

SUSTAINABILITY REPORT

2021



sasol



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2021

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Letter to stakeholders

Dear Stakeholders,

2021, despite the continuation of the pandemic and its health and social impacts, marked a gradual return to normalcy for many activities. This has made it possible to redirect some resources largely absorbed by emergency management to activities with a more strategic vision. These include sustainability, which is at the centre of delicate and complex international dynamics.

For Sasol, sustainability is considered a cornerstone of the Group's value system and this is the background to the establishment of a dedicated team within Sasol Eurasia and reporting directly to the Senior Vice President. Purpose of the team is to monitor and coordinate in an integrated manner the different issues and initiatives related to social and environmental responsibility and to further strengthen our role as a leading manufacturer of high-performance products, in line with international standards for the sourcing and inclusion of circular and renewable raw materials.

Sasol Italy, due to its size and energy intensity, plays a leading role in strategies of sustainability in Eurasia and our commitment and response to the challenges continue to be choral, shared coherent and conscious. As you will read in the 2021 Report, our work aims to ensure that we are a reliable player for the territories in which we are present and for all those who depend on our decisions, and to identify the right priorities and objectives to be achieved, with as much sharing and inclusion possible. The data reported in this document demonstrate the increasing integration of sustainability into our activities and our business and allow us to look to the future with the knowledge that we have set new stones on the path we have chosen to take to preserve a developed and progress-oriented world, but also increasingly caring for its natural resources and the environment, increasingly liveable for its population and increasingly open to discussion and inclusion.

Another extremely important step that confirms our will to build shared paths towards a more sustainable future is the green hydrogen project: in 2021 we have launched a partnership with the Turin Polytechnic and Sonatrach Raffineria Italiana to research and test solutions innovative and appropriate technical solutions capable of reusing carbon dioxide emissions at the petrochemical hub in Augusta and Priolo.

The objective is twofold: to make hydrogen a key element of Sasol Italy's sustainability path and lead the energy transition, also to support Sicily's candidature as a National Centre of high technology for hydrogen (Hydrogen Valley).

The report we are publishing is an important piece of this path aimed at providing all our stakeholders maximum transparency on Sasol Italy's commitment to the three areas of sustainability (economic, environmental, social) and to report on the progress achieved.

Enjoy reading!



A stylized, handwritten signature in white ink that reads "Filippo Carletti".

Filippo CARLETTI

MANAGING DIRECTOR SASOL ITALY

OUR LEADERSHIP TEAM POINT OF VIEW



Monica PIRALI
SENIOR MANAGER HR ITALY

"The year 2021 was certainly characterised as a year of transformation. Transformation of the organisational model, more matrixed and European, with consequent development of the teams and therefore of the people who make them up both in terms of roles and of skills. Finding the right team members with the right potential for development and necessary skills is one of the dominant features of this year".



Sergio CORSO
VP OPERATIONS ITALY

"2021 was characterised by a major recovery in production volumes and a substantial post-pandemic recovery. All Italian plants have shown of substantial resilience on environmental aspects despite the increased workload workload, and special thanks are due to all our Italian employees and operators. The challenges for the future are formidable, first and foremost Sustainability seen as a reduction of the carbon footprint. On this important Projects, based on hydrogen and increasing plant efficiency, have already been launched and will have to be 'grounded' in the coming years, also with the in the coming years, also with the necessary help of European and Italian funding programmes. European and Italian funding programmes".



Francesco GERARDI
PLANT MANAGER TERRANOVA DEI PASSERINI

"In 2021, also in light of the difficult climate related to the Covid-19 pandemic, we have worked with the RSUs on work-life balance, promoting a massive use home office and testing a leaner shift pattern that would reduce the impact on the workers. In the area of occupational safety, we promoted the reporting of all potential dangerous situations by implementing timely corrective/preventive actions, improving all safety indicators and reducing on-site work accidents to zero. To customers, we have confirmed our reliability as a supplier in a sector sector such as detergents and personal care, meeting almost all orders with almost all orders, even with short notice periods, and improving all quality indicators".



Antonio TULUMELLO
PLANT MANAGER SARROCH

"2021 was a year of big changes for the Sarroch plant. They are numerous initiatives aimed at reducing fixed costs were completed, such as the purchase of the Versalis-owned tank farm and the revision of the contract for the logistics services provided by Sarlux. The latter entailed, among other things, the internalisation of the management of logistics activities and the creation of the new off-site department".

Pandemic management

In the Sasol world since the beginning of the pandemic, we have been looking for approaches and operational procedures determined to risk assessment; after all, in a multinational company like ours, the processes of safety, environmental protection and above all health protection constitute primary objectives fundamental primary objectives in order to free the company from any crisis. Models have been developed that can intercept the virus outside our plants and every time Covid has managed to penetrate, we promptly 'tracked' it and contained it. We helped the territories by providing PPE and sanitisers, then finally the vaccines arrived and the company prepared to guarantee all employees, particularly in Augusta Sasol contributed to the creation of a vaccine hub dedicated to the entire industrial area. In the most critical phases the workers were able to keep the plants running and while the production of our (so-called essential) products, everyone learnt good rules of care and fight against infection. The coronavirus has unfortunately imposed itself as a central theme of every form of communication, public or private. It has been systematically spoken about by the media, politicians scientists and even non-scientists, ordinary people have spoken about it, in private and less formal contexts. It was precisely this (often inadequate) communication that brought about enormous changes both in social coexistence and in the world of work. We spent a lot of time scrutinising Covid bulletins, juggling juggling masks and permits, wondering how long the emergency would last. We can strongly affirm that Sasol is a company organised on established sustainability principles and these principles have allowed us to adequately deal with an extraordinary and very hard crisis such as the pandemic. The end of the tunnel is now clearly visible and yet to get out of it definitively we need to design a new paradigm of territorial pacts capable of bringing together the available intelligence. We need, as we well know, a choral action aimed at combining together social, environmental and economic issues that can succeed in the challenging objective of actively supporting the pacts. The management of the pandemic mentioned above, reasoning on the merits,



Dr. Mario LAZZARO

Doctor at Sasol Italy

without extreme positions, without prejudice. On the environmental side, an important contribution could come from the most valid technical teams, such as CIPA, which has been operating for over 30 years in the province of Syracuse (where there is one of our largest factories) at the express wish of all the multinationals in the area and which I have led for five years. Those who believe in sustainability, like Sasol and the other large companies in the industrial cluster, actively support this association of experts involved in air quality monitoring. CIPA processes (every calendar year) more than 2 million of measurements needed to take a snapshot of the air in the Syracuse area, also comparing it to the best quality targets, with a focus on the industrial area and population centres. Now is the time to search for an open, recognisable and courageous communication that will bring the citizens of each territory closer to this subject: a sort of ideal meeting between lay people and those who work in this field every day.

This is true sustainability.



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1 SASOL ITALY AND OUR SUSTAINABLE DEVELOPMENT OBJECTIVES

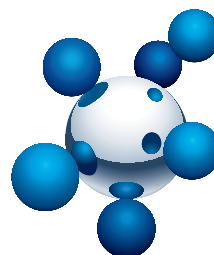
- 1.1 The Group
- 1.2 Sasol in Italy
- 1.3 Integrated production
- 1.4 Research and Development Activity
- 1.5 Inbound and outbound logistics for moving raw materials and products
- 1.6 Sustainability
- 1.7 Materiality analysis
- 1.8 Stakeholders
- 1.9 The corporate governance structure
- 1.10 Policies and certifications



Following the Group's sustainability development strategies, Sasol Italy supported the actions taken by the Board to ensure a sustainable future. These objectives are moving towards a streamlining of the decision-making chain, a greater focus on integrated markets and, above all, an organisational structure that will increase the company's resilience.

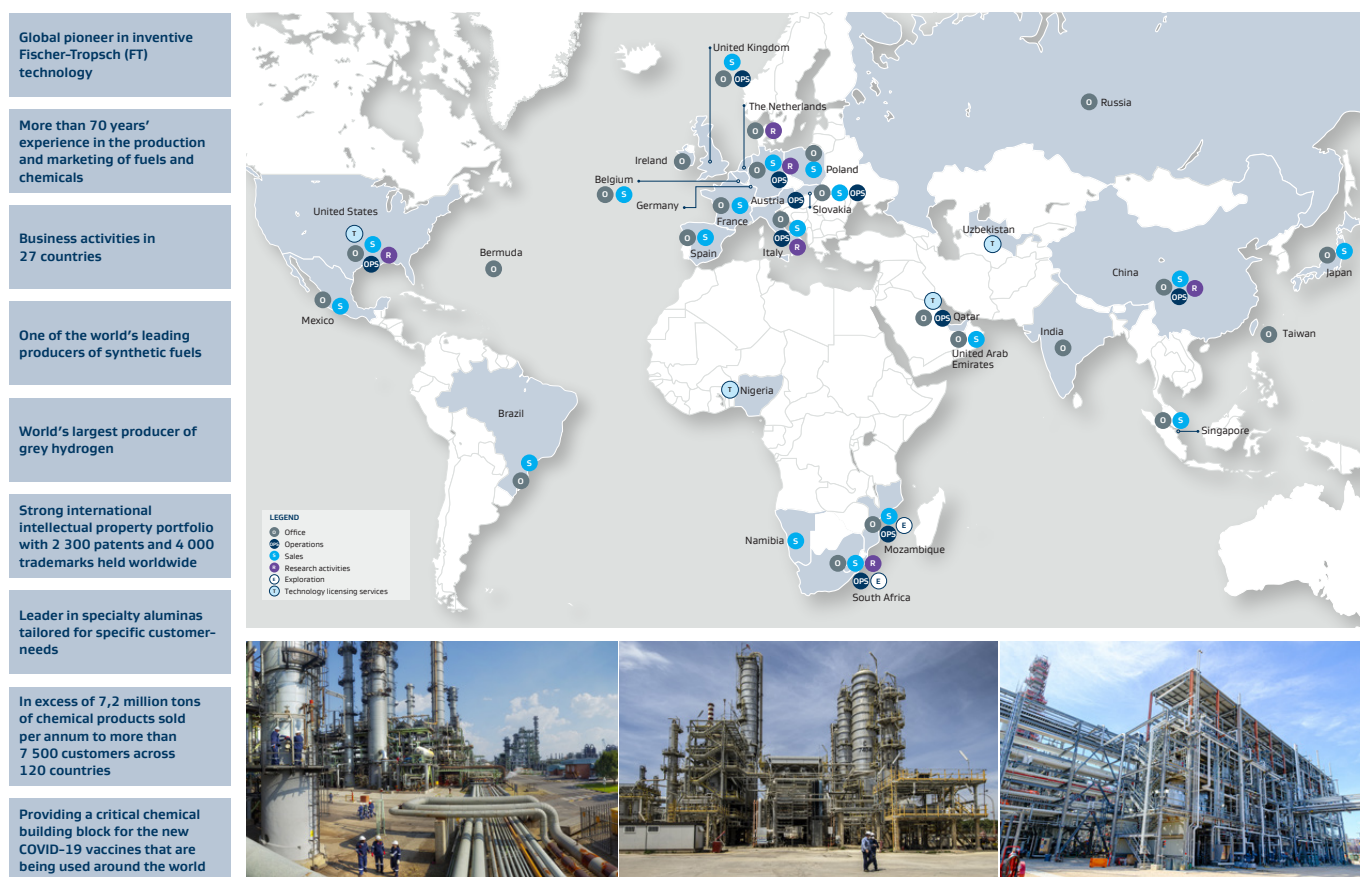
1.1 The Group

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.



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The spread of the brand and production in the world



Production plants and global presence of Sasol's chemical 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 mostly 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**

Future Sasol 2050

Sasol 2.0 enables us to respond in a concrete way to the challenges of competitiveness, efficiency and sustainability that a global chemical and energy company faces.

Among our ambitions is to achieve zero net emissions by 2050 so that we can be committed to accelerating our transition to a low-carbon world in support of the goals of the Paris Agreement.

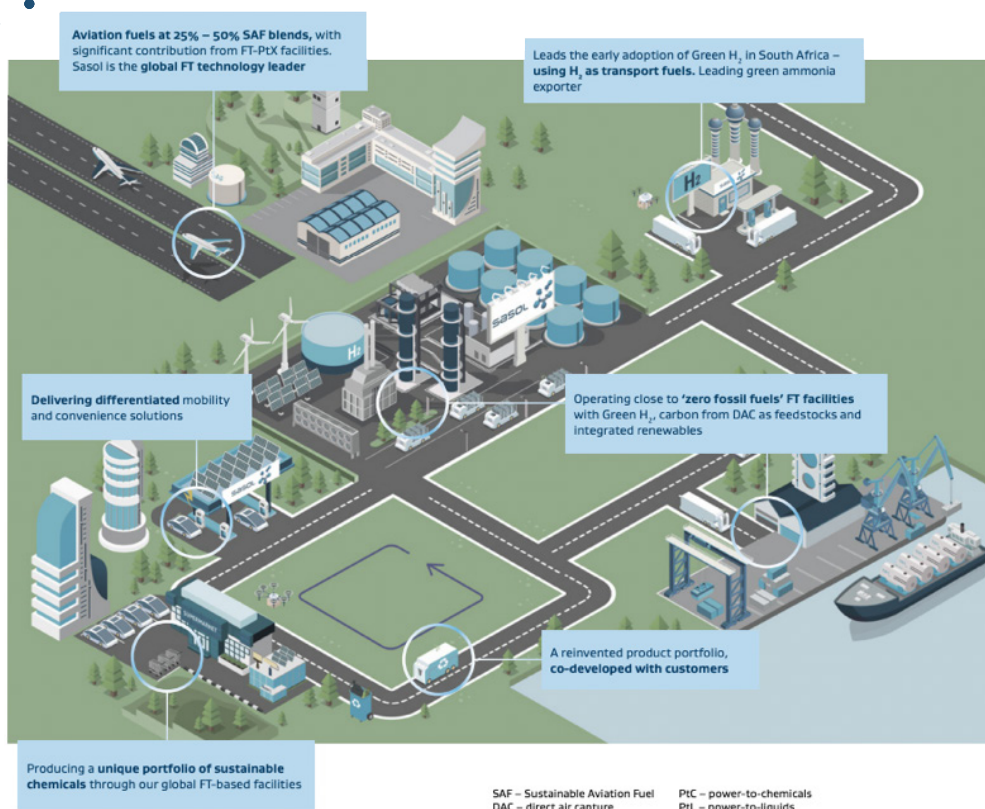
The past two years have presented unprecedented challenges and today the energy world is undergoing a change that will profoundly affect the life of the planet and its inhabitants.

In November 2020, the Sasol 2.0 project was presented also in Italy. The activities of the chemical business – those Sasol Italy and its sites – have been reorganised into 4 areas:

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

enhancing a production with integrated cycles between different plants. This means that one plant can produce the raw material used in another production site.

The Sasol Italy plants already have a highly integrated production between them, so the changes of the new reorganisation have been limited.



1.2 Sasol in Italy

Sasol is present with three plants and a head office for a total (as at 31 December 2021) of 617 employees and a turnover of approximately 908 million euros. The Italian plants mainly produce intermediate products intermediate products and raw materials, whose main applications concern 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 371 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.

Sasol Italy Energy

At the site, a 49 MW electrical cogeneration plant for the production of electricity and steam. Methane-fuelled, it supplies electricity to the Sasol's plants, feeding the remaining production into the national grid. Sasol Italy Energia is controlled by Sasol Italy Spa.



Terranova dei Passerini plant

The plant in Terranova dei Passerini, in the province of Lodi, produces surfactants, esters and amides. It covers an area total area of around 33 hectares and 122 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 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

The 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, 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.

