



**SASOL**



# *Purpose*

**Innovating for a  
better world**

**Capital Markets Day 2021**



## LEADING THE ENERGY TRANSITION

**Priscillah Mabelane**  
Executive Vice President: Energy



# What you will *hear today*

**Advantaged, flexible** assets and distinctive capabilities

**Cost competitive** and **highly cash generative**

Unlocking value through **differentiated customer offerings**

**Net zero<sup>1</sup> by 2050; tripling GHG reduction<sup>2</sup> target by 2030**

Leveraging **partnerships** to build new capabilities

OUR

**AMBITION**

**GROW SHARED VALUE WHILE ACCELERATING OUR TRANSITION**

# Shifting global megatrends creates *new opportunities*

## GROWING POPULATION AND RISE OF MIDDLE CLASS



**Growing demand** for energy despite technology efficiencies

## ENERGY MIX SHIFTING TO LOW CARBON



Fossil-based supply **shift to renewables, hydrogen and DAC**

## MORE AFFORDABLE LOW CARBON TECHNOLOGIES



Green H<sub>2</sub> **expected to reduce** to  $\leq$  US\$2/kg by 2030

## SHIFT TO E-MOBILITY



**Gradual shift** in mobility to **electrification, PtX and hydrogen** post 2030



# Unique potential for *low carbon energy*

## SOUTH AFRICA FACES UNIQUE CHALLENGES

- **High per capita GHG emitter** given coal-based economy
- **Stalled growth** and high unemployment
- **Infrastructure / power** challenges

## ...BUT HAS HUGE HYDROGEN OPPORTUNITY

- Advantaged **endowment** for renewables
- Vast **mineral resources** including PGMs to create new industries
- **Geographically** well positioned for scale export
- **Differentiated** FT technology and distinctive **capabilities** to run complex value chains and facilities



SASOL IS POISED TO LEAD THE ENERGY TRANSITION THROUGH OUR UNIQUE ASSETS AND TECHNOLOGY

# Ambition to lead the *energy transition* in Southern Africa



## DECARBONISE<sup>1</sup>

Transition to lower carbon feedstocks

Improve efficiency

Integrated renewables



## PRESERVE<sup>1</sup>

Safe and reliable operations

“People-first, customer-first”

