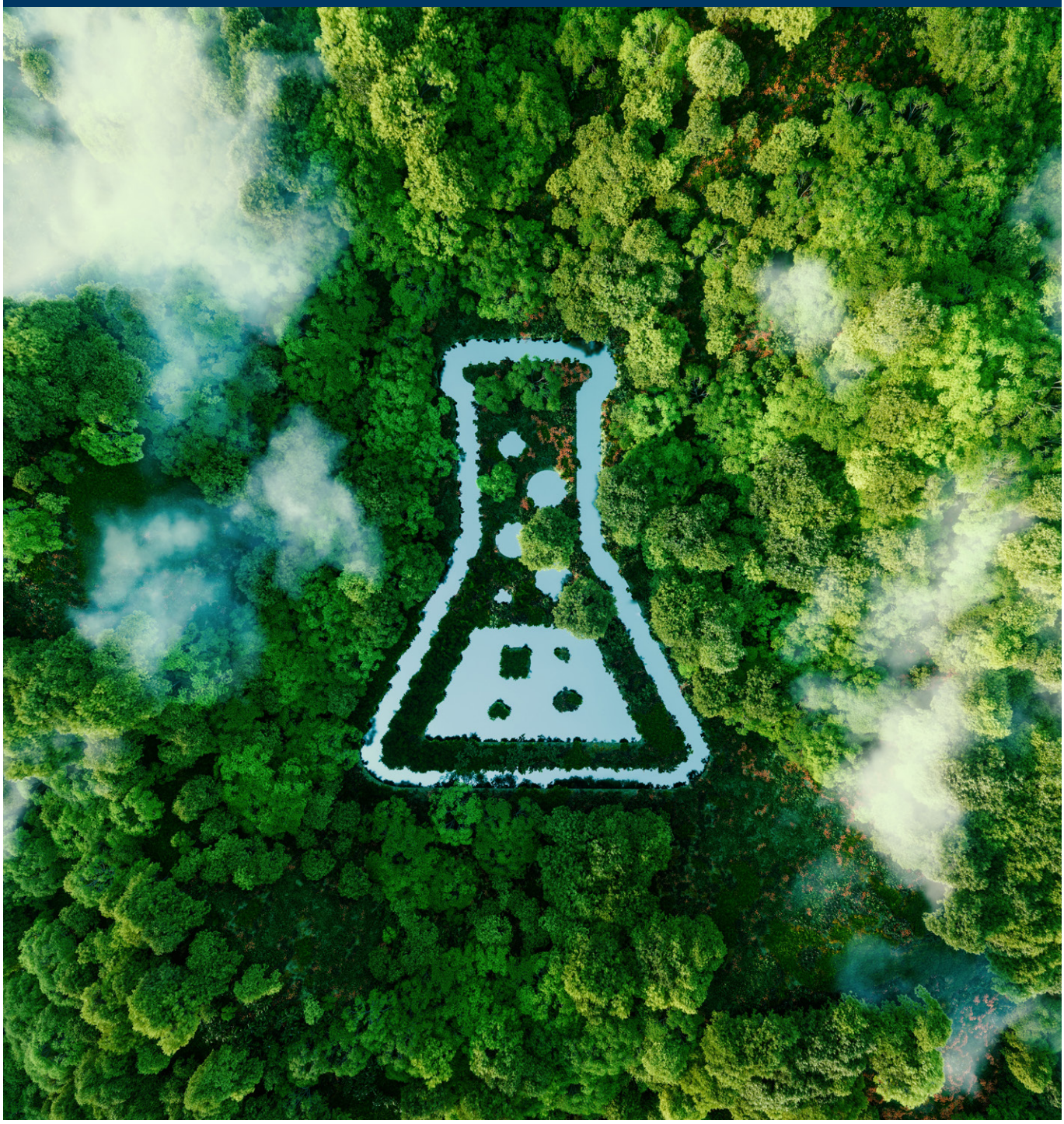
SUSTAINABILITY REPORT

2022



Period and Frequency of reporting

The sustainability report relates to a calendar year (in this case 2022) and is prepared annually.

The reporting relates to the company Sasol Italy, which represents the perimeter of reporting perimeter. In particular, for energy data, the perimeter reporting scope also includes Sasol Italy Energia, a subsidiary of Sasol Italy for the production of electricity at the Augusta site.
The sustainability report is published at the end of following year.

For further information please contact:
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SUSTAINABILITY REPORT

2022

Index

Letter to stakeholders

Dear Stakeholders,

also this year, we would like to share the results and progress made in our sustainability journey, a commitment that involves us on many fronts and at every level corporate level. In recent years we have worked to build in Sasol a strong culture of sustainability and today attention to the impact of our activities – environmental economic and social - constitutes an essential criterion to guide actions, projects and development strategies. Focused on the present but always looking to the future.

In 2022 - when the world was struggling to recover from the pandemic crisis - the outbreak of the Russia-Ukraine conflict Ukraine presented us all with new challenges and uncertainties. For European industry, the energy crisis and the rising cost of raw materials have meant the the need to review projects and development strategies, in search search for new balances in a profoundly changed political and economic environment. In this new scenario, our sustainable development targets remain solid and ambitious. For meet the long-term decarbonisation goals we have set ourselves, in 2022 the two major projects were further developed - the first concerning the efficiency of the paraffin production process and the second concerning the production of green hydrogen at the site in Augusta - which, once fully operational, will reduce CO2 emissions by more than 200,000 tonnes per year.

It is undeniable, however, that the current economic and political context is taking its toll on these and many others. The real challenge today is therefore to find adequate solutions that will allow the objectives to be achieved, reshaping, if necessary, actions and strategies in the light of the current economic situation.

Sustainability also means circularity. The successful pilot project in Terranova dei Passerini - the result of collaboration with Federchimica, Scuola Superiore Sant'Anna di Pisa and Certiquality - has allowed us on the one hand to measure the level of circularity of the plant, highlighting progress achieved in minimising the impacts of our activities, and on the other to identify areas of improvement to guide future actions.

Results such as these further confirm that scientific research and technological innovation are the real key to truly sustainable progress. In an ever-changing world, scenarios are destined to change rapidly with effects that are not always predictable. The more all the players involved are able to work as a system and act in synergy, the stronger our response to the new global challenges will be.

As Sasol Italy we are ready to do our part, confident in the ability of science and technology to find adequate solutions and always putting people, our most important capital, at the centre.

Enjoy reading,

Filippo CARLETTI

MANAGING DIRECTOR SASOL ITALY S.p.a.

OUR LEADERSHIP TEAM POINT OF VIEW

LEADERSHIP TEAM

Sergio CORSO
PROGRAM DIRECTOR
SUSTAINABILITY ITALY

«The year 2022 saw, on the one hand, the completion of the post-Covid recovery, but, on the other hand, the war events in Ukraine led to a significant rise in the prices of gas and electricity commodities, with a strong impact on production costs. Coupled with this, there was progressively a sharp contraction in consumption in the detergent field, with the appropriate consequences in terms of plant utilisation. In this difficult scenario, however, the direction towards sustainability and reduction of the carbon footprint has remained unchanged, and in fact has progressed a great deal. Two major projects have been prepared, for a total amount of around EUR 350 million, and started to compete in public tenders, both Italian and European, to guarantee the necessary financial support for their realisation. In 2023 we expect to see the fruits of our labour, with tangible progress in obtaining funds and the completion of the preparation of the 'business case' to proceed towards final investment approval.»

Monica PIRALI
SENIOR MANAGER HR ITALY & ASIA

«2022 was characterised as a year full of challenges and influenced by a series of internal and external factors that required flexibility of approach. The stabilisation of a now defined matrix organisational structure has increased the relevance of diversity and inclusion issues. The particular challenges of the market triggered by an economic scenario made even more unstable by the energy crisis have shone the light on the need to invest, with even greater focus on updating the skills of our people, both with a view to retraining and with a view to development and growth.»

Guglielmo ALLIBRIO
AUGUSTA PLANT MANAGER

«2022 will be remembered as a year of mixed results: the first six months characterised by a brilliant performance in terms of both production and economic point of view, are heavily counterbalanced on the negative side by a late summer/ autumn where the rise in the prices of energy carriers used for our production, such as natural gas, triggered a progressive reduction in the markets reference markets. The immediate consequence was the collapse in sales volumes and the hiccuping utilisation of plants in the last months of the year, due to the impossibility of to sustain such low production rates. The overall balance is positive, but it is necessary to consider the shocking events that have occurred, primarily the Russian war-Ukraine war, the consequences of which we will have to deal with for several years to come.»

Francesco GERARDI
TERRANOVA DEI PASSERINI
PLANT MANAGER

«After an early part of the year characterised by a return to normality, with the gradual resumption of face-to-face activities - while maintaining the partial use home office with a view to work-life balance - from spring onwards, the winds of a crisis began to of a crisis, driven by the consequences of a war in the heart of Europe. of Europe. The conflict caused energy and raw material prices to skyrocket, leading to prices of energy and raw materials skyrocketed, causing double-digit inflation that slowed the economy and eroded the purchasing power of households. The company tried to reduce the effects on workers with extraordinary measures, but the decline in sales volumes made further wage policy actions difficult. On the safety front, the company continued to encourage the reporting of all potential hazardous situations by implementing timely corrective/preventive actions and reducing on-site accidents to zero for the second year in a row. To customers we have guaranteed our reliability as a supplier, maintaining high quality standards. high quality standards.»

Antonio TULUMELLO
OPERATIONS MANAGER SARROCH

«Compared to the other plants, the Sarroch site has been less impacted by the surge in energy costs caused by geo-political tensions because the production process does not involve the consumption of natural gas. For this reason, paraffin production costs remained competitive and demand for the product remained high. It was therefore crucial to ensure continuity in product supply, increasing the plant's level of reliability. Having concluded the calendar year without any interruption in production, while maintaining safety and environmental standards, was an important goal achieved. goal achieved.»

Health protection in Sasol Italy

In a multinational company like Sasol the processes of safety environmental protection and above all health protection are primary objectives. We develop, on the one hand, medical surveillance protocols and operating procedures in compliance with the laws in force, on the other, health promotion projects in accordance with the highest principles of social responsibility.

The Occupational Medicine service Sasol Italy carries out the medical surveillance activities resulting from the processes risk assessment processes in synergy with the National and Regional National and Regional Health Service (ASP, AUSL, ATS, etc.) in the various locations. There are, in fact, active campaigns for laboratory tests and medical checks both in the plants and in the Milan.

Dr. Mario LAZZARO
Doctor at Sasol Italy

Kind of medical examinations	Augusta	Sarroch	Terranova	Milano	Totals
• preventive for recruitment	3	3	6	8	**17**
• periodic	335	40	104		**482**
• on request	50				**50**
• upon return after illness and/ or accident	24	2	1		**27**
• other type	6	1	11	24	**42**
Audiometric assessment	206	43	15		**264**
Spirometric assessment	311		116		**427**
Electrocardiogram	245	43	20		**308**
Laboratory examinations	245	43	121		**409**
Biological monitoring					
Eye examinations - VISIOTEST	24				**24**
Total contacts with staff	**1.449**	**175**	**394**	**32**	**2.050**

Following personal visits and the results of laboratory tests, the competent doctor may assess individual suitability for specific tasks. It is also necessary in some cases, the prescription of particular measures to be implemented during the performance of one's task.

Overview of ratified restrictions and/or prescriptions	Augusta	Sarroch	Terranova	Milano	Totals
Suitable	307	41	101		**457**
Suitable with limitations and/ or prescriptions	28	2	9	**8**	**39**
Total ratified judgements	**335**	**43**	**110**		**496**

Overview of ratified limitations and/or prescriptions

Judgement of suitability for the specific task	Augusta	Sarroch	Terranova
Noise abatement PPE required	18		7
No - shift work	3		
No - heavy work	3		2
No - working at height	2		
No - exposure to chemical and physical agents	1	1	
Other		1	
Temporarily - Not suitable			
Permanently - Not suitable	1		
	28	**2**	**9**

In our business model, health, well-being and sustainability are closely interconnected. We endeavour to provide continuous information on primary prevention, even during personal conversations, and we make continuous use of medical check-ups (secondary prevention). The health and well-being of our workers - as well as the guarantee of safe and decent working conditions - are an undisputed are an undisputed value for Sasol Italy: this is why we have adopted an integrated governance model which ties the issues of health and the environment in a double thread, with particular attention to issues related to pollution, climate change and food systems.

Sustainability policies, in the management of health activities, are articulated in four objectives to guarantee:

- easy access to preventive services business;
- safe and technically compatible working conditions with the knowledge of the individual;
- individual and collective protection systems that use up-to-date techniques;
- safe working procedures and continuous monitoring of activities.

The contribution to the company's sustainability strategy by the health service is continuous and aimed at improvement. This is thanks to synergies with other Europe (and beyond) and with high-profile technical structures for the exchange of information and modus operandi.

Expected development on the theme of sustainability in Sasol

In a scenario where the European Union is increasingly determined to maintain the guidelines set for sustainability and reduction of the carbon footprint, and in the context of an emission trading mechanism that will become more and more stringent, until no more free emission allowances in 2034, for 'hard to abate' companies, like ours, it is imperative to **plan and implement a a Sustainability** Plan to remain competitive in international markets.

Sasol Italy has set itself the goal of reducing the CO_2 produced (Scope 1 and Scope 2) by more than 50% by 2030.

To this end, several initiatives are underway, such as the purchase of electricity from renewable sources for plant consumption plants, the search for suitable sources of biogas/biomethane to replace natural gas, the monitoring of technologies to capture and then store the CO_2 produced.

In addition to this, a concrete project is being developed:

- provides **for the efficiency upgrading of the 'old' Isosiv paraffin production technology and the transformation of the main furnaces/heaters/boilers to electric power.** This project, preliminarily estimated at a cost of 100 million euro will make it possible to reduce approximately 100,000 tonnes of CO_2 per year, about half of which will be due to increased efficiency and the other half thanks to the replacement of combustion using natural gas with electricity heating from renewable sources. The project, for for which a pre-feasibility analysis has already been developed, is currently in the development phase of the so-called 'Gate 3', which in Sasol corresponds to an engineering level confirming the preliminary assumptions and the development of a consolidated business model. It is also in the process of procedure is also being developed with Invitalia to obtain a grant for a share of approximately 30% of the total cost total cost;
- Studies are at an advanced stage with the collaboration of the nearby Sonatrach refinery and two other national partners on the installation of electrolysers at the Augusta site for the production of both green hydrogen and blue/green syngas. The technology involves capturing CO_2 from several chimneys to be used in the electrolyser to produce CO and H_2.

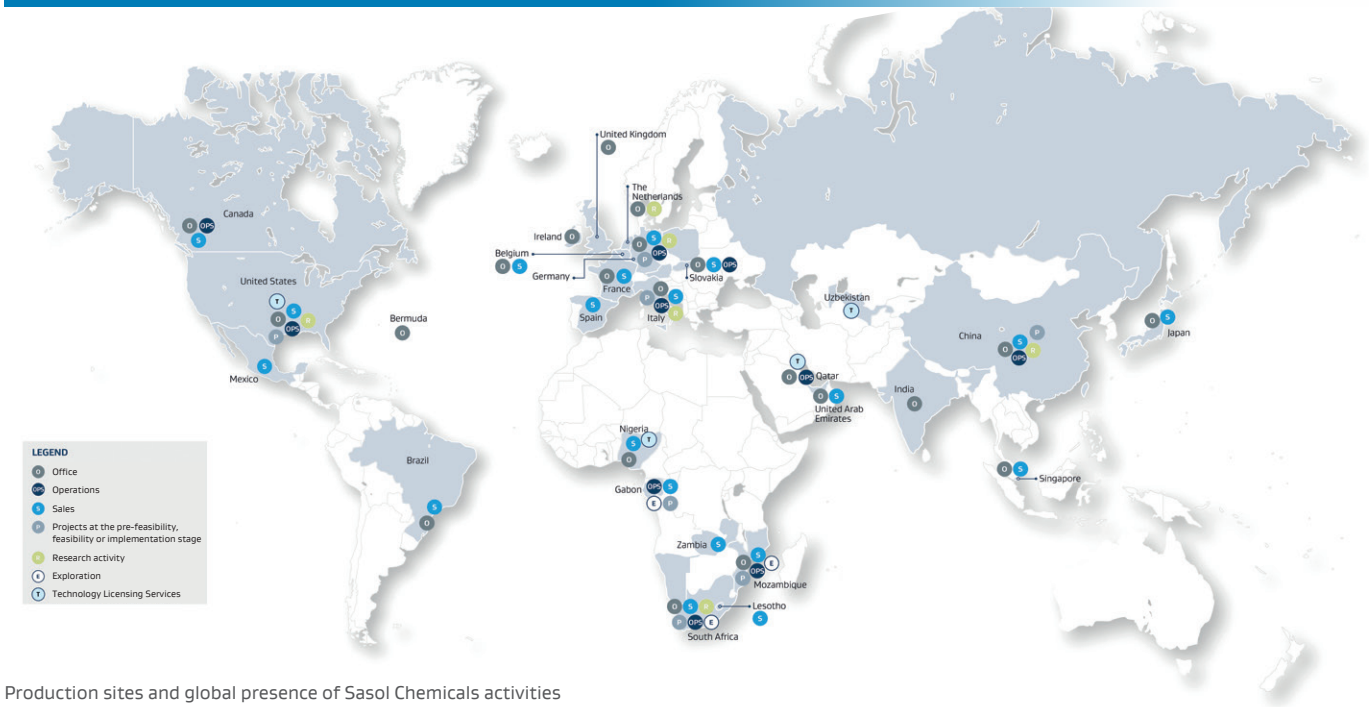
1 SASOL ITALY AND OUR DEVELOPMENT OBJECTIVES SUSTAINABLE

1.1 The Group

Sasol is a global integrated chemical and energy company with headquarters in South Africa and an organised presence on three different territorial platforms (Americas, Eurasia and Africa). The marketing of Sasol products involves around 120 destination countries and 7500 customers, for an annual volume of annual sales volume of 5 million tonnes and a total turnover of just under 6 billion euros.

The spread of the brand and production in the world

Production plants and global presence of Sasol's chemical activities



Production sites and global presence of Sasol Chemicals activities

In Sasol's chemical sector, the Eurasia Regional Operating Segment comprises the production plants and activities marketing activities in Europe and Asia. Chemical Eurasia comprises 10 production sites in Austria, Italy, Germany, Slovakia, the United Kingdom and China.

The approximately **2,200 employees** of Chemical Eurasia (of the total 5,000 of Sasol's chemical division), highly qualified employees, produce a comprehensive portfolio of chemical products including commodities and speciality chemicals, using a variety of different technologies, mostly of Sasol-owned. The product range includes surfactants, intermediates, fatty alcohols, paraffin waxes, oil-based minerals, wax emulsions and petroleum jellies, as well as, in the inorganic business, very high purity alumina. The offer of products includes the categories listed in the following paragraphs.

Organics
They are used in a wide range of applications, such as detergents, industrial intermediates, paints and coatings, personal care products and lubricants, as well as a wide range of special applications such as oil recovery in exhausted oil wells, phase change materials phase change materials and catalysts for polymer production.

Inorganics
These are substances used in a wide range of applications, such as: catalysts in the automotive, chemical and refinery industries. Very high purity alumina (99.999%) is used as a raw material for synthetic minerals, lasers, LED lighting and medical implants.

Waxes
These products are used in a wide range of applications, such as candle production, hot-melt adhesives, bitumen processing, construction panels, personal care and cosmetics; other industrial applications such as packaging, pharmaceuticals, polymer processing, rubber and tyres.

In 2020, we launched **SASOL 2.0**, the Group's reorganisation and transformation programme focused on the development of a new operating model that enables:

1. **Greater resilience**
2. **Faster decision-making**
3. **Greater centrality of the customer**

Among our ambitions is to achieve **zero emissions by 2050**, in line with targets set globally, to accelerate globally, so as to accelerate the transition to a low-carbon world, in support of the objectives of the Paris Agreement and in line with the Strasbourg Agreement on climate neutrality.

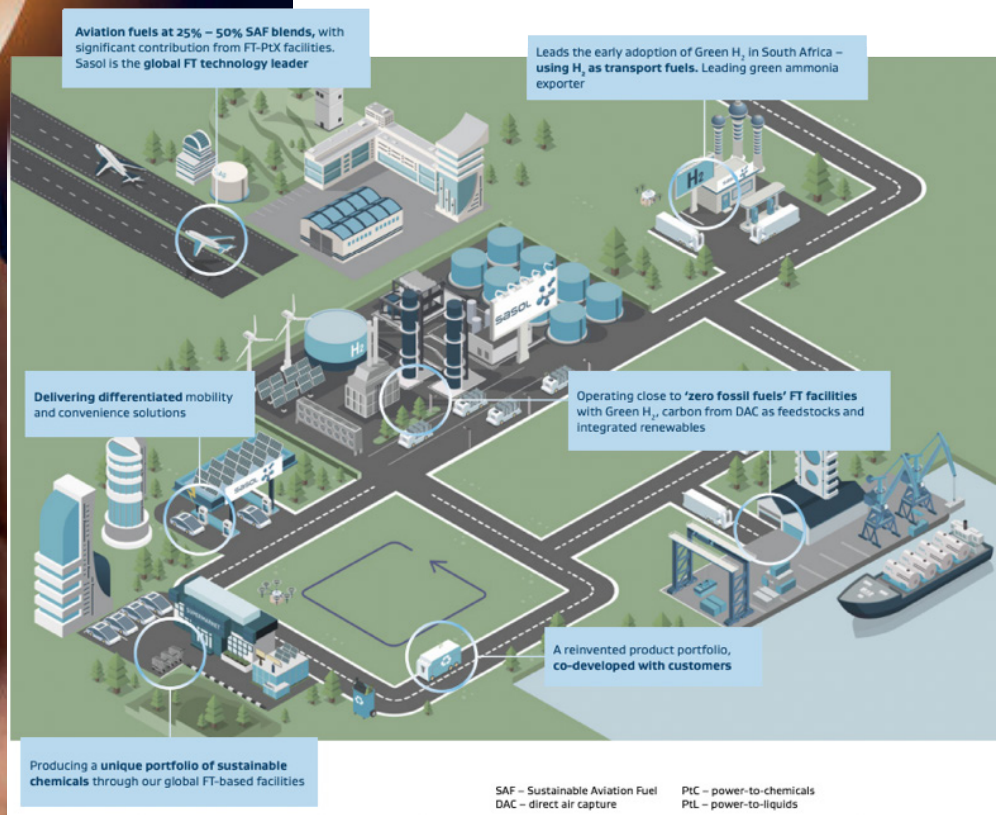
Sasol 2.0 allows us to respond in a concrete way to the challenges of competitiveness, efficiency and sustainability that a global company operating in the chemical and energy sector has to face.

The last three years have presented unprecedented challenges and today the world of energy is going through a change that will profoundly affect the life of the planet and its inhabitants.

The activities of the chemicals business - within which Sasol Italy with its own sites - are today organised in four areas, enhancing production with integrated cycles between different plants:

- Essential Care Chemicals
- Base Chemicals
- Performance Solutions
- Advanced Chemicals.

This means that one plant can produce the raw material used at another production site. For the Sasol Italy plants - which already had an highly integrated production - the changes due to the reorganisation were limited. At Group level, the activity is constantly monitored to verify that the organisational changes have the desired effects and, if not, to apply the necessary adjustments to support the strategy. This review activity is absolutely necessary because economic, geopolitical and social changes are accelerating.



1.2 Sasol in Italy

In Italy Sasol is present with **three plants and a head office** for a total (as at 31 December 2022) of **621 employees and a turnover** of approximately **1,554.5 million euros**. The Italian plants mainly produce intermediate products and raw materials, whose main applications detergents, personal care and other industrial sectors such as lubricants, paints, solvents and jet fuel.

Augusta plant

The Sasol Italy plant in Augusta (Syracuse) has a total area of 136 hectares. **The production and services produce derivatives from petroleum and petrochemicals. A total of 369 people work at the plant**.

The plant is located north of the Syracuse-Priolo-Augusta industrial area. The area of the Sasol Italy plant is located in a very complex industrial context that L 426/98 identifies it as an "Industrial Site of National Interest". National Interest". Also part of the plant are the wharves of Punta Cugno (in concession with the State Maritime Administration and in co-use with the Navy), connected to the internal storage by means of pipelines approximately 3 km long.

The plant is connected to other important production facilities in the industrial area by means of pipelines that allow the reception of most of the raw materials, avoiding the use of sea and/or road transport with considerable reduction in terms of environmental impact and transport-related risks. Technical gases, such as nitrogen and oxygen, are also supplied directly from the of SOL, co-located at our production site.