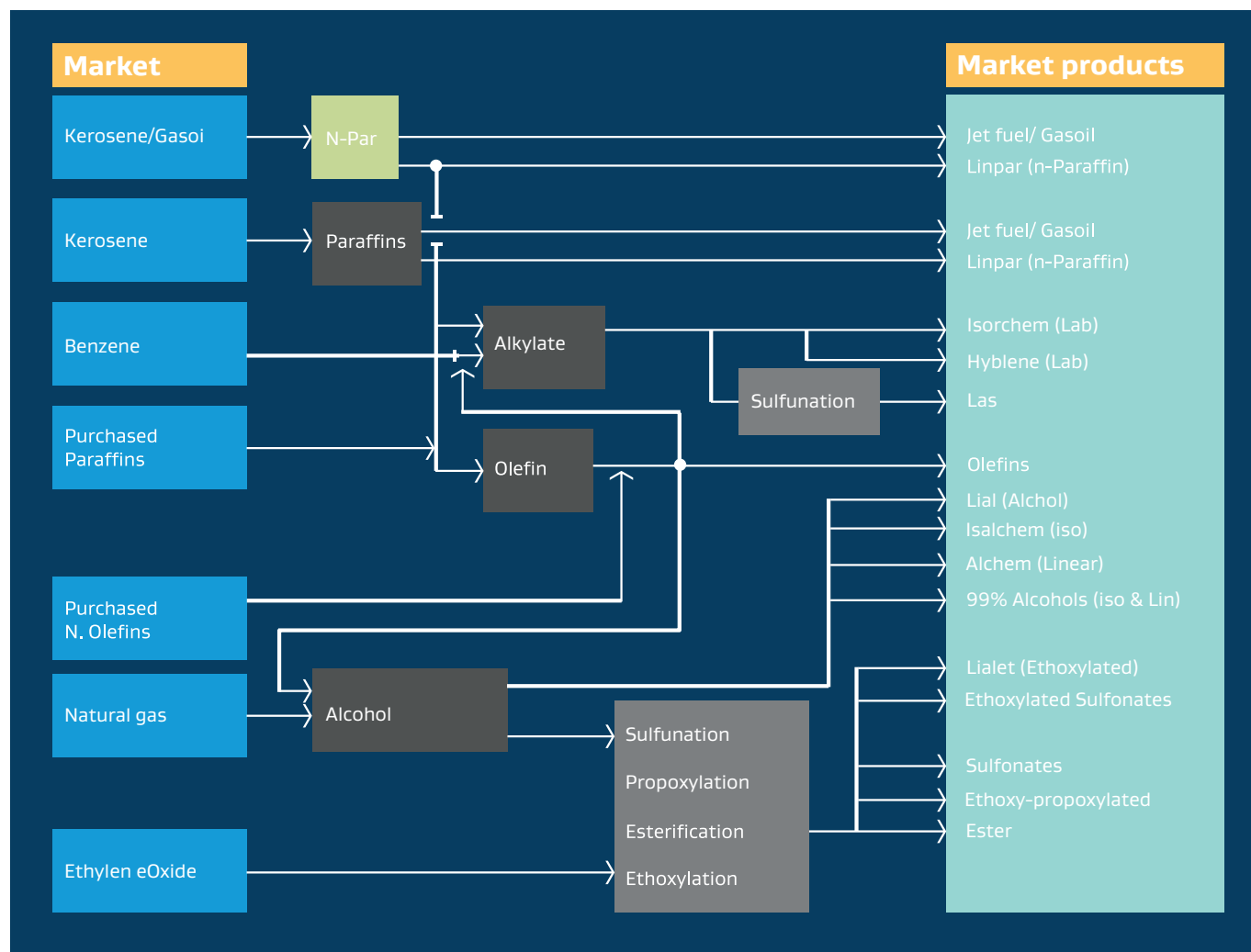
Non-production sites

There are two sites owned by Sasol Italy that over time have been 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.



■ AUGUSTA ■ SARROCH ■ TERRANOVA DEI PASSERINI

Diagram of production flows between 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.



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

- **two active research centres** in Augusta and Terranova dei Passerini
- **22 full-time resources** (mostly working at the centre in Terranova dei Passerini)
- **2.6 million €** budget 2021 (includes fixed costs, such as personnel), in continuity with 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.

Sustainability and Resilience Projects 2021

Identification of surfactants ecological surfactants in the Barents Sea	Halley Project	Development of an analytical method for the determination of dioxane at very low limits
Isomerisation of alpha olefins C24-28	New esters for industrial applications	Testing of catalysts for the hydrogenation OXO
Emulsification of waxes for MW&L applications	Colour care	Removal of cobalt and sulphates from acidic waste water of OXO
Testing of antioxidants for polyalkylene glycols	New pH range	Improved value of CAL Alkisors
Branched ethers for MW&L applications	Terravis D CH5	Analytical evaluation of sustainable raw materials alternatives to paraffin
Emulsifiers for tobacco chewing	Marlopon ATH for polymerisation in emulsion and as emulsifier for heavy alkylates heavy	New preservatives for SLES neutral and diluted
DM tests		

These projects are related to improving process conditions using more sustainable technologies and some of them are aimed at meeting customer needs as indicated by Sasol's strategy. Among these are some that are geared towards improving environmental impact such as the recovery of catalyst traces from the wastewater of the alcohols plant in Augusta and the testing of more sustainable raw material alternatives to paraffin.

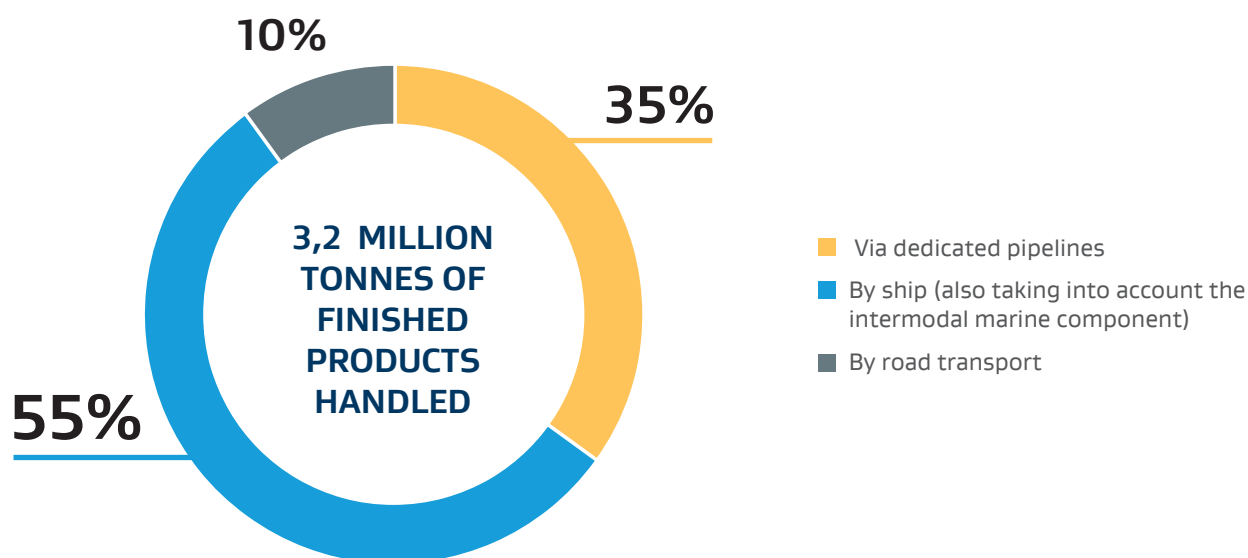
1.5 Inbound Logistics and outbound logistics for move raw materials raw materials and products

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 2021, in Italy:

- **3,2** million tonnes of finished products handled
 - 55%** by ship, also taking into account the intermodal marine component
 - 35%** through dedicated pipelines
 - 10%** via road transport.



The logistics function is committed and focused on ensuring sustainable choices and ways of planning and handling its products. Intermodal transport combining wheeled mode for the last leg with other solutions (short sea, train), is an option that has been increasing in the last two years, increasing its use for both national and international transport. The carriers 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 trade associations and the priorities of Sasol Italy. Among the actions put in place is an increasingly broader of multimodal transport and a constant renewal of the fleet. The 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 presence of any certifications and financial and sustainability soundness. 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 rules have been defined to consider some operators as unreliable with lists that are constantly updated with input from the different locations. Audit activities are also carried out on shipowners, according to the international standards adopted by the Group. Ships are subjected to external technical inspections by a specialised third party company (Shipvet, of London) before embarking on the voyage for which they have been chartered. The inspections also include the control of the inclusion of a particular ship on industry 'black lists' following infringements or inconsistencies with international security standards.

The discussion with all operators in the supply chain who make sustainable logistics an added value (logistics operators trade associations, customers) is essential for defining medium-term strategies that can bring benefits for the entire system. In this sense, Sasol is involved in a number of working groups to share its experience and best practices in the sector of the Charter of Padua, signed with other member companies of Federchimica.

1.6 Sustainability

For Sasol, the Sustainable Development Goals of the United Nations are the lens through which to observe the impacts in the countries in which it operates, with a view to continuous improvement, coexistence and cooperation with communities and for its long-term sustainability. As part of its reorganisation, Sasol has created a structure dedicated to achieving the sustainability goals that the company has set itself, considering the global issues that are being discussed a lot at this particular historical moment. First and foremost, the achievement of the 2030 objectives in terms of energy and decarbonisation. Sustainability is also a top priority for Sasol Italy: our goal is to operate ethically and consciously and be an active player in the harmonisation of 'three fundamental elements: economic growth, social inclusion and protection of the environment', as stated in the first pages of the programme of the United Nations 2030 Agenda.



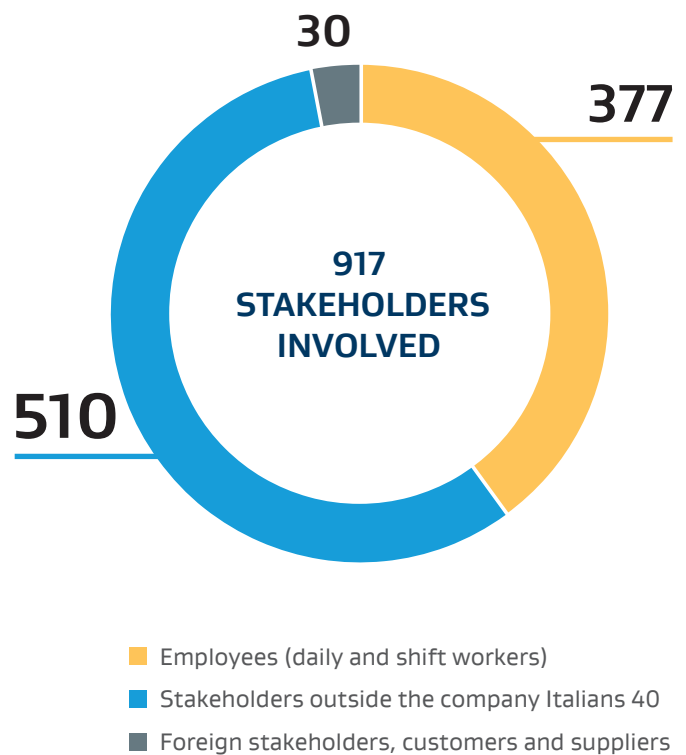
1.7 The materiality analysis

In the application of GRI Standards, the definition of material materiality was based on the identification, attribution of priority and validation of material themes on the basis of the importance that they have for internal and external stakeholders and for Sasol Italy.

Starting from the relevant issues that emerged from the materiality analysis last year, Sasol Italy in 2021 started the activity to update them, through a consultation of 917 internal and external stakeholders, using a questionnaire sent by e-mail.

More specifically:

- **377**, employees, both daily and shift workers;
- **510** external Italian stakeholders between institutions and national institutions, opinion leaders, customers, suppliers, newspapers, universities, employers' organisations and sindacial organisations;
- **30** foreign stakeholders, customers and suppliers select selected from those participating in the Ecovadis programme.



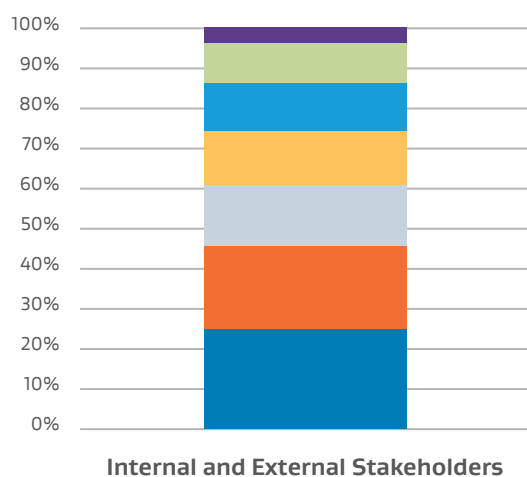
256 responses were received, which corresponds to 28% of respondents, a figure in line with last year.

The graphs below show the issues considered most important by the sample surveyed.

The survey is based on 22 topics – divided according to the three dimensions of sustainability:

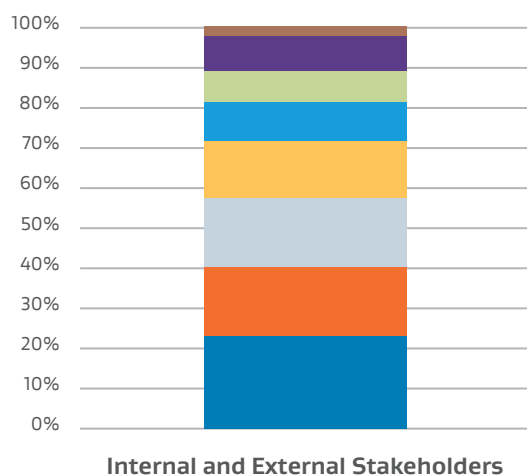
- economic
- social
- environmental

Material issues for stakeholders



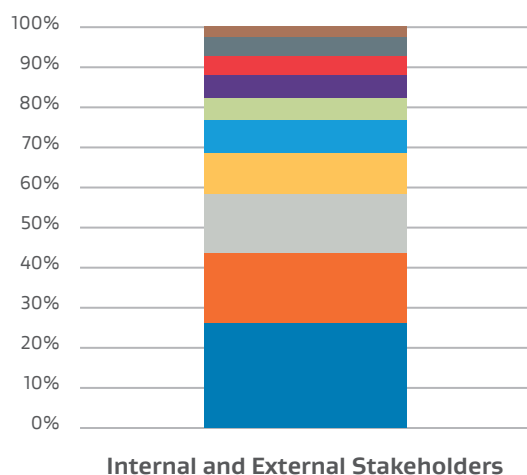
ECONOMIC SUSTAINABILITY

- Employment spin-offs
- The business and its developments
- Ethics
- Economic results
- Supply chain
- Relations with institutions
- Other



ENVIRONMENTAL SUSTAINABILITY

- Use of energy, water and natural resources
- Climate change
- Water management
- Atmospheric emissions
- Waste
- Visual impact on the territory
- Use and reduction of raw materials
- Other



SOCIAL SUSTAINABILITY

- Employee development and well-being
- Health and safety
- Training and skills development
- Local community development
- Diversity and equal opportunities
- Economic transfers to the local community
- Risk management and major incidents
- Labour relations
- Specific safety training
- Other

The joint consideration of internal and external significance – derived from the analysis of the survey responses – compared with the communication needs identified by the company led to the identification of the areas priority areas for Sasol Italy.

The results of the materiality issues were illustrated and discussed with the Top Management of Sasol Italy to identify unambiguously the contents of the Sustainability Report 2021. The results of this comparison are reported in the following matrix.

Materiality Matrix 2021

THE IMPORTANCE FOR THE STAKEHOLDERS	HIGH		<ul style="list-style-type: none"> • Climate changes • Safety and health 	<ul style="list-style-type: none"> • Employment spin-offs • Use of energy, water and natural resources
	MEDIUM	<ul style="list-style-type: none"> • Relationship with institutions • Supply chain • Waste • Visual impact on the territory • Local community development • Diversity and equal opportunities 	<ul style="list-style-type: none"> • Ethics • Emissions in the atmosphere 	<ul style="list-style-type: none"> • Business and its development • Valuing and well-being • employees
	LOW	<ul style="list-style-type: none"> • Use and reduction of raw materials • Labour Relations • Economic transfers local communities • Specific training on security • Risk management and incidents detection 	<ul style="list-style-type: none"> • Economic results • Water management • Expertise 	
		THE IMPORTANCE FOR SASOL ITALY		
		LOW	MEDIUM	HIGH

Material topics are all those that have HIGH and MEDIUM value for both the company and its stakeholders. The other themes in the report are however treated in accordance with GRI standards. Concerning the aspects related to noise at the boundary with the factories, since in previous years this topic was not considered material by stakeholders and Sasol, it was not dealt with in this Report. By the way, our factories do not have sensitive receptors at the boundary as they are located in non-urbanised industrial areas.