Deliver Sasol 2.0

Differentiated customer offerings



## GROW NEW VALUE POOLS<sup>1</sup>

Reinvent mobility offering

Green H<sub>2</sub>, green ammonia and sustainable fuels

Transform assets for sustainable production

2023

**Green H<sub>2</sub> production and application in Sasolburg**

2025

**Sasol 2.0 EBITDA uplift >R7bn**

2026

**Sustainable Aviation Fuels production with partners**

**Additional gas as a transition feedstock**

2030

**Accelerate emission reduction target of 30% on scope 1 & 2, 20% on scope 3**

Post 2030

**Deliver 1<sup>st</sup> H<sub>2</sub> export opportunity**

# Clear choices made to achieve Future Sasol



No investment in new coal reserves



Gas as a transition feedstock



Intensify investment in integrated renewable plays

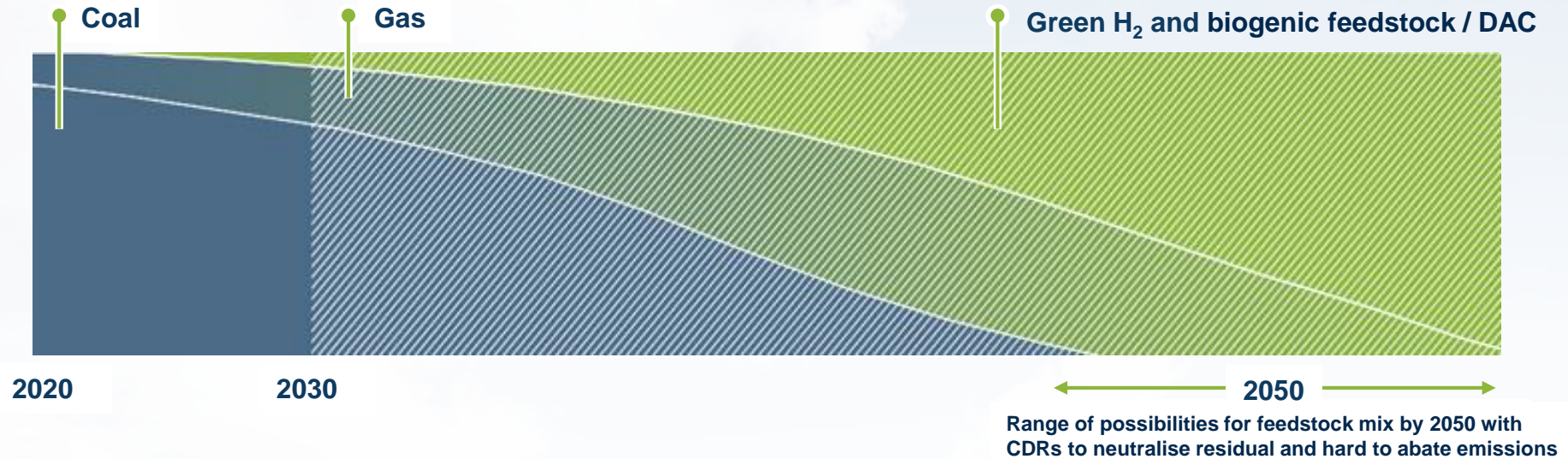


Leadership in Green H<sub>2</sub> in Southern Africa

BALANCED APPROACH FOLLOWED ACROSS PEOPLE, PLANET AND PROFIT



# Transitioning to more sustainable feedstock



## KEY SIGNPOSTS



Technology and renewables cost changes



Regulation changes



Macro-trends



Customer sentiment



# Advantaged asset base provides a foundation to transition

## ROBUST AND RESILIENT INFRASTRUCTURE

### SECUNDA

- Highly cash generative
- Resilient to price volatility
- Flexibility for high margin products

### SASOLBURG

- Advantaged assets for local and export markets
- Flexibility to scale and align to H<sub>2</sub> market demand

### GO-TO-MARKET INFRASTRUCTURE

- Advantaged gas and liquid fuels infrastructure
- Retail network positioned to capture growth