The plant is characterised by an integrated production cycle whose raw materials are kerosene, benzene and methane, while the productions consist of paraffins, olefins, alkylates and alcohols, as well as by-products secondary products consisting of jet fuel, paraffinic gasoil, virgin naphta, tails and heads alcohols, heavy alkylates. **A cogeneration plant has been built at the site for the production of electricity** and steam, fuelled by methane. With a capacity of 49 MW, it supplies electricity to the Sasol plants and feeds the remaining production into the national grid. The plant also supplies steam in the quantities required by the Augusta plant.

Terranova dei Passerini plant

The plant in Terranova dei Passerini, in the province of Lodi, produces surfactants, esters and amides. It covers a total area of around 33 hectares and 120 employees work there. It uses raw materials from other Sasol plants for more than 80 per cent of incoming materials. The main raw materials are ethylene oxide and propylene oxide, linear and branched alcohols, linear alkylbenzene (LAB) and sulphur.

The site produces a broad portfolio of non-ionic and anionic surfactants in accordance with the differentiated production strategy.
The plant is characterised by a transformation cycle of raw materials into intermediate products and produces mainly active ingredients for detergents, personal care and also emulsifiers, plasticisers and lubricants.

It is a **strategic plant for Sasol Italy**, as it has streamlined production rhythms capable of responding effectively and in a short time to customer needs, even for small quantities of products destined for SMEs. The operations combined with the presence of a large group in on-site research and development offer the flexibility to respond to market demands, even in the event of new business sectors.

Sarroch plant

Sarroch site, in the province of Cagliari, covers approximately 6 hectares and is housed within the Sarlux site (a company of the Saras group). Thirty-six employees work at the site. **The plant produces n-paraffins using highly energy-efficient technology**, supplying product to the sites in Augusta and Terranova dei Passerini, as well as for the market.

The plant is characterised by a production cycle integrated with the refinery from which it receives by pipeline the raw material raw material, diesel or kerosene, from which it extracts paraffins, returning, again via pipe, dewaxed kerosene and virgin naphta. Fractionation makes it possible to obtain different paraffinic cuts. The supply of utilities is provided by Sarlux plants for: demineralised water cooling water, steam, air services, instrument air, nitrogen and fuel gas and H2 distribution. A plant for amine treatment of gaseous effluents allows to have very low sulphur concentrations at the point of emission point, also considering the factor related to the absence of the methane network in Sardinia.

Milan Headquarter

The Milan head office in Viale Forlanini employs **88 staff members**. The office houses the general management and several teams that work closely together with the Eurasian headquarters in Hamburg, supporting the production activities at the various sites. These include, but are not limited to include legal, finance & controlling, hr, supply chain, customer service, communication and also the division of Sasol Italy Energia, owner of the energy production asset electricity production asset installed in Augusta.

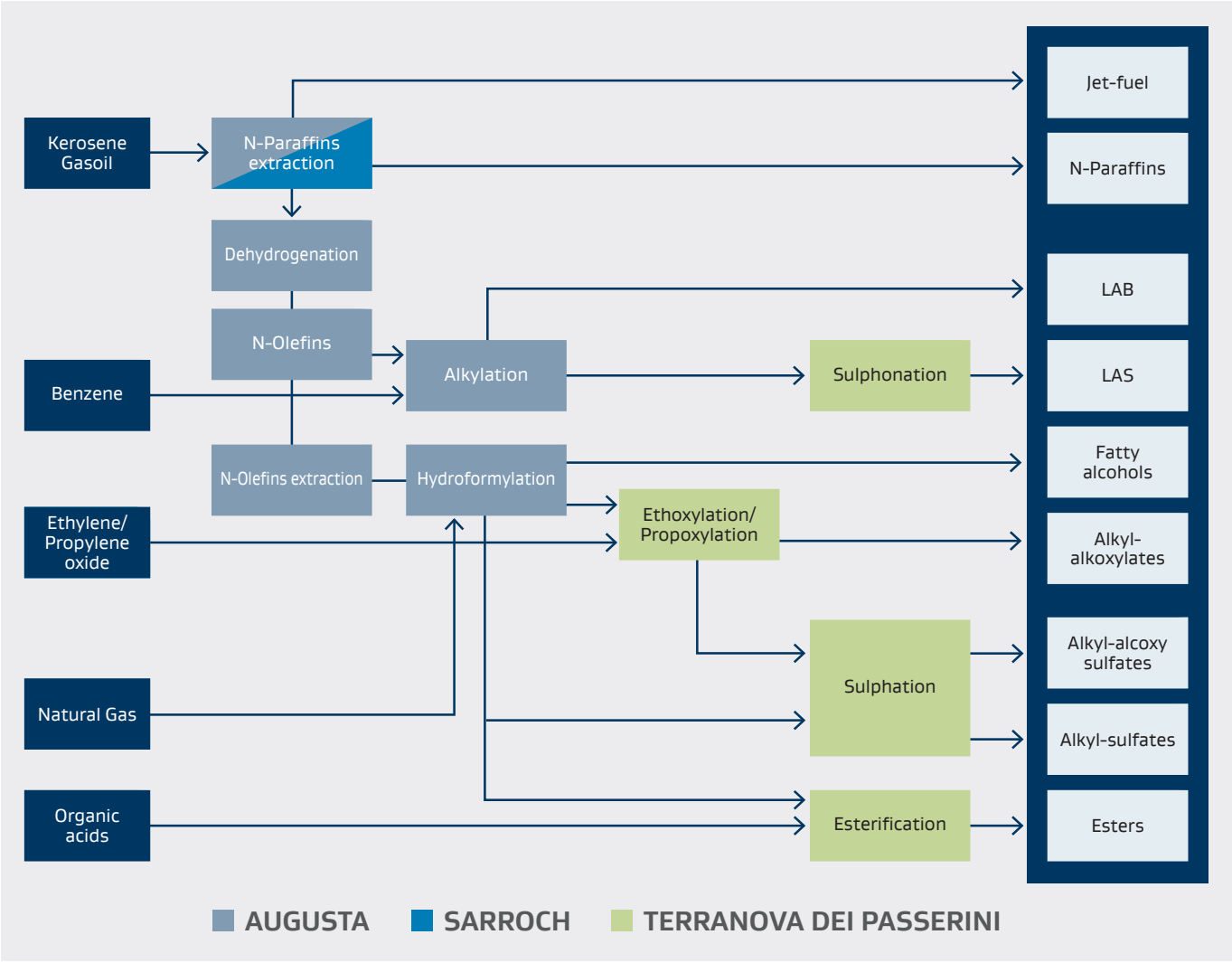
Non-production sites

There are two sites owned by Sasol Italy that over time have been time have been decommissioned and are currently the subject of soil and subsoil remediation activities: Paderno Dugnano (MI), where a research centre was located, and Porto Torres (SS), where there was a plant producing linear alkylbenzene (LAB).

1.3 Integrated production

The Sasol Italy **factories have a highly integrated production**. The advantage is being able to control the entire production chain, creating intermediate products necessary for the various processes of other factories, so as to satisfy all customers' needs. The finished products of one factory thus become intermediates for the subsequent processing stages of downstream factories.

Diagram of production flows between the different production sites of Sasol Italy



In particular, each production plant in Italy, in its current configuration, **produces finished and semi-finished products for the market and to feed the production of the Group's other production sites**.

The n-paraffins produced from kerosene at Augusta are supplemented with heavier cuts (in terms of number of carbon atoms) from the Sarroch plant, which uses kerosene and diesel as raw material. In this way, it is possible to produce a greater variety of alcohols and alkylates with different cuts, suitable for different market segments. The finished products from Augsburg, in turn, are partly sold, partly sent to Terranova dei Passerini, which also receives also receives other materials from other sites. Here, through processes of ethoxylation and sulphonation, they undergo further transformations that make it possible to put market more than a hundred different types of products.

In 2022, the production volume of the various Sasol Italy sites, including finished and semi-finished products, was as follows.

	AUGUSTA (ton/year)	SARROCH (ton/year)	TERRANOVA (ton/year)
Products	**Production volumes**	**Production volumes**	**Production volumes**
N-paraffine	74.898	83.633	
Alkylates (LAB)	219.213		
N-olefine	71.809		
Alcohols	82.379		
Ethoxylates			85.089
Sulphonates			53.540
Esters			1.021
Secondary products			
Jet fuel	317.051		
Dewaxed diesel		272.111	

1.4 Research and development

Research and development activities are carried out globally and transversally across all locations. At Group level, personnel dedicated to the work of constant research for the chemical sector numbers around **300 employees**, who work in close coordination and synergy often collaborating on joint projects.

In Italy

- **2 research centres** active in Augusta and Terranova dei Passerini
- **17 full-time resources** (mostly operating in the centre in Terranova dei Passerini)
- **EUR 1.7 million** budget 2022 (includes fixed costs, such as personnel), continuing from previous years, of which
  - **60%** for activities carried out directly in the Italian centres;
  - **40%** for research projects carried out in other Group plants - such as Marl and Brunsbüttel in Germany or Lake Charles in the United States – in collaboration with the Italian centres.

2022 Projects

Catalysts for hydrogenation primary OXO The project involves testing the replacement of chromium catalysts in the alcohols production plant at Augusta, with catalysts with a better better toxicological profile.	**Wastewater management optimisation OXO plant** Technical solutions were identified to eliminate traces of cobalt in the effluents the OXO plant in order to increase the quality of the effluent itself prior to its treatment. The cobalt is removed by neutralisation and subsequent coagulation.	**Feasibility studies on CCSU technology of the industrial processes of the two production sites in Augusta** These studies support the initiative to produce green hydrogen and synthesis gas by capturing CO2 from the waste gas, analysing all possible technologies applicable.
Metals study on MARLOWET A 100VG The study verifies the absence of metals in the product MARLOWET A100VG, derived from alcohols, by analysing residues in the process pipes. The absence of metals should be guaranteed by the use of a new catalyst in the production steps.	**Dioxane reduction in fatty acids fatty acids and ethoxylated castor oils** The aim of the project is to develop an operating sequence for the removal of 1,4-dioxane in ethoxylated fatty acids. 1,4-dioxane is in fact included in the materials classified as potentially carcinogenic.	**Analysis of competitors' products**
MARLON AMI 80 for remediation subsurface	**Ethoxylates from LIAL 113**	**ISALCHEM 23E120 for I&I**
Mxxxx The aim of the project is to support customers who participated in a remediation project of a soil that in previous years was the site of an industrial/energy plant. The Sasol product was identified as the most promising to proceed with this operation.	**Support for accreditation with the Bureau of Indian Standards"**	**Study on volatile organic compounds present in Sasol products** The aim of the project is to improve gas analysis chromatographic analysis, according to international standards of VOC and SVOC content in Sasol products. This information is very important in certain applications, e.g. paints and similar, where the content
Study on formaldehyde present in surfactants Formaldehyde and acetaldehyde in products ethoxylates is present in the specification of customers with restrictive limits, also linked to the current legislation. The study is focused to detect the concentration of these compounds in order to find solutions technical management solutions to observe the specific of sale.	**Sasol product studies to differentiate applications** These are studies that aim to understand the applicability of established products in new specific activities. These studies are carried out in collaboration with customers. Some of these studies are aimed at using products obtained during production changeovers of plants by improving the energy efficiency of plants. In some cases, Sasol has also supported the accreditation of tested products to standards which allowed them to be sold in particular geographical areas.	

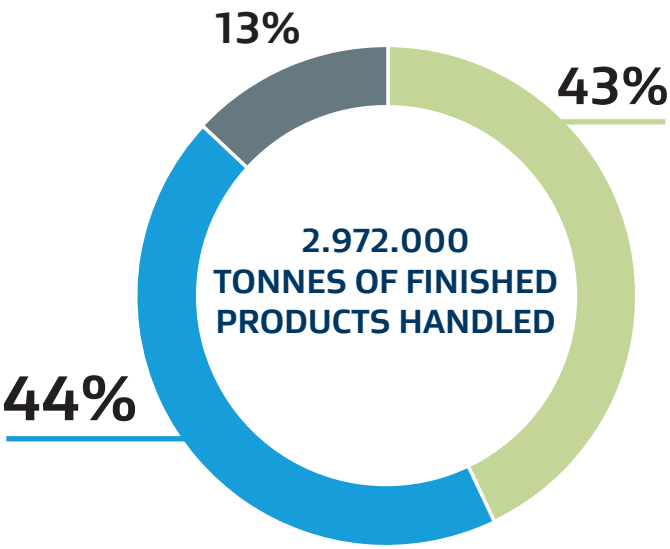
*in partnership with the Politecnico di Torino and Sonatrach Raffineria Italiana

1.5 Inbound Logistics and outbound logistics for move raw materials and products

Logistics is approached according to the distinction between inbound and outbound logistics.
Inbound deals with the movement of raw materials between the Group's various locations and production sites. Raw materials sourced on the oil market and transported by ships bulk ships (as these are specific transports that require consolidated know-how) are in the charge of outbound logistics as well as shipments of finished products.

In 2022, in Italy:

- **2.972.000 tonnes** of finished products handled
  - **44%** by ship, also taking into account the intermodal marine component
  - **43%** through dedicated pipelines
  - **13%** via road transport.



- Through dedicated pipelines
- By ship (also taking into account the intermodal marine component)
- By road transport

The logistics function is committed and **focused on ensuring sustainable choices and ways of planning and handling of products**. In the last three years, the use of intermodal increased the use of intermodal transport, which combines wheeled mode for the last leg with other solutions (short sea, train), both nationally and internationally. The carriers included in the Sasol Italy portfolio have a particular focus on sustainability, actively participating in monitoring activities and protocols for the reduction of emissions, in line with Italian and European regulations, the objectives of the various associations and with Sasol's priorities.

Among the actions put in place, an ever-widening proposal of multimodal transport and the constant renewal of the fleet of vehicles. Service providers are accredited and registered for a duration of two years renewable for a further year, after a pre-qualification that takes into consideration the type of fleet and its environmental qualities, the the presence of any certifications and the financial and sustainability.

At least three audits are carried out each year to analyse service data, possible claims dynamics and technical modalities. At the Sasol Eurasia platform level platform, 'black lists' of unreliable operators have been defined, with reliable with lists that are constantly updated with input from the different locations.
Periodic audits are also carried out against shipowners, according to the international standards adopted by the Group. Ships are subject to technical inspections by a specialised third-party company (Shipvet, of London) before embarking on the voyage. Within the scope of the checks carried out also includes the control aimed at exclude the presence of the carrier on "black lists" in the the sector, following infringements or inconsistencies with international security standards. The comparison with all operators in the supply chain who make sustainable logistics an added value (logistics operators logistics operators, trade associations, customers) is essential to defining medium-term strategies that can bring benefits for the entire system. Sasol takes part in various Sasol takes part in various working groups to bring its best practices in the sector, in compliance with the principles of the Charter of Padua, signed with other member companies to Federchimica.

1.6 Sustainability at Sasol

At Sasol, sustainability is a strategic imperative that guides the management of the business.

We are inspired by the Sustainable Development Goals of the United to observe and measure the impacts generated in the countries in which we operate and guide our actions. In particular, there are **five goals that we consider ensuring the environmental**, social and economic sustainability of our activities.

Ensuring safe and secure operations lasting to create value and realise our strategy.

Build resilient infrastructure, promote sustainable industry and foster innovation.

Consistently strive to minimise our environmental footprint.

Accelerate our transformation through partnership, technology and innovation.

Working to create positive and measurable socio-economic impacts and respond to fundamental social changes.

As part of our reorganisation, we have created a structure dedicated to the achievement of the sustainability objectives that we have set ourselves, in light of the global issues considered a priority at this particular moment in history.

Consistent with the commitments made at group level, as Sasol Italy we are committed daily to operate in an ethical and conscious manner and conscious manner and to be an active part in the harmonisation of "three fundamental elements: economic growth, social inclusion and the protection environment', as stated in the first pages of the programme of the UN 2030 Agenda.

1.7 Materiality analysis

Collaboration and dialogue with internal and external stakeholders are fundamental elements of our path of sustainability. Also in 2022 - in application of the Global Reporting Initiative (GRI) standards, a materiality analysis was conducted a materiality analysis to identify and prioritise relevant issues, based on the importance they have for internal and external stakeholders and for Sasol Italy. Compared to last year, the material themes have been revised and updated in both definition and content. Some of them, such as noise, were eliminated as they were considered of little interest to stakeholders and/or with an impact that can be considered negligible. Compared to 2021, stakeholder interest has shifted towards business development issues as opposed to issues purely related to safeguarding of the environment as happened in 2021.

It therefore appears that the material topics addressed in the next few pages are as follows:

Report year 2022
Transparency and ethics
Economic results
Supplier Management
Innovation technology and product
Enterprise risk management corporate
Greenhouse gases
Energy efficiency
Use of raw materials
Atmospheric emissions
Management of water resources water resources and discharges
Waste Management and contribution to circularity
Safeguarding natural resources and biodiversity
Health Protection and safety
Management, development and valorisation of human resources
Industrial and institutional relations
Value creation and development for communities
Employment relapses

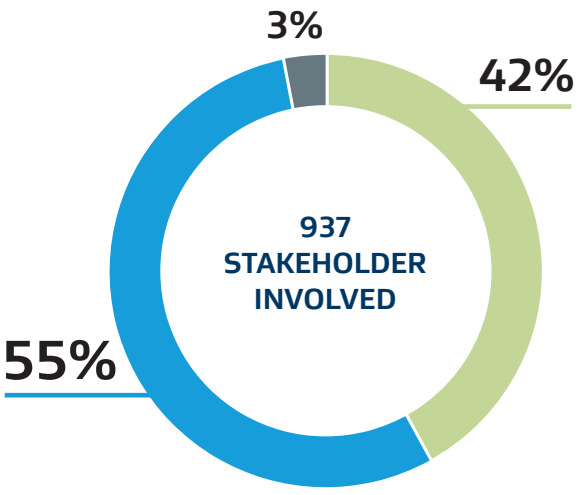
With the aim of gathering all points of view on the issues of sustainability, all stakeholders involved directly or indirectly in the stakeholders involved directly or indirectly by the presence of our operating sites in their respective territories.

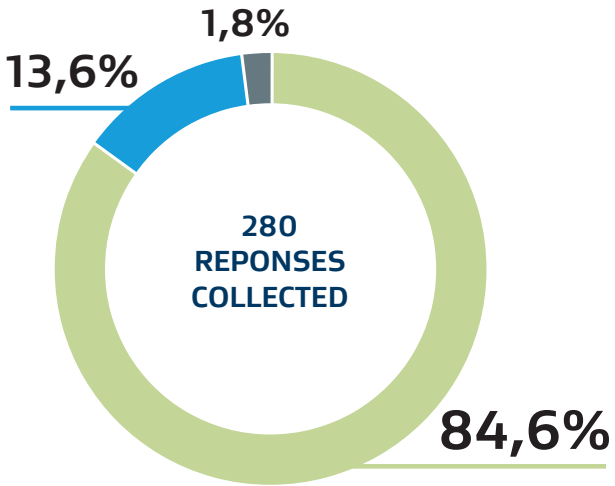
The list of stakeholders is the result of continuous evaluations which aim to involve all stakeholders. As specified in more detail below, stakeholders were have been identified by considering homogeneous groups that regularly interface with Sasol Italy activities.

In order to update the list of material issues, we have the consultation, through a questionnaire sent by e-mail, **937 internal and external stakeholders** were consulted as follows divided as follows:

- **397 employees**, of Sasol Italy, both daily and shift workers;
- **510 external Italian stakeholders**, including local and national institutions, opinion leaders customers, suppliers, newspapers, universities employer and trade union organisations;
- **30 foreign stakeholders**, customers and suppliers selected from those participating in the Ecovadis.

- Employees (daily and shift workers)
- Italian external Stakeholders
- Strangers external stakeholders, customers and supplier



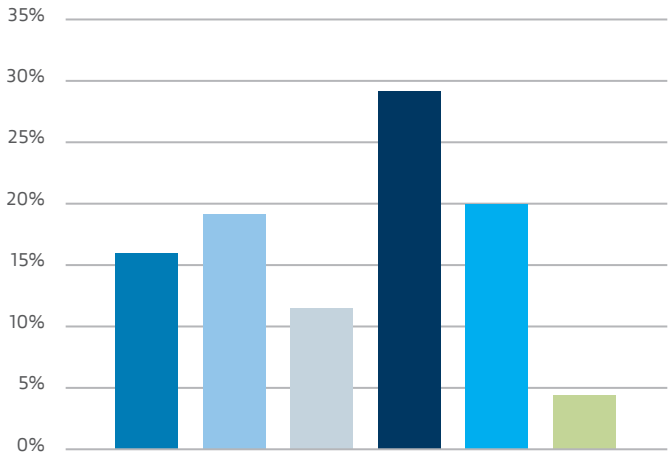


280 responses were received, corresponding to approximately 30% of the sample surveyed, a slight increase compared to last year.

The following graphs show the topics considered most important by the sample surveyed.

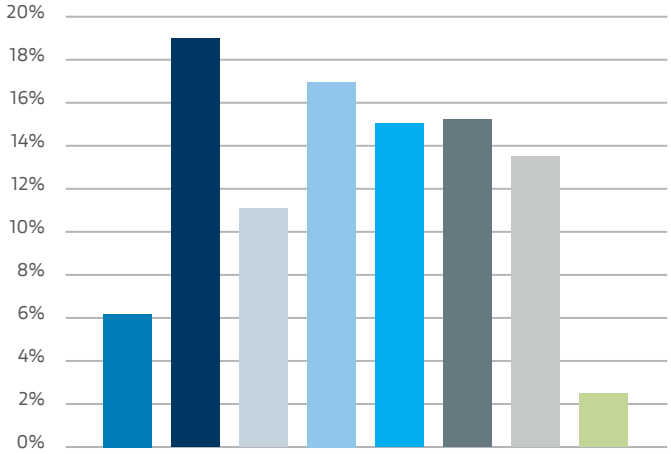
The survey is structured around 17 topics, classified according to the three dimensions of sustainability:

- **economic**
- **social**
- **environmental**



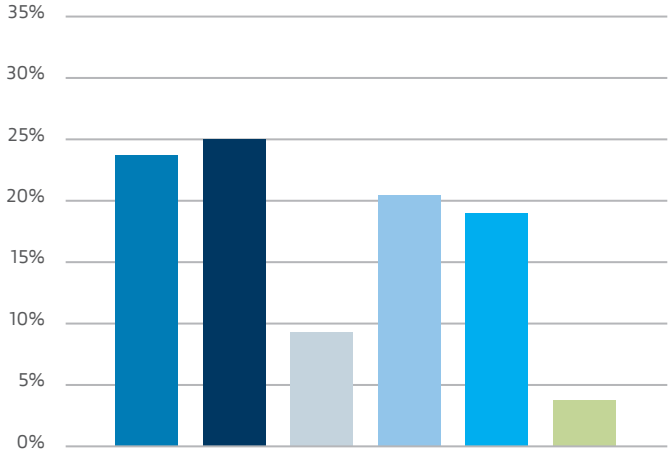
ECONOMIC SUSTAINABILITY

- Economic performance
- Transparency and ethics
- Supplier management
- Technological and product innovation
- Business risk management
- Other



ENVIRONMENTAL SUSTAINABILITY

- Greenhouse gases
- Energy efficiency
- Use of raw materials
- Atmospheric emissions
- Water and waste management
- Waste management and contribution to circularity
- Preservation of natural resources and biodiversity
- Other



SOCIAL SUSTAINABILITY

- Health and safety protection
- Management, development and valorisation of human resources
- Industrial and institutional relations
- Value creation and development for communities
- Employment spin-offs
- Other

The joint consideration of internal and external significance - derived from the analysis of the questionnaire responses - compared with the communication needs identified by the company, led to the identification of the issues priorities. The results of the analys is were illustrated and discussed with the top management of Sasol Italy to unambiguously identify the contents of the Sustainability Report 2022.

The results of this comparison are reported in the following matrix.

Analysing the data collected from internal and external stakeholders, it emerged that the topics of greatest interest are those related to the **challenge of technological innovation**, **value creation** and future developments that the company intends to put in place.
On the environmental front, interest is confirmed in the issues of **energy efficiency** and atmospheric emissions, relevant factors that must necessarily be taken into account when outlining the company's future development strategies. The impacts of the material issues were assessed by dividing stakeholder responses into numerical ranges and cross-referencing those of internal and external stakeholders.

1.8 Italy Stakeholders

Sasol Italy's stakeholders are internal and external to the organisation. With each of them we share a path in stages that continues and develops over time, through different ways of involvement.