1.8 Stakeholders

In order to correctly identify the materiality matrix required by the GRI Standards, it proceeds with an analysis of the stakeholders.

Sasol Italy's stakeholders are internal and external to the organisation. With each one we share a path in stages that continues and develops over time, through different modes of involvement. The first, the employees, are our most precious capital; for this is that why we want to

ensure that they feel proud of working for this Company, proactive witnesses of commitment and responsibility in all our activities. For the 2021 edition of the Report, it's decided to extend to all employees the opportunity to participate in the materiality analysis activity through a special questionnaire, as explained in the previous section. Employees are the focus of the chapter dedicated to social sustainability.

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.

More specifically, the company is part of:

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 km².
- Finally, Sasol Italy participated in the evaluation EcoVadis, an independent platform for the evaluation of over 65,000 groups and companies in 200 sectors in 160 countries (see box for more information).

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.



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 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.



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.

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 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 Company, by apical persons or 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 provisions of Legislative Decree 231 of 2001 on the administrative liability of companies, is able to protect its own its position and image and to meet the expectations of its stakeholders.

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 set out in the aforementioned decree clearer and more effective in the event of significant violations or circumventions of the prescriptions contained in.

The last update of Model 231 dates back to 28.10.2020. The Model in its entirety is available on the institutional website of Sasol Italy S.p.A.

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



Code of Conduct

The Company has also adopted a Code of Ethics that expresses fully the principles of corporate ethics. The Code of Ethics is a fundamental document for the Company and every employee, partner, supplier or consultant is required to strictly adhere to the principles contained therein in their relations with the Company.

The commitments described in the Code of Ethics are addressed to both employees and to all those who interface with Sasol: customers, collaborators, consultants, suppliers and shareholders are called upon to protect and respect the image and integrity of the Group, each in his or her own role. The Code of Ethics, in fact, is distributed to all employees and referred to in the Company's active and passive contracts.

Code of Conduct for Suppliers

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

Therefore, the commitment to develop relations with suppliers who share our values and operate in accordance with the Code of Business Conduct: the company's objectives can only be pursued through the support of trusted suppliers, which requires the highest professional and personal ethics in our mutual relations.

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 rights of collective bargaining
- Provision of a safe and healthy working environment and 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

Management in anti-corruption

The Sasol Group has developed a specific anti-corruption strategy applicable to every controlled entity, every employee and collaborators and joint venture subsidiaries. The entities in which Sasol does not hold a majority shareholding and/or control are instead urged and directed to apply this policy or produce an autonomous one 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 corruption risks and must therefore be immediately reported to management.

Targeted training activities are conducted every two years in the context of ongoing training related to the Organisation and Management Model. During 2021, no cases of corruption were recorded. Work also began on updating (the fourth) the Anti-Bribery policy, concluded in July 2022:

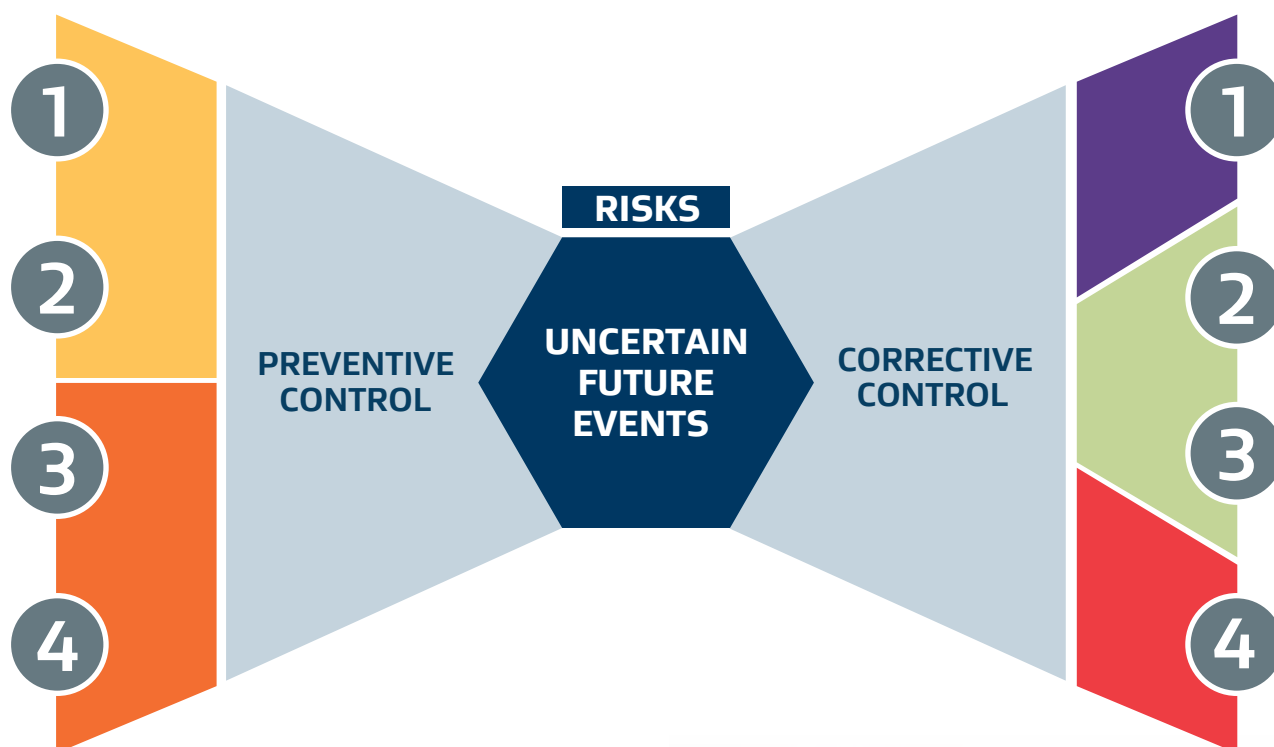
the parts relating to revisited the parts concerning authorised expenditure in relation with public officials and the timeline for the validity and renewal of due diligence on suppliers.

Sasol Italy distributed to its employees a 'Gifts, Entertainment and Hospitality' policy in line with the anti-corruption strategy. As regards Sasol Italy's Model 231, the safeguards against corruption are contained in Special Part A 'Offences in dealings with the public administration'.



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 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 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 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.

KOSHER: Kosher certification can be considered an example of inclusiveness in that it allows the possibility of using our products to people who require our special attention.

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CERTIFICATO N. 36342/18/S-D
CERTIFICATE No.

SI CERTIFICA CHE IL SISTEMA DI GESTIONE PER LA QUALITÀ DI
IT IS HEREBY CERTIFIED THAT THE QUALITY MANAGEMENT SYSTEM OF

Sasol Italy Spa

VIALE ENRICO FORLANINI 23, 20134 MILANO (MI) ITALIA

NELLE SEGUENTI UNITÀ OPERATIVE / IN THE FOLLOWING OPERATIONAL UNITS

VIALE ENRICO FORLANINI 23, 20134 MILANO (MI), ITALIA
CONTRADA MARCELLINO, 96011 AUGUSTA (SR), ITALIA
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VIA ENRICO MATTEI, 4, 26827 TERRANOVA DEI PASSERINI (LO), ITALIA

È CONFORME ALLA NORMA
IS IN COMPLIANCE WITH THE STANDARD
ISO 9001:2015

PER I SEGUENTI CAMPI DI ATTIVITÀ / FOR THE FOLLOWING FIELD(S) OF ACTIVITIES

RICERCA, SVILUPPO, VENDITA, COMMERCIALIZZAZIONE, ASSISTENZA TECNICA E PRODUZIONE DI
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RESEARCH, DEVELOPMENT, SALES, MARKETING, TECHNICAL SERVICE AND PRODUCTION OF NORMAL
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IONIC, ANIONIC AND AMPHOTERIC SURFACTANTS, ESTERS, AMIDES AND POLYALKYLENE OXIDES

La validità del presente certificato è subordinata a sorveglianza periodica annuale / semestrale ed al riesame completo del sistema di gestione con periodicità triennale
The validity of this certificate is dependent on an annual/monthly audit and on a complete review, every three years, of the management system
L'uso e la validità del presente certificato sono soggetti al rispetto del documento RINA, Regolamento per la Certificazione di Sistemi di Gestione per la Qualità
The use and validity of this certificate are subject to compliance with the RINA document: Rules for the Certification of Quality Management Systems

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Data scadenza Expiry Date	27.04.2021	Data revisione Revision date	22.05.2018

Alessandro Romel
Certification EMEA Region
Senior Director

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CERTIFICATE No.

SI CERTIFICA CHE IL SISTEMA DI GESTIONE AMBIENTALE DI
IT IS HEREBY CERTIFIED THAT THE ENVIRONMENTAL MANAGEMENT SYSTEM OF

Sasol Italy Spa

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The use and validity of this certificate are subject to compliance with the RINA document: Rules for the Certification of Environmental Management Systems

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Data scadenza Expiry Date	27.04.2021	Data revisione Revision date	22.05.2018

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CERTIFICATE No.

SI CERTIFICA CHE
IT IS HEREBY CERTIFIED THAT

Sasol Italy Spa

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È INCLUSA NELLA CERTIFICAZIONE DI GRUPPO OTTENUTA DALL'ORGANIZZAZIONE Sasol Chemie GmbH &
Co KG IN CONFORMITÀ ALLA NORMA
IS INCLUDED IN THE CERTIFICATION AWARDED TO ORGANIZATION Sasol Chemie GmbH & Co KG
IN COMPLIANCE WITH THE STANDARD
ISO 45001:2018

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VIA ENRICO MATTEI, 4, 26827 TERRANOVA DEI PASSERINI (LO), ITALY

PER I SEGUENTI CAMPI DI ATTIVITÀ SPECIFICHE / FOR THE FOLLOWING SPECIFIC FIELD(S) OF ACTIVITIES

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La validità del presente certificato è subordinata alla validità del certificato principale N. OHS-3254
The validity of this certificate is dependent on the validity of main certificate OHS-3254

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Data scadenza Expiry Date	27.04.2021	Data revisione Revision date	18.07.2019

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system Certification Bodies

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Rav Dott. Alberto Avraham Sermoneta
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Via De' Combruti, 9
40123 BOLOGNA

CERTIFICATO DI KASHERUT

Si certifica che, dopo un accurato controllo ed aver esaminato la documentazione relativa presso la ditta di
produzione **SASOL ITALY S.P.A.** sita in **TERRANOVA DEI PASSERINI, VIA E. MATTEI, 4 - 26827 (LODI)** Attesto che gli articoli prodotti, consistenti in diversi tipi di paraffine, provenienti da sintesi
chimica: - **LIALET** - **EMULDAC** - **PLUODAC** - **BIODAC** - **MARLIPAL** - **SOLFODAC** - **LODORAC** - **MARLOX** - **TRIDAC ISO** sono conformi alle regole alimentari ebraiche e sotto la nostra
diretta sorveglianza e sono senza alcun dubbio considerate

KASHER - PARVE compresi i giorni di Pesach

Il seguente certificato ha valore di un anno dalla data odierna 2 December 2021 - 28 Kislev 5782

KOSHER CERTIFICATE

After thorough examining of related documents and inspecting the plant, I hereby certify that the products in
the factory **SASOL ITALY S.P.A.** sita in **TERRANOVA DEI PASSERINI, VIA E. MATTEI, 4 - 26827 (LODI)** the factory produces different type of paraffin coming from chimica synthesis: -
LIALET - **EMULDAC** - **PLUODAC** - **BIODAC** - **MARLIPAL** - **SOLFODAC** - **LODORAC** - **MARLOX** - **TRIDAC ISO** -
and are conformity with the Jewish laws. Therefore these products are

KOSHER - PARVE also for PASSOVER

This certificate is will expire on December 2022

אנו מעידים כי לאחר בדיקה מעמיקה של תהליכי הייצור והמסמכים הרלוונטיים, אנו מאשרים כי המוצרים המיוצרים באתר **SASOL ITALY S.P.A.** ב-**ת.ד. 26827 (לודי)** הם כשרים לפי דיני התורה. המוצרים כוללים: **ליאלט, אמולדק, פלודק, ביודק, מרליפל, סולפודק, לודורק, מרלוך, טרידק איסו**. המוצרים כשרים לפרשת פסח.
אנו מעידים כי המוצרים הנ"ל הם כשרים לפי דיני התורה, ונמצאים תחת פיקוח ישיר של רבנות בולגנה.
המסמכים הרלוונטיים (כולל תעודת בדיקה) נמצאים באתר.

RABBINO CAPO DI BOLOGNA
RAV DOTT. A. SERMONETA
הרב אברהם סרמונטה
ד"ר אברהם סרמונטה





sasol

2 ECONOMIC SUSTAINABILITY

- 2.1 Administration, Finance and Control area
- 2.2 Directly generated and distributed economic value
- 2.3 Local employment effects
- 2.4 Suppliers
- 2.5 Business development projects
- 2.6 Taxes



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.

A tal fine, viene condiviso mensilmente con il management del Gruppo Sasol un report con i risultati e le proiezioni attese per i mesi successivi, in funzione degli obiettivi prefissati.

The objective of the area is threefold:



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



Providing information information to our shareholders



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 2021 was approx. EUR 1,319.5 million, an increase of approximately EUR 504.7 million compared to 2020, representing an increase of 62%.

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 2021 of approximately EUR 1,242.7 million, which corresponds to an increase of 449.6 million compared to 2020 of the same figure and is almost proportional to the increase in the economic value generated.

The details of the **distribution of the economic value generated** are as follows

MILIONS EURO	2019	2020	2021 (Δ% respect to 2020)
Economic value generated	993,7	814,8	1.319,5 (+62%)
Operating costs	912,4	744,3	1.180,6 (+59%)
Salaries and employees benefits	49,1	43,2	54,4 (+26%)
Financial charges	2,3	2,6	3,0 (+14%)
Public administration	2,6	3,0	4,7 (+58%)
Initiatives towards the community	-	0,1	0,1
Distributed economic value	966,4	793,1	1.242,7 (+57%)
Economic value retained	27,3	21,7	76,8 (+255%)

Distribution of the economic value generated by Sasol Italy



As the table shows:

- **Operating costs** of EUR 1,180.6 million (+59% respect to 2020, i.e. an increase of 436.3 million of euro). This amount includes costs incurred for the purchase of raw materials used in production and costs for services from third-party suppliers. This growth was mainly generated mainly by the increase in variable production costs related to the increase in market prices.
- **Wages and benefits paid to employees amounting** to EUR 54.4 million. The increase of 11.2 million euro compared to the previous year (+26%) is mainly predominantly attributable to the reintroduction of the result bonus in 2021. In 2020, in fact, this policy staff incentive policy had been temporarily suspended following the negative impacts that the Covid-19 pandemic and the low level of oil prices generated in Sasol's accounts.
- **Capital suppliers:** EUR 3 million between charges and interest financial obligations towards credit institutions and the Sasol Group.
- **Costs towards the public administration** of 4.7 million euros, mainly consisting of state and local taxes. The company is committed to ensuring compliance of all laws and regulations also in the area of taxation, to optimise and simplify tax management company-wide and to calculate the correct overall tax burden for Sasol Italy.
- **Initiatives towards the community:** 220,000 euro the total of expenditure for initiatives in the territories, which in 2021 saw us seen us engaged on various fronts both in actions of prompt emergency response and in projects for the future.

