

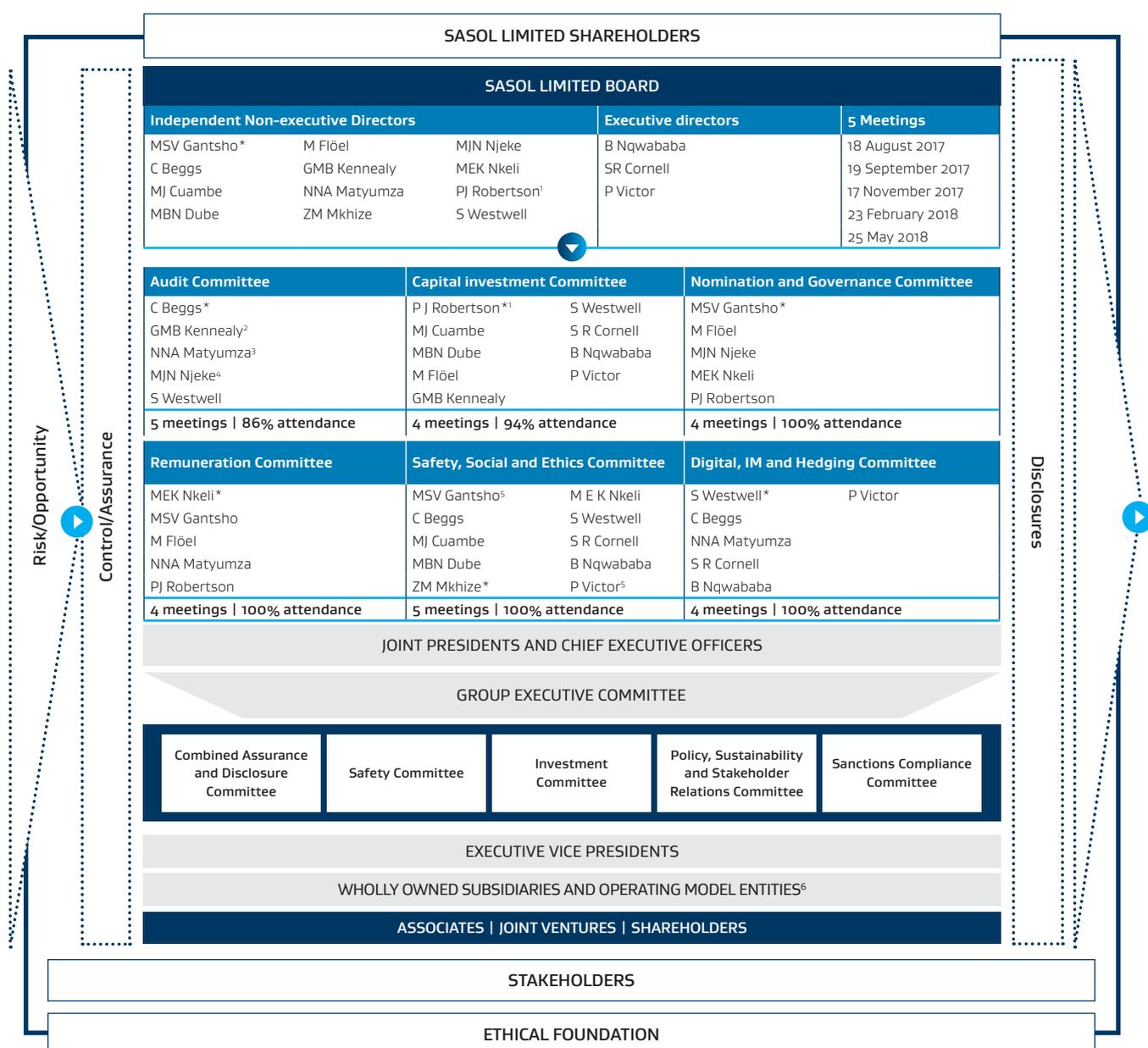
OUR GOVERNANCE FRAMEWORK

Sasol is a values-based organisation, committed to high standards of business integrity and ethics. The Board steers and sets the direction of the Group and brings independent, informed and effective judgement and leadership to bear on material decisions reserved for the Board, while ensuring that strategy, risk, performance and sustainable development considerations are effectively integrated and appropriately balanced.