The first, **the employees**, are our most precious capital: our goal is to make them feel proud to work for our Company, to make them proactive witnesses of the commitment and responsibility with which we carry out our activities.
On the occasion of the 2022 edition of the Report, it was decided to **extend to all employees the opportunity to participate in the materiality analysis activity** through a special questionnaire, as illustrated in the previous section. Employees are discussed in more detail in the chapter on social sustainability (chapter 4).

External stakeholders include:

- **institutions**, at national and local level, through the continuous participation in all discussions and debates. In particular, at the national level, at ministries that are strategic for our activity (such as Environment and Economic Development), by sitting in thematic meetings on specific regulatory updates. At the local level, we promote concrete dialogue with regional governments, with the mayors of the municipalities where the plants are located, councillors and all representatives of institutions;
- **educational institutions**, **universities** and **schools** at all levels, with whom we carry out annual and diversified initiatives, internships, theses, scholarships and school-to-work projects, in a path of collaboration to train young people ready for the world of work;
- **local and national media**, cultivating a sharing relationship marked by transparency on the performance and results of our Company, also through reports such as this one;
- **citizens**, by favouring occasions that favour the and the dissemination of correct and contextualised news, creating a relationship based on trust and integrity;
- trade **unions and employers' organisations**, contributing together to a system of sectoral industrial relations capable of bringing innovation into the company and throughout the chemical sector;
- our **customers and suppliers**, by listening, collaborating and adhering to the standards of high professionalism required by Sasol, so that they recognise us as a company company, attentive to their needs and considering them part of our sustainable development process.

Continues the initiative - undertaken on the occasion of the 2020 edition of the Sustainability Report – which sees the involvement of an additional category for the purposes of the analysis of materiality, consisting of our **foreign stakeholders**, mainly customers, who enrich the analysis with a different perspective and point of view, thus contributing to the identification of the key issues to be included in the reporting.

Our participation in organisations and associations

Sasol Italy participates in various programmes and initiatives that have a focus on sustainability and is part of trade associations in order to proactively contribute to the dialogue with institutions and outline - together with its stakeholders - the future scenarios of the chemical industry and sector.

Below are the main associations and programmes in which Sasol Italy takes part in.

LOCALLY, NATIONALLY AND INTERNATIONALLY

- **Federchimica,** the National Association of the Chemical Industry Chemical Industry, which represents 1,400 companies, totalling of over 92,000 employees, grouped into 17 associations sector associations, in turn divided into 37 product groups.
- **Responsible Care:** directly linked to participation in Federchimica is the role in the board played by Sasol in Responsible Care, the voluntary programme to promote the sustainable development of the chemical industry worldwide. In Italy there are 170 companies of various sizes in the chemical industry that have joined this initiative (see box for more information).
- **CIPA**, the Industrial Consortium for the Protection of the Environment, to which Sasol Italy contributes together with the other companies in the Syracuse petrochemical cluster. It is a network composed of 12 peripheral stations for the pollutant measurements, 6 weather stations and a data collection and data processing, covering an area of 150 km_2.

- **Ecovadis**, independent platform for the evaluation more than 65,000 groups and companies in 200 sectors in 160 countries (see box for more information).
- **CLER**, association of alkylate producers, historical association founded in 1988 to defend LAB and derivatives. Efforts in the CLER must be maintained because the forces that could create obstacles to our products still exist and must be addressed. Strong activity to promote LAS in the market of the Ecolabel.
- **HSPA**, association of hydrocarbon and paraffins of CEFIC. The main purpose of our membership of this association, which began years ago, was mainly due to the upcoming regulation REACH. The VOC, Paint Directive, the NEC (National/EU Emissions Legislation) and the directive on lamps are some of the issues currently being monitored by the association, which is conducting actions to defend the industry's products. Active participation in this association has enabled the formation of REACH Consortia, which through collective actions allows costs to be shared, with a positive impact positive impact on the final cost of registering our products.
- **AISBL EUROPEAN PETROCHEMICAL LUNCHE**, association of European petrochemical producers. Every year three events are organised.
- **Sviluppo Chimica SC:** the company manages the S.E.T, Emergency Transport Service, set up in 1998 following of the Memorandum of Understanding signed by Federchimica with the Civil Protection Department of the Presidency of the Council of Ministers and with the General Direction, Civil Protection and Fire Services of the Ministry Ministry of the Interior, with the aim of supporting the public authorities in case of emergency in the transport and distribution of chemical products.

AT LOCAL LEVEL

- **Confindustria Siracusa**, a territorial employers' association made up of over 250 companies, small, medium and large, producers of goods and services in the manufacturing, construction, mining, tertiary, transport, tourism, private health tourism, private healthcare, chemicals, the agri-food sector in the province of Syracuse.
- **Assolombarda**, the association of companies operating in the Metropolitan City of Milan and the provinces of Lodi, Monza and Brianza, Pavia with over 6,800 member companies members of all sizes, both national and international, producing goods and services in all product sectors. It has more than 409,800 employees.
- **Confindustria Sardegna Meridionale:** represents about 1,400 enterprises and about 35,000 employees operating in that portion of the territory.
- **IAS – Industria Acqua Siracusana**, the water purification consortium whose majority shareholder is the Syracuse ASI Consortium in liquidation, with minimum shares also reserved for the municipalities of Priolo Gargallo and Melilli, while the rest of the shares are reserved for the large oil and petrochemical companies in the area industrial area.
- **Syracuse Industrial Association/Assindustria:** offers support in dealing with governmental authorities authorities in Sicily and in the process and steps related to local governmental authorisations for the 'Cassa Integrazione' and 'mobility'. It also supports all activities for obtaining public funds for the training programmes.
- **Industrial Association Cagliari:** offers support in the relationship with the local government authority for Sardinia, in the process and steps related to the local governmental authorisations for the "Cassa Integrazione' and 'mobility' and in all activities for obtaining public funds for training programmes.

RESPONSIBLE CARE

"Responsible Care is the voluntary programme to promotion of the Sustainable Development of the global chemical industry, according to values and behaviours oriented towards Safety, Health and Environment, within the more general framework of Corporate Social Responsibility. Currently, the 'Responsible Care' programme is adopted by more than 10,000 chemical companies in more than 60 countries around the world. In Italy, the 'Responsible Care', launched in 1992 and managed by Federchimica is currently being pursued with commitment and determination by around 170 small, medium and large-sized and large companies, including Sasol. Joining the programme means having a continuous comparison to share best practices practices aimed at increasing the sustainability parameters of member companies, through technical and scientific committees dedicated to working groups. Every year the Steering Committee of "Responsible Care' Steering Committee, of which Sasol is also a member, issues a report on the performance data of Italian chemical companies compared to those of companies of other production sectors. Some interesting facts: from an environmental point of view, the chemical industry is already in line with the objectives EU 2020 and 2030 targets. Since 1990, it has reduced greenhouse gas greenhouse gases by 54% and, since 2000, has improved energy efficiency by 49%. Atmospheric emissions have been drastically reduced by 97% since 2005. The chemical industry is strongly committed in the pursuit of the circular economy: the amount of waste generated for the same production decreased by 7.7% compared to 2017; recycling is among the top disposal methods (26.8%, a net increase) and only 4.8% of waste is landfilled. The chemical industry can also proudly claim proud of its leadership among the virtuous manufacturing sectors in the field of occupational health and safety. It has, in fact, a very low number of accidents and occupational diseases: they have decreased at an average annual rate of 3.7% and by 5.4% since 2010.

ECOVADIS

EcoVadis is an independent platform for assessing more than 65,000 groups and companies in 200 sectors in 160 countries, using criteria for CSR (Corporate Social Responsibility) assessment criteria based on the sustainability standards of thousands of external sources: NGOs, trade unions, international organisations, local governments and auditing organisations. In 2021, the independent consultants of EcoVadis assessed the sustainability performance of Sasol Italy, awarding it a Platinum medal and placing it in the top 1% of the best companies in the sector. The assessment covered the areas of environment, labour and human rights, ethics and sustainable procurement. For each of each of these areas, documents, policies and processes already in place that testify to the commitment of Sasol Italy to harmonise its performance economic, social and environmental.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502

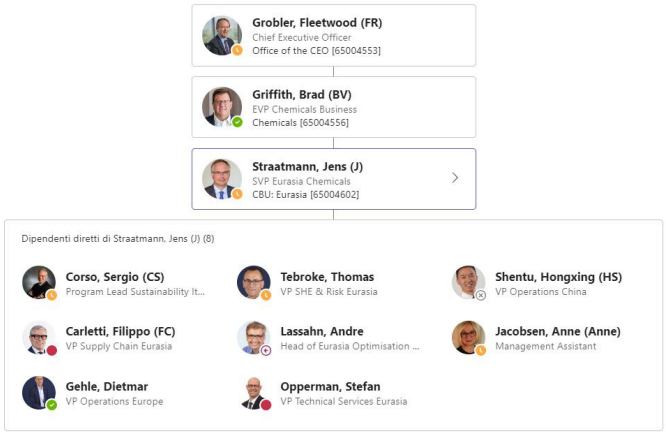
1.9 The structure of corporate governance

Sasol Italy is 99.94% controlled by Sasol European Holdings LTD; the remaining capital is held by 30 private shareholders.

The governance of Sasol Italy is organised according to the traditional administration and control model with:

- **the Shareholders' Meeting**
- **the Board of Directors**
- **the Board of Statutory Auditors, which is responsible for supervisory functions.**

The organisational structure of Sasol Italy is embedded in the structure of Chemicals Eurasia as the Sasol Italy management has direct reports within the Eurasia Leadership Team. This means that each department in Sasol Italy has as its apex termination a Vice President who is part of the first line of reporting to the Senior Vice President Chemicals Eurasia.



Shareholders' Meeting

The Shareholders' Meeting has among its most important tasks include the appointment of members of the Board of Directors and the Board of Statutory Auditors, their remuneration and responsibilities, as well as the approval of the financial distribution of profits, the purchase and sale of treasury shares, amendments to the of treasury shares, amendments to the Articles of Association and the issue of convertible bonds.

Board of Directors

In accordance with Article 18 of the Articles of Association, the Board of Directors in office, composed of four members, was appointed at the Shareholders' Meeting of 28.10. 2020.

The term of the current Board of Directors is three years, i.e. until the approval of the financial statements as at 30.6.2023.

The members of the Board of Directors are:

- **Antonio Marano**, Chairman
- **Filippo Carletti**, Director
- **Francois Conradie**, Director
- **Christian Schindler**, Director.

The employer for Sasol Italy is Managing Director Filippo Carletti with notary delegation to the directors of each plant.

Board of Auditors

The Board of Statutory Auditors is the independent body responsible for monitoring compliance with the law and the Articles of Association, compliance with the principles of proper administration and the adequacy of the organisational, administrative and accounting structure and accounting structure adopted by the Company. The Board of Statutory Auditors was renewed by the Shareholders' Meeting of 28.10. 2020, therefore the current members will remain in office until the approval of the financial statements as at 30.6.2023.

Auditing Company, Model of Organisation and Management Model ex Legislative Decree 231/01 and Code of Ethics

The consolidated financial statements of the Sasol Group are audited by companies belonging to the PricewaterhouseCoopers network which the Shareholders' Meeting of 15.11.2019 selected as the company entrusted with the statutory audit of the accounts until approval of the financial statements as at 30.6.2023.

To complete its corporate governance structure, the Company has also set up a Supervisory Board. Supervisory Board pursuant to Legislative Decree 231/2001.

Committees influencing decisions relating to the sustainability strategy

At the top level for the entire Group, the CEO together with the Group Executive Committee provide the strategic approach to the issue. For the chemicals business, the Leadership Team is a structure at global level.

The Leadership Team is headed by the Vice President Chemicals and consists of 10 functions, including the heads of the 4 product lines, the heads of operations, SHE and the four strategic staff functions, finance, human resources human resources, development and innovation and legal affairs.

Below this level, the Eurasia Leadership Team, with operational competence and a composition similar to the previous one, has a more territorial focus and is linked to the different production platforms.

1.10 Policies and Certifications

Socio-economic conformity

The strict controls on compliance with applicable laws in compliance controls that Sasol Italy applies are reported in a compliance report that is updated on a quarterly basis and managed by the central legal function of Sasol Limited.

At an operational level, a register has been created for each country of applicable laws, broken down by department. The Governance function is responsible for this register for SHE aspects. On a monthly basis, a monthly review of existing laws and any regulatory updates. In addition to the legally prescribed checks, Sasol Italy undergoes external and internal audits aimed at verifying the legal compliance. The Supervisory Board carries out checks relating to the offences covered by Model 231.

During 2021, no violations of corporate compliance or irregularities emerged, nor were any significant monetary sanctions and non-monetary sanctions for non-compliance with laws and regulations in the socio-economic sphere. This Report, although voluntary is prepared with the same rigorous criteria reserved for the verified and certified company documentation by law. Any errors are to be considered the result of unintentional typos. Also in 2021, legal compliance work was focused on preparatory work for the updating of the of Sasol Italy's Organisation and Management Model.
The activity is aimed at monitoring and overseeing the actual activities considered at 'risk of crime', according to the indications of recent best practices on the subject and the most recent jurisprudence on the subject, in order to proceed by constantly calibrating the Model to the company's reality monitoring and supervising company activities in order to create as much as possible a 'tailor-made' model. With the preparation of the update, the intention was to reorganise and merge the treatment of certain topics (governance, organisational structure, control principles) and certain documents with similar content (the Code of Ethics), thereby limiting the risk that the excessive redundancy of some concepts may distract the reader from what, in the light of the light of the case law pronouncements in this regard, is the core of the Model: the control procedures of sensitive processes.

The starting point of the analysis carried out was the purpose ultimate purpose of the Organisation and Management Models ex Leg. 231/01. This analysis is carried out by the Company in order to identify - among the "predicate offences" provided for by Decree 231 - those which, even if in a hypothetical and abstract way, may occur in the company's reality and therefore construct an appropriate risk assessment, which, as reiterated by the most recent case law of legitimacy, constitutes, together with the procedures, the 'heart' of the of the Organisational Model. Finally, preparatory activities were carried out for the incorporation into the Organisational Model of the regulatory updates on predicate offences since the date of approval of the last update (28 October 2020) i.e. financial crimes, crimes against cultural heritage etc.

Smart working, which arose as a necessity during the Covid period, has been regulated by the company confirming flexible working arrangements.

Organisation and Management Model pursuant to Legislative Decree 231/01

Sasol Italy adopts an Organisation, Management and Control Model and Control Model pursuant to Legislative Decree No. 231/2001 ("Model 231"), in order to prevent the risk of commission of certain crimes or administrative offences committed in the interest or to the advantage of the or to the advantage of the Company, by apical persons or of persons subject to their direction or supervision, from which may result in the administrative liability of the same.

In this way, the Company, in addition to complying with the Legislative Decree 231 of 2001 on the administrative liability of companies. The Model is periodically updated in order to adapt it to the evolution of the internal organisation and activities carried out, and in view of the continuous expansion of the list of offences that may give rise to the liability of companies and entities in general under Legislative Decree 231/2001, with the aim of making the predicate offences contemplated in the aforementioned decree clearer and more effective in the event of significant violations or circumventions of the prescriptions contained therein.

The last update of Model 231 dates back to 29.06.2022. The full version of the document is available on the website: https://www.sasol.com/italy/corporate-governance/Il-Modello-231

The Code of Ethics and Model 231 represents the reference to which all those who come into contact with the Company must comply scrupulously.

Code of Ethics

The Company has also adopted a Code of Ethics, which expresses fully expresses the principles of corporate ethics. This is a fundamental document for the company: every employee, partner, supplier or consultant is obliged to adhere strictly to the principles contained therein in their relations with the Company, in order to protect and respect the the image and integrity of the Group. For this, it is distributed to all employees and referred to in contracts active and passive contracts of the Company.

The Code indicates the set of values that Sasol Italy recognises, shares and promotes, in the awareness that conducts inspired by the **principles of diligence, fairness and loyalty** constitute an important driver for economic and social economic and social development: it is valid both in Italy and abroad, while taking into consideration the cultural social and economic differences of the various countries in which Sasol operates.

The Code of Ethics is inspired by the main laws and existing national and international regulations international level on corporate social responsibility, corporate governance, human rights and the environment. It also recalls the key principles set out in both the Code of Ethics for Suppliers, adopted by the Group, and in the corporate company policies.

Respect for human rights

As a leading company in the chemicals and energy products, Sasol recognises that respect for human dignity and the rights of all people, as in the "Universal Declaration of Human Rights ", is an indispensable condition for the performance of its business activities. At Sasol the term 'Human Rights' is synonymous with "Business and Human Rights".

Sasol has a Human Rights Policy, the latest update of which was last updated in June 2022, applicable to all permanent and fixed-term employees and service providers on behalf of Sasol Limited and its subsidiaries. The management is also committed to actions to ensure that every joint venture, business partner and suppliers promote and uphold the Human Rights Policy: in addition to full compliance with applicable legislation, we concretely encourage each of these entities to implement similar policies in their business activities. More information can be found at the following link:
https://www.sasol.com/sustainability/human-rights

To assess any negative impacts related to the non-respect of Human Rights, Sasol prefers to prioritise the severity of the impact rather than the likelihood of it happening, emphasising the protection of people, but also to third-party workers working with Sasol in various capacities. The assessment extends not only to physical harm but especially to the harm that may occur due to improperly managed relationships also in terms of cultural impacts. This is why the above is of fundamental importance in dealing with this sensitive issue.

Supplier code of conduct

Environmental and social impact management for Sasol does not stop at production plants or directly controlled assets: sustainability is built along the entire value chain including all procurement activities production and distribution.

Since 2016, Sasol has introduced the Code of Conduct for suppliers in the qualification phase so that new potential suppliers to comply from the negotiation phase with the rules and Group's mandatory principles for economic relations with third parties. Furthermore, in the supplier pre-qualification process, particular attention is paid to particular attention is paid to the possession of international international certifications, as a further guarantee of reliability, especially for the management of key aspects for Sasol that are safety and environmental protection (ISO 14000 and ISO 45001 certifications).

The commitment to develop relations with suppliers who share our values remains constant with suppliers who share our values and operate in compliance with the Code of Business Conduct: the objectives can only be pursued through the support of trusted suppliers, which requires the highest ethical professional and personal ethics in our mutual relations.

Anti-corruption policy

The Sasol Group has developed a specific anti-corruption policy applicable to each controlled entity employees and collaborators and controlled joint ventures. The entities in which Sasol does not hold a majority shareholding and/or control are instead urged to apply this policy or produce an independent policy inspired by Sasol principles.

The anti-corruption policy is expressed through procedures related to:

- due diligence of suppliers and customers
- prohibition of facilitation payments
- verification and management of conflicts of interest
- control of gifts and other benefits received or offered to employees
- management of relations with public officials
- identification of specific warning signs that may indicate specific risks of corruption and must therefore be immediately reported to management.

THE MAIN PRINCIPLES OF THE CODE OF CONDUCT

- Respect, protection and promotion of human rights
- Combating forced labour and child labour
- Prevention of harassment, retaliation and bullying
- Respect for diversity and prevention of discrimination
- Respect for freedom of association and collective bargaining rights
- Provision of a safe and healthy safe and healthy working conditions
- Protection of the environment and respect for the rights of local communities
- Prevention of conflicts of interest, including the giving and receiving of gifts, entertainment and hospitality
- Compliance with the policy on gifts, entertainment and hospitality policy
- Accuracy and completeness of information on quality and safety of products and services
- Accuracy of records management
- Legal compliance
- Combating corruption, bribery and money laundering
- Full compliance with competition law
- Protection of confidential information and intellectual property

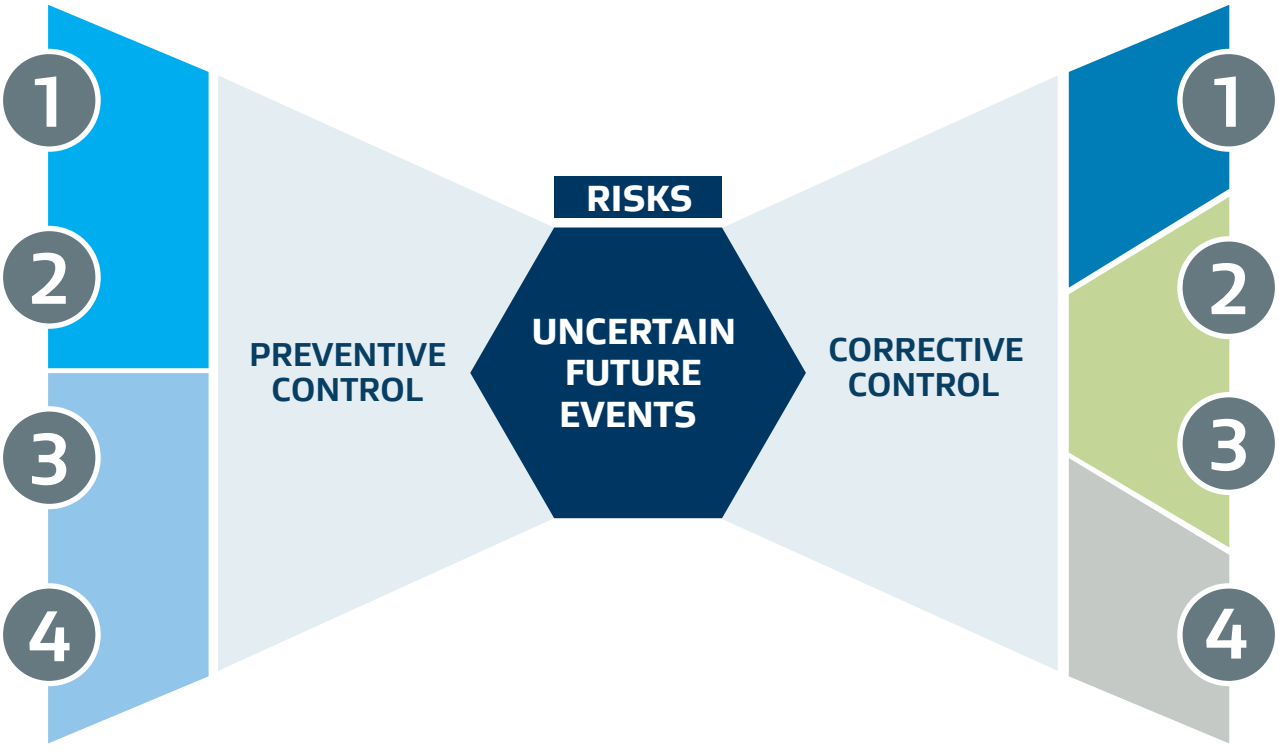
As far as Sasol Italy is concerned, the fight against corruption is corruption is also expressed through the full implementation of the provided for in its Organisation and Management Model Management Model pursuant to Legislative Decree 231/01, since corrupt practices are among the the most significant offences among those included in the Decree. In the Model, the safeguards against corruption are contained in Special Part A - "Offences in dealings with the public administration "and in Section F - "Bribery between private individuals", which specifically aims to identify the activities that may lead to the occurrence of corrupt actions towards private parties. Adequate training and constant information on regarding the principles and prescriptions contained in the Model represent extremely important factors for the correct and effective implementation of the prevention system adopted by Sasol Italy. All recipients of the Model

are required to be fully aware of the objectives of fairness and transparency and of the principles and rules contained therein. For this reason, any amendment integration and/or updating of the document are brought to the attention of all employees and recipients with appropriate training and communication initiatives, differentiated according to the role covered, the responsibility of the addressees and the fact that they operate in sensitive areas and/or hold representative offices, with a view of representation, with a view to customising the courses and of real compliance with the needs of individual organisational structures and resources. To new employees and individuals who for the first time, for example, are given an information set that includes the main documents (Code of Conduct, CCNL, Model, Legislative Decree 231/2001, etc.) in order to ensure the knowledge materials of primary relevance for the company. Subsequently, specific and periodic training and periodic training is scheduled, in particular with reference to issues of the fight against corruption. These initiatives are managed by the HR Department and the Supervisory Board, by means and methods that always ensure the traceability of the training initiatives and the formalisation of the attendance of participants, as well as the possibility of assessing their level of level of learning.

The training, which may also take place at a distance or through the use of computerised systems, and the contents of which are examined by the Supervisory Board, is carried out by experts in the discipline dictated by the Decree. Moreover, in all contractual relationships with customers and suppliers there is a clause concerning the obligation to know and respect of the principles of Model 231, the Code of Ethics and the Code of Conduct for Suppliers. Failure to comply with these provisions entails the legal termination of the existing with all consequences, including those of compensation. Finally, in July 2022, the fourth work to updating of the Group's Anti-Bribery policy Sasol Group's Anti-Bribery policy, with the revision of the regulations on expenses authorised in relation to relations with public officials and to the timing of validity and renewal of due diligence on suppliers. During 2022, there were no cases of corruption, antitrust violations or monopolistic practices.

