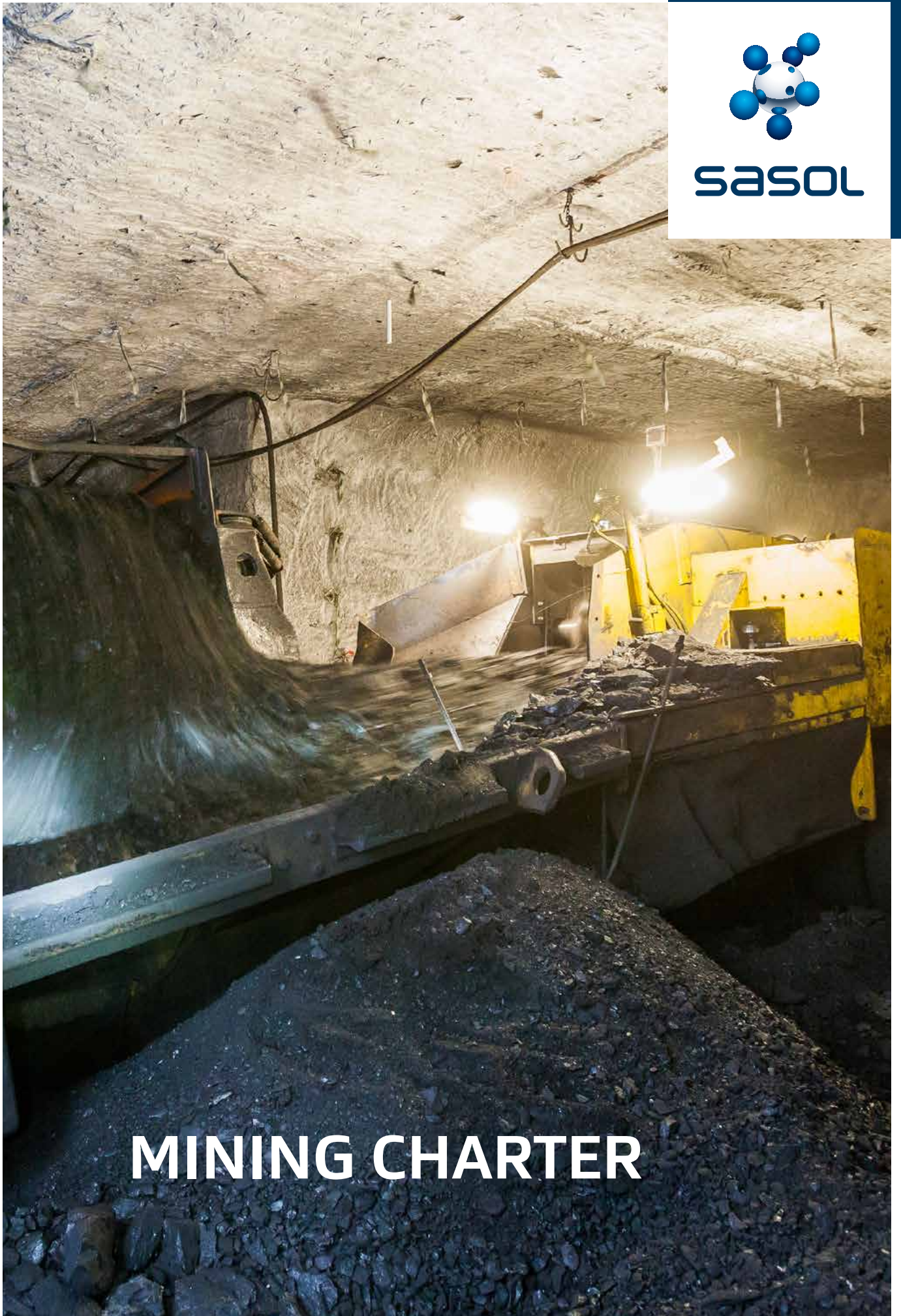




SASOL



MINING CHARTER

Sasol is a global integrated chemicals and energy company. Through our talented people, we use selected technologies to safely and sustainably source, produce and market chemical and energy products competitively to create superior value for our customers, shareholders and other stakeholders.

We develop and commercialise technologies, and build and operate world-scale facilities to produce a range of high value product streams, including liquid fuels, chemicals and lower-carbon electricity.

We employ more than 31 000 people working in 31 countries.

Mining Charter

One of the objectives of the Mineral and Petroleum Resources Development Act, 2002 (Act 28 of 2002) (MPRDA) is to facilitate meaningful participation of historically disadvantaged South Africans (HDSA) in the mining and minerals industry. In particular, section 100(2)(a) of the MPRDA provides for the development of the Mining Charter as an instrument to effect transformation with specific targets. Embedded in the Mining Charter of 2002 is provision to review the progress and determine what further steps, if any, need to be made to achieve its objectives. The 2002 Mining Charter was reviewed and replaced by the 2010 Mining Charter. On 15 June 2017 the 2010 Mining Charter was replaced by the 2017 Revised Mining Charter (RMC), however, it met with fierce resistance from the mining industry, organised labour and the community at large.

On 14 July 2017 the Minister of Mineral Resources undertook in writing not to implement the RWC until such a time as judgement in respect of the Minerals Council South Africa's (MCSA) application for judicial review has been handed down. In February 2018, President Ramaphosa, indicated in the State of the Nation address, that further engagement will take place in respect of the RMC. Subsequently an agreement was reached between the MCSA and the President which resulted in the judicial review application being suspended to allow the parties to engage in discussions and to reach consensus on the RMC. After an extensive consultation process, which included the mining industry, organised labour and the community at large, the Minister of Mineral Resources, Minister Mantashe published the RMC on 27 September 2018. Even though the RMC is a significant improvement on the 2017 Mining Charter, and broadly supported by the mining industry, the continuing consequence of existing Black Economic Empowerment agreements is recognised to a limited extent only, which is problematic to the mining industry. The RMC also places more stringent requirements in respect of the Inclusive Procurement element which in the view of the mining industry is unrealistic and not achievable. An amendment to the RMC as well as the Mining Charter Implementation Guidelines (MCIG) were published on 20 December 2018. The RMC amendment and the MCIG did not address the concerns raised by the mining industry. Again, engagements between MCSA and the Minister did not yield a results and on 26 March 2019, the MCSA submitted an application for the judicial review of the RMC and the date of the hearing of the review application is still to be confirmed. Despite various requests from the MCSA to suspend implementation of the contested elements, which forms the basis of the judicial review application, the Department of Mineral Resources commenced with the enforcement of the contested elements of the MCSA and on 21 June 2019 filed an application to obtain urgent interdict to suspend the implementation of the contested elements until the judicial review proceeding have been completed.

The Mining Charter scorecard below depicts Sasol Mining's compliance with the Mining Charter, for the year 1 January to 31 December 2018, as required in terms of the 2010 Mining Charter in place at that time.



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