For more details on the responsibilities, powers, policies, practices and processes of the Board, directors and the Group's executives and other officials, refer to the Board charter as well as the Group's memorandum of incorporation on our website, www.sasol.com.

Areas of focus

The Board and its committees continue to closely monitor the implementation of Sasol's legal compliance policies and processes and improve upon them to mitigate the risk of non-compliance with the laws in the various jurisdictions in which we do business. Competition laws, anti-bribery and anti-corruption laws, sanction laws, safety, health and environmental laws, identified as key Group legal compliance risk areas, remain our focus. We have implemented risk mitigation controls for each of these areas, aiming to achieve a balanced approach on compliance, by taking into consideration Sasol's obligations as well as Sasol's rights. The Board is satisfied that it fulfilled all its duties and obligations in the 2018 financial year.



* Chairman

1. Mr PJ Robertson did not attend these board and committee meetings due to family bereavement.
 2. Ms GMB Kennealy attended three out of five meetings. One of the meetings she did not attend was as a result of a family emergency and the other due to a schedule clash.
 3. Ms NNA Matyumza attended four out of five meetings. The meeting she did not attend was a special meeting arranged at short notice.

4. Mr MJN Njeke attended four out of five meetings. The meeting he did not attend was a special meeting arranged at short notice.

5. Dr MSV Gantsho and Mr P Victor stepped down as members on 23 February 2018 and 25 May 2018 respectively.

6. Comprise strategic business units, operating business units, regional operating hubs and Group functions.

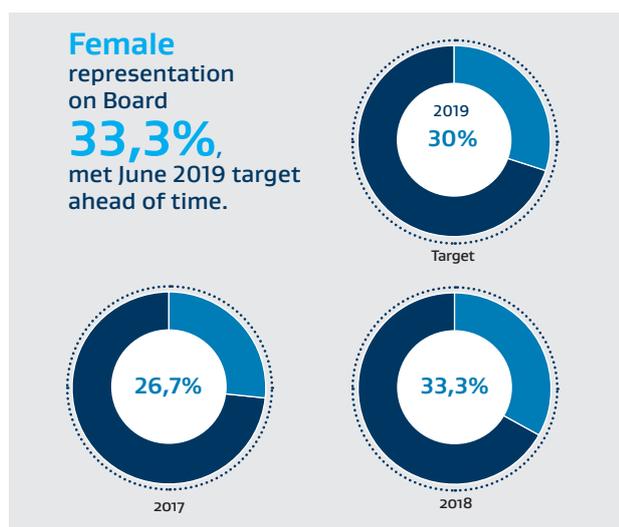
We regularly review and benchmark the Group's governance structures and processes to ensure they support effective and ethical leadership, good corporate citizenship and sustainable development and ensure that they are applied in the best interests of Sasol and our stakeholders. We have the necessary policies and processes in place to ensure that all entities in the Sasol Group adhere to essential Group requirements and governance standards. As a direct or indirect shareholder, Sasol exercises its rights and is involved in the decision-making of its subsidiaries on material matters and the Board is satisfied that its delegation of authority framework contributes to role clarity and effective exercise of authority and responsibilities.

Our directors and the composition of the Board and committees

The Board recognises and embraces the benefits of diversity at Board level, to enhance the quality of deliberations and of directors' perspectives. We appreciate that Board diversity is an essential component for sustaining a competitive advantage. Directors are chosen for their corporate leadership skills, experience and expertise. Our Board Charter emphasises the importance of race, age and gender diversity in the composition of the Board. Our Board comprises 33,3% female directors and 46,7% black persons from South African descent.

In the year, we announced the retirement of Mr HG Dijkgraaf, Lead Independent Director and chairman of the Remuneration Committee. Mr MJN Njeke was appointed as Lead Independent Director in his stead. As previously announced, Ms IN Mkhize retired as Director and Chairman of the Safety, Social and Ethics Committee on 17 November 2017.

We also announced the appointment of two new female independent Non-executive Directors, Dr M Flöel and Ms MBN Dube during the financial year.