Operational practice

Sasol's approach to identifying and responding to risks is based on the bow-tie methodology, represented schematically below.



The objective is to ensure that appropriate controls are in place to influence downward the probability and impact of events considered critical to our sustainability. Risk events are not assessed in isolation, but the interdependence of impacts is interdependence of impacts is identified where appropriate.
The controls identified are carried out and monitored with a 'chain' process of checks that ensure their implementation, their correct execution and their effectiveness in order to in order to adopt principles of continuous improvement in case need for revision. The approach adopted in Covid-19 emergency management represents a concrete application of this principle, adapting the existing internal organisation in charge of emergency management (with a localised logic and approach) to the need to manage an emergency.

Certifications and international standards

The integrated management system is the single administration of ISO standards on quality, environment, health and safety at work. It is a voluntary choice that allows SASOL Italy to comprehensively address these key areas by implementing a continuous improvement process and achieve high levels of performance.

Sasol Italy has certified its system quality system (ISO 9001) since 1995 and subsequently certified its environmental and safety systems in 2004 (ISO 14001) and 2006 (ISO 45001) respectively. 2006 (ISO 45001), effectively integrating the three systems and making them compatible with the corporate ones.

These three systems started out as independent of each other, but today the management management according to an integrated approach. All three standards, in their most recent editions, require the most recent editions, impose on the manager a particular attention to stakeholder relations; to follow this new orientation of the international standards, Sasol Italy has calibrated its objectives taking into account the presence and expectations of the surrounding communities.
The company has equipped itself with an organisational model in accordance with Law 231/01 for the prevention of all predicate offences relating.

Sasol Italy's products are used as semi-finished products in the detergent and personal care personal care.
Attention to customs and traditions in particular geographical areas is realised in the voluntary adherence to Kosher certification of almost all the products of all the plants.
The certificate Kosher is issued following a specific visit by a Rabbi who, analysing the characteristics of the raw materials and of the production cycle, certifies the product's 'compatibility' with Jewish tradition.

ISO 9001: Quality Management System, allows production standards to be maintained high standards by pursuing the requirements supply chain, from suppliers to customers.

ISO 14001: environmental management system, designed to minimise impacts on environmental matrices by using both technical technical measures and a high level of training for workers and everyone who has anything to do with the company.

ISO 45001 (formerly OHSAS 18001): occupational health and safety management system safety at work, for the reduction of risks related risks, including those defined as 'relevant' by the standard. This objective is pursued both with prevention actions and with the cultural and professional growth of workers and all those who have anything to do with the company.

ISO 9001 • ISO 14001 • ISO 45001

RINA

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CERTIFICATE No. **36342/18/S-5G**

IT IS HEREBY CERTIFIED THAT:

Sasol Italy Spa

IS INCLUDED IN THE CERTIFICATION AWARDED TO THE ORGANIZATION Sasol Germany GmbH IN COMPLIANCE WITH THE STANDARD

ISO 9001:2015

Operative units (Registered name - Site address)	Specific field(s) of activities
Sasol Italy Spa VIALE ENRICO FORLANINI 23 20134 MILANO, ITALY	VENDITA E COMMERCIALIZZAZIONE DI PRODOTTI CHIMICI SALES AND MARKETING OF CHEMICAL PRODUCTS
Sasol Italy Spa CONTRADA MARCELLINO 96011 AUGUSTA (SR), ITALY	RICERCA E SVILUPPO, PRODUZIONE DI PARAFFINE NORMALI, OLEFINE NORMALI, ALCHIBENZOLO LINEARE, ALCHILATI PESANTI, OXO-ALCOLI, ALCOLI LINEARI E RAMIFICATI, ALCOLI LEGGERI E PESANTI, JET FUEL RESEARCH AND DEVELOPMENT, PRODUCTION OF NORMAL PARAFFINS, NORMAL OLEFINS, LINEAR ALKYLBENZENE, HEAVY ALKYLATES, OXO ALCOHOLS, LINEAR AND BRANCHED ALCOHOLS, LIGHT AND HEAVY ALCOHOLS ENDS, JET FUEL
Sasol Italy Spa S.S. SULCITANA 195, KM 18 09018 SARROCH (CA), ITALY	PRODUZIONE DI PARAFFINE NORMALI E ISOPARAFFINE PRODUCTION OF NORMAL PARAFFINS AND ISOPARAFFINS
Sasol Italy Spa VIA ENRICO MATTEI, 4 26827 TERRANOVA DEI PASSERINI (LO), ITALY	RICERCA E SVILUPPO, PRODUZIONE DI TENSIOATTIVI NON IONICI, ANIONICI E ANFOTERI, ESTERI, AMMIDI E OSSIDI POLIALCHILENICI, SERVIZIO TECNICO RESEARCH AND DEVELOPMENT, PRODUCTION OF NON IONIC, ANIONIC AND AMPHOTERIC SURFACTANTS, ESTERS, AMMIDES AND POLYALKYLENOXIDES, TECHNICAL SERVICE

The validity of this certificate is dependent on the validity of main certificate No. 36342/18/S

First Issue 15.03.2018 Renewal decision date 26.04.2021

Expiry Date 27.04.2024 Revision date 26.04.2021

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Page 1 / 1

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CERTIFICATE No. **EMS-7089/AN-4G**

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Sasol Italy Spa

IS INCLUDED IN THE CERTIFICATION AWARDED TO THE ORGANIZATION Sasol Germany GmbH IN COMPLIANCE WITH THE STANDARD

ISO 14001:2015

Operative units (Registered name - Site address)	Specific field(s) of activities
Sasol Italy Spa VIALE ENRICO FORLANINI 23 20134 MILANO, ITALY	VENDITA E COMMERCIALIZZAZIONE DI PRODOTTI CHIMICI SALES AND MARKETING OF CHEMICAL PRODUCTS
Sasol Italy Spa CONTRADA MARCELLINO 96011 AUGUSTA (SR), ITALY	RICERCA E SVILUPPO, PRODUZIONE DI PARAFFINE NORMALI, OLEFINE NORMALI, ALCHIBENZOLO LINEARE, ALCHILATI PESANTI, OXO-ALCOLI, ALCOLI LINEARI E RAMIFICATI, ALCOLI LEGGERI E PESANTI, JET FUEL RESEARCH AND DEVELOPMENT, PRODUCTION OF NORMAL PARAFFINS, NORMAL OLEFINS, LINEAR ALKYLBENZENE, HEAVY ALKYLATES, OXO ALCOHOLS, LINEAR AND BRANCHED ALCOHOLS, LIGHT AND HEAVY ALCOHOLS ENDS, JET FUEL
Sasol Italy Spa S.S. SULCITANA 195, KM 18 09018 SARROCH (CA), ITALY	PRODUZIONE DI PARAFFINE NORMALI E ISOPARAFFINE PRODUCTION OF NORMAL PARAFFINS AND ISOPARAFFINS
Sasol Italy Spa VIA ENRICO MATTEI, 4 26827 TERRANOVA DEI PASSERINI (LO), ITALY	RICERCA E SVILUPPO, PRODUZIONE DI TENSIOATTIVI NON IONICI, ANIONICI E ANFOTERI, ESTERI, AMMIDI E OSSIDI POLIALCHILENICI, SERVIZIO TECNICO RESEARCH AND DEVELOPMENT, PRODUCTION OF NON IONIC, ANIONIC AND AMPHOTERIC SURFACTANTS, ESTERS, AMMIDES AND POLYALKYLENOXIDES, TECHNICAL SERVICE

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ISO 45001:2018

Operative units (Registered name - Site address)	Specific filed(s) of activities
Sasol Italy Spa VIALE ENRICO FORLANINI 23 20134 MILANO, ITALY	VENDITA E COMMERCIALIZZAZIONE DI PRODOTTI CHIMICI SALES AND MARKETING OF CHEMICAL PRODUCTS
Sasol Italy Spa CONTRADA MARCELLINO 96011 AUGUSTA (SR), ITALY	RICERCA E SVILUPPO, PRODUZIONE DI PARAFFINE NORMALI, OLEFINE NORMALI, ALCHIBENZOLO LINEARE, ALCHILATI PESANTI, OXO-ALCOLI, ALCOLI LINEARI E RAMIFICATI, ALCOLI LEGGERI E PESANTI, JET FUEL RESEARCH AND DEVELOPMENT, PRODUCTION OF NORMAL PARAFFINS, NORMAL OLEFINS, LINEAR ALKYLBENZENE, HEAVY ALKYLATES, OXO ALCOHOLS, LINEAR AND BRANCHED ALCOHOLS, LIGHT AND HEAVY ALCOHOLS ENDS, JET FUEL
Sasol Italy Spa S.S. SULCITANA 195, KM 18 09018 SARROCH (CA), ITALY	PRODUZIONE DI PARAFFINE NORMALI E ISOPARAFFINE PRODUCTION OF NORMAL PARAFFINS AND ISOPARAFFINS
Sasol Italy Spa VIA ENRICO MATTEI, 4 26827 TERRANOVA DEI PASSERINI (LO), ITALY	RICERCA E SVILUPPO, PRODUZIONE DI TENSIOATTIVI NON IONICI, ANIONICI E ANFOTERI, ESTERI, AMMIDI E OSSIDI POLIALCHILENICI, SERVIZIO TECNICO RESEARCH AND DEVELOPMENT, PRODUCTION OF NON IONIC, ANIONIC AND AMPHOTERIC SURFACTANTS, ESTERS, AMMIDES AND POLYALKYLENOXIDES, TECHNICAL SERVICE

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Page 1 / 1


LAURA

2 ECONOMIC SUSTAINABILITY

2.1 The Administration Area, Finance and Control

The Administration, Finance and Control area:

- takes care of the administrative-accounting and tax management;
- ensures the correct application of national and international accounting standards for the preparation of statutory financial statements and the Group's IFRS reporting;
- takes care of the Company's management control;
- ensures that company processes comply with current regulations.

To this end, a monthly report is shared with the Sasol Group management with the expected projections for the following months according to the set targets.

The objective of the area is threefold:

1

Having immediate feedback on financial aspects in the company so as to be able to provide elements for verification and possible modification of strategies oriented towards business objectives

2

Providing information to our shareholders

3

Enhancing the relationship transparent with shareholders

2.2 Economic value directly generated and distributed

The economic value directly generated and distributed is determined on the basis of the accounting data used to calculation of Gross Value Added ("GVA"). The data are extracted per calendar year and are based on the national accounting principles.

The economic value generated in the year 2022 was of approximately EUR 1,885.6 million, an increase of approximately EUR 506.1 million compared to the previous year (+43%).

This improvement was mainly driven by the recovery of market prices for finished and dewaxed products, closely linked to the trend in the oil market, which recovered strongly compared to 2020.

The economic value generated was distributed in 2022 for approximately EUR 1,787.6 million, an increase of 544.8 million compared to the same figure in 2021, proportional to the increase in economic value generated.

Distribution of the economic value generated by Sasol Italy

MILLION EUROS	2020	2021	2022
Economic value generated	**814,8**	**1.319,5**	**1.885,6**
Operating expenses	912,4	1.180, 6	1.722,1
Salaries and employee benefits	43,2	54,4	52,04
Capital suppliers	2,6	3,0	7,9
Public administration	3,0	4,7	5,64
Initiatives towards the community	0,1	0,0	0,0
Economic value distributed	**793,1**	**1.242,7**	**1.787,6**
Economic value withheld	**21,7**	**76,8**	**98,1**

As the table shows:

- **operating costs** amount to EUR 1,180.6 million (+45.9% compared to 2021, i.e. an increase of 541.5 million). This amount includes costs incurred for the purchase of raw materials used in production and costs for services from suppliers third parties. This growth was mainly generated by by the increase in variable production costs related to the increase in market prices and energy prices;
- **wages and benefits paid to employees** amounted to 52.04 million euros, a decrease of 4% compared to the previous year: the reduction in personnel costs are mainly attributable to the costs incurred in 2021 for the corporate reorganization Sasol 2.0 and related leaving incentives and lower bonuses paid;
- **capital suppliers** amount to EUR 7.9 million and relate to and relate to financial expenses and interest with credit institutions and the Sasol Group. The increase of 4.9 million is mainly related to the interest rate applied and the level of indebtedness necessary to finance the higher value of inventories;
- **costs to the public administration**, amounting to 5.64 million, are mainly made up of state and local taxes. The company is committed to ensure compliance with all laws and regulations including in the area of taxation, to optimise and simplify the management of taxes at the company level and to calculate the correct overall tax burden of Sasol Italy.

The retained economic value is equal to the difference between economic value generated and economic value distributed and consists of the sum of the net result for the period and the amount of depreciation, amortisation and provisions. In 2022 it amounted to **EUR 98.1 million**, an increase of EUR 21.3 million compared to the year 2021.

This increase resulted from the profit in the year 2022 of **EUR 61.3 million** and an improvement of EUR 20.9 million compared to the year 2021. This improvement is mainly attributable to the strong recovery of margins realised on sales of finished products as a result of the improved market environment and material prices.

In calendar year 2022, share capital amounts to **271 million** and debt amounted to EUR 228.6 million. The production going to sale in 2022 is **671,580 tonnes**, approximately 171,102 tonnes more than in 2021.

2.3 Employment relapses premises

After the contraction in 2020, due to the global pandemic that affected the entire industry, in 2022, as was already the case in 2021, the rate of new recruitment shows a slight upturn towards pre-pandemic levels, with pre-pandemic levels, with **16 new hires** compared to 12 employment relationships concluded in the year, for various reasons, bringing the total number of hires to **621 at the sites as a whole**.

The new hires:

- reflect the gender distribution that emerged in previous years (75% male, 25% female), with an increase female), with an increase in the female sex (+5% compared to 2021);
- they concern, for the most part, people in the age group 30-40 (more than 60% of the total);
- they involve, for about 20%, personnel for plants in southern Italy (Sardinia and Sicily) and for about 80% personnel for facilities in Lombardy.

Dealing with an increasingly competitive market, Sasol Italy has chosen to apply a virtuous remuneration policy aimed at both safeguarding the parameters defined in the national collective bargaining agreement and to make the company competitive and attractive to talent, who represent the capital necessary to nurture the skills and the development of the company itself. The correct application of a virtuous remuneration policy also contributes to generating a balanced economy in the territory where the company grows and develops, thereby fuelling local reflected in local economic expansion.

Again with regard to Sasol Italy's policy on human resources, it should be noted that **the permanent workers in 2022**, **out of the total 621**, are almost all, i.e. 620. In the same year, the company also availed itself of the collaboration of 20 temporary workers, mainly for the plants in Sardinia and Sicily, a figure that increased compared to previous previous years also due to the current dynamics of the labour market.

2.4 Suppliers

Sasol Italy has always been actively focused on researching and creating solid and mutually advantageous relationships with third party companies, ensuring the understanding of requirements while respecting policies of fairness and price congruity. Underlying this approach are sound **principles and robust governance processes** that ensure the effective application of shared values in order to act ethically by honouring commercial commitments.

The general criteria for partner assessment are based mainly on:

- compliance with health, safety, environmental and quality;
- product quality and technology provided also in view of Industry 4.0;
- technical, managerial and organisational capability;
- economic and financial reliability;
- compliance requirements with applicable regulations, including compliance with the control principles provided for by the Model of Organisation, Management and Control Model pursuant to Legislative Decree 231/01 and as amended.

Furthermore, according to the guiding principle "Zero harm accidents), in the workplace Sasol has adopted a policy which requires the adoption, through specific training sessions, of a process of continuous improvement of the level of safety of third-party companies as well.

Sasol's external suppliers

	2020	2021	2022
No. of induced companies	270	479	483
Turnover paid (in millions)	31.632	42.507	84.862
of which local*	19.880	19.314	33.804
of which regional	1.031	1.326	4.249
of which italian	10.293	15.141	38.526
of which foreign	428	6.726	8.282

*Suppliers that have administrative offices, branches and operations in the same areas as our factories are considered local.

In 2022, Sasol Italy used the services of **483 third-party companies** for the purpose of carrying out the mechanical, electro-instrumental and construction maintenance of plants, supply of materials, engineering services and various industrial services (+0.84% compared to 2021).

The increase in turnover paid to foreign suppliers (+23% compared to 2021) is motivated by the fact that a significant portion of orders related to Procurement activities concerns the purchase of catalysts for the maximization yields of the production cycle, whose main production are located outside Italy. The doubling of turnover from orders for services to Italian suppliers (+61%) can be attributed to the restart of major maintenance activities and services from local suppliers in 2022 also increased by 43% compared to the previous reporting period.

An extraordinary achievement of the whole that is also consequence of the positive relations that the company maintains with the supply chain.

2.5 Business Development Projects

Sasol's investment policy is aimed at achieving production excellence through continuous improvement in terms of safety, environment, workers' health workers, major accident prevention and quality: Sasol 2.0 initiatives fit into this perspective.

At Sasol Italy, each new initiative has as its main goal that of improving the sustainability of production sites by maintaining or developing the production capacity of plants, always guaranteeing their safety conditions and reducing their impact in line with the best standards and technologies.

In 2022, according to the annual investment plan, the total investment for new initiatives is close to EUR 30 million. The breakdown of the areas of intervention is shown in the following table.

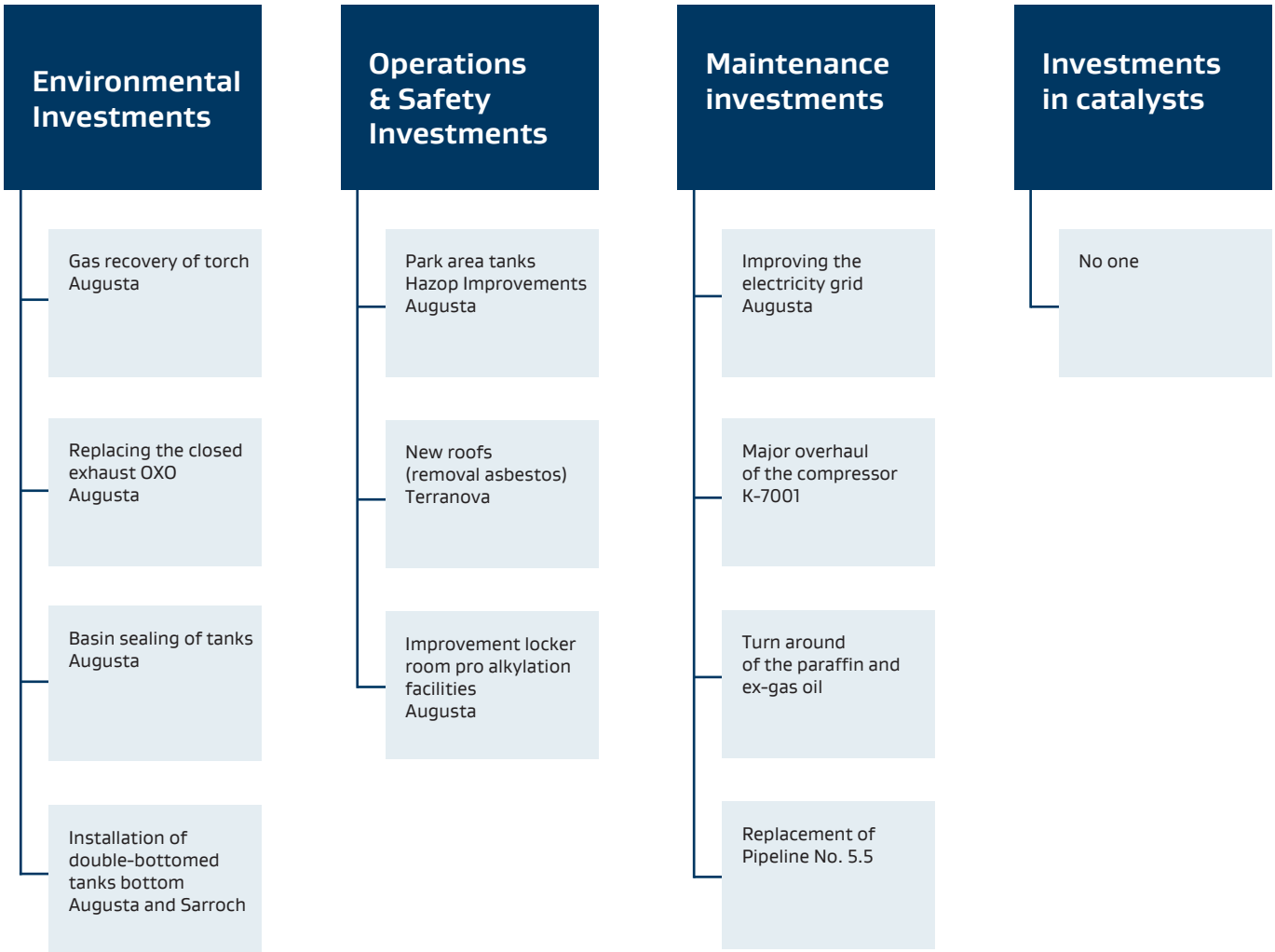
Breakdown by areas of investments by Sasol Italy	2020	2021	2022
Extraordinary maintenance	20.629	10.518	18.420
Technological improvement	1.376	1.219	1.838
Environment	3.801	5.011	6.545
Safety	2.557	2.464	2.250
Innovation	908	375	588
Total	**29.271**	**19.587**	**29.641**

The data show:

- expenditure for 2022 was 51% higher than in the previous year. Influencing the 2022 figure – up increase of 75% compared to the previous year – the cost incurred for extraordinary maintenance, not foreseen for the reporting period (general shutdowns of production facilities);
- in 2022 there was a **51% increase in investments related to the improvement of facilities and services**, with specific reference to performance **environmental and safety performance**.

The following figure shows the list of the most relevant in terms of capex for 2022.

Core investments CY22



2.6 Taxes

The **Global Tax Strategy and Management Policy** provides the principles governing the Group's approach to tax risk management to ensure that tax risk management to ensure that the company meets its corporate governance requirements with effective tax planning. The Group strives to organise its tax affairs efficiently, always remaining in compliance with the laws in all jurisdictions in which it operates and is committed to maintaining also to maintain a cooperative relationship with the authorities and to conduct all such transactions in an open, transparent and constructive manner. The Group's approach to tax management aims to ensure that:

- tax considerations are part of business decisions;
- stakeholders' interests are recognised and respected;
- appropriate controls are in place and that these are monitored;
- there is adequate fiscal planning at the financial financial level so that cash flows are regulated.

The Group Tax function is responsible for guiding the tax management in all Group companies, seeking to offer sustainable value to the organisation by achieving alignment to strategy and objectives.
In line with the Group approach, Sasol Italy is committed to optimise and simplify tax management at a corporate level, in company level, in compliance with all tax laws and regulations.

The **internal tax function**, in coordination with the relevant corporate functions, works to ensure that the calculation of taxes related to the company's activities is correct and payments in line with legal deadlines. A monthly **tax calendar** is issued where taxes and charges to be paid in the following month are shown following month with the specification of the competent responsible. On an annual basis, the **Sasol Italy S.p.A.** is updated.
Regulatory Universe Document Tax, drawn up to take take into account all legislative changes applicable the Company with regard to taxation. This document is **approved by the CEO**, who approves and implements the tax strategy. The corporate governance department regularly carries out audits related to regulatory updates, including on taxation, and the tax function itself receives audits by external consultants in order to verify the correct interpretation of regulations. In Enterprise Risk Management, risks are assessed - for all regions - also the risks of non-compliance with tax laws and identified corrective and preventive actions identified in the appropriate register.

