



SASOL

SASOL INZALO PUBLIC

**SASOL KHANYISA
FACT BOOK**



WHAT TRANSFORMATION MEANS FOR SASOL

B-BBEE is a key enabler for economic transformation and inclusive growth, which is important for South Africa's long term sustainability.

Sasol is committed to meaningful transformation. Sasol Inzalo will end in June 2018 and Sasol Khanyisa launches in June 2018.

AS A COMPANY PROUDLY ROOTED IN SOUTH AFRICA'S HERITAGE, SASOL EMBRACES TRANSFORMATION

Sasol's integrated transformation approach
across all pillars of the revised B-BBEE Codes of Good Practice

OWNERSHIP

- 25% Ownership in Sasol Oil - 2,8 million beneficiaries (direct and indirect)
- 20% Ownership in Sasol Mining - 203 000 beneficiaries
- 10% Ownership in Sasol Limited - 280 000 employees and shareholders

MANAGEMENT CONTROL

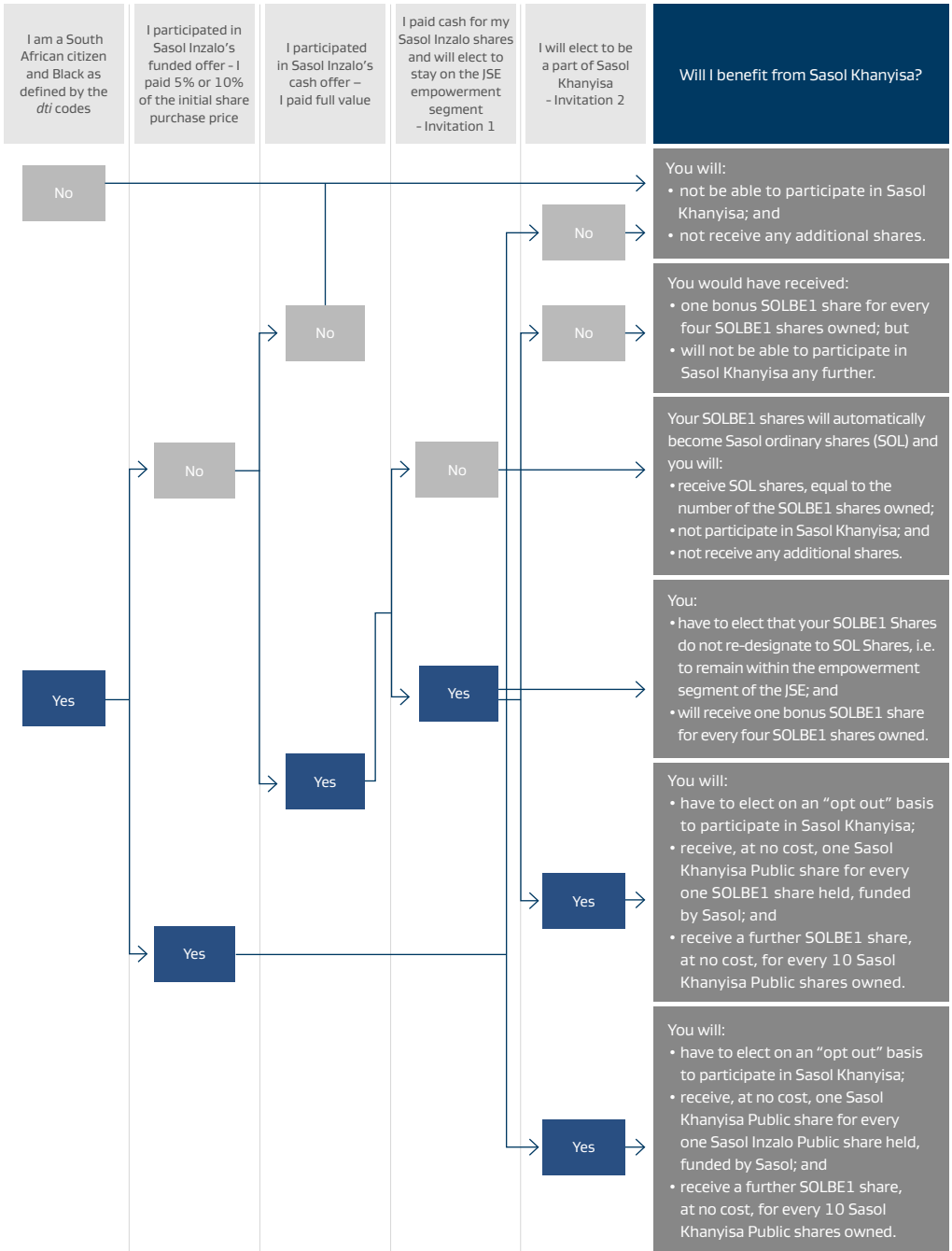
- 27% Women Directors, Sasol Limited Board
- 68% of workforce comprises of Black employees in SA
- 57% of junior to top management in SA in Black

