

**IMPORTANT NOTICE (FOR ELECTRONIC DELIVERY)**

**STRICTLY CONFIDENTIAL — DO NOT FORWARD**

**IMPORTANT:** You must read the following disclaimer before continuing. The following disclaimer applies to the offering memorandum (the “**Offering Memorandum**”) following this page. You are therefore advised to read this disclaimer carefully before reading, accessing or making any other use of the following Offering Memorandum. In accessing the following Offering Memorandum, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

**Confirmation of Your Representation:** In order to be eligible to view this Offering Memorandum or make an investment decision with respect to the securities, (1) you must be either (i) outside the United States and not a U.S. person, as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), and not acting on behalf of a person in the United States or a U.S. person, and, to the extent you purchase the securities described in the attached Offering Memorandum, you will be doing so pursuant to Regulation S under the Securities Act, OR (ii) a qualified institutional buyer, as defined in Rule 144A under the Securities Act, or acting on your own behalf or on behalf of a qualified institutional buyer, (2) if you are located in the United Kingdom, you must be a person to whom section 21(1) of the Financial Services and Markets Act 2000 (as amended) does not apply and you must be a qualified investor under Regulation (EU) 2017/1129 as it forms part of UK law by virtue of the European Union (Withdrawal) Act 2018 (as amended, the “**EUWA**”), (3) if you are located within a member state of the European Union, you must be a qualified investor under Regulation (EU) 2017/1129 (as amended, the “**Prospectus Regulation**”), (4) you must be an institutional or other investor eligible to participate in a private placement of securities under applicable law in your jurisdiction, AND (5) you shall be deemed to have represented to us that you consent to delivery of the following Offering Memorandum and any amendments or supplements thereto by electronic transmission.

The attached document has been made available to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the issuer of the securities, the initial purchasers or any person who controls any of them, or any of their respective directors, officers, employees, representatives or affiliates accepts any liability or responsibility whatsoever in respect of any discrepancies between the document distributed to you in electronic format and the hard copy version. We will provide a hard copy version to you upon request.

**THE SECURITIES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION, AND MAY NOT BE OFFERED OR SOLD WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT), EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ANY APPLICABLE STATE OR LOCAL SECURITIES LAWS.**

Except with respect to eligible investors in jurisdictions where such offer is permitted by law, nothing in this electronic transmission constitutes an offer or an invitation by or on behalf of either the issuer of the securities or the initial purchasers to subscribe for or purchase any of the securities described in the following Offering Memorandum, and access has been limited so that it shall not constitute a general advertisement or solicitation in the United States or elsewhere. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the initial purchasers or any affiliate of the initial purchasers is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by the initial purchasers or such affiliate on behalf of the issuer in such jurisdiction. This communication is an advertisement and not a prospectus for the purposes of the Prospectus Regulation.

This communication is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “**Financial Promotion Order**”), (ii) are persons falling within Article 49(2)(a) to (d) of the Financial Promotion Order (high net worth companies, unincorporated associations, etc.), (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “**Relevant Persons**”). This communication is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. Any investment or investment activity to which this Offering Memorandum relates is available only to Relevant Persons and will be engaged in only with Relevant Persons.

**Prohibition of Sales to EEA Retail Investors**—The notes are not intended to be offered, sold, or otherwise made available to and should not be offered, sold, or otherwise made available to any retail investor in the European Economic Area

("EEA"). For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "MiFID II"); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "Insurance Distribution Directive"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "PRIIPs Regulation") for offering or selling the notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**Prohibition of Sales to United Kingdom Retail Investors** – The notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold, or otherwise made available to any retail investor in the United Kingdom ("UK"). For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 (as amended, the "FSMA") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014, as amended, as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended, as it forms part of domestic law by virtue of the EUWA (the "UK PRIIPs Regulation") for offering or selling the notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

### **MiFID II Product Governance / Professional Investors and ECPs Only Target Market**

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the notes has led to the conclusion that: (i) the target market for the notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the notes (for the purposes of this paragraph, a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

### **UK Product Governance / Professional Investors and ECPs Only Target Market**

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the notes has led to the conclusion that: (i) the target market for the notes is only eligible counterparties, as defined in the UK Financial Conduct Authority ("FCA") Handbook Conduct of Business Sourcebook ("COBS") and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA ("UK MiFIR"); and (ii) all channels for distribution of the notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the notes (for the purposes of this paragraph, a "distributor") should take into consideration the manufacturers' target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "UK MiFIR Product Governance Rules") is responsible for undertaking its own target market assessment in respect of the notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

**This transmission is personal to you and must not be forwarded.** You are reminded that you have accessed the following Offering Memorandum on the basis that you are a person into whose possession this Offering Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorized to deliver this Offering Memorandum, electronically or otherwise, to any other person, or to disclose any of its contents, whether orally or in writing, to any other person. If you have gained access to this transmission contrary to the foregoing restrictions, you will be unable to purchase any of the securities described therein.

**Actions that you may not take:** You should not reply by e-mail to this announcement, and you may not purchase any securities by doing so. Any reply e-mail communications, including those you generate by using the "Reply" function on your e-mail software, will be ignored or rejected.

**YOU ARE NOT AUTHORIZED AND YOU MAY NOT FORWARD OR DELIVER THE ATTACHED OFFERING MEMORANDUM, ELECTRONICALLY OR OTHERWISE, TO ANY OTHER PERSON OR REPRODUCE SUCH OFFERING MEMORANDUM IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS OFFERING MEMORANDUM AND THE FOLLOWING OFFERING MEMORANDUM IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.**

This document does not constitute or form part of any offer or invitation to sell these securities or any solicitation of any offer to purchase these securities in any jurisdiction where such offer or sale is not permitted.

You are responsible for protecting against viruses and other destructive items. Your use of this e-mail is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses and other items of a destructive nature.

**Sasol Financing USA LLC****\$1,000,000,000 8.750% Notes due 2029  
Fully and Unconditionally Guaranteed by  
Sasol Limited**

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The 8.750% notes due 2029, which we refer to as the “Notes”, will bear interest at a rate of 8.750% per year. Sasol Financing USA LLC, or the “Issuer”, will pay interest on the notes semi-annually in arrears on May 3 and November 3 of each year, commencing on November 3, 2023.

Unless the Issuer redeems the Notes earlier, the Notes will mature on May 3, 2029. The Notes will rank equally with the Issuer’s senior, unsecured debt obligations and the guarantees (the “**Guarantees**”) will rank equally with all other senior, unsecured debt obligations of Sasol Limited.

The Issuer may redeem some or all of the Notes at any time and from time to time at the applicable redemption price determined in the manner described in this Offering Memorandum (including at 100% of the principal amount of the Notes to be redeemed, plus accrued and unpaid interest thereon, on or after March 3, 2029). The Issuer may also redeem the Notes in whole if certain tax events occur as described in this Offering Memorandum. In addition, upon the occurrence of both (i) a change of control of Sasol Limited and (ii) a rating event, the Issuer will be required to make an offer to purchase the Notes at a price equal to 101% of the principal amount of the Notes plus accrued and unpaid interest, if any, to the date of repurchase. The Notes will be issued in denominations of \$200,000 and integral multiples of \$1,000.

The Issuer will apply to list the Notes on the Frankfurt Stock Exchange. Currently, there is no public market for the Notes.

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***See “Risk Factors” beginning on page 17 of this Offering Memorandum to read about factors you should consider before investing in the Notes.***

The Notes and the Guarantees have not been and will not be registered under the Securities Act, or any state securities laws. Accordingly, the Notes are being offered and sold in the U.S. only to qualified institutional buyers (“**QIBs**”) in accordance with Rule 144A under the Securities Act (“**Rule 144A**”) or in transactions exempt from or not subject to the registration requirements of the Securities Act and outside the United States to non-U.S. persons in accordance with Regulation S under the Securities Act (“**Regulation S**”). Prospective purchasers that are QIBs are hereby notified that the seller of the Notes and the related Guarantees may be relying on the exemption from the registration requirements under the Securities Act provided by Rule 144A. For further details about eligible offerees and transfer restrictions, see “Plan of Distribution” and “Transfer Restrictions.”

**Neither the United States Securities and Exchange Commission (the “SEC”) nor any other regulatory body has approved or disapproved of these securities or passed upon the adequacy or accuracy of this Offering Memorandum. Any representation to the contrary is a criminal offense.**

The offering price for the Notes is 100.000%, plus accrued and unpaid interest, if any, from May 3, 2023.

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The Notes will be issued in the form of global notes in registered form. See “Book-entry; Delivery and Form.”

The Initial Purchasers expect to deliver the Notes on or about May 3, 2023 (the “**Issue Date**”).

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*Joint Global Coordinators and Joint Bookrunners*

**Citigroup**

**SMBC Nikko**

*Joint Bookrunners*

**BofA  
Securities**

**IMI – Intesa  
Sanpaolo**

**J.P. Morgan**

**Mizuho**

**MUFG**

**Standard  
Chartered  
Bank**

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**Offering Memorandum dated April 26, 2023**

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## IMPORTANT INFORMATION

**None of the Issuer, or Citigroup Global Markets Inc., SMBC Nikko Capital Markets Limited, Intesa Sanpaolo S.p.A., London Branch, J.P. Morgan Securities plc, Merrill Lynch International, MUFG Securities EMEA plc, Mizuho International plc and Standard Chartered Bank (the “Initial Purchasers”) have authorized anyone to provide you with any information or represent anything about the Issuer, its financial results or this offering that is not contained or incorporated by reference in this offering memorandum (the “Offering Memorandum”). If given or made, any such other information or representation should not be relied upon as having been authorized by the Issuer or the Initial Purchasers or their affiliates or in making your decision to invest in the Notes. We and the Initial Purchasers take no responsibility for, and can provide no assurance as to the reliability of, any information that others may give you. None of the Issuer or the Initial Purchasers or their affiliates are making an offer of the Notes in any jurisdiction where this Offering is not permitted. You should not assume that the information contained in this Offering Memorandum is accurate as of any date other than the date on the front cover of this Offering Memorandum and the date of any documents incorporated by reference. Our business, financial condition, liquidity, results of operations and prospects may have changed since those dates.**

This Offering Memorandum is confidential and has been prepared by the Issuer solely for use in connection with the proposed offering of the Notes (the “**Offering**”) described in this Offering Memorandum. This Offering Memorandum is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the Notes. You are authorized to use this Offering Memorandum solely for the purpose of considering the purchase of the Notes. Distribution of this Offering Memorandum to any person other than the prospective investor and any person retained to advise such prospective investor with respect to the purchase of the Notes is unauthorized, and any disclosure of any of the contents of this Offering Memorandum, without the Issuer’s prior written consent, is prohibited. This Offering Memorandum has been submitted solely to a limited number of persons reasonably believed to be QIBs and to non-U.S. persons outside the United States in compliance with Regulation S so they can consider a purchase of the Notes. Each prospective investor, by accepting delivery of this Offering Memorandum, agrees to the foregoing.

None of the Initial Purchasers or their affiliates or the Trustee, the Paying Agent or the Registrar (each as defined herein) makes any representation or warranty, express or implied, as to the accuracy or completeness of the information contained in this Offering Memorandum. Nothing contained in this Offering Memorandum is, or shall be relied upon as, a promise or representation by the Initial Purchasers or their affiliates as to the past or future. The Initial Purchasers have not independently verified any of the information contained herein (financial, legal or otherwise) and assume no responsibility for the accuracy or completeness of any such information.

The Issuer and the Guarantor (as defined herein) accept responsibility for the information contained in this Offering Memorandum. To the best of the Issuer’s and the Guarantor’s knowledge and belief, the information contained in this Offering Memorandum with regard to the Issuer, the Guarantor and their subsidiaries and the Notes and the Guarantees is in accordance with the facts and does not omit anything likely to affect the import of such information. However, the information set forth under the heading “Summary” includes extracts from information and data, including industry and market data, released by publicly available sources. While we accept responsibility for the accurate extraction and summarization of such information and data, we have not independently verified the accuracy of such information and data and we accept no further responsibility in respect thereof.

All references to the “group”, “us”, “we”, “our”, “company”, or “Sasol” in this Offering Memorandum are to Sasol Limited, its group of subsidiaries and its interests in associates, joint arrangements and structured entities. All references in this Offering Memorandum are to Sasol Limited or the companies comprising the group, as the context may require. All references to “(Pty) Ltd” refer to Proprietary Limited, a form of corporation in the Republic of South Africa (“**South Africa**”) which restricts the right of transfer of its shares and prohibits the public offering of its shares.

The information set forth in relation to sections of this Offering Memorandum describing clearing arrangements, including “Book-entry; Delivery and Form,” is subject to any change in or reinterpretation of the rules, regulations and procedures of DTC currently in effect. While the Issuer and the Guarantor accept responsibility for accurately summarizing the information concerning DTC, they accept no further responsibility in respect of such information. In addition, this Offering Memorandum contains summaries believed to be accurate with respect to certain documents, but reference is made to the actual documents for complete information. All such summaries are qualified in their entirety by such reference.

By purchasing the Notes, you acknowledge that you have had an opportunity to request from the Issuer for review, and that you have received, all additional information you deem necessary to verify the accuracy and completeness of the information contained in this Offering Memorandum. You also acknowledge that you have not relied on the Initial Purchasers or their affiliates in connection with your investigation of the accuracy of this information or

your decision whether to invest in the Notes and that the Initial Purchasers are not responsible for, and are not making any representations to you concerning, our future performance or the accuracy or completeness of this Offering Memorandum. Neither the delivery of this Offering Memorandum at any time after the date of publication nor any subsequent commitment to purchase the Notes shall, under any circumstances, create an implication that there has been no change in the information set out in this Offering Memorandum since the date of this Offering Memorandum or dates of incorporated documents.

The Issuer and the Initial Purchasers and their affiliates reserve the right to reject all or a part of any offer to purchase the Notes, for any reason. The Issuer and the Initial Purchasers and their affiliates also reserve the right to sell less than all the Notes offered by this Offering Memorandum or to sell to any purchaser less than the amount of the Notes it has offered to purchase.

We are offering the Notes and the Guarantees in reliance on (i) an exemption from registration under the Securities Act for an offer and sale of securities that does not involve a public offering and (ii) a transaction pursuant to Regulation S under the Securities Act that is not subject to the registration requirements of the Securities Act. If you purchase the Notes, you will be deemed to have made certain acknowledgments, representations and warranties as detailed under “Notice to Investors.” The Notes are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act and applicable securities laws of any other jurisdiction pursuant to registration or exemption therefrom. You may be required to bear the financial risk of an investment in the Notes for an indefinite period. Neither we nor the Initial Purchasers or their affiliates are making an offer to sell the Notes in any jurisdiction where the offer and sale of the Notes is prohibited. Neither we nor the Initial Purchasers or their affiliates are making any representation to you that the Notes are a legal investment for you.

None of the SEC, any state securities commission or any other regulatory authority has approved or disapproved of the Notes, nor have any of the foregoing authorities passed upon or endorsed the merits of this Offering or the accuracy or adequacy of this Offering Memorandum. Any representation to the contrary could be a criminal offense in certain countries.

The Notes are subject to restrictions on transferability and resale and may not be transferred or resold, except as permitted under the Securities Act and the applicable state securities laws, pursuant to registration or exemption therefrom. As a prospective investor, you should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time. Please refer to the sections in this Offering Memorandum entitled “Plan of Distribution” and “Notice to Investors.”

The distribution of this Offering Memorandum and the offering and sale of the Notes in certain jurisdictions may be restricted by law. See “Notice to Investors.”

You should read this Offering Memorandum before making a decision whether to purchase any Notes. In making an investment decision, prospective investors must rely on their own examination of the Issuer, the Guarantor and the terms of this Offering, including the merits and risks involved. In addition, none of the Issuer, the Guarantor or the Initial Purchasers or any of our or their respective representatives or affiliates are making any representation to you regarding the legality of an investment in the Notes, and you should not construe anything in this Offering Memorandum as financial, investment, legal, business or tax or other advice. You should consult your own advisers as to legal, tax, business, financial and related aspects of an investment in the Notes. You must comply with all laws applicable in any jurisdiction in which you buy, offer or sell the Notes or possess or distribute this Offering Memorandum, and you must obtain all applicable consents and approvals; none of the Issuer, the Guarantor or the Initial Purchasers or their affiliates shall have any responsibility for any of the foregoing legal requirements. This Offering Memorandum does not constitute an offer of, or an invitation to purchase, any of the Notes, in any jurisdiction in which such offer or sale would be unlawful. No one has taken any action that would permit a public offering to occur in any jurisdiction.

The Notes will be issued in the form of global notes. See “Book-entry; Delivery and Form.”

Trademarks, service marks or trade names appearing in this Offering Memorandum are property of their respective owners.

We intend to list the Notes on the Frankfurt Stock Exchange and have the Notes admitted for trading on the Open Market (Freiverkehr) of the Frankfurt Stock Exchange. The Notes will not be listed on the Frankfurt Stock Exchange on the Issue Date, and we cannot guarantee that the application we will make to the Frankfurt Stock Exchange for the Notes to be listed and admitted for trading on the Open Market (Freiverkehr) of the Frankfurt Stock Exchange will be approved at any time after the Issue Date, and settlement of the Notes is not conditioned on obtaining such admission to trading.



## ABOUT THIS OFFERING MEMORANDUM

We have not authorized anyone to provide any information other than that contained or incorporated by reference in this Offering Memorandum. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give you. This document may be used only where it is legal to sell these securities. The information in this document may be accurate only on the date hereof.

In this Offering Memorandum, references to “rands”, “ZAR” and “R” are to the lawful currency of South Africa, references to “U.S. dollars”, “dollars” or “\$” are to the lawful currency of the United States, references to “£” or “British pounds” are to the lawful currency of the United Kingdom and references to “€” or “euros” are to the lawful currency of the European Monetary Union.

In connection with the Offering, the Initial Purchasers are not acting for anyone other than the Issuer or the Guarantor and will not be responsible to anyone other than the Issuer or the Guarantor for providing the protections afforded to their clients nor for providing advice in relation to the Offering.

## WHERE YOU CAN FIND MORE INFORMATION

We file annual and other reports with the United States Securities and Exchange Commission, or SEC. The SEC maintains a website (<http://www.sec.gov>) on which our annual and other reports are made available. Sasol’s website address is [www.sasol.com](http://www.sasol.com). Any information contained on any website referenced in this Offering Memorandum is not incorporated by reference in this Offering Memorandum except as explicitly stated to be incorporated by reference. You may also read and copy these documents at the offices of the New York Stock Exchange, 20 Broad Street, New York, New York 10005.

## NOTE REGARDING FORWARD-LOOKING STATEMENTS

We may from time to time make written or oral forward-looking statements, including in this Offering Memorandum and the documents incorporated by reference in this Offering Memorandum. These statements may relate to analyses and other information which are based on forecasts of future results and estimates of amounts not yet determinable. These statements may also relate to our future prospects, developments and business strategies. Examples of such forward-looking statements include, but are not limited to:

- the capital cost of our projects (including material, engineering and construction cost), and the timing of project milestones;
- our ability to obtain financing to meet the funding requirements of our capital investment program, as well as to fund our ongoing business activities and pay dividends;
- changes in the demand for and international prices of crude oil, gas, petroleum and chemical products and changes in foreign currency exchange rates;
- statements regarding our future results of operations and financial condition and regarding future economic performance including cost-containment, cash-conservation programs and business optimization initiatives;
- statements of our business strategy, business performance outlook, plans, objectives or goals, including those related to products or services;
- statements regarding future competition, volume growth and changes in market share in the industries and markets for our products;
- statements regarding our existing or anticipated investments (including Mozambique exploration and development activities, the gas-to-liquids (“GTL”) joint venture in Qatar, chemical projects and joint arrangements in North America and other investments), acquisitions of new businesses or the disposal of existing businesses, including estimates or projections of internal rates of return and future profitability;
- statements regarding our estimated oil, gas and coal reserves;
- statements regarding the probable future outcome of litigation and regulatory proceedings and the future development in legal and regulatory matters including statements regarding our ability to comply with future laws and regulations;

- statements regarding future fluctuations in refining margins and crude oil, natural gas and petroleum product prices and statements regarding our cash breakeven crude oil price;
- statements regarding the demand, pricing and cyclical nature of oil, gas and petrochemical product prices;
- statements regarding changes in the fuel and gas pricing mechanisms in South Africa and their effects on prices, our operating results and profitability;
- statements regarding future fluctuations in exchange and interest rates and changes in credit ratings;
- statements regarding total shareholder return;
- statements regarding our growth and expansion plans;
- statements regarding our current or future products and anticipated customer demand for these products;
- statements regarding acts of war, terrorism or other events that may adversely affect the group's operations or that of key stakeholders to the group;
- statements and assumptions relating to macroeconomics;
- statements regarding the progress in remediating material weakness in our internal control over financial reporting;
- statements regarding tax litigation and assessments;
- the impact of the coronavirus pandemic ("COVID-19"), and the measures taken in response to it, on Sasol's business, results of operations, markets, employees, financial condition and liquidity; and
- statements of assumptions underlying such statements.

Words such as "believe", "anticipate", "expect", "intend", "seek", "will", "plan", "could", "may", "endeavor", "target", "forecast" and "project" and similar expressions are intended to identify forward-looking statements, but are not the exclusive means of identifying such statements.

By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and there are risks that the predictions, forecasts, projections and other forward-looking statements will not be achieved. If one or more of these risks materialize, or should underlying assumptions prove incorrect, our actual results may differ materially from those anticipated in such forward-looking statements. You should understand that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include among others, and without limitation:

- the outcome in pending and developing regulatory matters and the effect of changes in regulation and government policy;
- the political, social and fiscal regime and economic conditions and developments in the world, especially in those countries in which we operate;
- the outcome of legal proceedings including tax litigation and assessments;
- our ability to maintain key customer relations in important markets;
- our ability to improve results despite increased levels of competition;
- our ability to exploit our oil, gas and coal reserves as anticipated;
- the continuation of substantial growth in significant developing markets;
- the ability to benefit from our capital investment program;
- the accuracy of our assumptions in assessing the economic viability of our large capital projects and growth in significant developing areas of our business;

- the ability to gain access to sufficient competitively priced gas, oil and coal reserves and other commodities;
- the impact of environmental legislation and regulation on our operations and access to natural resources;
- our success in continuing technological innovation;
- the success of our Broad-Based Black Economic Empowerment (“B-BBEE”) ownership transaction;
- our ability to maintain sustainable earnings despite fluctuations in oil, gas and commodity prices, foreign currency exchange rates and interest rates;
- our ability to maintain sufficient levels of cash at all times;
- our ability to attract and retain sufficient skilled employees;
- the impact of the COVID-19 pandemic, and the related response measures, on Sasol and on the economies in which we operate; and
- our success at managing the foregoing risks.

The foregoing list of important factors is not exhaustive; when making investment decisions, you should carefully consider the foregoing factors and other uncertainties and events, and you should not place undue reliance on forward-looking statements. Forward-looking statements apply only as of the date on which they are made and we do not undertake any obligation to update or revise any of them, whether as a result of new information, future events or otherwise.

#### NOTE TO EEA INVESTORS

This Offering Memorandum has been prepared on the basis that any offer of securities in any member state of the European Economic Area (“EEA”) will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. For the purposes of this Offering Memorandum, “Prospectus Regulation” means Regulation (EU) 2017/1129 (as amended or superseded).

**Prohibition of sales to EEA retail investors**—The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, “MiFID II”); or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “IDD”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the “PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Each person in a Member State of the EEA who receives any communication in respect of, or who acquires any Notes under, the offers to the public contemplated in this Offering Memorandum, or to whom the Notes are otherwise made available, will be deemed to have represented, warranted, acknowledged and agreed to and with each Initial Purchaser and the Issuer that it and any person on whose behalf it acquires Notes is not a “retail investor” (as defined above).

**MiFID II product governance / Professional investors and Eligible Counterparties only target market**—Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (for the purposes of this paragraph, a “distributor”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

#### NOTE TO UK INVESTORS

This Offering Memorandum has been prepared on the basis that any offer of Notes in the United Kingdom (“UK”) will be made pursuant to an exemption under the UK Prospectus Regulation and the Financial Services and Markets Act 2000 (as amended, the “FSMA”) from the requirement to publish a prospectus for offers of Notes. For the purposes of this Offering Memorandum, “UK Prospectus Regulation” means Regulation (EU) 2017/1129, as it forms part of the domestic law of the UK by virtue of the European Union (Withdrawal) Act 2018 (“EUWA”).

**Prohibition of sales to UK retail investors**—The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by Regulation (EU) No 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “UK PRIIPs Regulation”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Each person in the UK who receives any communication in respect of, or who acquires any Notes under, the offers to the public contemplated in this Offering Memorandum, or to whom the Notes are otherwise made available, will be deemed to have represented, warranted, acknowledged and agreed to and with each Initial Purchaser and the Issuer that it and any person on whose behalf it acquires Notes is not a “retail investor” (as defined above).

This Offering Memorandum is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Financial Promotion Order”), (ii) are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc.”) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). This Offering Memorandum is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Offering Memorandum relates is available only to relevant persons and will be engaged in only with relevant persons.

**UK MiFIR product governance / Professional investors and Eligible Counterparties only target market**—Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the UK Financial Conduct Authority (“FCA”) Handbook Conduct of Business Sourcebook (“COBS”), and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA (“UK MiFIR”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (for the purposes of this paragraph, a “distributor”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “UK MiFIR Product Governance Rules”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

## NOTE TO SINGAPORE INVESTORS

**Singapore SFA Product Classification**—In connection with Section 309B of the Securities and Futures Act (Chapter 289) of Singapore (the “SFA”) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “CMP Regulations 2018”), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are “prescribed capital markets products” (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

## ENFORCEMENT OF CERTAIN CIVIL LIABILITIES

Sasol Limited is a public company incorporated under the laws of South Africa. Most of Sasol Limited’s directors and officers, and the experts named herein, reside outside the United States, principally in South Africa. You may not be able, therefore, to effect service of process within the United States upon those directors and officers with respect to matters arising under the laws of the United States, including the federal securities laws of the United States.

In addition, most of our assets and the assets of our directors and officers are located outside the United States. As a result, you may not be able to enforce against us or our directors and officers judgments obtained in U.S. courts predicated on the civil liability provisions of the federal securities laws of the United States.

We have been advised by Edward Nathan Sonnenbergs Inc. (trading as ENSafrica), our South African counsel, that there is doubt as to the enforceability in South Africa, in original actions or in actions for enforcement of judgments of U.S. courts, of liabilities predicated on the U.S. federal securities laws.

The statute of limitations applicable to payment of interest and repayment of principal under New York law is six years.

### STABILIZATION

In connection with the offering of the Notes, Citigroup Global Markets Inc. (or any person acting on its behalf) may over allot Notes or effect transactions with a view to supporting the market price of the Notes during the stabilization period at a level higher than that which might otherwise prevail. However, stabilization may not necessarily occur. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 calendar days after the date on which the Issuer received the proceeds of the issue and 60 calendar days after the date of the allotment of the Notes. Any stabilization action or overallotment must be conducted by Citigroup Global Markets Inc. (or persons acting on its behalf) in accordance with all applicable laws and rules and will be undertaken at the offices of the Citigroup Global Markets Inc. (or persons acting on its behalf) and on the trading venue.

### INCORPORATION BY REFERENCE

We are incorporating by reference in this Offering Memorandum certain information we filed with the SEC, which means that we are disclosing important information to you by referring you to certain documents filed with or furnished to the SEC that are considered part of this Offering Memorandum through incorporation by reference. We incorporate by reference the documents listed below:

- Our annual report on Form 20-F for the year ended June 30, 2022 filed with the SEC on August 31, 2022 (our “**Form 20-F**”);
- Our current report on Form 6-K dated and furnished to the SEC on December 5, 2022 (Film No. 221443702), containing information about the appointment of a non-executive director;
- Our current report on Form 6-K dated and furnished to the SEC on February 23, 2023 (Film No. 23655784), containing our unaudited condensed consolidated interim financial statements for the six-month period ended December 31, 2022 (our “**H1 2023 Results Form 6-K**”); and
- Our current report on Form 6-K dated and furnished to the SEC on April 21, 2023 (Film No. 23834862), containing our production and sales metrics for the nine months ended 31 March 2023 and hedging update (our “**Q3 2023 Results Form 6-K**”).

You may obtain a copy of these filings at no cost by writing or telephoning us at the following address:

Senior Vice President: Legal, Intellectual Property & Compliance Services

Sasol South Africa Limited  
Sasol Place  
50 Katherine Street  
Sandton 2196  
South Africa  
Telephone: +27 10 344 6390  
Fax: +27 11 522 853

## NOTES ON DEFINED TERMS USED IN THIS OFFERING MEMORANDUM

The following terms used in this Offering Memorandum have the meanings assigned to them below:

|  |   |
|--|---|
| “Adjusted EBITDA” .....                    | Adjusted earnings before interest, tax, depreciation and amortization.  |
| “ADR” .....                                | American Depositary Receipts of Sasol Limited listed on the New York Stock Exchange.  |
| “B-BBEE” .....                             | Broad-Based Black Economic Empowerment ownership transaction.   |
| “CO <sup>2</sup> ” .....                   | Carbon dioxide.   |
| “Convertible Bond” .....                   | The Issuer’s \$750 million 4.50% guaranteed senior unsecured bonds due 2027, guaranteed by Sasol Limited and subject to their terms and conditions, convertible into shares of the Guarantor, issued on November 1, 2022.   |
| “CPF” .....                                | Central processing facility.  |
| “DTC” .....                                | The Depository Trust Company.   |
| “E.U.” .....                               | European Union.   |
| “euro” or “€” .....                        | The euro, the lawful currency of the E.U. member states participating in the European Monetary Union.   |
| “Exchange Act” .....                       | U.S. Securities and Exchange Act of 1934, as amended.   |
| “Existing Revolving Credit Facility” ..... | The \$3,900 million aggregate principal amount of revolving credit facility entered into on June 3, 2019 among, <i>inter alia</i> , the Issuer and Bank of America Europe Designated Activity Company as facility agent. As of December 31, 2022, \$1,200 million was drawn under the Existing Revolving Credit Facility. |
| “Existing U.S. Term Loan” .....            | The \$1,800 million aggregate principal amount of U.S. term loan entered into on November 21, 2019 among, <i>inter alia</i> , the Issuer and Bank of America Europe Designated Activity Company as facility agent. As of December 31, 2022, \$695.5 million was drawn under the Existing U.S. Term Loan.                  |
| “EURIBOR” .....                            | The Euro Interbank Offered Rate.  |
| “Form 20-F” .....                          | Refers to the Sasol Limited Annual Report on Form 20-F for the year ended June 30, 2022 filed with the SEC on August 31, 2022.  |
| “FSMA” .....                               | UK Financial Services Markets Act 2000.   |
| “FT” .....                                 | Fischer-Tropsch technology.   |
| “Guarantees” .....                         | Full and unconditional guarantees of the Notes by Sasol Limited.  |
| “Guarantor” .....                          | Sasol Limited.  |
| “GTL” .....                                | Gas-to-liquids.   |
| “H1 2023 Results Form 6-K” .....           | Our current report on Form 6-K dated and furnished to the SEC on February 23, 2023 (Film No. 23655784), containing our unaudited condensed consolidated interim financial statements for the six-month period ended December 31, 2022   |
| “HY23” .....                               | Six months ended December 31, 2022.   |
| “HSI-SR” .....                             | High severity injury severity rate.   |
| “IASB” .....                               | International Accounting Standards Board.   |
| “IFRS” .....                               | International Financial Reporting Standards as issued by the International Accounting Standards Board (“IASB”) and related interpretations as issued by the IASB.   |
| “Indenture” .....                          | The indenture governing the Notes offered hereby.   |
| “Initial Purchasers” .....                 | Citigroup Global Markets Inc., SMBC Nikko Capital Markets Limited, Intesa Sanpaolo S.p.A., London Branch, J.P. Morgan Securities plc, Merrill Lynch International, MUFG Securities EMEA plc, Mizuho International plc and Standard Chartered Bank.  |
| “Issuer” or “SFUSA” .....                  | Sasol Financing USA LLC.  |
| “JSE” .....                                | Johannesburg Stock Exchange.  |
| “LAB” .....                                | Linear Alkyl Benzene.   |
| “LCCP” .....                               | Lake Charles Chemical Project.  |
| “LDPE” .....                               | Low density polyethylene.   |
| “LLDPE” .....                              | Linear low-density polyethylene.  |
| “Lenders” .....                            | Certain lenders led by Bank of America Europe DAC, MUFG Bank Ltd and Mizuho Bank Ltd.   |
| “Natref” .....                             | National Petroleum Refiners of South Africa.  |
| “Net Zero” .....                           | Sasol’s 2050 net zero emissions ambition.   |

|                                 |  |
|---------------------------------|--|
| “New Revolving Credit Facility” | \$982,444,444 term facility entered into by the Original Borrowers and Lenders on April 17, 2023.  |
| “New Senior Credit Facilities”  | Senior facilities agreement providing for New Revolving Credit Facility and New U.S. Term Facility.  |
| “New U.S. Term Facility”        | \$1,986,888,888 revolving credit facility entered into by the Original Borrowers and Lenders on April 17, 2023.  |
| “Notes”                         | \$1,000,000,000 aggregate principal amount of 8.750% notes due 2029 offered hereby.  |
| “NYSE”                          | New York Stock Exchange.   |
| “Offering”                      | The offering of the Notes.   |
| “Original Borrowers”            | The Issuer and SFIL.   |
| “Paying Agent”                  | Wilmington Savings Fund Society, FSB.  |
| “pounds”                        | Pounds sterling, the lawful currency of the United Kingdom.  |
| “Q3 2023 Results Form 6-K”      | Our current report on Form 6-K dated and furnished to the SEC on April 21, 2023 (Film No. 23834862), containing our production and sales metrics for the nine months ended 31 March 2023 and hedging update. |
| “QIB”                           | Qualified institutional buyer, as defined in Rule 144A.  |
| “Registrar”                     | Wilmington Savings Fund Society, FSB.  |
| “Regulation S”                  | Regulation S under the U.S. Securities Act.  |
| “Rule 144A”                     | Rule 144A under the U.S. Securities Act.   |
| “SAF”                           | Sustainable aviation fuel.   |
| “SEC”                           | United States Securities and Exchange Commission.  |
| “Securities Act”                | U.S. Securities Act of 1933, as amended.   |
| “SDG”                           | Sustainable Development Goals.   |
| “SFIL”                          | Sasol Financing International Limited.   |
| “SOFR”                          | Secured Overnight Financing Rate Data.   |
| “Trustee”                       | Wilmington Savings Fund Society, FSB.  |
| “U.S. dollars,” or “\$”         | The lawful currency of the United States.  |
| “United Kingdom” or “UK”        | The United Kingdom of Great Britain and Northern Ireland.  |
| “United States” or “U.S.”       | The United States of America.  |

## SUMMARY

*This summary highlights information contained elsewhere in this Offering Memorandum and the documents incorporated by reference herein. This summary is not complete and does not contain all the information that may be important to you. Potential investors should read the entire Offering Memorandum and the documents incorporated by reference herein and therein carefully, especially the risks of investing in the Notes discussed under “Risk Factors”.*

*Certain U.S. dollar information has been presented in this Offering Memorandum as at December 31, 2022 on an unaudited basis solely for the convenience of the reader and is computed at the closing rate of ZAR 17.01 = US\$1.00. Such translations should not be construed as representations that the South African rand amounts represent, or have been or could be converted into, U.S. dollars at that or any other rate.*

### Overview of Sasol

Sasol is a global chemicals and energy company. Sasol harnesses its knowledge and expertise to integrate sophisticated technologies and processes into world-scale operating facilities. Sasol strives to safely and sustainably source, produce and market a range of high-quality products globally.

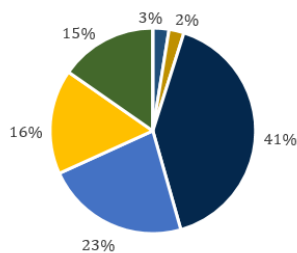
Sasol is located in 22 countries with approximately 28,630 employees worldwide as of June 30, 2022 and its products are marketed in 118 countries. Sasol is listed on the Johannesburg Stock Exchange (“JSE”) with a secondary listing on the A2X Exchange and its American Depositary Receipts (“ADRs”) are listed on the New York Stock Exchange (“NYSE”). Sasol had a market capitalization of R150.1 billion or US\$8.2 billion as at March 28, 2023.

Sasol has more than 70 years’ experience in the production and marketing of chemicals and fuels. Sasol’s performance is underpinned by a strong international intellectual property portfolio with more than 2,500 patents (over 1,800 granted) and more than 3,900 trademarks held worldwide, each as of June 30, 2022. Sasol marketed approximately 3.1 million tons of chemical products and 27.4 million barrels of liquid fuels for the six months ended December 31, 2022 (“HY23”).

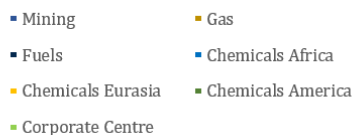
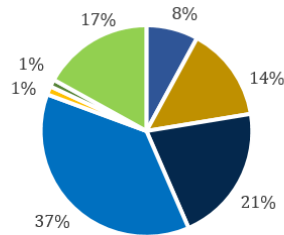
In South Africa, Sasol is playing a leading role in the development of the green hydrogen economy and accelerating renewable energy deployment. Sasol strives to build new sustainable businesses to produce low-carbon products globally by leveraging its differentiated technology and assets.

Sasol has a diversified revenue base generated from multiple sectors, end products, customers and geographies. Sasol reported turnover of R151.8 billion (US\$8.9 billion) and adjusted earnings before interest, tax, depreciation and amortization (“Adjusted EBITDA”) of R32.0 billion (US\$1.9 billion) for HY23.

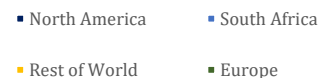
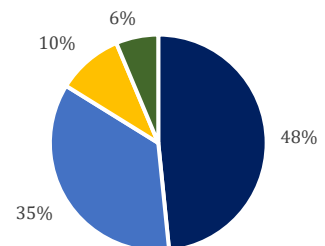
HY23 Turnover by Segment  
US\$8.9 billion<sup>(1)</sup>



HY23 EBIT by Segment  
US\$1.4 billion



FY22 Operational Non-Current  
Assets Split by Geography

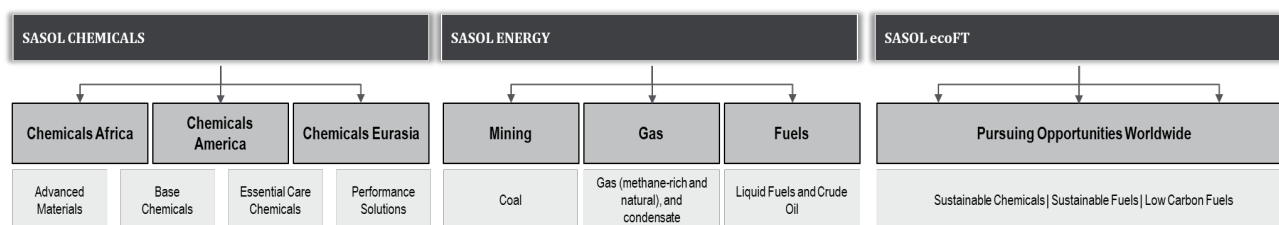


<sup>(1)</sup> Excluding the Corporate Centre

### Our Activities

Sasol is organized into three businesses:





## Chemicals

Sasol Chemicals has a strong, diversified, global presence that is organized into three customer-focused regional operating segments – Africa, US and Eurasia. These segments support four divisions - Advanced Materials, Base Chemicals, Essential Care Chemicals and Performance Solutions.

Sasol Chemicals is part of the pathway for Sasol to grow shared value while delivering its objective of transitioning to Net Zero (as defined below) by 2050. We believe Sasol Chemicals is strongly positioned to deliver competitive and sustainable returns through its unique portfolio of well invested assets with integrated value chains in each of its regional operating segments. Sasol Chemicals aims to focus on the factors within Sasol’s control to achieve its operating and financial targets while seeking to ensure consistently safe outcomes, meeting sustainability objectives, improving the customer experience and building the Sasol culture. Sasol Chemicals also stands to benefit from the more streamlined, customer-centric global organization structure that has recently been put in place.

We believe Sasol is well positioned to deliver value growth as it benefits from ramp up following its substantial investment to create a new, state of the art facility at its LCCP in the US alongside attractive exposure to a number of growing end markets, technology and segment leadership positions. Areas of advantage for Sasol Chemicals include a broad portfolio of alcohols for use in the fabric and home care market segments, alongside natural and renewable feedstock options. In our Advanced Materials division, Sasol believes it is a partner of choice, having proprietary alumina technology and calcined coke, which is preferred for battery materials. Sasol Chemicals is also able to provide custom performance solutions from its unique range of alcohols and surfactants that create attractive options for customers.

## Energy

Sasol Energy currently operates integrated value chains with feedstock sourced from Mining and Gas operating segments and processed at Sasol’s Secunda, Sasolburg and the National Petroleum Refiners of South Africa (“Natref”) operations in South Africa. Sasol is therefore a key part of helping to meet increasing demand for energy in South Africa underpinned by a growing population and a rising middle class.

Sasol Energy also has assets in its value chain that are located outside South Africa. These include the Pande-Temane Petroleum Production Agreement in Mozambique and ORYX GTL Limited, a joint venture with Qatar Petroleum in connection with a gas to liquids facility in Qatar.

Energy markets are fundamentally shifting towards low-carbon energy sources and Sasol’s ambition is to lead the energy transition in Southern Africa through three strategic pillars: decarbonization of existing operations, preservation of competitive and sustainable returns and growth of new value points, such as sustainable aviation fuels. Sasol is already utilizing its footprint to promote development of renewables, with several foundational contracts for renewable power supply in place.

