

INVESTING IN SOUTHERN AFRICA'S GROWTH AND DEVELOPMENT

“As a large corporation, we serve a higher purpose than just running our businesses profitably. At Sasol, we seek to play a constructive role as a transformative employer of choice and, more broadly, as an active corporate citizen. South Africa is the cornerstone of our global operations, and we see large-scale stakeholder benefit in our ongoing investment in the growth and development of the country and the region.”

David E Constable
President and Chief Executive Officer
Sasol Limited

Throughout our 64-year history, Sasol has played an important role in the industrialisation, growth and socio-economic development of South Africa and the broader region. Our Project 2050 commitment to extend our integrated value chain in Southern Africa to the middle of the century underpins our long-term focus. The initiatives associated with Project 2050 are fully supportive of the South African Government's New Growth Path and Vision 2030, as set out in the National Development Plan.

Our commitment to supporting local and regional economic development, job creation and security of supply in liquid fuels, chemicals and low-carbon electricity, is reflected in some of our most significant capital investments:

- The next two phases of our R14 billion mine-replacement projects in Secunda are on track. These capital projects are critical to replace much-needed, large-scale coal reserves and to extend the lifespan of our Southern Africa integrated value chain. The first phase, the R3,5 billion Thubelisha Shaft at Twistdraai Colliery, was inaugurated in 2012. The colliery sustained 1 600 jobs at the mine, with an additional 2 000 workers on site during the peak of construction.
- Our R14 billion Synfuels growth programme in Secunda, due to be completed at the end of the 2014 calendar year, will increase production by 3,2% off a 7,3 million ton baseline, ensuring ongoing operational reliability and efficiency.
- We are investing R13 billion in expanding our hard wax production facilities in Sasolburg.
- Our R1 billion limestone ammonium nitrate granulation plant, inaugurated in 2012, uses the latest energy efficiency and waste minimisation technologies, and meets more than 25% of South Africa's nitrogen fertiliser demand.



- In early 2014, we inaugurated a R1,9 billion ethylene purification unit in Sasolburg, which will support the local plastic industry's demand for polyethylene.
- Commissioned in December 2012, our R1,5 billion gas-fired power generation plant in Sasolburg is now capable of producing 175 megawatt (MW) of power. Using natural gas from Mozambique, this is South Africa's first stand-alone gas-to-power plant. As a result of this and other projects, we have a cumulative capacity to self-generate up to 70% of our electricity requirements in South Africa, easing national power constraints and promoting low-carbon electricity generation.
- In Mozambique, we have advanced the development of our 175 MW gas-fired electricity generation plant at Ressano Garcia, in partnership with the country's state-owned power utility, Electricidade de Moçambique. Beneficial operations are planned for the fourth quarter of calendar year 2014.

Looking to the future, we are pursuing new hydrocarbon resources, with a particular focus on natural gas. This is important not only to secure feedstock to grow our integrated Southern Africa value chain, but also to enhance regional energy security and to diversify the energy mix.

Through our core business activities, we create significant value for the region. Not only are we one of the largest taxpayers in South Africa, we also contribute significantly to the country's foreign exchange reserves by providing locally produced liquid fuels. We also make a substantial contribution to job creation in the country, both directly and indirectly. During the past three annual maintenance shutdowns at our Synfuels plant in Secunda, an average of 15 000 additional employment opportunities were created each year. Between February 2009 and June 2014, during the construction periods of our various mega-projects in Sasolburg, we created over 20 000 jobs. Through our retail network of 380 Sasol service stations across South Africa, we indirectly employ an additional 11 500 people.

Our determination to ensure that this growth is undertaken in a sustainable and responsible manner is reflected in the nature of the commitments and activities described throughout this report. We recognise that for the company and the countries within which we operate to grow, we need to invest in the health, wellbeing and continuing development of people and their communities; and we need to foster relationships grounded in trust and respect.

