

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Mandatory carbon reporting	Support	Sasol has been participating in the public consultation process regarding the development of mandatory GHG reporting for South Africa which culminated in the promulgation of mandatory GHG reporting regulations released in March 2017. Sasol has been a proponent of reporting for many years and has been voluntarily submitting GHG data to government since the country's earliest GHG inventories. It is our belief that for reductions to take place, an emissions baseline is critical. Sasol's first mandatory GHG submission was submitted in March 2018.	Mandatory GHG Reporting Regulations for South Africa which were promulgated in March 2017.
Energy efficiency	Support	As a founding signatory to the South African Energy Efficiency Accord (the Accord), Sasol has a long-standing commitment (since 2005) to promoting energy efficiency as a key business driver, in addition to the benefit of GHG reductions. Sasol recently committed to EP100 and supports the South African National Energy Efficiency Strategy. Sasol has set an objective of a 15% improvement between 2015 and 2030 in addition to the 16.6% improvement under the Energy Efficiency Accord from a 2005 baseline. Following the utility energy efficiency improvement Sasol achieved under the Accord for South African operations in which we continued to set appropriate interim improvement objectives for several of our South African operations. Once the South African Department of Mineral Resources and Energy (DMRE) publishes the new 2030 National Energy Efficiency Strategy, Sasol intends to set new improvement targets aligned to the national objectives. Sasol's global operations are in the process of implementing standard utility energy efficiency measurements and reporting practices. Once baseline performance measurements have been determined, appropriate global improvement targets aligned with the respective national objectives will be set.	South African National Energy Efficiency Strategy.
Adaptation or resilience	Support	Sasol is not only an emitter of GHGs, we are also vulnerable to the impacts of climate change and have undertaken work to better understand our climate change exposure for our people and operations. Through an analysis of the impacts of climate change on our operations, we are taking steps to enable our resilience to these impacts which include increased flooding from heavy rains, rising sea levels, extreme weather events such as hurricanes and tornadoes and heat stress in some regions where we operate.	South African National Adaptation Strategy that takes into account business impacts by climate change and its implications for the country.
Carbon tax	Oppose	Considering South Africa's developmental challenges, the structure of its economy and the fact that the carbon tax design is not aligned with the carbon budget system, Sasol remains supportive of carbon pricing but believes that alternative mechanisms could achieve the outcome sought by the proposed stand-alone carbon tax. In this instance, the effective alignment of the carbon budget with the carbon tax offers an efficient and effective solution for the South African economy to recover while transitioning to a lower carbon economy through least-cost mitigation. We continue to work to advocate for such a solution and actively engage with government and various stakeholders to appropriately manage these challenges that balance the need for economic development, job creation, energy security and GHG emission reductions. Whilst we are not supportive of the Carbon Tax Act in its current form, Sasol is adhering to the Act and is participating in the relevant government process to develop the operating rules for the tax.	To ensure that South Africa's transition is orderly and just, developed policy needs to be clear and cohesive. While Sasol supports a transition to a lower-carbon economy we remain concerned that the carbon tax in its current format and design will further diminish the country's investment attractiveness and competitiveness. There are other instruments that can create a more efficient and effective mitigation signal in a flexible and economically sustainable manner i.e. the Carbon Budget system of DEFF. South Africa should rather consider to implement, with urgency, the integrated mandatory carbon budget system with only a higher rate of tax on excess emissions above the budget.
Other, please specify (Integrated mitigation system & Carbon Budgets Climate Change Bill & Carbon Offsets)	Support	Sasol has engaged directly with various stakeholders on matters related to climate change. The nature of the engagement is tailored to the specific needs of the policy debate at a specific time. During the year, for our South African operations, we continued to participate in the roll-out of the National Climate Change Response Policy and the development of the proposed Climate Change Bill with DEFF both on our own and through business and trade associations. Sasol has been and is fully participating in the carbon budget process and is actively engaging on the development of an integrated mitigation system including carbon offsets, trading of budgets and on adaptation through the National Climate Change Adaptation Strategy process.	Sasol is committed to playing our part in South Africa's transition to a lower carbon and more climate resilient economy within the context of it being a developing country. We recognise that we have a particular responsibility and opportunity to contribute to finding solutions to this challenge. Sasol continues to actively engage with government and various stakeholders on the development of climate change policy via a consistent and aligned approach.

