FORM 20-F

Annual and transition report of foreign private issuers pursuant to sections 13 or 15(d)

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As filed with the Securities and Exchange Commission on 28 August 2017

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 20-F

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934–for the year ended 30 June 2017**

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Commission file number: 001-31615

Sasol Limited

(Exact name of registrant as Specified in its Charter)

Republic of South Africa

(Jurisdiction of Incorporation or Organisation)

Sasol Place, 50 Katherine Street, Sandton, 2196

South Africa

(Address of Principal Executive Offices)

Paul Victor, Chief Financial Officer, Tel. No. +27 10 344 7896, Email paul.victor@sasol.com

Sasol Place, 50 Katherine Street, Sandton, 2196, South Africa

(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
American Depositary Shares	New York Stock Exchange
Ordinary Shares of no par value*	New York Stock Exchange
4,50% Notes due 2022 issued by Sasol Financing International Limited	New York Stock Exchange

* Listed on the New York Stock Exchange not for trading or quotation purposes, but only in connection with the registration of American Depositary Shares pursuant to the requirements of the Securities and Exchange Commission.

Securities registered pursuant to Section 12(g) of the Act: **None**

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: **None**

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report:

651 436 793 Sasol ordinary shares of no par value

25 547 081 Sasol preferred ordinary shares of no par value

2 838 565 Sasol BEE ordinary shares of no par value

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232 405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☐ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP ☐ International Financial Reporting Standards as issued by the International Accounting Standards Board ☒ Other ☐

If "Other" has been checked in response to the previous question, indicate by check mark which financial statement item the registrant has elected to follow.

Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

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PRESENTATION OF INFORMATION

We are incorporated in the Republic of South Africa as a public company under South African company law. Our audited consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB).

As used in this Form 20-F:

"rand" or "R" means the currency of the Republic of South Africa;

"US dollars", "dollars", "US$" or "$" means the currency of the United States (US);

"euro", "EUR" or "€" means the common currency of the member states of the European Monetary Union; and

"CAD" means Canadian dollar, the currency of Canada.

We present our financial information in rand, which is our reporting currency. Solely for your convenience, this Form 20-F contains translations of certain rand amounts into US dollars at specified rates as at and for the year ended 30 June 2017. These rand amounts do not represent actual US dollar amounts, nor could they necessarily have been converted into US dollars at the rates indicated.

All references in this Form 20-F to "years" refer to the financial years ended on 30 June. Any reference to a calendar year is prefaced by the word "calendar".

Besides applying barrels (b or bbl) and standard cubic feet (scf) for reporting oil and gas reserves and production, Sasol applies the Système International (SI) metric measures for all global operations. A ton, or tonne, denotes one metric ton equivalent to 1 000 kilograms (kg). Sasol's reference to metric tons should not be confused with an imperial ton equivalent to 2 240 pounds (or about 1 016 kg). Barrels per day, or bpd, or bbl/d, is used to refer to our oil and gas production.

In addition, in line with a South African convention under the auspices of the South African Bureau of Standards (SABS), the information presented herein is displayed using the decimal comma (e.g., 3,5) instead of the more familiar decimal point (e.g., 3.5) used in the UK, US and elsewhere. Similarly, a hard space is used to distinguish thousands in numeric figures (e.g., 2 500) instead of a comma (e.g., 2,500).

All references to the "group", "us", "we", "our", "company", or "Sasol" in this Form 20-F are to Sasol Limited, its group of subsidiaries and its interests in associates, joint arrangements and structured entities. All references in this Form 20-F 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 South Africa which restricts the right of transfer of its shares and prohibits the public offering of its shares.

All references in this Form 20-F to "South Africa" and "the government" are to the Republic of South Africa and its government. All references to the "JSE" are to the JSE Limited or Johannesburg Stock Exchange, the securities exchange of our primary listing. All references to "SARB" refer to the South African Reserve Bank. All references to "PPI" and "CPI" refer to the South African Producer Price Index and Consumer Price Index, respectively, which are measures of inflation in South Africa. All references to "GTL" and "CTL" refer to our gas-to-liquids and coal-to-liquids processes, respectively.

Unless otherwise stated, presentation of financial information in this annual report on Form 20-F will be in terms of IFRS. Our discussion of business segment results follows the basis used by the Joint Presidents and Chief Executive Officers (the company's chief operating decision makers) for segmental financial decisions, resource allocation and performance assessment, which forms the accounting basis for segmental reporting, that is disclosed to the investing and reporting public.

"CFO Report" means the Integrated Report−Chief Financial Officer's Report included in Exhibit 99.3.

"Headline Earnings per share (HEPS)" refers to disclosure made in terms of the JSE listing requirements.

FORWARD-LOOKING STATEMENTS

We may from time to time make written or oral forward-looking statements, including in this Form 20-F, in other filings with the United States Securities and Exchange Commission, in reports to shareholders and in other communications. 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 programme, as well as to fund our on-going business activities and to 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 and cash conservation programmes;
- statements regarding recent and proposed accounting pronouncements and their impact on our future results of operations and financial condition;
- statements of our business strategy, business performance outlook, plans, objectives or goals, including those related to products or services;

Lake Charles Chemicals Project, Mozambique exploration and development activities, the GTL joint ventures in Qatar and Nigeria, chemical projects and joint arrangements in North America and other investments), acquisitions of new businesses or the disposal of existing businesses;

- 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;
- statements regarding the demand, pricing and cyclicality of oil and petrochemical product prices;
- statements regarding changes in the manufacturers' fuel pricing mechanism in South Africa and their effects on fuel 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 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 the

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 macro-economics;

statements regarding tax litigation and assessments; and statements of assumptions underlying such statements.

Words such as "believe", "anticipate", "expect", "intend", "seek", "will", "plan", "could", "may", "endeavour", "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 materialise, 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 accuracy of our assumptions in assessing the economic viability of our large capital projects; 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;
- our ability to maintain sustainable earnings despite fluctuations in oil, gas and commodity prices, foreign currency exchange rates and interest rates;
- our ability to attract and retain sufficient skilled employees;
- the risk of completing major projects within budget and schedule; 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. See "Item 3.D−Risk factors"

ENFORCEABILITY OF CERTAIN CIVIL LIABILITIES

the continuation of substantial growth in significant developing markets;

the ability to benefit from our capital investment programme;

We are a public company incorporated under the company law of South Africa. Most of our directors and officers reside outside the US, principally in South Africa. You may not be able, therefore, to effect service of process within the US upon those directors and officers with respect to matters arising under the federal securities laws of the US.

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

There are additional factors to be considered under South African law in respect of the enforceability, in South Africa (in original actions or in actions for enforcement of judgements of US courts) of liabilities predicated on the US federal securities laws. These additional factors include, but are not necessarily limited to:

South African public policy considerations;

South African legislation regulating the applicability and extent of damages and/or penalties that may be payable by a party;

the applicable rules under the relevant South African legislation which regulate the recognition and enforcement of foreign judgements in South Africa; and

the South African courts' inherent jurisdiction to intervene in any matter which such courts may determine warrants the courts' intervention (despite any agreement amongst the parties to (i) have any certificate or document being conclusive proof of any factor, or (ii) oust the courts' jurisdiction).

Based on the foregoing, there is no certainty as to the enforceability in South Africa (in original actions or in actions for enforcement of judgements of US courts) of liabilities predicated on the US federal securities laws.

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

3.A Selected financial data

The following information should be read in conjunction with "Item 5−Operating and financial review and prospects" and the consolidated financial statements, the accompanying notes and other financial information included elsewhere in this annual report on Form 20-F.

The financial data set forth below for the years ended as at 30 June 2017 and 2016 and for each of the years in the three-year period ended 30 June 2017 has been derived from and should be read in conjunction with our audited consolidated financial statements included in Item 18.

Financial data as at 30 June 2015, 2014 and 2013, and for the years ended 30 June 2014 and 2013 have been derived from the group's previously published audited consolidated financial statements, which are not included in this document.

The audited consolidated financial statements from which the selected consolidated financial data set forth below have been derived were prepared in accordance with IFRS.

	30 June 2017	30 June 2016	30 June 2015	30 June 2014	30 June 2013
	(Rand in millions) (except per share information and weighted average shares in issue)				
Income Statement data:					
Turnover	172 407	172 942	185 266	202 683	169 891
Operating profit	31 705	24 239	46 549	45 818	40 845
Profit attributable to owners of Sasol Limited	20 374	13 225	29 716	29 580	26 274
Statement of Financial Position data:					
Total assets	398 939	390 714	323 599	280 264	246 165
Total equity	217 234	212 418	196 483	174 769	152 893
Share capital	29 282	29 282	29 228	29 084	28 711
Per share information (Rand):					
Basic earnings per share	33,36	21,66	48,71	48,57	43,38
Diluted earnings per share	33,27	21,66	48,70	48,27	43,30
Dividends per share(1)	12,60	14,80	18,50	21,50	19,00

Weighted average shares in issue (in millions):					
Average shares outstanding−basic	610,7	610,7	610,1	609,0	605,7
Average shares outstanding−diluted	612,4	610,7	610,2	620,8	606,8

(1) The total dividend includes the interim and final dividend. The final dividend was declared subsequent to the reporting date and is presented for information purposes only. No provision for this final dividend has been recognised.