## ... STRIVING TO ACHIEVE TOP QUARTILE PERFORMANCE

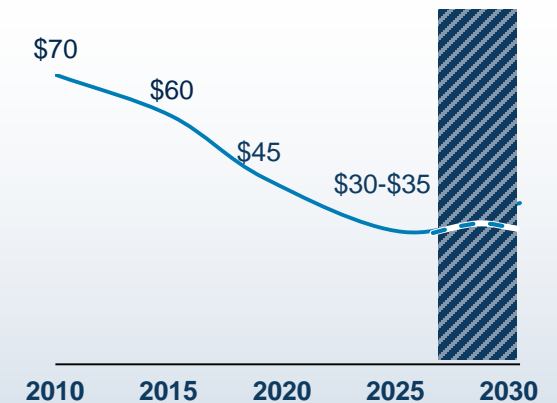


Operational, capital and labour efficiencies



External spend and supplier management

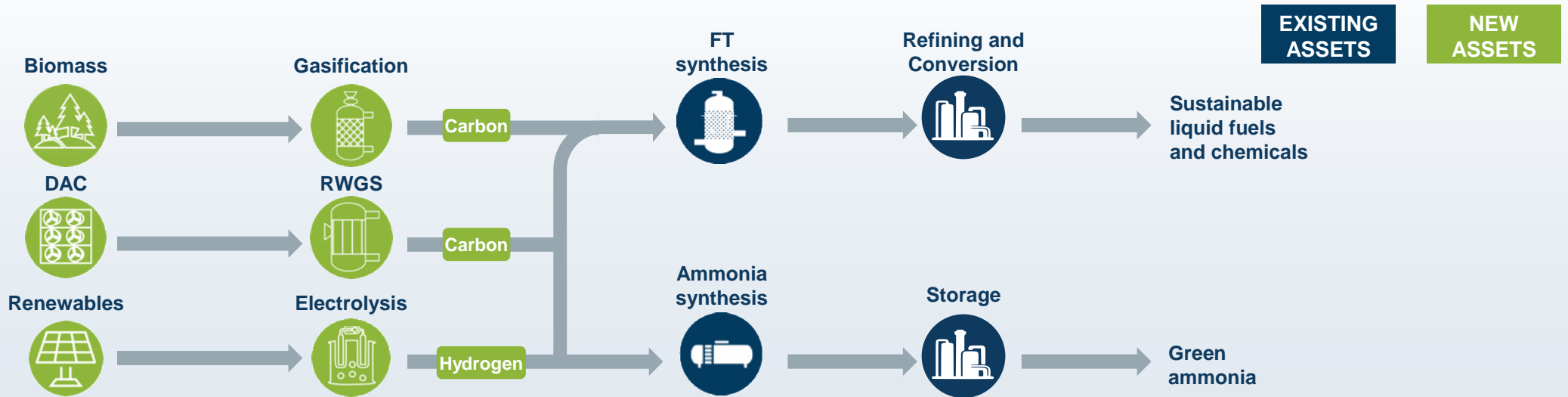
CASH  
BREAKEVEN  
OIL PRICE,  
US\$/bbl



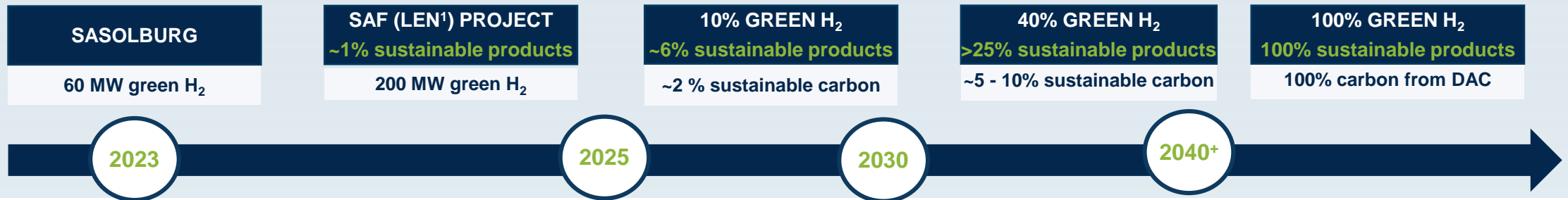
# Flexible asset base repurposed for high-value low carbon solutions