The economic value retained (this value is allocated to a reserve as per the notes to the financial statements) 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 2021 it amounted to EUR 76.8 million, an increase of EUR 55.1 million compared to the year 2020. This increase resulted from the profit in the year 2021 of EUR 40.4 million and an improvement of EUR 47.9 million compared to 2020. 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 2021, share capital amounts to 210 million and debt is EUR 168.6 million.

The production going to sales in 2021 is 847,723 tonnes, approximately 80,700 tonnes more than in 2020. This increase in volumes is attributable to robust demand on the market for detergent products, which has seen an increase since the advent of the Covid-19 pandemic.

2.3 Employment relapses premises

Following the contraction in 2020 due to the global pandemic condition affecting the entire sector, in 2021 the rate of new hires – at 2.22% – shows a recovery towards pre-pandemic levels.

New hires:

- reflect the gender distribution that emerged in the previous years (79% male, 21% female);
- 21% involve new senior management hires, two-thirds of whom come from the local community;
- 79% relate to clerical and manual workers, equally distributed between the plants in Southern Italy (Sardinia and Sicily) and the sites in Lombardy.

Facing an increasingly competitive market, Sasol has chosen to apply a virtuous remuneration policy aimed both at safeguarding the parameters defined in national collective bargaining and to make the company competitive and attractive to the talents that represent the capital necessary to nurture the skills and 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 economic expansion.

As proof of this commitment, the average remuneration for new hires is consistently higher than the minimum contractual minimum stipulated in the National Collective Agreement and remains unchanged between the female and male genders.

Variations between the averages in Southern and Northern Italy are attributable to the structure of local markets.



Average salary for new hires compared to the contractual minimum year 2021

PLANT	Women	Men	Total Average
Augusta	108%	122%	120%
Milano	142%	153%	150%
Terranova	-	114%	114%
Sasol Italy	131%	133%	132%

For Executives the National Collective Bargaining Agreement for Industry Executives applies, for Middle Managers, White Collar Workers it is the Chemical and Pharmaceutical Collective Bargaining Agreement (which defines the minimums per category and level: A1, A2, D1, etc.)



2.4 Suppliers

Sasol Italy has always been actively focused on the search for and creation of solid and mutually beneficial relationships with third party companies, ensuring an understanding of the needs while respecting policies of fairness and congruity of prices. Underlying Sasol Italy's approach are sound principles and robust governance processes, which ensure the effective application of shared values in order to act ethically honouring commercial commitments.

The general criteria for partner evaluation are based mainly on:

- compliance with health, safety, environmental and quality;
- quality and technology of the delivered product also in view of Industry 4.0;

- technical, managerial and organisational capacity;
- economic-financial reliability;
- compliance requirements with applicable regulations including compliance with the control principles provided for in the Organisation, Management and Control Model ex D.Lgs. 231/01 and subsequent amendments and integrations.

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

Related companies outside Sasol

	2019	2020	2021
Nr. of induced companies	292	270	479
Turnover paid (in millions)	41.981	31.632	42.507
Of which premises	26.115	19.880	19.314
Of which regionals	2.403	1.031	1.326
Of which italians	12.729	10.293	15.141
Of which foreign	734	428	6.726

Suppliers are considered to be local if they have administrative offices, branches and operating sites in the same areas as our plants. During the calendar year 2021, Sasol Italy made use of the services of 479 third-party companies in order to carry out activities of mechanical, electro-instrumental and construction maintenance of plants, supply of materials, engineering services engineering and various industrial services. With +77% compared to 2020, the increase in the number of companies induced is mainly the consequence of an internal reorganisation that has seen the reallocation to Procurement of chemical and catalyst purchasing activities, previously the responsibility of Strategic Sourcing.

Also linked to this is the increase in turnover paid to foreign suppliers (+147% compared to 2020): a significant part of the orders related to Procurement activities concerns the purchase of catalysts for the maximisation production cycle yields, whose main production leaders are based outside Italy. The doubling of turnover from orders for services to Italian suppliers (+47%) can be attributed to the restart of the activities following the improvement in the pandemic situation. Performance and service orders placed with local suppliers local suppliers in 2021 are virtually unchanged from the previous reporting period. A choral result that is also a consequence of the positive relationships that the company maintains with the induced.

2.5 Business Development Projects of the business

Sasol's investment policy is aimed at achieving production excellence through continuous improvement in terms of safety, environment, workers' health, prevention of major accidents 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 production capacity of the plants, always guaranteeing their

conditions and reducing their environmental impact in line with the best standards and technologies.

In 2021, according to the annual investment plan, the total investment for new initiatives came close to EUR 22 million, broken down as follows.

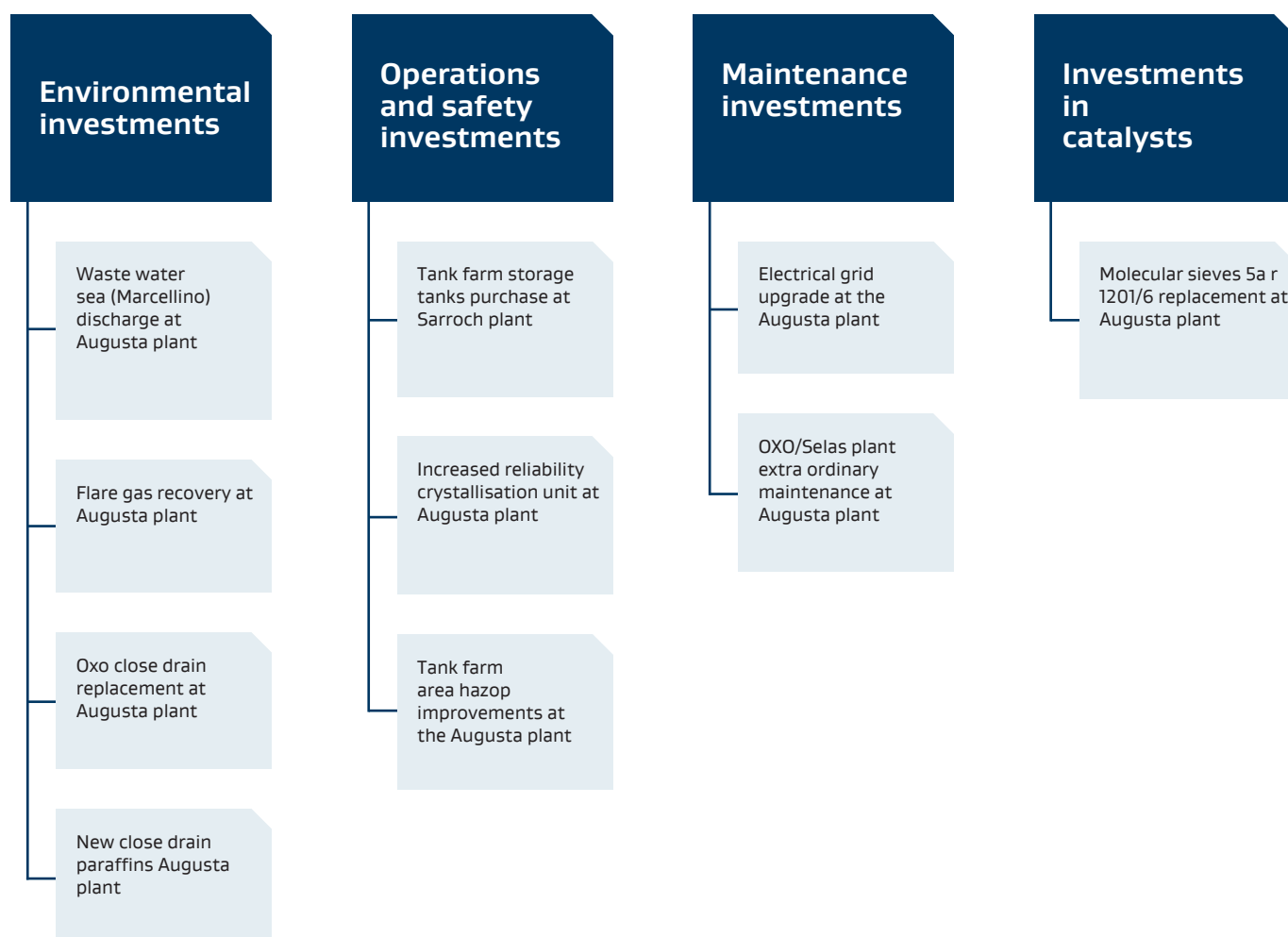
Breakdown by areas of Sasol investments

	2019	2020	2021
Extraordinary maintenance	19.757	20.629	10.518
Technological improvement	13.997	1.376	1.219
Environment	1.579	3.801	5.011
Safety	2.070	2.557	2.464
Innovation and business continuity	6.356	908	375
Total	43.759	29.271	19.587



The data show:

- expenditure for 2021 was 50% of the previous year's previous year. The 2021 figure - down from the previous year - is mainly related to the lack of turnaround (general shutdown of production plants);
- in 2021 there was an increase in investments related to the improvement of facilities and services in relation to environmental protection, safety and hygiene at work regulations, with particular reference to the A.I.A. requirements for the Augusta plant, at which:
 - the installation of double bottoms on the tanks containing environmentally hazardous substances were completed,
 - flare gas recovery systems were increased,
 - additional containment basins were sealed,
 - a new wastewater treatment section was installed, which increased the treatment section was installed that increased the availability of wastewater for reuse or suitable for discharge,
 - drainage systems were improved for drains of equipment at the Alcohols plant and the Paraffins plant.

Overview of Capex 2021 investments

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 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 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.

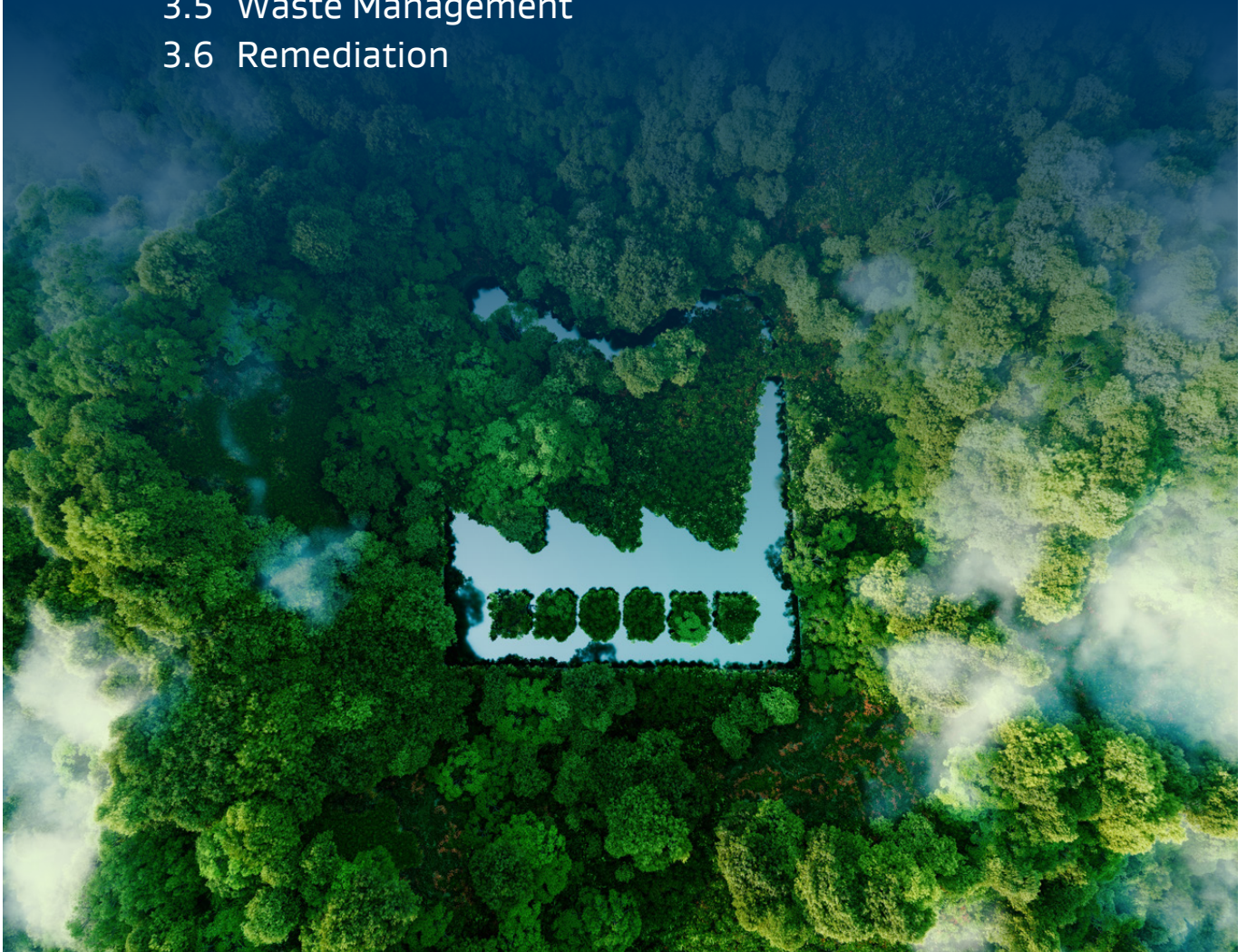




sasol

3 ENVIRONMENTAL SUSTAINABILITY

- 3.1 Energy efficiency dimension
- 3.2 Dimension of the production of electricity production
- 3.3 Counteracting climate change
- 3.4 Water management
- 3.5 Waste Management
- 3.6 Remediation



3.1 Dimension of energy efficiency

With the Green Deal, the European Union has expanded its climate ambitions, aiming to become the first climate neutral climate-neutral continent by 2050.

The European Commission has revised the Energy Efficiency Directive, along with other regulations on energy and climate, to ensure that the interim 2030 target of reducing greenhouse gas emissions by at least 55% (compared to 1990) can be achieved: the proposal promotes energy efficiency first and foremost as a general principle of EU energy policy and emphasises its importance and relevance in both practical applications and in investment decisions. To contribute to the EU targets, **in 2021 the Sasol Group has set its target of zero net CO₂ emissions equivalent Scope 1 and 2 to 2050 ('Net Zero')**.

This target is also outlined in the Future Sasol strategy, which puts us on the trajectory of a significant reduction in greenhouse gas emissions with a view to continuous

improvement. The Group's interim 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 monthly reporting, the Company tracks and studies them in order to highlight possible efficiency failures and improvement actions.

The 2021 energy intensity index for Sasol Italy sites - calculated as the ratio between the consumption (in Giga Joules) of energy consumption (in Giga Joules) and tonnes produced - shows an increase of between 10 and 15% compared to 2020 at the Augusta and Sarroch sites, and an increase of between 10 and 15% compared to 2020 at the Augusta and Sarroch sites.

The factors causing the increase in the index are the result of discontinuities in production, external to the management of the plant and its performance.