Sasol is also helping to shape the development of South Africa’s green hydrogen ecosystem, including preparations for the production of green hydrogen for use in fuel cell hydrogen mobility, sustainable steel production and sustainable aviation fuels. Sasol Energy is able to use its existing assets and capabilities in this effort, including its differentiated Fischer-Tropsch (“FT”) technology. Sasol Energy is also geographically well positioned for scale export and is also currently leading pre-feasibility studies on greenfield projects to produce green hydrogen.

## Sasol ecoFT

Sasol ecoFT was recently established and spearheads Sasol’s vision to produce low-carbon fuels and chemicals globally, by seeking to build new sustainable businesses and leveraging Sasol’s FT technology. Sasol believes that FT is well positioned to thrive in a fossil fuel-free world through its ability to adapt to a wide variety of carbon feedstocks. Sasol ecoFT’s key focus is to produce and market sustainable aviation fuel.

As part of Sasol ecoFT, Sasol and Topsoe have signed a memorandum of understanding with the intent to

establish a 50/50 joint venture to develop low-carbon sustainable aviation fuel solutions (“SAF”). This joint venture will facilitate the enhancement of opportunities related to SAF production, with the main purpose being to develop, build, own and operate ventures producing SAF from non-fossil fuel feedstock based on Sasol and Topsoe’s related technologies.

Sasol ecoFT is investing in innovation and research to drive the energy transition. Sasol produces substantial volumes of hydrogen and believes it has the asset base and technology to be a leading participant in the anticipated growth of a green hydrogen economy.

## A Review of the Financial Position of the Business

**Delivering value – Sasol 2.0:** Sasol announced the Sasol 2.0 transformation program in March 2020 to enable the business to be competitive, highly cash generative and able to deliver attractive returns even in a low oil price environment. There has already been strong progress in meeting the relevant targets:

- **Cost Savings:** R2.7 billion (US\$158.7 million) of cash fixed cost improvements was realized in HY23 as compared to June 30, 2022.
- **Gross Margin:** R2.3 billion (US\$135.21 million) of gross margin improvement was realized in HY23 as compared to June 30, 2022.
- **Maintain and Transform capital expenditure:** R16.3 billion (US\$958.3 million) of capital expenditure incurred in HY23 with disproportionate level of capital expenditure incurred in the first half of the financial year as compared to that expected in the second half of the financial year as a result of the scheduled total Synfuels East factory shutdown.
- **Revised sustainable working capital target:** Sasol’s reported working capital (rolling 12-month) average in HY23 was 16.6%, just above the targeted range of 15.5-16.5% as Sasol continues to run higher working capital levels in order to compensate for disrupted supply chains.

**Disciplined capital allocation:** Sasol employs an updated capital allocation framework and governance structure, setting out Sasol’s approach to optimizing risk-weighted returns for the long term. In order to achieve this, the following priorities were established:

- Maintaining a robust balance sheet with strong liquidity
- Safeguarding the integrity and reliability of existing assets
- Meeting climate change targets
- Ensuring shareholders participate directly in increasing profitability
- Making disciplined investments in value accretive growth opportunities where there is confidence that this represents the best outcome for shareholder value on a risk-weighted basis

**Robust balance sheet –** Significant balance sheet strengthening has been achieved over the last few years through a combination of asset divestments and stronger operating cash flows from a more supportive pricing environment, delivery of Sasol 2.0 initiatives and the ramp up of LCCP:

- At December 31, 2022, total debt was R127.7 billion (US\$7.5 billion) compared to R125.1 billion (US\$7.4 billion) at December 31, 2021, however deleveraging from the R143 billion (US\$8.4 billion) at December 31, 2020
- Sasol’s net debt<sup>(2)</sup> at December 31, 2022 was R89 billion (US\$5.2 billion), while net debt to EBITDA at December 31, 2022 was 1.0x, significantly below the Existing Revolving Credit Facility’s covenant limit of 3.0 times
- Cash generated by operating activities in HY23 increased to R21.3 billion (US\$1.25 billion) as compared to the R20.3 billion (US\$1.19 billion) in HY22
- Sasol’s US\$1 billion 4.500% notes due 2022 were repaid in November 2022 on maturity

<sup>(2)</sup> For reconciliation of total debt to net debt, please refer to “Summary Financial and Other Information”.

## Key Priorities

### Future Sasol

In 2021, Sasol launched its 2050 net zero emissions (“Net Zero”) ambition and *Future Sasol* strategy. The Net Zero strategy places us on a trajectory towards a significantly reduced GHG emissions profile and Sasol’s *Future Sasol* strategy is focused on resetting, transitioning and reinventing Sasol and to meet Sasol’s Net Zero ambitions with a business that continues to drive attractive shareholder returns.

Sasol’s focus is to continue increasing the use of natural gas as a feedstock for the Southern African value chain on a transitional basis. Sasol is also advancing renewable energy, energy efficiency, sustainable aviation fuel and green hydrogen opportunities. The following priorities are designed to enable future Sasol to drive sustainably attractive returns:

- Earnings Growth: Deleverage and deliver attractive and sustainable shareholder returns through the cycle
- Capital Structure: Maintain a robust, flexible balance sheet and enable us to implement our strategy, within investment grade metrics
- Return on Invested Capital: Deliver robust portfolio returns alongside emission reductions, such as aiming to deliver significant reductions in scope 1, 2 and 3 (Category 11) emissions by 2030
- Capital Deployment: Disciplined capital allocation to transform businesses, while protecting and growing value

To advance Sasol’s decarbonization and Net Zero ambition, Sasol has established Sasol Ventures in February 2023. In partnership with Emerald Technology ventures, this unit will invest in technologies that help to eliminate the carbon footprint of chemical and energy products, both in current operations and in new value chains.

## Environmental Considerations

Sasol is committed to advancing chemical and energy solutions that contribute to a thriving planet, society and enterprise. Sustainability is central to Sasol’s future, with plans in place that support the goals of the Paris Agreement on climate change and South Africa meeting its Nationally Determined Contribution.

Sasol’s three core businesses (Energy, Chemicals and ecoFT) are focused on unlocking opportunities such as green hydrogen, large-scale renewable energy, sustainable aviation fuel and sourcing sustainable carbon alternatives such as biomass and captured or industrial carbon streams.

Sasol’s plans for meeting its targets to reduce scope 1 and 2 emissions by 30% and scope 3 emissions by 20% by 2030 are progressing well. Sasol is committed to achieve these targets with R15-25 billion cumulative capital expenditure commitment. Achieving these targets will be a foundation to meeting Sasol’s 2050 Net Zero ambitions.

Sasol has prioritized five Sustainable Development Goals:

- SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
- SDG 9: Build resilient infrastructure, promote sustainable industrialization and foster innovation
- SDG 12: Ensure sustainable consumption and production patterns
- SDG 13: Take urgent action to combat climate change and its impacts
- SDG 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development

In South Africa, the bulk of Sasol’s operations remain dependent on coal as a primary feedstock and this makes up the greatest portion of Sasol’s contribution to the relevant airsheds. In order to address this, actions and initiatives have been undertaken to reduce Sasol’s dependence on coal. This includes, but is not limited to:

- Sourcing natural gas as an alternative and transition feedstock to supplement the reduction of coal usage by 25% and to maintain production levels, with other technical solutions also being pursued such as energy and process efficiency
- As of December 31, 2022, approximately 550MW of solar and wind renewable power purchase agreements have been procured towards our target of 1200 MW in South Africa, with the first projects anticipated to come online from 2025 onwards
- Application for a load-based emission limit for sulphur dioxide which is integrated with our GHG reduction target requirement

In Europe, Sasol has entered into several power purchase agreements for its German and Italian operations and has concluded a supply agreement for the provision of carbon dioxide (“CO<sub>2</sub>”) neutral biomass-based steam to its Brunsbüttel site in northern Germany. These agreements are expected to reduce CO<sub>2</sub> equivalent emissions by 72 ktpa (from our 2017 baseline of 1100kt CO<sub>2</sub> equivalent emissions for our European and Asian operations) once commercial

operation is attained. Other projects are also close to agreement.

In the United States, Sasol is progressing opportunities to use carbon capture and storage technologies for the Lake Charles operations. A memorandum of understanding was signed on June 14, 2022, with Lotte Chemical, to conduct a pre-feasibility study for a joint project aimed at building an electrolyte solvents plant in Lake Charles to supply the battery material market. Production is envisaged to use future captured CO<sub>2</sub> from current operations, resulting in reduced GHG emissions at the site and producing a product that supports the energy transition.

On green hydrogen, Sasol is progressing with the evaluation of the Boegoebaai green hydrogen project as part of Sasol's ongoing efforts to play a leading role in the development of the South African green hydrogen economy. In Sasolburg, the final investment decision for its green hydrogen project was taken expeditiously with the aim of producing the first green hydrogen volumes by the end of 2023.

Sasol Chemicals is focused on producing more circular and sustainable products. The segment had its first sales of sustainably certified products from lower-carbon intensity renewable feedstocks in Europe and established a partnership with Holiferm for the development and marketing of lower-carbon intensity bio-surfactants.

Committed to be a catalyst for positive change, Sasol has spent R780 million on various socioeconomic and skills development programs during the six months ended December 31, 2022.

## **Safety Considerations**

Zero fatalities were recorded in HY23. Sasol's commitment to creating a caring, sustainable and zero harm workplace remains unwavering.

Sasol experienced two high severity injuries in HY23, with the twelve-month rolling high severity injury severity rate ("HSI-SR") decreasing from 16.0 at the end of June 2022 to 7.57 at end December 2022. Although the HSI-SR displays a decreasing trend, we remain focused on minimizing this key performance indicator. The recordable case rate as at December 31, 2022 was 0.27.

There was a fire at the Ziegler unit at Sasol's Lake Charles facility in the US in October 2022. The root cause related to turnaround maintenance activities. The Ziegler alcohol unit is currently operating at 50% utilization while the damaged sections are being repaired. The timeline to bring the Zeigler alcohol unit back online to 100% capacity is dependent on completion of the repair work and is still expected by the end of September 2023, subject to delivery of equipment.

The number of significant fires, explosions and releases severity rate continued to decrease with Sasol's ongoing focus on process safety.

## **Key Strengths**

### **Exposure to a diverse range of products, geographies and end markets**

Sasol has a highly diversified product base, serving clients across almost all sectors of the global economy. Sasol's chemical products are marketed in over 118 countries to approximately 6,500 customers, with 17 classes of chemical products, including acetates, inorganics, ketones, polymers and wax. Following the completion of the Lake Charles facility in Louisiana in 2020, where all units have now reached beneficial operation, Sasol, as at June 30, 2022, had 48% of the operational non-current assets in the North America, with 35% in South Africa, 6% in Europe and 10% in the rest of the world.

Sasol's portfolio includes operations in:

- **North America:**

- North American operations include a 1.5 Mt Ethane Cracker with downstream integrated LDPE and LLDPE units in a 50/50 joint venture with Lyondell Basell, as well as a wholly owned 0.5 Mt Ethane Cracker, an Ethylene Oxide value chain (consisting of 300kt ethylene oxide, 215kt ethoxylation and 250kt MEG units), a Ziegler alcohols, Alumina and Guerbet alcohols value chain (consisting of 313kt Ziegler alcohol, 53kt alumina, and 30kt Guerbet alcohols units), LAB units and comonomer units
- The products are supplied into a number of end markets with attractive long term commercial outlook, including detergents, personal care products, solvents and specialty products

- **South Africa:**

- 100% owned Secunda Synfuels operates the world's only commercial coal-based synthetic fuels manufacturing facility, producing synthesis gas through coal gasification and natural gas reforming. The coal and natural gas are sourced from Sasol's own production facilities. The process uses advanced, high-

temperature FT technology to produce a range of synthetic fuel components, heating fuels (including industrial pipeline gas), and chemical feedstock with total production capacity of approximately 7.7 to 7.8 Mt per year

- 100% owned Secunda Chemicals and Sasolburg function as processing facilities that produce and add further value in the chemical value chain to feedstocks received from the Secunda Synfuels. Products include fertilizers, monomers, polymers, solvents, ammonia, phenols, wax and coal-tar products
- The Natref facility in Sasolburg is a deep conversion refinery that is designed to upgrade heavy, sour crude oil with a high sulphur content and yields about 90% white petroleum products. It is majority owned by Sasol (64%), with Total South Africa owning the remaining share
- Satellite operations comprises an approximately 3,000-kilometer network of natural and methane-rich gas pipelines and a wax blending plant in Durban, South Africa
- **Mozambique:**
  - Natural gas and condensate are produced from the onshore Pande-Temane Petroleum Production Agreement asset (70% owned) and sent to the central processing facility (“CPF”) for processing and compression
  - Most of the natural gas is transported via the Republic of Mozambique Pipeline Investment Company (Pty) Limited pipeline from the CPF to Secunda
- **Eurasia Operations:**
  - Eurasian operations regional operating hub manufactures a comprehensive portfolio of organic and inorganic commodity and specialty chemicals in Austria, Italy, Germany and United Kingdom. Operations also include a 49% stake in a 34 000 barrels per day Oryx GTL facility in Qatar and a 100% owned ethoxylates unit in China

### **Integrated business with cost competitive asset base well placed to lead the energy transition in South Africa**

Sasol maintains a strong regional position in Southern Africa in its areas of focus, supported by its scale and integrated value chain that deliver a wide range of products at a competitive break-even cash cost. Through the Sasol 2.0 transformation program the business is intended to become even more competitive.

Looking forward, Sasol believes it is well positioned to lead the energy transition in Southern Africa. An important factor will be feedstock transition, moving away from coal toward natural gas, with opportunities in low-cost green hydrogen and other green fuels to enhance fuel margins and portfolio resilience. Sasol is positioned to take advantage of these due to its deep expertise and knowledge of its FT technologies.

### **Expanded base of cyclically robust specialty chemical assets with backward integration**

Sasol has made significant progress in increasing its focus on specialty chemicals and moving away from commodity chemicals where Sasol does not have scale or technology advantages.

The principal development was Sasol’s completion of its state-of-the-art facility in Lake Charles, Louisiana and the sale of 50% of the LCCP base chemicals business, thereby reducing commodity chemicals exposure whilst retaining value chain integration at Lake Charles.

Sasol remains diversified geographically, with well invested assets and integrated value chains in North America, Eurasia and Africa, which also helps Sasol serve customers globally. Going forward, Sasol will continue the trend of moving towards specialty chemicals and collaborating with customers and partners, with chemical innovations in sustainability and circular solutions.

### **Sasol 2.0 sustains progress to deliver shared value for all stakeholders**

The Sasol 2.0 transformation program’s objectives are to enable the business to be more competitive, highly cash generative and able to deliver attractive and sustainable returns even in a low oil price environment.

As at HY23, Sasol is on track to meet FY23 targets. To enable the cash fixed costs savings the following initiatives were successfully executed:

- Implementation of the operating model results in about 40% of the reported savings
- Continuous contract negotiations seeking to keep cost increases below inflation;

- Exploring new business models to manage demand for services and materials in order to reduce/optimize spend
- Revised approach on maintenance through optimizing efficiency and effectiveness

Gross margin improvements were delivered through the following initiatives:

- Plant efficiency improvements mainly related to feedstock optimization, debottlenecking and reduction of processing losses
- Variable cost reduction through external spend optimization focusing on items such as sourcing and optimization of logistics cost

### **Highly experienced management team, with a track record of successfully delivering substantial self-help initiatives**

Sasol has an experienced executive management team with a proven track record, led by Sasol's CEO, Fleetwood Grobler and CFO, Hanré Rossouw. Mr. Grobler joined Sasol in 1984 and was previously the Executive Vice President for Chemicals. Mr. Rossouw was appointed as CFO, effective 1 July 2022 and was previously CFO for Royal Bafokeng Platinum. Mr. Rossouw was also a portfolio manager at Investec Asset Management and, prior to that, the CFO of Xstrata Alloys. Sasol's management team has extensive experience in the chemicals and energy sector, both within Sasol and internationally. This management team was instrumental in managing Sasol's decisive response to the unusual macro-economic challenges, including those brought about by COVID-19, setting ambitious targets for Sasol's self-help plans and delivering effective results, including substantial cost savings, significant divestments, improved safety standards and further progress towards a comprehensive sustainability pathway.

### **Sasol Limited**

Sasol Limited, or the Guarantor, the ultimate holding company of the group, is a public company. Sasol was incorporated under the laws of the Republic of South Africa in 1979 and has been listed on the JSE since October 1979. Sasol's ADRs have been listed on the NYSE since April 2003. Sasol's registered office and corporate headquarters are at Sasol Place, 50 Katherine Street, Sandton, 2196, South Africa and the primary telephone number is +27 10 344 5000. Sasol's general website is at [www.sasol.com](http://www.sasol.com). Information contained on the website is not, and shall not be deemed to be, part of this Offering Memorandum.

### **Sasol Financing USA LLC**

Sasol Financing USA LLC, or the Issuer, was formed as a limited liability company in 2018 under the laws of the State of Delaware. The Issuer's sole member is Sasol (USA) Corporation, and the Issuer is an indirect wholly owned subsidiary of Sasol Limited. The Issuer's principal activities are to provide treasury services to the group. It has no other operations.

### **Recent Developments**

#### ***Refinancing***

On April 17, 2023, the Issuer and Sasol Financing International Limited as original borrowers (the "Original Borrowers"), Sasol Limited as guarantor and the certain lenders led by Bank of America Europe DAC, MUFG Bank Ltd and Mizuho Bank Ltd, including certain affiliates of other Initial Purchasers (together referred to as the "Lenders"), entered into a senior facilities agreement pursuant to which the Lenders agreed to provide (i) a USD 982,444,444 term facility (the "New U.S. Term Facility") and (ii) a USD 1,986,888,888 revolving credit facility (the "New Revolving Credit Facility, together with the New U.S. Term Facility, the "New Senior Credit Facilities") to the Original Borrowers. The New Senior Credit Facilities mature on April 17, 2028 and bear interest based on compounded SOFR or EURIBOR, at our election, plus the applicable margin.

The New Senior Credit Facilities contain customary representations and warranties, affirmative positive and negative covenants, a financial covenant requiring maintenance of net debt to EBITDA ratio not exceeding 3.0x and customary events of default, in each case substantially consistent with the Existing U.S. Term Loan and the Existing Revolving Credit Facility. The Existing U.S. Term Loan and the Existing Revolving Credit Facility were fully repaid and cancelled in connection with the entering into of the New Senior Credit Facilities. Please see "Capitalization".

## SUMMARY FINANCIAL AND OTHER INFORMATION

The summary financial information set forth below as at December 31, 2022 and for the six months ended December 31, 2022 and 2021 has been derived from and should be read in conjunction with the unaudited condensed consolidated interim financial statements included in the H1 2023 Results Form 6-K incorporated by reference in this Offering Memorandum, which were prepared in accordance with IAS 34 “Interim Financial Reporting”. The summary financial information set forth below as at June 30, 2022 and 2021 and for the years ended June 30, 2022, 2021 and 2020 has been derived from and should be read in conjunction with the financial statements included in our Form 20-F incorporated by reference in this Offering Memorandum, which were prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (“IFRS”). The summary financial information as at December 31, 2020 and for the six months ended December 31, 2020 has been derived from the IFRS financial statements not included or incorporated by reference herein .

U.S. dollar information has been presented as at and for the six months ended December 31, 2022 on an unaudited basis solely for the convenience of the reader and is computed at the closing rate of ZAR 17.01 = US\$1.00, which represents the rate of exchange on December 30, 2022 as reported by Thomson Reuters. Such translations should not be construed as representations that the South African rand amounts represent, or have been or could be converted into, U.S. dollars at that or any other time.

### *Summary Consolidated Income Statement Data*

|  | Six months ended December 31, |                      |                | Year ended June 30,  |                |                  |
|--|-------------------------------|----------------------|----------------|----------------------|----------------|------------------|
|  | 2022 <sup>(1)</sup>           | 2022                 | 2021           | 2022                 | 2021           | 2020             |
|  | (U.S. dollars<br>in millions) | (ZAR in<br>millions) |                | (ZAR in<br>millions) |                |                  |
| <b>Turnover</b> .....  | <b>8,921</b>                  | <b>151,750</b>       | <b>119,911</b> | <b>275,738</b>       | <b>201,910</b> | <b>190,367</b>   |
| Materials, energy and consumables<br>used .....                          | (4,917)                       | (83,644)             | (56,205)       | (126,991)            | (85,370)       | (90,109)         |
| Selling and distribution costs.....                                      | (285)                         | (4,849)              | (4,085)        | (8,677)              | (8,026)        | (8,388)          |
| Maintenance expenditure.....   | (421)                         | (7,153)              | (6,206)        | (13,322)             | (12,115)       | (10,493)         |
| Employee-related expenditure.....  | (964)                         | (16,396)             | (16,031)       | (32,455)             | (32,848)       | (30,667)         |
| Exploration expenditure and<br>feasibility costs.....                    | (17)                          | (285)                | (167)          | (366)                | (295)          | (608)            |
| Depreciation and amortization.....                                       | (474)                         | (8,064)              | (6,935)        | (14,073)             | (17,644)       | (22,327)         |
| Other expenses and income .....  | (97)                          | (1,657)              | (12,781)       | (31,468)             | (6,589)        | (27,376)         |
| Translation gains/ (losses).....   | 46                            | 776                  | (119)          | 693                  | 5,510          | (6,542)          |
| Other operating expenses and<br>income.....                              | (143)                         | (2,433)              | (12,662)       | (32,161)             | (12,099)       | (20,834)         |
| Equity accounted profits / (losses),<br>net of tax.....                  | 53                            | 905                  | 995            | 3,128                | 814            | (347)            |
| <b>Operating profit before<br/>remeasurement items</b> .....             | <b>1,799</b>                  | <b>30,607</b>        | <b>18,496</b>  | <b>51,514</b>        | <b>39,837</b>  | <b>52</b>        |
| Remeasurement items affecting<br>operating profit.....                   | (376)                         | (6,403)              | 5,813          | 9,903                | (23,218)       | (111,978)        |
| <b>Earnings/(loss) before interest<br/>and tax (EBIT) / (LBIT)</b> ..... | <b>1,423</b>                  | <b>24,204</b>        | <b>24,309</b>  | <b>61,417</b>        | <b>16,619</b>  | <b>(111,926)</b> |
| Finance income .....   | 54                            | 933                  | 433            | 1,020                | 856            | 922              |
| Finance expenses.....  | (256)                         | (4,362)              | (3,537)        | (6,896)              | (6,758)        | (7,303)          |
| <b>Earnings / (loss) before tax</b> .....                                | <b>1,221</b>                  | <b>20,775</b>        | <b>21,205</b>  | <b>55,541</b>        | <b>10,717</b>  | <b>(118,307)</b> |
| Taxation .....   | (357)                         | (6,077)              | (5,152)        | (13,869)             | (185)          | 26,390           |
| <b>Earnings/(loss) for the period</b> ...                                | <b>864</b>                    | <b>14,698</b>        | <b>16,053</b>  | <b>41,672</b>        | <b>10,532</b>  | <b>(91,917)</b>  |
| <b>Attributable to</b>   |                               |                      |                |                      |                |                  |
| Owners of Sasol Limited.....   | 857                           | 14,577               | 14,978         | 38,956               | 9,032          | (91,754)         |
| Non-controlling interests in<br>subsidiaries.....                        | 7                             | 121                  | 1,075          | 2,716                | 1,500          | (163)            |

(1) U.S. dollar information has been presented for the six months ended December 31, 2022 on an unaudited basis solely for the convenience of the reader and is computed at the closing rate of ZAR 17.01 = US\$1.00, which represents the rate of exchange on December 30, 2022 as

reported by Thomson Reuters. Such translations should not be construed as representations that the South African rand amounts represent, or have been or could be converted into, U.S. dollars at that or any other rate.

### Summary Consolidated Statement of Financial Position Data

|   | As at December 31,            |                      | As at June 30,    |                |                |
|---|-------------------------------|----------------------|-------------------|----------------|----------------|
|   | 2022 <sup>(1)</sup>           | 2022                 | 2022              | 2021           | 2020           |
|   | (U.S. dollars<br>in millions) | (ZAR in<br>millions) | (ZAR in millions) |                |                |
| Cash, and cash equivalents.....                               | 2,060                         | 35,032               | 43,140            | 31,231         | 34,739         |
| Other current assets.....                                     | 5,224                         | 88,866               | 88,826            | 63,302         | 58,962         |
| Assets in disposal groups held for<br>sale.....               | 18                            | 303                  | 290               | 10,631         | 84,268         |
| Property, plant and equipment and<br>right of use assets..... | 14,276                        | 242,835              | 233,937           | 210,924        | 241,461        |
| Goodwill and other intangible assets                          | 189                           | 3,223                | 3,051             | 2,482          | 2,800          |
| Other non-current assets.....                                 | 3,042                         | 51,743               | 50,304            | 42,173         | 52,305         |
| <b>Total assets.....</b>                                      | <b>24,809</b>                 | <b>422,002</b>       | <b>419,548</b>    | <b>360,743</b> | <b>474,535</b> |
| Current liabilities.....                                      | 3,446                         | 58,614               | 91,773            | 53,858         | 87,587         |
| Liabilities in disposal groups held<br>for sale.....          | -                             | 2                    | 2                 | 3,706          | 5,531          |
| Deferred tax liabilities.....                                 | 662                           | 11,261               | 10,549            | 7,793          | 19,154         |
| Other non-current liabilities.....                            | 8,818                         | 149,989              | 124,027           | 142,915        | 206,346        |
| <b>Total liabilities.....</b>                                 | <b>12,926</b>                 | <b>219,866</b>       | <b>226,351</b>    | <b>208,272</b> | <b>318,618</b> |
| <b>Total equity.....</b>                                      | <b>11,883</b>                 | <b>202,136</b>       | <b>193,197</b>    | <b>152,471</b> | <b>155,917</b> |
| <b>Total equity and liabilities.....</b>                      | <b>24,809</b>                 | <b>422,002</b>       | <b>419,548</b>    | <b>360,743</b> | <b>474,535</b> |
| Net assets.....   | 11,883                        | 202,136              | 193,197           | 152,471        | 155,917        |

- (1) U.S. dollar information has been presented as at December 31, 2022 on an unaudited basis solely for the convenience of the reader and is computed at the closing rate of ZAR 17.01 = US\$1.00, which represents the rate of exchange on December 30, 2022 as reported by Thomson Reuters. Such translations should not be construed as representations that the South African rand amounts represent, or have been or could be converted into, U.S. dollars at that or any other rate.

### Summary Statement of Cash Flows Data

|  | For the<br>six months<br>ended<br>December 31, |         | Year ended June 30, |          |          |
|--|--|---------|---------------------|----------|----------|
|  | 2022   | 2021    | 2022                | 2021     | 2020     |
|  | (ZAR in<br>millions)                           |         | (ZAR in millions)   |          |          |
| Cash retained from operating activities.                       | 4,189  | 15,856  | 40,250              | 34,043   | 29,730   |
| Cash (used in) / generated by investing<br>activities.....     | (14,068)                                       | (9,721) | (15,077)            | 25,093   | (38,550) |
| Cash generated by / (used in) financing<br>activities.....     | 1,331  | (7,999) | (14,953)            | (58,265) | 25,112   |
| Translation effects on cash and cash<br>equivalents.....       | 410  | 1,507   | 1,759               | (2,916)  | 3,607    |
| (Decrease)/increase in cash and cash<br>equivalents.....       | (8,138)  | (357)   | 11,979              | (2,045)  | 19,899   |
| Reclassification from/to disposal<br>groups held for sale..... | -  | (121)   | —                   | (1,061)  | (1,624)  |
| Cash and cash equivalents at the end of<br>the year.....       | 34,829   | 30,510  | 42,967              | 30,988   | 34,094   |

### Other Unaudited Operating and Financial Data

The following financial information includes measures which are not accounting measures as defined by IFRS. These measures are not part of our IFRS financial statements included in our Form 20-F or H1 2023 Results Form 6-K and have not been audited or otherwise reviewed by our external auditors. These measures should not be used instead of, or considered as alternatives to, our historical financial results prepared in accordance with IFRS. These measures may not be comparable to similarly titled measures disclosed by other companies.

#### Capital Expenditure

As at December 31, 2022

(ZAR in millions)



|   |  |  |  |  |  |               |
|---|--|--|--|--|--|---------------|
| Capital expenditure                     |  |  |  |  |  |               |
| Authorized and contracted .....         |  |  |  |  |  | 46,344        |
| Authorized, not yet contracted .....    |  |  |  |  |  | 30,087        |
| Authorized capital expenditure .....    |  |  |  |  |  | 76,431        |
| Less expenditure to date.....           |  |  |  |  |  | (33,479)      |
| <b>Unspent capital commitments.....</b> |  |  |  |  |  | <b>42,952</b> |

### Adjusted EBITDA

|                                      | For the six months ended      |                      |        | Year ended June 30, |        |        |
|--------------------------------------|-------------------------------|----------------------|--------|---------------------|--------|--------|
|                                      | December 31,                  |                      |        |                     |        |        |
|                                      | 2022 <sup>(1)</sup>           | 2022                 | 2021   | 2022                | 2021   | 2020   |
|                                      | (U.S. dollars<br>in millions) | (ZAR in<br>millions) |        | (ZAR in millions)   |        |        |
| Adjusted EBITDA <sup>(2)</sup> ..... | 1,881                         | 31,995               | 31,803 | 71,843              | 48,420 | 34,976 |

- (1) U.S. dollar information has been presented for six months ended December 31, 2022 on an unaudited basis solely for the convenience of the reader and is computed at the closing rate of ZAR 17.01 = US\$1.00, which represents the rate of exchange on December 30, 2022 as reported by Thomson Reuters. Such translations should not be construed as representations that the South African rand amounts represent, or have been or could be converted into, U.S. dollars at that or any other rate.
- (2) Adjusted EBITDA is defined as earnings/loss before interest and tax (EBIT/LBIT), adjusted for depreciation and amortization, share-based payments, remeasurement items affecting operating profit, movement in environmental provisions due to discount rate changes, unrealized translation gains and losses, and unrealized gains and losses on Group hedging activities. Adjusted EBITDA is a non-IFRS financial measure and should not be viewed as a substitute for any IFRS financial measure. We have presented this non-IFRS measure in this Offering Memorandum because we consider it to be an important supplemental measure for investors, analysts and our management to evaluate our profitability and operating performance.

The following table reconciles Adjusted EBITDA to earnings / (loss) for the following periods:

|   | For the six months ended      |                      |               | Year ended June 30, |               |                  |
|---|-------------------------------|----------------------|---------------|---------------------|---------------|------------------|
|   | December 31,                  |                      |               |                     |               |                  |
|   | 2022 <sup>(1)</sup>           | 2022                 | 2021          | 2022                | 2021          | 2020             |
|   | (U.S. dollars<br>in millions) | (ZAR in<br>millions) |               | (ZAR in millions)   |               |                  |
| <b>Earnings / (loss) for the period.....</b>                    | <b>864</b>                    | <b>14,698</b>        | <b>16,053</b> | <b>41,672</b>       | <b>10,532</b> | <b>(91,917)</b>  |
| Taxation.....   | 357                           | 6,077                | 5,152         | 13,869              | 185           | (26,390)         |
| Finance income.....   | (54)                          | (933)                | (433)         | (1,020)             | (856)         | (922)            |
| Finance expenses .....  | 256                           | 4,362                | 3,537         | 6,896               | 6,758         | 7,303            |
| <b>Earnings/(loss) before interest and tax (EBIT/LBIT).....</b> | <b>1,423</b>                  | <b>24,204</b>        | <b>24,309</b> | <b>61,417</b>       | <b>16,619</b> | <b>(111,926)</b> |
| Depreciation and amortization                                   | 474                           | 8,064                | 6,935         | 14,073              | 17,644        | 22,327           |
| <b>EBITDA.....</b>  | <b>1,897</b>                  | <b>32,268</b>        | <b>31,244</b> | <b>75,490</b>       | <b>34,263</b> | <b>(89,599)</b>  |
| Share-based payments <sup>(2)</sup> .....                       | 33                            | 565                  | 596           | 1,139               | 1,905         | 1,741            |
| Remeasurement items affecting operating profit...               | 376                           | 6,403                | (5,813)       | (9,903)             | 23,218        | 111,978          |
| Unrealized hedging (gains)/losses <sup>(3)</sup> .....          | (450)                         | (7,665)              | 3,434         | 4,776               | (3,059)       | 4,758            |
| Unrealized translation losses/(gains) <sup>(4)</sup> .....      | 37                            | 631                  | 1,459         | 387                 | (7,233)       | 7,405            |
| Change in discount rate of environmental provision....          | (12)                          | (207)                | 883           | (46)                | (674)         | (1,307)          |
| <b>Adjusted EBITDA.....</b>                                     | <b>1,881</b>                  | <b>31,995</b>        | <b>31,803</b> | <b>71,843</b>       | <b>48,420</b> | <b>34,976</b>    |

- (1) U.S. dollar information has been presented for the six months ended December 31, 2022 on an unaudited basis solely for the convenience of the reader and is computed at the closing rate of ZAR 17.01 = US\$1.00, which represents the rate of exchange on December 30, 2022 as reported by Thomson Reuters. Such translations should not be construed as representations that the South African rand amounts represent, or have been or could be converted into, U.S. dollars at that or any other rate.
- (2) Share-based payments include both cash-settled and equity-settled share-based payments charges.
- (3) Consists of unrealized hedging gains and losses on derivatives and hedging activities within the Group.
- (4) Unrealized translation gains and losses on the translation of monetary assets and liabilities into functional currency.

## Core Headline Earnings per Share<sup>(1)</sup>

The following table reconciles core headline earnings per share to headline earnings per share for the following periods:

|   | For the six months ended<br>December 31, |              | Year ended June 30, |              |                |
|---|--|--------------|---------------------|--------------|----------------|
|   | 2022                                     | 2021         | 2022                | 2021         | 2020           |
|   | (ZAR)                                    |              |                     |              |                |
| <b>Headline earnings per share</b> .....  | <b>30.90</b>                             | <b>15.21</b> | <b>47.58</b>        | <b>39.53</b> | <b>(11.50)</b> |
| Translation impact of closing exchange rate....                                     | (0.60)                                   | 1.13         | 0.01                | (10.15)      | 11.34          |
| Realized and unrealized (gains)/losses on<br>derivative and hedging activities..... | (5.85)                                   | 6.05         | 20.69               | (2.81)       | 7.87           |
| Implementation of Khanyisa B-BBEE<br>transaction.....                               | 0.10                                     | 0.13         | 0.26                | 1.17         | 1.30           |
| LCCP operating losses during ramp-up .....  | -  | -            | -                   | -            | 6.07           |
| <b>Core headline earnings per share</b> .....                                       | <b>24.55</b>                             | <b>22.52</b> | <b>68.54</b>        | <b>27.74</b> | <b>15.08</b>   |

- (1) Core Headline Earnings per Share is calculated by adjusting headline earnings per share with non-recurring items, earnings losses of significant capital projects (exceeding R4 billion) which have reached beneficial operation and are still ramping up, all translation gains and losses (realized and unrealized), all gains and losses on our derivatives and hedging activities (realized and unrealized), and share-based payments on implementation of B-BBEE transactions. Adjustments in relation to the valuation of our derivatives at period end are to remove volatility from earnings as these instruments are valued using forward curves and other market factors at the reporting date and could vary from period to period. We believe core headline earnings is a useful measure of the Group's sustainable operating performance.

## Free Cash Flow

|   | For the six months ended<br>December 31, |          |                   | Year ended June 30, |        |          |
|---|--|----------|-------------------|---------------------|--------|----------|
|   | 2022 <sup>(1)</sup>                      | 2022     | 2021              | 2022                | 2021   | 2020     |
|   | (U.S. dollars<br>in millions)            |          | (ZAR in millions) |                     |        |          |
| Free cash flow before growth <sup>(2)</sup> ..... | 41                                       | 706      | 6,642             | 20,138              | 19,431 | 11,109   |
| Free cash flow <sup>(2)</sup> .....               | (670)                                    | (11,397) | 5,178             | 16,981              | 15,402 | (12,205) |

- (1) U.S. dollar information has been presented for the six months ended December 31, 2022 on an unaudited basis solely for the convenience of the reader and is computed at the closing rate of ZAR 17.01 = US\$1.00, which represents the rate of exchange on December 30, 2022 as reported by Thomson Reuters. Such translations should not be construed as representations that the South African rand amounts represent, or have been or could be converted into, U.S. dollars at that or any other rate.
- (2) Free cash flow before growth is defined as cash available from operating activities less sustenance capital expenditures (capital expenditures less growth capital expenditures related to expansion). Free cash flow is defined as free cash flow before growth plus growth capital expenditures, movement in capital accruals and dividends paid. Free cash flow before growth and free cash flow are non-IFRS financial measures and should not be viewed as a substitute for any IFRS financial measure. We have presented these non-IFRS measures in this Offering Memorandum because we consider them to be important supplemental measures for investors, analysts and our management to evaluate our cash flows and operating performance.

The following table reconciles free cash flow and free cash flow before growth to cash available from operating activities:

|   | For the six months ended<br>December 31, |                 |                   | Year ended June 30, |               |                 |
|---|--|-----------------|-------------------|---------------------|---------------|-----------------|
|   | 2022 <sup>(1)</sup>                      | 2022            | 2021              | 2022                | 2021          | 2020            |
|   | (U.S. dollars in<br>millions)            |                 | (ZAR in millions) |                     |               |                 |
| <b>Cash available from operating activities</b> ..... | <b>814</b>                               | <b>13,855</b>   | <b>16,360</b>     | <b>41,158</b>       | <b>34,535</b> | <b>30,571</b>   |
| Sustenance capital <sup>(2)</sup> .....               | (773)                                    | (13,149)        | (9,718)           | (21,020)            | (15,104)      | (19,462)        |
| <b>Free cash flow before growth</b> .....             | <b>41</b>                                | <b>706</b>      | <b>6,642</b>      | <b>20,138</b>       | <b>19,431</b> | <b>11,109</b>   |
| Growth capital expenditures <sup>(2)</sup> .....      | (186)                                    | (3,170)         | (632)             | (1,693)             | (1,271)       | (15,702)        |
| Movement in capital accruals .....                    | 43                                       | 733             | (328)             | (556)               | (2,266)       | (6,771)         |
| Dividends paid .....                                  | (568)                                    | (9,666)         | (504)             | (908)               | (492)         | (841)           |
| <b>Free cash flow</b> .....                           | <b>(670)</b>                             | <b>(11,397)</b> | <b>5,178</b>      | <b>16,981</b>       | <b>15,402</b> | <b>(12,205)</b> |

- (1) U.S. dollar information has been presented for the six months ended December 31, 2022 on an unaudited basis solely for the convenience of the reader and is computed at the closing rate of ZAR 17.01 = US\$1.00, which represents the rate of exchange on

December 30, 2022 as reported by Thomson Reuters. Such translations should not be construed as representations that the South African rand amounts represent, or have been or could be converted into, U.S. dollars at that or any other rate.

- (2) Sustenance capital is defined as capital expenditures for the period less growth capital expenditures. Sustenance capital expenditures and growth capital expenditures are non-IFRS financial measures and should not be viewed as a substitute for any IFRS financial measure. We have presented these non-IFRS measures in this Offering Memorandum because we consider them to be important supplemental measures for investors, analysts and our management to evaluate our cash flows and operating performance.

#### Other Data Calculated on a Covenant Basis

|   | As of and for<br>the twelve months<br>ended December 31, |         | As of<br>and for<br>the year<br>ended<br>June 30, |
|---|--|---------|---|
|   | 2022   | 2021    | 2022  |
| (ZAR in millions)   |  |         |   |
| Covenant EBITDA <sup>(1)</sup> .....                      | 88,912   | 67,434  | 88,099  |
| Total Debt (including bank overdraft).....                | 127,746  | 125,108 | 121,123   |
| Net Debt <sup>(2)</sup> .....                             | 89,023   | 90,374  | 73,784  |
| Ratio of Net Debt to Covenant EBITDA <sup>(2)</sup> ..... | 1,0x   | 1,34x   | 0,84x   |

- (1) Covenant EBITDA is calculated in accordance with the contractual provisions of our principal credit facilities and is defined as Adjusted EBITDA before post-employment benefits, business optimization and expected credit loss calculations. Covenant EBITDA is a non-IFRS financial measure and should not be viewed as a substitute for any IFRS financial measure. We have presented this non-IFRS measure in this Offering Memorandum because we consider it to be an important supplemental measure for investors, analysts and our management to evaluate our compliance with our principal credit facilities.