3 ENVIRONMENTAL SUSTAINABILITY

3.1 Dimension of energy efficiency

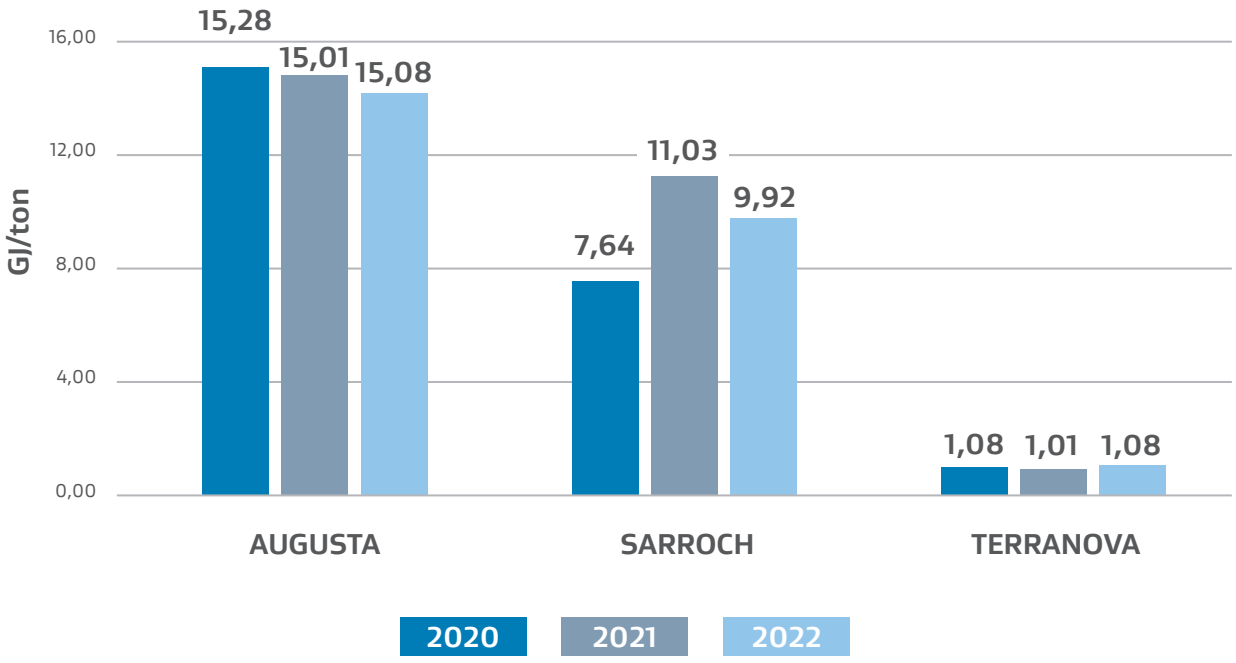
With the Green Deal of 2021, the European Union has set itself the ambitious goal of achieving climate neutrality by 2050, according to a strict roadmap that envisages as a key intermediate step the reduction of net greenhouse gas emissions by at least 55% by 2030 (compared to 1990 levels).

To contribute to the EU targets, in 2021 the Sasol Group has set its target of **zero net CO_2 emissions equivalent Scope 1 and 2 to 2050 ('Net Zero')**. With the Future Sasol strategy, a pathway is mapped out for a progressive and significant reduction of greenhouse gas emissions with a view to continuous improvement. The Group's intermediate target is set **for 2030: reduction of Scope 1 and 2 emissions by 30%, compared to the 2017 baseline**.

The principle of continuous improvement also applies to monitoring and **management of energy consumption:** through their monthly reporting, we control and analyse them in order to highlight any missing efficiencies and take improvement actions.

The 2022 energy intensity index for Sasol Italy sites - calculated as the ratio between the consumption (in Giga Joules) of fuel, electricity and thermal energy and the tonnes produced - remains unchanged from last year at the site Augusta site and by 10% at the Sarroch site, while there is a substantially constant value at the Terranova dei Passerini.

Table 3.1: 2020-2022 energy intensity index at the three production sites in Italy (in GJ/ton)



The following tables show fuel consumption by source category and internal energy consumption the organisation, confirming the trend of recent years: the company has maintained the shares of the least less impactful fuels and the elimination of options characterised by more unfavourable emissions, net of an occasional use of fuel oil during the reported period to carry out operational tests in the event of a lack of availability of natural gas due to the emergency resulting from the Russian-Ukrainian war.

Table 3.2: Internal energy consumption 2020-2022 (in GJ)

	Natural gas	Fuel gas	Fuel oil	TOTAL
2020	7.707.819	420.438	-	**8.128.258**
2021	8.244.416	487.092	-	**8.731.509**
2022	5.993.907	522.052	371.122	**6.886.381**

Table 3.2: Internal energy consumption 2020-2022 (in GJ)

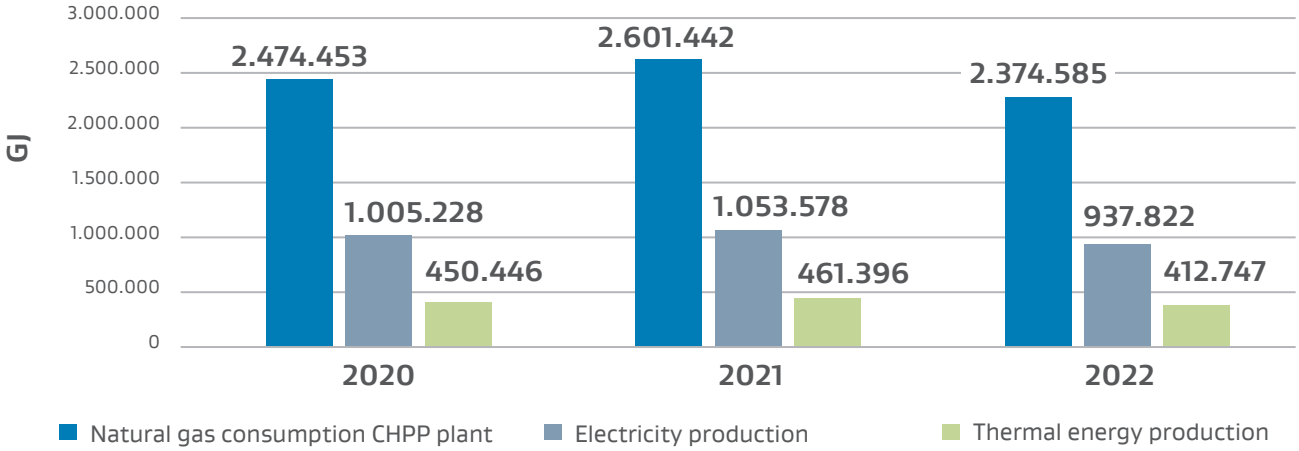
	Electricity	Steam energy
2020	775.763	424.915
2021	845.439	456.272
2022	701.380	404.075

3.2 Dimension of energy production

At the Augusta site there is a turbogas power plant with combined cycle gas turbine (Combined Cycle Gas Turbine - CCGT), a combined cycle electricity and steam cogeneration plant fuelled by natural gas-fuelled combined cycle, with an installed electric power of 49 MW.
Almost all of the steam produced by the plant is fed into the steam network of the Augusta site, while the electrical energy produced and not consumed within the site is sold to the National Transmission Grid.
The data on the production of electrical and thermal energy - compared with the consumption of natural gas, the fuel of the CCGT plant - show that in 2022 the plant produced 11% less electricity than in 2021, with less steam cogenerated and transferred to the chemical plants at the Augusta site. This is in line with the 20% reduction in production in 2022, compared to 2021 levels, so the specific CO2 emission (equal to 0.097 tonnes of CO2 per GJ of electrical and thermal energy produced by the CCGT) is substantially in line with previous years.


2050
CO2
CO2
CO2

Figure 3.2: Size of electricity production 2020-2022 (in GJ)*



*Consumption of natural gas and production of electricity and steam.

3.3 Counteracting climate change and reduce emissions

Sasol intends to make its contribution in the fight against climate change, the decisive challenge of our time. To respond to the Paris Agreement with concrete actions we have strengthened our commitment to reducing emissions through updated roadmaps and by defining short-, medium- and long-term targets. In 2021, we launched the **Group's target of zero net emissions for 2050 ('Net Zero')** and the Future Sasol, which puts us on a trajectory of significant reduction of greenhouse gas emissions, with an intermediate target of intermediate reduction target for Scope 1 and Scope 2 emissions (by 17% compared to 2017) by 2030.

Sasol's future is based on the production of sustainable chemicals and the use of less impactful energy sources, exploiting our technology and our proprietary expertise, and contributing the planet, society and business prosper.

In line with the Group vision, Sasol Italy has identified a series of actions aimed at ensuring the sustainability of its production model in the future.

Among these, in 2021 were initiated - then continued in 2022 - operations to purchase renewable energy from additional new plants through Power Purchase Agreements (PPAs) and signed partnerships with external specialised companies for the utilisation of available brown fields for the production of electricity from renewable sources.

Greenhouse Gas (CO_2) Emissions

In the reporting year, total CO_2 emissions were decreased, compared to a decrease in production of 20% compared to 2021.

Below are graphs of the total direct and indirect total CO_2 emissions compared to baseline 2017 (Figure 3.3 A) and broken down by purpose (Figure 3.3 B).

Scope 1 refers to direct emissions of climate-changing gases from sources attributable to the Company's assets and from the use of fuels.
Scope 2 refers to indirect climate-changing gas emissions from generation of electricity, steam and heat purchased from third parties and consumed in the Company's assets.

Figure 3.3 A: Total CO_2 emissions of Sasol Italy plants 2017- 2022 and comparison with base year in absolute value (ton)

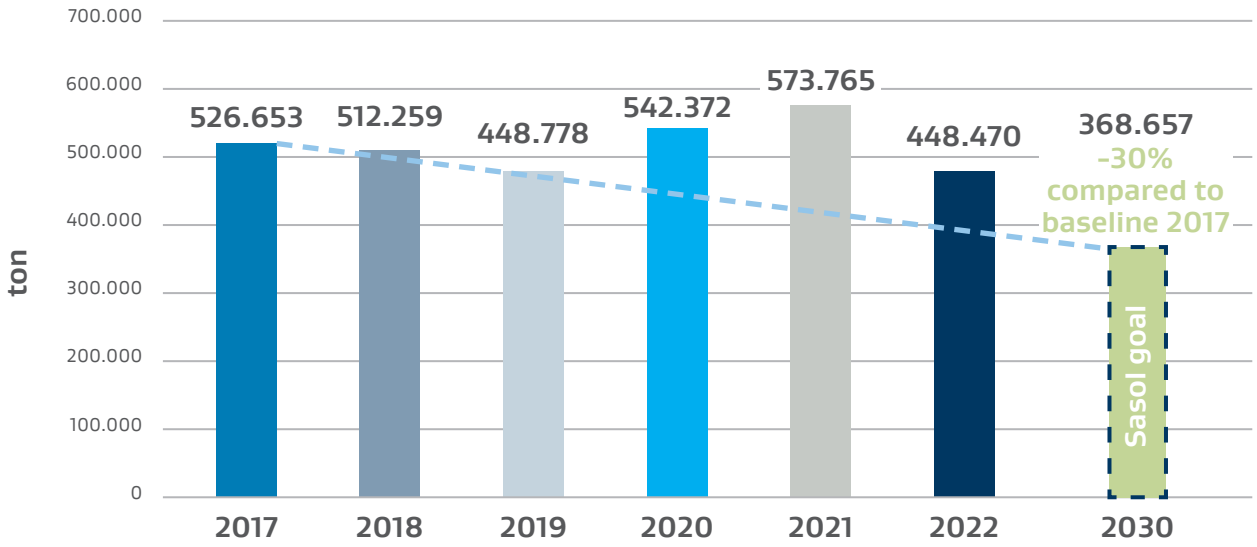
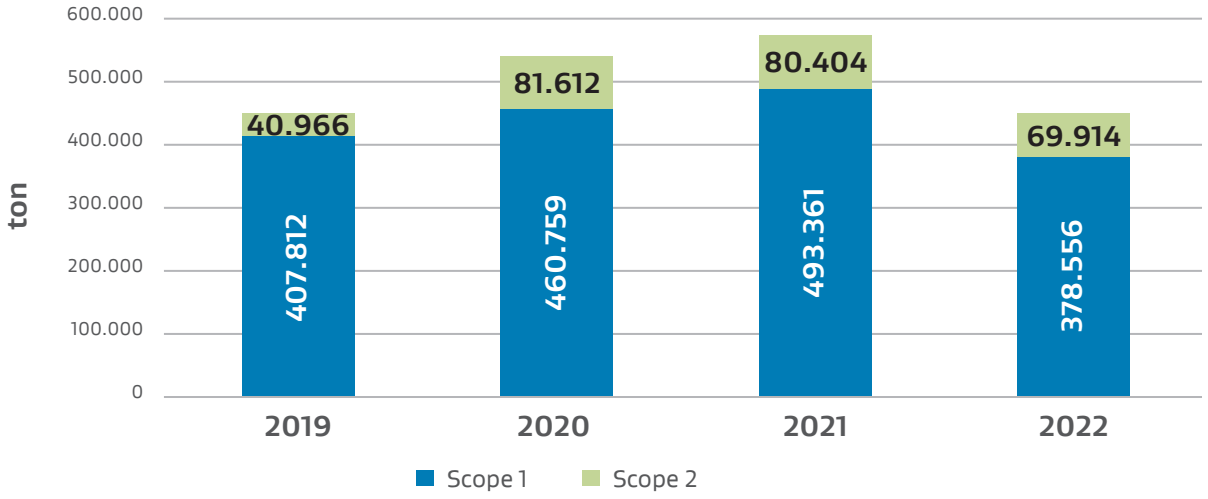


Figure 3.3 B: Total CO_2 emissions of Sasol Italy plants 2019-2022, divided by Scope 1 and 2 (tonnes)



Despite not having reached the global target of reducing emissions, it can be seen that the intensity index of emissions in relation to tonnes of production to sales has been on a downward trend over the last three years.

A significant reduction is expected in the coming years thanks to the many initiatives that are being undertaken, such as the purchase of electricity from renewable sources for plant consumption, the search for suitable sources of biogas/biomethane to replace natural gas, the monitoring of technologies to capture and then storing the CO2 produced. In addition to these initiatives are two most important projects that Sasol is carrying out.
The first, at an advanced stage of development, concerning **the streamlining of the 'old' Isosiv technology for the production of paraffins** and the transformation of the main furnaces/heaters/boilers to electric power.
The second project, currently being finalised, envisages to install electrolysers at the Augusta site for a total capacity of almost 80 MW, for the production of both **green hydrogen** and **blue/green syngas**.

Figure 3.4 A: CO_2 emission intensity index 2019–2022 (ton CO_2/ton produced)

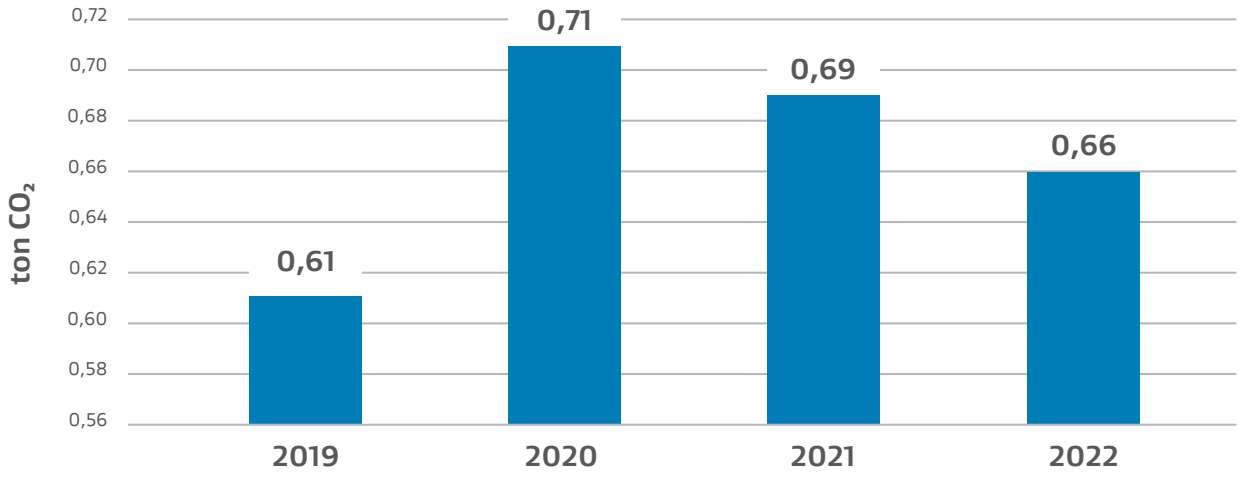
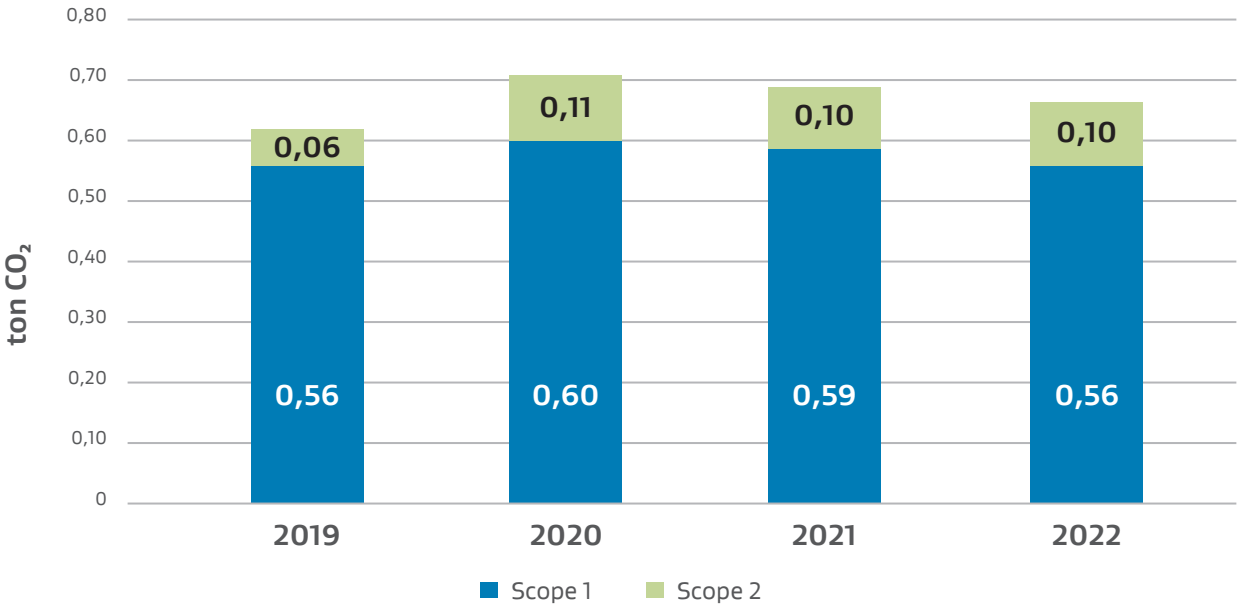


Figure 3.4 B: CO_2 emission intensity index for 2019–2022 for Scope 1 and 2 (tonne CO_2/tonne produced)



Atmospheric emissions

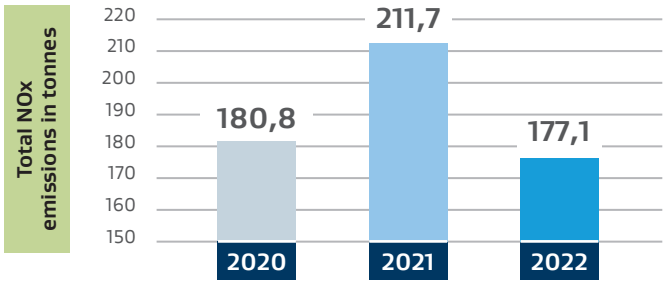
The monitoring of atmospheric emission values is essential to guide the Group's environmental action: the analysis of structured and reliable data is instrumental to make informed business decisions and guide the Group's strategies and investments to reduce emissions.
We have a risk-based approach to air quality management approach, in alignment with the approach to health and safety.
We are committed to complying with all regulatory requirements applicable regulatory requirements and diligently monitor and report on all activities. In Italy, we have implemented a monitoring system for emissions from the sources of our production plants. These emissions are divided into three categories: 'vented', 'diffuse' and 'fugitive'.

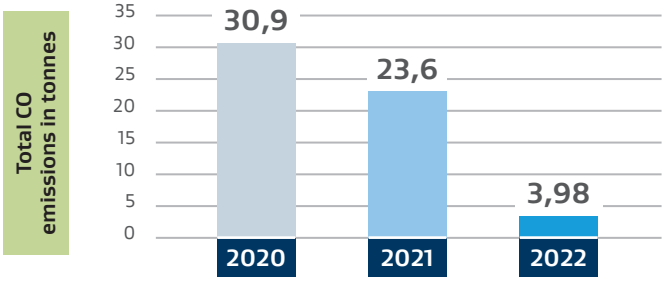
Reporting covers in particular the following pollutants that characterise emissions from the plants in Augusta, Sarroch and Terranova dei Passerini:

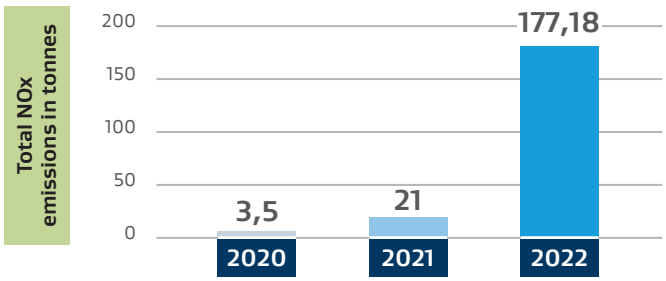
- nitrogen oxides (NOx),
- sulphur oxides (SOx),
- carbon monoxide (CO),
- carbon dioxide (CO_2, already reported in another paragraph).

To better manage emissions, Sasol Italy carries out continuous and periodic monitoring of air emissions, of the health of the working environment and of the individual emission points in accordance with the Integrated Environmental Authorisations (AIA) and the regulations in force, in order to adopt the most effective management and technical measures.
The analysis of NOx, and CO trends shows a substantially constant trend over the three-year period for nitrogen oxides and a significant reduction for carbon monoxide, always however well below the limits imposed by the legislator.
While remaining within the legal limits, the substantial increase quantity of SOx in 2021 and 2022 compared to 2019 is substantially due to the technical testing of oil burners at the Augusta plant during 2022. These tests are carried out under the authorization and were necessary to verify the functionality plant and performance following the announcements of risk of gas interruptions, due to the tensions preceding the outbreak of war in Ukraine.
The calculation of emissions of SOx is among other things carried out using indirect methods on the fuel quality required by current legislation and by the existing authorization.

Figure 3.5 A, B, C: Atmospheric emissions of NOx, SOx and CO (ton) by Sasol Italy 2020-2022







**Although there was an increase in the quantities emitted for the SOx parameter as a result of the energy emergency, it should be noted that the environmental performance are substantially stable over time.
The Company is always committed to analysing and optimising its operations, pursuing the objective of reducing emissions to the minimum sustainable level through best available techniques in the sector.**

3.4 Water Management

Water consumption in Sasol Italy's factories is linked mainly to the transport of heat necessary for chemical processes (steam) and the cooling of the plants.

According to the requirements of current authorisations and internal procedures of the Management Systems of the various plants, the monitoring of water consumption is recorded in monthly reports sent to the control bodies and to Sasol's corporate management for the development of sustainability and circular economy strategies.

Water is a precious resource and must be shared at a territorial level: for this reason, in addition to the regulatory limits in force on water resources, the company activates controls and approves investments aimed at limiting its consumption and the consequent environmental impact. Moreover, the phenomenon of global warming is now unequivocal, with unprecedented changes taking place.

The average global temperature observed today is about 1°C higher than in the pre-industrial era and this is already causing important effects, including the increase of extreme weather phenomena (heat waves, droughts heavy rainfall). As highlighted in the 'National Hydrological Balance Sheet' edited by ISPRA1, in 2022 Italy reached the lowest historical minimum, since 1951, of annual availability of water resources, a situation also aggravated by above-average temperatures above average temperatures that have increased the evapotranspiration.