Exchange rate information

The following table sets forth certain information with respect to the rand/US dollar exchange rate for the years shown:

Rand per US dollar for the year ended 30 June and the respective month:

	Average(1)	High(2)	Low(2)
2013	8,85	10,21	8,08
2014	10,39	11,32	9,59
2015	11,45	12,58	10,51
2016	14,52	16,88	12,25
2017	13,61	14,75	12,44
April 2017	13,46	13,95	13,02
May 2017	13,26	13,66	12,87
June 2017	12,90	13,08	12,63
2018(3)			
July 2017(3)	13,14	13,57	12,90
August 2017 (Up to 24 August 2017)	13,29	13,46	13,16

(1) The average exchange rates for each full year are calculated using the average exchange rate on the last day of each month during the period. The average exchange rate for each month is calculated using the average of the daily exchange rates during the period.

(2) Based on the closing rate of Thomson Reuters for the applicable period.

(3) The average exchange rate for the period 1 July 2017 to 24 August 2017 is calculated using the average exchange rate on the last day of each month and as at 24 August 2017. The average exchange rate is calculated using the average of the daily exchange rates during the period.

On 24 August 2017 the closing exchange rate of rand per US dollar as reported by Thomson Reuters was R13,20.

3.B Capitalisation and indebtedness

Not applicable.

3.C Reasons for the offer and use of proceeds

Not applicable.

3.D Risk factors

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

Market prices for crude oil, natural gas 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 cartels 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, especially in the Middle East, North Africa and West Africa.

Prolonged periods of low prices for crude oil can have a material adverse effect on our business, operating results, cash flows and financial condition as the selling prices of fuel and the majority of our chemical products are linked to the oil price. The group's profitability was negatively impacted by the sustained low oil prices in 2017. During 2017, the dated Brent crude oil price averaged US$49,77/bbl and fluctuated between a high of US$56,30/bbl and a low of US$40,26/bbl. This compares to an average dated Brent crude oil price of US$43,37/bbl during 2016, which fluctuated between a high of US$61,67/bbl and a low of US$25,99/bbl.

A substantial proportion of our turnover is derived from sales of petroleum and petrochemical products, prices for which have fluctuated widely in recent years and are affected by crude oil prices, the price and availability of substitute fuels, changes in product inventory, product specifications 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). BFP is a formula-driven price that considers, amongst others, the international prices of refined products (petrol, diesel and illuminating paraffin), 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.

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 and natural gas prices could also result in projects being delayed or cancelled, as well as the impairment of certain assets. An impairment loss amounting to R1,7 billion (US$130 million) has been recognised on our US GTL project due to the uncertainty around the probability and timing of project execution. In Canada, low gas prices resulted in an impairment of our shale gas assets of R9,9 billion (CAD880 million) in 2016, and R1,3 billion (CAD133 million) in 2015.

We use derivative financial instruments to partially protect us against day-to-day, and longer term fluctuations in US dollar oil prices. The oil price affects the profitability of both our energy and chemical products. See "Item 11−Quantitative and qualitative disclosures about market risk". 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 petroleum product prices.

We are unable to accurately forecast fluctuations in crude oil, natural gas and petroleum products prices. Fluctuations in any of these may have a material adverse effect on our business, operating results, cash flows and financial condition. Refer "Item 5A−Operating results" 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 results in rand. However, a significant majority of our turnover is impacted by the US dollar and the price 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 that constitute BFP are US dollar denominated and converted to rand, which impacts the price at which we can sell fuel in South Africa.

A significant part of our capital expenditure is US dollar-denominated, as it is directed to investments outside South Africa or constitutes materials, engineering and construction costs imported into South Africa. Fluctuations in the rand/US dollar exchange rate impact our gearing and estimated capital expenditure.

We also generate turnover and incur operating costs in euro and other currencies.

Fluctuations in the exchange rates of the rand against the US dollar, euro and other currencies impacts 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.

We use derivative financial instruments to limit our exposure to fluctuations in the rand/US dollar exchange rate. During 2017, the rand/US dollar exchange rate averaged R13,61 fluctuating between a high of R14,75 and a low of R12,44. This compares to an average exchange rate of R14,52 during 2016, which fluctuated between a high of R16,88 and a low of R12,25. At 30 June

2017 the closing rand/US dollar exchange rate was R13,06 as compared to R14,71 at 30 June 2016.

The rand exchange rate is affected by various international and South African economic and political factors. Subsequent to 30 June 2017, the rand has on average strengthened against the US dollar and the euro, closing at R13,20 and R15,58, respectively, on 24 August 2017. 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. Refer to "Item 5.A−Operating results" for further information regarding the effect of exchange rate fluctuations on our results of operations, and "Item 11−Quantitative and qualitative disclosures about market risk".

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".

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

The demand for chemicals and especially products such as polymers, solvents, olefins, surfactants and fertilisers are cyclical. Typically, higher demand during peaks in the industry business cycle leads producers to increase their production capacity. Although peaks in the business cycle have been characterised by increased selling prices and higher operating margins in the past, such peaks have led to overcapacity with supply exceeding demand growth. Low periods during the industry business cycle are characterised by a decrease in selling prices and excess capacity, which can depress operating margins. We are unable to accurately forecast the timing of the industry business cycle, and lower prices for chemical products during downturns in the cycle may have a material adverse effect on our business, operating results, cash flows and financial condition.

Our large projects are subject to schedule delays and cost overruns, and we may face constraints in financing our existing projects or new business opportunities, which could render our projects unviable or less profitable than planned

In October 2014, we made the final investment decision (FID) on the Lake Charles Chemicals Project (LCCP) (an ethane cracker and chemical derivatives plant) in the US.

Overall construction on the project continues on all fronts, with most engineering and procurement activities nearing completion. At 30 June 2017, the capital expenditure to date on LCCP was US$7,5 billion, and the overall project completion was around 74%.

The total forecasted capital cost for the project remains within the revised estimate of US$11 billion, which includes the US$2,1 billion increase announced in 2016. We obtain the views of independent market consultants in formulating our views on our long-term assumptions. Their views differ significantly from period to period, which again is indicative of the volatility in the market. For these reasons, the internal rate of return (IRR) for the LCCP, based on these different sets of price assumptions, varies between a range of returns which is both higher and lower than our weighted average cost of capital. We are of the view that limited structural changes have occurred to market fundamentals since February 2017, when we last published the expected long-term IRR of the project. Based on our assessment, we are of the view that the IRR is in a range of 7% to 8% (Sasol WACC at 8% in US$ terms).The cracker, however, remains cost competitive and is at the lower end of the cost curve for ethylene producers.

Approximately 90% of the LCCP performance chemicals output will be placed with existing customers and good progress is being made in securing new customers for most of the new Base Chemicals US output.

During 2016, the low density polyethylene (LDPE) cash generating unit of the LCCP project was impaired by R956 million (US$65 million), largely as a result of the increased capital cost and lower margins. This impairment was reversed at 30 June 2017, based on a reduction in the discount rate applicable to the US (based on spot market factors in terms of IFRS requirements), the extension of the useful life to 50 years based on more detailed engineering analysis performed, the completion of the project cost review and schedule evaluation which included external assurance that these are achievable.

In Mozambique, the Field Development Plan (FDP) for the Production Sharing Agreement (PSA) licence was approved by regulatory authorities in 2016. The PSA FDP proposes an integrated oil, Liquefied Petroleum Gas (LPG) and gas-to-power project adjacent to the Petroleum Production Agreement (PPA) area. The development of these projects is a capital-intensive process carried out over long durations and requires us to commit significant capital expenditure and allocate considerable management resources in utilising our existing experience and know-how.

Projects like LCCP and PSA are subject to risk of delay and cost overruns inherent in any large construction project, including as a result of, among other factors:

- shortages or unforeseen increases in the cost of equipment, labour and raw materials;
- unforeseen design and engineering problems;
- unforeseen construction problems;
- inadequate phasing of activities;
- labour disputes;
- inadequate workforce planning or productivity of workforce;
- inadequate change management practices;
- failure or delay of third-party service providers; and
- changes to regulations, such as environmental regulations.

In addition, significant variations in the assumptions we make in assessing the viability of our projects, including those relating to commodities prices and the prices for our products, exchange rates, interest rates, discount rates (due to change in country risk premium) and the demand for our products, may adversely affect the profitability or even the viability of our investments. As the LCCP capital investment is particularly material to Sasol, any further cost overruns 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 banking facilities may be insufficient to meet our capital expenditure plans and requirements, depending on the timing and cost of development of our existing projects and any further projects we may pursue, as well as our operating performance and the utilisation of our banking facilities. As a result, new sources of capital may be needed to meet the funding requirements of these projects, to fund ongoing business activities and to pay dividends. Our ability to raise and service significant new sources of capital will be a function of macro-economic conditions, our credit rating, our gearing and other risk metrics, the condition of the financial markets, future prices for the products we sell, 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, any further downgrade of our credit ratings by ratings 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 which could have a material adverse effect on our business, operating results, cash flows and financial condition.

natural disasters and adverse weather conditions, including excessive winds, higher than expected rainfall patterns, tornadoes, cyclones and hurricanes;

Our access to and cost of funding is affected by our credit rating, which in turn is affected by the sovereign credit rating of the Republic of South Africa

Our credit rating may be affected by our ability to maintain our outstanding debt and financial ratios at levels acceptable to the credit ratings agencies, our business prospects, the sovereign credit rating of the Republic of South Africa and other factors, some of which are outside our control. The credit rating assigned by the ratings agencies is dependent on a number of factors, including the gearing levels of the group. In assessing these gearing levels, performance guarantees which have been issued by Sasol are taken into account as potential future exposure, which may impact the liquidity of the group. Our credit rating has been affected by movements in the sovereign credit rating of the Republic of South Africa.