SOCIO ECONOMIC DEVELOPMENT AND PREFERRED PROCUREMENT







- R676 in social investment programmes
- R1 billion in bursaries, learnerships & skills development
- R7 billion in procurement from Black-owned businesses

SASOL **KHANYISA** MEANS
TO ILLUMINATE

SASOL KHANYISA PUBLIC PARTICIPATION



HOW IS KHANYISA DIFFERENT FROM INZALO?

	Inzalo	Khanyisa	What does this mean for Sasol Inzalo Public shareholders?
OWNERSHIP 	10% ownership in Sasol Limited	25% direct and indirect ownership in Sasol South Africa	Not dependent on Sasol Limited share price. Transaction at asset level, based on fair value and expected cash flow
DESIGN 	Complex structure	Simpler structure	Fewer participating entities and, where possible, consistent treatment of participants
PARTICIPANTS 	Open to Black South Africans and majority of Sasol employees	Eligible Sasol Inzalo participants and Black permanent employees	Sasol is committed to shareholders who have been committed to Sasol's transformation journey
INVESTMENT DURATION 	10 year Investment	Continued investment in transformation beyond 10 years	Components of Khanyisa to be evergreen. Value-for-value exchange to SOLBE1 shares tradeable on the JSE Empowerment Segment
FUNDING 	Banks together with Sasol provided funding	Sasol provides funding	Fully vendor funded by Sasol on favourable terms (i.e. no 3rd party funding). Debt repayment within Sasol's control
VALUE CREATION 	Growth in Sasol Limited share price and dividends required to pay off debt	Value from day one. Majority of dividends pay off debt and interest	Bonus and additional SOLBE1 shares create value on Day One. Transaction at asset level to maximise dividend flow and accelerate amortisation of vendor funding

WELCOME TO SASOL KHANYISA

Our new R21 billion B-BBEE ownership structure – Value from day one

What can you expect from Sasol Khanyisa as an existing Sasol Inzalo Public shareholder?

Lucas bought 100 Sasol Inzalo Public shares at R18.30 per share in 2008. Although Lucas only paid R18.30 per share, the value of his share at the time was R366 per share. Third-party funders lent money to Sasol Inzalo Public to cover the difference between the value of Lucas' share (R366) and the amount he paid for the share (R18.30).

The Sasol share price performance was impacted by lower crude oil prices and other macro-economic dynamics and, unfortunately, no net value has been created. Sasol Inzalo will unwind in mid-2018.

Sasol has introduced Sasol Khanyisa as a new B-BBEE ownership structure and wishes to encourage Lucas to participate in the new transaction. Once Sasol shareholders have approved Sasol Khanyisa in November 2017,



SHAREHOLDER
LUCAS

Lucas will receive an invitation to participate in Sasol Khanyisa at no cost to him.

In April 2018, should Lucas choose to participate, he will, at the inception of Sasol Khanyisa, receive 100 Sasol Khanyisa Public shares, funded entirely by Sasol. In addition, Lucas will receive 10 SOLBE1 shares (Sasol shares trading on the Empowerment Segment of the JSE) at no cost to him. These SOLBE1 shares are immediately tradeable once issued on 1 June 2018.

At a SOLBE1 share price of R330 per share, this means Lucas will receive value of R3 300 on day one.