The following table reconciles Operating Profit / (Loss) before remeasurement items to Covenant EBITDA:

|  | For the six months ended<br>December 31, |               |               | Year ended<br>June 30, |               | Twelve months<br>ended<br>December 31, <sup>(1)</sup> |               |
|--|--|---------------|---------------|------------------------|---------------|---|---------------|
|  | 2022                                     | 2021          | 2020          | 2022                   | 2021          | 2022  | 2021          |
| (ZAR in millions)  |  |               |               |                        |               |   |               |
| <b>Operating Profit / (Loss) before remeasurement items</b> .....                            | <b>30,607</b>                            | <b>18,496</b> | <b>19,131</b> | <b>51,514</b>          | <b>39,837</b> | <b>63,625</b>   | <b>39,202</b> |
| Depreciation and amortization.....   | 8,064                                    | 6,935         | 9,048         | 14,073                 | 17,644        | 15,202  | 15,531        |
| Post employment benefits.....  | 1,062                                    | 1,058         | 842           | 2,073                  | 1,897         | 2,077   | 2,113         |
| Equity-Settled share-based payment expense.....  | 565                                      | 596           | 899           | 1,164                  | 1,927         | 1,133   | 1,624         |
| Translation losses and (gains) <sup>(2)</sup> .....  | (776)                                    | 119           | (4,619)       | (693)                  | (5,510)       | (1,588)   | (772)         |
| Derivative losses and (gains) (including foreign exchange<br>contracts) <sup>(3)</sup> ..... | (5,129)                                  | 5,293         | (5,010)       | 18,325                 | (2,282)       | 7,903   | 8,021         |
| Changes in rehabilitation provision loss / (gain) <sup>(4)</sup> .....                       | 109                                      | 1,316         | 323           | 925                    | (361)         | (282)   | 632           |
| Restructuring and business optimization charges <sup>(5)</sup> .....                         | 665                                      | 639           | 1,054         | 757                    | 2,035         | 788   | 1,370         |
| Expected Credit Loss (ECL) (released) / raised.....  | 46                                       | (47)          | 153           | (39)                   | (87)          | 54  | (287)         |
| <b>Covenant EBITDA</b> .....   |  |               |               | <b>88,099</b>          | <b>55,100</b> | <b>88,912</b>   | <b>67,434</b> |

- (1) Information for the twelve-month period ended December 31, 2022 has been derived by adding the results of operations for the six months ended December 31, 2022 to the results of operations for the year ended June 30, 2022 and subtracting the results of operations for the six months ended December 31, 2021. Information for the twelve-month period ended December 31, 2021 has been derived by adding the results of operations for the six months ended December 31, 2021 to the results of operations for the year ended June 30, 2021 and subtracting the results of operations for the six months ended December 31, 2020.
- (2) Translation losses and (gains) arising on the translation of monetary assets and liabilities into functional currency.
- (3) Derivative losses and (gains) (including foreign exchange contracts) relate principally to the Group's hedging activities, mainly the U.S. dollar derivative in the Oxygen Train 17 supply agreement to our Secunda Synfuels operations, Brent crude oil zero-cost collars and foreign exchange zero-cost collars.
- (4) Changes in rehabilitation provision loss / (gain) includes additional rehabilitation provisions raised and the impact of the change in discount rates on rehabilitation provisions.
- (5) Restructuring and business optimization charges relate to restructuring and business optimization charges limited under the terms of the relevant credit facilities to \$100.0 million in each semi-annual reporting period.
- (2) Net Debt (for the purposes of this table) is calculated in accordance with the contractual provisions of our principal credit facilities, it is a non-IFRS financial measure and it should not be viewed as a substitute for any IFRS financial measure. Net Debt is defined as total debt (including bank overdraft) less debt included in disposal groups held for sale, cash and cash equivalents (excluding restricted cash) and lease

adjustments. We have presented this non-IFRS measure in this Offering Memorandum because we consider it to be an important supplemental measure for investors, analysts and our management to evaluate our compliance with our principal credit facilities.

The following table reconciles total debt to net debt:

|  | As of December 31, |                | As at June 30, |
|--|--------------------|----------------|----------------|
|  | 2022               | 2021           | 2022           |
|  | (ZAR in millions)  |                |                |
| <b>Total debt (including bank overdraft)</b> .....   | <b>127,746</b>     | <b>125,108</b> | <b>121,123</b> |
| Debt included in disposal groups held for sale ..... | -                  | 1,821          | -              |
| Cash, excluding restricted cash.....                 | (31,903)           | (28,432)       | (40,577)       |
| Cash included in disposal groups held for sale.....  |                    | (120)          |                |
| Operating lease adjustment <sup>(1)</sup> .....      | (6,820)            | (8,003)        | (6,762)        |
| <b>Net Debt (contractually determined)</b> .....     | <b>89,023</b>      | <b>90,374</b>  | <b>73,784</b>  |

- (1) Operating lease adjustment relates to adjustments for any lease that was not accounted for as a finance lease prior to the adoption of IFRS 16 on July 1, 2019.

## THE OFFERING

|   |   |
|---|---|
| <b>Issuer</b> .....                             | Sasol Financing USA LLC.  |
| <b>Guarantor</b> .....                          | Sasol Limited.  |
| <b>Amount of Notes Offered</b> .....            | \$1,000,000,000 aggregate principal amount of notes due 2029.   |
| <b>Ranking</b> .....                            | <p>The Notes will constitute unsecured and unsubordinated indebtedness of the Issuer and will rank equally with all other unsecured and unsubordinated indebtedness of the Issuer. The Guarantees will rank equally with all other unsecured and unsubordinated indebtedness of Sasol Limited.</p> <p>As of December 31, 2022, Sasol Limited's subsidiaries (other than the Issuer) had R42,261 million (\$2,484 million) of indebtedness outstanding, of which R49 million (\$2.9 million) was secured.</p>  |
| <b>Maturity</b> .....                           | The Notes will mature on May 3, 2029.   |
| <b>Interest Rate</b> .....                      | The Notes will bear interest at a rate of 8.750% annually.  |
| <b>Interest Payment Dates</b> .....             | May 3 and November 3, commencing November 3, 2023.  |
| <b>Regular Record Dates for Interest</b> .....  | The close of business on April 18 or October 18 (whether or not a business day) immediately preceding each interest payment date.   |
| <b>Business Day</b> .....                       | Any day, other than a Saturday or Sunday, which is not, in New York City or London, England, a legal holiday or a day on which banking institutions are authorized or obligated by law, regulation or executive order to close.   |
| <b>Optional Redemption</b> .....                | <p>Prior to March 3, 2029 (the "Par Call Date"), the Issuer or Sasol Limited may redeem the Notes, in whole or in part, at any time and from time to time at a redemption price equal to the greater of (1) 100% of the principal amount of the Notes to be redeemed and (2) (a) the sum of the present values of the remaining scheduled payments of principal and interest on such Notes discounted to the redemption date (assuming for such purpose that the Notes matured on the Par Call Date) on a semi-annual basis (assuming a 360 day year consisting of twelve 30 day months) at the treasury rate plus 50 basis points less (b) interest accrued to the date of redemption, plus in either case accrued and unpaid interest thereon to, but not including, the date of redemption.</p> <p>On or after the Par Call Date, the Issuer or Sasol Limited may redeem the Notes in whole (but not in part), at any time, at a redemption price equal to 100% of the principal amount of the Notes plus accrued and unpaid interest thereon to, but not including, the date of redemption. See "Description of Notes—Optional Redemption".</p> |
| <b>Optional Tax Redemption</b> .....            | In the event of various tax law changes that require the Issuer or Sasol Limited to pay additional amounts, and in other limited circumstances, as described under "Description of Notes—Optional Tax Redemption", the Issuer or Sasol Limited may call all, but not less than all, of the Notes for redemption prior to maturity.  |
| <b>Change of Control Repurchase Event</b> ..... | Upon the occurrence of both (1) a change of control of Sasol Limited and (2) a rating event, unless the Issuer or Sasol Limited has exercised their rights to redeem the Notes, the Issuer will be required to make an offer to purchase the Notes at a price equal to 101% of its principal amount plus accrued and unpaid interest, if any, to the date of repurchase. See "Description of Notes—Change of Control Repurchase Event".   |

|  |  |
|--|--|
| <b>Payment of Additional Amounts.</b>                      | If the Issuer or Sasol Limited is required by the government of any Taxing Jurisdiction (as defined below) to deduct or withhold taxes in respect of payment on the Notes or under the guarantee it will, subject to certain exceptions, pay the holder additional amounts so that the net amount received will be the amount specified in the Note, but may be able to exercise the right to redeem the Notes for tax reasons, as described above.  |
| <b>Covenants</b> .....                                     | The Indenture relating to the Notes contains covenants restricting, subject to certain limitations, Sasol Limited’s ability to amalgamate, reconstruct, consolidate or merge with another company or other legal entity, pledge certain of its assets to secure certain borrowings and create or incur certain liens on its property or enter into certain sale and lease back transactions. These restrictive covenants are described under the heading “Description of Notes—Covenants” of this Offering Memorandum.   |
| <b>Book-Entry Issuance, Settlement and Clearance</b> ..... | The Notes will be issued in fully registered form in denominations of \$200,000 and integral multiples in excess thereof of \$1,000. The Notes will be initially represented by global notes registered in the name of a nominee of The Depository Trust Company, referred to as DTC. You will hold beneficial interests of the Notes through DTC and DTC and its direct and indirect participants will record your beneficial interest on their books. Certificated Notes will not be issued except in certain limited circumstances. Settlement of the Notes will occur through DTC in same day funds.   |
| <b>Governing Law</b> .....                                 | The Indenture, the Notes and the Guarantees will be governed by the laws of the State of New York.   |
| <b>Defeasance</b> .....                                    | The Notes will be subject to the defeasance and covenant defeasance provisions in the indenture described under “Description of Notes—Defeasance”.   |
| <b>Further Issuances</b> .....                             | The Issuer may, at its option, at any time and without the consent of the then existing noteholders, issue additional Notes in one or more transactions after the date of this Offering Memorandum with terms (other than the issuance date and issue price) identical to the Notes offered hereby; provided that such additional Notes that have the same CUSIP, ISIN, Common Code or other identifying numbers as of the Notes offered hereunder must be fungible with such Notes for U.S. federal income tax purposes. These additional Notes will be deemed to have been part of the same series as the Notes offered hereby and will provide the holders of those additional Notes the right to vote together with holders of the Notes issued hereby. Likewise, Sasol Limited has the right, without the consent of the then existing noteholders, to guarantee such additional securities, to guarantee debt of its other subsidiaries and to issue its own debt. |
| <b>Listing</b> .....                                       | The Issuer will apply to list the Notes on the Frankfurt Stock Exchange. There can be no guarantee that the application to list the Notes on the Frankfurt Stock Exchange will be approved at any time after the Issue Date, and settlement of the Notes is not conditioned on obtaining this listing.   |
| <b>Use of Proceeds</b> .....                               | We intend to use the net proceeds from the offering of the Notes for repayment of existing indebtedness, including capital markets debt, term financings or revolving borrowings, and for general corporate purposes.  |
| <b>Conflict of Interest</b> .....                          | A conflict of interest may exist as certain affiliates of the Initial Purchasers are lenders or agents under the revolving credit facility (“ <b>Existing Revolving Credit Facility</b> ”) and the U.S. term loan (“ <b>Existing U.S. Term Loan</b> ”). The net proceeds of this Offering are intended to be used as described above and accordingly such affiliates may receive a portion of such proceeds. For further information, see “Plan of Distribution (Conflict of Interest)”.   |
| <b>Trustee</b> .....                                       | Wilmington Savings Fund Society, FSB.  |
| <b>Registrar and Paying Agent</b> .....                    | Wilmington Savings Fund Society, FSB.  |
| <b>Timing and Delivery</b> .....                           | We currently expect delivery of the Notes to occur on or about May 3, 2023.  |

**Risk Factors** ..... You should carefully consider all of the information in this Offering Memorandum, which includes information incorporated by reference. In particular, you should evaluate the specific factors under “Risk Factors” beginning on page 17 of this Offering Memorandum for risks involved with an investment in the Notes.

## RISK FACTORS

*This section describes some of the risks that could materially affect an investment in the Notes being offered. You should read these risk factors in conjunction with the detailed discussion of risk factors starting on page 9 in our Form 20-F, and those identified in our future filings with the SEC, incorporated herein by reference. Additional risk factors not presently known to us or that we currently deem immaterial may also impair our business operations.*

*Defined terms in this section not otherwise defined herein shall have the meanings ascribed to such terms in our Form 20-F.*

### Risk Factors

#### *Risks related to financial matters*

#### **We may not be able to refinance, extend or repay our substantial bank market indebtedness on time, which would have a material adverse effect on our financial condition and ability to continue as a going concern**

Our financial results have been prepared assuming that we will continue as a going concern. Currently, we have substantial indebtedness, principally due to the construction of the Lake Charles Chemicals Project (LCCP) in the US, which is now complete. A number of factors, including high levels of inflation and rising interest rates have adversely affected global financial markets, which in turn may impact our ability to refinance the indebtedness and the terms on which this is achieved.

Our net debt to EBITDA ratio at the end of the December 2022 reporting period was 1.00 times as defined by the Revolving Credit and US dollar Term Loan facility covenants.

Our ability to access the bank, public debt or equity capital markets on an efficient basis may be constrained by dislocation in the credit markets or capital and liquidity constraints in the banking, debt or equity markets at the time of issuance. The recent conflict between Russia and Ukraine has further led to disruption and volatility in financial and capital markets. Any prolonged dislocations in financial and capital markets could impact our ability to refinance our debt on commercially reasonable terms, if at all. Should Sasol need to refinance a portion of the bank loans in the debt or equity capital markets before the loans mature and not be able to do so it may negatively impact our liquidity position.

#### **We may not achieve our Sasol 2.0 transformation program cash conservation targets**

In November 2020, Sasol announced the Sasol 2.0 business transformation program to the market, which builds on the short-term successes of the initial cash conservation efforts through the implementation of sustainable improvements. The Sasol 2.0 transformation program is the program aimed at stabilizing and transforming the Sasol organization and delivering a sustainably profitable business which is globally competitive. It is the vehicle to drive the change required to reach the ambition of a competitive and sustainable Future Sasol and has very specific targets for cash fixed cost, gross margin, working capital and sustaining and maintaining categories of capital spend. The program consists of several improvement initiatives, which are identified, matured and executed through following a governed stage-gate process.

The achievement of the Sasol 2.0 transformation program is a top priority for Sasol, however, there are factors that may impact the delivery negatively. These include negative macro-economic developments or further deterioration of market conditions as well as the impact of operational instability across our operating sites. The actual cash flow improvement achieved may therefore differ significantly from the current targeted amounts. If the anticipated benefits cannot be realized from these efforts or unintended consequences from implementation of the program are realized, our business, operating results, financial condition, cash flows and ability to execute growth strategy could be adversely affected.

#### **Our level of indebtedness may result in an inability to comply with our net debt to EBITDA covenant, which in turn, could have a material adverse impact on our financial position and results, credit rating, and/or liquidity**

We still have a substantial level of indebtedness. Our vulnerability to adverse economic conditions has reduced as we have delivered, but prolonged periods of low oil prices and a decline in fuel and chemicals prices could have an adverse impact on our financial position.

Our principal credit facilities contain restrictive covenants. These covenants limit, among other things, encumbrances on existing assets of Sasol Limited and its subsidiaries, the ability of Sasol Limited and our wholly owned subsidiaries to incur incremental debt and the ability of Sasol Limited and its subsidiaries to dispose of assets in certain circumstances. These restrictive and financial covenants could limit our operating and financial flexibility.

We are exposed to a number of inherent business risks, including, for example, unplanned production outages,



lower margins for our products and higher-than-anticipated capital requirements for projects under development, as well as other risks described in this section, any of which, or a combination of which, could cause us to breach our debt covenants during a reporting period. This risk is exacerbated by the conflict between Russia and Ukraine with its impact on energy feedstock costs, supply chain disruptions and subsequent inflationary concerns which all could impact Sasol's turnover and profitability.

Failure to comply with any covenant would enable the lenders to accelerate repayment obligations and lead to cross-defaults with the other facilities. Sasol's credit facilities have standard provisions whereby certain events relating to other borrowers within the Sasol group could, under certain circumstances, lead to default and/or acceleration of debt repayment under the credit facilities and other borrowings. Should cross-default clauses be triggered, this would likely create liquidity pressures and create a risk for the sustainability of Sasol. In addition, the mere market perception of a potential breach of any financial covenant could have a negative impact on our share price and our ability to refinance indebtedness or the terms on which this could be achieved, which could place pressure on the validity of our going concern assumption.

**Our access to and cost of funding is affected by our credit rating, which in turn is affected by, among other factors, our key financial metrics and the sovereign credit rating of the Republic of South Africa, as well as our ability to comply with acceptable environmental emissions targets**

While (i) in April 2022, Moody's affirmed Sasol's rating of Ba2 but changed its outlook from negative to positive Moody's also affirmed South Africa's Ba2 rating, changing the outlook from negative to stable, (ii) in May 2022, S&P affirmed South Africa's credit rating at BB- and revised the outlook from stable to positive and (iii) in October 2022, S&P upgraded Sasol's rating from BB to BB+, any downgrades to our credit rating, be that due to the deterioration of our metrics or the impact of the sovereign credit rating, will also adversely affect our cost of financing, restrict our ability to grow and may force us to make non-strategic divestments that could impact our long-term sustainability. A substantial portion of cash flows from operations is required to meet the payment of principal and interest on our existing debt, which would limit our ability to use our cash flow for other purposes such as:

- to fund capital expenditure in our operations;
- to pay dividends; and
- to fund future business opportunities.

As discussed in more detail below, our key manufacturing processes in South Africa, especially coal gasification and combustion, result in high greenhouse gas (GHG) emissions. For so long as our carbon emissions and the use of coal as a key feedstock remain, these could limit our ability to source financing in debt capital and/or bank markets or increase our cost of funding. For further information please refer to "—Our strategy to respond to climate change including compliance with evolving regulatory requirements and policy to GHG emissions and to adequately disclose related risks and impacts, may not be successful and could negatively impact our growth as well as result in claims against our business. In addition, laws, policies and societal concerns related to climate change could reduce supply/demand for our products, increase our operational costs, reduce our competitiveness, negatively impact our stakeholder relations, adversely affect our legal license to operate and our access to capital and financing".

**Fluctuations in coal, crude oil, natural gas, ethane, chemical and petroleum product prices and refining margins may adversely affect our business, operating results, cash flows and financial condition**

Market prices for coal, crude oil, natural gas, ethane and chemical and petroleum products fluctuate as they are subject to local and international supply and demand fundamentals and other factors over which we have no control. Worldwide supply conditions and the price levels of crude oil may be significantly influenced by general economic conditions; industry inventory levels; technology advancements; production quotas or other actions that might be imposed by international associations that control the production of a significant proportion of the worldwide supply of crude oil; weather-related damage and disruptions; competing fuel prices and geopolitical risks, including warfare; especially in the Middle East, North Africa and West Africa and now, more recently, as a result of the conflict between Russia and Ukraine.

In the first half of financial year 2023, the dated Brent crude oil price averaged US\$94,78/bbl and fluctuated between a high of US\$124,79/bbl and a low of US\$76,36/bbl. This compares to an average dated Brent crude oil price of US\$76,63/bbl during the first half of 2022.

A substantial proportion of our turnover is derived from sales of petroleum, natural/piped gas and petrochemical products, prices of which have fluctuated significantly in recent years and are affected by crude oil prices, changes in the demand for products, the price and availability of substitute fuels, changes in product inventory, product specifications, production capacity and other factors.

The South African government controls and/or regulates certain fuel prices. The pump price of petrol is

regulated at an absolute level. Furthermore, maximum price regulation applies to the refinery gate price of liquefied petroleum gas (LPG) and the sale of unpacked illuminating paraffin. South African liquid fuels are valued using the “Basic Fuel Price” (BFP) mechanism. BFP is a formula-driven price that considers, among others, the international prices of refined products (petrol, diesel, jet fuel, illuminating paraffin and LPG), the rand/US dollar exchange rate and the logistical cost of transporting liquid fuels to South Africa. The BFP is then used as a component in the regulated prices that are published by the government on a monthly basis. Short and longer-term review of the BFP and the Regulatory Accounting System (RAS) has been discussed by the Ministers of Finance and of Mineral Resources and Energy. To date the calculation of the logistics component has been amended, by removing the allowed 15% premium on observed freight and demurrage rates from the calculation, resulting in a reduction of the BFP value. The value of the reduction fluctuates with changes in freight and demurrage rates and changes in the ZAR/US\$ exchange rate. We expect the change to reduce BFP in a range of 3-12 cents per liter. Sasol will participate in deliberations on the review of BFP as and when Government embarks on such actions, however, there is the risk of potential margin impact as a result of such reviews.

Piped gas prices are regulated through the approval of maximum piped gas prices by the National Energy Regulator of South Africa (NERSA) from time to time. NERSA has issued two discussion documents on, (1) the impact of unitary pricing; and (2) the effect of high international prices on the South African gas market with proposals for interim amendments to the Maximum Gas Price Methodology and longer-term review of the Methodology. Sasol Gas is participating in this public consultation process. In January 2023 NERSA adopted a revised Maximum Gas Price Methodology. The implementation by NERSA of this revised methodology in relation to future gas price applications by Sasol Gas could have an adverse effect on our business, operating results, cash flows and financial condition.

Through our equity participation in the National Petroleum Refiners of South Africa (Pty) Ltd (Natref) crude oil refinery, we are exposed to fluctuations in refinery margins resulting from fluctuations in international crude oil and petroleum product prices. We are also exposed to changes in absolute levels of international petroleum product prices through our synthetic fuel operations.

Prolonged periods of low crude oil, natural gas and chemicals and petroleum prices could also result in projects being delayed or cancelled, while periods of high oil prices support improved performance.

We use derivative financial instruments from time to time to partially protect us against day-to-day and longer-term fluctuations in US dollar prices for oil, export coal and ethane. The oil price affects the profitability of both our energy and chemical products. See “Item 11—Quantitative and qualitative disclosures about market risk” in our Form 20-F. While the use of these instruments may provide some protection against fluctuations in crude oil prices, it does not protect us against longer-term fluctuations in crude oil prices or differing trends between crude oil and chemicals and petroleum product prices.

It is inherently difficult to forecast fluctuations in prices for crude oil, ethane, natural/piped gas and chemicals and petroleum products. This risk has been exacerbated by the disruption caused by the conflict between Russia and Ukraine and the consequent inflationary pressures from energy related feedstock costs and uncertainties around monetary policy normalization in this high inflationary environment. The macro environment remains highly volatile, with key indicators (such as exchange rate, oil, feedstock cost and inflation) moving with significant increments on a daily basis, in part due to the conflict between Russia and Ukraine and its impact on supply chains. Fluctuations in any of these or an inability to obtain selected feedstocks and/or process materials may have a material adverse effect on our business, operating results, cash flows and financial condition. Refer to “Item 5A—Operating results” in our Form 20-F for the impact of the crude oil prices on the results of our operations.

### **Fluctuations in exchange rates may adversely affect our business, operating results, cash flows and financial condition**

The rand is the principal functional currency of our operations and we report our financial results in rand. However, a significant portion of our turnover is impacted by the US dollar and the pricing of most petroleum and chemical products is based on global commodity and benchmark prices which are quoted in US dollars.

Further, as explained above, the components of the BFP are US dollar-denominated and converted to rand, which impacts the price at which we sell fuel in South Africa.

A significant part of our borrowings are US dollar-denominated, as they relate to investments outside South Africa or constitute materials, engineering and construction costs imported into South Africa. Fluctuations in the rand/US dollar exchange rate impact our financial leverage and estimated capital expenditure.

We also generate turnover and incur operating costs in dollars, euros and other currencies.

Fluctuations in the exchange rates of the rand against the US dollar, euro and other currencies impact the comparability of our financial statements between periods due to the effects of translating the functional currencies of our foreign subsidiaries into rand at different exchange rates.

Accordingly, fluctuations in exchange rates between the rand and US dollar, and/or euro may have a material effect on our business, operating results, cash flows and financial condition.

In the first half of financial year 2023, the rand/US dollar exchange rate averaged R17.33/US\$, fluctuating between a high of R18.41/US\$ and a low of R16,17/US\$. This compares to an average exchange rate of R15.03/US\$ during the first half of financial year 2022. At 31 December 2022, the closing rand/US dollar exchange rate was R17.01/US\$ as compared to R16.00/US\$ at 31 December 2021.

The rand exchange rate is affected by various international and South African economic and political factors. In general, a weakening of the rand would have a positive effect on our operating results. Conversely, strengthening of the rand would have an adverse effect on our operating results, cash flows and financial condition. However, given the significance of our foreign currency denominated long-term debt, a weaker closing rand against the US dollar has a negative impact on our gearing. Refer to “Item 5.A—Operating results” in our Form 20-F for further information regarding the effect of exchange rate fluctuations on our results of operations. We engage in hedging activities which partially protect the balance sheet and our earnings against fluctuations in the rand exchange rate. While the use of these instruments may provide some protection against fluctuations in the rand exchange rate, it does not protect us against a longer-term strong rand/US dollar exchange rate. Refer to “Item 11—Quantitative and qualitative disclosures about market risk” in our Form 20-F.

Although the exchange rate of the rand is primarily market-determined, its value at any time may not be an accurate reflection of its underlying value, due to the potential effect of, among other factors, exchange controls. For more information regarding exchange controls in South Africa see “Item 10.D—Exchange controls” in our Form 20-F.

### ***Risk related to Pandemics***

#### **Our global operations expose us to pandemics, such as the COVID-19 pandemic, that may adversely affect our workforce and impact business continuity, operating results, cash flows and financial condition**

Sasol’s global workforce, including service providers, suppliers and customers, are exposed to pandemics such as the COVID- 19 pandemic which can impact their wellbeing, safety and health with an associated direct or indirect effect on the safety and continuity of our operations.

For example, pandemics and the time period recovering from such pandemics may impact demand for our products and may continue to have a material adverse effect on Sasol’s business, operating results, cash flows and financial condition. A key challenge is the impact of the pandemic on the commodity markets, including the demand for our products, which is not under our control. As we cannot predict the spread of the virus and the impact on the economy in the countries in which we operate, pandemics such as COVID-19 may continue to have a negative impact on our business, operating results, cash flows and financial condition. The pandemic impacted, and continues to impact, all economies in which we operate. The current impact varies among the countries and it is difficult to predict the further development of such impact.

Please refer to “Item 5.A—Operating Results” for the impact of COVID-19 in the financial year ended 30 June 2022 in our Form 20-F.

### ***Risks related to our capital investments***

#### **We may not achieve projected benefits of acquisitions or divestments**

We may, from time to time and subject to favorable market conditions, pursue acquisitions or divestments. Further, the rise of factors and concerns relating to sustainability and environmental, social and governance (ESG) issues in investment decisions may also result in certain divestments.

With any such transactions, there is the risk that any benefits or synergies identified at the time of acquisition/divestment may not be fully achieved as a result of changing or inappropriate assumptions, materially different market conditions, integration challenges or other factors. Furthermore, we could be found liable, regardless of extensive due diligence reviews, for past acts or omissions of the acquired /disposed business without any adequate right of redress.

#### **Our projects / capital investments are subject to schedule delays and cost overruns, and we may face material changes in market conditions or other business assumptions, which could render our projects unviable or less profitable than planned**

In Mozambique, the Field Development Plan Amendment (FDP) of the Production Sharing Agreement (PSA) was approved by the Government of Mozambique (GoM) on 29 September 2020. The PSA development will allow for flexible production from the different reservoirs with gas sales to Central Termica de Temane (CTT) (via Electricade de

Moçambique, E.P. (EDM) as the buyer of the gas) and Sasol South Africa Limited (SSA), Oil/Condensate sales to the international markets and LPG sales to Empresa Nacional de Hidrocarbonetos (ENH). On 19 February 2021, the Sasol Board of Directors (the Board) approved the Final Investment Decision (FID) with an estimated project cost of US\$760 million. The project execution was delinked from CTT financial close and execution commenced in quarter three of calendar 2021. CTT financial close occurred on 8 December 2021. The PSA project's Initial Gas Production and Integrated Surface Facility schedules are tracking to plan with project cost also within approved commitments.

The development of these and similar projects involves capital-intensive processes carried out over long durations. It requires us to commit significant capital expenditure and allocate considerable management resources in utilizing our existing experience and know-how.

Our capital projects were and are subject to the risk of delays and cost overruns inherent in any project, including as a result of:

- shortages or unforeseen increases in the cost of equipment, labor and raw materials whether as a result of global supply chain disruptions following geo-political tensions or otherwise;
- unforeseen design and engineering problems, contributing to or causing late additions and/or increases to scope;
- unforeseen construction problems;
- unforeseen failure of mechanical parts or equipment;
- unforeseen technical challenges on start-up causing delays in beneficial operations being achieved;
- inadequate phasing of activities;
- unforeseen process safety issues;
- labor disputes;
- inadequate workforce planning or productivity of workforce;
- inadequate change management practices;
- natural disasters and adverse weather conditions, including excessive winds, higher-than-expected rainfall patterns, tornadoes, cyclones and hurricanes or a pandemic;
- failure or delay of third-party service providers; and
- regulatory approvals and compliance obligations, including changes to regulations, such as environmental regulations, and/or identification of changes to project scope necessary to ensure safety, process safety, and environmental compliance.

In addition, significant variations in the assumptions we make in assessing the viability of our projects, including those relating to commodity prices and the prices for our products, exchange rates, import tariffs, interest rates, discount rates (due to changes in country risk premiums) and the demand for our products, may adversely affect the profitability or even the viability of our investments.

For example, development of projects such as the Production Sharing Agreement (PSA) in Mozambique (which allows for flexible production from different reservoirs) involved capital-intensive processes carried out over long durations. Any cost overruns, schedule delays, reservoir performance issues, process safety incidents or adverse changes in assumptions affecting the viability of the project could have a material adverse effect on our business, cash flows, financial condition and prospects.

Our operating cash flow and credit facilities may be insufficient to meet our capital expenditure and related incremental working capital plans and requirements, depending on the timing and cost of development of our existing projects, including, in particular, PSA and any further projects we may pursue, as well as our operating performance and the consequent utilization of our credit facilities. As a result, new sources of capital may be needed to meet the funding requirements of these projects and to fund ongoing business activities. Our ability to raise and service significant new sources of capital will be a function of macro-economic conditions, our credit rating, our net debt to EBITDA ratio and other risk metrics, the condition of the financial markets, our share price, future prices for the products we sell, particularly oil and key chemical products, the prospects for our industry, our operational performance and operating cash flow and debt position, among other factors.

In the event of unanticipated operating or financial challenges, any dislocation in financial markets, a deterioration in the price outlook for the products we sell, particularly oil and key chemical products, any downgrade of our credit ratings by rating agencies or new funding limitations, our ability to pursue new business opportunities, invest in existing and new projects, fund our ongoing business activities and retire or service outstanding debt and pay dividends, could be constrained. Any of these could have a material adverse effect on our business, operating results, cash flows and financial condition.

Refer to “Item 5.A—Operating results” in our Form 20-F for the impact of our large projects, such as PSA, on the results of our operations.

**Exposure related to significant investments in associates and joint arrangements may adversely affect our business, operating results, cash flows and financial condition**

We have invested in a number of associates and joint arrangements and will consider opportunities for further upstream low carbon projects, gas and downstream investments (including licensing opportunities), where appropriate, as well as opportunities in chemicals. The development of these projects may require investments in associates and joint arrangements, some of which are aimed at facilitating entry into countries and/or sharing risk with third parties. Although the risks are shared, the objectives of our associates and joint arrangement partners; their ability to meet their financial and/or contractual obligations; their behavior; their compliance with legal and ethical standards; and the increasing complexity of country-specific legislation and regulations may adversely affect our reputation and/or result in disputes and/or litigation. All of these may have a material adverse effect on our business, operating results, cash flows and financial condition, and may constrain the achievement of our growth objectives under our stated strategy.

***Risk related to our sustainability***

**Our strategy to respond to climate change including compliance with evolving regulatory requirements and policy to reduce GHG emissions and to adequately disclose related risks and impacts, may not be successful and could negatively impact our growth as well as result in claims against our business. In addition, laws, policies and societal concerns related to climate change could reduce supply/demand for our products, increase our operational costs, reduce our competitiveness, negatively impact our stakeholder relations, adversely affect our legal license to operate and our access to capital and financing**

Key manufacturing processes in South Africa, especially coal gasification and combustion, result in GHG emissions. Sasol’s ability to develop and implement an appropriate climate change mitigation response is a significant transitional risk for our business, most notably in South Africa. This is heightened by the necessity to appropriately address increasing societal pressures and shift away from carbon-intensive processes and products in a just manner, as well as meeting new and anticipated policy and legislative requirements, including carbon tax, carbon budgets, legislated GHG reduction targets and enhanced disclosure requirements. In addition, Sasol’s committed targets have inherent transitional risks related to technology availability and cost. It is particularly challenging in South Africa, where access to low-carbon energies is limited and related infrastructure is under-developed.

A carbon tax was implemented in South Africa on 1 June 2019. This has increased the operational costs of our South African operations in the first phase of its implementation running from 1 June 2019 to 31 December 2025 and will increase after 1 January 2025, and is likely to be integrated with a carbon budget, when the second phase commences. For the first phase up to 2022, several transitional tax-free allowances are provided for in legislation. In July 2021, we paid R611 million after offsets and electricity levies. The tax is applicable to an entity’s scope 1 emissions for each calendar year, which broadly means direct GHG emissions from an entity’s operations. The headline carbon tax was R134 per ton of CO<sub>2</sub>e (carbon dioxide equivalent) on emissions generated in calendar year 2021 before tax-free allowances, for emissions above the tax-free thresholds, escalating at CPI +2 percentage points each year until 2022. We expect the tax rate to continue to increase beyond 2030. In 2023, National Treasury published a significant increase in the carbon tax base rate to US\$20 per ton of CO<sub>2</sub>e by 2026 and US\$30 per ton of CO<sub>2</sub>e from 2030. The US\$ based carbon tax rates have been converted to the Rand equivalent using the average exchange rate published by the South African Reserve Bank. This is a significant change compared to the rate of R144 per ton of CO<sub>2</sub>e (US\$9 per ton of CO<sub>2</sub>e) in calendar year 2022. Sasol’s net carbon tax payment for 2022 on calendar year 2021’s GHG emissions, after offsets and electricity levies, was R782 million. Even though the allowances applicable to carbon tax, which reduce the impact of the carbon tax, have been retained, the National Treasury has indicated that the allowances might be amended. This potential change raises further concerns around the carbon tax implications for our business into the future. Further clarity is expected from National Treasury during the course of 2023.

The South African government is also developing carbon budgets in parallel within the remit of the Climate Change Bill. Currently, confirmation on how mandatory carbon budgets will be aligned to the carbon tax regime is being debated and engagement with the regulators is ongoing. Pending the finalization of the Climate Change Bill and enactment thereof, uncertainty remains regarding the imposition of an additional material cost or penalty in the form of a super tax or criminal penalties in addition to the standalone carbon tax for exceeding the allocated carbon budgets in the mandatory phase. The risk of escalating carbon prices and mandatory carbon budgets will be exacerbated should our fiscal instruments lack effective alignment and if out of sync with mitigation being available in this timeframe. Sasol is supportive of carbon pricing and in this instance, the alignment of the carbon budget with the carbon tax offers an efficient and effective mechanism for the South African economy to undertake a just and equitable transition.

Managing climate change amid South Africa’s developmental challenges, civil discontent, economic structure, any potential downgrade of the sovereign credit rating of South Africa, misalignment of the carbon tax design with the

carbon budget system, mitigation options and the regulatory uncertainty in the absence of a final promulgated Climate Change Act and the need for a just transition, remains a risk. We actively engage with government and various stakeholders regarding a just transition to enable an approach that appropriately manages and balances the need for economic development, job creation, energy security and GHG emission reductions.

Sasol's climate change scenario planning foresees a low-carbon emission world representing changes to energy demand, regulations and commodity consumption patterns. Depending on the extent and speed of these changes, if Sasol does not effectively respond and enable robustness of our business to these possible realities then, parts of our portfolio, or potentially our business model could become unsustainable over time.

Sasol stress tests the potential areas where our business might suffer because of demand patterns, regulatory changes, weather impacts and technology changes related to climate change. Sasol uses a set of scenarios that considers how market conditions, technology, political and other influences interact to produce vastly different future outcomes for mitigating our GHG emissions reduction roadmaps and adapting to climate change which have steered Sasol towards the emissions targets adopted for 2030 and our 2050 ambition as set out below.

Sasol uses downscaled modelling to better understand the physical impacts on prioritized operational sites (Secunda, Sasolburg, Vilancoulos in Mozambique and Lake Charles in the USA), using the Intergovernmental Panel on Climate Change (IPCC) high emission scenarios (referred to as "Representative Concentration Pathway (RCP) 8.5") and an intermediate emission scenario (RCP 4.5). Modelling simulations span multiple decades, including the timeframe for Future Sasol's strategy. The modelling focuses on specific indicators such as temperature increases/decreases, changes in rainfall patterns and increased propensity for cyclones/hurricanes and may therefore not identify all potential risks or all potential impacts to these sites.

There are risks associated with accuracy, completeness and correctness of various assumptions that are used as inputs, including scenarios developed to test resilience to climate change as set out below. In addition, the estimates of required or available capital and other assumptions underpinning necessary investments to make our business sustainable for the long term could prove to be incorrect and lead to delays, cost overruns or the infeasibility of capital expenditure projects. Should all or some of these assumptions prove to be inaccurate, incomplete or incorrect, our resilience and long-term sustainability may be significantly impacted.

South Africa's finalized Nationally Determined Contribution, a range of between 420 – 350 Mt CO<sub>2</sub>e by 2030, was submitted to the United Nations Framework Convention on Climate Change as part of the country's obligations under the Paris Agreement for the 26th Conference of the Parties. Nationally Determined Contribution refers to a climate change action plan to cut emissions and adapt to climate change. Sasol's emission reduction target and roadmaps support the national effort and are in line with South Africa's fair share contribution to the Paris Agreement. Sasol is targeting a 30% scope 1 and 2 GHG emission reduction by 2030, off a 2017 baseline. Scope 2 GHG emissions are defined broadly as emissions attributable to Sasol's use of purchased energy to conduct its operations. We have developed plans to reduce emissions towards our targets through known, available technologies and with additional improvements in technology, efficiencies in our processes and the introduction of lower-carbon feedstocks. We set a 20% emission reduction on scope 3 Category 11: Use of Sold Energy Products by 2030, off a 2019 baseline, and a net zero ambition by 2050 for these emissions. Category 11 accounts for approximately 80% of Sasol's total scope 3 emissions. We have an energy efficiency improvement target of 30% by 2030, which supports our overall emission reduction efforts, by 2030 off a 2005 baseline. By 2050, we aspire to achieve net zero emissions.

Our scope 1 and 2 emission reduction targets are supported by roadmaps detailing the methodologies we propose to employ to achieve our targets. We are also developing a scope 3 Category 11 emission-reduction roadmap to support our 2030 target. The primary risks associated with achieving the 2030 and 2050 GHG reduction targets and ambition include the unavailability and unaffordability of gas as feedstock, the potential prohibitive costs of green hydrogen, electrolyzers, the lack of enabling policy and legal frameworks, global supply chain challenges in the renewable energy sector and the ability to access markets in the jurisdictions within which we operate and trade to enable the transition. The imminent Carbon Border Adjustment Mechanism proposed by the European Union, will place an additional burden on imported products from emerging economies like South Africa, where carbon pricing is lower than in the European Union, and where Sasol's largest emissions emanate from. Meeting the energy efficiency and reduction targets and ambition are dependent on continued stable operations. In this regard, we can provide no assurances that Sasol's plans to reduce GHG emissions pursuant to our roadmaps or otherwise will be viable or successful, but we are continually assessing and mitigating the associated risks by tracking and responding to milestones related to technology advancement and regulatory developments and customer preferences.

Further, climate change poses a significant risk for both our South African and global business as it relates to potential physical impacts, including change in weather patterns, water scarcity and extreme weather events, such as cyclones/hurricanes, tornadoes, flooding and sea level rise.

In this regard, work continues to be refined into our operational strategies and responses for the identified key priority regions such as the US Gulf Coast, Mozambique, and South African operations (Secunda and Sasolburg). Ongoing monitoring efforts guide our interventions to improve our maintenance, asset integrity processes and response procedures.

Further, climate change-related laws and regulations may threaten our license to operate and substantially increase the cost of doing business, including the imposition of higher carbon taxes or similar taxes. Our intention to replace coal with natural gas, sustainable biomass and green hydrogen as sustainable feedstocks for our operations in Secunda is likely to increase the cost of production and reduce our profitability significantly. Current information indicates that imported liquified natural gas and other gas sources, biomass and green hydrogen are more costly feedstocks than coal for our operations in Secunda. In transitioning to these low GHG intensity feedstocks, we anticipate an impact on the margin of some of our products. These climate change-related effects could have a material adverse effect particularly on our South African business, operating results, cash flows, financial condition and future growth. Our carbon emissions and the use of coal as a key feedstock could also impact negatively on our potential base of shareholders and our ability to source financing in capital and/or bank markets and/or increase our cost of capital.

Businesses like ours face increasing requirements to disclose to the public the climate change risks and impacts associated with their operations. Examples include significant changes that the US Securities and Exchange Commission has proposed to disclosure by US registered companies, like ours, of these risks and impacts. The European Union has also adopted the Corporate Sustainability Reporting Directive (CSRD) which captures a broader set of companies and requires the disclosure of company social and environmental data and their impacts. Further, environmental and other non-governmental organizations as well as regulators increasingly scrutinize past and current corporate reporting on climate change risks and impacts. We may face regulatory or other claims that we have not sufficiently complied with disclosure requirements or otherwise adequately disclosed climate change risks and impacts.

Our international operations are less carbon-intensive and have been operating for some time in more advanced GHG regulatory regimes. However, enhanced focus on issues concerning the environment, human rights, environmental justice and climate change is resulting in a more complex regulatory environment, and additional legal risks. In addition, while a significantly lower risk compared to South Africa, global carbon prices are escalating, which poses a risk for our operations in the European Union and potentially in the future in the US.

In addition, our permits and operational licenses are subject to public comment and/or input from stakeholders in certain of the jurisdictions in which we operate and there is an emerging trend by activists and stakeholders to use the public comment process to challenge the issuance or renewal of a company's licenses based on climate, health or other impacts associated with the licensed activities. The increased litigation risk for companies exposed to climate change could adversely impact the resilience of Sasol's operations and our continued license to operate.

### *Risks related to our safety and operations*

#### **We may face potential costs in connection with accidents or deliberate acts of terror or civil and community unrest causing property damage, personal injury or environmental contamination, industry and value chain-related operational interruptions**

Operational interruptions impacting our business or value chains may have a material adverse effect on volumes produced and costs. These impacts could be caused by the failure of critical assets, extreme weather events or natural disasters, lack of required feedstock volumes and quality (specifically coal, natural gas, ethane and ethylene), supply chain disruption (inbound and outbound, including critical input or process materials and reliance on third party infrastructure), utility interruption (including electricity, water, oxygen, steam, hydrogen, nitrogen, and reliance on third party suppliers and infrastructure) or a breach of our social and legal license to operate (including non-compliance with regulatory requirements, licenses or permits).