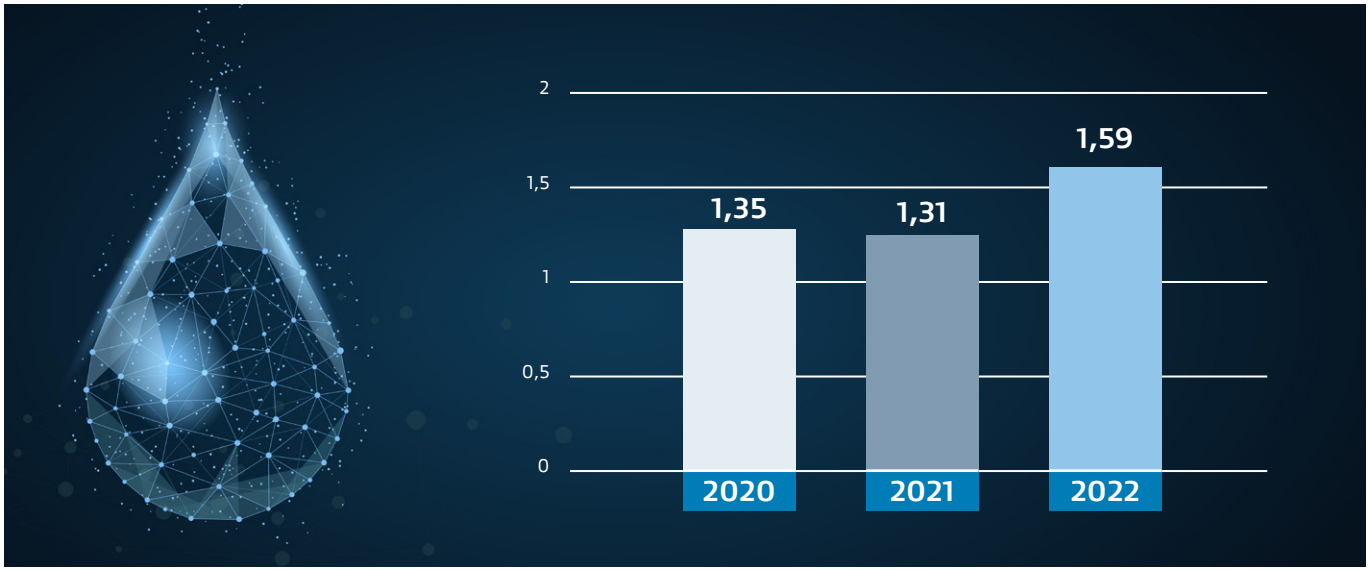
The total annual precipitation has precipitation reached a minimum value of 719.1 mm, a reduction of about 24% compared to the long-term average 1951-2022.
Overall, considering as an indicator of drought severity of drought, the percentage of national territory that was subjected to extreme drought during the same year, 2022 was been the sixth driest year in Italy since 1952.
Sasol Italy's plants are equipped with tanks to collection and recovery of rainwater, however, the occurrence of extreme phenomena reduces their collection capacity.

1. Focus on drought and natural availability of renewable water resources – Update to 2022, ISPRA Report No. 388/2023.

Water use efficiency

The following graph shows the **water utilisation efficiency** calculated as the ratio between demand and water taken from external sources, with specific reference to the plant in Augusta where there is a WWT SYSTEM. At the Augusta plant, water withdrawal has decreased by 31% compared to 2021; at the same time production of water from the WWT system increased by 31%. As a result, overall the plant recorded an efficiency coefficient of 1.6, much higher than in the previous two years.
This efficiency is also the result of investments for process optimisation over the years, aimed at market competitiveness and sustainability.

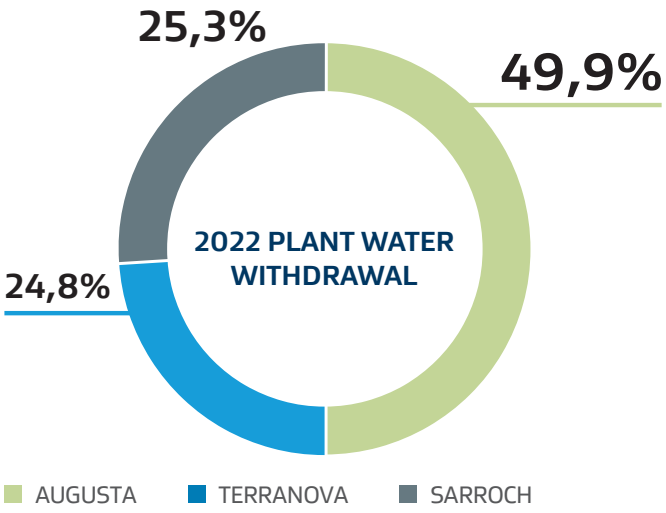
Figure 3.6: Water utilisation efficiency at the Augusta plant



Water sampled

Water is supplied by drawing from groundwater or from public aqueducts. The following graphs show the distribution of water withdrawals per establishment (figure 3.7) and water withdrawals per source of supply (figure 3.8).

Figure 3.7: Distribution of water withdrawals per site out of total Sasol activities in Italy (2022)



In **Augusta plant** - the largest in terms of of size and production volume – the the majority of withdrawals (49.9%). The water needed for the plant is taken from the following sources of
supply:

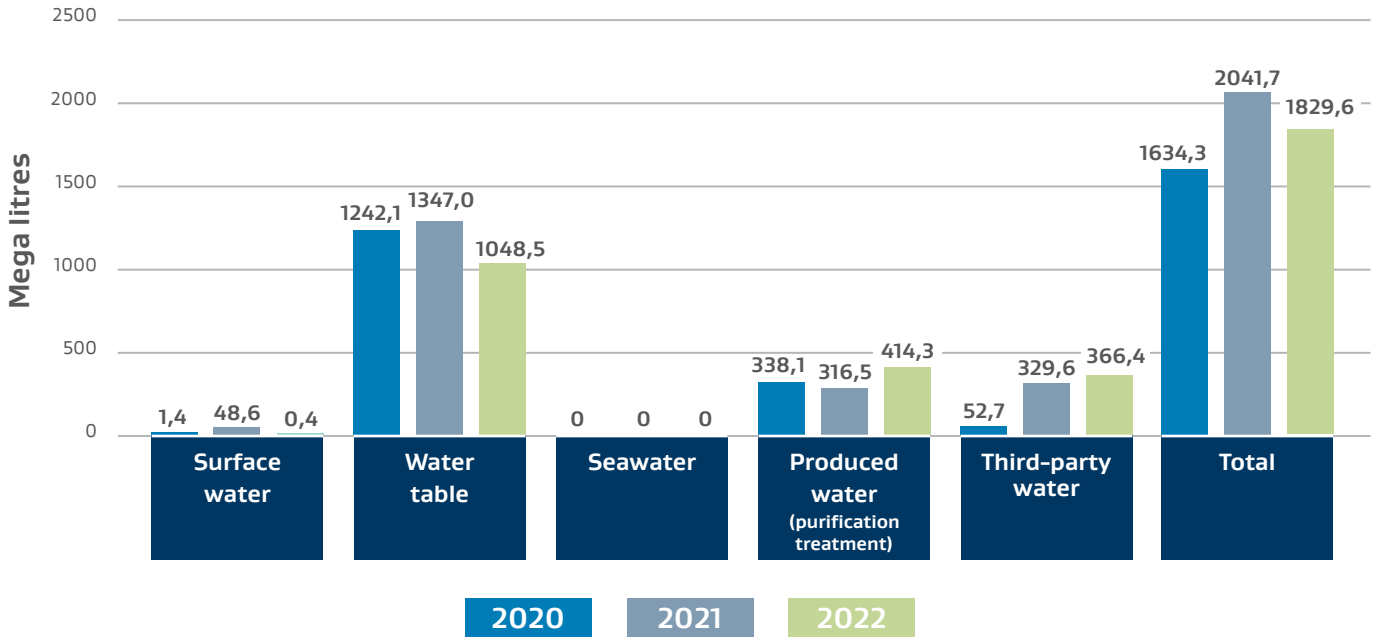
- five wells with a total withdrawal capacity authorised of 1,482,823 m^3/year;
- Marcellino river, only in case of emergency from the fire-fighting service.

The 31% reduction in withdrawals, compared to 2020, is the result of progressive optimisations achieved thanks to the start-up of the **Waste Water Treatment (WWT)** in 2017: the WWT treats wastewater through physical and biological separation to make it process water, thereby process water, thus generating a decrease in water withdrawals to be used in industrial processes.
The whole of Sicily is classified as a water stress area extremely high by the Aqueduct Water Risk Atlas. Results of wastewater treatment contribute therefore help combat this problem, transforming it into an effluent that can be reused.

At Sarroch plant, discharges are decreased by 48% compared to 2021.

At Terranova dei Passerini plant, levies are increased by 9% compared to 2021.

Figure 3.8: Total water withdrawals per source of supply 2020-2022 (mega litres)



Waste water delivery

Each plant has authorised discharges, managed according to the limits set out in the authorisation documents and controlled according to the monitoring and control plans applied.

The amount of annual wastewater that the three plants send to their final destination is strongly influenced by rainfall during the reporting period, impacting on the total amount of industrial wastewater. In compliance with the company's policies to safeguard environmental protection, rain falling within the perimeter of the plants is treated in the same way as industrial waste and sent to the collection system for potentially polluted water (oily sewage) as it is classified as such. The same applies to so-called 'first rain water', i.e. that which falls on common areas, such as streets and yards, not covered by the plants.

Below are the data on industrial waste water discharged, broken down by establishment, and normally measured by meters.

Table 3.3: Wastewater and water discharges of the three Sasol production sites in Italy 2020-2022 (mega litres)

	AUGUSTA				SARROCH				TERRANOVA			
	2020	2021	2022	Down.	2020	2021	2022	Scarico	2020	2021	2022	Down.
Discharge into surface waters	4,4	15	28,7	In the River Marcellino	0	0	0		117	122	128,3	Water treatment
Downloading via third parties	627,9	474,2	590,3	to IAS treatment plant	14,5	16,9	8,078	Industrial sewage pipeline	0	0	0	

In Augusta, there are three discharge points: SF1, SF2, SF3.

- **L'SF1** is authorised to discharge rainwater precipitated in non-industrialised areas (roads yards, green areas) into the Marcellino river, after the removal of the so-called first rain water rainwater, which is piped to the SF2 discharge to the consortium purification plant.
- The **SF2** discharge is the discharge of industrial and rainwater rained in the plant areas and the water barriers in the plant areas (unsalted barriers). It terminates in the pipeline which transfers the water to the plant of the IAS (Industria Acque Siracusane) consortium for the final treatment at the API and the WWT. The reef water in front of the Marcellino (water salty reef water) are sent directly to the discharge SF2. A project is planned to treat this water internally as well and discharge it directly discharge directly into the Marcellino. In addition to this, the project envisages an upgrade of the WWT so that the to be able to consider the SF2 discharge inactive (project zero IAS).
- **SF3** is the discharge of the aqueous concentrate from from the Waste Water Treatment (WWT) plant, which came into operation in 2021. The discharge returns to the Marcellino river the water purified by the WWT plant. WWT. The discharge concentrations of substances that may result from the plant's production cycle and which are treated have been determined by the competent authority (Ministry of Ecological Transition today Ministry of the Environment and Energy Security) during the AIA granting procedure.

The commissioning of SF3 explains the increase in discharges to surface waters during 2021 and 2022. This increase, combined with optimisations from the WWT plant, has allowed for a 6% reduction in discharges via third parties in 2022 compared to 2020.

At Sarroch plant, At Sarroch plant, liquid effluents are sent to a third-party provider that operates a specific treatment plant (TAS), with authorised discharge into the sea. The company periodically monitors the water discharges to the treatment plant in compliance with its Monitoring and Control Plan.

At Sarroch plant, water discharges have reduced by 52% compared to 2021.

At Terranova dei Passerini plant there is a wastewater treatment plant, the TAR (renovated in 2013), which consists of:

- a chemical-physical treatment section that is used for the treatment of process water with a high organic load;
- an activated sludge biological treatment section, for treatment of process water;
- a tertiary plant downstream of the sludge settler, consisting of sludge sedimenter, consisting of sand and activated carbon filters;
- a plant for the treatment of the liquid stream leaving the outlet from the sulphonation plant, for the separation of the sodium sulphate before sending it to the water treatment plant.

The authorised discharge of water from the plant takes place in a surface water body called canal Valguercia.

At Terranova dei Passerini plant, the data are substantially in line with the previous reporting period.

3.5 Waste Management

In line with the principles of the circular economy, the approach Sasol's approach to waste is to treat it with the aim of recovery, rather than considering them as waste materials to be sent to landfill.
Proper waste management is an activity to which the company pays particular attention to, using structured control in order to reduce the environmental impacts of the business as much as possible: operational and documentation is carried out by qualified personnel who follow the entire administrative process of waste tracking, from production, temporary storage, up to the definition of final disposal at dedicated external facilities. Most of the waste produced comes from the activities strategic and non-avoidable industrial activities: maintenance plant cleaning, new investments or demolition, soil and groundwater remediation, research and laboratory, as well as from the need to replace process catalysts. Therefore, the quantity of waste is not only related to production processes but also to extraordinary activities that are not related to the company's production processes of the company.

In 2022, total waste production was 8,172 tonnes. This figure is increasing compared to 2021 (+69%) due to the extraordinary operations of plant operations conducted at the Augusta site.
Of the total waste produced in 2022, 52% was sent for recovery (up from 49% in 2021).

Table 3.4: Total amount of waste generated (in tonnes)

	2020	2021	2022
AUGUSTA	5.210,72	3.467,46	7.030,22
SARROCH	425,49	174,84	152,55
TERRANOVA	1.088,97	1.187,64	989,00
Totale	**6.725,18**	**4.829,93**	**8.171,77**

Table 3.5: Total amount of hazardous waste generated (in tonnes)

Total of the plants		2020	2021	2022
Hazardous waste				
Sent for disposal	Waste-to-energy (with energy recovery)	508,729	662,44	877,932
	Waste-to-energy (without energy recovery)	0	0	0
	Dumping	4,96	4,93	16,26
	Other Disposal Operations	987,88	1.028,2	2.623,97
Not sent for disposal	Preparation for re-use	40,92	41,7	20,16
	Recycling	213,894	280,859	79,813
	Other Recovery Operations	3.450,784	634,885	403,381
Total weight hazardous waste		**5.207,167**	**2.653,014**	**4.021,516**

Tabella 3.6: Total amount of non hazardous waste generated (in tonnes)

Total of the plants		2020	2021	2022
Non hazardous waste				
Sent for disposal	Waste-to-energy (with energy recovery)	126,42	101,84	22,21
	Waste-to-energy (without energy recovery)	0	0	0
	Dumping	109,85	426,59	329,01
	Other Disposal Operations	158,23	314,76	71,05
Not sent for disposal	Preparation for re-use	0	0	0
	Recycling	1764,245	1380,116	3613,35
	Other Recovery Operations	348,82	91,863	224,842
Total weight hazardous waste		**2507,565**	**2315,169**	**4260,462**

In the reporting year:

- **Augusta** plant saw a significant decrease in hazardous waste, which in 2022 was about 49% of the waste processed, while in 2021 it was about 56%. In terms of waste sent for recovery, the plant also saw an improvement, as in 2022 a percentage of 57% of materials sent for recovery was recorded, which is an improvement on the 53% recorded in 2021; if energy recovery from incineration is also taken into account, this percentage rises to 65%;
- at **Sarroch** site, there was a 13% reduction in total waste produced compared with 2021, despite the numerous extraordinary maintenance and reclamation activities carried out in 2022. Due to the reclamation operations, whose waste can only be sent for disposal, material recovery has fallen from 62% in 2021 to 32% in 2022, and the amount of hazardous waste has almost doubled compared with 2021;
- in **Terranova plant**, the total amount of waste produced has decreased by about 17% compared to 2021. Material recovery figures are in line with the previous reporting period, recording a recovery rate of 37%.

As mentioned above, in general, waste production is very fluctuating because it is linked to extraordinary activities that often do not have a direct correlation with production activity, for example: extraordinary maintenance activities, reclamation (as in the case of Sarroch), decommissioning of plants, construction of new plants.

3.6 Land reclamation

The remediation of the land and groundwater on which the factories stand is among the activities that Sasol Italy considers a priority, investing useful resources to achieve the objectives set by current legislation, the specific conditions of each site and the requirements of the competent authorities. Remediation is also an opportunity to return areas to uses related to the company's sustainability strategies.

The Augusta and Sarroch sites are among the Sites of National Interest (SIN), as well as the Porto Torres site, which is no longer operational.
The reclamation procedure for SINs is assigned to the competence of the Ministry of Ecological Transition. During the preliminary and decisional phases, the MiTE involves other Ministries (e.g. the Ministry of Health), territorial bodies and trade unions that have the possibility to comment, prescribe, even to reject the documentation in the preliminary investigation.

The reclamation process of the **Terranova dei Passerini plant**, is the responsibility of the Lombardy Region which, in turn, has delegated the relevant municipalities for the involvement and coordination of all the territorial bodies that must express an opinion in the preliminary and decisional phases.
The drafting of the Health Risk Analysis (ADR) specific for the site and based on an examination of the results of the environmental characterisation, lays the foundations for establishing the objectives of remediation. Subsequently, the reclamation project is submitted to the appropriate bodies for approval.
In 2021, direct costs for reclamation were 809,618 thousand euro in line with the spending plan implemented in 2020 for planned intervention and monitoring activities. These costs include investments related to activities for the protection of environmental matrices, soil, water groundwater and the controls in place at the decommissioned sites. The company has set aside dedicated funds for remediation of approximately EUR 9 million.

Activities at the sites

The area of the **Augusta** plant falls within the perimeter of the Priolo Gargallo-Melilli-Augusta SIN. In accordance with current legislation and according to the guidelines of the competent bodies, since 2001 the site has undertaken the process of reclamation, characterising all the areas owned by Sasol. In particular, the company:

- has activated since 2004 a series of **hydraulic barriers** to contain and capture the groundwater flowing through the site as a measure to prevent the spread of of pollution. The periodic monitoring of the state groundwater status - carried out on the basis of the plan approved by the control bodies - confirms a significant improvement significant improvement in groundwater quality, confirming the good functioning of the prevention measures measures adopted, including those related to the proper management of the plants and their maintenance;
- submitted to the MASE the **MISO (Messa in Operational Safety)** of water and soil for approval by the competent bodies and, also complied with integration requests during the preliminary investigation phase of the project documentation. The project envisages, in addition to the prevention works already carried out, the installation of a treatment module for the purification of groundwater on site and the direct discharge to the Marcellino river of

the purified water. Marcellino River of the purified water. With regard to the land, a series of limited interventions are planned in the unpaved areas that are most impacted. In following approval, the planned works will be implemented carried out to complete what is already in place.

The **Sarroch** plant is located within the area now owned by Sarlux, formerly Versalis (ENI), where there is a hydraulic barrier on the sea front common: the Sasol plant covers a waterfront that is equal to approximately 15% of the extension of this barrier. Monitoring periodic monitoring shows the substantial reduction of pollutants over time. The water reclamation project, in support of that already realised with the common seafront barrier, was completed in 2020 and started in early 2021. The periodic monitoring shows results in line with the forecasts; they will also be assessed later for the possible continuation of reclamation activities. Ancillary activities are underway for the insertion of oxidising substances to improve the reduction potential of pollutants in the soil in the area of the aquifer.

At **Terranova dei Passerini** site, the environmental characterisation environmental characterisation showed the presence of some pollutants not traceable to the production cycle, therefore due to a past contamination: the site-specific risk analysis has been submitted to the competent bodies for approval. A periodic monitoring is also in place at this plant active at this plant as well, which makes it possible to verify the trend of concentrations of pollutants in the water table, which has remained constant in recent years.

Paderno Dugnano site, where there was a research centre on the production of the Sasol plants, was discontinued following the strategic decision to move these activities close to the production facilities, within the production sites. In this area, a hydraulic barrier has been in place since 2010 with treatment of groundwater and re-injection into the aquifer. In four years, this solution has led to a concentration of pollutants below the limits imposed by legislation and remediation objectives. The groundwater remediation was the subject of verification of the rebound effect, through switching off the hydraulic barrier to verify the actual absence of reclaimed product. Since the verification showed that, after a certain number of months, the pollutant concentrations began to rise, Sasol decided to reactivate the hydraulic barrier for a period of approximately 18 months starting in December 2022, after which a new test of the rebound effect will be rescheduled. Off-site, in the piezometer tests, no increase in concentration was however, no increase in concentration was detected.

The Sasol site in **Porto Torres** was completely decommissioned in 2014. It is divided into two non-contiguous areas: ABL, where linear alkyl benzene was produced, and SAS, where there was a chlor-paraffin pilot plant that has marched only a few months. In both areas were carried out prevention and emergency safety activities.
In 2020, the MASE, during the preliminary investigation phase, requested further additions to the risk analysis documentation submitted, making approval conditional on the execution of further surveys and monitoring in the ABL area and the removal of a pyrite ash bank in the SAS area. The requested activities have been carried out and the interlocutions with the Ministry that led to the presentation of a new site-specific risk analysis for both areas.

Another activity related to remediation was requested by the local authorities at the Kroton Gres 2000 site in Crotone. Sasol sold the Crotone business unit and plant, which produced inorganic cleaning products (zeolites, precipitated alumina) to Kroton Gres 2000. Following the bankruptcy of the latter, the competent authorities issued a decontamination order involving both the receivership and Sasol Italy (as former owner of the production site). Without prejudice remaining that Sasol Italy has amply demonstrated that it is not be responsible for the pollution, it has nevertheless proceeded to resume the reclamation process, which had been interrupted in 2009, until the approval of the site-specific risk analysis which foresees the carrying out of surveys throughout 2023 and 2024.

As part of the strategy adopted to achieve sustainable development objectives, consideration is being given to the realisation of power generation projects from renewable electricity production from renewable sources integrated with reclamation activities, especially at sites that have been decommissioned sites.

4 SOCIAL SUSTAINABILITY

4.1 People at the centre

Culture and valorisation

Sasol is an integrated chemical and energy group, which produces and markets high-quality products in 31 countries around the world. To build and maintain its leadership, Sasol invests heavily in the development of its employees, both in terms of professional development **professional growth** and in the **creation of a working environment welcoming and incentivising**, capable of fostering an ever greater integration with related communities and to guarantee the health and safety of all.

These values underpin the company's mission and vision, well outlined both in external communication and in the relations with all the 617 people who work at Sasol Italia.

It is no coincidence that the Group's motto is **'One Sasol'**, an explicit reference to the company's philosophy and modus operandi: unity of intent and values, sense of belonging, awareness of being part of a mosaic in which everyone in different fields, in different technical and geographical areas and different technical and geographical areas and with different cultural achievement of common goals.

sasol

OUR VALUES

At Sasol our values have always connected us, serving as a common bond that we are duty-bound to live up to, each day, with every thought, word and action.

Our values are action-orientated to easily translate into our daily interactions and behaviours. For this reason, we preface our values with the word “BE”

Be safe.

We place the safety of people first.

Safety is at the core of our operations and day-to-day business. It is our deepest desire that all our colleagues return safely to their friends and family each day. This links strongly to our next value,

Be caring.

We care deeply for our people, planet, communities. A culture of caring encompasses many things: leaders caring about employees, employees caring for each other, for customers, for fenceline communities, and for each other’s families. A culture of caring impacts bottom line in that it impacts employee focus, empowerment and hence engagement. Without caring, we cannot adequately ensure the safety of our colleagues or decarbonise our planet. We are all on a journey together - it matters and we care.

Be inclusive.

We foster inclusivity in all we do, our employees, our customers and stakeholders.

Be accountable.

We own our results. Our people work hard to produce results.

Be resilient.

We boldly adapt to change and embrace agility.

Our People

The following tables show that in 2022 the rate of company **turnover** has decreased to 1.93%, while the parameter identifying the trend of new recruitment is 2.58%, up from the previous year.

The **new hires** involved the **Milan offices, Augusta and Terranova**. Specifically, of the 16 new hirings, 10 involved the Milan site (62%), 3 the Augusta plant (19%) and 3 the plant in Terranova (19%).

These are people with different roles and grades, including we highlight:

- 5 executives for managerial positions (Head of Production Manager, IM SAP Manager, Sales Manager);
- 9 employees for sector specialist positions (Supply Chain, Payroll, Project Management, Process, etc.) and administrative employee;
- 2 shift workers.

Turnover and new hires at Sasol Italy 2020-2022

		2020	2021	2022
Turnover rate		**2,10%**	**4,90%**	**1,93%**
Total number of employees		**630**	**617**	**621**
New Recruitment Rate		**1,70%**	**2,27%**	**2,58%**
BY GENDER	Women	18%	21%	25%
	Men	82%	79%	75%
BY AGE GROUP	<30 years	45%	14%	12,5%
	30-50 years	45%	86%	81,25%
	>50 years	10%	0%	6,25%
BY GEOGRAPHICAL ORIGIN	South Italy (Sardinia and Sicily)	82%	50%	18,75%
	North Italy (Lombardy)	18%	50%	81,25%

Staff composition Sasol Italy 2020-2022

		2020	2021	2022
Total number of employees		**630**	**617**	**621**
BY GENDER	Women	89	86	83
	Men	541	531	538
BY AGE GROUP	<30 years	14	14	15
	30-50 years	418	410	415
	>50 years	198	193	191
BY GEOGRAPHICAL ORIGIN	South Italy (Sardinia and Sicily)	407	407	405
	North Italy (Lombardy)	223	210	216

Sasol Italy's human capital in the three-year period 2020-2022:

- the average age of personnel is approximately 47.43 years;
- the average seniority of the company is 19.86 years;
- during the reference period, 99.90% of the company's contracts were permanent, with only two fixed-term contracts out of the total;
- 73% of the workforce has a high school diploma;
- 24% of the workforce has a university degree.