In April 2017, South Africa's foreign currency sovereign credit rating was downgraded by Standard & Poor's Rating Services (S&P) from the investment grade rating of BBB- to BB+ with a negative outlook.

Any future adverse rating actions or downgrade of the South African sovereign credit rating may have an adverse effect on our credit rating, which could negatively impact our ability to borrow money and could increase the cost of debt finance.

Regulation of greenhouse gas emissions could increase our operational cost and reduce demand for our products

Some of our processes in South Africa, especially coal gasification and combustion, result in relatively high carbon dioxide emissions. Consequently, climate change mitigation poses a significant risk for our business, in meeting societal pressures, addressing anticipated or new legislative requirements such as more stringent greenhouse gas pricing, carbon budgets and targets and bearing the financial impact associated with the necessary development of required new technologies and rising feedstock costs.

Further, climate change poses a significant risk for our business as it relates to potential physical impacts including but not limited to change of weather patterns including extreme events and water scarcity. In addition, the related climate change policies could impact our projected growth strategies and targets.

Sasol's highly energy-intensive operations exist largely in South Africa in the midst of rapidly evolving national legislation on greenhouse gas emissions. In the National Climate Change Response White Paper (NCCRWP), South Africa reiterated its intent to, subject to certain conditions, to implement nationally appropriate mitigation actions to enable a 34% deviation below the "business as usual" emissions growth trajectory by 2020, and 42% by 2025. The NCCRWP indicates the implementation of a carbon budget process which is now being cascaded to company level in the form of a voluntary carbon budget, a process in which Sasol is participating. It is likely that carbon budgets and associated compliance will become mandatory in 2021. We believe that given the developmental challenges currently faced by South Africa and the structure of its economy, there are alternative mechanisms which could achieve the same outcomes intended by the proposed carbon tax. There is however a high risk that the National Treasury in South Africa will pursue a stand-alone carbon tax that is not aligned with the carbon budget process. The draft Carbon Tax bill was published in December 2015 and the bill may be introduced into the parliamentary process towards the end of calendar year 2017. A substantial carbon tax may negatively impact free cash flows generated from our South African operations.

As with many proposed policies that may have an impact on our business, we continue to actively engage with the South African government in a solution-oriented constructive manner, particularly given the compliance and associated financial implications should carbon tax and budgets be implemented independently of each other. This could have a material adverse effect on our business, operating results, cash flows and financial condition.

Identifying an appropriate response that balances the need for economic development, job creation, energy security and reductions in greenhouse gas emissions remains a key challenge and risk. We continue to consider sustainable lower carbon technologies for purposes of reducing our carbon footprint.

Current measures in South Africa have already resulted in increased compliance costs for power suppliers that are passed on to consumers in the form of levies for electricity generated from fossil fuels. These types of levies have increased substantially over time and are likely to increase further.

Our international operations are less carbon intensive and have been operating in a more mature greenhouse gas regulatory regime for a period of time already. However, continued political attention to issues concerning climate change, and potential mitigation through regulation, could have a material impact on our business, operating results, cash flows and financial condition.

Exposure related to 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 would consider opportunities for further upstream oil and gas and downstream GTL 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 behaviour, their compliance with legal and ethical standards, as well as the increasing complexity of country-specific legislation and regulations may adversely affect our reputation and/or result in disputes and/or litigation, all of which 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.

Our coal, synthetic oil, natural oil and natural gas reserve estimates may be materially different from quantities that we eventually recover, and we may be unable to replace our reserves or acquire new reserves at a rate that is adequate to support our growth

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

There are numerous uncertainties inherent in estimating quantities of reserves and in projecting future rates of production, including factors which 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 market prices for related products.

Reserve estimates will require revision based improved data acquired from actual production experience and other factors, including resource extensions and new discoveries. In addition, regulatory changes, market prices, increased production costs and other factors 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".

Delivering our near-to-medium-term strategy, which is more heavily based on coal, gas and oil in Southern Africa, depends on our ability to find and develop new resources into reserves. Additionally, our industry remains challenged to access, discover and develop natural gas, oil and coal resources in a timely manner, which could adversely impact our ability to support and sustain our current business operations.

Our future growth could be impacted by our success in securing reliable long-term feedstock supply contracts, as well as competition in finding new gas and oil resources to develop into high value opportunities in line with our investment objectives, capital resources and existing capital commitments, whilst also complying with regulatory and environmental standards. These factors could have a material adverse effect on our business, operating results, cash flows and financial condition.

We may not achieve projected benefits of acquisitions or divestments

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

In addition, delays in the sale of assets, or reductions in value realisable, may arise due to changing market conditions. Failure to achieve expected values from the sale of assets, or delays in expected receipt or delivery of funds may result in higher debt levels, underperformance of those businesses and loss of key personnel.

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" 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 GTL facility in Qatar, joint operations in the United States and Canada and a 10% indirect interest in a GTL asset in Nigeria.

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, significant operations in 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 particular, in South Africa, the continuing rise in risks to the country's medium-term economic prospects and its fiscal strength has led to credit rating agencies downgrading the South African sovereign credit rating. In Mozambique, the fiscal crisis has led to a significant currency weakening and downgrades in its credit rating by all the major rating agencies, which complicated debt restructuration discussions between the country and the International Monetary Fund. Other countries in which we operate may also face sovereign downgrade risks and risks that may impact their ability to access funding and honour commitments.

Government policies, laws and regulations in countries in which 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 nationalism and market intervention, including through protectionism and subsidies. The impact of such changes on our ability to deliver on planned projects cannot be determined with any degree of certainty and such changes may therefore have an adverse effect on our operations and financial results.

ii. Transformation and localisation issues

In some countries, our operations are required to comply with local procurement, employment equity, equity participation, corporate social responsibility and other regulations which are designed to address country-specific social and economic transformation and localisation issues.

In South Africa, there are various transformation initiatives with which we are required to comply. We embrace, engender and participate in initiatives to bring about meaningful transformation in South Africa. We consider these initiatives to be a strategic imperative and we acknowledge the risks of not pursuing them. The broad risks that we are faced with, should we not comply with these transformation initiatives include the inability to obtain licenses to operate in certain sectors such as mining and liquid fuels, limited ability to successfully tender for government and public entity tenders; and potential loss of customers (as private sector customers increasingly require their suppliers to have a minimum B-BBEE rating).

The revised Codes of Good Practice for broad-based black economic empowerment (B-BBEE) (the Revised Codes), which came into effect on 1 May 2015, provides 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 Revised Codes provide more stringent targets, which impact on Sasol's B-BBEE contributor status. The more stringent targets comprise both increased pillar-specific targets (for example, in preferential procurement the target for black ownership of suppliers increased from 25% to 51%) and the generic scorecard requiring more points to be obtained in order to qualify for a given level. Our most recent certification was issued in April 2017. Our contributor status remained at Level 8, although there was noticeable improvement in our scorecard points. We have embarked on a project to assess our B-BBEE strategies and restore our Level 4 rating by 2020. The Sasol Inzalo B-BBEE transaction is maturing in 2018. The group is investigating the merits of a new B-BBEE transaction with some of our South African−based wholly owned subsidiaries.

We believe that the long-term benefits to the company and South Africa should outweigh any possible adverse effects, such as dilution, 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. See "Item 4.B−Empowerment of historically disadvantaged South Africans".

iii. Disruptive industrial action

The majority of our employees worldwide belong to trade unions. These employees comprise mainly of general workers, artisans and technical operators. The South African labour market remains volatile and can be characterised by major industrial action in key sectors of the economy.

Wage negotiations impacting the South African operations of the Sasol Group within the Petroleum and Industrial Chemicals sectors as well as within Sasol Mining took place at the beginning of May 2016. Negotiations in the Industrial Chemicals and Petroleum sector were successfully concluded for the 2016 year. The conclusion of negotiations in the Petroleum sector reached a two year wage agreement which is valid until the end of June 2018.

In Sasol Mining, we initially concluded agreements in 2016 with four of our five recognised trade unions, however, the Association of Mineworkers and Construction Union (AMCU) embarked on industrial action. Following a 79 day strike by AMCU, an agreement was entered into in November 2016, ending one of the longer striking periods to date. An additional cost of R1,4 billion (including external coal purchases) was incurred during the period of the Mining strike. Our focus remains on the safety of our employees, contractors, the community and our assets as well as continuing to strengthen our direct relationship with our employees.

We have commenced the 2017 wage negotiations in May 2017 in the Industrial Chemicals Sector and in Sasol Mining. These negotiations are still in process.

Sasol remains committed to a peaceful resolution of the current wage negotiations process in both Mining and the Chemicals sector in South Africa. These two areas remain our focal point and we will continue to engage key roles players to ensure a successful conclusion hereof.

Although we have constructive relations with our employees and their unions, we cannot assure you that significant labour disruptions will not occur in the future or that our labour costs will not increase significantly in the future.

(b) Fiscal

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

Our sustainability and competitiveness is influenced by our ability to optimise 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.

In South Africa, consumer price inflation averaged 6,1% in 2017, from 5,6% in 2016. This rise in consumer inflation can to a large extent be attributed to food price pressures caused by severe drought conditions. With inflation remaining above the South African Reserve Bank's (SARB) 6% inflation target ceiling for most of 2017 and notwithstanding weakening economic growth, the policy interest rate remained unchanged at 7% in 2017.

The exchange rate remains one of the key risks to the inflation outlook, where global monetary policy developments, sovereign credit rating trends and domestic political and policy developments continue to pose both a depreciation and volatility risk to the rand.