We operate coal mines, explore for and produce gas and operate a number of plants and facilities for the manufacture, storage, processing and transportation of crude oil, chemicals and gas, related raw materials, products and waste materials. These facilities and their respective operations are subject to various risks, such as fires, explosions, hurricanes, releases and loss of containment of hazardous substances, soil and water contamination, flooding, land subsidence, and geological complexity, among others. As a result, we are subject to the risk of, and in the past have experienced, industry-related incidents. Such incidents can be subjected to inspections by relevant authorities, with the associated potential consequences of enforcement action, including directions to temporarily cease and desist operations and/or the imposition of fines and penalties and potentially could lead to denial of our license to operate. For example in South Africa, section 54 of the Mine Health and Safety Act allows an inspector who has reason to believe that any occurrence, practice or condition at a mine endangers or may endanger the health or safety of any person at the mine, to give any instruction necessary to protect the health and safety of such person. Most often these instructions will take the form of an instruction stopping the whole or a part of a mine, resulting in significant production losses. This may have a material adverse effect on our business.

#### **Our facilities may also be subject to the risk of deliberate acts of terror.**

Accidents and acts of terror may result in damage to our facilities and may require the shutdown of the affected facilities, thereby disrupting production and increasing production costs and may in turn disrupt the mining, gas,

chemicals and oil businesses which make up a significant portion of our total income. Furthermore, accidents or acts of terror at our operations may cause environmental contamination, personal injuries, health impairment or fatalities which expose Sasol to extensive environmental remediation costs, civil litigation, the imposition of fines and penalties and the need to obtain or implement costly pollution-control technology.

Sasol operates the Pande and Temane gas fields in Mozambique. Gas is produced from a portfolio of wells, and then processed through a Central Processing Facility (CPF). Gas is sold to our operations in Secunda and Sasolburg as well as to external customers in Mozambique and South Africa. The production of gas through wells, pipelines and a processing plant is inherently exposed to the risk of integrity failures (including legacy well obligations and historical issues) which may result in a loss of containment and/or a disruption of gas supply to our own and/or customers' operations. The risk of any well, pipeline or plant equipment failure is managed through a structured, ongoing maintenance and management program. Short- and medium-term interruptions are managed by means of existing contractual mechanisms. Were Sasol's Mozambique gas wells or facilities to experience a catastrophic, simultaneous, long-term outage, particularly if we were then unable to offset such outages through existing contractual gas sales agreement mechanisms, this could have a material adverse effect on our revenue, cash flows and costs. Third party encroachment along the gas pipeline from Mozambique into and across parts of South Africa is actively monitored in order to prevent interference with the pipeline, whether inadvertent or deliberate and which may cause interruptions.

Our operations in the Southern Africa region are further susceptible to business interruptions which could result from community protests and social unrest. These have from time to time resulted in violent incidents which render them difficult to manage. Protests (usually caused by social challenges such as high levels of poverty) creating unrest situations are often pursued as a mechanism to voice socio-economic and political ills faced by local communities in the region. Active involvement and participation of Sasol in broader community and government stakeholders' initiatives may not be sufficient to address the risk.

Our products are ultimately sold to customers around the world and this exposes us to risks related to the transportation of such products by road, rail, pipelines and/or marine vessels or the nefarious use of our products for illegitimate purposes, such as the manufacture of illicit drugs and chemical weapons, or the use of explosives for violent and criminal acts. Such activities would generally take place in the public domain, exposing us to incident risks over which we have limited control.

It is Sasol's policy to ensure effective service provider management and procure appropriate insurance cover for property damage and business interruption for its production facilities. The policy is to procure cover above acceptable deductible levels at acceptable commercial premiums. However, full cover for all loss scenarios may not be available at acceptable commercial rates, and we cannot give any assurance that the insurance procured for any particular year would cover all potential risks sufficiently or that the insurers will have the financial ability to pay all claims that may arise. In addition, loss and liability in relation to cybersecurity may not be covered by any insurance.

The costs we may incur as a result of the above or related factors could have a material adverse effect on our business, operating results, cash flows and financial condition.

### *Risks related to legal, regulatory and governance matters*

**We identified a material weakness in our internal controls over financial reporting in 2020, which we are still in the process of remediating. If we experience additional material weaknesses or other significant deficiencies in the future or otherwise fail to maintain an effective system of internal controls, we may not be able to accurately and timely report our financial results, which could cause shareholders to lose confidence in our financial and other public reporting, and adversely affect our share price**

Our management is responsible for establishing and maintaining adequate internal controls over financial reporting and for evaluating and reporting on the effectiveness of our system of internal control. Under "Item 15—Controls and Procedures" in our Form 20-F, a material weakness in internal control over financial reporting was disclosed for the financial year ended 30 June 2022. The material weakness was identified in 2020 and relates to the level of precision applied to the impairment assessments performed on the South African integrated value chain cash generating units (CGUs) within one segment of the company and was expanded to all CGUs within the South African integrated value chain. This material weakness is still in the process of being remediated.

While significant progress on remedial measures has been undertaken there can be no assurance that our efforts will be successful. We are currently implementing remedial measures therefore the material weakness will not be considered remediated until the completion of the design and implementation of the longer-term remediation efforts and applicable remedial controls operate for a few cycles and management has concluded, through testing, that these controls have been operating effectively. As a result of the material weakness described above, management concluded that our disclosure controls and procedures remained ineffective as of 30 June 2022.

We cannot be certain that any remedial measures we are currently in the process of implementing, or our internal controls over financial reporting more generally, will ensure that we design, implement and maintain adequate



controls over our financial processes and reporting in the future. Our failure to implement our remediation plans referred to above, or to implement newly required or improved controls or to adapt our controls, or difficulties encountered in their operation, or difficulties in the assimilation of acquired businesses into our control system, could prevent us from meeting our financial reporting obligations or result in a restatement of previously disclosed financial statements. These financial reporting obligations include filing our periodic reports with the SEC on a timely basis and maintaining compliance with applicable New York Stock Exchange (NYSE) listing requirements.

If other currently undetected material weaknesses in our internal controls exist, they could result in material misstatements in our financial statements requiring us to restate previously issued financial statements. In addition, material weaknesses, and any resulting restatements, could cause investors to lose confidence in our reported financial information. They could also subject us to regulatory scrutiny and to litigation from shareholders, which could have a material adverse effect on our business. Furthermore, the remediation of any such material weakness could require additional remedial measures including additional personnel, which could be costly and time consuming. The implementation of the remediation actions could further be impacted by the increased demand on employees. This is because there are increased requirements related to the activities from the optimization of the business, as well as the personnel impact of the strategic reset through Future Sasol. See Exhibit 99.5 “Integrated Report— Strategic direction” in our Form 20-F.

If we do not maintain adequate financial and management personnel, processes and controls, we may not be able to manage our business effectively or to accurately report our financial performance on a timely basis. This, in turn, could cause a decline in our share price and adversely affect our results of operations and financial condition. Failure to comply with the Sarbanes-Oxley Act of 2002 (Sarbanes-Oxley Act) could potentially subject us to sanctions or investigations by the SEC or other regulatory authorities, which would require additional financial and management resources.

#### **Actual or alleged non-compliance with regulatory requirements could result in criminal or civil sanctions or could harm our reputation and negatively impact our license to operate**

Non-compliance with anti-corruption and anti-bribery laws, sanction laws, environmental laws, competition or anti-trust laws and data privacy laws have been identified as our top five regulatory risks.

##### *Anti-corruption and anti-bribery laws*

Ethical misconduct and non-compliance with applicable anti-corruption/anti-bribery laws could result in criminal or civil sanctions and could have a material adverse impact on our reputation, operations and license to operate.

Companies need to be particularly vigilant with regard to the risk of bribery, especially when the scale of investments and the corruption perception of the countries where operations take place are considered. We, like other international petrochemical companies, have a geographically diverse portfolio and conduct operations in some countries which have a perceived high prevalence of corruption. Our operations must comply with applicable anti-bribery laws, such as the US Foreign Corrupt Practices Act as well as similar anti-corruption and anti-bribery laws of South Africa and other applicable jurisdictions. Major investments in countries with a high corruption exposure create an elevated risk when dealing with private companies, governments or government-controlled entities. We have an anti-corruption and anti-bribery compliance and training program in place which is designed to prevent and reduce the likelihood of violations of such laws by our employees and companies associated with us. However, a violation could result in substantial criminal or civil sanctions and could damage our reputation.

Further, although our policy is to require service providers to acknowledge our requirement that they maintain acceptable corporate values and ethical standards, there is a risk that instances of unethical conduct could occur and such instances could impact our reputation. In addition, if we identify that a service provider fails to meet these standards, such service provider could be replaced which in turn could cause additional strain on the supply chain (thereby increasing costs and delivery times) particularly if any of our largest service providers were to be implicated.

##### *Sanctions laws*

Our international operations require compliance with applicable trade and economic sanctions, or other restrictions imposed by governments, such as the US and United Kingdom, and organizations, such as the United Nations, the European Union (EU) and its member countries. We closely monitor developments in these sanction programs and assess the possible impact they could have on our group’s activities. These trade and economic sanctions are not always aligned, and this increases the complexities when a company has operations in various countries. A violation of any of these sanction regimes could lead to a loss of import or export privileges, penalties against or the prosecution of Sasol and our employees, which could have an adverse effect on our reputation, business, operating results, cash flows and financial condition.

We have a sanctions compliance program and sanctions screening systems in place. We believe that we are in compliance with all applicable sanctions and other trade restrictions and intend to maintain such compliance. However, there can be no assurance that we will be in compliance in the future, particularly as the scope of certain laws may be

unclear and may be subject to frequent amendments or changing interpretations. The sanctions linked to the conflict between Russia and Ukraine had a limited impact on our business activities and, no new deliveries or purchases to and from Russian and Ukrainian based counterparties have taken place since the start of the conflict.

#### *Environmental laws and regulations*

In recent years, the environmental legislation in South Africa has resulted in significantly stricter standards. For instance, by 1 April 2020, our existing plants were required to meet the more stringent point source standards for air quality emissions applicable to newly commissioned plants. Meeting some of these requirements requires the retrofitting of some of our existing plants, and accordingly, we obtained postponements until 1 April 2025 from the National Air Quality Officer (NAQO) to implement abatement projects in accordance with our air quality roadmaps. The commitment and intent remain to achieve compliance to the prescribed minimum emissions standards (MES) by 1 April 2025 as reflected in our respective atmospheric emissions licenses (AELs) for all point sources, except for sulphur dioxide (SO<sup>2</sup>) emissions from the boilers at the Secunda Operations' steam plants. This also holds true for pending postponements relating to point sources (recently included in the Secunda Operations AEL) at facility units within our Secunda Operations. Sasol is on track to enable compliance through the execution of its air quality compliance roadmaps.

The Secunda Operations have been granted postponement from meeting the new plant standard SO<sup>2</sup> for its boilers at the steam plants until 31 March 2025, however, compliance remains a challenge. Although coal beneficiation has the potential to effectively reduce SO<sup>2</sup> emissions to below 1000 mg/Nm<sup>3</sup>, the recently promulgated standard is neither aligned to Sasol's sustainability objectives, nor to the long-term vision of decarbonizing. Sasol's position is therefore not to adopt coal beneficiation as a compliance solution. As part of Sasol's lower carbon ambitions and GHG emissions reduction targets, there are synergies that can be realized through integrating reduction initiatives for GHG and boiler SO<sup>2</sup>. This integrated reduction roadmap involves the turning down of boilers (capacity and coal use reduction) to reduce the load of SO<sup>2</sup> emissions into the atmosphere with associated reduction benefits envisaged to be realized from 2025, as well as to reduce GHGs and other pollutants emitted from the boilers by 2030. Through this, Sasol aims to achieve a 30% reduction in SO<sup>2</sup> by 2030, which is viewed to be significantly more than what would be achieved under the current concentration limits in the MES.

To enable this reduction, Sasol applied to the NAQO (as permitted by Clause 12A of the MES) to be regulated on an alternative emission load (i.e. based on the mass and the rate of the pollutant emissions) instead of a concentration limit (i.e. based on the mass of pollutant per cubic meter of air emitted).

We continue to assess available legal mechanisms to leverage in mitigation of any potential non-compliance risks that may arise on 1 April 2025, pending the completion of the air quality roadmaps along adjusted timelines, and the favorable consideration of the abovementioned Clause 12A application. We continue to engage with the Department of Forestry, Fisheries and the Environment (DFFE) and the local licensing authorities as necessary. The outcome of these processes and applications cannot be guaranteed and may be successfully challenged by third parties and hence the risk of non-compliance could still materialize. Non-compliance may result in the violation of license conditions with the associated consequence of administrative and criminal enforcement action, which may include directions to cease operations, fines and penalties as well as criminal prosecution and sanctions. This may have a material adverse impact on our business.

We recognize that existing standards may become stricter over time which may pose a risk to some of our maturing operations in South Africa. This may, in some cases, adversely affect our business, financial condition, results of operations and cash flows.

Some of our South African operations are situated in declared air quality priority areas which are subject to the requirements of the Vaal Triangle Air-shed Priority Area Air Quality Management Plan and the Highveld Priority Area Air Quality Management Plan. Enabling regulations regarding stricter governance of the Highveld Priority Area, in particular to address the implementation and non-adherence to the priority area management plan, is pending. The second generation Vaal Triangle Airshed Priority Area Air Management Plan was gazetted in August 2021. The Highveld Priority Area Air Quality Management Plan is currently under review. Accordingly, further emission reduction commitments may be required from Sasol and are likely to trigger additional costs for air quality improvements in these priority areas.

Outside of South Africa, we operate a number of plants and facilities for the storage and processing of chemical feedstock, products and wastes. These operations are subject to numerous laws, regulations and ordinances relating to safety, health and the protection of the environment which may also affect our operating results and financial condition. The essential objectives of these legal frameworks are largely consistent with that of the South African framework, although regulatory and permitting requirements are more established and entrenched in some regions.

#### *Competition laws/Anti-trust laws and Consumer Protection laws*

Non-compliance with competition/anti-trust legislation and/or consumer protection laws could expose the group to administrative penalties, civil claims and damages, including punitive damages by companies and/or consumers who can prove they were harmed by the breach of competition/anti-trust legislation and/or consumer protection laws. Such penalties and damages could be significant and have an adverse impact on Sasol's business, operating results, cash

flows and financial condition. In addition, Sasol's reputation could be damaged by findings of such contraventions and individuals could be subject to imprisonment or fines in countries where competition/anti-trust/consumer protection law violations are a criminal offence.

It is Sasol's policy to comply with all laws. Notwithstanding this, and our training and compliance programs, we could inadvertently contravene competition/anti-trust laws and/or consumer protection laws and be subject to the imposition of fines, criminal sanctions and/or civil claims and damages. We endeavor to remain compliant with competition/anti-trust legislation as well as consumer protection laws in all the jurisdictions in which we operate to avoid any material adverse impact on our reputation, business, operating results, cash flows and financial condition.

#### *Data privacy laws and regulations*

We operate in countries that have data protection laws and regulations. It is our policy to comply with all applicable laws, and we implement numerous training, awareness and data privacy compliance programs. However, non-compliance with data protection laws could result in fines and/or civil claims and damages. This could have a material adverse impact on our reputation and a consequential financial impact.

#### **South African mining legislation may have an adverse effect on our mineral rights**

In December 2019, the Minister of Mineral Resources and Energy separated oil and gas-related matters from those of mineralization in the draft Upstream Petroleum Resources Development Bill (UPRDB) that was published in the Government Gazette on 24 December 2019. Mineral and mining related matters continue to be dealt with in terms of the Mineral and Petroleum Resource Development Act (MPRDA). However, due to the impact of COVID-19, further consultation processes were delayed. On 13 May 2021, Cabinet approved the introduction of the UPRDB to parliament. The UPRDB was gazetted and published for public comment on 11 June 2021. On 15 December 2021, National Treasury published for industry comment a Discussion Document: What is the Most Appropriate Tax Regime for the Oil and Gas Industry (putting forth proposals on the taxation of upstream oil and gas activities). National Treasury held a public consultation on 13 April 2022 to further discuss the oil and gas tax regime. On 17 May 2022, the Portfolio Committee on Mineral Resources and Energy held a briefing on the UPRDB and subsequently invited the public to submit further comments by 29 July 2022. Sasol has periodically submitted comments on the UPRDB directly to the Department of Mineral Resources and Energy (DMRE) and via the relevant business association, Offshore Petroleum Association of South Africa (OPASA). Once promulgated, the UPRDB currently before parliament will repeal and replace the relevant sections in the MPRDA which currently regulate both oil and gas exploration and production as well as minerals and mining.

The Broad-Based Socio-Economic Empowerment Charter for the Mining and Minerals Industry, 2018 (2018 Mining Charter) was published on 27 September 2018 for implementation on that date. The 2018 Mining Charter contains a number of changes compared to the previous Broad-Based Socio-Economic Empowerment Charter for the Mining and Minerals Industry (the previous Mining Charter) including but not limited to an increase in the Broad-based Black Economic Empowerment (B-BBEE) shareholding requirement from 26% to 30% in respect of new mining right applications. Furthermore, recognition is given to mining right holders who have achieved 26% B-BBEE shareholding and whose shareholders exited prior to commencement of the 2018 Mining Charter. Such recognition is however only applicable for the duration of the right and not for subsequent renewals in which instance a 30% B-BBEE shareholding is required. The 2018 Mining Charter contains more stringent compliance criteria than the previous Mining Charter, especially in respect of applications for new mining rights and the requirements in respect of procurement of mining goods. These may have a material adverse effect on Sasol Mining Proprietary Limited (Sasol Mining). The potential impact on Sasol Mining may be two-fold: higher cost of production and the risk of being in non-compliance with the requirements of the 2018 Mining Charter, which could lead to the suspension or cancellation of Sasol Mining's mining and/or prospecting rights. If a holder of a prospecting right or mining right in South Africa conducts prospecting or mining operations in contravention of the MPRDA, the converted mining rights can be suspended or cancelled by the Minister of the Mineral Resources and Energy (Minister). The entity, upon receiving a notice of breach from the Minister, has a specific period of time to remedy such breach, failing which the mining right can be suspended or cancelled.

The MPRDA and applicable provisions in the National Environmental Management Act 107 of 1998 and National Water Act 36 of 1998 impose additional responsibilities with respect to environmental management as well as the prevention of environmental pollution, degradation or damage from mining and/or prospecting activities.

The effect on our mining and petroleum rights of possible future amendments to the MPRDA, associated regulations to be promulgated and the 2018 Mining Charter may have a material adverse effect on our business, operating results, cash flows and financial condition. See "Item 4.B—Business overview—Regulation—Empowerment of historically disadvantaged South Africans—The Mining Charter and the Mineral and Petroleum Resources Development Amendment Bill" in our Form 20-F.

The Mine Health and Safety Amendment Bill was published on 15 June 2022 for public comment. Sasol Mining provided its comments via the Minerals Council South Africa (Minerals Council). The impact of the proposed

amendments can only be considered should the whole or any of the proposed amendments be enacted. The proposed amendments however have far-reaching implications and provide inter alia that a mining company can be fined up to 10% of its annual turnover should it be convicted of a non-compliance to the provisions of the Mine Health and Safety Act 26 of 1996 (MHSA). As of the date hereof, the Mine Health and Safety Amendment has not been enacted nor has an amended Amendment Bill been published for public comment.

## **Legislation in South Africa related to petroleum and energy activities may have an adverse impact on our business, operating results, cash flows and financial condition**

### ***Regulation of petroleum products in South Africa***

#### **The Petroleum Products Amendment Act 2 of 2005 (Petroleum Products Act)**

The Petroleum Products Act requires that persons involved in the manufacture and wholesale and retail sale of petroleum products obtain relevant licenses for such activities. Sasol Oil (Pty) Ltd (Sasol Oil), Natref and SSA have submitted applications for their respective operations. The Sasol Oil wholesale license and SSA manufacturing license applications have been approved and the licenses issued. The Sasol Oil manufacturing license application pertaining to the Natref refinery has been accepted, however, the license has not yet been issued. As provided in the Petroleum Products Act, Sasol Oil continues to act as a deemed license holder in relation to its manufacturing activities.

Accordingly, Sasol Oil and Natref continue to operate as being persons who, as of the effective date of the Petroleum Products Act, are deemed to be holders of a license until their applications have been finalized. Until then, we cannot provide assurance that the conditions of the license may not have a material adverse impact on our business, operating results, cash flows and financial condition.

The Petroleum Products Act entitles the Minister to regulate the prices, specifications and stock holding of petroleum products and the status in this regard is as follows:

- The retail pump prices of petrol, the maximum refinery gate price of LPG and the single maximum national price of illuminating paraffin are regulated. Prices are adjusted monthly according to published working rules and pricing formulae;
- The DMRE, from time to time, reviews elements of the BFP mechanism. Revisions to the formula used to calculate the BFP could impact revenue derived from liquid fuel sales in South Africa;
- Regulations to better align South African liquid fuels specifications with those prevailing in Europe (so-called Clean Fuels II Regulations) were due to become effective on 1 July 2017. As none of the local refineries, including those of Sasol, would have been able to comply with these new specifications, the Minister rescinded and amended the regulations in June 2017. On 31 August 2021, new Clean Fuels II Regulations, replacing the previous regulations were published. The technical specifications are aligned with those previously prescribed, but the promulgated regulations stipulated the required implementation thereof by 1 September 2023. After further engagements between the industry and the DMRE, the Minister, on 24 June 2022, gazetted a new implementation date of 1 July 2027 for Clean Fuels II.
- In terms of the Clean Fuels II Regulations, fuels that do not comply with the prescribed specifications may not be sold or produced for domestic consumption in South Africa. The implementation of the Clean Fuels II solution at Secunda is progressing well and is on track to deliver on-specification product by the end of 2027.
- On 30 March 2021, new mandatory biofuel blending regulations were published for a 60-day public comment period and on 1 September 2021 the new regulations were promulgated. These regulations oblige licensed manufacturers of fuel to blend between 2% and 10% of bio-ethanol with petrol and a minimum of 5% bio-diesel with diesel in South Africa. This required blending of bio-fuels at the maximum level, may pose challenges to the compliance with the Clean Fuels II specifications. The new regulations are being reviewed in conjunction with the Clean Fuels II Regulations to determine the compliance requirements and the required technical responses to enable such compliance. These Regulations may have an adverse effect on our fuel manufacturing operations at Secunda and Natref.

### ***Regulation of pipeline gas activities in South Africa***

#### **The Gas Act 48 of 2001 (Gas Act)**

The Gas Act provides NERSA with the authority to issue licenses for the construction and operation of gas pipelines and the trading in gas in South Africa. NERSA also has the authority to approve gas transmission tariffs and maximum gas prices that may be charged by gas traders, where there is inadequate competition as contemplated in the South African Competition Act 89 of 1998. The Gas Act further gives NERSA the authority to impose fines and other

punitive measures for failure to comply with the license conditions and/or the provisions of the Gas Act. Future regulation of maximum gas prices may have a material adverse effect on our business, operating results, cash flow and financial condition.

Pursuant to the 2013 NERSA decisions approving the Sasol Gas (Pty) Ltd (Sasol Gas) maximum gas prices and transmission tariffs, Sasol Gas implemented a standardized pricing mechanism in its supply agreements with customers in compliance with the applicable regulatory and legal framework. In November 2017, NERSA approved further maximum gas prices and transmission tariffs based on the same pricing and tariff mechanisms. After extensive litigation the 2013 NERSA Maximum Price decision and the 2017 Maximum Price decision were overturned in July 2019 and May 2021 respectively.

In its 15 July 2019 decision, the Constitutional Court overturned the 2013 NERSA maximum price decision, ordered NERSA to revise its decision and provided that the new decision by NERSA regarding the maximum gas prices for Sasol Gas will apply retrospectively from 26 March 2014 when the original decisions (now overturned) became effective. The 2017 NERSA price decision was overturned on 3 May 2021 and accordingly, the retrospective application of the new price decision by NERSA includes the period from 1 July 2017 up to 31 August 2021 as well.

After the Constitutional court decision, NERSA adopted a new maximum gas price methodology in 2020. Sasol Gas submitted a new maximum gas price application to NERSA in December 2020 and on 6 July 2021 NERSA published its maximum gas price decision in which it approved maximum gas prices for Sasol Gas for the period from 2014 up to 2021 and also prescribed how the maximum prices are to be determined for 2022 and 2023. The 2022 Gas Price was determined and implemented by Sasol in accordance with the method approved in the 2021 NERSA Maximum Gas Price decision.

Because the new maximum gas prices approved by NERSA for the period of the overturned decision is lower than the actual price charged to a large number of Sasol Gas's customers, a retrospective liability may have arisen for Sasol Gas if customers instituted claims for compensation based on the differences between the new approved maximum gas prices and actual gas prices historically charged by Sasol Gas. After consultation with NERSA, Sasol Gas is implementing a pro-active approach to its customers in order to resolve the applicable refunds in respect of the retrospective period. As at 31 December 2022, financial provisions previously recognized by Sasol Gas for this retrospective liability have been utilized to credit these refunds to affected customers.

In December 2021 the Industrial Gas Users Association of Southern Africa (IGUA-SA) launched a legal review application seeking to overturn the 2021 price decision by NERSA, which approved Maximum Gas Prices for Sasol Gas for the period from 2014 – 2021. Both NERSA and Sasol Gas are opposing the application and the matter is scheduled to be heard in the High Court on 30 and 31 May 2023. The current 2021 NERSA price decision remains in force until such time as it is set aside by a competent court and NERSA makes a new decision. The legal obligations for Sasol Gas also remain unaffected by this application pending the decision of the court.

In January 2023 NERSA adopted a revised Maximum Gas Price Methodology. The implementation by NERSA of this revised methodology in relation to future gas price applications by Sasol Gas could have an adverse effect on our business, operating results, cash flows and financial condition. Following engagements with NERSA relating to the resolving of the maximum gas price applicable in financial year 2023, NERSA indicated to Sasol Gas that a revised maximum price for financial year 2023 can only be approved by NERSA pursuant to a formal price application to NERSA. Such application was submitted to NERSA on 20 March 2023 and is currently pending before NERSA.

The Gas Amendment Bill was gazetted on 13 April 2021. This Bill has been withdrawn and there is no indication on when the DMRE will recommence the legislative process to amend the Gas Act.

The outcomes of such decisions and legislations may have an adverse impact on our business, operating results, cash flows and financial condition.

### **Changes in safety, health, environmental and chemical regulations, other legislation and public opinion may adversely affect our business, operating results, cash flows and financial condition**

We are subject to a wide range of general and industry-specific environmental, health and safety and other legislation in the jurisdictions in which we operate. See "Item 4.B—Business overview— Regulation—Safety, health and environment—Regions in which Sasol operates and their applicable legislation" in our Form 20-F.

One of our most material challenges is the ability to anticipate and respond to the rapidly changing context and associated stakeholder challenges, in particular relating to environmental legislation. Evolving legislation imposing more stringent air quality, climate change, water, waste and chemicals management legal requirements applicable to mature plants, may introduce compliance challenges to our existing plants. These laws and regulations and their enforcement are likely to become more stringent over time in all the jurisdictions in which we operate, although these laws in some jurisdictions are already more established and mature than in others. These compliance challenges are further impacted by the fact that, in some instances, legislation does not adequately provide for sufficient and/or flexible transitional arrangements for existing plants to comply with the imposed more stringent requirements. Ensuring that we are

compliant with these requirements is a significant factor in our business. We continue with transparent disclosures and engagements with our key stakeholders and exercise remedies available in law in an effort to address these challenges. A failure to comply could have an impact on our license to operate, as well as result in administrative and criminal enforcement, and could harm our reputation and relationships with stakeholders.

The costs associated with compliance with additional or increased regulation of environmental and climate issues could be significant and could have a material adverse impact on our business, operating results, cash flows and financial condition. For further information on the impact of carbon taxes refer to “—Our strategy to respond to climate change including compliance with evolving regulatory requirements and policy to reduce GHG emissions and to adequately disclose related risks and impacts, may not be successful and could negatively impact our growth as well as result in claims against our business. In addition, laws, policies and societal concerns related to climate change could reduce supply/demand for our products, increase our operational costs, reduce our competitiveness, negatively impact our stakeholder relations, adversely affect our legal license to operate and our access to capital and financing”.

Changes to waste management legislation in South Africa, particularly around landfill prohibitions and extended producer liability, are compelling our South African operations to find alternative solutions to waste management, disposal and management of packaging. The changing regulatory landscape introduces increasingly stringent waste disposal restrictions, extended producer liabilities and punitive fiscal reform measures including potential waste levies. We continue to quantify the potential costs associated with meeting these requirements. We depend on regulatory authorities clarifying the interpretation and applicability of specific requirements to our waste streams, to determine whether there would be compliance challenges associated with technical and feasibility constraints.

Water use licenses being issued by the South African Department of Water and Sanitation include increasingly stringent requirements, such as waste water discharge limits, which must be complied with over time. This may not be achievable.

From a Sasol chemicals’ business perspective, our products must be registered in accordance with regulatory requirements for many of the countries in which we operate, and sold in line with permit conditions, among other considerations. In the EU, these include filing of Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) registrations for chemicals we produce in or import into Europe. In other regions, such as US and China or other Asian countries, chemical notifications have to be filed for new chemicals. Many countries are in the process of revising their chemicals regulations based on the EU REACH regulation. South-Korea and Turkey have already implemented EU REACH-like regulations and Sasol has started activities to ensure that the business with customers in Turkey and Korea can continue. The Eurasian region also will implement new chemical regulations soon. All of these changing chemical regulations come with further obligations and requirements with which Sasol will need to comply. Following Brexit, the UK has introduced a separate UK REACH regulation. Sasol has taken all necessary steps to ensure that we can continue to deliver products to customers in the UK.

The EU Green Deal and related delegated acts will result in additional regulatory requirements in the future. Currently, the proposed Delegated Acts pursuant to the Renewable Energy Directive have the potential to limit market access for transitional products from emerging economies and the Carbon Border Adjustment Mechanism (CBAM) will place a higher cost on products in the EU that do not meet required standards. The revision of the EU REACH regulation will also result in additional requirements and processes. While not all details are clear yet, many polymers will also require registrations in the future. The EU is also planning to implement more hazard categories under the Classification, Labelling and Packaging (CLP) regulation and intends to implement them globally via the Globally Harmonized System of Classification and Labelling of Chemicals (GHS) system. Over the coming months and years details about further measures will become available.

South Africa is aligning its regulatory systems with international commitments on safe chemicals management including the GHS. The Hazardous Chemical Agent Regulations came into effect on 29 March 2021 in South Africa, requiring employer provided workplaces to comply with more stringent occupational exposure limits (OELs) for identified substances within a transition period of eighteen months. Compliance with some OELs will require Sasol’s mature plants to be retrofitted with the necessary abatement equipment that will require significant capital investment and extended lead-time to complete. Sasol is dependent on the outcome of pending application provided for in law to enable these required extended compliance timeframes. Further challenges with compliance related to the required disclosure of product information deemed as confidential business information and the practical execution of the GHS labelling system to our pipelines will also be addressed via an application for exemption as provided for in law. The outcome of these applications cannot be guaranteed.

At Sasol, systems and processes are in place, monitored and improved upon, to ensure our compliance with laws and regulations applicable to Sasol and its obligations up and down the value chain. However, we cannot assure you that we will be in compliance with all laws and regulations at all times. For example, non-compliance with environmental, health or safety laws may occur from system or human errors in monitoring our emissions of hazardous or toxic substances into the environment, such as the use of incorrect methodologies or defective or inappropriate measuring equipment, errors in manually capturing results, or other mistaken or unauthorized acts of our employees or service providers.

There is growing public opinion and awareness of public health and safety associated with the manufacturing and use of chemicals and industries reliant on fossil fuels and related social opposition, which is further heightened through increased use of social media, other user generated content and online press. Challenges are also increasingly being raised on these issues. Our manufacturing processes may utilize and result in the emission of or exposure to substances with potential health risks. We also manufacture products which may pose safety, health and environmental risks. We remain committed to apply a duty of care principle and implement measures to eliminate or mitigate associated potential risks, including through our commitment to the Responsible Care® program and adoption of the GHS over and above legal compliance. However, we may be subject to liabilities as a result of the use or exposure to these materials or emissions. Non-governmental organizations, activists and other stakeholders increasingly use environmental, health and safety permitting processes, including ours, to challenge a company's practices to promote greater environmental sustainability in its operations and value chain. We expect this kind of participation to increase over time, which could impede our ability to obtain new or renewed permits or result in more stringent standards imposed in them. See “Item 4.B—Business overview—Regulation” in our Form 20-F for more detail.

We recognize that evolving chemicals control regulations globally may require additional product safety evaluations with the potential for restrictions on product uses. Consequently, markets may apply pressure on us concerning certain of our products, feedstock, manufacturing processes, transportation and distribution arrangements. As a result of these additional pressures, the associated costs of compliance and other factors, we may be required to modify or withdraw certain products from the market, which could have a material adverse effect on our business, operating results, cash flows, financial condition and reputation.

For example, the fast growth of plastics, combined with challenges in effective waste disposal, has resulted in a global problem associated with plastics waste in the environment. The main source of the problem is identified as short-life consumer packaging-type applications, often referred to as single-use plastics. Consumer and regulator sentiment regarding the plastic pollution challenge may pose future responsibilities and business constraints on the wider industry, including Sasol, through bans on certain polymer product applications, production restrictions and reduced demand for polymers where alternatives are perceived to be more acceptable to the markets they serve. The Department of Forestry, Fisheries and the Environment (DFFE) promulgated the Extended Producer Responsibility regulations which may result in additional financial obligations together with various other responsibilities for Sasol.

The Mine Health and Safety Amendment Bill was published on 15 June 2022 for public comment. Sasol Mining provided its comments via the Minerals Council. The impact of the proposed amendments can only be considered should the whole or any of the proposed amendments be enacted. The proposed amendments however have far-reaching implications and provide inter alia that a mining company can be fined up to 10% of its annual turnover should it be convicted of a non-compliance to the provisions of the MHSA.

Any such changes in the above safety, health, environmental and chemical regulations, other legislation and public opinion may adversely affect our business, operating results, cash flows and financial condition.

### **We are subject to risks associated with litigation and regulatory proceedings**

As with most large corporations, we are involved from time to time as a party to various lawsuits, arbitrations, regulatory proceedings, investigations or other disputes. Litigation, arbitration and other such legal proceedings or investigations involve inherent uncertainties and, as a result, we face risks associated with adverse judgments or outcomes in these matters. Even in cases where we may ultimately prevail on the merits of any dispute, we may face significant costs of defending our rights, lose certain rights or benefits during the pendency of any proceeding or suffer reputational damage as a result of our involvement. We are currently engaged in a number of legal and regulatory proceedings and arbitrations in various jurisdictions including the litigation relating to the Sasol Khanyisa B-BBEE transaction described under “—There are country-specific risks relating to the countries in which we operate that could adversely affect our business, operating results, cash flows and financial condition—(a) Political and socio-economic issues—ii. Transformation and local content” and the Sasol Financing International plc (SFI) tax proceedings described under “—There are country-specific risks relating to the countries in which we operate that could adversely affect our business, operating results, cash flows and financial condition—(b) Legal and regulatory—ii. Tax laws and regulations”, as well as described under “Item 4.B—Business overview—Legal proceedings and other contingencies” in our Form 20-F.

We could also face potential litigation or governmental investigations or regulatory proceedings in connection with the material weakness we identified in 2020 in our internal controls over financial reporting - see “—We identified a material weakness in our internal control over financial reporting in 2021, which we are still in the process of remediating. If we are unable to remediate this material weakness, or if we experience additional material weaknesses or other deficiencies in the future or otherwise fail to maintain an effective system of internal controls, we may not be able to accurately and timely report our financial results, which could cause shareholders to lose confidence in our financial and other public reporting, and adversely affect our share price”.

In addition, from time to time we may settle certain proceedings as was the case with regards to the securities

class action filed on 5 February 2020 on behalf of US ADR owner Chad Lindsey Moshell and other US ADR holders who purchased Sasol securities from 10 March 2015 to 13 January 2020. It was filed in the United States District Court, Southern District of New York against Sasol Limited and five of its current and former executive directors. The complaint alleged violations of Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 and Rule 10b-5 promulgated thereunder. Sasol and plaintiffs agreed to a mediation in this matter which was conducted on 16th and 17th February 2022. The parties were able to reach a tentative settlement which was approved by the court on 18 August 2022, bringing the matter to a close. Sasol's directors and officers liability insurers confirmed coverage under the policies for this matter and have paid certain of Sasol's litigation costs. The settlement amount was US\$24 million which was fully paid by the insurers. Sasol anticipates that expenses in excess of applicable deductibles will be covered by insurance.

There can be no assurance as to the outcome of any litigation, arbitration or other legal proceeding or investigation, and the adverse determination of material litigation could have a material adverse effect on our business, operational results, cash flows and financial condition.

### **Intellectual property risks may adversely affect our freedom to operate our processes and sell our products and may dilute our competitive advantage**

Our various products and processes, including most notably our specialty chemical and energy products and processes, have unique characteristics and chemical structures and, as a result, are subject to confidentiality and/or patent protection, the extent of which varies from country to country. Rapid changes in our technology commercialization strategy may result in a misalignment between those countries where we apply for our intellectual property protection filing strategy and the countries in which we operate. The disclosure of our confidential information and/or the expiry of a patent may result in increased competition in the market in relation to the relevant products and processes, although the continuous supplementation of our patent portfolio reduces such risk to an extent. In addition, aggressive patenting by our competitors, particularly in countries like the US, China, Japan and Europe may result in an increased patent infringement risk and may constrain our ability to operate in our preferred markets.

A significant percentage of our products can be regarded as commodity chemicals, some of which have unique characteristics and chemical structure which make the products more suitable for different applications than typical commodity products. These products are normally utilized by ourselves or our customers as feedstock to manufacture specialty chemicals or application-type products. We have noticed a worldwide trend of increased filing of patents relating to the composition of product formulations and the applications thereof. These patents may create pressure on both Sasol and those of our customers who market these product formulations which may adversely affect our sales to these customers. These patents may also increase our risk of exposure to claims arising from limited indemnities provided to our customers of these products in case there is a patent infringement which may impact the use of the product on our customers' side. Patent-related pressures may adversely affect our business, market reputation, operating results, cash flows and financial condition.

We believe that our proprietary technology, know how, confidential information and trade secrets provide us with a competitive advantage. A possible loss of experienced personnel to competitors, and a possible transfer of know-how and trade secrets associated therewith, including the patenting by our competitors of technology built on our know-how obtained through former employees, may negatively impact this advantage.

Similarly, operating and licensing technology in countries in which intellectual property laws are not well established and enforced may result in an inability to effectively enforce our intellectual property rights. The risk of some transfer of our know-how and trade secrets to our competitors is increased by the increase in the number of licenses granted under our intellectual property, as well as the increase in the number of licensed plants which are brought into operation through entities which we do not control. As intellectual property warranties and indemnities are provided under each new license granted, the cumulative risk increases accordingly. These risks may adversely affect our business, operating results, cash flows and financial condition.

### ***Risk related to geopolitical and stakeholder relationships***

#### **There are country-specific risks relating to the countries in which we operate that could adversely affect our business, operating results, cash flows and financial condition**

Several of our subsidiaries, joint arrangements and associates operate in countries and regions that are subject to significantly differing political, social, economic and market conditions. See "Item 4.B— Business overview" in our Form 20-F for a description of the extent of our activities in the main countries and regions in which we operate.

Although we are a South African-domiciled company and the majority of our operations are located in South Africa, we also have significant energy businesses in other African countries, chemical businesses in Europe, the US, the Middle East and Asia, a joint venture gas to liquid facility in Qatar and joint operations in the US.



In 2020, Sasol concluded divestments in South Africa and Nigeria. In 2021, Sasol concluded divestments in the USA, Germany, Mozambique, South Africa and Gabon. In 2022, Sasol concluded divestments in Germany, Canada, South Africa and Mozambique.

Economic and political instability in regions outside of the jurisdictions in which we operate and other geopolitical events such as the conflict between Russia and Ukraine may result in unavoidable uncertainties that could negatively affect costs of business, cause volatility in currency exchange rates, commodity prices, interest rates and worldwide political, regulatory, economic or market conditions and cause instability in political institutions, regulatory agencies and financial markets, any of which could have a material adverse effect on our business, operating results and financial condition. We are actively monitoring the impact of such geopolitical events and consequent impact to our business.

For further discussion related to our country-specific risk that could adversely affect our business, operating results, cash flows and financial condition refer to the following sections in our Form 20-F:

- “Item 4.B—Business overview—Regulation—Empowerment of historically disadvantaged South Africans”;
- “Item 4.B—Business overview—Legal proceedings and other contingencies”;
- “Item 4.B—Business overview—Regulation—Safety, health and environment”;
- “Item 5.B—Liquidity and capital resources”; and
- “Item 10.D—Exchange controls”.

Particular aspects of country-specific risks that may have a material adverse impact on our business, operating results, cash flows and financial condition include:

**(a) Political and socio-economic issues**

i. Political, social and economic uncertainty

We have invested or are in the process of investing in and/or divesting from, significant operations in Southern African, European, North American, Asian and Middle Eastern countries that have in the past, to a greater or lesser extent, experienced political, social and economic uncertainty. In addition to spill-over effects from the conflict between Russia and Ukraine, South Africa faces ongoing challenges in improving the country’s growth potential, socio-economic inequalities, weak public finances, corruption and addressing weaknesses at state-owned enterprises, particularly Eskom and Transnet, and other institutions. In addition, South Africa continues to face actual events and potential future risks related to civil and social unrest. In 2021, the country experienced such events which significantly impacted the economy, business as a whole and Sasol specifically across various fronts. These included security threats to operations and people, continuity risks in operations and business, reductions in market demand for products, and interruptions in supply chains. These factors remain a risk to South Africa’s sovereign credit rating outlook and future socio-economic stability.