The average value referring to **company seniority** confirms a strong sense of belonging, which also finds its reasons Sasol's constant commitment to investing in its resources: maintaining an high level of skills and technical and managerial knowledge allows us to remain competitive in the markets we cover and in new ones. The awareness of the complexity of processes and the continuous search for new and challenging tools to govern the business needs motivate us to **invest consistently in the in the development of human capital**.

Skills development

Sasol Italy invests in training activities aimed at developing and consolidate the skills of its employees. The aim is to create more and more opportunities for individuals wishing to grow professionally, and support the company in developing the projects necessary to meet the challenges posed by the market, with constant attention to maintaining an innovative and stimulating innovative and stimulating working environment.

The training process stems both from the analysis of the needs that emerge from constant dialogue with the with the heads of the individual functions, and by listening to the needs and aspirations of each employee.
The Human Resources function gathers what emerges from this work in a document called the **'Training Plan'**, divided into several macro-chapters: technical-specialist competencies organisational-managerial skills; safety, environmental and health skills; sustainability development skills, digitalisation and multiculturalism. No less important is the attention given to training in areas provided for by law, such as the Safety area established by law 81/2008 and the referred to the model of law 231. The delivery of training programmes involves both internal company resources and external consultants, chosen on the basis of specialisation and strict requirements of professionalism.
Sessions are delivered in different modalities: traditional

classroom lessons; "on-the-job" coaching, for some specific topics, by a coach or mentor - external or internal - or remote delivery, through virtual classrooms and IT tools.
In addition to a substantial dedicated budget, Sasol Italy uses for training specific funds made available by external bodies. One of the most important sources is Fondimpresa which, according to the interconfederal agreement allows the use of financial resources earmarked by the company, at the times and in the ways it deems most appropriate, on the basis of appropriate, on the basis of training plans shared by the social partners' representatives.

In 2022, a total of 3,899 hours of training, including those related the Health, Safety and Environment area. The average annual training hours per capita are 6.28.

Performance appraisal

Periodic performance evaluation is aimed at to ensure the assignment of SMART objectives (challenging, measurable, achievable, relevant and timed), in relation to the role held and the potential of each person. By monitoring performance we are able to assess the progress being made, verify the congruence of the shared objectives and take corrective actions to facilitate their achievement.

In 2022, 26.25 per cent of the staff received performance appraisal.

Table 4.3: Breakdown of employees who received performance appraisal (2022)

		2021
PERCENTAGE BY GENDER	Women	23%
	Men	77%
PERCENTAGE BY CATEGORY	Operators	0%
	Clerks	3%
	Executives	85%
	Managers	12%

Diversityandequalopportunities

Diversity management and the creation of opportunities widespread and accessible opportunities - without any discrimination based on gender culture, ethnicity or other marginalising elements - are strategic values for the Group and for Sasol Italy.
The application of these principles, we aim to multiply the opportunities for growth not only culturally, but also in terms of creativity, innovation, idea generation, and to improve the well-being and work-life balance of all our employees.
Diversity management today represents a true real path towards awareness, prevention and the removal of stereotypes, the acquisition of tools which guide behavioural choices and define individual action plans for the improvement of working relationships, inclusion and appreciation of diversity. Today more than ever, **the need to implement innovative models and create added value is essential to meet the challenges determined by the complexity of the world that Sasol faces**. This conviction underlies every choice of Sasol, from selection to training, from development to remuneration policies.

Sasol's target market, namely the chemical market, is **traditionally male**, both because of the characteristics of certain roles, exposed on the plants, and by historical heritage of approach to studies. For this reason, in recent years have progressively increased initiatives at universities and educational institutions in support of gender inclusive policies, with encouraging results.

By 2022, **female recruitment represent 25% of the total**, in line with the overall percentage
overall percentage of Sasol Italy. This is a sign of a path that is not certainly not finished, but which we are committed to continuing, in full respect for the concept of competence and evaluation of the characteristics of the individual.

The **gender pay gap** is another area on which we work constantly. Group policy does not provide for any differentiation of pay levels between genders. The work constant salary review work, with processes structured every six months, allows an analysis of the different roles with respect the reference market and internal distribution, identifying all possible upgrades and to enhance talent.

Table 4.4: Breakdown by gender, age and geographical origin of Sasol Italy employees (2022)

		In absolute value	In percentage
Sasol Italy employees		**621**	**100%**
BY GENDER	Women	83	13%
	Men	538	87%
BY AGE GROUP	<30 years	15	2%
	30-50 years	415	67%
	>50 years	191	31%
BY GEOGRAPHICAL ORIGIN	South Italy (Sardinia and Sicily)	405	65%
	North Italy (Lombardy)	216	35%

Participation Award

Also for 2022, as for 2021, there is a **participation bonus equal to 95% of the target defined by the second-level trade union agreement** for the three-year period 2021 - 2024. The achievement of a complex series of KPIs, shared with the global and local structure was above expectations and allowed for this extraordinary recognition.

Operators, office workers and managers:

94% enrolment in FASCHIM
96% enrolment in FONCHIM

Executives:

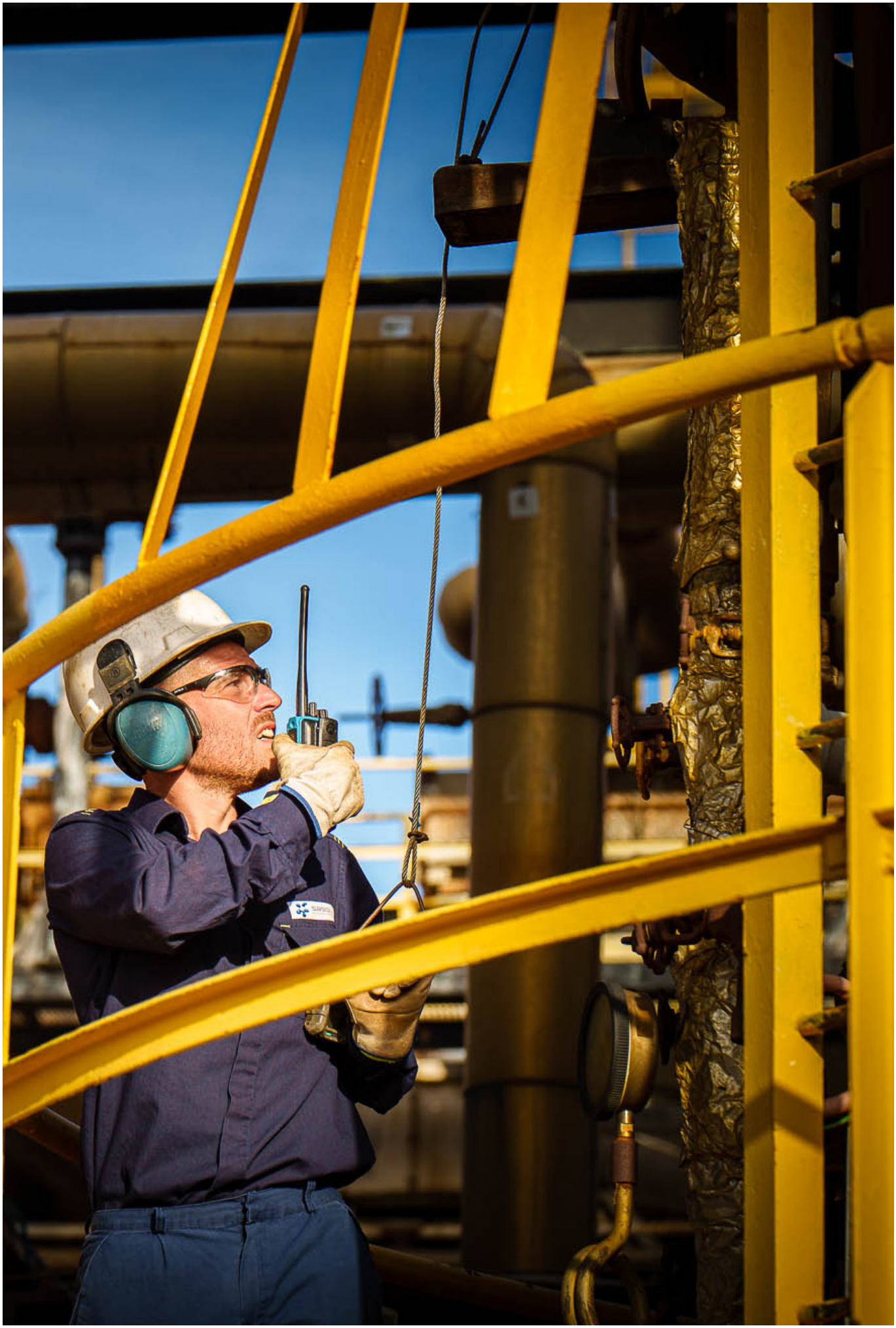
100% enrolment in FASI
85% enrolment in PREVIGEN
15% enrolments in PREVINDAI

Welfare e altre agevolazioni

With the aim of taking care of its people in a sustainable and service-oriented perspective, Sasol Italy offers a **contractual welfare system**, also structured also as an alternative remuneration tool, capable of to meet the needs of employees and their families and their families, contributing to improving the quality of life of everyone.

For blue collars, white collars, middle managers and executives, Sasol Italy has chosen to focus on the **funds foreseen by national contracts:** FONCHIM/PREVIGEN/ PREVINDAI (pension funds) and FASCHIM/FREVIGEN/ PREVINDAI (pension funds) and FASCHIM/FASI (health care funds), offering a contribution to membership so as to further lighten the burden on the employee.

This is a particularly popular choice, as shown by the membership percentages for 2022, in in line with those of the previous reporting year.



The company has taken out additional **health insurance supplementary insurance** with Unisalute, valid worldwide. I recipients of the benefit are all employees already enrolled in FASCHIM and FASI, as well as their families, for whom Sasol Italy covers 70% of the membership fee.

For those enrolled in FASCHIM, there is integrated management of the FASCHIM and Unisalute platforms, through a single information system that facilitates the employee in request for reimbursement of medical expenses, simplifying and speeding up the process for both funds.

In addition to these tools, also in 2022, the shared with all employees the possibility of accessing, on a voluntary basis, to insurance cover that guarantees members a monthly life annuity of EUR 1,000 in case of loss of self-sufficiency. Participating employees can renew the policy even in the event of termination of employment.

Sasol Italy also provides employees with **insurance coverage in the event of occupational and non-occupational accidents**. The guarantee is valid 24 hours a day, both in the performance of one's work activity, as well as in any other activity of a non-professional nature, worldwide.

Among other welfare initiatives aimed at wellbeing, we particularly highlight the following:

- since 2010 Sasol Italy offers its **employees economic benefits related to local public transport** (bus, tram, metro, train), covering the cost of urban season tickets, for home-work transport, and additional forms of contribution aimed to promote the use of alternative and more sustainable alternatives and more sustainable than private transport;
- the company has signed a framework agreement guaranteeing exclusive access to an **online platform where purchase products and services at particularly advantageous**;
- all employees and their family members have the opportunity access to an exclusive benefits programme dedicated to **vehicle rental**, via an online platform specially created for Sasol Italy.

Industrial relations

The term 'industrial relations' refers to all instruments and modes of confrontation that allow to meet the needs of workers and the society. Priority objective is to **create an environment and an organisation that makes it possible to enhance the value of people, improve the flexibility of working hours, innovate organisation of work and production processes, in order to increase productivity, optimise costs and create more and more value for the country.**

The participative model that characterises industrial relations has contributed to the development of an open, transparent and open, transparent and constructive dialogue-oriented relationship with dialogue with trade union representatives, with the aim of pursuing continuous improvement through the involvement of all all actors. With this in mind, the following have been created, for example two innovative organisational flexibility tools called Flexiwork and FAR Working, which are characterised by the agility of work-life balance management.

The framework within which the participatory model of industrial relations is represented by Chapter X of the current CCNL. In particular, Sasol Italy, in agreement with the trade unions, has recognised the Observatories as essential elements of the participatory system.

- **Group observatory:** a body of a non negotiation, meets the objective of satisfying the right to information and consultation of workers on the development of activities, number and characteristics of employees, types of contracts in existing, organisational changes, procedures and modalities for a constructive confrontation that takes into account the international dimension of Sasol Italy. It is convened at least once a year in order to provide information on the economic and production performance of the company in the reference fiscal year.
- **Company economic scenario committee:** established on an experimental basis in 2018, the committee does not have a negotiating nature but serves to frame the future scenarios that Sasol Italy will have to deal with to develop future strategies and objectives, with particular reference to the impact on economic performance and on growth.
- **Site observatory:** a body of a non negotiating nature, in the framework of which the issues relating to the performance of the production site, related to technical-productive aspects, the protection of health and safety of workers, monitoring environmental monitoring. Meetings are held every six months; once a year an intervention is reserved for the competent doctor to illustrate the health plan site, the frequency of monitoring visits and their specificity.

Participation in these peer forums, in which to express opinions of equal level and importance, made it possible to address, in a timely and flexible manner issues relating to the evolution and transformation of the organisation.

4.2 Safety, health and well-being

Safety as a priority

Promoting the culture of safety, health and well-being, producing with full respect for people and the environment around us: these are the values on which the the Group's industrial policy.

The Safety, Health and Environment (SHE) management system applies to all personnel working at Sasol, in all areas, and must be in line with all the international and national protocols in which we operate. This helps us achieve the Group objective of **"innovating for a better world"** as we pursue our results from a threefold point of view, namely **"people, planet and profit"**. Our values and our putting people first people first are at the heart of this policy in support of a positive culture and relationships based on responsibility and trust.

Operating in the chemicals and energy market, the "**zero harm"** mission remains a top priority for the Group: in other words, it means working and operate plants safely, reliably and responsibly.
In recent years Sasol has applied to all operating sites the **Life Saving Rules (LSRs)**, a set of 12 safety rules and and behavioural guidelines that cover the activities that take place in the plant. Shared with all those who work in Sasol plants, the LSRs are taken as a reference during audits and field checks.

In order to achieve the goal "zero accidents" in Sasol Italy we commit ourselves to spreading a culture of safety that become the guide for every day-to-day activity, in the plant and and outside, and promotes the application of a preventive logic of the risks and the consequences of each action.

Our teams periodically carry out in-depth risk assessments of dangerous and undesirable events that could potentially result in accidents, to understand their root causes, analyse their impact and define more effective mitigation measures. Such events are discussed and analysed in various committees at all levels of the organisation.
Particular attention is paid to the study of situations or high severity incidents (HSI), with the objective of identifying applicable technologies and preventive structural changes. This activity is carried out in collaboration with companies in the chemical sector in North America and South Africa, and the results presented to the Sasol board.

To further improve performance, a series of activities have been set up globally based on the sharing of best practices and continuous comparison between events at all plants around the world. In this way, the most likely risk situations are better identified and risk situations and work to prevent them.

SASOL LIFE SAVING RULES (LSRs)

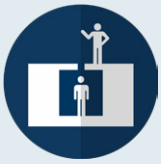
Zero harm by following Life Saving Rules

Adhere to fall protection requirements at all times when **WORKING AT HEIGHTS**

Obey all traffic rules while driving and walking for **ROAD SAFETY**

Obtain relevant **PERMIT TO WORK** authorisation before beginning a task

Adhere to all precautions and continuously assess risks during **LIFTING OPERATIONS**



Obtain a valid permit to work before entering a **CONFINED SPACE**

Keep ignition sources outside flammable areas and stop work and report if 1% methane is detected **IGNITION SOURCES / FLAMMABLE MATERIAL / METHANE**

Follow **LOCK-OUT AND ISOLATION** procedure before work begins

Wear the correct **PPE** correctly

Entering the workplace while under the influence of **ALCOHOL OR DRUGS** is prohibited

ADHERE TO PROCEDURES prescribed before, during and at the end of tasks

Keep a safe distance from operational **HEAVY MOBILE EQUIPMENT** (HME)

EXCAVATION / FALL OF GROUND Adhere to excavation permit requirements and remain under a supported roof

LIFE SAVING RULES

- These rules are for your safety and must be adhered to, to prevent injuries and save lives
- Safety is our highest priority - not adhering to these rules will require corrective action
- Each rule has a list of behaviours that are part of our existing policies, procedures and practices
- These rules apply to all employees, service providers and visitors that work at or visit a Sasol site

Risk management in SHE

Guidelines for proactively implementing the health and safety policy are set out in in the Enterprise Risk Management (ERM), which includes:

- **Identification of business-related risks** and assignment of management to process owners (risk owners);
- **First level of assurance:** the risk owner ensures that the controls are implemented and are effective;
- **Combined Assurance Model (CAM):** the controls performed during internal and external audits are planned according to a defined model, involving all levels of the organisation down to the apical ones;
- **Risk review:** based on the results of this complex of supervisory actions, the review of risks by risk owners is supported by the company.

Given the large number of outsourced activities for maintenance, new realisations and services, **the assessment of safety, health and environmental risks also extends to also extends to external suppliers and contractors**. All companies are in fact required to demonstrate certain professionalism requirements, especially for activities whose level of risk is considered high.

The scheme used to identify activities deemed critical - the so-called bowtie - also analyses the risks of interference between in-house and outsourced activities, as well as the causes and controls related to contractors' activities. This means that all places inside the plant are subject to control and, to this end, field visits are scheduled field visits to verify compliance with the standards workers, both internal and external.

In each plant there is a Manager of the Prevention and Protection Service (RSPP) who works in accordance with the regulations in force and implements the company policies. In addition to compulsory training courses, the RSPP and QSE (Quality-Safety-Environment) managers follow training courses that include participation in workshops aimed at their professional development.

Size of the risks of major accidents

All Sasol Italy production plants are classified as 'major accident risk', in accordance with Legislative Decree 105/15. For this reason, in addition to drawing up of the risk assessment in accordance with Legislative Decree 81/08, the plant operators must:

- drawing up a Safety Report examining all accidental hypotheses that may also have effects outside the plant areas, subject to verification by by the Regional Technical Committee;
- adapt its Safety Management System to the Safety Management System to the scheme indicated in the decree itself, whose compliance with which is verified by a commission of the Ministry of the Environment.

As of April 2021, the Sasol Italy plants have submitted the updated Safety Report, as required by law. The update is the result of three orders of assessments:

- risk assessment, thanks to systematic studies HAZOP (Hazard and Operability analysis) in which the company systems are examined to identify potential hazards and their consequences and determine measures fault prevention measures;
- assessment of the safety performance of processes, through the study of incidents and near misses accidents;
- verification of the application of any requirements issued by external bodies during the investigation of the previous safety report.

The competent authorities (Regional Technical Committee) are proceeding with the preliminary investigation phase of the safety reports, aimed at issuing the certificate of prevention fires. Plant personnel are following up and providing maximum support for the identification of any areas of improvement relating to the prevention of accidents classified as major.

This process ensures continuous improvement of the safety standards applied and the adoption of best practices for the reduction of risk levels.

The numbers of health and safety in Sasol

There are two benchmarks for assessing the risk of accidents in the company:

- the number of **hours worked**
- the number of **accidents**.

These two parameters allow **the RCR index to be calculated, i.e. the number of accidents in relation to the number of hours worked on a 200,000 basis**. The analysis of the evolution of this figure, both in absolute terms and in comparison to sector averages, allows us to assess performance and identify the actions needed to achieve the "zero harm" objective.

In 2022, the number of hours worked was **965,459** for Sasol Italy personnel, **36,267** for temporary workers, **690,135** for contractors.
In absolute terms, two accidents were recorded - one to Sasol personnel and the other to a contractor - at the plant in Augusta, while in the other two plants and at the Milan site, no accidents were recorded. The accident trend over the last three years, shown in the table below, shows that there are further areas of improvement where it is necessary to concentrate efforts to achieve the zero harm objective

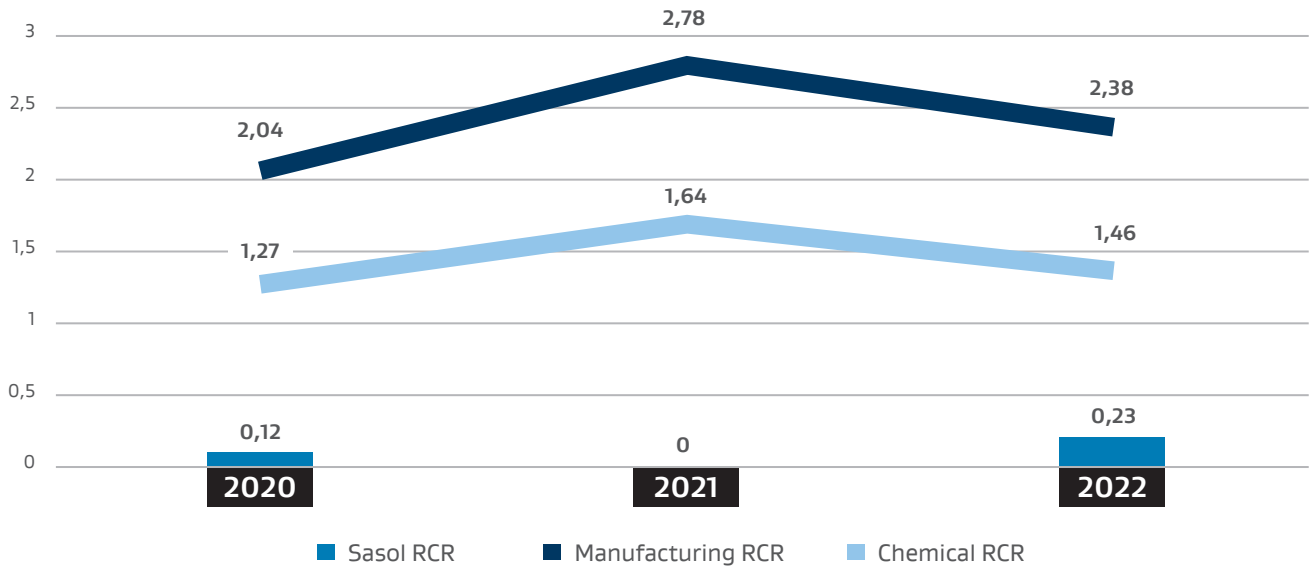
Table 4.5: Number of injuries per Sasol site in Italy (2020-2022)

	2020	2021	2022
Milano	0	0	0
Augusta	0	0	2
Terranova dei Passerini	1	0	0
Sarroch	1+1*	1*	0

*Commuting accidents (not included in the calculation of the RCR index).

As far as contractors are concerned, **the Company considers the staff operating at its sites with the same attention reserved for Sasol Italy personnel and uses a global RCR index**, calculated by including the number of accidents and the hours worked by contractors and suppliers. In 2022 Sasol Italy's global RCR index is 0.236. The graph below shows a comparison between the RCR index of Sasol Italy and that of chemical companies (grey line) and manufacturing industry (orange line), based on the data extracted from the INAIL website and published in the annual report Responsible Care (restated for the RCR index). The trend of Sasol Italy's RCR in the three-year period under review is consistently and significantly below that of the sector.

Figure 4.1: RCR index trend and comparison with average figure for manufacturing and chemicals (2020-2022)



Training in safety

Security training involves all levels of the company, sensitising them to make their choices in compliance with current regulations, in order to prevent risks and accidents. In compliance with the law, the Company organises tailor-made training sessions, both upon recruitment, and in the event of a change of job, the introduction of new work equipment or dangerous substances.
With a view to a shared safety culture with the stakeholders who interact directly with the staff internal personnel, **SHE training is also provided to personnel of third-party companies that, for whatever reason, operate in the Sasol plants**.

In 2022, **the hours of specific SHE training addressed to Sasol employees amounted to 1,475**.

In addition to specific training, Sasol Italy promotes **other training events** that aim to spread a safety safety culture, such as Safety Moments, in-depth discussions on SHE issues that open any meeting held in the company. Each training session ends with a test to assess the effectiveness of the session held.

Prevention and mitigation of impacts on health and safety at work within business relations

In compliance with the ISO 4500 standards, voluntarily applied, Sasol takes specific initiatives towards suppliers and contractors, to avoid and mitigate the negative health and safety impacts directly related to their activities.

- In the contracting phase, clauses are included in the specifications clauses that regulate SHE issues within the contract, referring to procedures and guidelines which are attached to the tender documentation together with the DUVRI.
- At the start of the contracts all workers who access Sasol sites are given specific training on resident risks and on the behaviour to safeguard their own and others' safety.
- Dedicated training updates are provided to contractors, also with regard to any events that occurred during the work activity.
- Field audits are carried out, also with the participation of contractors' technicians for the verification the application of procedures and behaviours adopted during the work.
- HSE audits are carried out on suppliers.