SASOL INZALO FUNDED OFFER	EXISTING SASOL INZALO PUBLIC SHAREHOLDERS WHO ELECT TO PARTICIPATE IN SASOL KHANYISA	
		SOLBE1 KHANYISA
	Lucas receives 100 Sasol Khanyisa shares for every 100 Sasol Inzalo Public shares held	
And 10 SOLBE1 shares at no cost (1:10)	10	
Lucas now owns 10 SOLBE1 shares and 100 Sasol Khanyisa Public shares	10	100
Assumed value of 10 SOLBE1 shares (*example only)	R3 300	

IN 2018 SASOL KHANYISA PUBLIC SHARES WILL BE EXCHANGED FOR SOLBE1 SHARES TO BE KEPT OR TRADED AS PREFERRED

Immediate benefit: On 1 June 2018, if Lucas elects to participate in Sasol Khanyisa, he will have 10 SOLBE1 shares worth R3 300 (assuming R330 per share) that he can keep as an investment to receive dividends, or sell as he prefers.

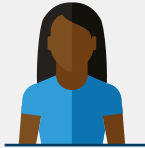
Long-term benefit: Lucas' 100 Sasol Khanyisa Public shares will be held until the end of the ten-year period, at which point they will be exchanged for SOLBE1 shares. Lucas can then decide to keep the SOLBE1 shares as an investment to receive dividends, or sell the shares as he prefers.

*All share prices used and amounts stated are for illustrative purposes only and will depend on the actual share price and will be subject to taxation.

WELCOME TO SASOL KHANYISA

Our new R21 billion B-BBEE ownership structure – Value from day one

What can you expect from Sasol Khanyisa as an existing Sasol BEE Ordinary (SOLBE1) shareholder?



SHAREHOLDER
THANDI

In 2008, Thandi bought 100 SOLBE1 shares at R366 per share. Since then, she received dividends. Sasol Inzalo will unwind in mid-2018 when Thandi's 100 SOLBE1 shares will automatically re-designate to Sasol ordinary shares (also known as "SOL" shares).

Sasol has introduced Sasol Khanyisa, a new B-BBEE ownership structure and wishes to encourage Thandi to participate in the new transaction. Once Sasol shareholders have approved Sasol Khanyisa in November 2017, Thandi will be invited to participate in Sasol Khanyisa.

In February 2018, Thandi will be invited to elect for her SOLBE1 shares not to automatically become Sasol ordinary shares. If she chooses to keep her SOLBE1 shares on the JSE's Empowerment Segment, she will receive 25 bonus SOLBE1 shares, i.e. 1 bonus share for every 4 shares she owns.

In April 2018, should Thandi choose to participate in Sasol Khanyisa, she will at inception, receive 100 Sasol Khanyisa Public shares, funded entirely by Sasol. In addition, Thandi will receive 10 SOLBE1 shares at no cost to her, i.e. 1 share for every 10 shares she owns. These SOLBE1 shares are immediately tradeable once issued on 1 June 2018.

At a SOLBE1 share price of R330 per share, Thandi will receive value of R11 550 on day one, i.e. 35 SOLBE1 shares x R330.

The long-term benefit for Thandi is that in 2028, her Sasol Khanyisa shares will be exchanged for SOLBE1 shares.

Immediate benefit: On 1 June 2018, Thandi will have 35 additional SOLBE1 shares worth R11 550 (assuming a share price of R330 per share) that she can keep as an investment to receive dividends, or sell as she prefers. Thandi will also have her original 100 SOLBE1 shares.

Long-term benefit: Thandi's 100 Sasol Khanyisa Public shares will be held until 2028, at which point they will be exchanged for SOLBE1 shares. Thandi can then decide to keep the SOLBE1 shares as an investment to receive dividends, or sell the shares as she prefers.

1 Invitation 1 - February 2018

2018

SOLBE1 SHAREHOLDERS ELECT TO REMAIN WITHIN THE EMPOWERMENT SEGMENT OF THE JSE		
SASOL INZALO CASH OFFER		SOLBE1
	Thandi owns 100 SOLBE1 shares	100
	Receives 25 bonus SOLBE1 shares (1:4)	25
	Thandi now owns 125 SOLBE1 shares	125
	Assumed value of 25 SOLBE1 bonus shares (*example only)	R8 250

2 Invitation 2 - April 2018



2028

SOLBE1 SHAREHOLDERS ELECT TO PARTICIPATE IN SASOL KHANYISA		
	SOLBE1	KHANYISA
After election Thandi has 125 SOLBE1 shares and 100 Sasol Khanyisa Public shares (1:1)	125	100
Receives a further 10 SOLBE1 shares for no consideration (1:10)	10	
Thandi now owns: 135 SOLBE1 shares and 100 Sasol Khanyisa shares	135	100
	Assumed value of 35 SOLBE1 shares (*example only)	R11 550