The Nomination and Governance Committee assisted with the identification of suitable candidates to be proposed for appointment to the Board, taking into consideration the Board's succession plan and skills profile. Our two new directors were appointed following the identification by the Nomination and Governance Committee of a need to supplement the Board's expertise in the areas of chemicals, corporate finance, environmental sustainability and public

policy. We are comfortable that, after the latest changes to the Board, we still have the right balance of skills, experience and independence to make a meaningful contribution to the business of the company. The committees established by the Board play an important role in enhancing standards of governance and effectiveness within the Group. The terms of reference of the Board and its committees form part of the Board Charter and are reviewed every year.

 The roles and functions of the Chairman, the Lead Independent Director and the Joint Presidents and Chief Executive Officers are described in the Board charter available on our website at www.sasol.com.

 The complete terms of reference of the committees are available on Sasol's website, www.sasol.com.

 A summary of the terms of reference of the Audit Committee, including its duties and the execution thereof, are set out in the Audit Committee report included in the Annual Financial Statements and the functions of the Remuneration Committee, as well as directors' remuneration and other relevant remuneration information are available in the Remuneration Report.

Development

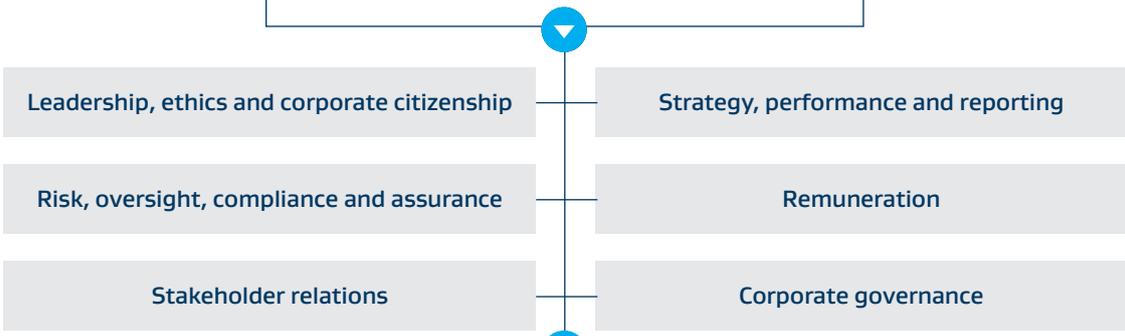
The development of industry and Group knowledge is a continuous process and we brief directors on legal developments and changes in the risk and general business environment on an on-going basis. We apprise newly appointed directors of Sasol's business and their duties and responsibilities as directors and give them the opportunity to visit Sasol's plants and operations.

The Board, its committees as well as any director are entitled to seek independent professional advice concerning the company's affairs and to gain access to any information they may require in discharging their duties as directors.

Performance

The effectiveness and performance of the Board, its committees, individual directors and the Chairman was measured by way of a self-assessment in the financial year. We are satisfied that the Board's performance is satisfactory in all aspects. We specifically, consider the independence of directors and their other commitments when they are first appointed, as well as annually, or at any other time when a director's circumstances change and warrant re-evaluation. This is done to determine whether a director has sufficient time to discharge his or her duties effectively and is free from conflicts that cannot be managed satisfactorily. No director appointed after 25 November 2016 may hold office for longer than nine years. The Board may nominate a director who served for nine years for re-election for an additional period of one year at a time, but no director's term of office may exceed 12 years. The Board is of the view that all Non-executive Directors are independent, in accordance with King IV™ and the rules of the NYSE. We have reconfirmed the independence of our Non-executive Directors who have been in office for more than nine years, namely Dr MSV Gantsho, Mr C Beggs and Mr MJN Njeke. We did this after taking into account, among other considerations, the extent to which the diversity of their views, skills and experience continue to enhance the Board's effectiveness and they are able to question management judgment objectively and inclusively. Succession planning will remain a key focus area in the year ahead.