Weak business and consumer confidence levels point to persistent poor economic growth conditions. This, along with indications of slowing inflation in 2018, led to the SARB's decision to cut the policy interest rate by 25 basis points to 6,75% on 21 July 2017. While further decisions remain data dependent, if current conditions persist the SARB could cut interest rates further during the course of the 2018 calendar year.

(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. See "Item 10.D−Exchange controls" and "Item 5.B−Liquidity and capital resources".

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.

For more information regarding pending tax disputes and assessments refer to "Legal proceedings and other contingencies" under 4.B Business overview.

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. These 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, 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 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 particular in South Africa the legal landscape is rapidly evolving, amongst others, due to increasing societal and enforcement pressure. Therefore, the risk of uncertainty is higher in South Africa which could have a material adverse effect on our business, operating results, cash flows, financial condition and future growth.

(d) Transportation, water, electricity and other infrastructure

The infrastructure in some countries in which we operate, such as rail infrastructure, electricity and water supply may need to be further upgraded and expanded, and in certain instances, possibly at our own cost. Water, as a resource, is becoming increasingly limited as world demand for water increases. A significant part of our operations, including mining, chemical processing and others, requires use of large volumes of water. South Africa is generally an arid country and prolonged periods of drought or significant changes to current water laws could increase the cost of our water supplies or otherwise impact our operations. Water use by our operations varies widely depending largely on feedstock and technology choice. Although various technological advances may improve the water efficiency of our processes, we may experience limited water availability and other infrastructure challenges which could have a material adverse effect on our business, operating results, cash flows, financial condition and future growth.

(e) Stakeholder relationships

Our operations can also have an impact on local communities, including the need, from time to time, to relocate or resettle communities or relocate infrastructure networks such as railways and utility services. Failure to manage relationships with local communities, governments and non-governmental organisations may harm our reputation as well as our ability to conduct our operations effectively. In addition, the costs and management time required to comply with standards of social responsibility, community relations and sustainability, including costs related to the resettlement of communities or relocation of infrastructure, have increased substantially and are expected to further increase over time.

(f) Contract stability

Host governments in some of the resource-rich countries where 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, or we may not be able to fully enforce our contractual rights in those jurisdictions or enforce judgements obtained in the courts of other jurisdictions, should they 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;
- lack of capacity to deal with emergency response situations;
- social and labour unrest due to economic and political factors in host countries;
- terrorism, xenophobia and kidnapping threats;
- security threats to assets, employees and supply chain;
- 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.

Actual or alleged non-compliance with laws could result in criminal or civil sanctions and could harm our reputation

Non-compliance with competition laws, anti-corruption laws, sanction laws and environmental laws have been identified as our top four legal risks.

Anti-corruption and anti-bribery laws

considered. We, like other international petrochemical companies, have a geographically diverse portfolio and conduct operations in countries, some of which have a perceived high prevalence of corruption. Our operations must comply with the US Foreign Corrupt Practices Act and similar anti-corruption and anti-bribery laws of South Africa and other applicable jurisdictions. There has been a substantial increase in the global enforcement of these laws. In particular, major investments in countries with a high corruption risk are subject to an elevated risk in dealings with private companies, governments or government-controlled entities. Although we have an anti-corruption and anti-bribery compliance programme in place designed to reduce the likelihood of violations of such laws, any violation could result in substantial criminal or civil sanctions and could damage our reputation.

Sanctions laws

Our international operations could expose us to trade and economic sanctions or other restrictions imposed by the United States or other governments or organisations, including the United Nations, the European Union and its member countries. Under economic and trading sanctions laws, governments may seek to impose modifications to business practices, and modifications to compliance programmes, which may increase compliance costs, and may subject us to fines, penalties and other sanctions.

Although we believe that we are in compliance with all applicable sanctions and embargo laws and regulations, and intend to maintain such compliance, 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 changing interpretations.

We are monitoring developments in the United States, the European Union and other jurisdictions that maintain sanctions programmes, including developments in implementation and enforcement of such sanctions programmes. Expansion of sanctions programmes, embargoes and other restrictions in the future (including additional designations of

Ethical misconduct and non-compliance with applicable anti-corruption laws, including a violation of the rules to disclose payments made to governments, could have a material adverse impact on our reputation, operations and licence to operate.

Petrochemical and energy 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 countries subject to sanctions), or modifications in how existing sanctions are interpreted or enforced, could have a material adverse effect on our business, operating results, cash flows and financial condition.

Environmental laws and regulations

Over the last years, the environmental legislation in South Africa set stricter standards than in the past which poses a risk to some of our operations in South Africa. For instance, the promulgation of the South African National Environmental Management: Air Quality Act in 2004, followed by the publication of minimum emission standards for point sources in April 2010, introduced a fundamental new approach to air quality management. Accordingly, by 2020, our existing plants are required to meet the same more stringent point source standards applicable to newly commissioned plants. Meeting some of these requirements may require retrofitting of some of our existing plants, which could pose significant compliance challenges for our existing plants from a technical and financial feasibility point of view.

We continue to investigate technologies that may enable us to comply and advance environmental roadmaps to enable compliance.

To mitigate associated compliance risks in the short- and long- term, Sasol will be reliant on mechanisms available in law and decisions thereon by the relevant authorities to obtain postponements on the requisite compliance time frames. We remain concerned about the limitations of the postponement mechanism, which is currently the only formalised mechanism provided in law for this compliance challenge, to provide longer-term certainty in the face of these significant compliance challenges. This is particularly the case since the outcome of these applications cannot be guaranteed and may be successfully challenged by third parties. Non-compliance may result in the violation of licence conditions with the associated consequence of administrative enforcement action, which may include directions to cease operations, as well as criminal prosecution. This may have a material adverse impact on our business.

Where we are unable to rely on mechanisms available in law or find appropriate feasible solutions, we may, of necessity, elect to decommission or mothball essential parts of our plant.

We also rely on other available alternative mechanisms, such as the implementation of air quality offsets as per our approved plans, to address our compliance challenges. We further continue to engage with the regulatory authorities in order to encourage a sustainable air quality regulatory system, including the formal recognition of offsets. The success of these engagements cannot be guaranteed.

The Department of Environmental Affairs has also declared the Vaal Triangle (where the Sasolburg plant is situated) and the Highveld area (where our Secunda operations are situated) as Priority Areas. The Vaal Triangle and Highveld Priority Area Air Quality Improvement Plans are being implemented. Compliance with the provisions of these plans is also likely to trigger significant cost.

Competition laws

Violations of competition/antitrust legislation could expose the group to administrative penalties and civil claims and damages, including punitive damages, by entities which can prove they were harmed by such conduct. Such penalties and damages could be significant and have an adverse impact on our business, operating results, cash flows and financial condition. In addition, our reputation could be damaged by findings of such contraventions and individuals could be subject to imprisonment or fines in some countries where antitrust violations are a criminal offence. Competition authorities are increasingly engaging with each other to exchange information relating to violations of antitrust laws and enforce antitrust laws.

The South African Competition Commission is conducting proceedings against various petroleum products producers, including Sasol. The Competition Commission has finalised a market inquiry in the South African LPG market and Sasol is in the process of implementing the Commission's recommendations. We continue to interact and co-operate with the South African Competition Commission in respect of leniency applications as well as in the areas that are subject to the Commission's investigations. In June 2017, Sasol Germany received a request for information from the European Commission regarding the market of ethylene in Europe. Sasol responded to this request for information.

Although it is our policy to comply with all laws, and notwithstanding training and compliance programmes, we could inadvertently contravene competition or antitrust laws and be subject to the imposition of fines, criminal sanctions and/or civil claims and damages. This could have a material adverse impact on our reputation, business, operating results, cash flows and financial condition.

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

Certain amendments to the Mineral and Petroleum Resource Development Act, 28 of 2002 (MPRDA) are currently under consideration. The impact thereof on our operations will be considered once we have clarity on the nature of the amendments.

The revised Mining Charter published on 15 June 2017 contains more stringent compliance criteria than the previous Mining Charter, which may have a material adverse effect on Sasol Mining. The potential impact on Sasol Mining is two-fold: higher cost of production and the risk of being in non-compliance with the requirements of the revised Mining Charter, which can lead to the suspension or cancellation of Sasol Mining's mining and/or prospecting rights. Amongst other provisions, the revised Mining Charter increases the minimum requirement for a Black shareholding from 26% to 30%, which minimum Black shareholding must be maintained, even in the case of Black shareholders selling their shares. In such a situation, new Black shareholders would have to be brought in. The revised Mining Charter also requires that 1% of the turnover generated by mining rights granted after 15 June 2017 will have to be paid to Black shareholders in addition to a dividend. The full extent of the financial and compliance risks associated with the revised Mining Charter are currently being assessed and can only be fully evaluated upon completion of pending legal proceedings.

If a holder of a prospecting right or mining right in South Africa conducts prospecting or mining operations in contravention of the MPRDA, including the revised Mining Charter and Social and Labour Plans, the converted mining rights can be suspended or cancelled by the Minister of Mineral Resources. The entity, upon receiving a notice of breach from the Minister, has a specific period of time to remedy such breach. The MPRDA and applicable provisions in the National Environmental Management Act and National Water Act 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 of the proposed changes to the MPRDA, associated regulations to be promulgated and the revised Mining Charter on our mining and petroleum rights in the future may have a material adverse effect on our business, operating results, cash flows and financial condition. See "Item 4.B−Business overview−Regulation of mining activities in South Africa".