In Mozambique, effects linked to the conflict between Russia and Ukraine high levels of public sector debt, political conflict, severe insurgency risks, lack of essential services, the need for ongoing strengthening of institutions, insufficient fiscal sustainability and extreme weather events are expected to remain significant risks to the country’s economic and operational outlook for the foreseeable future. At a global level, COVID-19 strains and infection waves, vaccine availability, efficacy and hesitancy and the spill-over effects of the conflict between Russia and Ukraine lead to unusually high levels of uncertainty. These pose significant downside risks to the global economy and geopolitical tensions, financial vulnerabilities, abrupt shifts in financial conditions and their impact on the socio-economic outlook can also influence the countries in which we operate, including their policy developments.

Other countries in which we operate could from time to time face sovereign rating risks, which may impact our counterparties’ ability to access funding and honor commitments.

Government policies, laws and regulations in countries where we operate, or plan to operate, may change in the future. Governments in those countries have in the past and may in the future pursue policies of resource nationalization and market intervention, including through protectionism like import tariffs and subsidies. The impact of such changes on our ability to deliver on planned projects cannot be determined with any degree of certainty. Such changes may therefore have an adverse effect on our operations and financial results. In particular, close monitoring is required in Mozambique, given the upcoming elections scheduled for October 2024.

ii. Transformation and local content

In all countries, our operations are required to comply with local procurement, employment equity, equity participation, skills development, corporate social responsibility and other regulations that are designed to address country-specific social and economic transformation and local content issues. Should we not meet or are perceived to not

be meeting country-specific transformation or local content requirements or regulations, our ability to sustainably deliver on our business objectives may be impacted. This includes not securing business due to lower than required contributor levels as per B-BBEE scorecard.

In Mozambique, we have agreed Local Content Plans (LCPs) with the Government of Mozambique (GoM) for our sustainable operations and for our projects. Not delivering on the agreed key performance indicators of the LCPs may impact our operating licenses and ability to sustainably deliver on our business objectives in Mozambique.

In South Africa, there are various transformation regulations with which we are required to comply since Sasol operates in more than one sector of the economy. The broad risks that we face should we not comply with these transformation regulations include the inability to obtain license to operate in certain sectors such as mining and liquid fuels, limited ability to successfully tender for government and public entity business and potential loss of customers (as private sector customers increasingly require their suppliers to have a minimum B-BBEE contribution rating).

The 2018 Mining Charter was published for implementation on 27 September 2018. On 19 December 2018 certain amendments, as well as the Mining Charter Guidelines, were published in the Government Gazette which provided that existing mining right holders must implement the 2018 Mining Charter from 1 March 2019. Although the 2018 Mining Charter is an improvement on the 2017 draft, on 29 March 2019 the Minerals Council commenced with a judicial review of certain aspects, which includes the ownership and procurement elements, of the 2018 Mining Charter. The review application was heard by a full bench of the High Court from 3 May to 6 May 2021. On 21 September 2021, the High Court ruled in favor of the Minerals Council. The provisions challenged by the Mineral Council were set aside and the ruling confirmed that section 100(2) of the MPRDA does not empower the Minister to make law and that the 2018 Mining Charter is an instrument of policy and not subordinate legislation. Current indications are that the ruling will not be appealed. The Minister may however prepare and pass an Amendment Bill through Parliament to address the aspects of the Charter that were set aside or mining rights can be issued or renewed in future on conditions similar to those that were set aside pursuant to the review application.

For more information refer to “— South African mining legislation may have an adverse effect on our mineral rights”.

On 27 March 2020, the Minister published amendments to the Mineral and Petroleum Resources Development Regulations (Amendment Regulations) to "...develop a broad-based socioeconomic empowerment Charter that will set the framework for targets and timetable for effecting the entry into and active participation of historically disadvantaged South Africans into the mining industry..." The Amendment Regulations may have a negative impact on our business in terms of uncertainty regarding the interpretation and higher cost for the business.

In Mozambique, there is still no specific law for local content. However, legal frameworks support the Government in monitoring the implementation of local content plans submitted by international oil companies. The Mozambique National Constitution states that the exploration of natural resources must protect the interest and promote the effective involvement of the national business community (articles 102 and 107). Therefore, the legislation of the petroleum sector (Law 21/2014 of 18 August 2014) imposes some obligations for local content. Local content rules in the oil and gas sector are further complemented by the Mega-Projects Law (15/2011 of 10 August 2011) regarding the national participation in the Concessionaire's shareholder structure. The lack of a specific and detailed local content law for the oil and gas industry in the Republic of Mozambique constitutes a risk for the operators as there is no common understanding of certain local law content defined terms, which may lead to a misrepresentation of the Sasol Local Content Plan.

In addition, to the existing laws, the Government has been developing initiatives to promote local content (Single Local Content Program). It is crucial to have an alignment between the Single Local Content Program and the initiatives being implemented by Sasol.

Another key risk is linked to local businesses' expectations management. Most of the beneficiaries of Sasol's supplier development initiatives and many other local small, medium and micro enterprises expect to be involved with Sasol in relation to the procurement of goods and services. Therefore, it is vital to create effective communication channels, as well as simplified legal instruments, to ensure the protection of Sasol's interests, as these local entrepreneurs have a strong influence over local communities.

The revised Codes of Good Practice for B-BBEE (the Revised Codes), which came into effect on 1 May 2015, further amended on 31 May 2019, provide a standard framework for the measurement of B-BBEE across all sectors of the economy, other than sectors that have their own sectorial transformation charters (e.g. the mining and liquid fuels industries). The liquid fuels industry and other relevant stakeholders, through the Petroleum and Liquid Fuels Sector Charter Council, is developing the “Petroleum and Liquid Fuels Sector Charter” (PLFSC) which is intended to align the existing Liquid Fuels Charter adopted in November 2000 with the Revised Codes to regulate B- BBEE in the liquid fuels and gas sector. The PLFSC has not yet been published for public comment and it is therefore not possible to assess its impact. It is anticipated that the PLFSC will set industry-specific targets that cannot be more lenient than those in the Revised Codes.

Since our September 2017 announcement of plans to unwind the Sasol Inzalo B-BBEE transaction and

introduce the Sasol Khanyisa B-BBEE transaction, we placed specific management focus on engaging with trade unions on issues pertaining to employee share ownership levels. Two of the five trade unions represented at Sasol, Solidarity and the Chemical, Energy, Paper, Printing, Wood and Allied Workers' Union (CEPPWAWU), declared disputes relating individually to Sasol Khanyisa and the unwind of Sasol Inzalo which, if not resolved, might result in industrial action, which could adversely affect our operations and could give rise to costs which would impact earnings. In the case of the Solidarity trade union, the Sasol Khanyisa dispute is similar to disputes the trade union has with three other large employers in South Africa. The President of the Labor Court requested the various employers to prepare a stated case in order to allow the Labor Court to give guidance in this regard. Despite best endeavors to do so, the parties abandoned this attempt and to date the matter which Solidarity has against Sasol has not been pursued. Solidarity has not succeeded in getting the three other large employers to participate in the stated case compilation, the consolidated matter was not submitted to the Labor Court and since October 2020 it has made no further advances to progress with the matter. The Labor Court recently issued a directive to prepare a pre-trial minute to be filed with the registrar as an alternative to appearing before a judge of the Labor Court on 10 August 2022. The parties filed the pre-trial minute and are awaiting the allocation of the trial date. It is, therefore, not a Sasol-only matter in South Africa and also affects other large companies.

Furthermore, the South African Broad-Based Black Economic Empowerment Commissioner may not recognize that the vendor financing mechanism allows us to be allocated points on Enterprise Supplier Development as per B-BEE scorecard in connection to and if as a result we fail to achieve our required B-BEE score, we might be penalized.

However, we expect that the long-term benefits of Sasol Khanyisa to the company and South Africa should outweigh any possible adverse effects, such as dilution to existing shareholders, but we cannot assure you that future implications of compliance with these requirements or with any newly imposed conditions will not have a material adverse effect on our shareholders or business, operating results, cash flows and financial condition. For instance, any rights issue, depending on the uptake 'appetite' could possibly dilute the Khanyisa shareholding and may result in Sasol not complying with the South African Broad-based Black Economic Empowerment Act, 53 of 2003. See "Item 4.B—Empowerment of historically disadvantaged South Africans" in our Form 20-F.

Value creation, if any, to the majority of the Khanyisa shareholders at the conclusion of the transaction is exposed to the inherent business risks of SSA during the empowerment period. The value created is determined with reference to the extent the fair value of SSA and any dividends declared by SSA exceed any outstanding vendor financing related to these Khanyisa shareholders at the end of the transaction period. Any adverse impact on dividend distributions to the Khanyisa shareholders or on the valuation of the SSA business on conclusion of the transaction will reduce the ultimate value created.

### iii. Disruptive industrial action

The South African labor market remains volatile and can be characterized by major industrial actions in key sectors of the economy, especially during the season of wage negotiations. However, the Sasol employee relations landscape remains relatively stable amidst the global economic turmoil giving rise to high inflation on basic commodities and the overall cost of living.

The majority of our non-managerial employees worldwide belong to trade unions or works councils in Germany and Italy. These employees comprise mainly of general workers, artisans and technical operators.

In South Africa, 2023 wage negotiations in respect of the Industrial Chemicals and Petroleum sectors under the auspices of the National Bargaining Council for the chemical industry have ended in two year agreements of inflation linked increases.

In Sasol Chemicals America, the Lake Charles East Plant's (represented by the United Steel Workers Local 13-555) wages follow increases set forth in the National Oil Bargaining Policy. The increase in demand for skilled workers, especially along the Gulf Coast, could potentially impact employee turnover as the industrial market is highly competitive. The current Lake Charles East Plant Collective Bargaining Agreement will remain in effect until 7:00am on 16 October 2023.

In Sasol Chemicals America, the Oil City Plant (represented by the United Steel Workers Local 455), located in Oil City, Philadelphia, wages were previously negotiated. The current Oil City Plant Collective Bargaining Agreement terms were effective 1 April 2019 and will remain in effect through 1 April 2024. In February of 2022, Sasol announced the closure of this facility. Throughout the risk of distractions due to uncertainties and change since the announcement, employees have maintained safety and production as priority.

## **(b) Fiscal and monetary policies**

Macro-economic factors, such as inflation and interest rates, could affect our ability to contain costs and/or ensure cost-effective debt financing in the countries in which we operate.

Our sustainability and competitiveness are influenced by our ability to optimize our cost base. As we are unable to control the price at which our products are sold, an increase in inflation in countries in which we operate may result in significantly higher future operational costs.

South African consumer price inflation averaged 5,7% in 2022 compared to 3,5% in 2021. Similarly, inflation in the US rose to 7,2% in 2022 from 2,3% in the preceding year. In the Eurozone, inflation accelerated to 5,4% from 0,6% over the same period. Surging inflation was mainly due to significant increases in food and energy prices, supply chain bottlenecks, and a slow rebalancing of spending towards the services sector. With inflation well above central banks' inflation targets in several countries and fears of a potential de-anchoring of inflation expectations, central banks have already embarked on what appears to be an aggressive monetary policy normalization path.

South Africa's economic outlook remains challenging. An uncertain and weakening global growth environment, constrained government finances, low levels of real per capita gross domestic product, civil discontent, electricity supply constraints, policy uncertainty, low confidence levels, high levels of unemployment and geopolitical events all pose risks to the economy.

Exchange rate fluctuations, food prices, electricity, water and import tariffs, global inflation trends, oil price developments and the sovereign rating outlook remain key risks to the inflation outlook.

Global financial conditions, geo-political tensions, commodity price trends, emerging market sentiment swings and domestic socio-political and policy developments, could contribute to significant ongoing currency volatility.

### **(c) Legal and regulatory**

#### **i. Exchange control regulations**

South African law provides for exchange control regulations which apply to transactions involving South African residents, including both natural persons and legal entities. These regulations may restrict the export of capital from South Africa, including foreign investments. The regulations may also affect our ability to borrow funds from non-South African sources for use in South Africa, including the repayment of these borrowings from South Africa and, in some cases, our ability to guarantee the obligations of our subsidiaries with regard to these funds. These restrictions may affect the manner in which we finance our transactions outside South Africa and the geographic distribution of our debt.

The Economic and Monetary Community of Central Africa (CEMAC), which includes Gabon, issued Foreign Exchange Regulation No. 02/18 CEMAC-UMAC (Regulations) which came into effect on 1 September 2019. The Regulations allow the CEMAC Central Bank (BEAC) to take measures to restore reserves in foreign exchange currency including restrictions on foreign currency bank accounts in and outside CEMAC and limits a company's ability to enter into loans, import / export services and assets and make investments. Fines for breach are extremely severe, being up to 50% of the company's assets. BEAC issued two moratoria on the Regulation and the final moratorium expired on 31 December 2021 and the Regulations are now in effect.

Although we no longer have any oil and gas assets in Gabon, we continue to have a presence in Gabon while Sasol Gabon S.A. remains active. As such, along with other companies active in the region, we continue to engage with BEAC to seek a compromise that will allow the oil and gas industry to operate more efficiently and BEAC has issued a number of instructions and regulations clarifying certain operational aspects of the Regulation in order to address certain of the concerns raised by the industry.

See "Item 10.D—Exchange controls" and "Item 5.B—Liquidity and capital resources" in our Form 20-F.

#### **ii. Tax laws and regulations**

We operate in multiple tax jurisdictions globally and are subject to both local and international tax laws and regulations. Although we aim to fully comply with tax laws in all the countries in which we operate, tax is a highly complex area leading to the risk of unexpected tax uncertainties. Tax laws are changing regularly, and their interpretation may potentially result in ambiguities and uncertainties, in particular in the areas of international taxation and transfer pricing.

Where the tax law is not clear, we interpret our tax obligations in a responsible way, with the support of legal and tax advisors as deemed appropriate. Tax authorities and courts may arrive at different interpretations to those taken by Sasol, which may lead to substantial increases in tax payments. Although we believe we have adequate systems, processes and people in place to assist us with complying with all applicable tax laws and regulations, the outcomes of certain tax disputes and assessments may have a material adverse effect on our business, operating results, cash flows and financial position.

We could also be exposed to significant fines and penalties and to enforcement measures, including, but not limited to, tax assessments, despite our best efforts at compliance. In response to tax assessments or similar tax deficiency notices in particular jurisdictions, we may be required to pay the full amount of the tax assessed (including stated penalties and interest charges) or post security for such amounts notwithstanding that we may contest the

assessment and related amounts.

For example, South African Revenue Service (SARS) conducted an audit over a number of years on SFI which performs an offshore treasury function for Sasol. The audit culminated in the issue by SARS of revised tax assessments, based on the interpretation of the place of effective management of SFI. The potential tax exposure is R2,7 billion (including interest and penalties as at 31 December 2022), which is disclosed as a contingent liability.

SARS dismissed Sasol's objection to the revised assessments and Sasol appealed this decision to the Tax Court. In parallel Sasol launched a review application in respect of certain elements of the revised assessments in respect of which the Tax Court does not have jurisdiction. Sasol also brought a review application against the SARS decision to register SFI as a South African taxpayer. By agreement between the parties, the Tax Court related processes are being held in abeyance, pending the outcome of the judicial review applications. The review applications were heard in the High Court on 16 and 17 November 2022 and the court decision remains pending.

For more information regarding pending tax disputes and assessments see "Item 4.B—Business overview—Legal proceedings and other contingencies" in our Form 20-F.

Any of these risks may materially and adversely affect our business, results of operations, cash flows and financial condition.

iii. Ownership rights

We operate in several countries where ownership of rights in respect of land and resources is uncertain and where disputes in relation to ownership or other community matters may arise. The impact of these policy intentions and related disputes are not always predictable and may cause disruption to our operations or development plans.

iv. Legal and regulatory uncertainties

Some of the countries where we have already made investments, or other countries where we may consider making investments, are in various stages of developing institutions and legal and regulatory systems that are characteristic of democracies and developed market economies.

The procedural safeguards of the legal and regulatory regimes in these countries in many cases are still being developed and, therefore, existing laws and regulations may be applied inconsistently. In some circumstances, it may not be possible to obtain the legal remedies provided under those laws and regulations in a timely manner.

In addition, inconsistency of regulations particularly between developed and developing countries increases legal and regulatory uncertainty which may affect both our decision to pursue opportunities in certain countries and increase our costs of operations.

**(d) Transportation, water, electricity and other infrastructure**

Our operations are located in multiple regions across the world and are reliant upon stable supply of electricity, availability of water and access to transportation routes in order to optimally run our operations and/or move our products. The infrastructure in South Africa, such as rail infrastructure, inland water systems, electricity and water supply, may need to be further upgraded and expanded, and in certain instances, possibly at our own cost. Should we not have access to reliable electricity supply, or should we have limited access to water or experience infrastructure challenges in the regions in which we operate, this could have a material adverse effect on our business, operating results, cash flows, financial condition and future growth.

Reliable supply of electricity is important to run our plants optimally. Despite attempts from Eskom, South Africa's national power utility, to restore the reliability of its ageing coal fleet, incidents of energy shortfalls are increasing. Unplanned power outages will have a negative impact on our production volumes, cost and profitability. While we have the capacity to generate half of our own electricity requirements at our South African operations, this only mitigates the risk partially as we remain dependent on external electricity supply from Eskom. Electricity supply from Eskom can be further curtailed due to severe weather conditions impacting Eskom's power stations (such as weather conditions disrupting supply of coal to Eskom's power stations) resulting in disruptions to its electricity production. In addition, between 2018 and 2023, Eskom implemented intermittent load curtailment and shedding as a result of continued poor generation performance. Under current load curtailment, only our Sasolburg operations in South Africa are required to reduce power demand which can result in production losses and have a material adverse effect on our business, financial condition and future growth.

Water, as a resource, is becoming increasingly limited as global demand for water increases. A significant part of our operations, including mining, chemical processing and others, requires the use of large volumes of water. South Africa is generally an arid country and prolonged periods of drought, sudden floods or significant changes to current water laws could increase the cost or availability of our water supplies or otherwise impact our operations. Water use by our operations varies widely depending largely on feedstock and technology choice. Water to our South African operations is supplied from the Integrated Vaal River System (IVRS), currently making up 81% of Sasol's total water

demand. While the water supply to these operations remains secure, expectations are for a worsening of the water supply imbalance. This may lead to issues of water availability or the imposition of restrictions on its use, specifically during periods of drought. Seasonal changes, such as deterioration in quality of water supplied from the IVRS, results in feed water which is highly variable and regularly of a poor quality. This increases the cost of treating it. Although various technological advances may improve the water efficiency of our processes, these are capital intensive. Recent above-average rainfall has resulted in the IVRS reaching full storage capacity thereby reducing the short-term water supply risk to operations. We may also experience a deterioration in water quality and other infrastructure challenges related to our South African operations, which could have a material adverse effect on our business, operating results, cash flows, financial condition and future growth.

The transportation of inbound materials to our plants and of products to our customers is reliant on the region's available workforce and infrastructure. Numerous factors like natural disasters, labor strikes, political unrest, compromised infrastructure, pandemics or extreme weather events may impact on transportation modes which could have a material adverse effect on our business, operating results, cash flows, financial condition and future growth.

Unplanned rail and port outages could cause a negative impact on our sales volumes, cost and profitability while exposing the company to the risk of increased road transport accidents. While we have some of our own infrastructure employed and other options with some products at our South African operations, this only mitigates the risk partially as we remain dependent on Transnet (South African rail transport company) for exports from South Africa.

#### **(e) Stakeholder relationships**

Sasol has a complex network of stakeholders, often with competing interests. Beyond our financial community, our stakeholders are persons or groups who are or may be directly or indirectly affected by our operations, as well as those who have interests in our business and/or the ability to influence its outcomes.

Stakeholders may include members of local communities and their representatives, national, provincial or local government authorities, officials at all spheres of government, government agencies, multilateral organizations, regulators, political and religious leaders, civil society organizations and groups with special interests, suppliers, investors, business partners, customers, employees, trade unions, academics and the media. Failure to manage relationships with our stakeholders may harm our reputation as well as our ability to conduct our operations effectively. Our stakeholder objective is to position Sasol as a credible partner and build trust with all our stakeholders. Our engagement approach is premised on open and effective communication and mutually beneficial outcomes where possible, as well as inclusiveness and integrity. We also engage in accordance with regulatory public participation requirements as applicable to our licenses or applications related to our licenses.

Given the impact of operating in a volatile macro-economic environment, we may not be able to meet some of our stakeholder commitments. This may have a material impact on stakeholder relations. Various processes are in place to proactively engage with stakeholders and to mitigate associated risks. However, we cannot provide assurance that the strategy will fully mitigate the risk and therefore, actions taken by stakeholders could have a material adverse effect on our business, operating and financial results, and future growth.

#### **(f) Contract stability**

Host governments in some of the resource-rich countries in which we operate or consider making investments may display tendencies of wanting to change existing contracts through early terminations, non-renewal or cancellation of contractual rights. In these jurisdictions, we may not be able to fully enforce our contractual rights or enforce judgements obtained in the courts of other jurisdictions, should the host governments hold the view that these contracts are not beneficial to their countries.

#### **(g) Other specific country risks that are applicable to countries in which we operate, and which may have a material adverse effect on our business include:**

- acts of warfare and civil clashes;
- the loss of control of oil and gas field developments and transportation infrastructure;
- failure to receive new permits and consents;
- expropriation of assets;
- non-performance by state owned enterprises in South Africa such as Transnet with the severity of the current Eskom loadshedding (loadshedding being measures to distribute demand for electrical power across multiple power sources) – such non-performance impacts the South African economy overall and Sasol as well, given Transnet is impacting Sasol's ability to export its chemicals products, resulting in

financial losses and reputational damage with Sasol potentially not being considered as a reliable supplier to customers in the Northern Hemisphere;

- lack of capacity to deal with emergency response situations;
- social and labor unrest and riots due to economic and political factors in host countries;
- terrorism and insurgency;
- security threats to assets, employees and supply chain including cyber threats;
- possible demands to participate in unethical or corrupt conduct that lead us to forgo certain opportunities;
- feedstock security of supply; and
- sanctions against countries in which we operate.

### ***Risks related to the market***

#### **Cyclicality in petrochemical product prices and demand may adversely affect our business, operating results, cash flows and financial condition**

Sasol's chemicals portfolio includes several products that are exposed to cyclicality in margins. Margins for polymers, solvents, surfactants and fertilizers trend in a cyclical manner that usually, but not always, coincides with the normal business cycles of regional and global economies. Periods of high industry profitability (generally driven by high utilization rates) tend to alternate with times of low profitability (generally characterized by low utilization rates), amplified by subsequent periods of over- and under-investment in new capacity. Long construction lead times result in waves of capacity additions toward the end of the high-margin expansionary phase, thus exacerbating the already weakening market conditions. The ensuing cyclical downturn and low profitability tends to rein in capital spending, leading to an extended period of very slow capacity growth that generally coincides with rapid demand growth during the economic recovery phase. This situation, in turn, tends to create tight market conditions and improved margins.

The ongoing conflict between Russia and Ukraine and changes in the macro-economic environment have caused significant volatility impacting chemicals demand, supply and the global supply chains that serve them. This has translated into both opportunities and risks for Sasol as the organization's global presence and diversified product portfolio allow it to manage the volatility that may arise in a specific market. Demand risks to the chemicals outlook include an uncertain global economic growth outlook, US/China trade relations, geopolitical tensions and wars, and business and consumer confidence trends. Supply is currently largely affected by the capacity overbuild taking place in the US and China mainly in the ethylene and propylene value chains. Supply chain disruption (exacerbated by the conflict between Russia and Ukraine) could continue to impact our ability to reach global markets from South Africa or other producing regions and could also restrict access to specific markets. Consequently, forecasting the timing of the industry business cycle, and prices for chemical products during the current volatility remains difficult and a deterioration in overall conditions may have a material adverse effect on our business, operating results, cash flows and financial condition.

#### **Our coal, synthetic oil and natural gas reserve estimates may be materially different from quantities and qualities that we eventually recover or ultimately make use of**

Our reported coal, synthetic oil and gas reserves are estimated quantities and qualities based on applicable reporting regulations that, under present conditions, have the potential to be economically mined, processed, produced, delivered to market and sold.

There are numerous uncertainties inherent in estimating quantities and qualities of reserves and in projecting future rates of production, including factors that are beyond our control. The accuracy of any reserve estimate is a function of the quality of available data, engineering and geological interpretation, costs to develop and produce, and market prices for related products.

Reserve estimates are adjusted to reflect improved recovery and extensions, and also revised from time to time based on improved data acquired from actual production experience and other factors. In addition, regulatory changes and market prices may result in a revision to estimated reserves. Revised estimates may have a material adverse effect on our business, operating results, cash flows and financial condition. See "Item 4.D—Property, plants and equipment" in our Form 20-F.

**We may be unable to access, discover, appraise and develop coal mines for our existing needs and natural gas resources at a rate and price that is adequate to sustain our business and/or enable growth**

Competition for suitable opportunities, increasing technical difficulty, stringent regulatory and environmental standards, large capital requirements and existing capital commitments may negatively affect our ability to access, discover, appraise and develop new resources in a timely manner, which could adversely impact our ability to support and sustain our current business operations while we transition to Future Sasol.

Our natural gas reserves in Mozambique are of particular importance as feedstock for our plants in South Africa, as well as for sales of gas into the markets in Mozambique and South Africa. We continue to develop a portfolio of gas options in Mozambique which includes gas field development of the current PPA and PSA assets as well as pursuing near-field exploration opportunities e.g. PT5-C. The success and subsequent development of these opportunities can create optionality for a lower blended-cost landscape for gas supply. However, there is an inherent technical risk and a lower probability of success associated with exploration opportunities yet higher potential for low-cost gas compared to the Liquefied Natural Gas (LNG) option which provides more flexible and more certain gas supply option but at a much higher cost.

Our future growth could also be impacted by these factors, potentially leading to a material adverse effect on our business, operating results, cash flows and financial condition.

**Increasing competition in relation to products originating from countries with low production and logistical costs may adversely affect our business, operating results, cash flows and financial condition**

Certain of our chemical production facilities are located in developed countries, including the US and in Europe. Economic and political conditions in these countries result in relatively high labor costs and, in some regions, relatively inflexible labor markets. Increasing competition from regions with lower production costs and more flexible labor markets, for example the Middle East, India and China, exerts pressure on the competitiveness of our chemical products and, therefore, on our profit margins. This could result in the withdrawal of particular products or the closure of specific facilities, which may have a material adverse effect on our business, operating results, cash flows and financial condition.

**We may not be able to exploit technological advances quickly enough and successfully or competitors may develop superior technologies**

Many of our operations, including the manufacture of synthetic fuels and petrochemical products, are dependent on the use of advanced technologies. The development, commercialization and integration of the appropriate advanced technologies can affect, among other things, the competitiveness of our products, the continuity of our operations, our feedstock requirements and the capacity and efficiency of our production.

It is possible that new technologies or novel processes may emerge and that existing technologies may be further developed in the fields in which we operate. Unexpected advances in employed technologies or the development of novel processes can affect our operations and product ranges in that they could render the technologies we utilize or the products we produce obsolete or less competitive in the future. Difficulties in accessing new technologies may impede us from implementing them and competitive pressures may force us to implement these new technologies at a substantial cost.

In addition to the potential technological challenges, expansion projects are often integrated across our value chain. Delays with the development of an integrated project might, accordingly, have an impact on more than one business segment.

Our ability to compete may partly depend on our timely and cost-effective implementation of new technological advances. It will also depend on our success in commercializing these advances irrespective of competition we face. Failure to do so could result in a material adverse effect on our business, operating results, cash flows and financial condition.

Our ambition to become a green hydrogen producer and supplier in South Africa, Africa and possibly more broadly will be impacted by the company's ability to partner with others in the hydrogen value chain to effectively shorten the learning and development curve and get products to market. This market also has to be created and it will be critical for Sasol to recognize the investments required for these new or incremental lines of business so that Sasol can be on the front end of the winning technologies and skills development.

Over time, green hydrogen is anticipated to be a feedstock for the sustainable products that Sasol will increasingly look to produce however, this will depend on the affordability of green hydrogen production and electrolyzers, scale of renewable energy roll-out and Sasol's ability to procure the technology cost effectively. Our effort to become a green hydrogen producer may be unsuccessful and the process may lead to increased operational costs and negatively impact other growth strategies. Refer to "—Our strategy to respond to climate change including compliance



with evolving regulatory requirements and policy to reduce GHG emissions and to adequately disclose related risks and impacts, may not be successful and could negatively impact our growth as well as result in claims against our business. In addition, laws, policies and societal concerns related to climate change could reduce supply/demand for our products, increase our operational costs, reduce our competitiveness, negatively impact our stakeholder relations, adversely affect our legal license to operate and our access to capital and financing” for more information.

### ***Risk related to information management***

#### **We may face the risk of data privacy breaches or attempts to disrupt critical information technology services, which may adversely impact our operations**

The increasing use of information technology to enable business processes, in particular digital processes in operations, is making all industries, including the energy and chemicals industries, much more susceptible to cyber threats and data privacy breaches. As digitalization expands to include our financial, commercial, transacting and production systems, the cyber security risk increases. While Sasol has an information security program in place, cyber security threats we face consistently evolve and emerge to expose the organization, both in business and operations systems, to significant external threats.

While no material losses related to the increased attempts on our information security systems have been discovered, given the increasing sophistication and evolving nature of this threat, the possibility of successful breaches occurring in the future cannot be ruled out. An extended failure of critical system components, caused by accidental actions, such as failed hardware or failed network infrastructure, or malicious actions, including those resulting from a cyber-security attack, could result in a significant environmental incident, commercial loss or interruption to operations. We may also incur significant costs to protect against or repair damage caused by any successful disruptions or security breaches in the future, such as rebuilding internal systems, implementing additional threat protection measures, defending against litigation, responding to regulatory inquiries or taking remedial steps with respect to third parties, among others.

We recognize that if there is a violation of data privacy information, or a cyber threat, we could experience disruptions to critical services or may be vulnerable to cyber and ransomware attacks. This could result in financial loss, and have a material adverse effect on our business, operating results, cash flows, financial condition and our disclosure of control processes.

### ***Risk related to our people***

#### **We may not be successful in attracting, developing and retaining sufficiently or appropriately skilled employees**

In order for Sasol to deliver on its strategic objectives, sustainably grow into the future, and effectively operate and continuously improve existing and future assets and technologies, we are highly dependent on our human capital.

We maintain a focus on attracting, developing and retaining diverse, skilled and experienced employees, including critical or scarce skills like qualified scientists, engineers, project execution managers, artisans and operators and highly skilled employees in business and functional roles.

However, various risks still exist that may impact our ability to attract and retain required skills.

There is constant competition in global labor markets for critical or scarce skills. The quality and availability of skills in certain labor markets may also be impacted by the challenges within the education and training systems. Similar to other organizations, we are seeing high employee turnover in the business due to the current competitive labor market. Localization, diversity and other similar legislation in countries in which we operate are also key considerations in the attraction and retention of sufficiently skilled employees. The increasing use of digital technologies across our industry is placing increasing demand on data and digital technology skills. The availability and supply of these new skill sets are limited due to demand outweighing supply. The transition to cleaner technologies will also impact the current and future skills demand and supply. In some countries, ageing workforces can also contribute to this risk.

To promote retention on the employee workforce, and to mitigate the risk of the continued challenge to attract highly skilled candidates, we prioritize employee retention initiatives. However, as a result of the above, we may not be successful in attracting, developing and retaining sufficiently or appropriately skilled employees.

### **Risks relating to an investment in our Notes**

#### **There may not be a liquid market for the Notes**

The Notes are a new issue of securities for which there is currently no trading market. We cannot assure you that a trading market for the Notes will develop or be maintained in the United States or elsewhere. If an active market

for the Notes fails to develop or be sustained, the trading price of the Notes could fall, and even if an active trading market were to develop, the Notes could trade at prices that may be lower than the initial offering price. There can be no assurance as to the liquidity of any market that may develop for the Notes, the ability of holders to sell their Notes, or the prices at which holders might be able to sell their Notes.

#### **Our financial performance and other factors could adversely impact our ability to make payments on the Notes**

Our ability to make scheduled payments with respect to our indebtedness, including the Notes and the Guarantees of the Notes, will depend on our financial and operating performance, which, in turn, is subject to prevailing economic conditions and to financial, business and other factors beyond our control.

#### **Ratings for the Notes may not reflect all risks of an investment in the Notes**

The Notes will be rated by at least two nationally recognized statistical rating organizations. Any rating is not a recommendation to purchase, sell or hold any particular security, including the Notes. These ratings are limited in scope and do not comment as to market price or suitability for a particular investor. The ratings for the Notes may not reflect the potential impact of all risks related to structure and other factors on any trading market for, or trading value of, the Notes. In addition, ratings at any time may be lowered or withdrawn in their entirety, including as a result of developments that are beyond our control. Actual or anticipated changes or downgrades in our credit ratings, including any announcement that our ratings are under further review for a downgrade, could affect the market value of the Notes and increase our borrowing costs.

#### **The Issuer is a finance vehicle and its ability to satisfy its obligations in respect of the Notes is dependent on Sasol and its group of subsidiaries**

The main purpose of SFUSA is to act as a finance company within the group. As such, the primary business of the Issuer is to borrow funds and lend those funds to Sasol Chemicals USA LLC and other members of the group on an arms-length basis. Accordingly, substantially all of the assets of the Issuer are loans and advances made to Sasol Chemicals USA LLC and other members of the group. The ability of the Issuer to satisfy its obligations in respect of the Notes depends on payments made to it by Sasol Limited, Sasol Chemicals USA LLC and other members of the group in respect of loans and advances made by the Issuer.

#### **The Notes and the Guarantees will be unsecured and effectively subordinated to the rights of the Issuer's and Guarantor's respective secured debt**

The Notes and the Guarantees will be the general unsecured obligations of the Issuer and Sasol Limited, respectively, and will rank *pari passu* in right of payment with all of the existing and future senior indebtedness of the Issuer and Sasol Limited, respectively. The Notes and Guarantees will rank effectively junior in right of payment to any secured indebtedness of the Issuer and Sasol Limited, respectively, to the extent of the collateral therefor. As of December 31, 2022, Sasol had R49 million (\$2.9 million) of secured indebtedness outstanding. If Sasol Limited or the Issuer is declared bankrupt, becomes insolvent or is liquidated or reorganized, or the payment of any part of its indebtedness is accelerated, its secured indebtedness will be entitled to be paid in full from its assets securing that indebtedness before any payment may be made with respect to the Notes or the Guarantees, as applicable. Holders of the Notes will participate ratably in the remaining assets with all holders of our unsecured indebtedness and any remaining secured indebtedness, as applicable, that does not rank junior to the Notes or the Guarantees, including all of our other general creditors, based upon the respective amounts owed to each holder or creditor, subject to any provision under applicable law. In any of the foregoing events, there may not be sufficient assets to pay amounts due on the Notes or the Guarantees. As a result, holders of the Notes would likely receive less, ratably, than holders of secured indebtedness.

The terms of the Indenture limit our ability to secure additional debt without also securing the Notes and to enter into sale and leaseback transactions. However, these limitations are subject to numerous exceptions. See "Description of Notes—Limitation on Liens" and "Description of Notes—Limitation on Sale and Lease Back Transactions".

#### **The Notes do not restrict our ability to incur additional debt, including debt of our subsidiaries, or prohibit us from taking other action that could negatively impact holders of the Notes. Your right to receive payments on the Notes is structurally subordinated to other liabilities of our subsidiaries, other than the Issuer, and the group has a material amount of subsidiary indebtedness**

We are not restricted under the terms of the Indenture or the Notes from incurring additional indebtedness including indebtedness of our subsidiaries. None of our subsidiaries will guarantee the Notes. As such, the Notes will be

structurally subordinated to any existing or future indebtedness of our subsidiaries other than the Issuer to the extent of the assets of such subsidiaries. As of December 31, 2022, Sasol Limited's subsidiaries (other than the Issuer) had R42,261 million (\$2,484 million) of indebtedness outstanding, of which R49 million (\$2.9 million) was secured.

### **The terms of the Indenture may restrict our ability to respond to changes or to take certain actions**

The Indenture contains restrictive covenants that may limit our ability to engage in acts that may be in our long-term best interests, including, among other things, restrictions on our ability to:

- incur secured indebtedness;
- enter into certain sale and lease-back transactions; or
- enter into certain consolidations, mergers, or sales of all or substantially all of the Issuer or Sasol Limited's assets.

A breach of the covenants under our Indenture or other debt or credit arrangements could result in an event of default under the applicable indebtedness. Any such default may allow our creditors to accelerate the related indebtedness and may result in the acceleration of any other indebtedness to which a cross-acceleration or cross-default provision applies. In addition, an event of default under Sasol's credit facilities would permit its lenders thereunder to terminate all commitments to extend further credit under the applicable facilities. In the event our lenders or holders of our debt accelerate the repayment of our borrowings, we may not have sufficient assets to repay such indebtedness. As a result of these restrictions, we may be:

- limited in how we conduct our business;
- unable to raise additional debt or equity financing to operate during general economic or business downturns; or
- unable to compete effectively or to take advantage of new business opportunities.

These restrictions may affect our ability to grow in accordance with our plans.

In addition, the terms of the Indenture and the Notes do not require us to achieve or maintain any minimum financial results relating to our financial position or results of operations. Our ability to recapitalize, incur additional debt, secure existing or future debt or take a number of other actions that are not limited by the terms of the Indenture and the Notes could have the effect of diminishing our ability to make payments on the Notes when due.

### **The Issuer may be unable to purchase the Notes upon a change of control repurchase event**

If we experience a change of control and the Notes experience a specified credit rating decline, we will be required to offer to purchase the Notes for cash at a price equal to 101% of the principal amount of the Notes plus accrued and unpaid interest, if any, to the date of purchase in order to avoid an event of default under the Indenture. See "Description of Notes—Change of Control Repurchase Event". A change of control may also require us to repay other outstanding debt. In the event of a change of control and a specified credit rating decline relating to the Notes, we may not have sufficient funds to purchase all of the affected Notes and to repay other debt that may become due.

### **The Notes will initially be held in book-entry form and therefore you must rely on the procedures of the relevant clearing systems to exercise any rights and remedies**

Unless and until definitive registered Notes are issued in exchange for book-entry interests in the Notes, owners of the book-entry interests will not be considered owners or holders of the Notes. Instead, the registered holder, or their respective nominee, will be the sole holder of the Notes. Payments of principal, interest and other amounts owing on or in respect of the Notes in global form will be made to Wilmington Savings Fund Society, FSB (as the Trustee for the Notes), which will in turn distribute payments to DTC (or another clearing system). Thereafter, payments will be made by DTC (or such other clearing system) to participants in these systems and then by such participants to indirect participants. After payment to DTC (or another clearing system) or its nominee neither we, the Trustee nor the paying agent will have any responsibility or liability of any aspect of the records related to, or payments of, interest, principal or other amounts to owners of book-entry interests.

Unlike holders of the Notes themselves, owners of book-entry interests will not have the direct right to act upon our solicitations or consents or requests for waivers or other actions from holders of the Notes that we may choose to make in the future. Rather, owners of book-entry interests will be permitted to act only to the extent that they have received appropriate proxies to do so from DTC or, if applicable, from a participant. We cannot assure you that procedures implemented for the granting of such proxies will be sufficient to enable you to vote on any such solicitations or requests for actions on a timely basis.

**You may be unable to recover in civil proceedings for US securities laws violations**

Sasol Limited is a public company incorporated under the laws of the Republic of South Africa. Many of its assets are located outside the United States. In addition, most of the members of the board of directors and officers of Sasol Limited are residents of countries other than the United States. As a result, it may be impossible for investors to effect service of process within the United States upon us or these persons, or to enforce against us or them judgments obtained in US courts predicated upon civil liability provisions of the US securities laws. In addition, we cannot assure you that civil liabilities predicated upon the federal securities laws of the United States will be enforceable in the Republic of South Africa. See “Enforceability of Certain Civil Liabilities”.

**Your rights under the Notes and the Guarantees may be limited by laws in various jurisdictions, including fraudulent conveyance and insolvency laws**

If we are unable to pay our indebtedness, including our obligations under the Guarantee, we may become subject to bankruptcy, insolvency, liquidation, winding up or similar proceedings in South Africa. The bankruptcy or insolvency laws of South Africa currently in effect may be significantly different from, and may be less favorable to creditors than, those of certain other jurisdictions. Noteholders may have limited voting rights at creditors’ meetings in the context of a court reorganization proceeding. In addition, creditors of the Guarantor may hold security that grants rights to attach the assets of the Guarantor, which attachment may result in priorities benefiting those creditors when compared to the rights of holders of the Notes.

**The Notes are subject to restrictions on transfer**

The Notes have not been and will not be registered under the U.S. Securities Act or any U.S. state securities laws and do not benefit from registration rights. You may not offer the Notes in the United States except pursuant to an exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws, or pursuant to an effective registration statement. We have not undertaken to register the Notes or to effect any exchange offer for the Notes in the future. Furthermore, we have not registered the Notes under any other country’s securities laws. It is your obligation to ensure that your offers and sales of the Notes within the United States and other countries comply with applicable securities laws. See “Notice to Investors.”

