

# Palm Oil Policy



**SASOL**

Update/Revision February 2023

## Scope of Policy

This policy applies to all Sasol Chemicals and third-party suppliers within Sasol Chemicals oleochemical palm oil and palm kernel oil supply chains. We formally require from our suppliers to comply with this Policy throughout their operations and along their entire value chains, including upstream suppliers. This Policy is effective immediately and will be updated on a regular basis.

## Commitment Statement

Sasol purpose is “Innovating for a better world”, by sourcing and producing responsibly, acting as a fair and reliable partner. Sasol Chemicals is therefore committed to ensure all its products are produced in line with Sustainability guidelines. This is ensured through continuous improvement of its operations and concurrently adhering to guidelines and best practices to increase and improve the use of renewable resources.

Furthermore, Sasol strives to assure and enhance the socioeconomic conditions for its employees and associated local communities. This commitment extends along the entire supply chain.

The production of palm oil has long been associated with deforestation, biodiversity loss, soil erosion and water pollution, which contribute to climate change; it is also linked to human rights and labor abuses. Sasol is aware of those concerns and is committed to reduce the impact on the environment and social aspects connected to sourcing of palm oil, palm kernel oil and derivatives.

Sasol Chemicals fully supports the most recent Principles & Criteria (P&C) set by the Roundtable on Sustainable Palm Oil (RSPO). These are the foundation of our Sustainability efforts for this resource and are committed to enforce all aspects described in these P&C. We expect our suppliers to address these key elements in the supply chain and across the third-party palm supply chain; this means having necessary policies and procedures in place to ensure responsible sourcing of palm oil, palm kernel oil and derivatives.

Sasol Chemicals is committed to process identified grievances and implement corrective action plans as promptly as possible. Sasol Chemicals joined the Action for Sustainable Derivatives (ASD) initiative in 2021. ASD facilitates the sharing of information, data, constraints, and solutions to achieve a wholesale transformation of the complex palm derivatives sector. Through this collaboration initiative, Sasol Chemicals expects to better understand the oleochemical supply chain and continue to gain transparency in this field.

## No Deforestation, no Peat, and no Exploitation (NDPE) Commitment

Sasol Chemicals works closely with its suppliers to follow the RSPO P&C which have incorporated the key elements of the No Deforestation, no Peat, and no Exploitation (NDPE) policy outlined below:

- Sourcing of palm oil and derivatives from supply chains which are fully committed to/compliant with the NDPE, the High Carbon Stock (HCS) Approach, the High Conservation Value Resource Network (HCVRN) and RSPO P&C policies and guidance.
- No new development of peat lands regardless of depth. Work with experts and stakeholders to explore options for peat restoration.
- No burning to clear land for new development or replanting.
- Respect for human rights, labor rights and ethical labor practices e.g. no child or forced labor.
- Respect for land tenure rights, including rights of indigenous and local communities.

## Traceability & Transparency Commitment

- Establishment of the highest level of traceability for raw materials consumed within the composition of Sasol Chemicals products derived from palm or palm kernel oil.
- Reporting on transparency, including breaches.

## Compliance Verification & Grievance Process

- Compliance with all applicable international and local laws and regulations of the countries in which operations are managed or services provided, including anti-corruption and bribery laws.
- Compliance with Sasol Code of Conduct.
- Compliance with Sasol Business and Human Rights Policy.
- Compliance with the “Principles & Criteria 2018” (P&C) set by the Roundtable on Sustainable Palm Oil (RSPO), including the No Deforestation, no Peat, and no Exploitation (NDPE) guidance.
- Sasol encourages its suppliers and own employees to report actual or suspected breaches of this Policy or related applicable laws. Reports can be submitted via the Ethics Speaking out Ethics Line number or mail.

## Sasol Chemicals initiatives for palm oil, palm kernel oil and derivatives

- Sustainability certification: RSPO (Mass Balance principle)
- Memberships: ASD initiative
- Publication of Sasol Chemicals mill list

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### **S GRAHMANN**

SVP Strategy, Sustainability & Human Capital

### **S HOPPE**

VP Essential Care

### **F CARLETTI**

VP Supply Chain Eurasia

### **M SCHNELL**

Head of Strategic Sourcing & Supply Planning Americas