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

Regulation of Petroleum Products

The Petroleum Products Amendment Act

The Petroleum Products Amendment Act (the Petroleum Act) requires persons involved in the manufacturing, wholesale and retail sale of petroleum products to obtain relevant licences for such activities. Sasol Oil, Natref and Sasol South Africa (Pty) Ltd submitted applications for their respective operations. The Sasol Oil wholesale and manufacturing licences; and Sasol South Africa (Pty) Ltd manufacturing licence applications have been approved and issued. The Natref manufacturing licence application is still under review by the Department of Energy.

Nevertheless, these facilities continue to operate as being persons who, as of the effective date of the Petroleum Act, are deemed to be holders of a licence until their applications have been finalised. Until this application has been finalised, we cannot provide assurance that the conditions of the licences may not have a material adverse impact on our business, operating results, cash flows and financial condition.

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

A regulatory price review was conducted by the Department of Energy which resulted in new price calculation methodologies for retail liquid fuels and that have been implemented since December 2013;

Regulations to better align South African liquid fuels specifications with those prevailing in Europe were meant to come into force on 1 July 2017. None of the local refineries, including those of Sasol, would have been able to comply with these new specifications. The Minister of Energy however rescinded and amended the regulations and will announce a new implementation date some time in the future. We are monitoring the changes in this regard as the significant risk for us as a local producer of fuels is that the market demand and supply of cleaner fuels can overtake the regulatory date of the introduction of these fuels and/or the date we can convert our plants to meet this demand. Compliance with these new specifications will require substantial capital investments at both Natref and Secunda Synfuels Operations. The amount of capital investment required has not yet been finalised and discussions with the South African government regarding potential cost recoveries and/or incentives are on-going; and

Regulations to oblige licenced manufacturers and/or wholesalers to keep minimum levels of market-ready petrol, diesel, illuminating paraffin, jet fuel and liquid petroleum gas (LPG) are currently under consideration by the Department of Energy. No indications on volumes, cost recovery, implementation date and compensation mechanisms are available as yet.

Regulation of pipeline gas activities in South Africa

The Gas Act

The Gas Act provides that the National Energy Regulatory of South Africa (NERSA) has the authority to issue licences for construction and operation of gas pipelines and trading in gas. 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. The Gas Act further gives NERSA the authority to impose fines and other punitive measures for failure to comply with the licence 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 NERSA decisions approving the Sasol Gas maximum gas prices and transmission tariffs, Sasol Gas implemented a standardised pricing mechanism in its supply agreements with customers in compliance with the applicable regulatory and legal framework. Seven of Sasol Gas's largest customers initiated a judicial review of the NERSA decisions relating to its maximum price and tariff methodologies and NERSA's decision on Sasol Gas's maximum price application. The review application proceedings were completed and the judgement upheld the NERSA approved pricing methodology. The gas customers have since appealed and we are awaiting the outcome of the appeal. We cannot assure you that the provisions of the Gas Act and the implementation of a new gas price and tariff methodology pursuant to the NERSA approvals, and the outcome of the appeal application, will not have a material adverse impact on our business, operating results, cash flows and financial condition.

Changes in safety, health and environmental regulations and 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 jurisdictions in which we operate. See "Item 4.B−Business overview−Regions in which Sasol operates and their applicable legislation".

One of our most material challenges is the ability to anticipate and respond to the rapidly changing regulatory and policy context and associated stakeholder challenges in particular relating to environmental legislation in South Africa. Evolving legislation relating to air quality, climate change, water and waste management introduce profound regulatory challenges to our existing plants in South Africa. The quality, emission and disposal limit requirements imposed in our air quality, waste management and water use licenses for our South African operations are consequently becoming increasingly more stringent. These laws and regulations and their enforcement are likely to become more stringent over time in all jurisdictions in which we operate, although these laws in some jurisdictions are already more established and entrenched 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. Compliance with these requirements is a significant factor in our business. We continue to effectively invest in significant capital and expenditures in order to comply with these requirements, our committed environmental roadmaps and offset commitments. We continue with transparent disclosures and engagements with our key stakeholders in an effort to address these challenges.

Changes to waste management legislation in South Africa particularly around landfill prohibitions, are compelling our South African operations to find alternative solutions to waste management and disposal. The changing regulatory landscape introduces increasingly stringent waste disposal restrictions and punitive fiscal reform measures including waste levies. We are quantifying the potential costs associated with meeting these requirements. We will be dependent 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. We may have to rely on mechanisms in law, such as exemption applications, to address potential waste management compliance challenges, the outcome of which cannot be guaranteed.

Although systems and processes are in place, monitored and improved upon, to ensure compliance with applicable laws and regulations, 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 our use of incorrect methodologies or defective or inappropriate measuring equipment, errors in manually capturing results, or other mistaken or unauthorised acts of our employees.

Public opinion is growing more sensitive and challenges are increasingly being raised to community and consumer health and safety associated with the manufacturing and use of chemicals and industries reliant on fossil fuels. Our manufacturing processes may utilise and result in the emission of or exposure to substances with potential health risks. We also manufacture products which may pose health risks. Although we remain committed to apply a duty of care principle and implement measures to eliminate or mitigate associated potential risks, including the Chemical and Allied Industries' Association Responsible Care® programme, we may be subject to liabilities as a result of the use or exposure to these materials or emissions. See Item 4.B "Business overview−Regulation" for more detail.

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 withdraw certain products from the market, which could have a material adverse effect on our business, operating results, cash flows, financial condition and reputation. In addition, as currently framed, the draft South African Chemicals Management Bill may impose significant requirements for the management of chemicals in our South African value chain. The scope of the impact on Sasol's business cannot be predicted at this time.

We may not be successful in attracting and retaining sufficiently skilled employees

We are highly dependent on the continuous development and successful application of new technologies. In order to achieve this, we need to maintain a focus on recruiting and retaining qualified scientists, engineers, project execution managers, artisans and operators. In addition, we are dependent on highly skilled employees in business and functional roles to establish new business ventures as well as to maintain existing operations.

The quality and availability of skills in certain labour markets is impacted by the challenges within the education and training systems in certain countries in which we operate.

Localisation, diversity and other similar legislation in countries in which we operate are also key considerations in the attraction and retention of sufficiently skilled employees. In an increasingly competitive market for limited skills, failure to attract and retain people with the right capabilities and experience could negatively affect our ability to operate existing facilities, to introduce and maintain the appropriate technological improvements to our business, as well as our ability to successfully construct and commission new plants or establish new business.

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 chemical, CTL and GTL 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 commercialisation strategy may result in a misalignment between 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 for our 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, 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 suitable for different applications than the typical commodity products. These products are normally utilised by 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 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 to exposure 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, 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 licences granted under our intellectual property, as well as the increase in the number of licenced plants which are brought into operation through entities which we do not control. As intellectual property warranties and indemnities are provided under each new licence granted, the cumulative risk increases accordingly.

The above risks may adversely affect our business, operating results, cash flows and financial condition.

Increasing competition in relation to products originating from countries with low production 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 Europe. Economic and political conditions in these countries result in relatively high labour costs and, in some regions, relatively inflexible labour markets. Increasing competition from regions with lower production costs and more flexible labour 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 face potential costs in connection with industry-related accidents or deliberate acts of terror causing property damage, personal injuries or environmental contamination

We operate coal mines, explore for and produce oil and gas and operate a number of plants and facilities for the manufacture, storage, processing and transportation of oil, chemicals and gas, related raw materials, products and wastes. These facilities and their respective operations are subject to various risks, such as fires, explosions, releases and loss of containment of hazardous substances, soil and water contamination, flooding and land subsidence, among others. As a result, we are subject to the risk of, and in the past have experienced, industry-related incidents. Our facilities are also subject to the risk of deliberate acts of terror.

Our main Secunda Synfuels production facilities are concentrated in a relatively small area in Secunda, South Africa. The size of the facility is approximately 82,5 square kilometres (km^2) with operating plants accounting for 8,35 km^2. This facility utilises feedstock from our mining and gas businesses, while the chemical and energy businesses rely on the facility for the raw materials it produces. Accidents and acts of terror may result in damage to our facilities and may require 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 have caused, or may in future cause, environmental contamination, personal injuries, health impairment or fatalities and may result in exposure to extensive environmental remediation costs, civil litigation, the imposition of fines and penalties and the need to obtain or implement costly pollution control technology.

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 or marine vessels. Such activities take place in the public domain exposing us to incident risks over which we have limited control.

It is Sasol's policy to procure appropriate property damage and business interruption insurance cover for its production facilities 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.

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.

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

The increasing use of information technology (IT) systems in operations is making all industries, including the energy and chemicals industries, much more susceptible to cyber threats. IT systems with related IT services include our financial, commercial, transacting and production systems. Sasol has an information security program in place to mitigate the risks that come with information security breaches but recognises that if there is a breach of information security we can experience disruptions of IT services, or in worst case scenario, could have a material adverse effect on our business, operating results, cash flows and financial condition and our disclosure control processes.

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

Most of our operations, including the gasification of coal and the manufacture of synfuels and petrochemical products, are highly dependent on the use of advanced technologies. The development, commercialisation 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 utilise 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 technological challenges, a number of our expansion projects are 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 will depend on our timely and cost-effective implementation of new technological advances. It will also depend on our success in commercialising these advances irrespective of competition we face. Any failure to do so could result in a material adverse effect on our business, operating results, cash flows and financial condition.