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Chemical and Allied Industries' Association (CAIA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

It is our understanding that CAIA, through its members, are well aware that a business as usual scenario is not feasible and are committed to playing their part in developing and implementing a national climate change response policy that places South Africa on a lower carbon growth path while at the same time addressing developmental imperatives. The chemical industry recognizes its responsibility to contribute to efforts to mitigate climate change. The industry's goals in this regard are to reduce its own emissions by improving its processes and to encourage the use of chemical products that create a net emission reduction along the value chain. The chemical industry is also addressing the challenge of adaptation to climate change through its commitment to improving water use efficiency.

How have you influenced, or are you attempting to influence their position?

Sasol plays an active role in developing and implementing the global chemical industry's Responsible Care® initiatives. We participate in working groups of the European Chemical Industries' Council (CEPIC), and South African Chemical and Allied Industries' Association (CAIA).

Trade association

South African Petroleum Industry Association (SAPIA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The cycle of developing, producing, transporting, refining and delivering oil to end-users presents significant environmental challenges. In response to these challenges, the

industry has embarked on a number of initiatives to ensure that it will continue reducing its environmental impact into the future. The SAPIA Engineering and Environmental Committee's anti-pollution strategies include: Development of a common emission management strategy, common emission reporting protocol and common flaring report protocol by the Refinery Managers' Environmental Forum (RMEF) to manage the environmental implications of their activities. Individual refineries have invested heavily in the installation of new emission control technology.

How have you influenced, or are you attempting to influence their position?

Sasol plays an active role in SAPIA meetings

Trade association

Minerals Council of South Africa

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The mining industry can demonstrate its commitment to improving energy efficiency and managing climate change by developing a detailed inventory of carbon emission, showing what energy savings have taken place and perhaps set its own targets for energy efficiency (most companies have already signed the Energy Efficiency Accord). This would demonstrate that the industry is serious about dealing with national challenges.

How have you influenced, or are you attempting to influence their position?

Sasol plays an active role in the Minerals Council meetings.

Trade association

Business Unity South Africa (BUSA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

BUSA is a confederation of business organisations including chambers of commerce and industry, professional associations, corporate associations and unisectoral organisations. It represents South African business on macro-economic and high-level issues that affect it at the national and international levels. BUSA's function is to ensure that business plays a constructive role in the country's economic growth, development and transformation and to create an environment in which businesses of all sizes and in all sectors can thrive, expand and be competitive. As a principal representative of business in South Africa, BUSA represents the views of its members in a number of national structures and bodies, both statutory and non-statutory. BUSA also represents businesses' interests in the National Economic Development and Labour Council (NEDLAC).

How have you influenced, or are you attempting to influence their position?

Sasol plays an active role in various BUSA meetings and also Chairs the BUSA Environmental Sub-committee.

Trade association

Industry Task Team on Climate Change (ITTCC)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The ITTCC is a non-profit organisation that represents energy-intensive industries. It is committed to working with industry, business groups and government departments to ensure sustainable economic growth while transitioning South Africa to a lower-carbon economy. The ITTCC's role is to undertake technical, fact-based studies to ensure that South Africa's policies regarding climate change are based on the best information, best practice and prescribe tangible, achievable ends.

How have you influenced, or are you attempting to influence their position?

Sasol actively participates in meetings, provides expert advice and supports various pieces of work to provide a fact base to inform climate change and energy policy development. Sasol is currently the Chair of the ITTCC.