Energy intensity index (in GJ/ton)

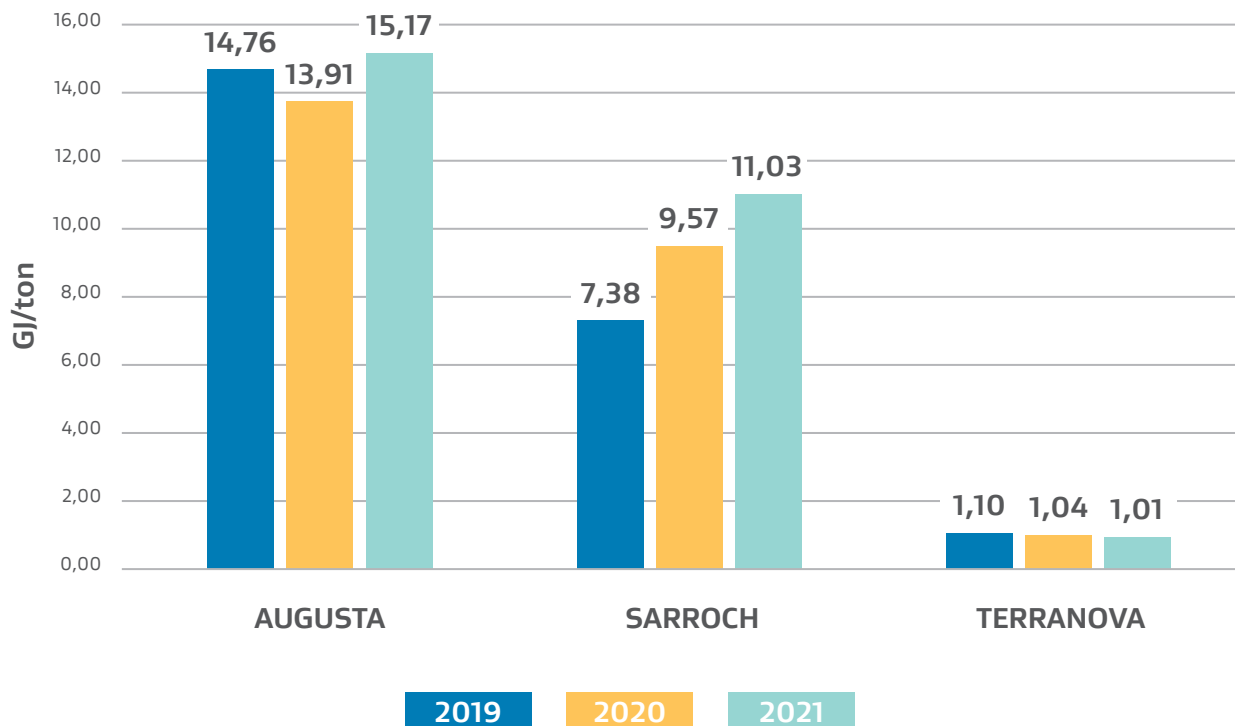


Figure 3.1: Energy intensity index 2019-2021 at the three production sites in Italy (GJ/ton)

The following table on energy consumption by source category confirms the trend of recent years: the Company increases in the shares of the least impactful fuels and the elimination of options with more unfavourable emissions.

	Electricity	Natural Gas	Fuel Gas	Fuel Oil
2019	752.845	6.497.047	496.806	-
2020	775.763	7.707.819	420.438	-
2021	845.212	7.928.958	487.092	-

Table 3.1: Energy consumption by source (GJ) 2019-2021

3.2 Dimension of energy production

In Augusta site there is a turbogas power plant with (Combined Cycle Gas Turbine - CCGT): a combined cycle electricity and steam cogeneration plant fuelled by natural gas, with an installed electric power installed electrical power of 49 MW.

All of the steam produced by the plant is fed into the steam network of the Augusta site, while the electrical

energy produced 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 fuel for the CCGT plant - show that in 2021 the plant produced 5% more electricity compared to 2020, with a greater production of steam co-generated and sold to the chemical plants at Augusta site.

Size of electricity production (in GJ)

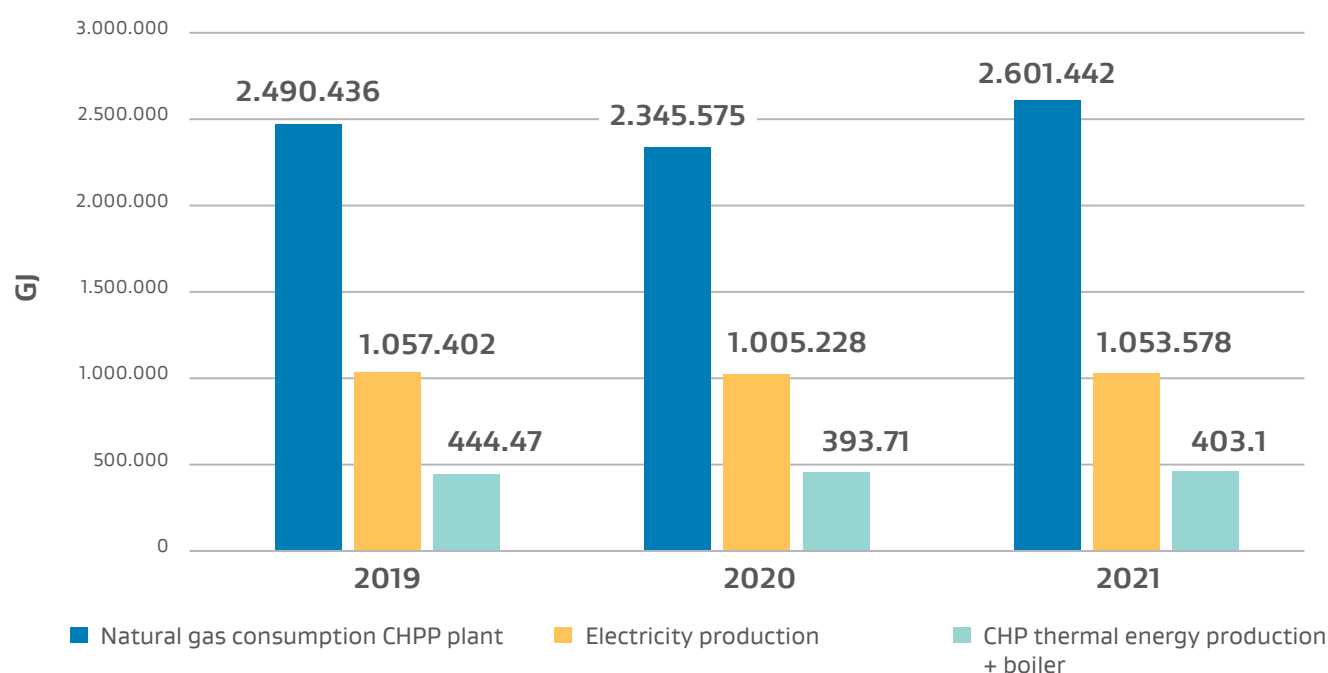


Figure 3.2: Natural gas consumption and electricity and steam production 2019-2021 (GJ)



Specific emission of CO₂ for thermal and electrical energy (Ton CO₂ for GJ)

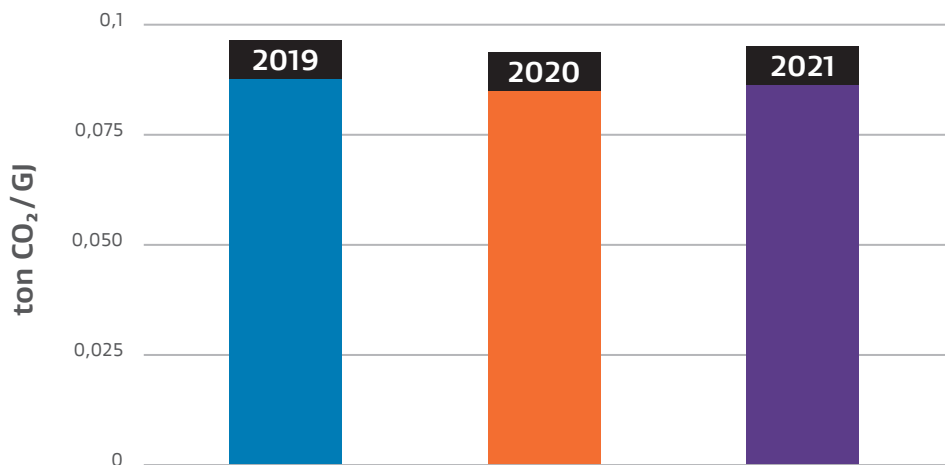


Figure 3.3: CO₂ emissions by energy produced by CCGT 2019-2021 (ton CO₂/GJ)

3.3 Counteracting climate change

Climate change is a fundamental challenge of our time, with impacts that threaten our ecosystems, habitats and critical resources. Sasol supports the Paris Agreement and its call for greater ambition and has strengthened its commitment to this cause through updated roadmaps targets and ambitions in the short, medium and long term. In 2021, the group's ambition of net-zero emissions was launched net zero by 2050 ('Net Zero') and the Future Sasol strategy, which puts us on a trajectory towards a significantly reduced greenhouse gas emissions profile. **The programme also includes emission reduction targets for Scope 1, 2 and 3 by 2030.** Sasol's future is based on the production of chemical products sustainable chemicals and the use of less impactful energy sources, using our proprietary technology and expertise, while contributing to the prosperity of the planet, society and business. In line with the group vision, Sasol Italy has identified a series of actions to ensure the sustainability of its production model into the future. Among these, in 2021 operations were launched 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 electricity production from renewable sources.

In addition, the continuous monitoring of emissions from industrial activities provides a clear picture of the optimisation measures that need to be taken.



Greenhouse Gas Emissions (CO₂)

In the reporting year, total CO₂ emissions were increased against a production increase of 10% compared to 2020. Verifying the emission intensity it is stated that per unit of product the emission has remained constant compared to previous years' levels.

Below are graphs of total direct and indirect CO₂ emissions compared to baseline 2017 (figure A) and broken down by purpose¹ (figure B).

¹ Scope 1 means 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-altering gas emissions from the generation of electricity, steam and heat purchased from third parties and consumed in the Company's assets.

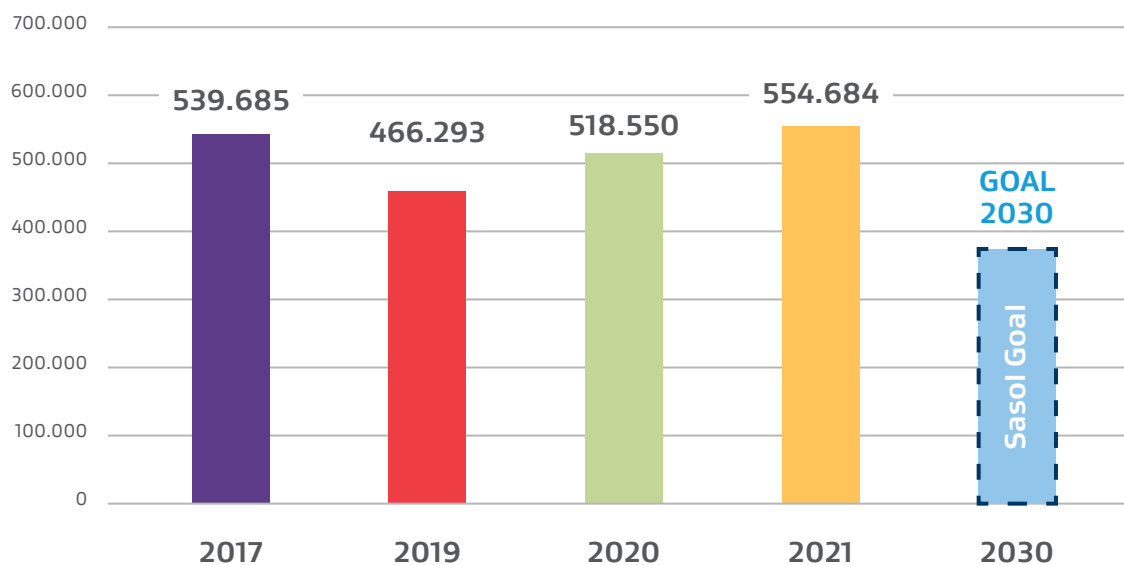


Figure 3.4: CO₂ emissions of Sasol Italy plants 2019-2021 and comparison with base year in absolute value

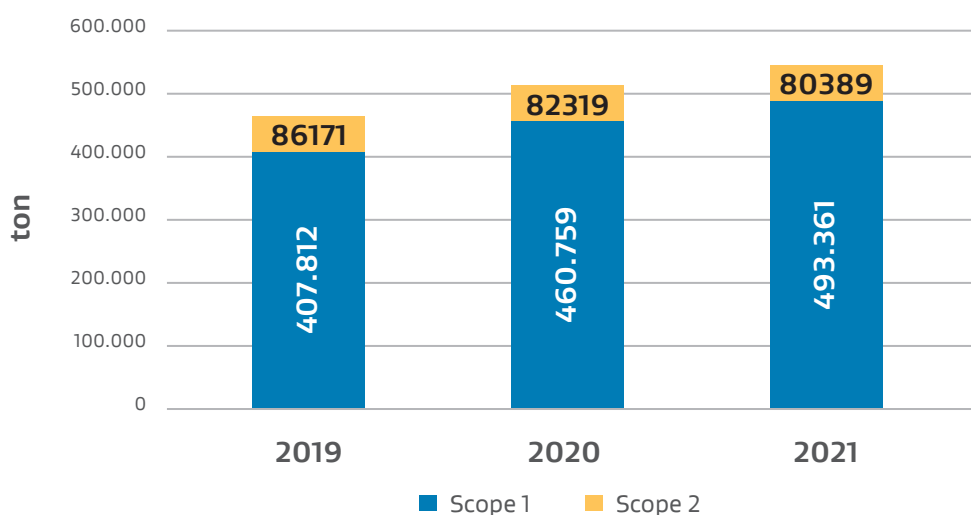


Figure 3.4 A: Total CO₂ emissions of Sasol Italy plants 2019-2021 and comparison with base year reference in absolute value and divided by Scope 1 and 2 (ton)

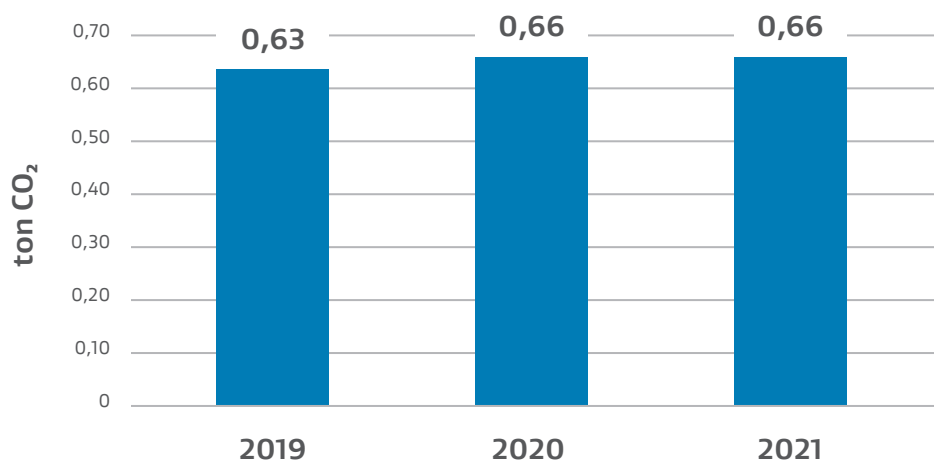


Figure 3.5 B: CO₂ emission intensity index 2019- 2021 (ton CO₂/ton produced)

Despite not having reached the global emissions reduction target, the index of emissions intensity in relation to tonnes of production per sale has remained stable over the last two years.

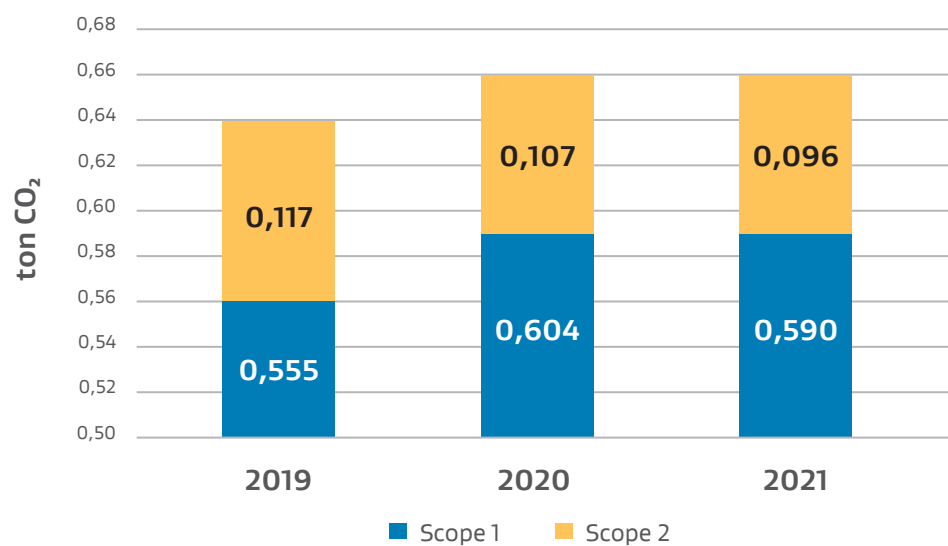


Figure 3.5 D: CO₂ emission intensity index for 2019- 2021 for Scope 1 and 2 (ton CO₂ / ton produced)



Atmospheric emissions

Acting responsibly with regard to climate change and collecting data on atmospheric emissions is essential in order to guide the Group's environmental action. The analysis of structured and reliable data is instrumental in making informed business decisions, inform strategies and Group investments to reduce emissions. We have a risk-based approach to air quality management risk-based approach to air quality management, in alignment with the safety and health.

