

GOVERNANCE AT A GLANCE

Sasol Khanyisa's Board is committed to managing the Company based on an ethical foundation, aligned to the objectives of the Company, taking into account its short- and long-term impact on the economy, society and its stakeholders.

Corporate governance

Good corporate governance is the responsibility of the Board. The Board is aware that good corporate governance entails meeting the primary objectives of Sasol Khanyisa Public (RF) Limited and Sasol Khanyisa Fundco (RF) Limited ("the Sasol Khanyisa Group"), in a sustainable way, taking into account the economy, society and the environment in which it operates in. The aim of the Board is to realise an ethical culture, good performance, effective control and legitimacy within the Sasol Khanyisa Group.

The Board ensures that the Sasol Khanyisa Group is governed effectively in accordance with good corporate governance practice, codes and standards, and internal control systems. The Board is satisfied that it fulfilled all its duties and obligations during the past financial year. The Board further confirms that the Company has complied with the provisions of the Companies Act, 71 of 2008 ("the Companies Act") specifically relating to its incorporation and is operating in conformity with its Memorandum of Incorporation ("MOI").

Compliance

The Sasol Khanyisa Group has applied the principles and recommendations of the King IV™ Report on Corporate Governance for South Africa 2016 ("King IV™"), to the extent applicable taking into account the complexity and nuances of the Sasol Khanyisa Group. Furthermore, the directors confirm that there were no contraventions, material non-compliances, fines or penalties reported in relation to all applicable laws and regulations for the financial year ended 30 June 2022, which includes the MOI and relationship agreement.

A statement on Sasol Khanyisa's application on the principles of King IV™ is available on www.sasolkhanyisa.com

Our governance structure

The Sasol Khanyisa Group acknowledges that transparency and accountability are achieved by among others, effective communication, which is integral in building stakeholder value. To that end, the Sasol Khanyisa Group is committed to providing meaningful, transparent, timely and accurate financial and non-financial information to its shareholders. The Sasol Khanyisa Group endeavours, through Sasol Limited ("Sasol") and Sasol South Africa Limited's ("SSA's") disclosure controls and procedures, to present a balanced and understandable assessment of its financial position by addressing material matters of significant interest and concern in its Annual Financial Statements.

In terms of a Relationship Agreement entered into between the Sasol Khanyisa Group, Sasol, Sasol Financing Limited and SSA (the Administrative Agent), SSA provides all necessary services, such as financial, information and risk management, governance, legal compliance and internal audit services, to the Sasol Khanyisa Group. These services are subject to oversight and performance management by the appropriate governance entities within Sasol. SSA complies with the principles of King IV™ in fulfilling its duties as an Administrative Agent in terms of the Relationship Agreement.

The Company Secretary

SSA is the company secretary of the Sasol Khanyisa Group. It is represented by suitably qualified and experienced individuals. It is of utmost importance to the Sasol Khanyisa Group that it consistently complies with existing and new regulations in order to ensure the integrity of the transaction during the Empowerment period. SSA, as the company secretary and Administrative Agent, is primarily responsible for ensuring compliance with the regulatory requirements and is supported and monitored by the finance, internal audit, legal services and risk management functions of SSA.

Our Board of Directors

The Board provides effective leadership, and in the best interest of the Sasol Khanyisa Group.

Composition of the Board

In terms of the MOI of both Sasol Khanyisa Public (RF) Limited and its subsidiary, Sasol Khanyisa Fundco (RF) Limited, the same Directors serve on both Boards. The Boards are to comprise of a maximum of seven Directors with a majority being black persons and a minimum of 40% being black females. One-third of Directors must retire at every Annual General Meeting and are eligible for re-election. The Board currently comprises six Directors¹.

Policy on diversity

The Board's diversity and skills ensure that the Sasol Khanyisa Group is steered to deliver growth to all our stakeholders. The careful selection of individual Directors, to ensure the most appropriate combination of expertise and experience, underpins the effectiveness of the Board in fulfilling its role.

Focus areas of the Board and its Committees

3 Meetings

100% Attendance

The Board Charter and Board Committees' terms of reference are reviewed annually to ensure they remain relevant and aligned with the Companies Act and other relevant legislative requirements, King IV™ and governance best practices.

For more details on the responsibilities, powers, policies, practices and processes of the Board and Directors, refer to the Board Charter as well as the Company's MOI on our website, www.sasolkhanyisa.com

The Board uses its meetings to discharge its governance and regulatory responsibilities. Its work plan, and that of its Committees, outline the matters which should be dealt with at meetings and are aligned with the responsibilities and requirements set out in the Board Charter and the Committees' terms of reference. Matters discussed, include financial performance, matters of strategy, and risk, and those reserved for Board decision-making.

There are two Board meetings a year. The Board also meets once a year to discuss strategy. For the reporting period, the Board held its two meetings and one strategy meeting.

The Board is satisfied that it has fulfilled its responsibilities in accordance with the Board Charter, and work plan, for this year.

Our Board Committees

The Board is supported by the Audit Committee as well as the Social and Ethics Committee.

The Committees established by the Board play an important role in enhancing standards of governance and effectiveness within the Sasol Khanyisa Group.

¹ Ms K Njobe resigned as director with effect from 1 April 2022.