Trade association

International Council of Chemical Associations (ICCA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The Paris Agreement is designed to curb greenhouse gas emissions and mobilize global political will to address the climate change challenge. Successful implementation of the Paris Agreement hinges in large part on contributions from the private sector. For global chemical manufacturers, that means continuing to do what they do best: innovate. Innovation requires a consistent, supportive policy and regulatory environment to reach its full potential and to allow industry to develop and implement solutions to address global sustainability challenges.

How have you influenced, or are you attempting to influence their position?

Sasol actively participates in meetings, provides expert advice and supports various pieces of work to provide a fact base to inform climate change and energy policy development.

Trade association

International Chamber of Commerce (ICC)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Taking serious and bold action to mitigate climate change is an urgent business issue. Failure to do so will hurt us all. Countries must go beyond the bare minimum and take transformative action if we are to achieve the goals set out in the Paris Agreement. Through our global network, we will advocate for policy frameworks that support the alignment of business operations with this target and help us to reach the additional goal of net zero emissions in many countries by 2050.

How have you influenced, or are you attempting to influence their position?

Sasol actively participates in meetings, provides expert advice and supports various pieces of work to provide a fact base to inform climate change and energy policy development.

Trade association

European Chemical Industry Council (CEFIC)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Cefic is committed to the Paris Agreement. Its view is that, as one of the largest and most diversified industries in Europe, the chemical industry plays an important role in helping to achieve long-term greenhouse gas emission reductions. Therefore, it is continuously looking at ways to improve production processes, to lower the industry's carbon footprint and enable further emission reductions down the value chains. Its most recent Mid-Century Strategy 'Molecule Managers' sets out a plausible path towards a prosperous, more sustainable Europe in 2050.

How have you influenced, or are you attempting to influence their position?

Sasol actively participates in meetings, provides expert advice and supports various pieces of work to provide a fact base to inform climate change and energy policy development.

Trade association

Verband der Chemischen Industrie e.V. (VCI)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The VCI supports the Paris Agreement. In a recent study, it shows that climate-neutral chemistry is possible and which conditions are needed for the German chemical industry to become carbon-neutral by 2050. The association's members believe that chemistry can help to enable the realization of climate objectives in general and the goals of the Paris Agreement in particular.

How have you influenced, or are you attempting to influence their position?

Sasol actively participates in meetings, provides expert advice and supports various pieces of work to provide a fact base to inform climate change and energy policy development.

Trade association

American Chemical Council (ACC)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

ACC considers climate change as a global challenge that requires long-term commitment and action by every segment of society. A combination of technology, market based and policy solutions is viewed as necessary to reduce greenhouse gas emissions and achieve climate goals, such as those of the Paris Agreement. ACC supports the policy statements of the International Council of Chemical Associations (ICCA) on the Paris Agreement, which recognize the role of the chemical industry in achieving the goal of the Paris Agreement.

How have you influenced, or are you attempting to influence their position?

Sasol actively participates in meetings, provides expert advice and supports various pieces of work to provide a fact base to inform climate change and energy policy development.

Trade association

American Cleaning Institute (ACI)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The association acknowledges that scientific consensus is clear: tackling climate change is essential for a sustainable future. It (via members) must also work to meet current needs without compromising the ability of future generations to meet theirs. Society cannot continue to live as it does now, using ever-dwindling resources and generating vast amounts of waste and carbon emissions. Targets adopted by companies to reduce GHG emissions are considered "science-based" if they are in line with what the latest climate science says is necessary to meet the goals of the Paris Agreement – to limit global warming to well below 2°C above pre-industrial levels and pursue efforts to limit warming to 1.5°C. The Science Based Targets Initiative is leading the charge in championing and institutionalizing science-based targets within businesses.

How have you influenced, or are you attempting to influence their position?

Sasol actively participates in meetings, provides expert advice and supports various pieces of work to provide a fact base to inform climate change and energy policy development.

C12.3d**(C12.3d) Do you publicly disclose a list of all research organizations that you fund?**

No

C12.3e