Sasol is committed to complying with all regulatory requirements applicable regulatory requirements and diligently monitors and reports all activities. In Italy, the company has implemented a system monitoring system for emissions from the sources of its production plants. These emissions are divided into three categories according to type: 'vented', 'diffuse' and 'fugitive'.

Reporting concerns in particular the following pollutants:

- nitrogen oxides (NOx)
- sulphur oxides (SOx)
- carbon monoxide CO
- carbon dioxide CO₂ (already reported in another paragraph)

emissions from the plants in Augusta, Sarroch and Terranova dei Passerini. Starting from the raw emission monitoring data, these were reported using the current guidelines to the concentration values stipulated in the plants' existing integrated environmental authorisations.

To reduce emissions, Sasol Italy carries out periodic monitoring of air quality, workplace health and individual emission points in accordance with the Integrated Environmental Authorisations (AIA) and the regulations in force in order to implement the most effective managerial and most effective management and technical measures.

For the purposes of a statistically significant comparison, the year of reporting 2019 seems to be more suitable as in the pre-pandemic year and, therefore, the activities were not influenced by external factors, such as Covid-19.

In accordance with standards, we nevertheless report 2020 as a framework of comparison, the year 2020 is also shown. The trend analysis of NOx, and CO shows a constant trend over the three-year reference period and always well below the limits imposed by the legislator. While remaining within the legal limits, the substantial increase quantity of SOx in 2021 compared to 2019 is due to substantially to two concomitant factors: the increase production level at the beginning of 2021, a year of restart and planning, combined with the technical testing of burners oil at the Augusta plant, conducted in the last quarter of the reporting year.

These tests are carried out in accordance with the authorisation and were appropriate to verify the plant functionality and performance following the announcements of the risk of interruption of gas, due to tensions prior to the outbreak of the war in Ukraine. The calculation of SOx emissions is inter alia carried out using indirect methods on the quality of the fuel required by current legislation and the existing authorisation.

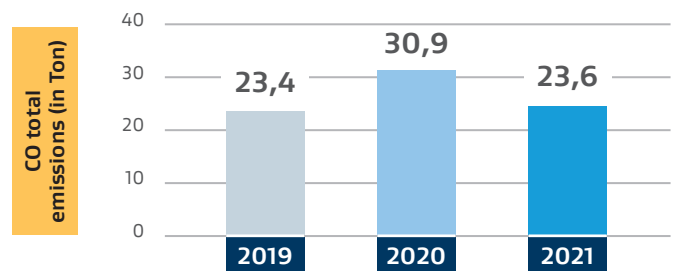
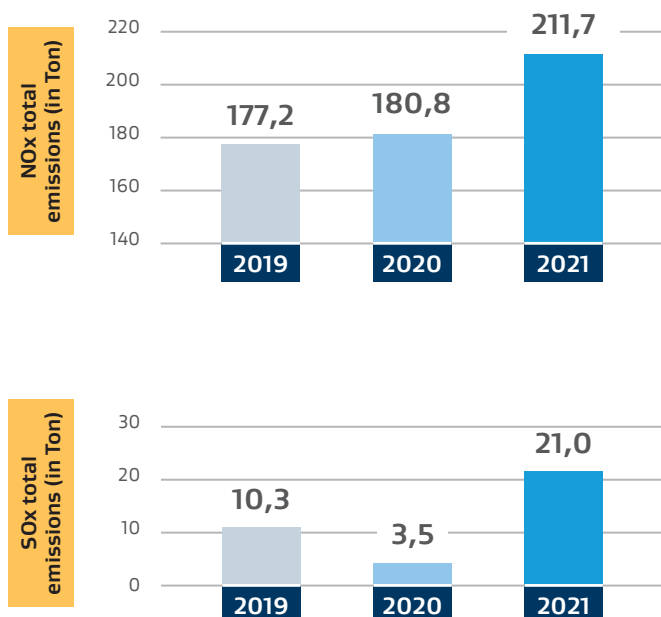


Figure 3.5 A, B, C: Sasol Italy atmospheric emissions 2019-2021 of NOx, SOx and CO (Ton)

Although there was an increase in the quantities emitted, especially in relation to the SOx parameter, it is highlighted that the plant's environmental performance remains in line with the expectations of internal and external stakeholders. The company is always committed to analysing and optimising its Operations, pursuing the objective of reducing emissions to a sustainable minimum.

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 forwarded to the control bodies and the corporate management of Sasol Italy, for the fine-tuning of the sustainability and circular economy strategies.

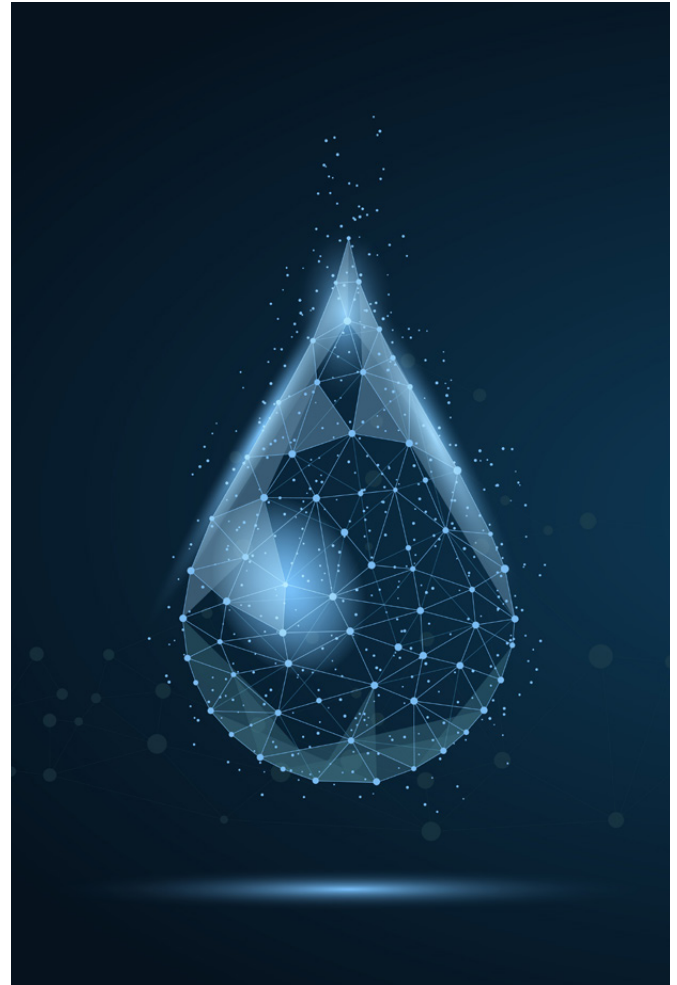
Water is a precious resource and must be shared at a territorial level; for this reason, in addition to the regulatory limits in force on water resources, the company activates controls and approves investments aimed at limiting its consumption and the resulting environmental impact. Moreover, the phenomenon 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). The historical trend in cumulative precipitation since the middle of the last century shows a more marked decrease observed in recent years, in contrast to a general increase statistically significant, in the intensity of precipitation events precipitation events in both the North and the South (ISPRA, 2013).

The ISPRA 2021 report 'State and trends of climate in Italy' also shows a 7% reduction in annual rainfall compared to 2020, but new regional records for exceptional rainfall: "In the first days of October a phase with strong and persistent thunderstorms recorded in Liguria, between the provinces of Genoa and Savona, rainfall of exceptional intensity and with very high total amounts, and at the end of October, a tropical cyclone located over the Mediterranean discharged extremely heavy rainfall in southern Italy; on eastern Sicily, the hourly intensity reached the highest value ever recorded in the region, and the heavy rains caused widespread flooding and overflowing of rivers and canals'.

Sasol Italy's factories are equipped with rainwater collection and recovery tanks; however, the occurrence of extreme phenomena reduce their collection efficiency.

Certifying body: Certiquality Srl



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 3.8) and water withdrawals per source of supply (Figure 3.9):

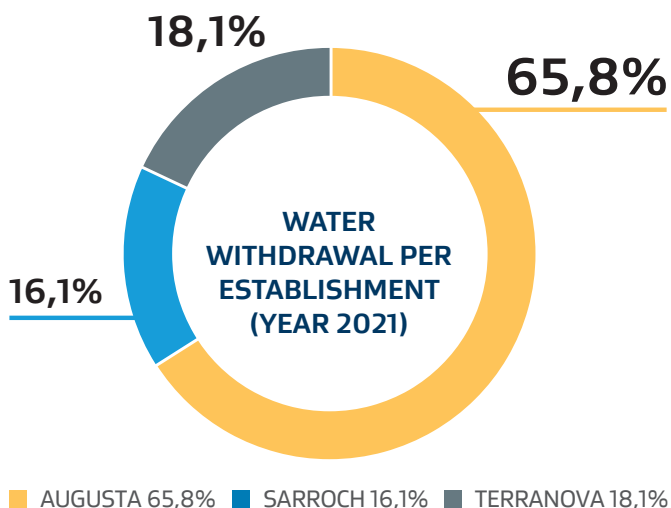


Figure 3.8:

% of water withdrawals per site out of total Sasol activities in Italy (2021)

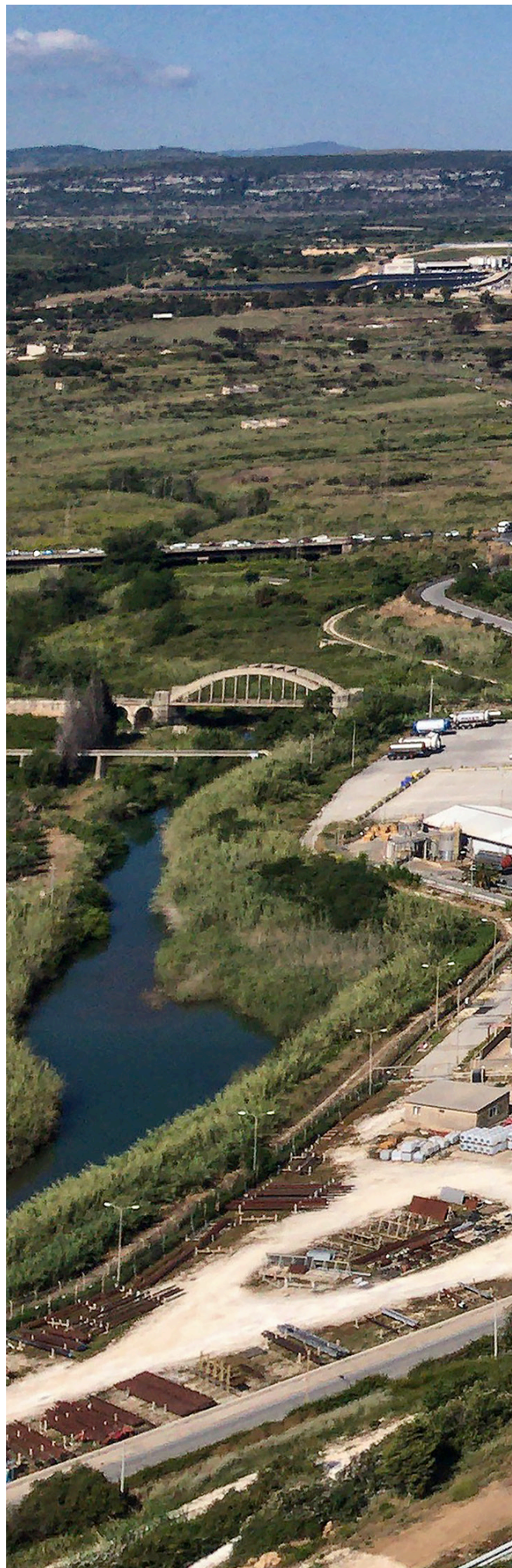
In the **Augusta plant** - the largest in terms of size and production volume - the majority of withdrawals (65.8%). The water needed to the plant is taken from the following sources of supply:

- five wells with a total withdrawal capacity authorised of 1,482,823 m³/year;
- Marcellino river, only in case of emergency from the fire-fighting service.

The 18% 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. The results of wastewater treatment contribute therefore help combat this problem, transforming it into an effluent that can be reused.

At the **Sarroch plant**, discharges are decreased by 15% compared to 2020. Levy levels for the **Terranova dei Passerini** are virtually unchanged compared to 2020.



Prelievo idrico per tipologia di approvvigionamento (in MI)

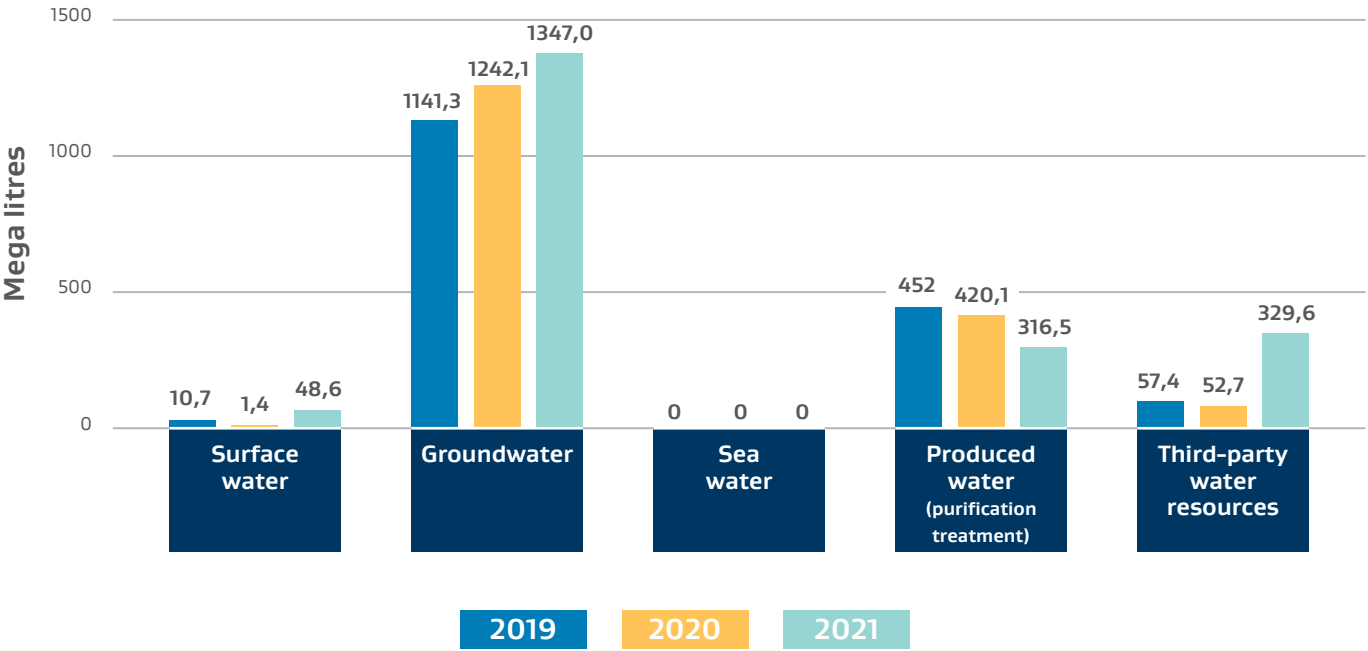


Figure 3.9: Total water withdrawals by supply source 2019-2021 (mega litres)

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 the 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 sewer) as it is classified as such.