In the US, we recognised a partial impairment in 2017, of R1 697 million (US$130 million), relating to our GTL project, mainly driven by exposure to low crude oil prices, project execution and delayed start-ups, changes in technology, and the nature of the costs currently capitalised, and whether these costs would have any value should the project recommence.

The exercise of voting rights by holders of American Depositary Receipts is limited in some circumstances

Holders of American Depositary Receipts (ADRs) may exercise voting rights with respect to the ordinary shares underlying their American

Depositary Shares (ADSs) only in accordance with the provisions of our deposit agreement (Deposit Agreement) with The Bank of New York Mellon, as the depositary (Depositary). For example, ADR holders will not receive notice of a meeting directly from us. Rather, we will provide notice of a shareholders meeting to The Bank of New York Mellon in accordance with the Deposit Agreement. The Bank of New York Mellon has undertaken in turn, as soon as practicable after receipt of our notice, to mail voting materials to holders of ADRs. These voting materials include information on the matters to be voted on as contained in our notice of the shareholders meeting and a statement that the holders of ADRs on a specified date will be entitled, subject to any applicable provision of the laws of South Africa and our Memorandum of Incorporation, to instruct The Bank of New York Mellon as to the exercise of the voting rights pertaining to the shares underlying their respective ADSs.

Upon the written instruction of an ADR holder, The Bank of New York Mellon will endeavour, in so far as practicable, to vote or cause to be voted the shares underlying the ADSs in accordance with the instructions received. If instructions from an ADR holder are not received by The Bank of New York Mellon by the date specified in the voting materials, The Bank of New York Mellon will not request a proxy on behalf of such holder. The Bank of New York Mellon will not vote or attempt to exercise the right to vote other than in accordance with the instructions received from ADR holders.

We cannot assure you that you will receive the voting materials in time to ensure that you can instruct The Bank of New York Mellon to vote the shares underlying your ADSs. In addition, The Bank of New York Mellon and its agents are not responsible for failing to carry out voting instructions or for the manner of carrying out voting instructions. This means that you may not be able to exercise your right to vote and there may be no recourse if your voting rights are not exercised as you directed.

Sales of a large amount of Sasol's ordinary shares and ADSs could adversely affect the prevailing market price of the securities

Historically, trading volumes and liquidity of shares listed on the JSE Limited (JSE) have been low in comparison with other major markets. The ability of a holder to sell a substantial number of Sasol's ordinary shares on the JSE in a timely manner, especially in a large block trade, may be restricted by this limited liquidity. The sales of ordinary shares or ADSs, if substantial, or the perception that these sales may occur and be substantial, could exert downward pressure on the prevailing market prices for the Sasol ordinary shares or ADSs, causing their market prices to decline.

ITEM 4. INFORMATION ON THE COMPANY

4.A History and development of the company

Sasol Limited, the ultimate holding company of our group, is a public company. It was incorporated under the laws of the Republic of South Africa in 1979 and has been listed on the JSE Limited (JSE) since October 1979. Our registered office and corporate headquarters are at Sasol Place, 50 Katherine Street, Sandton, 2196, South Africa, and our telephone number is +27 10 344 5000. Our agent for service of process in the United States is Puglisi & Associates, 850 Library Avenue, Suite 204, P.O. Box 885, Newark, Delaware 19715.

For a description of the company's principal capital expenditures and divestitures refer to "Item 5.B−Liquidity and capital resources".

4.B Business overview

Sasol is an international integrated chemicals and energy company that, through its talented people, uses selected technologies to safely and sustainably source, produce and market chemical and energy products competitively to create superior value for our customers, shareholders and other stakeholders.

For details regarding the following sections, refer as indicated.

- For information regarding our Business Overview, refer "Our Operating Model Structure" as contained in Exhibit 99.4;
- For information regarding our Strategy, refer "Integrated Report−"Our strategy" as contained in Exhibit 99.5; and "Our integrated value chain" as contained in Exhibit 99.6;
- For a description of the company's operations and principal activities refer "Our Operating Model Structure" as contained in Exhibit 99.4; "Integrated Report−Operational reviews" as contained in Exhibit 99.7; and Item 18−"Annual Financial Statements−Segment information"; and
- For a description of our principal markets, refer to Item 18−"Annual Financial Statements−Geographic segmentation", which provides information regarding the geographic location of the principal markets in which we generate our turnover, as well as of our asset base.

Seasonality

Production and sales volumes of our products are generally not subject to seasonal fluctuations, but tend to follow broader global industry trends and are therefore impacted by macro-economic factors. Sasol operates globally and in many diverse markets, and accordingly, no element of seasonality is likely to be material to the results of Sasol as a whole. For further information regarding cyclicality and prices and demand, refer to Item 3.D−"Risk Factors".

Raw materials

In the Southern Africa value chain, the main feedstock components for the production of fuels and chemical products are coal obtained from Mining, natural gas obtained from Exploration and Production International and crude oil purchased from external suppliers.

In our Performance Chemicals business, the main feedstocks used are kerosene, benzene, ethane, ethylene, oleochemical and aluminium. Feedstocks are purchased externally, with the exception of a portion of ethylene which is produced at our Lake Charles facility and the Fischer-Tropsch-based feedstock used for our South African alcohol, wax, ammonia, phenolics, and co-monomer production. The pricing of most of these raw materials follow global market dynamics which relate to crude oil and energy prices.

Marketing channels and principal markets

In our Operating Business Units, we make use of direct sales models, long-term marketing gas sales agreements and short-term crude oil sale and purchase agreements.

Our Regional Operating Hubs channel their products through the Strategic Business Units to external markets.

In our Strategic Business Units, marketing channels can be divided into the following main areas:

Energy:

- Liquid fuel sales to licensed wholesalers;
- Liquid fuels direct marketing (retail and commercial markets in South Africa);
- Natural gas marketing in South Africa (wholesale and commercial markets);
- Liquid fuels overland exports into other parts of Southern Africa; and
- Electricity sales to Eskom and Electricidade de Moçambique (EDM) in Mozambique.

Base chemicals:

- Polymer products are mainly sold directly to customers in South Africa and internationally;
- Solvents products are sold through 13 regional sales offices and 9 storage hubs in South Africa, Europe, the Asia-Pacific region, the Middle East and the United States; and

Fertiliser and explosives are sold mainly within Southern Africa.

Performance chemicals:

The majority of products are sold globally, directly to end-user customers under annual and multi-year contracts.

Factors on which the business is dependent

Intellectual property

Our proprietary or licensed technologies, our software licences, procedures and protocols support Sasol's competitive advantage.

Skilled, experienced and technically qualified employees, industry thought leaders and experts that enable Sasol to respond to the constantly changing environment;

Our patented technologies; and

Our business processes and management systems.

Intellectual Capital summary	2017	2016
Number of new patents issued	190	429
Total worldwide patents held	2 216	2 023
Investment in research and development	R1 077 million	R1 105 million

The Sasol Slurry Phase Distillate^{TM} (SPD^{TM}) *process*–Based on our Technology function's extensive experience in the commercial application of the Fischer-Tropsch (FT) technology, we have successfully developed the FT-based Sasol SPD^{TM} process for converting natural gas into high-quality, environment-friendly GTL diesel, GTL kerosene and other liquid hydrocarbons.

The SPD^{TM} process consists of three main steps, each of which is commercially proven. These include:

the Haldor Topsøe reforming technology, which converts natural gas and oxygen into syngas;

our Slurry Phase Distillate FT technology, which converts syngas into hydrocarbons; and

the Chevron Isocracking^{TM} technology, which converts hydrocarbons into particular products, mainly diesel, naphtha and LPG.

Currently we believe, based on our knowledge of the industry and publicly available information, that globally, we have the most extensive experience in the application of FT technology on a commercial scale. Given the increasing discovery of extensive natural gas resources, our Sasol SPD^{TM} process can be applied with significant commercial advantages in various parts of the world. As a consequence, our technology has evoked interest from countries and companies with extensive natural gas resources as an appealing alternative for commercialising these resources. The Sasol SPD^{TM} process converts natural gas into diesel and other liquid hydrocarbons, which are generally more environmentally friendly and of higher quality and performance compared to the equivalent crude oil-derived products. In view of product specifications gradually becoming more stringent, especially with respect to emissions, we believe that the option of environmentally friendly GTL fuels will become increasingly appealing. GTL diesel can be used with optimised engines for best performance, although it can also be utilised with current compression ignition engines. GTL diesel is currently used as a cost-competitive blend stock for conventional diesels, thereby enabling conventional diesel producers to improve the quality and capacity of their product without investing substantially in sophisticated new plants and infrastructure. We anticipate that the combined factors of GTL diesel's superior characteristics and the prevailing market conditions in developed economies will enable GTL diesel to command premium prices for either niche applications or as a blend stock for upgrading lower-specification products. The construction of GTL facilities and the production of GTL fuels require significant capital investment.

Key contracts

ORYX GTL, our 49% joint venture in Qatar, purchases natural gas feedstock from Al Khaleej Gas, a joint venture between

ExxonMobil Middle East Gas Marketing Limited and Qatar Petroleum, under a gas purchase agreement with a contracted minimum off-take volume. The agreement commenced in November 2005 and is valid for a term of 25 years. The term of the agreement may be extended by the parties on terms and conditions that are mutually agreed.

Escravos GTL (EGTL), in which we hold a 10% indirect economic interest, purchases 100% of its gas requirements for the EGTL plant from Chevron Nigeria Limited (CNL) and Nigerian National Petroleum Corporation (NNPC), the upstream joint venture partners. The agreement commenced from the date of commission of each unit and is valid for 25 years after the start of beneficial operation which was during June 2014. The term of the agreement may be extended by the parties on terms and conditions that are mutually agreed.