## **USE OF PROCEEDS**

The net proceeds of the offering of the Notes, after deduction of the Initial Purchasers' discount and our estimated expenses of the Offering, are expected to amount to \$988.8 million. We intend to use the net proceeds from the offering of the Notes for repayment of existing indebtedness, including capital markets debt, term financings or revolving borrowings, and for general corporate purposes.

## CAPITALIZATION

The following table sets forth our consolidated capitalization at December 31, 2022, on an actual basis and as adjusted to give effect to the issuance of the Notes and the use of proceeds therefrom as described under “Use of Proceeds”. You should read this table together with our unaudited condensed consolidated interim financial statements and related discussion and analysis included in our H1 2023 Results Form 6-K.

|  | As at<br>December 31, 2022 |                       |
|--|----------------------------|-----------------------|
|  | Actual                     | As adjusted           |
|  | (R in millions)            |                       |
| Cash and cash equivalents, excluding restricted cash ..... | 31,903                     | 31,903                |
| Notes offered hereby .....                                 | -                          | 16,820 <sup>(3)</sup> |
| Historical debt .....                                      | 127,746 <sup>(1)</sup>     | 110,926               |
| Total debt .....   | 127,746 <sup>(2)</sup>     | 127,746               |
| Total equity (excluding non-controlling interests) .....   | 197,864                    | 197,864               |
| Total capitalization .....                                 | 325,610                    | 325,610               |

- (1) Comprises R49 million of long term secured debt, R16,251 million of lease liabilities, R107,197 million of unsecured debt, R203 million of bank overdraft, R4,475 million of short-term debt, less R429 million of unamortized loan costs. Unsecured debt includes (i) R20,445 million (US\$1,202 million) under our Existing Revolving Credit Facility, (ii) R11,965 million (US\$704 million) under the Existing U.S. Term Loan, (iii) R64,522 million (US\$3,793 million) under our existing U.S. dollar denominated bonds and (iv) R10,888 million (US\$640 million) under our Convertible Bonds.
- (2) As at December 31, 2022, long-term debt, short-term debt and bank overdraft accounted for R106,817 million, R4,475 million and R203 million, respectively, of total debt (excluding lease liabilities).
- (3) The South African rand equivalent amount of the US\$988.8 million net proceeds of Notes offered, which has been translated into South African rand using the closing rate of R17.01 = US\$1.00, which represents the rate of exchange on December 30, 2022 as reported by Thomson Reuters. Such translations should not be construed as representations that the South African rand amounts represent or have been or could be converted into, U.S. dollars at that or any other rate. Assumes that the entire amount of net proceeds will be applied to reduce existing debt.

There has been no material change since the dates indicated above in our consolidated capitalization or indebtedness. We entered into the New Senior Credit Facilities on April 17, 2023 with which we fully repaid and cancelled the Existing U.S. Term Loan and the Existing Revolving Credit Facility and as such the New Senior Credit Facilities did not materially change our consolidated capitalization or indebtedness. For more information on the refinancing, refer to “Summary—Recent Developments—Refinancings”.

## **MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

See “Item 5—Operating and Financial Review and Prospects” in the Form 20-F, H1 2023 Results Form 6-K and Q3 2023 Results Form 6-K for Management’s Discussion and Analysis of Financial Condition and Results of Operations, incorporated by reference in this Offering Memorandum.

For information on the refinancing of our Existing U.S. Term Loan and Existing Revolving Credit Facility, refer to “Summary—Recent Developments—Refinancings”.

## **BUSINESS**

See “Item 4.B— Business overview” in the Form 20-F incorporated by reference in this Offering Memorandum.



## **MAJOR SHAREHOLDERS AND RELATED PARTY INFORMATION**

See “Item 7—Major Shareholders and Related Party Transactions” in the Form 20-F incorporated by reference in this Offering Memorandum.

## **DESCRIPTION OF OTHER INDEBTEDNESS**

For description of debt securities, see “Exhibit 2.2— Description of Securities Registered under Section 12 of the Securities Exchange Act of 1934” in the Form 20-F incorporated by reference in this Offering Memorandum.

## DESCRIPTION OF NOTES

*This section describes certain terms of the Notes, the Guarantees and the Indenture. The following description is a summary of material provisions of the Notes, the Guarantees and the Indenture and does not purport to be complete and is subject to, and is qualified in its entirety by reference to, all of the provisions of the Notes, the Guarantees and the Indenture, including the definitions therein of certain terms. Copies of the Indenture, the Notes and the Guarantees will be available for inspection during normal business hours at any time after the closing date of the offering of the Notes at the corporate trust office of the Trustee, which is currently located at 500 Delaware Avenue, 11th Floor, Wilmington, Delaware 19801, USA.*

### General

The US\$1,000,000,000 8.750% Senior Notes due 2029 (the “**Notes**”) will be issued under an indenture to be dated as of May 3, 2023 (the “**Indenture**”), among Sasol Financing USA LLC (the “**Issuer**”), Sasol Limited (“**Sasol**”) as guarantor and Wilmington Savings Fund Society, FSB as trustee (the “**Trustee**”).

The Indenture is not required to be nor will it be qualified under the U.S. Trust Indenture Act of 1939, as amended (the “**Trust Indenture Act**”), and will not incorporate by reference any of the provisions of the Trust Indenture Act. Consequently, the Holders of Notes generally will not be entitled to the protections provided under the Trust Indenture Act to holders of debt securities issued under a qualified indenture, including those requiring the Trustee to resign in the event of certain conflicts of interest and to inform the Holders of Notes of certain relationships between it and the Issuer or Sasol. In this “Description of Notes”, the terms “Holder”, “Noteholder” and other similar terms refer to a “registered holder” of Notes, and not to a beneficial owner of a book-entry interest in any Notes, unless the context otherwise clearly requires.

Citigroup Global Markets Inc., SMBC Nikko Capital Markets Limited, Intesa Sanpaolo S.p.A., London Branch, J.P. Morgan Securities plc, Merrill Lynch International, MUFG Securities EMEA plc, Mizuho International plc and Standard Chartered Bank (together, the “**Initial Purchasers**”) propose to resell Notes represented by the Rule 144A Global Notes in registered form to certain institutions in the United States in reliance upon Rule 144A. Notes represented by the Rule 144A Global Notes may not be sold or otherwise transferred except pursuant to registration under the Securities Act or in accordance with Rule 144A or pursuant to Rule 904 of Regulation S thereunder or in a resale transaction that is otherwise exempt from such registration requirements, and will bear a legend to this effect.

The Regulation S Global Notes will be resold by the Initial Purchasers only to non-U.S. persons located outside the United States in offshore transactions in reliance on Regulation S.

### Principal, Maturity and Interest

The Notes will initially be issued in an aggregate principal amount of \$1,000,000,000 and will mature on May 3, 2029. The Notes will bear interest at a rate of 8.750% per annum, payable semi-annually in arrears on May 3 and November 3 of each year, commencing November 3, 2023. The regular record dates for the Notes will be every April 18 and October 18 of each year.

If any scheduled interest payment date is not a business day, the Issuer will pay interest on the next business day, but interest on that payment will not accrue during the period from and after the scheduled interest payment date. If the scheduled maturity date or date of redemption or repayment is not a business day, the Issuer may pay interest and principal and premium, if any, on the next succeeding business day, but interest on that payment will not accrue during the period from and after the scheduled maturity date or date of redemption or repayment.

A “business day” means any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions are authorized or required by law or regulation to close in New York City or in London, England.

The Trustee’s corporate trust office in Wilmington, Delaware is designated as the principal place of payment and the Trustee is designated as the paying agent. The Issuer may at any time designate additional paying agents or rescind the designation of paying agents or approve a change in the office through which any paying agent acts.

### Form and Denominations

The Notes will be issued in minimum denominations of \$200,000 and in integral multiples of \$1,000 in excess thereof. The Notes will be issued initially as Global Notes. Interest on the Notes will be computed on the basis of a 360-day year of twelve 30-day months. The Indenture, the Notes and the Guarantees will be, governed by the laws of the State of New York.

## Further Issuances

The Issuer may, without the consent of the holders of the Notes, issue additional notes having the same ranking and same interest rate, maturity date, redemption terms and other terms of the Notes except for the price to the public and issue date, provided, however, that such additional notes that have the same CUSIP, ISIN, Common Code or other identifying numbers as the notes offered hereunder must be fungible with such notes for U.S. federal income tax purposes. Any such additional notes, together with the Notes, will constitute a single series of securities under the Indenture and are included in the definition of “notes” in this section where the context requires. There is no limitation on the amount of notes or other debt securities that the Issuer may issue under the Indenture.

## Full and Unconditional Guarantee

Sasol will fully and unconditionally guarantee the Notes under a guarantee of the payment of principal of, and any premium, interest and “additional amounts” on, the Notes when due, whether at maturity or otherwise (each, a “**Guarantee**” and together, “**Guarantees**”). Sasol must obtain the approval of the Financial Surveillance Department of the South African Reserve Bank (“**FinSurv**”) to provide the Guarantees. Therefore, the granting of the Guarantees by Sasol (and any indemnities to be provided by Sasol) in respect of the issuance of the Notes by the Issuer requires the approval of FinSurv, and such approval has been obtained as of the date of this Offering Memorandum. For a discussion of the payment of “additional amounts”, please see “—*Payment of Additional Amounts*” below. Under the terms of the Guarantees, Holders of the Notes will not be required to exercise their remedies against the Issuer before they proceed directly against Sasol.

## Status of the Notes and Guarantees

The Notes will be unsecured and unsubordinated indebtedness of the Issuer and will rank equally with all of its other unsecured and unsubordinated indebtedness from time to time outstanding. The Notes will be effectively subordinated to any of the Issuer’s existing and future secured debt, to the extent of the value of the assets securing such debt and will be structurally subordinated to all of the existing and future liabilities (including trade payables) of any subsidiary of the Issuer.

The Guarantees will be unsecured and unsubordinated indebtedness of Sasol and will rank equally with all of its other unsecured and unsubordinated indebtedness from time to time outstanding. The Guarantees will be effectively subordinated to any of Sasol’s existing and future secured debt, to the extent of the value of the assets securing such debt and will be structurally subordinated to all of the existing and future liabilities (including trade payables) of each of the subsidiaries of Sasol.

## Optional Redemption

Prior to the Par Call Date (as defined herein), the Notes may be redeemed, in whole or in part, at any time and from time to time, at the option of the Issuer or Sasol, at a redemption price (expressed as a percentage of principal amount and rounded to three decimal places) equal to the greater of:

- (1) (a) the sum of the present values of the remaining scheduled payments of principal and interest thereon discounted to the redemption date (assuming the Notes matured on the Par Call Date) on a semi-annual basis (assuming a 360-day year consisting of twelve 30-day months) at the Treasury Rate plus 50 basis points, less (b) interest accrued to the date of redemption, and
- (2) 100% of the principal amount of the Notes,

plus, in either case, accrued and unpaid interest to (but excluding) the redemption date and any additional amounts payable with respect thereto.

On or after the Par Call Date, the Notes will be redeemable, in whole or in part, at any time and from time to time, at the option of the Issuer or Sasol, at a redemption price equal to 100% of the principal amount of the Notes, plus accrued and unpaid interest to (but excluding) the redemption date and any additional amounts payable with respect thereto.

For the purpose of the provisions above, the following terms will apply:

“Par Call Date” means March 3, 2029 (the date that is two months prior to the maturity date).

“Treasury Rate” means, with respect to the redemption date, the yield determined by the Issuer or Sasol in accordance with the following two paragraphs.

The Treasury Rate shall be determined by the Issuer or Sasol after 4:15 p.m., New York City time (or after such time as yields on U.S. government securities are posted daily by the Board of Governors of the Federal Reserve System), on the third business day preceding the redemption date based upon the yield or yields for the most recent day that appear after such time on such day in the most recent statistical release published by the Board of Governors of the Federal Reserve System designated as “Selected Interest Rates (Daily) - H.15” (or any successor designation or publication) (“H.15”) under the caption “U.S. government securities–Treasury constant maturities–Nominal” (or any successor caption or heading) (“H.15 TCM”). In determining the Treasury Rate, the Issuer or Sasol shall select, as applicable: (1) the yield for the Treasury constant maturity on H.15 exactly equal to the period from the redemption date to the Par Call Date (the “Remaining Life”); or (2) if there is no such Treasury constant maturity on H.15 exactly equal to the Remaining Life, the two yields – one yield corresponding to the Treasury constant maturity on H.15 immediately shorter than and one yield corresponding to the Treasury constant maturity on H.15 immediately longer than the Remaining Life – and shall interpolate to the Par Call Date on a straight-line basis (using the actual number of days) using such yields and rounding the result to three decimal places; or (3) if there is no such Treasury constant maturity on H.15 shorter than or longer than the Remaining Life, the yield for the single Treasury constant maturity on H.15 closest to the Remaining Life. For purposes of this paragraph, the Treasury constant maturity or maturities on H.15 shall be deemed to have a maturity date equal to the relevant number of months or years, as applicable, of such Treasury constant maturity from the redemption date.

If on the third business day preceding the redemption date H.15 TCM is no longer published, the Issuer or Sasol shall calculate the Treasury Rate based on the rate per annum equal to the semi-annual equivalent yield to maturity at 11:00 a.m., New York City time, on the second business day preceding the redemption date of the United States Treasury security maturing on, or with a maturity that is closest to, the Par Call Date, as applicable. If there is no United States Treasury security maturing on the Par Call Date but there are two or more United States Treasury securities with a maturity date equally distant from the Par Call Date, one with a maturity date preceding the Par Call Date and one with a maturity date following the Par Call Date, the Issuer or Sasol shall select the United States Treasury security with a maturity date preceding the Par Call Date. If there are two or more United States Treasury securities maturing on the Par Call Date or two or more United States Treasury securities meeting the criteria of the preceding sentence, the Issuer or Sasol shall select from among these two or more United States Treasury securities the United States Treasury security that is trading closest to par based upon the average of the bid and asked prices for such United States Treasury securities at 11:00 a.m., New York City time. In determining the Treasury Rate in accordance with the terms of this paragraph, the semi-annual yield to maturity of the applicable United States Treasury security shall be based upon the average of the bid and asked prices (expressed as a percentage of principal amount) at 11:00 a.m., New York City time, of such United States Treasury security, and rounded to three decimal places.

The Issuer’s or Sasol’s actions and determinations in determining the redemption price shall be conclusive and binding for all purposes, absent manifest error.

The Issuer will give notice to each holder of the Notes to be redeemed of any redemption that the Issuer or Sasol propose to make at least 10 days, but not more than 60 days, before the redemption date or request that the Trustee send such notice of redemption to each holder of such Notes to be redeemed in the name of the Issuer and at its expense. If fewer than all of the Notes are to be redeemed, the Notes to be redeemed shall be selected in accordance with DTC procedures.

Unless the Issuer or Sasol defaults in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the Notes or portions thereof called for redemption.

The Trustee shall have no responsibility to verify and shall incur no liability in connection with any calculation of the redemption price.

### **Optional Tax Redemption**

The Issuer or Sasol may redeem the Notes at its option in whole but not in part at any time, if:

- the Issuer or Sasol would be required to pay additional amounts on the Notes, as a result of any change in the tax laws or treaties (including the official application or interpretation thereof) of a Taxing Jurisdiction (as defined below) or, in the case of a treaty, to which a Taxing Jurisdiction is a party that, in the case of either of the Issuer or Sasol, becomes effective on or after the date of issuance of the Notes (or, in the case of a successor, that becomes effective after the date such successor becomes such, or, in the case of assumption by Sasol, the date of such assumption), or
- there is a change in the official application or interpretation of a treaty to which a Taxing Jurisdiction is a party, this change is proposed and becomes effective on or after a date on which one of the Issuer’s affiliates borrows money from the Issuer, and because of the change this affiliate would be required to deduct or withhold tax on payments to the Issuer to enable the Issuer to make any payment of principal, premium, if any, or interest.

In both of these cases, however, neither the Issuer nor Sasol will be permitted to redeem the Notes if it can avoid

either the payment of additional amounts, or deductions or withholding, as the case may be, by using reasonable measures available to it. For the avoidance of doubt, reasonable measures shall not include changing the Issuer's or Sasol's jurisdiction of incorporation.

The redemption price will be equal to the principal amount plus accrued and unpaid interest, if any, to the date of redemption.

“**Taxing Jurisdiction**” means the Republic of South Africa, the United States or any other jurisdiction where the Company or the Guarantor is organized or tax resident or in which the Company is treated as being engaged in a trade or business, or a jurisdiction in which any successor to the Company or the Guarantor is organized or tax resident.

### **Change of Control Repurchase Event**

If a Change of Control Repurchase Event occurs in respect of the Notes, unless either the Issuer or Sasol has exercised its right to redeem in whole the then-outstanding Notes as described under “—Optional Redemption” or “—Optional Tax Redemption” above, the Issuer will be required to make an offer to each Holder of the Notes to repurchase all or any part (in minimal denominations of \$200,000 and integral multiples of \$1,000 in excess thereof) of that Holder's Notes at a repurchase price in cash equal to 101% of the aggregate principal amount of the Notes repurchased plus any accrued and unpaid interest on the Notes repurchased to, but not including, the date of repurchase. Within 30 days following any Change of Control Repurchase Event or, at the Issuer's option, prior to any Change of Control, but after the public announcement of the proposed Change of Control, the Issuer will mail a notice to each Holder, with a copy to the Trustee, describing the transaction or transactions that constitute or may constitute the Change of Control Repurchase Event and offering to repurchase the Notes on the payment date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed, other than as may be required by law. The notice shall, if mailed prior to the date of consummation of the Change of Control, state that the offer to purchase is conditioned on a Change of Control Repurchase Event occurring on or prior to the payment date specified in the notice. Holders of the Notes electing to have their Notes purchased pursuant to a Change of Control Repurchase Event offer will be required to surrender their Notes, with the form entitled “Option of Holder to Elect Purchase” on the reverse of the note completed, to the paying agent at the address specified in the notice, or transfer their Notes to the paying agent by book-entry transfer pursuant to the applicable procedures of the paying agent, prior to the close of business on the third business day prior to the repurchase payment date. The Issuer will comply with the requirements of Rule 14e-1 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and any other securities laws and regulations thereunder to the extent those laws and regulations are applicable in connection with the repurchase of the Notes as a result of a Change of Control Repurchase Event. To the extent that the provisions of any applicable securities or corporate laws or regulations conflict with the Change of Control Repurchase Event provisions of the Notes, the Issuer will comply with the applicable securities or corporate laws and regulations and will not be deemed to have breached its obligations under the Change of Control Repurchase Event provisions of the Notes by virtue of such conflict.

On the repurchase date following a Change of Control Repurchase Event, the Issuer will, to the extent lawful:

- (1) accept for payment all Notes or portions of the Notes properly tendered pursuant to the Issuer's offer;
- (2) deposit with the paying agent an amount equal to the aggregate purchase price in respect of all the Notes or portions of the Notes properly tendered; and
- (3) deliver or cause to be delivered to the Trustee the Notes properly accepted, together with an officers' certificate stating the aggregate principal amount of the Notes being purchased by the Issuer.

The paying agent will promptly mail to each Holder of Notes properly tendered the purchase price for the Notes (or make payment through the depository), and the Trustee will promptly authenticate and mail (or cause to be transferred by book-entry) to each holder a new Note equal in principal amount to any unpurchased portion of any Notes surrendered; provided, however, that each new Note will be in a minimum principal amount of \$200,000 and integral multiples of \$1,000 in excess thereof.

The Issuer will not be required to make an offer to repurchase the Notes issued by it upon a Change of Control Repurchase Event if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for an offer made by the Issuer and such third party purchases all the Notes properly tendered and not withdrawn under its offer.

For purposes of the foregoing discussion of a repurchase at the option of Holders, the following definitions are applicable:

“Change of Control” means the occurrence of any of the following:

- (1) the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger, scheme of arrangement, amalgamation or consolidation), in one or a series of related transactions, of all or substantially all of the assets of Sasol and its subsidiaries taken as a whole to any “person” (as that term is

used in Section 13(d)(3) of the Exchange Act) other than to Sasol or one of its subsidiaries;

(2) the consummation of any transaction (including, without limitation, any merger, scheme of arrangement, amalgamation or consolidation) the result of which is that any “person” (as that term is used in Section 13(d)(3) of the Exchange Act) (other than a subsidiary of Sasol) becomes the beneficial owner (as defined in Rules 13d-3 and 13d-5 under the Exchange Act), directly or indirectly, of more than 50% of the combined voting power of Sasol’s voting stock or other voting stock into which Sasol’s voting stock is reclassified, consolidated, exchanged or changed measured by voting power rather than number of shares;

(3) Sasol consolidates with, or merges with or into, or enters into a scheme of arrangement with or amalgamates with, any “person” (as that term is used in Section 13(d)(3) of the Exchange Act), or any person consolidates with, or merges with or into, or enters into a plan or arrangement with, Sasol, in any such event pursuant to a transaction in which any of the outstanding voting stock of Sasol or such other person is converted into or exchanged for cash, securities or other property, other than any such transaction where the shares of the voting stock of Sasol outstanding immediately prior to such transaction constitute, or are converted into or exchanged for, a majority of the voting stock of the surviving person or any direct or indirect parent company of the surviving person immediately after giving effect to such transaction; or

(4) the adoption of a plan relating to the liquidation or dissolution of Sasol.

Notwithstanding the foregoing, a transaction will not be deemed to involve a Change of Control if (1) Sasol becomes a direct or indirect wholly owned subsidiary of a holding company and (2)(A) the direct or indirect holders of the voting stock of such holding company immediately following that transaction are substantially the same as the holders of Sasol’s voting stock immediately prior to that transaction or (B) immediately following that transaction, no “person” (as that term is used in Section 13(d)(3) of the Exchange Act) (other than a holding company satisfying the requirements of this sentence) is the beneficial owner, directly or indirectly, of more than 50% of the voting stock of such holding company.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of “all or substantially all” of Sasol’s and its subsidiaries’ assets taken as a whole. Although there is a limited body of case law interpreting the phrase “substantially all”, there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of the Notes to require the Issuer to repurchase such holder’s Notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of Sasol’s and its subsidiaries’ assets taken as a whole to another person or group may be uncertain. Holders may not be entitled to require the Issuer to purchase their Notes in certain circumstances involving a significant change in the composition of the board of directors of Sasol, including in connection with a proxy contest, where the board of directors of Sasol initially publicly opposes the election of a dissident slate of directors, but subsequently approves such directors for the purposes of the Indenture. This may result in a change in the composition of the board of directors of Sasol that, but for such subsequent approval, would have otherwise constituted a Change of Control.

“**Change of Control Repurchase Event**” means the occurrence of both a Change of Control and a Rating Event.

“**Investment Grade**” means a rating of Baa3 or better by Moody’s (or its equivalent under any successor rating categories of Moody’s); a rating of BBB- or better by S&P (or its equivalent under any successor rating categories of S&P); and the equivalent investment grade credit rating from any additional Rating Agency or rating agencies selected by Sasol as a replacement rating agency or replacement ratings agencies.

“**Moody’s**” means Moody’s Investors Service, Inc., a subsidiary of Moody’s Corporation, and its successors.

“**Rating Agency**” means each of Moody’s and S&P; provided, however, that if either Moody’s or S&P ceases to rate the Notes or fails to make a rating of the Notes publicly available for reasons outside of Sasol’s control, Sasol may select (as certified by a resolution of Sasol’s board of directors) a “nationally recognized statistical rating organization” within the meaning of Section 3(a)(62) of the Exchange Act, as a replacement agency for Moody’s or S&P, or both of them, as the case may be.

“**Rating Category**” means (i) with respect to S&P, any of the following categories: BBB, BB, B, CCC, CC, C and D (or equivalent successor categories) and (ii) with respect to Moody’s, any of the following categories: Baa, Ba, B, Caa, Ca, C and D (or equivalent successor categories). In determining whether the rating of the Notes has decreased by one or more gradations, gradations within rating categories (+ and - for S&P; 1, 2 and 3 for Moody’s; or the equivalent gradations for another rating agency) shall be taken into account (e.g., with respect to S&P, a decline in a rating from BB+ to BB, as well as from BB- to B+, will constitute a decrease of one gradation).

“**Rating Date**” means the date that is 60 days prior to the earlier of (1) the occurrence of a change of control; or (2) the public notice of the intention by Sasol to effect a change of control.

“**Rating Event**” means the occurrence of the events in (A) or (B) of this definition on any date during the 60-day period (which period shall be extended so long as the rating of the Notes is under publicly announced consideration for a possible downgrade by any of the rating agencies) after the earlier of (1) the occurrence of a change of

control; or (2) the public notice of the intention by Sasol to effect a change of control if (A) the Notes are rated on the Rating Date by each Rating Agency as Investment Grade, the rating of the Notes shall be reduced so that the Notes are rated below Investment Grade by at least one Rating Agency, or (B) the Notes are rated on the Rating Date below Investment Grade by at least one Rating Agency, the rating of the Notes by at least one Rating Agency shall be reduced by one or more gradations (including gradations within rating categories, as well as between rating categories). Notwithstanding the foregoing, a Rating Event otherwise arising by virtue of a particular reduction in rating shall not be deemed to have occurred in respect of a particular change of control (and thus shall not be deemed a Rating Event for purposes of the definition of Change of Control Repurchase Event hereunder) if (i) the rating agencies making the reduction in rating to which this definition would otherwise apply do not announce or publicly confirm or inform the trustee or Sasol in writing at its request that the reduction was the result, in whole or in part, of the applicable change of control (whether or not the applicable change of control shall have occurred at the time of the Rating Event) or (ii) the rating of the Notes by the Rating Agency making the reduction in rating to which this definition would otherwise apply is within the relevant 60-day period subsequently upgraded to an investment grade rating.

“**S&P**” means Standard & Poor’s Ratings Services, a division of The McGraw-Hill Companies, Inc., and its successors.

“**Voting Stock**” of any specified “person” (as that term is used in Section 13(d)(3) of the Exchange Act) as of any date means the capital stock of such person that is at the time entitled to vote generally in the election of the board of directors of such person.

The Change of Control Repurchase Event feature of the Notes may in certain circumstances make more difficult or discourage a sale or takeover of Sasol and, thus, the removal of incumbent management. Subject to the limitations discussed below, Sasol could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control Repurchase Event under the Notes, but that could increase the amount of indebtedness outstanding at such time or otherwise affect Sasol’s capital structure or credit ratings on the Notes. Restrictions on Sasol’s ability to incur liens are contained in the covenants as described under “—Covenants—Limitation on Liens” below.

The Issuer may not have sufficient funds to repurchase all the Notes upon a change of control repurchase event. See “Risk Factors—Risks relating to an investment in our Notes—The Issuer may be unable to purchase the Notes upon a change of control repurchase event”.

### **Payment of Additional Amounts**

The Issuer or Sasol, as applicable (or any successor entity thereof), will pay all amounts of principal of, and any premium and interest on, any Notes, and all payments pursuant to the Guarantees shall be made, without deduction or withholding for any taxes, assessments or other charges imposed by any Taxing Jurisdiction as defined in the Indenture. If deduction or withholding of any of these charges is required by a Taxing Jurisdiction, the Issuer (or Sasol) will pay any additional amounts necessary to make the net payment paid to the affected Holders equal the amount the Holders would have received in the absence of the deduction or withholding. However, these “additional amounts” will not include:

- the amount of any tax, assessment or other governmental charge imposed by any government of any jurisdiction other than a Taxing Jurisdiction;
- the amount of any tax, assessment or other governmental charge that is only payable because either:
  - some present or former connection exists between the Holder or beneficial owner of the Note and a Taxing Jurisdiction other than as a result of holding a Note or enforcing its rights thereunder (including, but not limited to, the Holder or beneficial owner of the Note being or having been a citizen, resident or national thereof, or being or having been present or engaged in business therein, or having or having had a permanent establishment therein); or
  - the Holder presented the Note for payment more than 30 days after the date on which the relevant payment becomes due or was provided for, whichever is later;
- any estate, inheritance, gift, sale, transfer, personal property, value added, excise or similar tax, duty, assessment or other governmental charge;
- the amount of any tax, assessment or other governmental charge that is payable other than by deduction or withholding from a payment on the debt securities;
- the amount of any tax, assessment or other governmental charge that is imposed or withheld due to the Holder or beneficial owner of the Note failing to accurately comply with a request from us either to provide information concerning the beneficial owner’s nationality, residence or identity or make any claim or to satisfy any information, declaration or reporting requirement, if the completion thereof is required by statute, treaty,



regulation or administrative practice of the Taxing Jurisdiction as a precondition to exemption from the applicable governmental charge or to reduction in the rate of the applicable governmental charge imposed;

- the amount of any tax, assessment or other governmental charge imposed, deducted or withheld pursuant to section 1471(b) of the U.S. Internal Revenue Code of 1986, as amended (the “Code”) or otherwise imposed pursuant to sections 1471 through 1474 of the Code, in each case, as of the date of issuance (and any amended or successor version that is substantively comparable), any current or future regulations or agreements thereunder, official interpretations thereof or similar law or regulation implementing an intergovernmental agreement relating thereto;
- the amount of any tax, assessment or other governmental charge imposed by reason of the Holder’s past or present status as a passive foreign investment company, a controlled foreign corporation, a foreign tax exempt organization or a personal holding company with respect to the United States or as a corporation that accumulates earnings to avoid U.S. federal income tax;
- the amount of any tax, assessment or other governmental charge imposed on interest received by (1) a 10% shareholder (as defined in section 871(h)(3)(B) of Code, and the regulations promulgated thereunder) of the Issuer or (2) a controlled foreign corporation that is related to the Issuer within the meaning of section 864(d)(4) of the Code, or (3) a bank receiving interest described in section 881(c)(3)(A) of the Code, to the extent such tax, assessment or other governmental charge would not have been imposed but for the holder’s status as described in clauses (1) through (3) of this bullet;
- in the case of a holder that is a U.S. Person (as defined below), the amount of any withholding tax or deduction, or any similar tax, imposed by the United States or a political subdivision thereof; or
- any combination of the withholdings, taxes, assessments or other governmental charges described above.

Additionally, additional amounts shall not be paid with respect to any payment to a Holder who is a fiduciary or partnership or any person other than the sole beneficial owner of such payment to the extent a beneficiary or settlor with respect to such fiduciary or a member of such partnership or a beneficial owner of such payment would not have been entitled to such additional amounts had it been the holder.

References in this Offering Memorandum to principal or interest will be deemed to include additional amounts payable with respect thereto.

As used in this section “—Payment of Additional Amounts”, “U.S. Person” means any individual who is a citizen or resident of the United States for U.S. federal income tax purposes, a corporation created or organized in or under the laws of the United States, any state of the United States or the District of Columbia, a partnership or other entity created or organized in or under the laws of the United States, any state of the United States or the District of Columbia (other than a partnership or other entity that is not treated as a United States person under any applicable U.S. Treasury regulations), or any estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

## **Covenants**

### ***Limitation on Liens***

Sasol covenants in the Indenture that it will not, nor will it permit any “Restricted Subsidiary” to, create, incur, issue, assume or guarantee any indebtedness for money borrowed (“**Debt**”) if such Debt is secured by any mortgage, security interest, pledge, lien or other similar encumbrance (a “**Lien**” or “**Liens**”) upon any “Principal Property” of it or any Restricted Subsidiary or any shares of stock of or Debt owed to any Restricted Subsidiary (such shares of stock of, or Debt owed to, any Restricted Subsidiary being called “**Relevant Securities**”), whether owned at the date of the Indenture or thereafter acquired, without effectively securing the Notes equally and ratably with or prior to the secured Debt.

This Lien restriction will not apply to, among other things:

- Liens on any property, shares of stock or Debt of any corporation existing at the time such corporation becomes a subsidiary of Sasol provided that any such Lien was not created in contemplation of such corporation’s becoming a subsidiary of Sasol;
- Liens on any Principal Property or Relevant Securities of the Restricted Subsidiary or any Principal Property of Sasol existing at the time of acquisition thereof (including acquisition through merger or consolidation) or securing the payment of all or any part of the purchase price thereof or all or part of the cost of the improvement, construction, alteration or repair of any building, equipment or facilities or of any other improvements on, all or any part of the property or to secure any Debt incurred prior to, at the time of, or within 12 months after, in the case of Relevant Securities, the acquisition of such shares and, in the case of property, the later of the acquisition, the completion of construction (including any improvements, alterations or repairs on an existing property) or the commencement of commercial operation of such property, which Debt is incurred for the purpose of financing all

or any part of the purchase price thereof or all or part of the cost of improvement, construction, alteration or repair thereon;

- Liens on any Principal Property or Relevant Securities, to secure all or any part of the cost of exploration, drilling, development, improvement, construction, alteration or repair of any part of the Principal Property or to secure any Debt incurred to finance or refinance all or any part of such cost;
- Liens existing on the Issue Date;
- Liens that secure debt owing by a Restricted Subsidiary to Sasol or any subsidiary of Sasol;
- Liens on property owned or held by any corporation or Relevant Securities of any corporation, in either case existing at the time such corporation is merged into or consolidated or amalgamated with Sasol or a Restricted Subsidiary, or at the time of a sale, lease or other disposition of the properties of a corporation as an entirety or substantially as an entirety to Sasol or a Restricted Subsidiary;
- Liens arising by operation of law (other than by reason of default);
- Liens to secure Debt incurred in the ordinary course of business and maturing not more than 12 months from the date incurred;
- Liens arising pursuant to the specific terms of any license, joint operating agreement, unitization agreement or other similar document evidencing the interest of Sasol or a Restricted Subsidiary in any mine or any oil or gas producing property or related facilities (including pipelines), provided that any such Lien is limited to such interest;
- Liens on any Principal Property or on shares of stock or indebtedness of any Restricted Subsidiary in relation to which Project Finance Indebtedness (as defined below) has been incurred, to secure that Project Finance Indebtedness;
- Liens created in accordance with normal practice to secure Debt of Sasol whose main purpose is the raising of finances under any options, futures, swaps, short sale contracts or similar or related instruments which relate to the purchase or sale of securities, commodities or currencies; and
- any extension, renewal or replacement (or successive extensions, renewals or replacements), as a whole or in part, of any Liens referred to above, or of any Debt secured thereby; provided that the principal amount of Debt secured thereby shall not exceed the principal amount of Debt so secured at the time of such extension, renewal or replacement, and that such extension, renewal or replacement Lien shall be limited to all or any part of the same property, shares of stock or indebtedness that secured the Lien extended, renewed or replaced (plus improvements on such property), or property received or shares of stock issued in substitution or exchange therefor.

In addition, the Lien restriction does not apply to Debt secured by a Lien if the Debt, together with all other Debt secured by Liens on Principal Property of Sasol or any Restricted Subsidiary or Relevant Securities (not including permitted Liens described above) and the Attributable Debt associated with Sale and Lease Back Transactions entered into after the Issue Date (but not including Sale and Lease Back Transactions pursuant to which debt has been retired), does not exceed 15% of the Consolidated Net Tangible Assets (as set forth on Sasol's most recent balance sheet and, in any event, as of a date within 180 days of the date of determination) prepared in accordance with IFRS.

The following types of transactions shall not be deemed to create Debt secured by a Lien:

- the sale or other transfer, by way of security or otherwise, of (a) coal, oil, gas or other minerals in place or at the wellhead or a right or license granted by any governmental authority to explore for, drill, mine, develop, recover or get such coal, oil, gas or other minerals (whether such license or right is held with others or not) for a period of time until, or in an amount such that, the purchaser will realize therefrom a specified amount of money (however determined) or a specified amount of such coal, oil, gas or other minerals, or (b) any other interest in property of the character commonly referred to as a "production payment", "royalty" or "stream"; and
- Liens on property in favor of the United States or any state thereof, or the Republic of South Africa, or any other country, or any political subdivision of any of the foregoing, or any department, agency or instrumentality of the foregoing, to secure partial, progress, advance or other payments pursuant to the provisions of any contract or statute including, without limitation, Liens to secure indebtedness of the pollution control or industrial revenue bond type, or to secure any Debt incurred for the purpose of financing all or any part of the purchase price or cost of construction of the property or acquisition of equipment subject to such Liens.

The term "**Restricted Subsidiary**" means (a) Sasol South Africa Limited (if and for so long as Sasol owns, directly or indirectly, more than 50% of the voting stock of Sasol South Africa Limited) and (b) any wholly owned subsidiary of Sasol which owns a Principal Property, unless the subsidiary is primarily engaged in the business of a finance company.

The term “**Principal Property**” means (a) oil or gas producing property (including leases, rights or other authorizations to conduct operations over any producing property), (b) any refining or manufacturing plant, (c) any mine, mineral deposit or processing plant, or (d) any building, pipeline, structure, dam or other facility, together with the land upon which it is erected and fixtures comprising a part thereof, in each case the net book value of which exceeds 7.5% of the Consolidated Net Tangible Assets (as set forth on Sasol’s most recent balance sheet and, in any event, as of a date within 180 days of the date of determination) prepared in accordance with IFRS, unless the board of directors of Sasol believes that the property is not of material importance to its overall business or that the portion of a property in question is not of material importance to the rest of it.

The term “**Project Finance Indebtedness**” means any indebtedness incurred in relation to any asset for the purposes of financing the whole or any part of the acquisition, creation, construction, expansion, operation, improvement or development of such asset where the financial institution(s) or other persons to whom such indebtedness is owed (and any trustees or other agents therefor) has or have recourse to (i) the applicable project borrower (where such project borrower is formed solely or principally for the purpose of the relevant project) and any or all of its rights and assets and/or (ii) such asset (or any derivative asset thereof) but, in either case, does not or do not have recourse to Sasol or any of its subsidiaries other than in respect of (a) Sasol’s or such subsidiary’s interests in the equity or indebtedness of the applicable project borrower or the interests of Sasol or any other of its subsidiaries in the equity or indebtedness of any subsidiary that holds, directly or indirectly, interests in the equity or indebtedness of the applicable project borrower, (b) the rights of the applicable project borrower under any contract with Sasol or any of its other subsidiaries, (c) obligations of Sasol or such subsidiary pursuant to completion or performance guarantees or price support, cost overrun support or other support obligations, in each case, in connection with the relevant project or (d) claims for indemnity or damages arising from breach of representations or covenants made by Sasol or such subsidiary to such financial institution or other person.

#### ***Limitation on Sale and Lease Back Transactions***

Sasol covenants in the Indenture that it will not, nor will it permit any Restricted Subsidiary, to enter into any arrangement with any party providing for the leasing to it or any Restricted Subsidiary of any Principal Property (except for temporary leases for a term, including renewals, of not more than three years) which has been or is to be sold by it or the Restricted Subsidiary to the party (a “**Sale and Lease Back Transaction**”), unless:

- the Attributable Debt (generally defined as the discounted present value of net rental payments, but excluding payments on *bona fide* operating leases) of the Sale and Lease Back Transaction, together with the Attributable Debt of all other Sale and Lease Back Transactions entered into after the Issue Date and the aggregate principal amount of its debt secured by Liens on Principal Property of Sasol or any Restricted Subsidiary or any shares of stock of or debt owed to any Restricted Subsidiary (but excluding debt secured by permitted Liens bulleted under “—Limitation on Liens” above, and excluding Sale and Lease Back Transactions pursuant to which debt has been retired) would not exceed 15% of the Consolidated Net Tangible Assets (as set forth on Sasol’s most recent balance sheet and, in any event, as of a date within 180 days of the date of determination) prepared in accordance with IFRS;
- Sasol or the Restricted Subsidiary would be entitled to incur debt secured by a Lien on the Principal Property to be leased without securing the securities issued under the Indenture, pursuant to the covenant described under “—Limitation on Liens” above;
- Sasol applies an amount at least equal to the greater of the net proceeds of such Sale and Lease Back Transaction or the fair value of the Principal Property that is the subject of a Sale and Lease Back Transaction to the retirement of the Notes, or to the retirement of long-term indebtedness of Sasol or a Restricted Subsidiary that is not subordinated to the Notes; or
- Sasol enters into a *bona fide* commitment to expend for the acquisition or improvement of a Principal Property an amount at least equal to the fair value of the Principal Property leased.

#### ***Merger or Consolidation***

Each of the Issuer and Sasol is generally permitted to consolidate or merge with another entity. In addition, each of the Issuer and Sasol is also permitted to convey or transfer its properties and assets substantially as an entirety to another entity. However, neither the Issuer nor Sasol may take any of these actions unless all the following conditions are met:

- where the Issuer (or Sasol, as the case may be) consolidates or merges out of existence or so conveys or transfers such assets, the resulting or acquiring entity must agree to be legally responsible for the Notes or the Guarantee, as the case may be and the Issuer’s or Sasol’s obligation thereunder and under the Indenture;
- immediately after giving effect to the consolidation, merger or sale of assets, no default or event of default on the

Notes shall have occurred and be continuing; and

- the Issuer (or Sasol or the acquiring entity, as the case may be) must deliver certain certificates and opinions to the Trustee.

### **Reporting**

For so long as any Notes remain outstanding and are “restricted securities” within the meaning of Rule 144(a)(3) under the Securities Act, Sasol will, during any period in which it is neither subject to Section 13 or 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, make available to any registered Holder of Notes (or any Holder of a book-entry interest in such Notes designated by the registered holder thereof) in connection with any sale thereof and to any prospective purchaser of Notes or a book-entry interest in Notes designated by such registered holder, in each case upon request of such registered holder, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act.

Delivery of any reports, information and documents to the Trustee is for informational purposes only and the Trustee’s receipt of such shall not constitute actual or constructive knowledge or notice of any information contained therein or determinable from information contained therein, including Sasol’s or Issuer’s compliance with any of its covenants hereunder.