The same applies to so-called 'first rain water', which is that which falls on common areas, such as streets and yards, not covered by facilities.



Data on discharged industrial waste water, broken down by establishment, and normally measured by meters, are given below:

	AUGUSTA				SARROCH				TERRANOVA			
	2019	2020	2021	Scarico	2019	2020	2021	Scarico	2019	2020	2021	Discharge
Discharge into surface waters	4,4	4,4	11	In Marcellino river	0	0	0		142	117	120	Water treatment
Discharge via third parties	491,2	627,9	474,2	To IAS treatment plant	19	14,5	16,9	Industrial sewage pipeline	0	0	0	

Table 3.10: Water effluents and discharges of the three Sasol production sites in Italy 2019-2021 (mega litres)

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

- **The SF1** is authorised to discharge rainwater precipitated in non-industrialised areas (roads, yards green areas) into the Marcellino river, after removal of the so-called first rainwater that are piped to the SF2 discharge to the consortium's wastewater treatment plant. consortium purification plant. Industrial wastewater and rainwater rained in the plant areas undergo an initial de-oiling pre-treatment in API tanks consortium purification plant. Industrial wastewater and rainwater rained in the plant areas undergo an initial de-oiling pre-treatment in API tanks.
- **The SF2** is the discharge of industrial wastewater and stormwater rainfall into the plant areas, as well as of water from the hydraulic barrier. It terminates in the consortium pipeline that transfers the water to the IAS (Industria Acque Siracusane) Consortium plant for final treatment.
- **The SF3** is the discharge of the aqueous concentrate from the reverse osmosis section of the plant for the Waste Water Treatment (WWT) plant. To be commissioned in 2021, the discharge allows salt-rich clean water from the WWT plant to be returned to the Marcellino River. Substances that may derive from the production cycle of the plant and are treated by the IAS consortium wastewater treatment plant, defined according to the Proposal for a decision of the Council of the European Union 2000/0035, are: benzene, nickel, lead, cadmium and mercury. The discharge limits (ELVs) were determined by the competent authority (Ministry of Ecology) during the AIA process.

The commissioning of SF3 explains the increase of discharges into surface water during 2021, compared to the previous year. This increase, combined with the optimisations that the WWT plant allows, has generated a 25% reduction in discharges through third parties. In

the three-year period 2019-2021, there were no cases of non-compliance with the discharge limits for the parameters under review.

At the Sarroch plant, liquid effluents are sent to a third-party provider that operates a specific 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 the 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 sedimenter, 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 the Sarroch and Terranova dei Passerini the data are virtually unchanged compared to the previous reporting period.

3.5 Waste Management

The amount of waste does not depend only on the production processes, but on all the activities that are carried out during the management of the plants and the Milan site, such as administrative activities, maintenance and upkeep of outdoor areas and new investments. In line with the principles of the circular economy, the approach that Sasol's approach to recycling and recovering more and more waste is that of treating it with a view to recovery, rather than considering it as waste material to be sent to landfill. The correct management of waste is an activity to which the company pays particular attention, using a structured supervision in order to reduce the environmental impacts of the business as much as possible: operational and document management is carried out by qualified personnel who follow the entire administration

of waste tracking, from production to temporary storage, up to final disposal at dedicated external facilities. Most of the waste produced comes from strategic and non-avoidable industrial activities: maintenance plant cleaning, new investments or demolition, soil and groundwater remediation, research and laboratory activities, and the need to replace catalysts.

In 2021, total waste production amounted to 4,219 tonnes: this figure is substantially lower than in 2020 (-37%). Of the total waste produced in 2021, 55% was sent for recovery (down from 78% in 2020).

Total sites	2019	2020	2021
Total weight of hazardous waste	4.932	4.260	2.105
Sent for recovery	3.516	3.121	858
Sent for disposal	1.416	1.139	1.246
Total weight of not hazardous waste	7.960	2.467	2.114
Sent for recovery	4.830	2.151	1.461
Sent for disposal	3.130	316	653

FIGURE 3.11: Total amount of waste generated (in tonnes) as defined by law

In the reporting year, in fact:

- **at the Augusta plant**, there was a reduction in waste sent for recovery, as a direct consequence of the lower production of excavation waste and ferrous scrap (from the paving of ponds and demolition of obsolete equipment). Similarly, the recovery of bilge water has led to a reduction in the production of hazardous waste.
- **the Sarroch plant** recorded a significant decrease in non-hazardous waste (- 83% compared to the 2020 figure), a consequence of the absence of maintenance shutdowns in 2021. The same figure 2020 figure, in fact, discounted the disposal numbers related to the

planned general shutdown of the plant that took place at the turn of 2019 and 2020. The percentage of waste sent for recovery in 2021 (62%) is higher than the average of the three plants.

- **at the Terranova plant**, during 2021 16% of the total waste produced was sent for disposal while 84% was sent for recovery. Increased by 4% compared to 2020, 52% of the waste sent for recovery concerned material recovery, while 48% involved energy recovery.



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.

The Company:

- has activated since 2004 a series of hydraulic barriers to contain and capture the groundwater flowing through the Site. As part of the periodic control of the state of the water table, the Plant applies a monitoring plan approved by the control bodies. Periodic monitoring continues to show a significant improvement in the quality of groundwater quality of the groundwater, confirming the functioning of the preventive measures adopted, including those related to the proper management of the plants and their maintenance;
- submitted the MISO (Operational Securing Process) of water and soil for approval by the competent bodies. The project includes the installation of a of groundwater treatment for the purification of the same directly on site. Following the approval, the planned works will be carried out to completion of what is already in place.

The Sarroch plant is located within the plant now owned by Sarlux, formerly Versalis (ENI), where there is a common waterfront: the Sasol plant covers a front that is equal to about 15% of the extension of this barrier. Periodic monitoring shows the substantial reduction of pollutants over time. The water reclamation project was completed in 2020 and the start-up took place in early 2021. The monitoring periodic monitoring returns results in line with expectations. Further activities are underway to introduce oxidising substances for improving the reduction potential of pollutants in the soil.

At the **Terranova dei Passerini** site, the 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.

The **Paderno Dugnano** site, where there was a research centre for the production activities of the Sasol, was decommissioned following the strategic decision to move these activities close to the production. In this area, a hydraulic barrier has been active 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 is in the of final testing, with the verification of the rebound effect, through the shutdown of the hydraulic barrier to verify the effective

achievement of the reclamation objectives. This verification will also take place throughout 2022.

The Sasol site in Porto Torres was completely decommissioned in 2014. It is divided into two non-contiguous areas in which an emergency safety measure is in place. In 2020, the MiTE requested additions to the documentation submitted, making approval of the of the ADR subject to the execution of four quarterly campaigns of soil gas (interstitial gases in the soil matrix) in the two areas owned by Sasol and the removal of an accumulation of ash of pyrite in the area called SAS. The ash removal works ash removal works were carried out during 2021 and the ADR was supplemented and resubmitted for approval.

As part of the strategy adopted to achieve of sustainable development, the implementation of power generation projects from renewable sources renewable sources integrated with clean-up activities, especially at sites that have been subject to decommissioning.



sasol

4 SOCIAL SUSTAINABILITY

- 4.1 People at the centre
- 4.2 Safety, health and wellbeing
- 4.3 Commitment to the community



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.

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

After the 2020 pandemic, which created the well-known contractions in the world economy, 2021 proved to be a year of restart and planning: the organisational structures and production structures of Sasol were consolidated and rapidly adapted to the changed scenario of world markets, with the aim of identifying margins for development and improvement constant and economically sustainable.

The following tables show how in 2021 the company turnover rate will be settled at 4.9%, while the parameter identifying the trend of new hires is higher by 2.27% up not only compared to the previous year but also on a positive trend compared to pre-pandemic years.

New hires involved all locations of Sasol Italy. These are figures of various grades, among which we highlight:

- Managers for the Human Resources and Office departments
- Legal
- Technology and Process Specialists
- Information Management Managers
- Digital Specialists

		2019	2020	2021
Turnover rate		1,74%	2,10%	4,90%
Total number of employees		632	630	617
New Recruitment Rate		3,33%	1,70%	2,27%
BY GENDER	Women	29%	18%	21%
	Men	71%	82%	79%
BY AGE GROUP	<30 years	33%	45%	14%
	30-50 years	67%	45%	86%
	>50 years	0%	10%	0%
BY GEOGRAPHICAL ORIGIN	South Italy (Sardinia and Sicily)	48%	82%	50%
	North Italy (Lombardy)	52%	18%	50%

Table 4.1 - Turnover and new hires in Sasol Italy (2019-2021)

		2019	2020	2021
Sasol employees		632	630	617
BY GENDER	Women	87	89	86
	Men	545	541	531
BY AGE GROUP	<30 years	17	14	14
	30-50 years	427	418	410
	>50 years	188	198	193
BY GEOGRAPHICAL ORIGIN	South Italy (Sardinia and Sicily)	406	407	407
	North Italy (Lombardy)	226	223	210

Table 4.2 - Staff composition Sasol Italy (2019-2021)

Some figures on Sasol Italy's human capital in the three-year period 2019-2021:

- The age composition maintains a perfect balance between experience and the inclusion of young resources: the average age of personnel is around 46, in line with the previous trend
- Average company seniority is 19 years
- All company contracts are open-ended (100%)
- 76% of the workforce has a high school diploma
- 23% 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 in Sasol's constant commitment to invest in its own resources: maintaining a high level of technical and managerial skills and knowledge makes it possible to remain competitive in known and new markets; awareness of the complexity of processes and the continuous search for new and challenging tools for governing business needs are the driving force behind this convinced and constant investment in 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 to support the Company in the development of the projects necessary to meet the challenges the market, with a constant focus on maintaining of an innovative and stimulating working environment.

The training process stems both from the analysis of needs that emerge from constant dialogue with the managers of the individual functions and by listening to the needs and aspirations of individual employees. The Human Resources function gathers what emerges from this work in a document called the 'Training Plan', divided into several macro-chapters: technical-specialist skills, organisational-managerial skills safety, environment and health competencies, 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 established by law 81/2008 and what refers to the model of law 231. The delivery of training programmes involves both internal company resources as well as external consultants, chosen



on the basis of accordance with specialisation and the strictest professional requirements. Sessions are delivered in different ways: with traditional classroom presence, with "on the job" coaching for specific topics, with a coach or mentor - external or internal - or with 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 set aside by the enterprise, at the times and in the ways it considers most appropriate, on the basis of Training Plans shared by the representatives of the social partners. The total number of training hours provided in 2021 - including those related to the area of Health, Safety and Environment - was 5210, a figure that is close to what it was before the pandemic period, which has necessarily slowed down all activities, including training.

The average annual training hours per capita are 8.77, an increase of 60% compared to 2020.

Performance assessment

In Sasol Italy, some employees regularly access to periodic performance appraisals, whose objective is to ensure the assignment of smart objectives (challenging measurable, achievable, relevant and timed) in relation to the relation to the role held and the person's potential. Monitoring performance allows one to assess the progress being made, to analyse the congruence of the shared objectives and to make any corrective instruments that may favour their achievement.

In 2021, 25% of staff were subject to performance assessment.

		2021
PERCENTAGE BY GENDER	Women	25%
	Men	75%
PERCENTAGE BY CATEGORY	Blue collar	0%
	White collar	4%
	Middle management	84%
	Executives	12%

Table: Breakdown of Sasol employees subject to performance evaluation performance (2021)

Diversity and equal opportunities

The issue of diversity management and the creation of widespread and accessible opportunities without any discrimination based on gender, culture, ethnicity or any other marginalising element, is very dear to the Sasol Group and, consequently, to the Italian headquarters. Sasol is certain that through the application of the principles of diversity management will increase opportunities for growth not only culturally, but also in terms of creativity, innovation, generation of ideas, and improve corporate well-being and the work-life balance of all employees.

Diversity management today represents a real path towards awareness, prevention and the removal of stereotypes, the acquisition of tools that 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 Sasol makes, from selection to training, from development to development to remuneration policies. Sasol's reference market, 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, initiatives have been progressively increasing initiatives at universities and educational institutions in support of gender-inclusive policies, with encouraging results.

By 2021, female recruitment as a percentage of the total is 21%, in line with the overall percentage for Sasol Italy. This is a sign of a path that is certainly not finished, but which Sasol is 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 of work at Sasol Italy.

The Group's policies do not provide for any differentiation of pay levels between genders. The constant work of reviewing salary, with structured processes every six months, allows an analysis of the different roles with respect to the market and internal distribution, identifying all possible upgrades and opportunities to enhance talent.

		In absolute value	In percentage
Dipendenti di Sasol Italy		617	100%
BY GENDER	Women	86	14%
	Men	531	86%
BY AGE GROUP	<30 years	14	2%
	30-50 years	410	66%
	>50 years	193	31%
BY GEOGRAPHICAL ORIGIN	South Italy (Sardinia and Sicily)	407	66%
	North Italy (Lombardy)	210	34%

Table - Breakdown by gender, age group and geographical origin of Sasol Italy employees (2021)

Participation award

For the year 2021, a participation bonus of 110% of the target defined by the trade union agreement for the three-year period 2021 - 2024 was recognised. The achievement of a complex set of KPIs shared with the global and local structure was above expectations and has enabled this extraordinary recognition.

Welfare and other benefits

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 as an alternative remuneration tool, capable of responding to the needs of employees and their families contributing to improving everyone's quality of life.

For blue collars, white collars, middle managers and executives, Sasol Italy has chosen to focus on the funds provided by the national reference contracts: FONCHIM/PREVIGEN/PREVINDAI (pension funds) and FASCHIM/FASI (health care funds), offering a contribution to the membership so as to further lighten the load for the employee. This is a particularly popular choice, as demonstrated by the membership rates for 2021.

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

Blue-collar, white-collar, middle management:

94% FASCHIM registrations
96% FONCHIM registrations

Managers:

100% FASI registrations
85% PREVIGEN registrations
15% PREVINDAI registrations



For FASCHIM members, another distinctive element of this health insurance is the integrated management of FASCHIM and Unisalute platforms, a unique information system that facilitates the employee when requesting reimbursement of medical expenses, simplifying and speeding up the process for both Funds.

In addition to these tools, in 2021 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. A policy that the participating employee can renew even in the event of termination of employment.

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

Among other welfare initiatives aimed at well-being, three are worth mentioning.

- Since 2010, Sasol Italy has been offering its employees discounts on local public transport (bus, tram, metro, train), covering the cost of city season tickets, for home-to-work transport, as well as contributing to the use of alternative and more sustainable modes of transport alternatives and more sustainable than private transport.
- The company has signed a framework agreement guaranteeing exclusive access to an online platform, where products and services at particularly advantageous prices.
- All employees and their family members have 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 company. The 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 the organisation of work and production processes, in order to increase productivity, optimise costs and create more and more value for the country.

The participatory model that characterises Industrial Relations has contributed to the development of an

open, transparent and constructive dialogue-oriented relationship with the constructive dialogue with trade union representatives, with the intention of pursuing continuous improvement that can make use of all the actors. For example, two innovative organisational flexibility tools were created, called Flexiwork and FAR Working, which are characterised by the agility of managing of work-life balance.

The framework within which the participative model of Industrial Relations is represented by Chapter X of the current CCNL. As stated in the introduction, Sasol Italy in agreement with the trade unions has recognised the Observatories as essential elements of the participatory system.

- **Group Observatory:** body of a non negotiating nature. It is the framework in which to implement the right to information and consultation of workers on business trends, number and characteristics of employees, type of contracts in place, organisational changes, procedures and modalities for a constructive confrontation that takes into account the international dimension of Sasol Italy. Convoked at least once a year in order to provide information about the economic and production performance of the company in the fiscal year of reference year.
- **Company economic scenario committee:** Established on an experimental basis in 2018, the committee does not negotiating nature but serves to frame the future scenarios that Sasol Italy will have to deal with in order to elaborate 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. This is the area in which issues are dealt with related to the performance of the production site, linked to technical-production aspects, the protection of the health and workers' health and safety, and environmental monitoring. Meetings are held every six months; once a year the competent doctor is given a speech to illustrate the site's health plan, the frequency of check-ups and their specificity.