The marketing agreement between Sasol Chevron Holdings Limited (a 50% owned joint venture) and EGTL in respect of diesel and naphtha will cease in November 2017. Thereafter, EGTL will be responsible for the marketing of its own products.

Central Térmica de Ressano Garcia (CTRG), our 49% joint venture in Mozambique, purchases natural gas feedstock produced from our natural gas asset Pande-Temane PPA, which is managed by an unincorporated joint venture comprising of Sasol's subsidiary Sasol Petroleum Temane Limitada (SPT), and partners Companhia Mozambique de Hidrocabonetos (CMH) and the International Financial Corporation (IFC). CTRG also has a gas transport agreement with the Republic of Mozambique Pipeline Investment Company (ROMPCO) and a power purchase agreement with Electricidade de Mozambique (EDM). The term of the agreements commenced on 27 February 2015 and is valid for 20 years.

Ethane and propane used as feedstock for the cracker in Malaysia (12% shareholding) (PETRONAS Chemicals Olefins Sdn Bhd), is purchased from PETRONAS at a set price, which escalates annually in line with US inflation rates.

Refer to Item 4.D−Exploration and Production International" for detail regarding key contracts in Gabon and Mozambique.

Legal proceedings and other contingencies

From time to time, Sasol companies are involved in litigation, tax and similar proceedings in the normal course of business. Although the outcome of these claims and disputes cannot be predicted with certainty, a detailed assessment is performed on each matter, and a provision is recognised, or contingent liability disclosed, where appropriate in terms of International Financial Reporting Standards.

The South African Revenue Service ("SARS") has issued revised assessments for Sasol Oil (Pty) Ltd ("Sasol Oil") relating to a dispute around its international crude oil procurement activities for the 2005 to 2012 tax years. These revisions could result in potential adjustments to the company's taxable income and an additional tax liability including interest and penalties of approximately R1,2 billion for the periods 2005 to 2014.

Sasol Oil has co-operated fully with SARS during the course of the audit related to these assessments. SARS' decisions to suspend the payment of this disputed tax for the periods 2005 to 2012 currently remain in force. The litigation process in the Tax Court, relating to the international crude oil procurement activities for the 2005 to 2007 years of assessment was concluded and judgement was delivered on 30 June 2017 in favour of SARS. As a result, a liability of R1,2 billion has been recognised in the annual financial statements in respect of the 2005 to 2014 matters that remain the subject of the ongoing litigation.

Sasol Oil, in consultation with its tax and legal advisors, does not support the basis of the judgement and issued a Notice of Intention to Appeal to the Supreme Court of Appeal on 31 July 2017. The Tax Court granted Sasol Oil's application for leave to appeal to the Supreme Court of Appeal on 14 August 2017.

SARS has notified Sasol Oil of its intention to place on hold the field audit relating to this issue for the 1999 to 2004 tax years pending the outcome of the litigation. As a result of the judgement handed down on 30 June 2017, a possible obligation may arise from the field audit, which is regarded as a contingent liability.

In addition, there could be a potential tax exposure of R11,6 billion for the periods 2013 to 2014 on varying tax principles relating to the aforementioned activities. Supported by its specialist tax and external legal advisors, Sasol Oil disagrees with SARS' assessment for 2013 and 2014 periods. Accordingly, Sasol Oil has submitted an objection to the revised assessments and requested suspension of payment.

Sasol Oil and SARS have come to a resolution with regards to the request for suspension of payment, resulting in SARS suspending payment for the significant majority of the disputed tax. Further based on the outcome of the Tax Court judgement, a possible obligation may arise for the tax years subsequent to 2014, which could give rise to a further contingent liability at 30 June 2017.

Following a judgement by the South African Constitutional Court in 2011, which confirmed the right of employees in the mining industry who contracted certain occupational diseases to claim damages from their employers, a number of legal cases were instituted in South Africa. Similar cases have also been threatened against participants in the coal sector of the mining industry. As a result of the Constitutional Court judgement referred to above, Sasol Mining is currently the defendant in three separate litigation matters. The first matter was instituted by 22 claimants who allege that they have contracted coal dust related lung diseases, including pneumoconiosis, while in Sasol Mining's employment. This claim was followed by two separate but similar claims instituted by single individuals.

The first lawsuit is not a class action but rather 22 individual cases, each of which will be judged on its own merits. The plaintiffs seek compensation for damages relating to past and future medical costs and loss of income amounting to R82,5 million in total. Sasol Mining is defending the claim.

The merits of each single claim are not yet clear. There is also some uncertainty as to whether one or more of the claims has become prescribed. Therefore, it is not possible at this stage to make an estimate of the likelihood that the plaintiffs will succeed with their claim and if successful, what the quantum of damages would be that the court will award. Therefore, no provision has been raised at 30 June 2017.

Further, from time to time, communities and non-governmental organisations challenge our environmental licences and related applications on the basis of concerns regarding potential health and environmental impacts associated with Sasol's activities.

For instance, the South African National Environmental Management: Air Quality Act prescribed minimum emission standards, applicable to existing plants which had to be complied with starting on 1 April 2015. Some parts of our operating units in South Africa were not able to comply with the new emission standards, and accordingly, applied for postponements. On 24 February 2015, the Department of Environmental Affairs issued the postponement decisions and an administrative appeal lodged against those by the Legal Resources Centre in South Africa was dismissed by the Minister of Environmental Affairs. Sasol continues to operate under atmospheric emission licences that incorporate these postponement decisions. In those instances where Sasol was granted compliance extensions for less than the five years it initially requested, Sasol has either received or has made application for further postponements. It is uncertain whether these further postponement applications will be granted or whether they will be challenged by third parties and if so, whether any decisions granted in respect thereof can always be successfully defended. In case of a postponement decision being declared invalid, the consequences for Sasol may be material as operating units may be found in non-compliance with the aforementioned Air Quality Act and the associated atmospheric emission licence which may trigger substantial investment requirements or even a cease operation decision by the competent authorities.

Competition law compliance

Sasol continuously evaluates its compliance programmes and controls in general, including its competition law compliance programme and controls. As a consequence of these compliance programmes and controls, including monitoring and review activities, Sasol has adopted appropriate remedial and/or mitigating steps, where necessary or advisable, lodged leniency applications and made disclosures on material findings as and when appropriate. These ongoing compliance activities have already revealed, and may still reveal, competition law contraventions or potential contraventions in respect of which we have taken, or will take, appropriate remedial and/or mitigating steps including lodging leniency applications.

The South African Competition Commission is conducting an investigation into the South African petroleum products industry. Sasol continues to interact and co-operate with the Commission.

To the extent appropriate, further announcements on competition law matters will be made in future.

Environmental Orders

Sasol is subject to loss contingencies pursuant to numerous national and local environmental laws and regulations that regulate the discharge of materials into the environment and that may require Sasol to remediate or rehabilitate the effects of its operations on the environment. The contingencies may exist at a number of sites, including, but not limited to, sites where action has been taken to remediate soil and groundwater contamination. These future costs are not fully determinable due to factors such as the unknown extent of possible contamination, uncertainty regarding the timing and extent of remediation actions that may be required, the allocation of the environmental obligation among multiple parties, the discretion of regulators and changing legal requirements.

Sasol's environmental obligation accrued at 30 June 2017 was R15 716 million compared to R17 128 million at 30 June 2016. Included in this balance is an amount accrued of approximately R5 816 million in respect of the costs of remediation of soil and groundwater contamination and similar environmental costs. These costs relate to the following activities: site assessments, soil and groundwater clean-up and remediation, and on-going monitoring. Due to uncertainties regarding future costs, the potential loss in excess of the amount accrued cannot be reasonably determined.

Although Sasol has provided for known environmental obligations that are probable and reasonably estimable, the amount of additional future costs relating to remediation and rehabilitation may be material to the results of the operations in the period in which they are recognised. It is not expected that these environmental obligations will have a material effect on the financial position of the group.

Regulation

The South African government has, over the past 20 years, introduced a legislative and policy regime with the imperative of redressing historical social and economic inequalities, as stated in the Constitution of the Republic of South Africa, by way of the empowerment of historically disadvantaged South Africans (HDSAs) in the areas of ownership, management and control, employment equity, skills development, procurement, enterprise development and socio-economic development.

The majority of our operations are based in South Africa, but we also operate in numerous other countries throughout the world. In South Africa, we operate coal mines and a number of production plants and facilities for the storage, processing and transportation of raw materials, products and wastes related to coal, oil, chemicals and gas. These facilities and the respective operations are subject to various laws and regulations that may become more stringent and may, in some cases, affect our business, operating results, cash flows and financial condition.

Our business activities in South Africa relating to coal mining, petroleum production, distribution and marketing of fuel products, electricity and gas are subject to regulation by various government departments and independent regulators. Refer to "Item 3.D−Risk factors" for details on particular aspects of regulation affecting our business activities.

Empowerment of historically disadvantaged South Africans

Black Economic Empowerment policies and legislation

Broad-based Black Economic Empowerment Act, 53 of 2003

Sasol is well aligned with the economic transformation and sustainable development objectives embodied in the South African legislative and regulatory framework governing Broad-Based Black Economic Empowerment (B-BBEE). The key elements of this framework are the B-BBEE Act and the Codes of Good Practice (the new Codes were gazetted on 11 October 2013 and promulgated on 1 May 2015) for B-BBEE issued by the Minister of Trade and Industry in terms of the Act (Codes), as well as the Charters (i.e. the Mining Charter and Liquid Fuels Charter) adopted by the various sectors within which Sasol operates businesses and related scorecards.

