Sasol therefore repeats its invitation to the SAHRC to conduct a follow-up site visit. With sufficient prior notice, we can enable the necessary plant safety induction for the representatives and provide personal protective equipment required for a safe plant walkabout. To enable us to further meaningfully participate in the inquiry, we propose that the SAHRC kindly indicate which sections of SSO or other Sasol plants it wishes to inspect and what specific information it further requires in relation to these operations. Approval, in accordance with applicable legal protocols governing our operations as a National Key Point, can be arranged in the event that the SAHRC requires photos to be taken.

We remain fully committed to assist with the inquiry and facilitating a site visit at any of our plants for purposes of meeting the objectives of the SAHRC as far as reasonably possible.

Participation at SAHRC hearing

Sasol's team of specialists and subject matter experts presented an overview of Sasol's reliance on the Integrated Vaal River System (IVRS) in October 2018. This was followed by a written submission indicating our contribution, responses and commitment to compliance submitted to the SAHRC on the 30th November 2018. In addition to the explanations provided at the enquiry and outlined in Sasol's written submission, SSO's management and specialists provided an overview of SSO's water management activities at the site during the 5 February 2019 site visit.