

Sustainability & Circularity - FAQ EUDR

Sasol Chemicals – EUDR Task Force



Technical bulletin

Sustainability & Circularity - Frequently Asked Questions (FAQ) about the EUDR

The aim of this FAQ document is to provide clear, concise, and easily accessible information to address the most frequently asked questions by stakeholders concerning the **EU Deforestation Regulation (EUDR)**.

Key Messages

- At Sasol, we are committed to operating in an environmentally responsible manner and to promoting sustainability throughout our supply chain. As part of this commitment, we want to provide an update on our efforts to address the requirements set forth by the European Union (EU) regulation for deforestation-free products (EUDR), which must be met from the 30th of December 2024.
- The EUDR aims to combat deforestation by restricting the importation of products linked to deforestation, including those based on palm oil derivatives. We understand the importance of this regulation in protecting global biodiversity and mitigating climate change, and we are fully dedicated to complying with its provisions.
- While our company primarily operates in the petrochemical sector, we acknowledge that some of our oleochemical fatty alcohols, which are produced from palm oil (PO) and palm kernel oil (PKO) derivatives, such as fatty acids, are subject to the EUDR. The list below will show raw materials and alcohols that are in scope of the EUDR and relevant for Sasol International Chemicals.
- We are actively collaborating with our suppliers, industry partners, and relevant stakeholders to foster transparency and accountability throughout our value chain.
- We are diligently working on implementing the necessary measures to ensure that our relevant products meet the stringent criteria outlined in the EU regulation. This includes assessing our supply chain, identifying potential risks related to palm-derived materials, and implementing strategies to mitigate these risks effectively.
- We will ensure that products supplied by us within the scope of application of the EUDR will comply with the requirements of the EUDR. Our goal is to provide products that fully meet customer needs, while upholding the highest standards of environmental stewardship and ethical sourcing.
- We understand that sustainability is a shared responsibility, and we value partnership as we strive to achieve our sustainability goals. In this context, we would also like to point out that the requirements of the EUDR may also apply to Sasol's customers as seller of products. For more information on how to identify products that are in scope of the EUDR, please refer to the attachment of this FAQ.

General information about EUDR

QUESTION	ANSWER
What is the EU Deforestation Regulation (EUDR)?	<p>“By promoting the consumption of ‘deforestation-free’ products and reducing the EU’s impact on global deforestation and forest degradation, the new Regulation (EU) 2023/1115 on deforestation-free products is expected to bring down greenhouse gas emissions and biodiversity loss.”</p> <p>More information on : FAQ-Deforestation_Regulation_EN.pdf (europa.eu)</p>
What are the product families (“commodities”) concerned by the EUDR?	<p>Cattle Cocoa Coffee Palm oil Rubber Soy Wood</p> <p>as well as derivatives, such as Chocolate, Leather, or Paper.</p> <p>These product families and certain derivatives shall not be placed, made available or exported unless they are deforestation-free, produced in compliance with relevant legislations of the country of production, and covered by a Due Diligence Statement (DDS)</p>
What is the criterion used to determine if a product is subject to the EUDR?	<p>The Harmonized System (HS) code of the product is determining if this is subject to the EUDR or not.</p> <p>The list of the concerned HS codes can be found in Annex I of the Regulation (EU) 2023/1115 on deforestation-free products.</p>
Which companies are subject to the EUDR?	<p>EU-based operators: place on the market or export relevant products in the course of a commercial activity. EU-based traders: other than the operator, make relevant products available on the market in the course of a commercial activity.</p>
How to comply with the EUDR?	<p>A Due Diligence shall be performed; this covers an Information gathering, Risk assessment and a Risk minimization. Traceability of the product is required.</p>
When will the EUDR be applicable?	<p>On December 30, 2024, for large companies (18 months transition) On June 30, 2025, for SMEs (24 months transition)</p>
Will the EUDR be reviewed/updated, and when?	<p>According to our information, a possible update of current EUDR ANNEX I can be expected in 6-12 months from now.</p>
What about non-EUDR compliant products after December 30, 2024?	<p>EUDR non-compliant products may no longer be placed on the market or exported after 30 December 2024. An exception applies to products within scope of the EUDR that were manufactured before 30 December 2024. These may still be placed on the market or exported.</p>

Sasol and the EUDR

QUESTION	ANSWER
IS SASOL COMMITTED TO IMPLEMENT and BE COMPLIANT WITH THE EUDR?	YES
What are the product families (commodities) considered by Sasol?	Palm oil and derivatives
What are the EU production sites CONCERNED?	GERMANY (Brunsbüttel and Marl) only All other production sites, namely ITALY (-Augusta and Terranova) and SLOVAKIA (Nováky) are not concerned.
What are the products CONCERNED?	Some NAFOL and ISO FOL grades only. All other products, incl. Ethoxylates, are not concerned

HS codes listed in Annex I related to Palm oil and derivatives.