The complete terms of reference of the Committees are available on our website, www.sasolkhanyisa.com

	Audit Committee	Social and Ethics Committee
MEMBERS	<p>Chairman: N Manyika</p> <p>TR Madiba KM Makhetha</p>	<p>Chairman: KM Makhetha</p> <p>N Manyika TLB Boikhutso Z Monnakgotla</p>
MANDATE	<p>3 Meetings > 100% Attendance</p> <ul style="list-style-type: none"> To oversee the Sasol Khanyisa Group's financial statements; the qualification and independence of external auditors. To oversee the scope and effectiveness of the external audit functions; the effectiveness of the Sasol Khanyisa Group's internal controls and the internal audit support provided by SSA to the Sasol Khanyisa Group. To oversee compliance with legal and regulatory requirements that have an impact on the financial statements and the accounting and financial reporting systems of the Sasol Khanyisa Group. 	<p>2 Meetings > 100% Attendance</p> <ul style="list-style-type: none"> To perform the role of a Social and Ethics Committee as required in terms of the Companies Act and its regulations as is applicable having regard to the fact that the Sasol Khanyisa Group has no operations or employees; neither does it have assets, save for its indirect investment in SSA. In performing these functions, the Committee places reliance on the work and reporting of any group function of SSA, that has responsibility for any function falling within the mandate of the Committee. To ensure that the manner in which the Sasol Khanyisa Group governs social and ethics performance, promotes an ethical culture and that the Sasol Khanyisa Group conducts itself as a responsible corporate citizen. To monitor the Sasol Khanyisa Group's strategies, policies, performance and the progressive implementation of its sustainability (SHE), social and ethics practices.
KEY MATTERS DEALT WITH AND FOCUS AREAS	<ul style="list-style-type: none"> Ensuring the integrity and effectiveness of reporting. Financial management, key audit matters and significant areas of judgement – the Committee will continue to ensure financial systems, processes and controls operate effectively and respond to changes in the operating and regulatory environment. Ensuring effective combined assurance. 	<ul style="list-style-type: none"> Oversight over the Sasol Khanyisa Group's stakeholder engagement. Reviewing all proposed shareholder communication plans and making appropriate recommendations to the Board. Overview of the compilation of the Annual Report and Interim Financial Results.

The Memorandum of Incorporation of both Sasol Khanyisa Public (RF) Limited and Sasol Khanyisa FundCo (RF) Limited (the "Sasol Khanyisa Group") provides for the establishment of a Social and Ethics Committee (the "Committee").

The Committee is formed in terms of section 72 of the Companies Act, 71 of 2008 ("the Companies Act") and performs the role of a Social and Ethics Committee for the Sasol Khanyisa Group. The Committee comprises four independent directors and has had two meetings this year.

Mandate of the Committee

The Committee is mandated to discharge its duties in terms of the Companies Act, but in addition, the board of directors may delegate any tasks to the Committee.

In terms of the Companies Act, the mandate of the Committee is to monitor the Sasol Khanyisa Group's activities, having regard to relevant legislation, other legal requirements and prevailing codes of best practice; in relation to social and economic development, good corporate citizenship, the environment, health and public safety, consumer relationships and labour and employment.

In terms of the duties delegated by the board of directors to the Committee, the Committee is mandated to:

1. Deliberate on Stakeholder engagements;
2. Review and approve the Communication Strategy;
3. Support the Board in ensuring effective risk management oversight insofar as it relates to social and ethical matters;
4. Assess nominations from shareholders for persons to be elected as Directors; and
5. Oversee the nominations process to nominate the Chairman of the Board, Directors of the Board and the Committee Members for board committees and make recommendations to the Board.

The Committee's activities during the year under review

In the year 2022, the Committee has:

- Met with Sasol Limited executive directors as part of the Sasol Khanyisa Public stakeholder engagement approach, initiated by the Sasol Khanyisa Public Chairperson;
- Considered the JSE Investor Services' call centre activity, which receives calls from Sasol Khanyisa Public shareholders, as a measure of stakeholder engagement;
- Reviewed and approved the communication strategy for the year ended 30 June 2022 which included the introduction of a WhatsApp chatbot through which Sasol Khanyisa Public can interact with shareholders. The approved communication strategy also endeavors to ensure that information that is received by the shareholders, is always up to date by pulling information from the google network and social media and pushing it to the Sasol Khanyisa website and WhatsApp chatbot;
- Assessed the risks insofar as it relates to its mandate. The Committee did not have any findings or recommendations to report to the Board, in respect of material social and ethics risks which may have an impact on the financial statements;
- Considered the nomination of an alternate director to Sasol South Africa Limited ("SSA"), reviewed the Audit Committee and the Sasol Khanyisa Warehousing Trust composition and considered the nomination of the Sasol Khanyisa Warehousing Trust member; and
- Considered the process, as well as the budget required, to appoint an additional director as per the request of the Board.

The Sasol Khanyisa Group does not have a workforce and administrative services (and associated human resources) are rendered by SSA as its administrative agent. Further, Sasol Khanyisa Group does not have any activities that impact the environment.

The Committee is satisfied with the Sasol Khanyisa Group's overall performance in relation to the issues within the Committee's mandate.