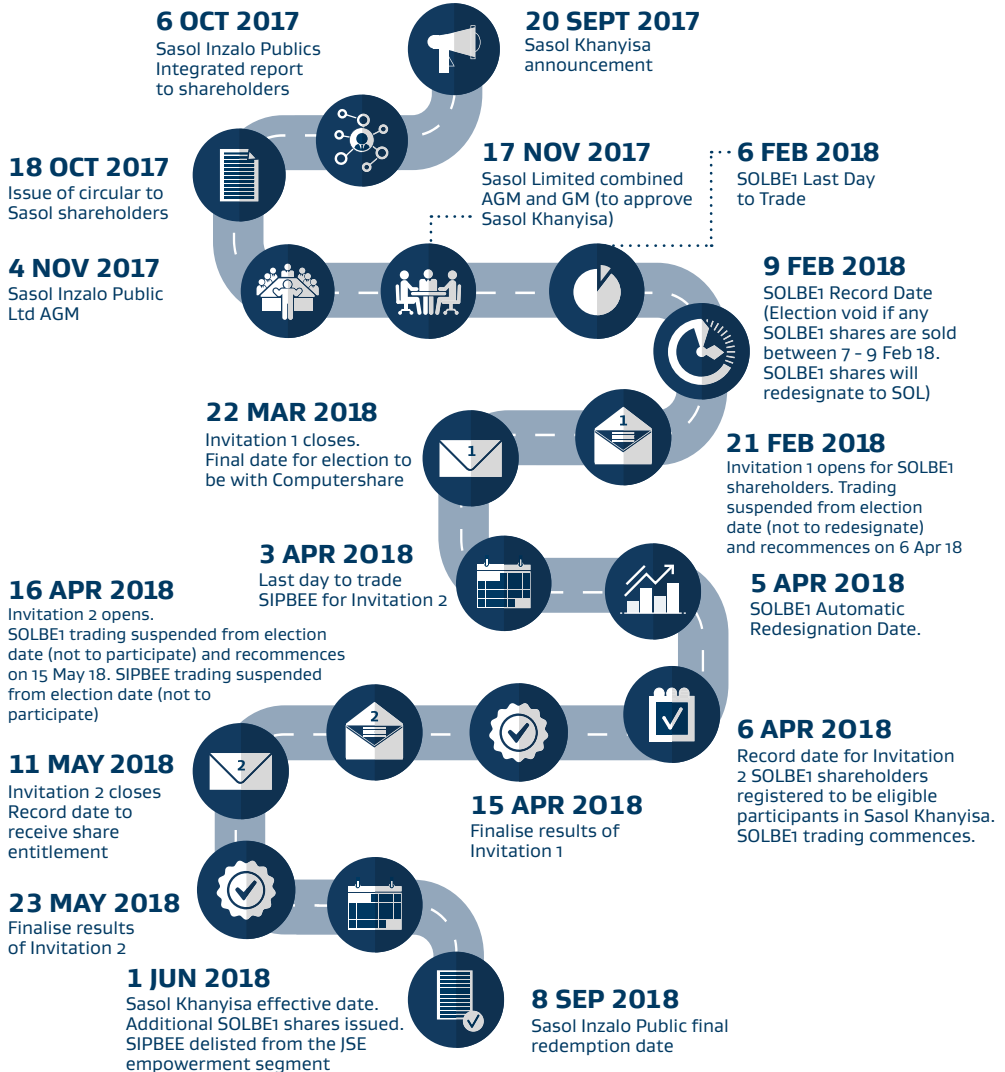
In 2028 Sasol Khanyisa Public shares will be exchanged for SOLBE1 shares to be kept or traded as Thandi prefers

Sasol Khanyisa shares are funded by Sasol. Most of the dividend stream will be used to repay the funding cost. Sasol Khanyisa is subject to shareholder approval in November 2017.

*All share prices used and amounts stated are for illustrative purposes only and will depend on the actual share price.

WHAT'S NEXT?

Sasol is committed to ongoing engagement and communication with all participants and look forward to continuing this transformation journey with you.



For more information on Sasol Khanyisa, please visit the Sasol Khanyisa page on Sasol.com.

To update your contact and banking details, please send an email to sasolinzalo@computershare.co.za or contact Computershare on 0800 000 222.