## LEVERAGING EXISTING ASSETS TO TRANSFORM QUICKER AND MORE COST EFFECTIVELY COMPARED TO COMPETITORS



## STEPWISE APPROACH TOWARDS SHIFTING OF OUR PRODUCT SLATE

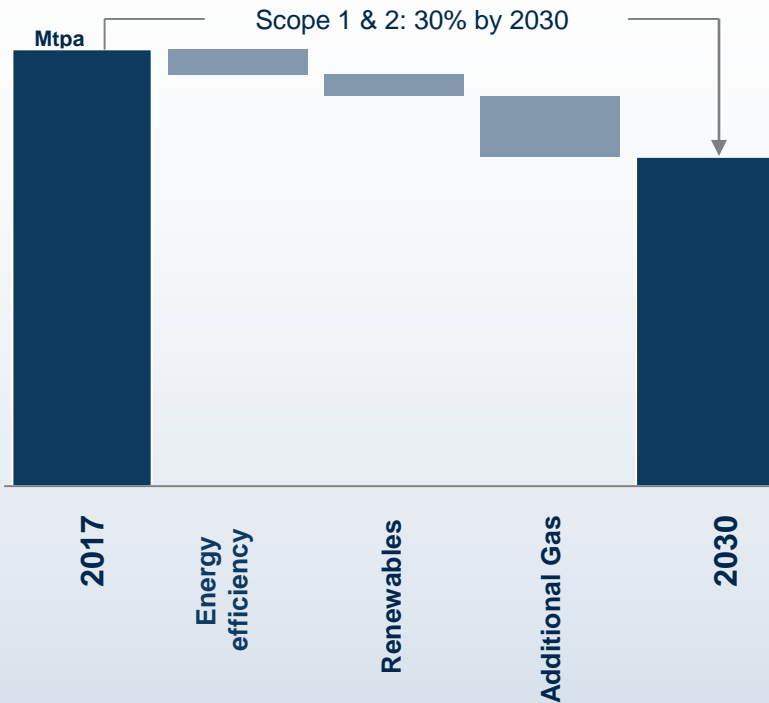


# Clear roadmap to deliver GHG reduction target

## TRIPLING GHG REDUCTION TARGET

## KEY LEVERS FOR REDUCTION

### TARGET



### SCOPE 1 AND 2 EMISSIONS

#### ENERGY EFFICIENCY

- Process **efficiency** and waste heat recovery

#### ADDITIONAL GAS

- Additional **40 - 60 PJ/a** through LNG imports and debottlenecking
- **Partial boiler shutdown**

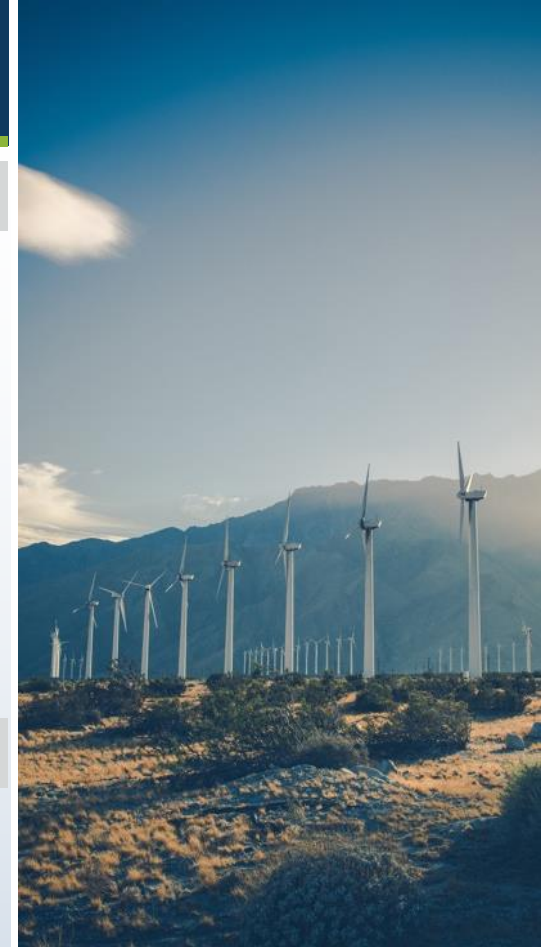
#### RENEWABLE INVESTMENT

- **60MW** for use in Sasolburg by 2024
- Ramp-up to **1 200MW** for Secunda by 2027

### SCOPE 3 EMISSIONS<sup>1</sup>

#### REDUCE FOSSIL FUELS

- Responsibly **scale down** coal exports and transition to sustainable fuels



## R15 - 25BN TRANSFORM CAPEX TO 2030

1. Scope 3 target of 20% by 2030



# Growing and leading new value pools in Southern Africa



- **Advantaged and low cost** green producer for global markets
- **Alternative fuel for heavy duty transport**
- **Sustainable chemicals for industrial processes**
- SAF as the best **viable large-scale carbon reduction option**