Product safety

The **REACh - Registration, Evaluation, Authorisation of Chemicals** (Reg. 1907/2006/EEC] and the **CLP – Classification and Labelling of Products** (Reg.1272/2008/EEC] are the two key legislations that regulate the trade of chemicals in Europe, so that they are prepared, marketed and used with maximum respect the environment and human health. REACh obliges any manufacturer or importer of chemicals to carry out for each chemical, an assessment of the risk associated its uses. The CLP requires that each type of chemical is placed on the market with a specific classification, to be communicated to the European Chemical Agency (ECHA). Any information on the registration and classification of products must be given in safety data sheets and labels.

During the reporting period, the Product Safety group within the various consortia worked to adapt and keep the dossiers constantly updated with regard the various requirements of the European Authority and to avoid problems related to specific requirements or limits imposed by the new chemical policy; the latter has introduced more obligations in terms of information sharing of information, more details and new classifications.

This year, the group's activities included updating the dossiers of all product categories.
With regard to CLP, intensive activity was carried out to updating of all the safety data sheets of Sasol Italy to adapt them to the requirements of Annex II of the regulation: a total of 360 sheets were updated, including those of the mixtures. Linked to this activity there was also that of updating the information notifications to the European Chemical Agency for Polymers.

An important chapter that sees the Product Safety group proactively engaged **is the activity within CESIO (European Surfactant Manufacturers Association) to review the proposed restriction of dioxane** formulated by the German national chemical authority (BaUA).
Several specific technical documents have already delivered to the competent authority and a response to the proposal is currently a response to the restriction proposal is being prepared, involving all actors in the supply chain, from the suppliers of our raw materials to the end users of our products, passing of course through the manufacturers of surfactants.

4.3 Commitment to the Communities

Initiatives 2022

We have always actively participated in the life of the communities that host us, promoting **concrete actions to promote the well-being of the community and the development of the territory**. The year 2022 also saw us engaged on several fronts, both in emergency response actions and in broader projects.

With a view to strengthening our presence in the territory and relations with local communities, during 2022 we have chosen to support some events and projects in the Syracuse area, such as the event historical event of the Navy and the project Athletics ethics and solidarity in Augusta, with which we wanted to contribute to the promotion of the values of inclusion and diversity.

The relationship between company, territory and institutions continues to translate into medium- to long-term projects, among which in 2022 stood out:

- continued participation in the Industrial **Consortium for the Protection of the Environment (CIPA) of Syracuse**, which is responsible for constantly checking the air quality in the area. The annual fee has contributed to the reinforcement of the network through the equipment of a new mobile station;
- the agreement with the **Milan Polytechnic** for the funding of a chair of Physical Chemistry applied, in order to help the university strengthen research and teaching in an area of strong interest to Sasol Italy.

Activities with significant impacts on local communities

The production plants of Sasol Italy - to which the GRI reporting - are located in complex industrial areas, such as complex industrial areas, as in the case of Sarroch and Augusta or in isolated areas, as in the case of Terranova dei Passerini.
The distance, in both cases, from inhabited centres and settlements minimises or cancels out impacts related to the overview for 2022 shows an overall trend not dissimilar to that found in previous years. Some aspects have been influenced by the international situation, such as the energy and market crisis.
The parameters assessed are those relating to the general context relating to the presence in the area of a petrochemical plant petrochemical plant.

The table below shows the paragraphs of this report in which the main impacts on the local communities:

PARAGRAPH	IMPACT
Integrated production	Production volumes compared to the previous year decreased due to the difficult period in the markets.
Employment relapses	The trend of new hires remains positive
Use of energy, water and natural resources	As production volumes decrease, the specific efficiency indices remain more or less constant.
Business development	Increased investment in technological innovation, safety and environment.
Enhancement and employee welfare	Decreased training hours compared to the previous year. High rate of participation in the welfare services offered.
Climate Change	Index of specific emissions per tonnes produced is lower than last year.
Safety&Health	Compared to the previous year, which ended with zero accidents, the number of accidents increased by two.
Ethic	No action for non-compliance with the code of ethics.
Atmospheric emissions	Increased Sox emissions as a consequence of the emergency energy, always within the authorised limits emissions of other pollutants are decreasing.
Economic value directly generated and distributed	Increasing positive impact.
Remediation	They continue according to the program of planned activities.

Summary and traceability of information on external impacts in the Report

LOW MEDIUM HIGH

The overview for 2022 shows an overall trend not dissimilar to that seen in previous years.
Some aspects were influenced by the international situation, such as the energy and market crisis.

Appendix

Methodological note

This Sustainability Report is the fourth published by Sasol Italy and is prepared in accordance with the GRI Sustainability Reporting Standards, the most recent and widespread non-financial reporting standards. The document - drawn up with reference to GRI metodology 2021 - has been externally audited and obtained the certification of adherence to the standards.

These pages report on the results achieved in the area of Corporate Social achieved in the field of Corporate Social Responsibility by Sasol Italy in the calendar year 2022.

The scope of the report includes the Milan headquarters, the three plants in Italy (including the cogeneration cogeneration plant managed by Sasol Italy Energia, a wholly-owned subsidiary, at the Augusta site). With regard to economic data, since the contribution of Sasol Italy Energia is not relevant, this has not been reported.

This document has been prepared according to the principles for defining the contents of the report suggested by the GRI:

- **Completeness:** the material issues covered in the report are covered in their entirety and represent the most relevant environmental, social and economic aspects for the Company's activities, thus allowing for a comprehensive assessment of the Company's performance in the year of reporting.
- **Stakeholder inclusiveness:** in this document the Company's stakeholders are reported and the modalities for their involvement, taking into account their interests in defining the contents of the report.
- **Materiality:** the issues reported have been identified on the basis of their relevance to the company's business as well as for its stakeholders.
- **Sustainability context:** the performance of Sasol Italy are included in the broader context of sustainability of the Company's business.

In drafting the report, the principles of quality, namely:

- **Accuracy:** the information reported was compiled with the objective of understanding and assessing of sustainability performance in the reporting period.
- **Reliability:** the data presented in the document has been collected, processed and validated by the managers of each function. The economic data are consistent with those reported in the annual financial report.
- **Clarity:** the report was written in a clear and accessible language, including the use of and accessible language, including through the use of graphs and tables to represent the Company's performance.
- **Comparability:** the indicators presented in the Report are reported for the three-year period 2020-2021-2022 – where not otherwise indicated - and accompanied by a commentary on their performance in such a way to allow comparison and comparability of performance performance over time.
- **Balance:** the contents of this document report in a balanced manner the Company's performance showing the trend of results in a fair manner.
- **Timeliness:** the Report takes into account events occurring up to 31 December 2022 that may be significant for the significant for the assessment of the Company's performance.

The group's policy guidelines are available to all employees on the company intranet and represent the basis of Sasol Italy's operational procedural system. The reporting on the management mode is carried out by the Corporate and forms the basis of the managerial management improvement programmes for future years.

The verification of the document was carried out according to the procedures indicated in the "Letter of Verification", included at the end of this publication. For more information on this and previous reports, you can contact the communication office at Sasol Italy by writing to: *mediarelations@it.sasol.com*

Glossary

A

Accidents at work (recordable cases)

These are workplace accidents that result in one of the following situations: death, days absent from work, limitation of work duties or transfer to another job, and medical care over and above simple first aid.

Alcohol

Alcohols are organic compounds with a paraffin-like structure, in the molecules of which a hydrogen atom is replaced by a hydroxyl group (-OH).

Alkylate

Reaction product of a benzene paraffin, used in particular in the preparation of detergents.

Anti-corruption policy

A set of principles, rules and internal regulations that protect the organisation from events that may constitute non-compliant conduct by an individual who induces someone, in exchange for money or other benefits and/or advantages, to act in way contrary to their duties and obligations.

Materiality Analysis

Process of identifying material topics for inclusion in sustainability reports, i.e. through direct and indirect surveys of stakeholders, including those within the organisation.

API tanks (separators)

These are devices designed to separate the oily residues of the production process from the wastewater discharged by the plants, which is usually reused in the process.

Audit

Independent assessment to determine the extent to which the criteria or standards set have or have not been met.

B

Best practice

Good practice or best practice is sometimes defined as the experiences, procedures or actions that have led to the best results, including in other contexts. These are therefore deemed to serve as guidelines.

"Bow-tie" methodology

"Bow-tie" methodology is a way of mapping out the risk analysis. The bow-tie shape contains the elements involved firstly in the risk analysis (the causes and consequences) and secondly in mitigation of the risks (prevention and correction).

C

CHPP

This is an acronym for "combined heat and power plant" – a plant that produces both electricity and heat (see combined cycle cogeneration).

Circular economy

A model of production and consumption that involves sharing, leasing, reusing, repairing, reconditioning and recycling existing materials and products for as long a time as possible. This extends the life cycle of products, helping to minimise waste. Once the product can no longer perform its functions, the materials of which it is composed are reintroduced, wherever possible, into the economic cycle. They can thus be continuously reused within the production cycle, generating additional value.

Climate change

Any climatic change attributed directly or indirectly to human activity that alters the composition of the world's atmosphere and is in addition to the natural climate variability observed over comparable time periods.

CLP

An EU regulation aligning the system for classifying, labelling and packaging chemicals (and mixtures of chemicals) with the global harmonised system for the classification and labelling of chemicals. It is the acronym for "classification, labelling and packaging".

CO

This stands for carbon monoxide, which is produced by combustion reactions in the absence of air – in other words, when the oxygen present in the air is not sufficient to convert all of the carbon into carbon dioxide.

CO_2

Carbon dioxide is one of the gases classified as having a "greenhouse" effect.

COD

Chemical oxygen demand (COD) is an indicator of water pollution, i.e., the amount in mg of oxygen needed to chemically oxidise (organic and inorganic) pollutants in one litre of water.

Combined cycle cogeneration
A process for the combined production of electricity and heat. These two forms of energy are produced in a cascade within a single plant. Such processes offer high overall efficiency and which can utilise environmentally sustainable sources of energy (such as natural gas).

Commuting accident
An accident that occurs on the journey between the workplace and a place not related to work (e.g., place of residence, place where you usually eat your meals). The modes of transport include but are not limited to motor vehicles, rail vehicles, bicycles and walking.

Corporate Social Responsibility
Voluntary action, i.e., the voluntary integration of the social and environmental concerns of businesses into their commercial operations and relations with stakeholders.

D

Decarbonisation
This the process of reducing the proportion of carbon atoms to hydrogen atoms in energy sources.

Decontamination of a site
This refers to all measures aimed at eliminating pollutants and sources of pollution or reducing the concentrations of pollutants in the soil, subsoil, surface water or groundwater to a level equal to or below concentration rates that no longer pose a risk to health and the environment.

E

Economic value generated and distributed
The economic value generated and distributed is the numerical expression of a company's ability to produce wealth (the economic value generated) and then distribute it to the various stakeholders (the economic value distributed). One of the components of the distributed economic value is the withheld economic value, i.e., the part of the economic value generated that relates to any anticipated and deferred taxes, amounts set aside, and the profit for the year.

Emission
From an environmental point of view, an emission is any solid, liquid or gaseous substance introduced into the environment.

Energy efficiency
This represents the ability of an organisation to achieve results by using less energy while increasing its overall performance.

Energy intensity
This represents the ratio between energy consumption and the tonnes of product intended for sale.

F

Financial policy
Business process that deals with the safe use of products placed on the market by the organisation in accordance with the requirements of European legislation.

G

Governance structure or governing body
The formalised group of people entrusted with authority within an organisation across all organisational levels.

Green Deal
The European Green Deal is an action plan aimed at promoting the efficient use of resources by moving to a clean and circular economy, restoring biodiversity and reducing pollution.

Greenhouse gas
Greenhouse gases are those gases in the atmosphere that can retain, to a substantial degree, a considerable part of the infrared component of the solar radiation affecting the Earth with the effect of increasing its average temperature.

GRI standard
The GRI (Global Reporting Initiative) sets guidelines for the voluntary reporting of issues related to sustainable development.

H

Halal
A term that, in the Islamic sphere, refers what is allowed in terms of behaviour, language, clothing and diet.

Hub
Meaning the central element, this refers a main routing node within a network for data and products.

I

IEA

It is the acronym for Integrated Environmental Authorisation, required by some companies in order to comply with the principles of integrated pollution prevention and control (IPPC) specified by the European Union.

IFRS (IAS)

The IAS (International Accounting Standards) are the accounting standards recognised internationally. These standards are issued by a group of accounting professionals with the aim of standardising accounting rules globally. The accounting standards are also referred to by the acronym "IFRS" (International Financial Reporting Standards).

Impact

Unless otherwise specified, this refers to an organisation's effect on the economy, the environment and/or society. In other words, it represents the organisation's (positive or negative) contribution to sustainable development.

INAIL frequency Index

This refers to the number of accidents as proportion of the total hours worked (with 1,000,000 hours as the basis).

Indicator

A value representing the state or trend of a general situation or a particular sector over a given period.

Inorganic (product)

A value representing the state or trend of a general situation or a particular sector over a given period Any compound that does not contain carbon atoms, with the exception of, carbon dioxide (CO2) and carbonic acid (H2CO3), the associated salts, bicarbonates, carbonates, and carbon monoxide (CO).

Integrated logistics

This is a business management process governing the shipment of materials for production or of products from the point of origin to the point of arrival and in which all management activities are interconnected and interdependent.

Integrated logistics

A set of policies, guidelines, and operating instructions that govern the organisation's business processes.

Integrated production

A production cycle is integrated when the product produced by a plant is used as the raw material at a subsequent plant for the creation of other products.

Investment

Use of sums for initiatives related to the objectives of process efficiency, minimisation of sustainability impacts, or increasing the company's value.

ISO standards

ISO stands for the International Organisation for Standardisation, an independent, non-governmental international organisation with 165 national standardisation bodies. Through its members, it brings together experts to share knowledge and develop voluntary, consensus-based, market-relevant international standards that support innovation and provide solutions to global challenges, including those associated with sustainability.

J

Job description

Analytical description, formalised in writing, of the main characteristics of an organisational role.

K

Kosher

The set of religious rules guiding the dietary practices of observant Jewish people. The word "kosher" means compliant with the law, suitable or permitted.

L

LDAR

This is the acronym for "leak detection and repair", a useful technique that consists of monitoring and containing fugitive emissions, or in other words the emissions of organic substances in the form of vapours from system components such as valves, flanges and pump/compressor seals.

M

Major accident hazard (MAH)

This refers to the likelihood that, due to uncontrolled phenomena, a fire, explosion or release of a dangerous substance from an industrial plant utilising certain substances will result in a hazard to human health and/or the environment either inside or outside the plant.

Material issue

An issue that reflects the economic, environmental and social impact considered significant by the organisation or that profoundly influences the assessments and decisions of its stakeholders.

Materiality analysis

The process of identifying the material topics selected by the organisation for establishing the order of priority for the material issues to be included in the sustainability report, for example with the aid of direct and indirect surveys of stakeholders, including those within the organisation.

MATTM

The Italian Ministry of Environment.

N

NOX

This is a generic acronym that collectively refers to all nitrogen oxides and their mixtures, typically produced during combustion processes involving the use of oxygen.

O

Occupational diseases

Negative health impacts resulting from exposure to hazards in the workplace.

Olefin

This refers to a class of hydrocarbon compounds having a double bond between two carbon atoms of the hydrocarbon chain.

Organic (product)

A compound in which one or more carbon atoms are joined to atoms of other elements (mainly hydrogen, oxygen, nitrogen).

Oropharyngeal

This refers to an examination, using medical instruments, aimed at collecting organic substances both in the oral and nasal cavities. It has been the preferred sampling technique for carrying out PCR swabs.

P

Pandemic

An epidemic with a tendency to spread globally, thereby rapidly covering very large areas and even continents. A pandemic can be said to exist only in the presence of the following three conditions: a highly virulent organism, a lack of specific immunity in humans, and the possibility of transmission from person to person.

Paraffin

It is the common name (as opposed to “alkylates”, the chemical name) given to hydrocarbons with a molecule containing a chain of carbon atoms.

PCR (polymerase chain reaction)

A technique used to amplify DNA fragments in a test tube with both ends known. With PCR, it is possible to amplify and isolate a specific segment of DNA (amplicon) from the genome of living species. It is one of the techniques used to diagnose Covid-19 in population swabs.

R

RCR

Recordable case rate is the frequency index used by the organisation and represents the number of accidents in relation to the total hours worked (with 200,000 hours as the basis).

REACh

A European Union regulation adopted for the purpose of improving the protection of human health and of the environment from the risks that may arise from chemicals. It is an acronym for “Registration, Evaluation and Authorisation of Chemicals”.

Reference year

The historical figures (for example, for a specific year) against which a measurement is tracked over time.

Reporting period

The specific time span covered by the information reported. This varies according to the material issue involved.

Risk

Risk is assessed by taking into account firstly the reported probability of occurrence of an unwanted event capable of affecting the achievement of the organisation’s objectives and secondly the damage that this event will cause if it happens.

S

Scale-up

Switching from experimentation in a small-scale plant to large-scale industrial production.

Scope (of the report)

This describes the areas of impact of a material issue and the organisation's involvement in such impacts. The scope may vary depending on the specific issue involved.

Shareholder

Azionista, possessore di azioni di una azienda.

Sistema di gestione integrato

Insieme delle politiche, delle linee guida e delle istruzioni operative che regolano i processi aziendali della organizzazione.

Sostenibilità

A person or entity holding shares in a company.

SOx

The abbreviation SOx denotes the family of sulphur oxides generated by the oxidation of sulphur in processes involving the thermal oxidation of fuels that contain this element (usually as an impurity).

Specific emission

This measures the quantity of the emitted substance in relation to the level of production.

Stakeholder

An entity that or individual who may with reasonable probability be significantly affected by the organisation's activities, products and services or whose actions may with reasonable probability affect the organisation's ability to successfully implement its strategies and achieve its objectives.

Supplier

An organisation or individual providing a product or service used in the organisation's supply chain. A supplier is characterised by a genuine business relationship with the organisation.

Sustainable development goals

The UN's objectives for progress made on sustainability issues. Reference is made to the description of these (indicated by the acronym SDG) in the United Nations' Agenda 2030.

Sustainability

See sustainable development.

Sustainability statement

This is an organisation's statement of intent with regard to sustainability that sets out its vision and strategy.

Sustainable development/sustainability

Development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs. Sustainable development has three dimensions: economic, environmental and social.

T

Troubleshooting

The logical and systematic processes of identifying the causes of any issues to be remedied in a product or process. This usually starts with the monitoring of the system so that it can be improved while ensuring that the cause of the inefficiency does not reoccur.

W

Water discharges

Wastewater, either treated by special plants or untreated, that is discharged into a receiving body of water or into a public or private sewage system.

Water withdrawn

The water that the organisation draws directly from bodies of surface water (rivers, lakes or the sea), from groundwater (wells) or from public or private water mains and that it uses for industrial and civil purposes.

Waxes

A wax is a mixture of hydrocarbons containing mainly linear and i.e., long-chain paraffins, i.e., those with a number of carbon atoms greater than 16. The name derives from the similarity of appearance and behaviour with natural waxes.

WWT

This is the acronym for wastewater treatment, in other words an industrial wastewater treatment plant.

GRI Context Index

Standard GRI	Information	Page
GRI 2: General disclosure 2021	**Information 2-1** Organizational details	1, 14-16, 17-21, 34, 97
GRI 2: General disclosure 2021	**Information 2-6** Activities, value chain and other business relationships	14-16, 17-24
GRI 2: General disclosure 2021	**Information 2-7** Employees	15, 47, 71-74
GRI 2: General disclosure 2021	**Information 2-8** Non-employees	47
GRI 2: General disclosure 2021	**Information 2-28** Membership of associations	30-32
GRI 2: General disclosure 2021	**Information 2-22** Sustainable Development Strategy Statement	6, 8-9
GRI 2: General disclosure 2021	**Information 2-23** Policy Commitment	34-39
GRI 2: General disclosure 2021	**Information 2-9** Governance structure and composition	34
GRI 2: General disclosure 2021	**Information 2-29** Approach to stakeholder engagement	26-30
GRI 2: General disclosure 2021	**Information 2-2** Entities included in the organisation's sustainability reporting	86
GRI 3: Material themes 2021	**Information 3-1** Process for determining material topics	26-30, 86
GRI 3: Material themes 2021	**Information 3-2** List of material topics	26-29, 86

Standard GRI	Information	Page
GRI 2: General disclosure 2021	**Information 2-4** Review of information	86
GRI 2: General disclosure 2021	**Information 2-3** Reporting Period, Frequency and Point of Contact	86
GRI 2: General disclosure 2021	**Information 2-5** External Assurance	Allegato
GRI 201: Economic performance 2016	**Informativa 201-1** Direct economic value generated and distributed	45-46
GRI 202: Market presence 2016	**Information 202-1** Ratio of standard basic wages by gender to the local minimum wage (CCNL application)	47
GRI 203: Economic impacts indirect 2016	**Information 203-1** Investments in Infrastructure and Supported Services	49-50
GRI 204: Procurement practices 2016	**Information 204-1** Proportion of expenditure made to local suppliers	48
GRI 205: Anticorruption 2016	**Information 205-2** Communication and training on regulations and procedures anti-corruption	37-38
GRI 205: Anticorruption 2016	**Information 205-3** Confirmed incidents of corruption and measures taken procedures anti-corruption	37-38
GRI 206: Behaviour anti-competitive 2016	**Information 206-1** Legal actions relating to anti-competitive behaviour, activities of trusts and monopolistic	37-38
GRI 207: Fees 2019	**Information 207-1** Approach to Taxes	51
GRI 207: Fees 2019	**Information 207-2** Tax Governance, Control and Risk Management	44-46, 51
GRI 207: Fees 2019	**Information 207-3** Stakeholder Engagement and Management of Concerns tax-related	44-46, 51
GRI 302: Energy 2016	**Information 302-1** Internal energy consumption within the organization concerns	55-57
GRI 302: Energy 2016	**Information 302-3** Energy intensity	54

Standard GRI	Information	Page
GRI 303: Water and effluents 2018	**Information 303-1** Interaction with water as a shared resource	61
GRI 303: Water and effluents 2018	**Information 303-3** Water withdrawal	62-63
GRI 303: Water and effluents 2018	**Information 303-4** Water drainage	63-64
GRI 305: Emissions 2016	**Information 305-1** Direct greenhouse gas (GHG) emissions (Scope 1)	57-60
GRI 305: Emissions 2016	**Information 305-2** Indirect greenhouse gas (GHG) emissions from energy consumption (Scope 2)	57-60
GRI 305: Emissions 2016	**Information 305-4** Intensity of Greenhouse Gas (GHG) Emissions	58-59
GRI 305: Emissions 2016	**Information 305-7** Nitrogen oxides (NOx), sulphur oxides (SOx) and other emissions to air relevant	60
GRI 306: Wastes 2020	**Information 306-1** Generation of waste and significant waste-related impacts	65-66
GRI 306: Wastes 2020	**Information 306-2** Management of significant waste-related impacts	65
GRI 2: General disclosure 2021	**Information 2-27** Compliance with laws and regulations	35
GRI 401: Employment 2016	**Information 401-1** Recruitment of new employees and employee turnover	71-72
GRI 403: Health and Safety at work 2018	**Information 403-1** Occupational Health and Safety Management System	79-80
GRI 403: Health and Safety at work 2018	**Information 403-2** Hazard identification, risk assessment and accident	77-78, 81
GRI 403: Health and Safety at work 2018	**Information 403-3** Servizi per la salute professionale	79-81
GRI 403: Health and Safety at work 2018	**Information 403-4** Worker participation and consultation on on occupational health and safety programmes and related communication accidents	77-78
GRI 403: Health and Safety at work 2018	**Information 403-5** Worker training on occupational health and safety	81

Standard GRI	Information	Page
GRI 403: Health and Safety at work 2018	**Information 403-6** Worker Health Promotion	10-11, 70, 74, 76
GRI 403: Health and Safety at work 2018	**Information 403-7** Prevention and mitigation of occupational health and safety at work directly related	81
GRI 403: Health and Safety at work 2018	**Information 403-8** Workers covered by an occupational health and safety at work	79-80
GRI 403: Health and Safety at work 2018	**Information 403-9** Accidents at work	79-80
GRI 404: Raining and education 2016	**Information 404-1** Average number of training hours per year per employee	72, 73
GRI 404: Raining and education 2016	**Information 404-3** Percentage of employees receiving regular evaluations of their performance and professional development	73
GRI 405: Diversity and equal opportunities 2016	**Information 405-2** Ratio of basic wage and salary of women to to men	71, 72
GRI 406: Non discrimination 2016	**Information 406-1** Incidents of discrimination and corrective measures taken	73, 74
GRI 413: Local communities 2016	**Information 413-2** Transactions with significant actual and potential impacts on local communities	81-82, 84

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