### **Events of Default**

The following constitute an “Event of Default” in respect of the Notes:

- default in the payment of any interest or any Additional Amounts upon the Notes, when such interest or Additional Amount becomes due and payable, and continuance of such default for a period of 30 days;
- default in the payment of the principal of (or premium, if any, on) the Notes when it becomes due and payable at its maturity;
- failure to pay when due, after the expiration of any applicable grace period, any portion of the principal of, or involuntary acceleration of the maturity (which acceleration is not rescinded or annulled within 10 days) of, Debt of Sasol or the Issuer having an aggregate principal amount in excess of the greater of (i) \$100,000,000 and (ii) 5% of the Consolidated Net Tangible Assets (as set forth on Sasol’s most recent balance sheet and, in any event, as of a date within 180 days of the date of determination) prepared in accordance with IFRS;
- default in the performance or breach of any covenant or agreement of the Issuer or Sasol in the Indenture with respect to any Note or, as the case may require, the Guarantees (other than a covenant or agreement a default in whose performance or whose breach is specifically dealt with herein) and continuance of such default or breach for a period of 90 days after there has been given, by registered or certified mail, to the Issuer and Sasol by the Trustee, or to the Issuer, Sasol and the Trustee by the Holders of at least 25% in principal amount of the Outstanding Notes, a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a “Notice of Default” under the Indenture;
- the Issuer or Sasol pursuant to or within the meaning of any Bankruptcy Law (a) commences a voluntary case, (b) consents to the entry of an order for relief against it in an involuntary case, (c) consents to the appointment of a Custodian of it or for all or substantially all of its property, or (d) makes a general assignment for the benefit of its creditors;
- a court of competent jurisdiction enters an order or decree under any Bankruptcy Law that: (a) is for relief against the Issuer or Sasol in an involuntary case, (b) appoints a Custodian of the Issuer or Sasol on for all or substantially all of either of their respective properties, or (c) orders the liquidation of the Issuer or Sasol, and in the case of (a), (b) or (c), the order or decree or other measures remain unstayed and in effect for 90 days; or
- the Guarantee ceases to be in full force and effect.

“**Bankruptcy Law**” means title 11, U.S. Code, any similar Federal or State law for the relief of debtors, and any similar Republic of South Africa law for the relief of debtors.

“**Custodian**” means any receiver, trustee, assignee, liquidator or other similar official under any Bankruptcy Law.

An Event of Default for the Notes does not necessarily constitute an Event of Default for any other series of debt securities issued under the Indenture. The Trustee may withhold notice of any default to the Holders of the Notes, except in the case of the payment of principal, premium, if any, or interest, if it determines in good faith that the withholding of notice to be in the interests of the Holders.

*Remedies if an Event of Default Occurs.* If an Event of Default has occurred and has not been cured, the Trustee or the holders of at least 25% in principal amount of the Notes may declare the entire principal amount of all the Notes to be due and immediately payable by a notice in writing to us and, if notice is given by the holders of Notes, the Trustee. This is called a declaration of acceleration of maturity. A declaration of acceleration of maturity in respect of the Notes may be canceled by the Holders of at least a majority in principal amount of the Notes.

Subject to the terms of the Indenture, if an Event of Default occurs and continues, the Trustee is not required to take any action under the Indenture at the request of any Holders unless the Holders offer the Trustee protection from expenses and liability (called an “indemnity”) satisfactory to the Trustee. If an indemnity reasonably satisfactory to the Trustee is provided, the Holders of a majority in principal amount of the outstanding Notes may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee with respect to the Notes, provided that the direction so given by the Holders is not in conflict with any law or the Indenture, and provided further that the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction. Pursuant to the Indenture, there may be certain other circumstances in which the Trustee may refuse to follow such directions. No delay or omission in exercising any right or remedy will be treated as a waiver of that right, remedy or Event of Default.

Before the Holders of the Notes are allowed to bypass the Trustee and bring their own lawsuit or other formal legal action or take other steps to enforce their rights or protect their interests relating to such Notes, the following must occur:

- such Holders must give the Trustee written notice that an Event of Default has occurred and remains uncured;
- the holders of at least 25% in principal amount of all outstanding Notes must make a written request that the Trustee take action in its own name as Trustee because of the default and must offer indemnity to the Trustee reasonably satisfactory to the Trustee against the cost and other liabilities of taking that action;
- the Trustee must not have taken action for 60 days after receipt of the above notice and offer of indemnity; and
- a Holder of a majority in principal amount of the Notes must not have given the Trustee a direction inconsistent with the above notice.

However, a Holder is entitled at any time to bring a lawsuit for the payment of money due on its debt securities on or after the due date.

Holders of a majority in principal amount of the Notes may on behalf of the holders of the Notes waive any past defaults in respect of the Notes other than:

- the payment of principal, any premium or interest; and
- in respect of a covenant that cannot be modified or amended without the consent of each Holder.

Each year, the Issuer and Sasol will furnish to the Trustee a written statement of certain of the Issuer’s and Sasol’s officers certifying that to their knowledge the Issuer and Sasol are in compliance with the Indenture and the Notes, or else specifying any default, its status and what actions we are taking or propose to take with respect thereto.

## **Modification or Waiver**

Any modifications, amendments or waivers to the Indenture or to the conditions of the Notes will be conclusive and binding on all Holders of the Notes, whether or not they have consented to such action or were present at the meeting at which such action was taken, and on all future holders of such Notes, whether or not notation of such modifications, amendments or waivers is made upon such Notes. Any instrument given by or on behalf of any Holder of such a Note in connection with any consent to any such modification, amendment or waiver will be irrevocable once given and will be conclusive and binding on all subsequent registered holders of such Note.

### *With Consent of Noteholders*

The Indenture provides provisions permitting the Issuer, Sasol and the Trustee, with the consent of the Holders of not less than a majority in aggregate principal amount of the Notes at the time outstanding (including consents obtained in connection with a tender offer or exchange offer for the Notes), from time to time and at any time, to enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture or any supplementary indenture or of modifying in any manner the rights of the Holders of the Notes or the Guarantees with respect to the Notes; *provided* that no such indenture may, without the consent of the Holder of each of the Notes so affected:

- change the stated maturity of the principal of (or premium, if any) or interest on any Note;
- reduce any amounts due on any Note;

- reduce the amount of principal payable upon acceleration of the maturity of any Note following a default;
- adversely affect any right of repayment at the Holder's option;
- change the place or currency of payment on any Note;
- impair the right of a Holder to sue for payment;
- adversely affect any right to convert or exchange any Note in accordance with its terms;
- reduce the percentage in principal amount of the Notes whose Holders' consent is needed to modify or amend the Indenture;
- reduce the percentage in principal amount of the Notes whose Holders' consent is needed to waive compliance with certain provisions of the Indenture or to waive certain defaults under the Indenture;
- reduce the premium payable upon the redemption of such Notes or change the time at which such Notes may be redeemed;
- modify any other aspect of the provisions of the Indenture dealing with modification and waiver of past defaults, changes to the quorum or voting requirements or the waiver of certain covenants; and
- change any obligation to pay additional amounts (see "—Payment of Additional Amounts").

It is not necessary for Holders to approve the particular form of any proposed supplemental indenture and approving the substance thereof is sufficient.

The Holders of a majority in principal amount of the Notes may waive the Issuer's and Sasol's compliance with some of their covenants in the Indenture in respect of the Notes. However, the Issuer and Sasol cannot obtain a waiver of a payment default or of any of the matters covered by the bullet points above.

*Without Consent of Noteholders*

The Indenture provides provisions permitting the Issuer, Sasol and the Trustee, without the consent of the Holders of any of the Notes at any time outstanding, from time to time and at any time, to enter into an indenture or indentures supplemental to the Indenture or to otherwise amend the Indenture with respect to the Notes for any of the following purposes:

- to evidence the succession of another person to the Issuer or Sasol;
- to add to the covenants of the Issuer or Sasol or to surrender any right or power herein conferred upon the Issuer or Sasol;
- to add any additional Events of Default;
- to change or eliminate any of the provisions of the Indenture; *provided* that any such change or elimination shall become effective only when there is no Note outstanding created prior to the execution of such supplemental indenture which is entitled to the benefit of such provision;
- to secure the Notes or the Guarantees pursuant to the requirements described under "—Covenants—Limitations on Liens" or otherwise;
- to establish the form or terms of Notes or Guarantees;
- to evidence and provide for the acceptance of appointment by a successor Trustee and to add to or change any of the provisions of the Indenture as shall be necessary to provide for or facilitate the administration of the trusts under the Indenture by more than one Trustee;
- to cure any ambiguity, to correct or supplement any provision in the Indenture which may be inconsistent with any other provision therein, or to make any other provisions with respect to matters or questions arising under the Indenture; *provided* any such action shall not adversely affect the interests of the Holders of the Notes in any material respect;
- to supplement any of the provisions of the Indenture to such extent as shall be necessary to permit or facilitate the defeasance and discharge of the Notes described below under "—Defeasance"; *provided* that any such action shall not adversely affect the interests of the Holders of the Notes in any material respect;
- to effect the assumption by Sasol or a subsidiary thereof of obligations as described under "—; Covenants—Merger or Consolidation"; or
- to conform the text of the Indenture or the Notes to any provision hereunder or as set forth in the offering document relating to the offering of the Notes.

## Defeasance

### *Covenant Defeasance.*

The Issuer or Sasol can make the deposit described below and be released from the restrictive covenants described under “—Covenants—Limitations on Liens” and “—Covenants—Limitation on Sale and Lease Back Transactions” under the Indenture in respect of the Notes, subject to the conditions below. In that event, the Holders of the Notes would lose the protection of those restrictive covenants but would gain the protection of having cash and U.S. government securities set aside in trust to repay their Notes. In order to achieve covenant defeasance, the Issuer or Sasol must do the following:

- the Issuer or Sasol must irrevocably deposit with the Trustee in trust for the benefit of all Holders of the Notes a combination of cash and U.S. government or U.S. government agency notes or bonds sufficient, without reinvestment, in the opinion of a nationally recognized firm of independent public accountants, investment bank or appraisal firm, to generate enough cash to make interest, principal and any other payments on the Notes on their various due dates;
- the “covenant defeasance” must not otherwise result in a breach of the Indenture or any of the Issuer’s or Sasol’s material agreements;
- no default or Event of Default must have occurred and remain uncured;
- the Issuer or Sasol must deliver to the Trustee a legal opinion of its counsel confirming that, under current U.S. federal income tax law, it may make the above deposit without causing Holders to be taxed on the Notes any differently than if it did not make the deposit and just repaid the Notes themselves at maturity; and
- the Issuer or Sasol must deliver to the Trustee a legal opinion and officer’s certificate, each stating that all conditions precedent to “covenant defeasance” under the Indenture have been met.

If the Issuer or Sasol accomplish covenant defeasance, the Holders of the Notes can still look to the Issuer or Sasol for repayment of the Notes if there is a shortfall in the trust deposit or the Trustee is prevented from making payment. If one of the remaining Events of Default occurred (such as the Issuer’s or Sasol’s bankruptcy) and the Notes became immediately due and payable, there might be a shortfall. Depending on the event causing the default, the Holders may not be able to obtain payment of the shortfall.

### *Full Defeasance.*

If there is a change in U.S. federal tax law, as described below, the Issuer or Sasol can legally release itself from all payment and other obligations on the Notes (called “full defeasance”) if it puts in place the following arrangements for the Holders to be repaid:

- the Issuer or Sasol must irrevocably deposit with the Trustee in trust for the benefit of all Holders of the Notes a combination of cash and U.S. government or U.S. government agency notes or bonds sufficient, without reinvestment, in the opinion of a nationally recognized firm of independent public accountants, investment bank or appraisal firm, to generate enough cash to make interest, principal and any other payments on the Notes on their due date;
- the “full defeasance” must not otherwise result in a breach of the Indenture or any of the Issuer’s and Sasol’s material agreements;
- no Event of Default must have occurred and remain uncured;
- the Issuer or Sasol must deliver to the Trustee a legal opinion confirming that there has been a change in current U.S. federal tax law or an IRS ruling that lets the Issuer or Sasol make the above deposit without causing the Holders to be taxed on the Notes any differently than if the Issuer or Sasol did not make the deposit and just repaid such Notes at maturity. Under current U.S. federal tax law, the deposit and the Issuer’s and Sasol’s legal release from the Notes would be treated as though they paid the Holder’s share of the cash and notes or bonds at the time the cash and notes or bonds were deposited in trust in exchange for the Holder’s debt securities and the Holders would recognize gain or loss on the Notes at the time of the deposit; and
- the Issuer or Sasol must deliver to the Trustee an opinion of counsel and an officer’s certificate, each stating that all conditions precedent to “full defeasance” under the Indenture have been met.

If the Issuer and Sasol ever did accomplish full defeasance, as described above, the Holders would have to rely solely on the trust deposit for repayment of the Notes. The Holders could not look to the Issuer and Sasol for repayment in the event of any shortfall.

**Trustee**

Wilmington Savings Fund Society, FSB is trustee, paying agent and registrar under the Indenture. Wilmington Savings Fund Society, FSB's address is 500 Delaware Avenue, 11th Floor, Wilmington, Delaware 19801 USA. The Trustee may resign or be removed with respect to the Notes provided that a successor trustee is appointed to act with respect to the Notes.

**Consent to Service, Submission to Jurisdiction; Enforceability of Judgments**

Sasol will appoint Sasol (USA) Corporation as its process agent for any action brought by a Holder based on the Indenture or the Notes or Guarantees, as applicable, instituted in any state or federal court in the Borough of Manhattan, The City of New York.

Each of the Issuer and Sasol will irrevocably submit to the non-exclusive jurisdiction of any state or federal court in the Borough of Manhattan, The City of New York in respect of any action brought by a holder or the Trustee based on the Notes, the Guarantees or the Indenture. Each of the Issuer and Sasol will also irrevocably waive, to the extent permitted by applicable law, any objection to the venue of any of these courts in an action of that type. Holders of the Notes may, however, be precluded from initiating actions based on the Notes, the Guarantees or the Indenture in courts other than those mentioned above.

Since a substantial portion of the assets of Sasol is outside the United States, any judgment obtained in the United States against it, including judgments with respect to payments due under the Guarantee, may not be collectable within the United States.

**Governing Law**

The Indenture, the Notes and the Guarantees shall be governed by and construed in accordance with the laws of the State of New York, without regard to principles of conflicts of laws thereof.



## **BOOK-ENTRY; DELIVERY AND FORM**

### **General**

The Notes sold to QIBs in reliance on Rule 144A will be represented by one or more global notes in registered form without coupons attached (the “Rule 144A Global Note”). The Notes sold to persons outside the United States to non-U.S. persons in reliance on Regulation S will be represented by one or more global notes in registered form without interest coupons attached (the “Regulation S Global Note”, and together with Rule 144A Global Note, the “Global Notes.”)

The Rule 144A Global Note and the Regulation S Global Note will be deposited with a custodian for, and registered in the name of, Cede & Co., as nominee for DTC.

Ownership of interests in the Rule 144A Global Notes (the “Rule 144A Book-entry Interests”) and in the Regulation S Global Notes (the “Regulation S Book-entry Interests” and, together with the Rule 144A Book-entry Interests, the “Book-entry Interests”) will be limited to persons who have accounts with DTC, or persons who hold interests through such participants. DTC will hold interests in the Global Notes on behalf of their participants through customers’ securities accounts in their respective names on the books of their respective depositaries. Except under the limited circumstances described below, Book-entry Interests will not be held in definitive certificated form.

Book-entry Interests will be shown on, and transfers thereof will be done only through, records maintained in the book-entry form by DTC and its participants. The laws of some jurisdictions, including certain states of the United States, may require that certain purchasers of securities take physical delivery of such securities in definitive certificated form. The foregoing limitations may impair the ability to own, transfer or pledge Book-entry Interests. In addition, while the Notes are in global form, holders of Book-entry Interests will not be considered the owners or “holders” of Notes for any purpose.

So long as the Notes are held in global form, DTC (or its respective nominees), will be considered the sole holders of the Global Notes for all purposes under the Indenture. In addition, participants must rely on the procedures of DTC and indirect participants must rely on the procedures of DTC and the participants through which they own Book-entry Interests, to transfer their interests or to exercise any rights of holders under the Indenture.

Neither we nor the Trustee, the Paying Agent or the Registrar nor any of their respective agents will have any responsibility, or be liable, for any aspect of the records relating to the Book-entry Interests.

### **Redemption of the Global Notes**

In the event any Global Note (or any portion thereof) is redeemed, DTC will redeem an equal amount of the Book-entry Interests in such Global Note from the amount received by it in respect of the redemption of such Global Note. The redemption price payable in connection with the redemption of such Book-entry Interests will be equal to the amount received by DTC in connection with the redemption of such Global Note (or any portion thereof). We understand that, under the existing practices of DTC, if fewer than all of Notes are to be redeemed at any time, DTC will credit their respective participants’ accounts on a pro rata pass-through distribution of principal basis (with adjustments to prevent fractions), or on such other basis as they deem fair and appropriate in accordance with the rules and procedures of DTC; *provided, however*, that no Book-entry Interest of less than \$200,000 may be redeemed in part.

### **Payments on Global Notes**

We will make payments of any amounts owing in respect of the Global Notes (including principal, premium, if any, and interest) to DTC or its nominee, which will distribute such payments to participants in accordance with their customary procedures. We will make payments of all such amounts without deduction or withholding for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature, except as may be required by law and as described under “Description of Notes— Payment of Additional Amounts.” If any such deduction or withholding is required to be made, then, to the extent described under “Description of Notes— Payment of Additional Amounts,” we will pay additional amounts as may be necessary in order that the net amounts received by any holder of the Global Notes or owner of Book-entry Interests after such deduction or withholding will equal the net amounts that such holder or owner would have otherwise received in respect of such Global Note or Book-entry Interest, as the case may be, absent such withholding or deduction. We expect that standing customer instructions and customary practices will govern payments by participants to owners of Book-entry Interests held through such participants.

Under the terms of the Indenture, the Issuer and the Trustee will treat the registered holder of the Global Notes (e.g., DTC (or its nominee)) as the owner thereof for the purpose of receiving payments and for all other purposes. Except as otherwise provided herein, owners of beneficial interests in a Global Note will not be entitled to have Notes

represented by that Global Note registered in their names, will not receive or be entitled to receive physical delivery of certificated Notes and will not be considered the owners or holders thereof under the Indenture or under the Notes for any purpose, including with respect to the giving of any direction, instruction or approval to the Trustee. Accordingly, each holder owning a beneficial interest in a Global Note must rely on the procedures of DTC and, if that holder is not a direct or indirect participant, on the procedures of the participant through which that holder owns its interest, to exercise any rights of a holder of Notes under the Indenture or a Global Note. Consequently, none of the Issuer, the Trustee, the Paying Agent, the Registrar or any of their respective agents has or will have any responsibility or liability for any aspect of the records of DTC or any participant or indirect participant relating to, or payments made on account of, a Book-entry Interest or for maintaining, supervising or reviewing the records of DTC or any participant or indirect participant relating to, or payments made on account of, a Book-entry Interest, or DTC or any participant or indirect participant.

### **Currency of Payment for the Global Notes**

The principal of, premium, if any, and interest on, and all other amounts payable in respect of, the Rule 144A Global Note and the Regulation S Global Note, will be paid to holders of interests in such Notes through DTC in U.S. dollars.

### **Action by Owners of Book-entry Interests**

DTC has advised the Issuer that it will take any action permitted to be taken by a holder of Notes (including the presentation of Notes for exchange as described below) only at the direction of one or more participants to whose account the Book-entry Interests are credited and only in respect of such portion of the aggregate principal amount of Notes as to which such participant or participants has or have given such direction. DTC will not exercise any discretion in the granting of consents, waivers or the taking of any other action in respect of the Global Notes. However, if there is an Event of Default under the Indenture, DTC reserves the right to exchange the Global Notes for definitive registered notes in certificated form (“Definitive Registered Notes”) and to distribute Definitive Registered Notes to its participants.

None of Sasol, the Issuer, the Trustee or any agent will be liable for any delay by DTC, its nominee or any direct or indirect participant in identifying the beneficial owners of the Notes. Sasol, the Issuer, the Trustee and agents may conclusively rely on, and will be protected in relying on, instructions from DTC or its nominee for all purposes, including with respect to the registration and delivery, and the respective principal amounts, of any Definitive Registered Notes to be issued.

### **Transfers**

Transfers between participants in DTC will be effected in accordance with DTC rules and will be settled in immediately available funds. If a holder requires physical delivery of Definitive Registered Notes for any reason, including to sell Notes to persons in jurisdictions that require physical delivery of securities or to pledge such Notes, such holder must transfer its interests in the Global Notes in accordance with the normal procedures of DTC and in accordance with the procedures set forth in the Indenture.

The Global Notes for Rule 144A Book-entry Interests will have a legend to the effect set forth under “Notice to Investors.” Book-entry Interests in the Global Notes will be subject to the restrictions on transfers and certification requirements discussed under “Notice to Investors.”

Through and including the 40th day after the later of the commencement of the offering of the Notes and the closing of the Offering (the “Distribution Compliance Period”), Regulation S Book-entry Interests may be transferred to a person who takes delivery in the form of an interest in the Rule 144A Global Note only if such transfer is made pursuant to Rule 144A and the transferor first delivers to the Trustee a certificate (in the form provided in the Indenture) to the effect that such transfer is being made to a person whom the transferor reasonably believes is a “qualified institutional buyer” within the meaning of Rule 144A in a transaction meeting the requirements of Rule 144A or otherwise in accordance with the transfer restrictions described under “Notice to Investors” and in accordance with all applicable securities laws of the states of the United States and other jurisdictions.

After the expiration of the Distribution Compliance Period, Regulation S Book-entry Interests may be transferred to a person who takes delivery in the form of a Rule 144A Book-entry Interest without compliance with these certification requirements.

Rule 144A Book-entry Interests may be transferred to a person who takes delivery in the form of a Regulation S Book-entry Interest only upon delivery by the transferor of a written certification (in the form provided in the Indenture) to the effect that such transfer is being made in accordance with Regulation S or Rule 144 under the Securities Act or any other exemption (if available under the Securities Act).

In connection with transfers involving an exchange of a Regulation S Book-entry Interest for a Rule 144A Book-entry Interest, appropriate adjustments will be made to reflect a decrease in the principal amount of the Regulation S Global Notes and a corresponding increase in the principal amount of the Rule 144A Global Notes.

Any Book-entry Interest in one of the Global Notes that is transferred to a person who takes delivery in the form of a Book-entry Interest in any other Global Note will, upon transfer, cease to be a Book-entry Interest in the first mentioned Global Note and become a Book-entry Interest in such other Global Note, and accordingly will thereafter be subject to all transfer restrictions, if any, and other procedures applicable to Book-entry Interests in such other Global Note for as long as it remains such a Book-entry Interest.

### **Definitive Registered Notes**

Under the terms of the Indenture, owners of the Book-entry Interests will receive Definitive Registered Notes:

- if DTC notifies the Issuer that it is unwilling or unable to continue to act as depository and a successor depository is not appointed by us within 120 days; or
- if the owner of a Book-entry Interest requests such an exchange in writing delivered through DTC following an Event of Default under the Indenture.

In the case of the issuance of Definitive Registered Notes, the holder of a Definitive Registered Note may transfer such Note by surrendering it to the registrar or transfer agent. In the event of a partial transfer or a partial redemption of a holding of Definitive Registered Notes represented by one Definitive Registered Note, a Definitive Registered Note will be issued to the transferee in respect of the part transferred and a new Definitive Registered Note in respect of the balance of the holding not transferred or redeemed will be issued to the transferor or the holder, as applicable; *provided* that no Definitive Registered Note in a denomination less than \$200,000 will be issued. We will bear the cost of preparing, printing, packaging and delivering the Definitive Registered Notes.

We will not be required to register the transfer or exchange of Definitive Registered Notes for a period of 15 calendar days preceding (i) the record date for any payment of interest on the Notes, (ii) any date fixed for redemption of the Notes or (iii) the date fixed for selection of the Notes to be redeemed in part. Also, we are not required to register the transfer or exchange of any Notes selected for redemption. In the event of the transfer of any Definitive Registered Note, the Trustee may require a holder, among other things, to furnish appropriate endorsements and transfer documents as described in the applicable Indenture. We may require a holder to pay any taxes and fees required by law and permitted by the applicable Indenture and the Notes.

If Definitive Registered Notes are issued and a holder thereof claims that such Definitive Registered Note has been lost, destroyed or wrongfully taken, or if such Definitive Registered Note is mutilated and is surrendered to the registrar or at the office of the transfer agent, we will issue and the Trustee, upon receipt of an authentication order, will authenticate a replacement Definitive Registered Note if the Trustee's and our requirements are met. Either the Issuer or the Trustee may require a holder requesting replacement of a Definitive Registered Note to furnish an indemnity bond sufficient in the judgment of both to protect us, the Trustee, the Paying Agent or any Principal Paying Agent appointed pursuant to the Indenture governing the Note from any loss which any of them may suffer if a Definitive Registered Note is replaced. The Issuer may charge for any expenses incurred by us in replacing a Definitive Registered Note.

In case any such mutilated, destroyed, lost or stolen Definitive Registered Note has become or is about to become due and payable, or is about to be redeemed or purchased by the Issuer pursuant to the provisions of the Indenture, the Issuer, in its discretion, may, instead of issuing a new Definitive Registered Note, pay, redeem or purchase such Definitive Registered Note, as the case may be.

Definitive Registered Notes may be transferred and exchanged only after the transferor first delivers to the Trustee a written certification (in the form provided in the Indenture) to the effect that such transfer will comply with the transfer restrictions applicable to such Notes. See "Notice to Investors."

So long as the Notes are listed on the Frankfurt Stock Exchange and the rules of such exchange so require, we will publish a notice of any issuance of Definitive Registered Notes in a newspaper having general circulation in Germany or, to the extent and in the manner permitted by such rules, posted on the official website of the Frankfurt Stock Exchange (<https://www.boerse-frankfurt.de/en>).

### **Information Concerning DTC**

DTC is:

- a limited purpose trust company organized under the New York Banking Law;
- a “banking organization” under the New York Banking Law;
- a member of the Federal Reserve System;
- a “clearing corporation” within the meaning of the New York Uniform Commercial Code; and
- a “clearing agency” registered under Section 17A of the Exchange Act.

DTC was created to hold securities for its participants and to facilitate the clearance and settlement of transactions among its participants. It does this through electronic book-entry changes in the accounts of securities participants, eliminating the need for physical movement of securities certificates. DTC participants include securities brokers and dealers, banks, trust companies, clearing corporations and certain other organizations such as the Initial Purchasers. Others, such as banks, brokers, dealers, trust companies and clearing corporations, that clear through or maintain a custodial relationship with a direct participant also have access to the DTC system and are known as indirect participants.

Because DTC can only act on behalf of participants, who in turn act on behalf of indirect participants and certain banks, the ability of an owner of a beneficial interest to pledge such interest to persons or entities that do not participate in the DTC system or otherwise take actions in respect of such interest may be limited by the lack of a definitive certificate for that interest. The laws of some jurisdictions require that certain persons take physical delivery of securities in definitive form. Consequently, the ability to transfer beneficial interests to such persons may be limited. In addition, owners of beneficial interests through the DTC system will receive distributions attributable to the Rule 144A Global Note only through DTC participants.

The address of DTC in New York is 55 Water Street, New York, New York 10041.

We have provided the descriptions of the operations and procedures of DTC in this Offering Memorandum solely as a matter of convenience, and we make no representation or warranty of any kind with respect to these operations and procedures. These operations and procedures are solely within the control of DTC and are subject to change by it from time to time. None of us, the Initial Purchasers, the Trustee or any agent takes any responsibility for these operations or procedures, and you are urged to contact DTC or its participants directly to discuss these matters.

## TAXATION

### South African Taxation

#### *General*

The following is a high level description of certain South African tax considerations relating to the Notes. This information is not a substitute for independent advice pertaining to the particular circumstances of a holder of Notes. It is intended as a general guide only, and is based on current South African tax legislation in force as at the date of this document. Unless indicated otherwise, it relates only to the position of a holder of Notes who is the absolute beneficial owner of the Notes and who owns the Notes as a capital investment. It is not intended to describe all of the tax consequences that may be applicable to certain classes of holders of Notes such as brokers or dealers. If a holder of the Notes is in any doubt as to its tax position, such holder of the Notes should consult its own tax advisor.

Under current South African income tax law, a “resident” (as defined in section 1 of the South African Income Tax Act 58 of 1962 (the “Income Tax Act”)) is subject to income tax on his/her/its worldwide income.

Non-residents of South Africa are subject to income tax on all income derived from a South African source (subject to relief which may be available in terms of domestic exemptions and/or applicable double taxation agreements).

#### *Income tax on interest on the Notes*

Holders of Notes who are resident for tax purposes in South Africa will generally be liable for South African income tax on the amount of any interest received or accrued in respect of Notes, subject to any available deductions, allowances and exemptions.

Holders of Notes who are not South African tax residents will only be liable for South African income tax on the amount of any interest received or accrued on the Notes to the extent that such income is derived from a South African source, also subject to any available deductions, allowances and exemptions. In terms of the statutory source rules, interest income is from a South African source where, *inter alia*, that interest is received or accrues in respect of the utilization or application in South Africa by any person of funds or credit obtained in terms of any form of interest-bearing arrangement.

Under Section 24J of the Income Tax Act, broadly speaking, any discount or premium to the nominal amount of a note is treated as part of the interest income on the note. Interest income which is received by or accrues to a holder of Notes is deemed, in accordance with section 24J of the Income Tax Act, to accrue on a day-to-day basis until that holder disposes of the note or until maturity. The day-to-day basis accrual is determined by calculating the yield to maturity and applying it to the capital involved for the relevant tax period, or an acceptable alternative methodology as provided for in section 24J.

Where the interest received in respect of the Notes is not from a South African source, no South African income tax implications will arise for non-resident note holders.

To the extent that the interest is from a South African source, the interest will be exempt from South African income tax in the hands of non-resident note holders provided that the requirements in section 10(1)(h) of the Income Tax Act are complied with. Section 10(1)(h) of the Income Tax Act provides that interest received by or accruing to a non-resident is exempt from income tax, unless:

- a) that person is a natural person who was physically present in South Africa for a period exceeding 183 days in aggregate during the 12 month period preceding the date on which the interest is received or accrues by or to that person; or
- b) the debt from which that interest arises is effectively connected to a permanent establishment of that person in South Africa.

In addition, relief from a potential South African income tax liability may be available under an applicable double taxation agreement, including the U.S.—South Africa double taxation agreement, provided the conditions set forth in any such double taxation agreement are met. Any relief under an applicable double taxation agreement may be subject to the application of the Multilateral Convention to implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (“MLI”).

In terms of Section 24JB of the Income Tax Act, specific provisions deal with the taxation of “financial assets” and “financial liabilities” of “covered persons”, as defined in Section 24JB of the Income Tax Act. If Section 24JB applies to the Notes, the tax treatment of the acquisition, holding and/or disposal of the Notes will differ from what is set out in this section. Holders of Notes should seek advice from their own professional advisers as to whether these provisions may apply to them.

### ***Withholding taxes on interest***

A final withholding tax on interest applies to interest payments made from a South African source (see above) to “foreign persons” (i.e. non-residents), at the rate of 15% (fifteen percent).

There are certain exemptions from the withholding tax on interest in respect of South African sourced interest paid to a foreign person, including payments of interest made:

- a) in respect of any “listed debt”, which is defined as debt that is listed on a “recognized exchange”. Any stock exchange in Germany which is a stock exchange within the meaning of the national law of Germany relating to stock exchanges constitutes a recognized exchange in accordance with paragraph 1 of the Eighth Schedule to the Income Tax Act; or
- b) in respect of a debt owed by another foreign person unless, *inter alia*, the debt claim in respect of which that interest is paid is effectively connected with a permanent establishment of that other foreign person in South Africa if that other foreign person is registered as a taxpayer in terms of Chapter 3 of the South African Tax Administration Act 28 of 2011.

Other exemptions may apply to interest payments made to non-resident holders of Notes.

If interest paid to a holder of Notes does not qualify for an exemption under the withholding tax on interest provisions, an exemption from, or reduction of, any withholding tax on interest liability may be available under an applicable double taxation agreement. Any relief under an applicable double taxation agreement may be subject to the application of the MLI.

Documentary requirements exist in order to rely on certain of the exemptions from, or reductions in the rate of, the withholding tax on interest.

Prospective holders of the Notes are advised to consult their own professional advisers as to whether the payment of any interest in respect of the Notes will result in a liability for the withholding tax on interest.

### ***Income Tax on payment under the guarantee***

Holders of Notes who are South African tax residents will be subject to South African income tax on payments received or accrued under the guarantee, regardless of the source of that income. Non-resident holders of Notes will be liable for South African income tax on payments received or accrued under the guarantee if the source of the guarantee payments is located in South Africa. The statutory source rules contained in the Income Tax Act do not directly address the source of payments made under the guarantee. Accordingly, the source of payments under the guarantee is likely to be determined with reference to relevant rules and principles under South African common law. Any relief under an applicable double taxation agreement may be subject to the application of the MLI.

Prospective holders of the Notes are advised to consult their own professional advisers as to whether any payments received or accrued under the guarantee will result in a liability for South African income tax.

### ***Withholding tax on guarantee payments***

Payments under the guarantee will not be subject to South African withholding tax. Payments made in respect of default interest on any guarantee payments may be subject to the withholding tax on interest which is referred to above.

### ***Securities Transfer Tax***

The issue of the Notes is not subject to Securities Transfer Tax in South Africa. The transfer of the Notes is not subject to Securities Transfer Tax in South Africa.

### ***Taxation of Foreign Exchange Gains and Losses***

As the Notes will be denominated in U.S. dollars, a South African tax resident holder who is (1) a company; (2) trust carrying on a trade; or (3) a natural person who holds the Notes as trading stock will be required to account for foreign exchange gains and losses on translation and realization of the Notes in accordance with the provisions of section 24I of the Income Tax Act. Such persons will be required to include in or deduct from their income any translation and realization exchange gains or losses on the Notes.

No taxable foreign exchange gains or losses will arise for such persons where the Notes are attributable to a permanent establishment outside of South Africa and the functional currency of that permanent establishment is U.S. dollars.

No foreign exchange gains or losses on translation and realization of the Notes in accordance with the provisions of section 24I of the Income Tax Act will arise for non-resident holders of the Notes, unless such Notes are attributable to a South African permanent establishment of such non-resident holder.

Prospective holders of the Notes are advised to consult their own professional advisers as to whether any foreign exchange gains or losses on translation and realization of the Notes will result in a liability for South African income tax.

### ***Capital Gains Tax***

The capital gains tax provisions are contained in the Eighth Schedule to the Income Tax Act. Disposals of Notes held by residents of South Africa as capital assets will be subject to the capital gains tax provisions. The capital gains tax provisions contain specific rules which determine the manner in which capital gains and losses are determined in the context of assets acquired and disposed of in foreign currency, as well as the manner in which capital gains and losses are determined in the context of Notes which fall under the provisions of, *inter alia*, section 24I (see above) and section 24J of the Income Tax Act.

The capital gains tax provisions contained in the Eighth Schedule to the Income Tax Act will not apply to Notes disposed of by a person who is not a resident of South Africa unless the Notes disposed of are effectively connected with a permanent establishment of that person in South Africa.

Purchasers are advised to consult their own professional advisers as to whether a disposal of Notes will result in a liability for capital gains tax.

### **US Federal Income Taxation**

The following discussion is a summary of the material U.S. federal income tax consequences relating to the purchase, ownership and disposition of the Notes. This discussion is limited to holders who purchase the Notes in this Offering at their “issue price” and will hold the Notes as capital assets. It does not address special situations that may apply to particular holders including, but not limited to, tax-exempt entities, holders subject to the U.S. federal alternative minimum taxes, certain U.S. expatriates, dealers in securities, traders in securities who elect to apply a mark-to-market method of accounting, certain financial institutions, insurance companies, regulated investment companies, partnerships or other pass-through entities or arrangements, holders whose “functional currency” is not the U.S. dollar, holders who hold the Notes in connection with a trade or business outside the United States and holders who hold the Notes in connection with a “straddle,” “hedging,” “conversion” or other risk reduction transaction. This discussion does not address the tax consequences to holders of Notes under any state, local, non-U.S. or tax laws other than the U.S. federal income tax laws. Moreover, this discussion does not address the Medicare surtax on net investment income.

The U.S. federal income tax consequences set forth below are based upon the Internal Revenue Code of 1986, as amended (the “Code”), Treasury regulations promulgated thereunder, proposed Treasury regulations, court decisions, revenue rulings and administrative pronouncements of the Internal Revenue Service (the “IRS”), all as of the date of this offering of the Notes, and all of which are subject to change or changes in interpretation. Prospective investors should note that any such change or changes in interpretation could have retroactive effect so as to result in U.S. federal income tax consequences different from those discussed below.

As used herein, the term “U.S. holder” means a beneficial owner of Notes that is for U.S. federal income tax purposes:

- an individual who is a citizen or resident of the United States;

- a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust, if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons control all of the substantial decisions of the trust.

As used herein, the term “non-U.S. holder” means a beneficial owner of Notes that is neither a U.S. holder nor a partnership or other entity or arrangement that is treated as a partnership for U.S. federal income tax purposes.

If a partnership (including for this purpose any entity or arrangement treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of the Notes, the U.S. tax treatment of a partner in the partnership generally will depend on the status of the partner and the activities of the partnership. A holder of the Notes that is a partnership and partners in such partnership should consult their own tax advisers regarding the U.S. federal income tax consequences of holding and disposing of the Notes.

**Prospective investors are urged to consult their own tax advisers with respect to the particular tax consequences to them of the purchase, ownership and disposition of the Notes, including the tax consequences under any state, local, non-U.S. and other tax laws.**

## **Taxation of U.S. Holders**

### ***Interest on the Notes***

Interest paid on or with respect to the Notes (including additional amounts, if any) will be taxable to a U.S. holder as ordinary interest income at the time it is received or accrued, in accordance with the U.S. holder’s regular method of accounting for U.S. federal income tax purposes.

### ***Sale or Other Taxable Disposition***

Upon the sale, redemption, or other taxable disposition of a note, a U.S. holder generally will recognize gain or loss equal to the difference between the amount realized on the sale, redemption, or other taxable disposition (not including any amounts attributable to accrued but unpaid interest on the note, which will be taxable as ordinary interest income in accordance with the U.S. holder’s regular method of accounting for U.S. federal income tax purposes) and the U.S. holder’s tax basis in the note. A U.S. holder’s tax basis in a note generally will equal the cost of the note. Any gain or loss generally will be U.S. source capital gain or loss, and will constitute long-term capital gain or loss if the holding period of the note exceeds one year at the time of disposition. If a U.S. holder is an individual, under current law any long-term capital gain generally will be subject to U.S. federal income tax at preferential rates. The deductibility of capital losses is subject to significant limitations.

### ***US Information Reporting and Backup Withholding***

Payments of interest and proceeds paid from the sale, redemption, or other disposition of the Notes will be subject to information reporting to the IRS and possible U.S. federal backup withholding at a current rate of 24% unless the U.S. holder is an exempt recipient. Backup withholding will not apply to a holder who furnishes a correct taxpayer identification number and makes any other required certification, or who is otherwise exempt from backup withholding. U.S. holders who are required to establish their exempt status generally must provide IRS Form W-9 (Request for Taxpayer Identification Number and Certification). Backup withholding is not an additional tax. Any amounts withheld from a payment to a U.S. holder under the backup withholding rules may be credited against the U.S. holder’s U.S. federal income tax liability, and the U.S. holder may obtain a refund of any excess amounts withheld by filing the appropriate claim for refund with the IRS in a timely manner and furnishing any required information.

## **Taxation of Non-U.S. Holders**

### ***Interest on the Notes***

Subject to the discussions below concerning backup withholding and FATCA (as defined below), the U.S. federal withholding tax at a current rate of 30% will not be applied to any payment of interest on or with respect to a note to a non-U.S. holder and such payment will not be subject to U.S. federal income tax provided that:



- interest paid on the note is not effectively connected with the non-U.S. holder's conduct of a trade or business in the United States;
- the non-U.S. holder does not actually or constructively own 10% or more of all classes of our stock (by vote) within the meaning of section 871(h)(3) of the Code;
- the non-U.S. holder is not a controlled foreign corporation that is related to us (actually or constructively) through stock ownership; and
- (1) the non-U.S. holder provides its name and address, and certifies, under penalties of perjury, that it is not a U.S. person (which certification may be made on the applicable IRS Form W-8) or (2) the non-U.S. holder holds the Notes through certain foreign intermediaries or certain foreign partnerships, and the non-U.S. holder and the foreign intermediary or foreign partnership satisfy the certification requirements of applicable U.S. Treasury regulations.

If a non-U.S. holder cannot satisfy the requirements described above, payments of interest will be subject to the U.S. federal withholding tax at a current rate of 30%, unless the non-U.S. holder provides a properly executed (1) IRS Form W-8BEN or IRS Form W-8BEN-E claiming an exemption from or reduction in withholding under the benefit of an applicable income tax treaty or (2) IRS Form W-8ECI (or other applicable form) stating that interest paid on the Notes is not subject to withholding tax because it is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States. If a non-U.S. holder is engaged in a trade or business in the United States and interest on the Notes is effectively connected with the conduct of that trade or business and, if required by an applicable income tax treaty, is attributable to a U.S. permanent establishment, then, although the non-U.S. holder will be exempt from the 30% withholding tax provided the certification requirements discussed above are satisfied, the non-U.S. holder will be subject to U.S. federal income tax on that interest on a net income basis in the same manner as if the non-U.S. holder were a U.S. holder. In that case, if a non-U.S. holder is a foreign corporation, it may be subject to a branch profits tax equal to 30% (or lower rate under an applicable income tax treaty).

### ***Sale or Other Taxable Disposition***

Subject to the discussions below concerning backup withholding, gain recognized by a non-U.S. holder on the sale, exchange, redemption, repurchase or other taxable disposition of a note will not be subject to U.S. federal income tax unless:

- that gain is effectively connected with a non-U.S. holder's conduct of a trade or business in the United States (and, if required by an applicable income treaty, is attributable to a U.S. permanent establishment); or
- the non-U.S. holder is an individual who is present in the United States for 183 days or more in the taxable year of that disposition and certain other conditions are met.