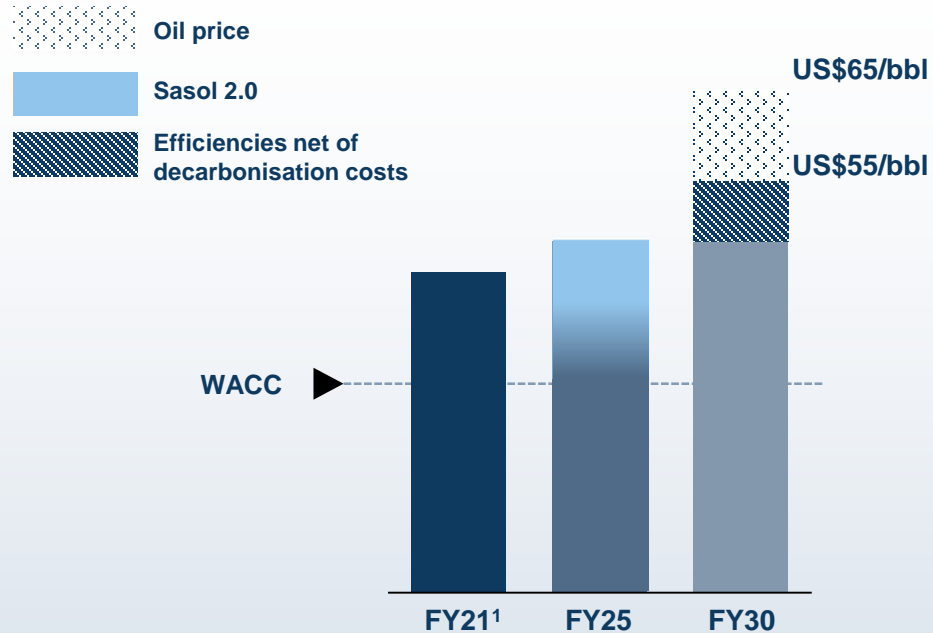
<b>Market size</b>	<b>3 - 5mt export opportunity for Green H<sub>2</sub> by 2050</b>	<b>2 - 3mt Green H<sub>2</sub> and PtX by 2050</b>	<b>~14 000 bbl/d SAF demand 2050</b>
--------------------	---	--	--------------------------------------

## OUR RIGHT TO WIN

<b>Strong</b> H <sub>2</sub> know-how	<b>Advantaged and differentiated</b> FT technology	Repurposing <b>existing assets</b>	<b>Established</b> mobility business	<b>Partnerships</b> with industry leaders
---------------------------------------	--	------------------------------------	--------------------------------------	---

# Generating *strong returns* to 2030

## ENERGY ROIC RAND (%)



## KEY DRIVERS

- R7bn EBITDA uplift through **Sasol 2.0** by FY25
- Highly cost competitive with **cash breakeven** between **US\$30 - 35/bbl** until 2030
- **Market leadership** in mobility and commercial – growing market share by ~5 - 10% in 2030
- **Capital<sup>2</sup> optimised** through efficiencies
- Leveraging **strategic partnerships** and loyalty programme to reach ~1,5m new customers
- **Scaling renewables** to half electricity emissions and reduce power costs
- **Feedstock replacement** places pressure on margins

## GENERATING ATTRACTIVE RETURNS THROUGH SASOL 2.0 AND DISCIPLINED CAPITAL ALLOCATION

# Delivering value and accelerating decarbonisation



## Advantaged assets and capabilities

To create value and fund the transition



## Flexible pathways to net zero by 2050

Credible plans to meet our 2030 GHG reduction target



## Cost competitive gas feedstock with optionality

Multiple sources for own feedstock and customer needs



## Co-create sustainable solutions with customers

Leadership in Green H<sub>2</sub>



## Partnering to build new capabilities and manage risks

Co-investing with key partners