Participation in these joint discussion forums, in which to express opinions of equal level and importance, has favoured timeliness and flexibility in dealing with problems related to the evolution and transformation of the organization.

4.2 Safety, health and well-being

Security as a priority

Promoting the culture of safety, health and well-being, producing with full respect for people and environment: these are the values on which the Group's industrial policy. Safety, Health and Environment (SHE) management applies to all personnel working at Sasol, in all geographical areas, and must be in line with all international and national protocols in which we operate.

This helps us achieve the Group's objective of 'innovating for a better world' as we pursue our better world' while pursuing our results from a threefold point of view, namely 'people, planet and profit'. Our values and our putting people first are the basis of this policy to support 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, to work and operate plants in a safe, reliable and responsible manner.

In recent years Sasol has applied the Life Saving Rules (LSRs), a set of 12 safety rules and behavioural guidelines that cover the activities taking place in the plant. Shared with all those who in the Sasol plants, the LSRs are taken as a reference during audits and field checks. In order to achieve the goal "zero accidents" Sasol Italy is committed

to spreading a culture of safety that becomes guide every daily activity in and outside the plant, and promote the application of a preventive logic of the risks and consequences of each action.

Our teams periodically carry out in-depth assessments of the risks of dangerous and undesirable events that can 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. The activity is carried out in collaboration with chemical companies in North America and South Africa, and the results presented to the Sasol board. To further improve performance, a series of a series of activities have been set up globally based on the sharing of best practices and continuous comparison between events occurring in all plants around the world. In this way, the most likely risk situations are better identified 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 HSE

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

- **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, which involves all levels of the organisation down to the top management.
- **Risk review:**, based on the results of this set of supervisory actions, the review of risks by risk owners is supported by the company.

RCR is the key performance indicator for Sasol's workplace safety performance. Given the large number of outsourced activities for maintenance, new realisations and services, risk assessment in the area of safety, health and environment also extends to external suppliers and contractors. All third-party companies are required to demonstrate certain professionalism requirements, especially for activities where the level of risk is considered high.

- The scheme used to identify activities considered to be critical activities – 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 the activities of contractors. This means that all places inside the factory are monitored and, to this end, field visits have been implemented to check the compliance of workers, both internal and external.

Each plant has a Prevention and Protection Service Manager and Protection Service Manager (RSPP) who operates in accordance current regulations and who implements the company's policies. In addition to mandatory training courses, RSPPs and QSE (Quality-Safety-Environment) managers undergo training through workshops aimed at the professional development of personnel.

Size of the risks of major accidents

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

- draw up a Safety Report that examines all accidental hypotheses that may also have effects outside the establishment areas, subject to verification by the Regional Technical Committee;
- adapt their Safety Management System to the scheme indicated in the decree itself, the conformity of which is verified by a commission of the Ministry of the Environment.

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

- 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.

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

Health and safety numbers in Sasol

There are two parameters of exposure to the risk of accidents in company:

1. The number of hours worked
2. 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 its performance and identify the actions necessary to reach the zero-harm objective.

In 2021, the number of hours worked was 850,000 for Sasol Italy personnel and 440,830 for contractors. In absolute terms, only one accident was recorded – in the Sarroch plant, while the other two plants and the plants and the Milan office recorded no accidents.

The accident trend shown in the table below shows a gradual improvement in absolute terms over the last three years, with a RCR in the reporting period of 0. The 2021 result confirms the Company's commitment to ensuring a safe and healthy environment in all plants and locations.

	2019	2020	2021
Milano	1*	0	0
Augusta	1+1	0	0
Terranova dei Passerini	0	1	0
Sarroch	0	1+1	1*

Table - Number of accidents per Sasol site in Italy (2018-2020)

* number of commuting accidents

The following graph shows a comparison between companies participating in the Responsible Care programme (orange line) and the chemical and petrochemical sector (grey line), whose data were extracted from the Federchimica website and were related to 200,000 hours worked to get the data comparable with RCRs. The RCR trend of Sasol Italy in the three-year period under review is consistently and significantly below the industry average.

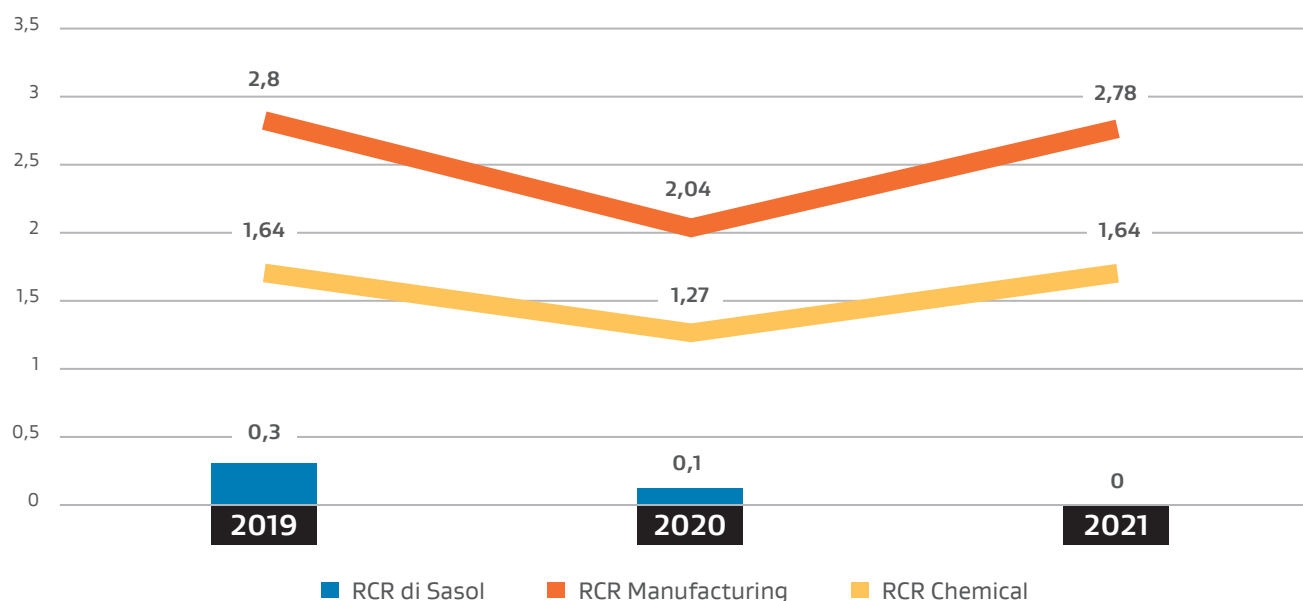


Figure - RCR index trend and comparison with average figure for manufacturing and chemicals (2019-2021)

As far as contractors are concerned, the Company considers the personnel working at its sites with the same attention as Sasol Italy personnel and uses an index global RCR, calculated by including the number of accidents and the hours worked by contractors and suppliers. In 2021 the RCR index of Sasol Italy is 0.

Occupational medicine

The aim of occupational medicine is to standardise the approach to related problems at all sites, in accordance not only with current legislation, but also with corporate indications on the health and well-being of workers.

The service provides fundamental expertise for an effective assessment of risks related to each task, work environment and organisation of activities.

The competent doctor:

- identifies and solves problems related to work environments and tasks;
- safeguards people's health;
- manages health emergencies, as defined by the D. Lgs 81/08;
- participates as a permanent member in meetings with the workers' representatives for Health, Safety and Environment (RLSSA).

To perform these activities, the competent doctor makes use of specialist doctors and external structures.

The objective of the medical surveillance programme is twofold:

- to safeguard the health status of each individual worker
- to prevent the occurrence of occupational diseases.

In chemical and petrochemical plants, exposure to chemical agents is the main risk of occupational diseases. This risk is managed in accordance with current legislation through prevention actions, training of employees on the specificities of the substances present in the production cycle and with periodic medical examinations aimed at monitoring biological indicators.

The Augusta plant is equipped with an infirmary with a doctor present 24 hours a day. At the Sarroch site, the management of health emergencies is linked to the Sarlux health facility, which is operational 24 hours a day. At the plant in Terranova dei Passerini plant, there is a 24-hour emergency room, which is operational 24 hours a day, and NHS intervention. For the administrative offices in Milan, emergency workers guarantee assistance during office opening hours.

ACTIVITY	QUANTITY	NOTE
Contacts with individuals	2.239	about 11 daily contacts
Medical check-ups	526	of which 83.1% preventive
Instrumental examinations	735	of which 358 for audiometric audiometric and 377 for the ECG, while the evaluations spirometric evaluations were not performed for the provisions related to Covid-19
Laboratory examinations	978	include test campaigns serological tests and swabs performed during course of the pandemic



Table - Qualitative and quantitative data on the activities of the competent doctor Sasol Italy in 2021

In the year 2021, there were no recorded complaints resulting from occupational diseases.

Security training

At Sasol Italy, training involves all company levels, sensitising them to make their choices in compliance with the current regulations, in order to prevent risks and accidents. In compliance with the law, the company organises tailor-made training sessions, both at the time of recruitment and in the event of a change of job, the introduction of new work equipment or hazardous substances.

In order to disseminate its culture also to stakeholders who interact directly with internal staff, SHE training is also provided to the personnel of third-party companies that, in whatever capacity, operate in Sasol plants. In 2021, specific training hours addressed to employees Sasol amounted to 2,556.5, in line with the 2020 figure (2,781). In addition to specific training, Sasol Italy promotes other training events aimed at spreading the culture of safety, such as Safety of safety, 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.

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

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

- In the contracting phase, clauses are included in the specifications clauses that regulate SHE issues within the of the contract, referring to procedures and guidelines that are attached to the tender documents together with the DUVRI.
- At the start of contracts, specific training is provided to all workers accessing our sites on resident risks and the behaviour to be adopted to safeguard their own and others' safety.
- Dedicated training updates are provided to contractors, including on any undesirable events occurring during work activities.
- Field audits are carried out, also with the participation of the contractors' technicians, to verify the application of the procedures and behaviours adopted during the work.
- HSE audits are carried out on suppliers.

Product safety

REACH - Registration, Evaluation, Authorisation of Chemicals (Reg.1907/2006/EEC), and CLP - Classification and Labelling of Products (Reg.1272/2008/ EEC) are the two key regulations governing the production and of chemicals in Europe, in order to improve the protection of health and the environment from the risks that can be posed by chemicals.

During the reporting period, the Product Safety division worked to improve the registration dossiers of 13 substances, so that they remain compliant with updated legislative deadlines and in full alignment with the decisions agreed within the consortia of defence product.

In addition, in 2021 the company also complied with UK REACH, an activity that became necessary following the exit of Great Britain from the European Union. To this end, 32 sent 32 DUVs (Downstream User Import Notification), i.e. notifications of all substances marketed by Sasol Italy on British territory.

With regard to CLP, three should be noted in 2021 important news concerning the updating of safety data sheets:

1. the MSDSs of surfactants have been updated to the CESIO 2021 recommendations, the international reference for the classification and labelling of these products;
2. each MSDS of the mixtures hazardous to health has been reissued with information on the Italian poison control centres in Italy to refer to in the event of accidental ingestion of the product;
3. all MSDSs of Sasol Italy products have been updated with a new emergency number, strongly desired by the Company to provide greater support in the event of accidental ingestion.



4.3 Commitment to the community

2021 Initiatives

The Sasol Group has always favoured concrete actions oriented towards the welfare of the community. The year 2021 also saw us engaged on several fronts, both in emergency response to emergencies as well as in projects for the future.

In order to support the work of those who fight every day on the front line against the spread of the virus, a supply of 200 FFP2 masks was donated to the medical staff of the Sirai Hospital in Carbon (South Sardinia), responding promptly to a direct request from the promptly to a direct request from the hospital.

With a view to the necessary reconversion of the Syracuse industrial site, and following the effects of the pandemic the Region of Sicily activated the procedure to recognise the pole as a complex industrial crisis area. For this reason, Sasol Italy - whose Augusta plant resides in the industrial pole - responded to the Region's request for co-participation in the study, analysis, assistance and support activities for the procedure, with a financial contribution of of EUR 10,000 (main sponsor), in agreement with Confindustria Siracusa.

The relationship between the company and the territory continues to translate into medium- to long-term projects, among which in 2021 were stand out:

- the continuation of participation in the Industrial Consortium for the Protection of the Environment (CIPA) in Syracuse, which constantly monitors the quality of air in the area. The annual fee contributed to the reinforcement of the network through the provision of a new mobile station;
- the agreement with the Milan Polytechnic for the funding of a chair of Applied Physical Chemistry, in order to help the university strengthen research and teaching in an area of strong interest to Sasol Italy;
- the partnership with the Polytechnic University of Turin (Department of Applied Science and Technology) and Sonatrach Italian refinery for a feasibility study on the use of "Carbon Capture, Storage and Utilisation" (CCSU) technology in the industrial processes of the two production sites in Augusta.





Activities with significant impacts on local communities

GRI-related reporting concerns the plants production facilities of Sasol Italy. These are located in complex industrial areas in the case of Sarroch and Augusta, or in isolated areas as in the case of Terranova dei Passerini. They are in each case far from population centres and settlements. Such a location minimises or cancels the

impacts linked to the "adjacency" parameter with the community. The parameters evaluated are, therefore those relating to the general context relative to the presence in the area of a petrochemical plant.

The table below shows the paragraphs of this in which the main impacts on local communities are discussed.












PARAGRAPH	IMPACT	
Integrated production	Production volumes increased in 2021; we can consider the reporting period as a post-pandemic recovery year	
Employment relapses	Upward and positive trend in new hires compared to pre-pandemic years	
Use of energy, water and natural resources	Even with the increase in production, the specific efficiency indices are remain constant	
Business Development	Lower investments in absolute terms compared to 2020 but focused on technological innovation, safety and the environment	
Enhancement and employee welfare	Average annual training hours per capita increased. High rate of participation in welfare services offered and participation premium distributed	
Climate Change	Overall emission reduction target not achieved, but the index of CO ₂ emissions in relation to tonnes of production has remained stable over the last two years. Signed PPAs for purchase of renewable energy	
Health and Safety	Internal and global RCR equal to 0. Specific training hours in line with 2020	
Ethic	No action taken for non-compliance with the provisions of the Code of Ethics	
Atmospheric emissions	Increased SO _x emissions at Augusta but performance environmental performance of the site in line with stakeholders' expectations. Steady trend of NO _x and CO	
Economic value directly generated and distributed	Increasing positive impact	
Remediation	Planned activities continue according to schedule	

Table - Summary and traceability of information on external impacts in the Report

The 2021 overview shows a reduction in critical issues and a marked improvement in positive impacts on the most significant issues. The results show how sustainability is at the heart of Sasol's strategic and operational plans, focused on the continuous improvement approach.



LOW



MEDIUM



HIGH



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. As far as the economic data are concerned, since the contribution of Sasol Italy Energy is not relevant, this has not been reported, while it also applies to Sasol Italy Energy only for the energy and CO₂ production of the cogeneration plant.

The document - drawn up according to the Core option - was subjected to an external audit and has been certified of adherence to the standards. These pages report on the results achieved in the area of Corporate Social Responsibility by Sasol Italy in the calendar year 2021.

The scope of the report includes the Milan headquarters, the three plants in Italy (including the cogeneration plant managed by Sasol Italy Energia, a fully wholly owned subsidiary, at the Augusta site).

Relative to the economic data, since the contribution of Sasol Italy Energia 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 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 preparing the report, the principles of quality, namely:

- **Accuracy:** the information reported has been compiled with the aim of understanding and assessing of sustainability performance in the reporting period.

- **Reliability:** the data presented in the document were 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 2019-2020- 2021 - where not otherwise indicated - and accompanied by a commentary on their performance in such a way to allow comparison and comparability of 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 2021 that may be 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 Sasol Italy communication office 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.

CO₂

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.

MATM

The Italian Ministry of Environment.



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.



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.



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.



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.

**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.

**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.

**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.

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