If a non-U.S. holder is an individual or foreign corporation described in the first bullet point above, it will be subject to tax on the net gain derived from the sale, exchange, redemption, repurchase or other taxable disposition under regular graduated U.S. federal income tax rates and in the same manner as if the non-U.S. holder were a U.S. holder. In addition, if a non-U.S. holder is a foreign corporation that falls under the first bullet point above, it may be subject to the branch profits tax equal to 30% (or lesser rate as may be specified under an applicable income tax treaty). If a non-U.S. holder is eligible for the benefits of an income tax treaty between the United States and its country of residence, any such gain will be subject to U.S. federal income tax in the manner specified by the treaty and a non-U.S. holder generally will only be subject to tax on disposition gain if such gain is attributable to a permanent establishment maintained by the non-U.S. holder in the United States.

If a non-U.S. holder is an individual described in the second bullet point above, such holder will be subject to a flat 30% tax on the gain derived from the sale, exchange, redemption, repurchase or other taxable disposition, which may be offset by U.S.-source capital losses, even though such non-U.S. holder is not considered a resident of the United States.

### ***FATCA***

Sections 1471 through 1474 of the Code and regulations promulgated thereunder (such sections and regulations commonly referred to as "FATCA") provide that a 30% U.S. federal withholding tax will be imposed on certain payments (which could include interest in respect of Notes) made to "foreign financial institutions" or certain "non-financial foreign entities" (each as defined in the Code) if such entity fails to satisfy certain disclosure and reporting rules that in general require that (i) in the case of a foreign financial institution, the entity identify and provide information in

respect of financial accounts with such entity held (directly or indirectly) by United States persons and U.S. owned foreign entities, and (ii) in the case of a non-financial foreign entity, the entity identify and provide information in respect of substantial direct and indirect U.S. owners of such entity.

The United States has entered into (and may enter into more) intergovernmental agreements (“IGAs”) with foreign governments relating to the implementation of, and information sharing under, FATCA and such IGAs may alter one or more of the FATCA information reporting rules. If you are not a U.S. person you should consult your own tax advisers regarding the potential application and impact of these requirements based on your particular circumstances.

### ***Information Reporting and Backup Withholding***

Generally, the amount of interest paid to non-U.S. holders and the amount of tax, if any, withheld with respect to those payments must be reported annually to the IRS and to non-U.S. holders. Copies of the information returns reporting such interest and withholding may also be made available to the tax authorities in the country in which a non-U.S. holder resides under the provisions of an applicable income tax.

In general, a non-U.S. holder will not be subject to backup withholding with respect to payments of interest, provided the statement described above in the last bullet point under “—Interest on the Notes” has been provided and the applicable withholding agent does not have actual knowledge or reason to know that the holder is a United States person, as defined under the Code, that is not an exempt recipient. In addition, a non-U.S. holder will be subject to information reporting and, depending on the circumstances, backup withholding with respect to payments of the proceeds of the sale of a note within the United States or conducted through certain U.S.-related financial intermediaries, unless the statement described above has been received and the payor does not have actual knowledge or reason to know that a holder is a United States person, as defined in the Code, that is not an exempt recipient, or the non-U.S. holder otherwise establishes an exemption. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against a non-U.S. holder’s U.S. federal income tax liability provided the required information is furnished timely to the IRS.

## PLAN OF DISTRIBUTION (CONFLICT OF INTEREST)

We and the Initial Purchasers for the Offering named below, for whom Citigroup Global Markets Inc. and SMBC Nikko Capital Markets Limited are acting as representatives, have entered into a purchase agreement with respect to the Notes. Subject to certain conditions, each Initial Purchaser has agreed, severally and not jointly, to purchase from us, the principal amount of Notes indicated opposite its name in the following table:

| <b>Initial Purchasers</b>                   | <b>Principal<br/>amount of the<br/>Notes</b> |
|---|--|
| Citigroup Global Markets Inc. ....          | \$125,000,000                                |
| SMBC Nikko Capital Markets Limited .....    | \$125,000,000                                |
| Intesa Sanpaolo S.p.A., London Branch ..... | \$125,000,000                                |
| J.P. Morgan Securities plc.....             | \$125,000,000                                |
| Merrill Lynch International.....            | \$125,000,000                                |
| MUFG Securities EMEA plc .....              | \$125,000,000                                |
| Mizuho International plc.....               | \$125,000,000                                |
| Standard Chartered Bank .....               | \$125,000,000                                |
| Total .....                                 | <b>\$1,000,000,000</b>                       |

The purchase agreement provides that the obligations of the Initial Purchasers to purchase the Notes included in this Offering are subject to approval of legal matters by counsel and to other conditions. Subject to the terms and conditions set forth in the purchase agreement, the Initial Purchasers have agreed, severally and not jointly, to purchase all of the Notes sold under the purchase agreement.

The Initial Purchasers are offering the Notes to purchasers, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel, including the validity of the Notes, and other conditions contained in the purchase agreement, such as the receipt by the Initial Purchasers of officer's certificates and legal opinions. The Initial Purchasers reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

The Initial Purchasers have advised us that, subject to the selling restrictions set forth below, they propose to offer the Notes to the public at the offering price on the cover page of this Offering Memorandum to QIBs in reliance on Rule 144A and to non-U.S. persons outside the United States in reliance on Regulation S or another exemption therefrom. After the initial public offering, the offering price, concession and discount may change. The offering of the Notes is subject to receipt and acceptance of the Notes and subject to the Initial Purchasers' right to reject any order in whole or in part.

The Notes and the Guarantees have not been and will not be registered under the Securities Act or any other state securities laws (within or outside the U.S.). Each Initial Purchaser has agreed that it will only offer or sell the Notes (A) to QIBs in reliance on Rule 144A under the Securities Act and (B) to non-U.S. persons outside the U.S. in offshore transactions in reliance on Regulation S under the Securities Act. Terms used in this paragraph have the meanings given to them by Rule 144A and Regulation S under the Securities Act. See "Notice to Investors."

In addition, with respect to Notes initially sold pursuant to Regulation S, until 40 days after the later of the commencement of the Offering or the Issue Date, an offer or sale of such Notes within the U.S. by a dealer that is not participating in the Offering may violate the registration requirements of the Securities Act.

This Offering Memorandum has been prepared on the basis that any offer of Notes in any EEA member state, and the UK, will be made pursuant to an exemption to the EU Prospectus Regulation or the UK Prospectus Regulation, respectively.

We have agreed in the purchase agreement that we will not issue or sell or announce any intention to issue or sell any debt securities of the company, any of its subsidiaries or affiliates without the prior written consent of the representatives during the period from the date of this Offering Memorandum until the close of the delivery of the Notes (excluding (i) the Notes offered hereby, or (ii) any issuance or sale of, or any announcement of an intention to issue or sell, notes by the company under its domestic medium term note program in South Africa.

The Notes are a new issue of securities with no established trading market. We have been advised by the Initial Purchasers that the Initial Purchasers intend to make a market in the Notes but are not obligated to do so and may discontinue market making at any time without notice. In addition, market-making activity will be subject to the limits

imposed by applicable law, and may be limited. Accordingly, we cannot assure you that you will be able to sell your Notes at a particular time or that the prices that you receive when you sell will be favorable. If an active trading market for the Notes does not develop, the market price and liquidity of the Notes may be adversely affected. If the Notes are traded, they may trade at a discount from their initial offering price, depending on prevailing interest rates, the market for similar securities, our operating performance and financial condition, general economic conditions and other factors. The Initial Purchasers may conduct these transactions in the over the counter market or otherwise. Neither we nor any of the Initial Purchasers make any representation that they will engage in these transactions. If the Initial Purchasers commence any of these transactions, they may discontinue them at any time. See *“Risk Factors– Risks relating to an investment in our Notes— There may not be a liquid market for the Notes”*.

In connection with this Offering, the Initial Purchasers are not acting for anyone other than us or the Guarantor and will not be responsible to anyone other than us or the Guarantor for providing the protections afforded to their clients or for providing advice in relation to this Offering.

Buyers of the Notes sold by the Initial Purchasers may be required to pay stamp taxes and other charges in accordance with the laws and practice of the country of purchase in addition to the initial offering price set forth on the cover of this Offering Memorandum.

In connection with the Offering, the Initial Purchasers may purchase and sell Notes in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the Initial Purchasers of a greater number of Notes than they are required to purchase in the Offering. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or retarding a decline in the market price of the Notes while the Offering is in progress.

The Initial Purchasers also may impose a penalty bid. This occurs when a particular Initial Purchaser repays to the Initial Purchasers a portion of the Initial Purchaser discount received by it because the representatives have repurchased Notes sold by or for the account of such Initial Purchaser in stabilizing or short covering transactions.

These activities by the Initial Purchasers, as well as other purchases by the Initial Purchasers for their own accounts, may stabilize, maintain or otherwise affect the market price of the Notes. As a result, the price of the Notes may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the Initial Purchasers at any time. These transactions may be effected in the over-the-counter market or otherwise.

In connection with the offering of the Notes, Citigroup Global Markets Inc. (or any person acting on its behalf) may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilization may not necessarily occur. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 calendar days after the date on which the Issuer received the proceeds of the issue and 60 calendar days after the date of the allotment of the Notes. Any stabilization action or over allotment must be conducted by Citigroup Global Markets Inc. (or persons acting on its behalf) in accordance with all applicable laws and rules and will be undertaken at the offices of Citigroup Global Markets Inc. (or persons acting on its behalf) and on the trading venue.

The Initial Purchasers expect that delivery of the Notes will be made against payment therefor on the settlement date specified on the cover page of this Offering Memorandum, which will be the fifth business day following the date of pricing of the Notes (this settlement cycle being referred to as “T+5”). Under Rule 15c6-1 under the Exchange Act, trades in the secondary market generally are required to settle in two business days, unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes prior to the second business day before the delivery of the Notes will be required, by virtue of the fact that the Notes initially will settle on a delayed basis, to agree to a delayed settlement cycle at the time of any such trade to prevent a failed settlement and should consult their own advisors.

We have agreed to indemnify the several Initial Purchasers against certain liabilities, or contribute to payments the Initial Purchasers may be required to make in respect thereof.

The Initial Purchasers may use affiliates or other appropriately licensed entities for sales of the Notes in jurisdictions in which they are otherwise not permitted.

The Initial Purchasers and their respective affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, principal investment, hedging, financing and brokerage activities. Some of the Initial Purchasers and their

affiliates have engaged in, and may in the future engage in, investment banking and other commercial dealings in the ordinary course of business with us or our affiliates. They have received, or may in the future receive, customary fees and commissions for these transactions.

In addition, in the ordinary course of their business activities, the Initial Purchasers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. Certain of the Initial Purchasers or their affiliates that have a lending relationship with us routinely hedge, certain other Initial Purchasers or their affiliates are likely to hedge or otherwise reduce, and certain other Initial Purchasers or their affiliates may hedge their credit exposure to us consistent with their customary risk management policies. Typically, such Initial Purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities, including potentially the Notes offered hereby. Any such short positions could adversely affect future trading prices of the Notes offered hereby. The Initial Purchasers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

### **Conflict of Interest**

Certain affiliates of the Initial Purchasers are lenders or agents under the Existing Revolving Credit Facility and the Existing U.S. Term Loan. The net proceeds of this Offering may be used to partially repay a portion of such indebtedness outstanding under the Existing Revolving Credit Facility and the Existing U.S. Term Loan and accordingly, such affiliates may receive a portion of such proceeds. Accordingly, a conflict of interest may exist.

### **Selling Restrictions**

No action may be taken in any jurisdiction that would permit a public offering of the Notes or the possession, circulation or distribution of this Offering Memorandum in any jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Offering Memorandum nor any other offering material or advertisements in connection with the Notes may be distributed or published in or from any country or jurisdiction, except under circumstances that will result in compliance with any applicable rules and regulations of any such country or jurisdiction.

### ***European Economic Area***

This Offering Memorandum has been prepared on the basis that any offer of securities in any member state of the EEA will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Notes.

Prohibition of sales to EEA retail investors—The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the EEA. For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of the IDD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by the PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

Each Initial Purchaser has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the EEA. For the purposes of this provision, the expression “retail investor” means a person who is one (or more) of the following: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of the IDD, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Each person in a Member State of the EEA who receives any communication in respect of, or who acquires any Notes under, the offers to the public contemplated in this Offering Memorandum, or to whom the Notes are otherwise made available, will be deemed to have represented, warranted, acknowledged and agreed to and with each Initial Purchaser and the Issuer that it and any person on whose behalf it acquires Notes is not a “retail investor” (as defined above).

MiFID II product governance / Professional investors and Eligible Counterparties only target market—Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (for the purposes of this paragraph, a “distributor”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

### *United Kingdom*

This Offering Memorandum has been prepared on the basis that any offer of Notes in the UK will be made pursuant to an exemption under the UK Prospectus Regulation and the FSMA from the requirement to publish a prospectus for offers of Notes.

Prohibition of sales to UK retail investors—The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the UK. For these purposes, a “retail investor” means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently, no key information document required by the UK PRIIPs Regulation for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

Each Initial Purchaser has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the UK. For the purposes of this provision, the expression “retail investor” means a person who is one (or more) of the following: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA; or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA.

Each person in the UK who receives any communication in respect of, or who acquires any Notes under, the offers to the public contemplated in this Offering Memorandum, or to whom the Notes are otherwise made available, will be deemed to have represented, warranted, acknowledged and agreed to and with each Initial Purchaser and the Issuer that it and any person on whose behalf it acquires Notes is not a “retail investor” (as defined above).

Each Initial Purchaser has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to us; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

This document is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Promotion Order, (ii) are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc.”) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons”). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

UK MiFIR product governance / Professional investors and Eligible Counterparties only target market—Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes

has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the COBS, and professional clients, as defined in UK MiFIR; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (for the purposes of this paragraph, a “distributor”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to the UK MiFIR Product Governance Rules is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

### ***South Africa***

Each Initial Purchaser has represented, warranted and agreed that it has not and will not make an “offer to the public” (as such expression is defined in the South African Companies Act 71 of 2008 (the “SA Companies Act”)) of Notes (whether for subscription, purchase or sale) in South Africa. This Offering Memorandum does not, nor is it intended to, constitute a prospectus prepared and registered under the SA Companies Act. Accordingly:

- (a) no offer of Notes will be made to any person in South Africa; or alternatively
- (b) to the extent that any such offer is made, its minimum specified denomination shall be R1,000,000 or such higher amount as may be promulgated by notice in the Government Gazette of South Africa pursuant to Section 96(2)(a) of the SA Companies Act, unless made to certain investors contemplated in section 96(1)(a) of the SA Companies Act.

Further, each Initial Purchaser has represented, warranted and agreed that it has not and will not (i) offer Notes for subscription, (ii) solicit any offers for subscription for or sale of the Notes, and (iii) sell or offer the Notes in South Africa other than in strict compliance with the SA Companies Act, the South African exchange control regulations and/or any other applicable laws and regulations of South Africa in effect from time to time.

### ***Canada***

The Notes may be sold only in any province of Canada to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus supplement (including any amendment hereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

### ***Hong Kong***

The Notes have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to “professional investors” as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the Notes has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to “professional investors” as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

## ***Japan***

The Notes have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, will not be offered or sold, directly or indirectly, in Japan, or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese Person, except in compliance with all applicable laws, regulations and ministerial guidelines promulgated by relevant Japanese governmental or regulatory authorities in effect at the relevant time. For the purposes of this paragraph, “Japanese Person” shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

## ***Taiwan***

The Notes have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorized to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the Notes in Taiwan.

## ***South Korea***

The Notes may not be offered, sold and delivered directly or indirectly, or offered or sold to any person for re-offering or resale, directly or indirectly, in South Korea or to any resident of South Korea except pursuant to the applicable laws and regulations of South Korea, including the Financial Investment Services and Capital Markets Act and the Foreign Exchange Transaction Law and the decrees and regulations thereunder. The Notes have not been registered with the Financial Services Commission of South Korea for public offering in South Korea. Furthermore, the Notes may not be re-sold to South Korean residents unless the purchaser of the Notes complies with all applicable regulatory requirements (including but not limited to government approval requirements under the Foreign Exchange Transaction Law and its subordinate decrees and regulations) in connection with their purchase.

## ***Singapore***

This document has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Notes may not be circulated or distributed, nor may Notes be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the “SFA”), (ii) to a relevant person pursuant to Section 275(1), or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

- (i) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;
- (ii) where no consideration is or will be given for the transfer;
- (iii) where the transfer is by operation of law;
- (iv) as specified in Section 276(7) of the SFA; or



- (v) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

### ***Switzerland***

The Notes may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange (the “SIX”) or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under art. 652a or art. 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under art. 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the Notes or the offering may be publicly distributed or otherwise made publicly available in Switzerland.

### ***United Arab Emirates***

The Notes have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates other than in compliance with the laws of the United Arab Emirates governing the issue, offering and sale of securities. Further, this Offering Memorandum does not constitute a public offer of securities in the United Arab Emirates and is not intended to be a public offer. This Offering Memorandum has not been approved by or filed with the Central Bank of the United Arab Emirates or the Securities and Commodities Authority.

### ***Abu Dhabi Global Market***

This document is for distribution only to persons who (a) are outside the Abu Dhabi Global Market (“ADGM”), or (b) are Authorized Persons or Recognized Bodies (as such terms are defined in the Financial Services and Markets Regulations 2015 (“FSMR”)), or (c) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 18 of FSMR) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons” for the purposes of this paragraph). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons. This document relates to an “Exempt Offer” within the meaning of section 61(3)(a) of the FSMR and Rule 4.3.1 of the Market Rules of the Financial Services Regulatory Authority or otherwise in circumstances which do not require the publication of an “Approved Prospectus” (as defined in section 61(2) of the FSMR).

This offer document is an “Exempt Offer” as prescribed under, and in accordance with, the Market Rules of the ADGM Financial Services Regulatory Authority. This Exempt Offer document is intended for distribution only to persons of a type specified in the Market Rules. It must not be delivered to, or relied on by, any other person. The ADGM Financial Services Regulatory Authority has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The ADGM Financial Services Regulatory Authority has not approved this Exempt Offer document nor taken steps to verify the information set out in it, and has no responsibility for it. The Notes to which this Exempt Offer relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Notes offered should conduct their own due diligence on the Notes. If you do not understand the contents of this Exempt Offer document you should consult an authorized financial advisor.

Each Initial Purchaser has represented and agreed that: (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 18 of the FSMR) in connection with the offer of the Notes in circumstances in which section 18(1) of the FSMR does not apply; (ii) it has complied and will comply with all applicable provisions of the FSMR and the Market Rules of the Financial Services Regulatory Authority (“FSRA”) with respect to anything done by it in relation to the Notes in, from or otherwise involving the ADGM; and (iii) it has not made and will not make an offer of Notes to the public in the ADGM prior to the publication of a prospectus in relation to the Notes and the offer that has been approved by the FSRA, except that it may make an offer of Notes that is an “Exempt Offer” within the meaning of section 61(3)(a) of the FSMR and Rule 4.3.1 of the Market Rules of the FSRA or otherwise in circumstances which do not require the publication of an “Approved Prospectus” (as defined in section 61(2) of the FSMR).

### ***Dubai International Financial Centre***

Each Initial Purchaser has represented and agreed that: (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to enter into, or offer to enter into, an agreement in relation to the provision of a financial service (within the meaning of Article 41A of

DIFC Law No. 1 of 2004 (as amended, the “Regulatory Law”)) in connection with the offer of the Notes in circumstances in which Article 41A(1) of the Regulatory Law does not apply; (ii) it has complied and will comply with all applicable provisions of the Regulatory Law, DIFC Law No. 1 of 2012 (as amended, the “Markets Law”) and the Markets Rules of the Dubai Financial Services Authority (“DFSA”) with respect to anything done by it in relation to the Notes in, from or otherwise involving the Dubai International Financial Centre; and (iii) it has not made and will not make an offer of Notes to the public in the Dubai International Financial Centre prior to the publication of a prospectus in relation to the Notes and the offer that has been approved by the DFSA, except that it may make an offer of Notes that is an “Exempt Offer” within the meaning of Rule 2.3.1 of the Market Rules of the DFSA or otherwise in circumstances which do not require the publication of an “Approved Prospectus” (as defined in Article 14(2)(a) of the Markets Law).

This document is for distribution only to persons who (a) are outside the Dubai International Financial Centre, (b) are persons who meet the Professional Client criteria set out in Rule 2.3.4 of the DFSA Conduct of Business Module, or (c) are persons to whom an invitation or inducement to: (i) enter into an agreement in relation to the provision of a financial services or (ii) exercise any rights conferred by a financial product or acquire, dispose of, underwrite or convert a financial product (within the meaning of Article 41A of the Regulatory Law) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “relevant persons” for the purposes of this paragraph). This document is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this document relates is available only to relevant persons and will be engaged in only with relevant persons.

This Offering Memorandum relates to an “Exempt Offer” as prescribed under, and in accordance with, the Markets Rules of the DFSA. This Offering Memorandum is intended for distribution only to persons of a type specified in the Markets Rules of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this Offering Memorandum nor taken steps to verify the information set forth herein and has no responsibility for the Offering Memorandum. The Notes to which this Offering Memorandum relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the Notes offered should conduct their own due diligence on the Notes. If you do not understand the contents of this Offering Memorandum you should consult an authorized financial advisor.

## NOTICE TO INVESTORS

The Notes and the Guarantees have not been and will not be registered under the Securities Act or any state securities laws and, unless so registered, may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Notes and the Guarantees offered hereby are being offered and sold only to “qualified institutional buyers” (as defined in Rule 144A under the Securities Act) in reliance on Rule 144A under the Securities Act and to non-U.S. persons outside the United States in offshore transactions in reliance on Regulation S under the Securities Act.

Each purchaser of Notes, by its acceptance thereof, will be deemed to have acknowledged, represented to and agreed with us and the Initial Purchasers as follows:

- (1) You understand that the Notes and the Guarantees are being offered for resale in a transaction not involving any public offering in the United States within the meaning of the Securities Act, that the Notes and the Guarantees have not been and will not be registered under the Securities Act and that (i) if in the future you decide to offer, resell, pledge or otherwise transfer any of the Notes, such Notes and the Guarantees may be offered, resold, pledged or otherwise transferred only (a) in the United States to a person whom you reasonably believe is a QIB in a transaction meeting the requirements of Rule 144A, (b) outside the United States in a transaction complying with Regulation S and in each case in compliance with the conditions for transfer set out in paragraph (5) below in accordance with any applicable securities laws of any state of the United States, and that (ii) you will, and each subsequent holder is required to, notify any subsequent purchaser of the Notes from you of the resale restrictions referred to in this clause (1).
- (2) It is not an “affiliate” (as defined in Rule 144 under the Securities Act) of the Issuer or acting on the Issuer’s behalf and it is either:
  - (i) a non-U.S. person purchasing the Notes outside the United States in an offshore transaction in accordance with Regulation S under the Securities Act; or
  - (ii) a QIB and is aware that any sale of Notes to it will be made in reliance on Rule 144A and the acquisition of Notes will be for its own account or for the account of another QIB.
- (3) It acknowledges that neither we nor the Initial Purchasers or their affiliates, nor any person representing us or the Initial Purchasers or such affiliates, have made any representation to it with respect to the offering or sale of any Notes, other than the information contained in this Offering Memorandum, which Offering Memorandum has been delivered to it and upon which it has reviewed in connection with making its investment decision with respect to the Notes. It has had access to such financial and other information concerning us and the Notes as it has deemed necessary in connection with its decision to purchase any of the Notes.
- (4) It is purchasing the Notes for its own account, or for one or more investor accounts for which it is acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof, subject to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and subject to its or their ability to resell such Notes pursuant to Rule 144A, Regulation S or any other exemption from registration available under the Securities Act.
- (5) It is not nor is it acting for the account of a retail investor in the EEA. For these purposes, a retail investor means a person who is one (or more) of (i) a retail client as defined in point (11) of Article 4(1) of MiFID II, or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the “**Insurance Distribution Directive**”), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II, and it further understands that no key information document required by the PRIIPs Regulation for offering, selling or distributing the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.
- (6) It is not nor is it acting for the account of a retail investor in the UK. For these purposes, a retail investor means a person who is one (or more) of (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the EUWA, or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014, as amended, as it forms part of domestic law by virtue of the EUWA, and it further understands that no key information document required by the UK PRIIPs Regulation for

offering, selling or distributing the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

- (7) It is (i) a person who is outside of the United Kingdom; (ii) a person who has professional experience in matters relating to investment professionals falling within Article 19(5) of the Financial Promotion Order; (iii) a person falling within Article 49(2)(a) to (d) of the Financial Promotion Order (“high net worth companies, unincorporated associations etc.”); or (iv) any other person to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) in connection with the issue or sale of any securities may otherwise lawfully be communicated or cause to be communicated.
- (8) Each holder of Notes issued in reliance on Regulation S (“Regulation S Notes”) agrees on its own behalf and on behalf of any investor account for which it is purchasing the Notes, and each subsequent holder of the Notes by its acceptance thereof will be deemed to agree, to offer, sell or otherwise transfer such Notes during the Distribution Compliance Period, only (i) to the Issuer, (ii) pursuant to a registration statement that has been declared effective under the Securities Act, (iii) for so long as the Notes are eligible pursuant to Rule 144A under the Securities Act, to a person it reasonably believes is a QIB that purchases for its own account or for the account of a QIB to whom notice is given that the transfer is being made in reliance on Rule 144A under the Securities Act, (iv) pursuant to offers and sales to non-U.S. persons that occur outside the United States in compliance with Regulation S under the Securities Act, or (v) pursuant to any other available exemption from the registration requirements of the Securities Act, subject in each of the foregoing cases to any requirement of law that the disposal of its property or the property of such investor account or accounts be at all times within its or their control and in compliance with any applicable state securities laws, and any applicable local laws and regulations, and further subject to the Issuer’s and the Trustee’s rights prior to any such offer, sale or transfer pursuant to clause (iv) or (v) to require the delivery of an opinion of counsel, certification and/or other information satisfactory to each of them.
- (9) Each holder of the Notes issued in reliance on Rule 144A (“Rule 144A Notes”) agrees on its own behalf and on behalf of any investor account for which it is purchasing the Notes and each subsequent holder of the Notes by its acceptance thereof will be deemed to agree, to offer, sell or otherwise transfer such Notes prior to the date (the “Resale Restriction Termination Date”) that is one year after the later of the issue date and the last date on which the Issuer or any of its affiliates was the owner of such Notes (or any predecessor thereto) only (i) to the Issuer; (ii) pursuant to a registration statement that has been declared effective under the Securities Act; (iii) for so long as the Notes are eligible pursuant to Rule 144A under the Securities Act, to a person it reasonably believes is a QIB that purchases for its own account or for the account of a QIB to whom notice is given that the transfer is being made in reliance on Rule 144A under the Securities Act; (iv) pursuant to offers and sales that occur outside the United States to non-U.S. persons in compliance with Regulation S under the Securities Act; or (v) pursuant to any other available exemption from the registration requirements of the Securities Act, subject in each of the foregoing cases to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and in compliance with any applicable state securities laws, and any applicable local laws and regulations, and further subject to the Issuer’s and the Trustee’s rights prior to any such offer, sale or transfer pursuant to clause (iv) or (v) to require the delivery of an opinion of counsel, certification and/or other information satisfactory to each of them.
- (10) Each purchaser acknowledges that each note will contain a legend substantially to the following effect:

THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “U.S. SECURITIES ACT”) OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF EXCEPT TO A PERSON OUTSIDE THE UNITED STATES AND NOT KNOWN BY THE TRANSFEROR TO BE A U.S. PERSON BY PRE-ARRANGEMENT OR OTHERWISE IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT AND OTHERWISE IN A TRANSACTION EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT.

THE HOLDER OF THIS SECURITY BY ITS ACCEPTANCE HEREOF (1) REPRESENTS THAT (A) IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE U.S. SECURITIES ACT) OR (B) IT IS A NON-U.S. PERSON ACQUIRING THIS NOTE IN AN “OFFSHORE TRANSACTION” PURSUANT TO RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (2) AGREES ON ITS OWN BEHALF AND ON BEHALF OF ANY INVESTOR FOR WHICH IT HAS PURCHASED SECURITIES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY, PRIOR TO THE DATE (THE “RESALE RESTRICTION TERMINATION DATE”) WHICH IS [IN THE CASE OF RULE 144A NOTES: ONE YEAR AFTER THE LATER OF

THE ORIGINAL ISSUE DATE HEREOF AND THE LAST DATE ON WHICH THE ISSUER OR ANY AFFILIATE OF THE ISSUER WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY)] [IN THE CASE OF REGULATION S NOTES: 40 DAYS AFTER THE LATER OF THE DATE WHEN THE SECURITIES WERE FIRST OFFERED TO PERSONS OTHER THAN DISTRIBUTORS IN RELIANCE ON REGULATION S AND THE DATE OF THE COMPLETION OF THE DISTRIBUTION] ONLY (A) TO THE ISSUER, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE U.S. SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES TO NON-U.S. PERSONS THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE U.S. SECURITIES ACT OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE U.S. SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE ISSUER'S AND THE TRUSTEE'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSE (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM AND (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS SECURITY IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE TRUSTEE AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND.

- (8) It acknowledges, represents and agrees that either (i) no assets of a Plan (as defined below) have been used by it to acquire such Notes or an interest therein or (ii) the purchase and holding of such Notes or an interest therein by it do not constitute a non-exempt prohibited transaction under ERISA (as defined below) or the Code or violation of Similar Law (as defined below), and none of the Issuer, the Initial Purchasers nor any of their respective affiliates is its fiduciary in connection with the purchase and holding of such Notes. Each purchaser acknowledges that each note will contain a legend substantially to the following effect:

BY ITS PURCHASE AND HOLDING OF THIS NOTE (OR ANY INTEREST HEREIN), THE PURCHASER OR HOLDER WILL BE DEEMED TO HAVE REPRESENTED AND AGREED THAT (A) IT IS NOT AND FOR SO LONG AS IT HOLDS THIS NOTE (OR ANY INTEREST HEREIN) WILL NOT BE (I) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA"), THAT IS SUBJECT TO TITLE I OF ERISA, (II) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (III) AN ENTITY OR ACCOUNT WHOSE UNDERLYING ASSETS ARE DEEMED TO INCLUDE THE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN SUBJECT TO ERISA OR OTHER PLAN SUBJECT TO SECTION 4975 OF THE CODE OR (IV) A NON-U.S., GOVERNMENTAL, CHURCH OR OTHER BENEFIT PLAN WHICH IS SUBJECT TO ANY NON-U.S. OR U.S. FEDERAL, STATE, OR LOCAL LAW THAT IS SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF TITLE I OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW") (EACH OF (I), (II), (III) AND (IV), A "PLAN"), (B) NO ASSETS OF A PLAN HAVE BEEN USED BY IT TO ACQUIRE THIS NOTE (OR ANY INTEREST HEREIN) OR (C) ITS PURCHASE AND HOLDING OF THIS NOTE (OR ANY INTEREST HEREIN) WILL NOT RESULT IN A PROHIBITED TRANSACTION UNDER TITLE I OF ERISA OR SECTION 4975 OF THE CODE FOR WHICH AN EXEMPTION IS NOT AVAILABLE OR VIOLATION OF ANY SIMILAR LAW, AND NONE OF THE ISSUER, THE INITIAL PURCHASERS NOR ANY OF THEIR RESPECTIVE AFFILIATES IS ITS FIDUCIARY IN CONNECTION WITH THE PURCHASE AND HOLDING OF THIS NOTE.

- (9) It agrees that it will give to each person to whom it transfers the Notes notice of any restrictions on transfer of such Notes.
- (10) It acknowledges that until 40 days after the commencement of the Offering, any offer or sale of the Notes within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A under the Securities Act.
- (11) It acknowledges that the transfer agent will not be required to accept for registration of transfer any Notes except upon presentation of evidence satisfactory to us and the Trustee that the restrictions set forth therein have been complied with.

- (12) It acknowledges that we, the Initial Purchasers and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements and agrees that if any of the acknowledgements, representations, warranties and agreements deemed to have been made by its purchase of the Notes are no longer accurate, it shall promptly notify the Initial Purchasers. If it is acquiring any note as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such investor account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such investor account.

## **LEGAL MATTERS**

Certain legal matters with respect to South African law will be passed upon for us by our South African counsel, Edward Nathan Sonnenbergs Inc. (trading as ENSafrica). Certain legal matters with respect to United States and New York law will be passed upon for us by Shearman & Sterling (London) LLP, who may rely, without independent investigation, on Edward Nathan Sonnenbergs Inc. (trading as ENSafrica) regarding certain South African legal matters. Certain legal matters with respect to United States and New York law will be passed upon for the Initial Purchasers by Davis Polk & Wardwell London LLP, who may rely, without independent investigation, on Bowman Gilfillan Inc. regarding certain South African legal matters.

## **INDEPENDENT REGISTERED ACCOUNTING FIRM**

The financial statements incorporated in this Offering Memorandum by reference to the Annual Report on Form 20-F for the year ended June 30, 2022, and the effectiveness of internal control over financial reporting as of June 30, 2022 have been audited by PricewaterhouseCoopers Inc., an independent registered public accounting firm, as stated in their report (which contains an adverse opinion on page F-1 relating to the effectiveness of internal control over financial reporting) incorporated herein.

## AVAILABLE INFORMATION

Each purchaser of the Notes from the Initial Purchasers will be furnished with a copy of this Offering Memorandum and any related amendments or supplements to this Offering Memorandum. Each person receiving this Offering Memorandum acknowledges that:

- such person has been afforded an opportunity to request from us and to review, and has received, all additional information considered by it to be necessary to verify the accuracy and completeness of the information herein;
- such person has not relied on the Initial Purchasers or any person affiliated with the Initial Purchasers in connection with its investigation of the accuracy of such information or its investment decision; and
- except as provided above, no person has been authorized to give any information or to make any representation concerning the Notes offered hereby other than those contained herein and, if given or made, such other information or representation should not be relied upon as having been authorized by us or the Initial Purchasers.

This Offering Memorandum contains summaries, believed to be accurate in all material respects, of certain terms of certain agreements, but reference is made to the actual agreements for complete information with respect thereto, and all such summaries are qualified in their entirety by this reference. While any Notes remain outstanding, we will make available, upon request, to any holder and any prospective purchaser of Notes the information required pursuant to Rule 144A(d)(4) under the Securities Act during any period in which Sasol Limited is not subject to Section 13 or 15(d) of the Exchange Act or exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act. Requests for such information and requests for the agreements summarized in this Offering Memorandum should be directed to VP Investor Relations at [investor.relations@sasol.com](mailto:investor.relations@sasol.com).



## LISTING AND GENERAL INFORMATION

1. Application will be made for the Notes to be admitted to the Frankfurt Stock Exchange and admitted to trading on the Open Market (Freiverkehr) of the Frankfurt Stock Exchange in accordance with the rules of that exchange.
2. Paper copies of the following documents (or copies thereof, translated into English, where relevant) will be available for physical inspection while the Notes remain outstanding and listed on the Frankfurt Stock Exchange at the registered office of Issuer, the registered offices of Sasol Limited and the registered office of the Listing Agent during normal business hours on any weekday:
  - (i) the organizational documents of the Issuer and Sasol Limited;
  - (ii) the Indenture (which includes the form of the Notes); and
  - (iii) Sasol's most recent audited consolidated financial statements and any unaudited condensed consolidated interim financial statements published by Sasol.
3. We will maintain a listing agent in Germany for as long as any of the Notes are listed on the Frankfurt Stock Exchange. We reserve the right to vary such appointment and we will provide notice of such change of appointment to holders of Notes and the Frankfurt Stock Exchange.
4. The Listing Agent is ICF Bank AG, and the address of its registered office is Wertpapierhandelsbank, Kaiserstrasse 1, D-60311 Frankfurt/Main.
5. The Trustee for the Notes is Wilmington Savings Fund Society, FSB and its address is 500 Delaware Avenue, 11th Floor, Wilmington, Delaware 19801, USA. Such Trustee will be acting in its capacity of trustee for the holders of the Notes and will provide services to the holders of the Notes as described in the Indenture.
6. The Issuer of the Notes, Sasol Financing USA LLC, was incorporated in Delaware, USA as a limited liability company on September 11, 2018. Its principal office is at 12120 Wickchester Lane, Houston, Texas 77079, USA. Its registered office is at National Registered Agents, Inc., 160 Greentree Drive, Suite 101, City of Dover, County of Kent, Delaware 19904, USA and its registration number is 333-227263. Its telephone number is +1 281 588 3000. The Issuer's sole member is Sasol (USA) Corporation, and the Issuer is an indirect wholly owned subsidiary of Sasol Limited. The Issuer's principal activities are to provide treasury services to the Sasol group. It has no other operations.

Sasol Limited, or the Guarantor, the ultimate holding company of our group, was incorporated in South Africa as a public company on June 26, 1979 and has been listed on the Johannesburg Stock Exchange since October 1979. Our ADRs have been listed on the New York Stock Exchange since April 2003. Its registered office is at Sasol Place, 50 Katherine Street, Sandton 2196, South Africa, and is registered with Companies and Intellectual Property Commission under number 1979/003231/06. Sasol Limited's telephone number is +27 10 344 6390 and its website is at [www.sasol.com](http://www.sasol.com). The information and other content on its website are not part of this Offering Memorandum.
7. The Notes sold in reliance on Rule 144A have been accepted for clearance through the book-entry facilities of DTC under the CUSIP 80386W AF2 and the ISIN US80386WAF23; the Notes sold in reliance on Regulation S have been accepted for clearance through the book-entry facilities of DTC under the CUSIP U8035U AC6 and the ISIN USU8035UAC63.
8. The gross proceeds of the Offering are estimated to be approximately \$1,000,000,000.
9. The following contracts (not being contracts entered into in the ordinary course of business) have been entered into, or will be entered into, by the Issuer in connection with this transaction, and are or may be material:
  - (i) a purchase agreement, dated April 26, 2023, among the Issuer, Sasol Limited and the Initial Purchasers, pursuant to which the Issuer will sell the Notes to the Initial Purchasers; and
  - (ii) an indenture, to be dated May 3, 2023, among, *inter alios*, the Issuer, Sasol Limited and Wilmington Savings Fund Society, FSB, as trustee, relating to the Notes.

10. Except as may otherwise be indicated in this Offering Memorandum, all authorizations, consents and approvals to be obtained by us for, or in connection with, the creation and issuance of the Notes, the performance of our obligations expressed to be undertaken by us and the distribution of this Offering Memorandum have been or will be obtained and are or will be in full force and effect at the pricing of the Offering. The Guarantees will be authorized by resolutions of the board of directors of Sasol Limited within the timeframe required under the Indenture.
  
11. There has been no significant change in the financial position or trading position of Sasol Limited since June 30, 2022, except as may otherwise be indicated in this Offering Memorandum. Except as it may otherwise be indicated in this Offering Memorandum, none of the Issuer or Sasol Limited has been involved in any legal, governmental or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer or Sasol Limited is aware) during the twelve months preceding the date of this Offering Memorandum which may have, or have had in the recent past, a significant effect on its financial position or profitability.

## **ISSUER**

**Sasol Financing USA LLC**  
12120 Wickchester Lane  
Houston, Texas 77079  
United States of America

## **GUARANTOR**

**Sasol Limited**  
Sasol Place  
50 Katherine Street  
Sandton 2196  
South Africa

## **LEGAL ADVISERS TO THE ISSUER AND THE GUARANTOR**

### *As to U.S. federal, New York and English law*

Shearman & Sterling (London) LLP  
9 Appold Street  
London EC2A 2AP  
United Kingdom

### *As to South Africa law*

Edward Nathan Sonnenbergs, Inc. (trading as ENSafrica)  
35 Lower Long St, Foreshore  
Cape Town 8001  
South Africa

## **LEGAL ADVISERS TO THE INITIAL PURCHASERS**

### *As to U.S. federal and New York law*

Davis Polk & Wardwell London LLP  
5 Aldermanbury Square,  
London EC2V 7HR  
United Kingdom

### *As to South Africa law*

Bowman Gilfillan Inc.  
11 Alice Lane  
Sandton  
Johannesburg 2146  
South Africa

## **TRUSTEE**

Wilmington Savings Fund Society, FSB  
500 Delaware Avenue, 11th Floor  
Wilmington, Delaware 19801  
United States of America

## **PAYING AGENT**

Wilmington Savings Fund Society, FSB  
500 Delaware Avenue, 11th Floor  
Wilmington, Delaware 19801  
United States of America

## **REGISTRAR**

Wilmington Savings Fund Society, FSB  
500 Delaware Avenue, 11th Floor  
Wilmington, Delaware 19801  
United States of America

## **LEGAL ADVISERS TO THE TRUSTEE**

McDermott Will & Emery LLP  
One Vanderbilt Avenue  
New York, New York 10017  
United States of America

## **LISTING AGENT**

ICF Bank AG  
Wertpapierhandelsbank  
Kaiserstrasse 1  
D-60311 Frankfurt/Main  
Germany



**Sasol Financing USA LLC**  
**\$1,000,000,000 8.750% Notes due 2029**

**Fully and Unconditionally Guaranteed by**

**Sasol Limited**

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**OFFERING MEMORANDUM**

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*Joint Global Coordinators and Joint Bookrunners*

**Citigroup**

**SMBC Nikko**

*Joint Bookrunners*

**BofA  
Securities**

**IMI –  
Intesa  
Sanpaolo**

**J.P.  
Morgan**

**Mizuho**

**MUFG**

**Standard  
Chartered  
Bank**

**April 26, 2023**

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