Product family	HS code	Product type
Palm oil	2915 70	Palmitic acid, stearic acid, their salts, and esters
Palm oil	2915 90	Saturated acyclic monocarboxylic acids, their anhydrides, halides, peroxides and peroxyacids; their halogenated, sulphonated, nitrated or nitrosated derivatives (excluding formic acid, acetic acid, mono-, di- or trichloroacetic acids, propionic acid, butanoic acids, pentanoic acids, palmitic acid, stearic acid, their salts and esters, and acetic anhydride)
Palm oil	3823 19	Industrial monocarboxylic fatty acids; acid oils from refining (excluding stearic acid, oleic acid, and tall oil fatty acids)
Palm oil	3823 70	Industrial fatty alcohols

Sasol products subject to the EUDR

Product family	HS code	Product type	Product name
Palm oil	3823 7000	Industrial fatty alcohols	NAFOL 1214 ALCOHOL
Palm oil	3823 7000	Industrial fatty alcohols	NAFOL 1216 ALCOHOL
Palm oil	3823 7000	Industrial fatty alcohols	NAFOL 1218 ALCOHOL NAFOL 1218 B ALCOHOL NAFOL 1218 K ALCOHOL
Palm oil	3823 7000	Industrial fatty alcohols	NAFOL 1618 ALCOHOL NAFOL 1618 B ALCOHOL NAFOL 1618 EN ALCOHOL NAFOL 1618 F ALCOHOL NAFOL 1618 H ALCOHOL NAFOL 1618 HP ALCOHOL NAFOL 1618 JA ALCOHOL NAFOL 1618 S ALCOHOL NAFOL 1618 S RSPO-MB ALCOHOL
Palm oil	3823 7000	Industrial fatty alcohols	NAFOL 1620 ALCOHOL
Palm oil	3823 7000	Industrial fatty alcohols	ISOFOL 18 E ALCOHOL

Sasol communication re. the EUDR to customers

QUESTION	ANSWER
For above-listed Sasol products subject to the EUDR, how Sasol will communicate with customers and which information will be provided?	Sasol will provide the EUDR Due Diligence Statement Reference number as well as security on selected paperwork (such as Invoice, Delivery confirmation, etc.)
You purchase products from Sasol Chemicals that fall within the scope of the EUDR. Do the products I manufacture using products from Sasol Chemical also fall within the scope?	Please refer to the EUDR matrix below to check whether or not your respective Product falls into the scope of the EUDR. Only if your resulting products HS code is listed in ANNEX I and is produced with commodities in scope of the EUDR, the resulting product will be in scope.

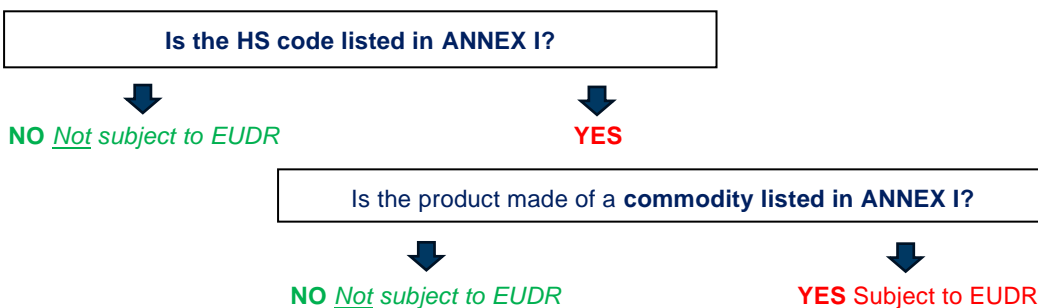
General guidance re. EUDR

- **Customers are strongly encouraged to consult the ANNEX I** of the Regulation (EU) 2023/1115 on deforestation-free products and check the HS codes of their own products to determine if these are subject to the EUDR.

Below matrix provide guidance here:

	Product made of a commodity listed in ANNEX I	Product <i>not</i> made of a commodity listed in ANNEX I
HS code listed in ANNEX I	Subject to the EUDR	<u>Not subject to EUDR</u>
HS code <i>not</i> listed in ANNEX I	<u>Not subject to EUDR</u>	<u>Not subject to EUDR</u>

Below decision tree can also be used:



CONTACT US

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Sasol Chemicals EUDR Task Force

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