Value creation through our governance structures



VALUE CREATION

ACHIEVEMENT OF AND BENEFITS REALISED THROUGH GOOD GOVERNANCE OUTCOMES

- Ethical culture
- Effective control
- Good performance

DELIVERY ON STRATEGIC OBJECTIVES

- Operate safely and efficiently
- Disciplined capital allocation
- Engage and nurture talent
- Grow reputation

ACHIEVEMENT OF STAKEHOLDER GOALS

- Employer of choice
- Provider of relevant space
- Preferred business partner
- Responsible community participant

Activities	Outcomes
Leadership, ethics and corporate citizenship	
<ul style="list-style-type: none"> • Set the tone of the company's values, including principles of ethical business practice • Approved revised Code of Conduct and Ethics policies • Monitored protected disclosure and whistle-blowing mechanisms • Disclosed directors dealings in accordance with JSE Listings Requirements • Disclosed and proactively monitored conflicts of interest subject to legal provisions • Delivered in induction, training and development programmes, where relevant • Independent, informed and effective judgment on material decisions 	<ul style="list-style-type: none"> • Ethical and effective leadership, resulting in the achievement of strategic objectives and positive outcomes over time • Sound ethical foundation throughout the company, resulting in an ethical culture and interaction with stakeholders • Responsible corporate citizenship status • Continuous development of director competence
Risk, oversight and compliance	
<ul style="list-style-type: none"> • Reviewed and evaluated strategic risks and associated opportunities • Considered an appropriate risk appetite for the company and approved risk appetite framework • Commenced implementation of revised business continuity arrangements • Considered potential impact of a South African sovereign rating downgrade and of disruptive technologies • Reviewed solvency, liquidity and going-concern status, and agreed dividend payments • Oversight technology and information management • Monitored corporate activities • Approved Integrated Report, annual financial statements, financial results and results announcements 	<ul style="list-style-type: none"> • Appropriate governance structures and processes in place to ensure effective control of the company • Risk and compliance management practices that support the company in setting and achieving its strategic objectives • Ethical and responsible use of technology and information • Submission of the annual compliance certificate, confirming the company's compliance with the JSE Listings Requirements • Assurance services enable an effective control environment to support internal decision making and external reporting
Stakeholder relationships	
<ul style="list-style-type: none"> • Identified material stakeholders and oversaw formulation of stakeholder engagement strategies • Conducted independent annual perception survey with investors and analysts • Engaged with various institutional investors regarding remuneration and other ESG matters and considered feedback • Oversight facilitation by management of regular and pertinent communication with shareholders 	<ul style="list-style-type: none"> • Stakeholder-inclusive approach adopted in the execution of governance roles and responsibilities • Reasonable needs, interests and expectations of stakeholders, balanced in the best interests of the company over time
Strategy, performance and reporting	
<ul style="list-style-type: none"> • Oversight and constructively challenged strategic direction in relation to risks, opportunities, resources and relationships • Held annual risk and strategy workshop to debate, refine and approve strategy • Approved key performance measures and targets for assessing achievement of strategic objectives • Approved 2019 budget • Considered material acquisitions, disposals, investments and capital expenditure • Conducted review of strategic policies and procedures to ensure effective implementation of strategy • Approved management's determination of relevant reporting frameworks and basis for determining materiality 	<ul style="list-style-type: none"> • A well-governed company, run for the purpose of and in a manner that is intent on delivering value with due regard to sustainability matters • Realisation of the company's core purpose and values through its strategy • Reliable external reports that enable stakeholders to make an informed assessment of the company's performance • Consistently ranked in Top 10 in the EY Excellence in Integrated Reporting Awards for past 12 years
Remuneration	
<ul style="list-style-type: none"> • Approved remuneration policy • Monitored executive directors' compliance with minimum shareholding requirement • Approved and implemented long-term incentive scheme 	<ul style="list-style-type: none"> • Fair, responsible and transparent remuneration • Provision for voting by shareholders on the remuneration policy and implementation report • Alignment between executive director and stakeholder interests
Corporate governance	
<ul style="list-style-type: none"> • Approved appointment of Mr Njeke as Lead Independent Director • Approved appointment of Ms Dube who has climate change and sustainability experience • Strengthened experience and diversity of the Board to deliver on strategy • Considered independent board evaluation report and implemented action plans • Considered the recommendations of King IV, for which disclosure on the application can be found on the company's website – www.sasol.com • Strengthened independence of the Board and its Committees 	<ul style="list-style-type: none"> • Continued improvement in the performance and effectiveness of the board • Achieved voluntary gender diversity targets at board level • Substantial compliance with the spirit and principles of King IV