Transformation is an essential part of the group's strategy, and thus our B-BBEE framework and plans have been developed to ensure that measurable progress is made towards sustainable economic transformation. Our approach is intrinsically collaborative and the business works together with all of our stakeholders−customers, partners, suppliers and the public sector, including government. Our approach to transformation is thus much more than just meeting targets and we are committed to constant evaluation of our achievements, as well as tackling challenges and leveraging new opportunities.

Sasol continues to support the goals of the National Development Plan (NDP) 2030, B-BBEE, Employment Equity and Skills Development Acts. Sasol supports the broader objectives of skills development and has been a significant contributor to skills development and in turn socio-economic development in South Africa over the years. Through various management training programmes, Sasol has notably built a pipeline of black managers who are moving from junior management to middle management positions and have made strides in this area. Furthermore Sasol provides support to small, medium and micro-sized enterprises (SMMEs) which includes loan funding to majority black-owned suppliers through the Sasol Siyakha Enterprise and Supplier Development Fund and, business development and incubation support through our Sasol Business Incubator located in Sasolburg. Being a credible corporate citizen and member of the communities in which we operate is at the core of our approach to our socio-economic development contribution. As a result, we have realigned our social investments towards programmes that enable access to quality education; stimulate local economic development and job creation, bolster the pool of technical, vocational and science, technology, engineering and mathematics-related skills; facilitate collaboration to advance the delivery of municipal services; and promote the protection of the environment.

Our most recent certification issued in April 2017 remained at a contributor status of level 8 and represents a key milestone in our transformation efforts, with year on year improvements once again being realised across most pillars of the scorecard.

Sasol continues to entrench transformation within the organisational culture, enhancing its commitment as a corporate citizen.

Sasol Inzalo share transaction

In 2008, Sasol entered into the Sasol Inzalo black economic empowerment (BEE) share transaction, which resulted in the transfer of beneficial ownership of 10% (63,1 million shares) of Sasol Limited's issued share capital before the implementation of this transaction, to its employees and a broad-based group of black South Africans (BEE participants). This transaction will contractually unwind during the period June to September 2018. Refer to

"Item 18−Annual Financial Statements−Note 34−Share based payment reserve".

The revised Mining Charter

The revised Mining Charter requires mining companies to meet various criteria intended to promote meaningful participation of HDSAs in the mining sector.

The revised Mining Charter was published on 15 June 2017. The revised Mining Charter is intended to ensure alignment between the B-BBEE Act and the Mining Charter. The revised Mining Charter introduces a number of new requirements which may have a material adverse effect on Sasol. The increase of Black shareholding in respect of prospecting rights, from 26% to 51%, will impact on existing prospecting rights under application or renewal and the transfer of prospecting rights recently acquired. The introduction of various categories of shareholders, that must be included in any future Black economic empowerment transactions, as well as the increase in the minimum required Black shareholding from 26% to 30%, will have an impact on future applications for mining rights. The holder of a mining right granted after 15 June 2017 will be required to pay 1% of annual turnover to its Black shareholders, prior to and over and above any distributions to shareholders, which may have a significant financial impact on Sasol. The revised Mining Charter determines that the "once empowered always empowered" principle is not applicable which means, for instance, that in the event any existing B-BBEE shareholders decide to sell their shares, the company would be required to look for new B-BBEE shareholders, who in turn might require Sasol-assisted financing for their purchases of such shares. The revised Mining Charter also introduces the contribution of funds to the Mining Transformation and Development Agency, still to be established. Stringent requirements in respect of procurement, supplier and enterprise development are set, which includes compulsory procurement of 80% of services from Black-owned (50% + 1 vote) companies, Black-female and Black youth-owned companies.

The Chamber of Mines applied to the High Court for an urgent interdict to suspend the implementation of the revised Mining Charter until such a time as an application for a judicial review of the revised Mining Charter has been dealt with. The Chamber of Mines also requested the Court to proceed with the application for a declaratory order to determine whether the "once empowered always empowered" principle is still applicable and this application will be heard in the High Court on 9 and 10 November 2017. The Minister of Mineral Resources announced that it would not implement the revised Mining Charter pending the completion of the litigation. Sasol is assessing the impact of the revised Mining Charter on its business.

The Mineral and Petroleum Resources Development Amendment Bill

The Mineral and Petroleum Resources Development Amendment Bill (the MPRDA Bill) was introduced during June 2013 after it went through the parliamentary process. The MPRDA Bill was sent back by the President to Parliament for reconsideration based on certain concerns about the MPRDA Bill's constitutionality. The MPRDA Bill was reviewed and amended. The legislative process is currently still ongoing.

The MPRDA Bill contains certain provisions that may have a material negative effect on the mining industry. These include elevating the Codes of Good Practice for the South African Minerals Industry, the Housing and Living Conditions Standards for the Mineral Industry and the Amended Broad-Based Socio Economic Empowerment Charter for the South African Mining and Minerals Industry to the status of legislation without such documents having followed the normal route to create legislation. Another potential negative material effect on the mining industry is linked to the obligation on mining companies to sell a certain percentage of their production to local beneficiaries at a so-called "mine gate price" which price will most likely be lower than the price that the producer can sell the minerals for in the open market.

The Liquid Fuels Charter

In 2000, following a process of consultation, the Department of Minerals and Energy (now the Department of Energy) and a number of companies in the liquid fuels industry, including Sasol Oil, signed the Liquid Fuels Charter (the Charter) which sets out the principles for the empowerment of HDSAs in the South African petroleum and liquid fuels industry. The Charter requires liquid fuels companies, including Sasol Oil, to ensure that HDSAs hold at least 25% equity ownership in the South African entity holding their operating assets by the end of a period of 10 years from the date of the signing of the Charter.

The Charter also requires liquid fuels companies to adopt policies to further other empowerment objectives of the Charter, among other things, employment equity, preferential procurement and skills development.

In order to meet the equity ownership objective of the Charter, Sasol Limited concluded a BEE transaction with an HDSA-owned company, Tshwarisano LFB Investment (Pty) Ltd (Tshwarisano), in terms of which Sasol Limited disposed of 25% of its shareholding in Sasol Oil to Tshwarisano. With effect from 1 July 2006, Sasol Oil met the 25% BEE ownership target, with Tshwarisano holding 25% of the shares in Sasol Oil in line with the Charter.

Tshwarisano's shareholding is fully unencumbered after it settled the last of its debt relating to its equity shareholding in February 2016. In September 2016 and March 2017, Tshwarisano disbursed R132,7 million in dividends to the Batho Trust, which consists of broad-based beneficiaries, including several non-profit organisations.

The Charter further provides for the evaluation by the Department of Energy, from time to time, of the industry's progress in achieving the objectives of the Charter. Given the fact that the aforementioned 10-year period had run its course, the Department of Energy initiated a compliance audit in respect of the Charter in the latter part of the 2010 calendar year. Sasol Oil's compliance with the Charter was audited during the first half of the 2011 calendar year and the final industry report, albeit that the written report has not yet been issued to industry, has been discussed with industry by the Department of Energy on an aggregated basis. Together with the other members of the South African Petroleum Industry Association (SAPIA), Sasol Oil is involved in the ongoing engagements with the Department of Energy regarding the status and possible review of the Liquid Fuels Charter in the context of section 12 of the Broad-based Black Economic Empowerment Act, 53 of 2003, which provides for the development and promulgation of transformation charters to apply to a particular sector of the economy. In addition to the aforementioned engagement of industry with the Department of Energy, engagements are also ongoing between the Department of Energy and the Department of Trade and Industry relating to a possible revised charter or alignment of the Liquid Fuels Charter with the B-BBEE Codes for the liquid fuels industry. To date no draft or revised charter has been completed or published. Consequently, any effect of such future regulation on Sasol cannot be assessed yet.

The Restitution of Land Rights Act, 22 of 1994

Our privately held land could be subject to land restitution claims under the Restitution of Land Rights Act, 22 of 1994. Under this act, any person who was dispossessed of rights to land in South Africa as a result of past racially discriminatory laws or practices is granted certain remedies, including, but not limited to the restoration of the land claimed with or without compensation to the holder.

Mining rights

Sasol Mining is the holder of mining rights in terms of the Mineral and Petroleum Resources Development Act, 2002, in respect of its operations in the Mpumalanga and Free State provinces in South Africa.

The current mining rights have been granted until 2040, and can be renewed for further periods of 30 years at a time depending on the approval of the competent authorities and the applicable legal framework at that point in time.

Safety, health and environment

Regions in which Sasol operates and their applicable legislation

South Africa

The major part of our operations is located in South Africa. We operate a number of plants and facilities for the manufacture, storage, processing and transportation of chemical feedstock, products and wastes. These operations are subject to numerous laws and regulations relating to safety, health and the protection of the environment.

Environmental regulation

The Constitution of the Republic of South Africa (the Constitution) contains the underlying right which must be given effect to by environmental legislation in South Africa. The South African National Environmental Management Act is therefore the framework Act which primarily aims to give effect to the Constitutional environmental right. It also underpins specific environmental management acts, such as the National Environmental Management: Waste Act, the National Water Act and the National Environmental Management: Air Quality Act which all, in turn, regulate specific environmental media and the associated regulation of potential impacts thereon. The National Environmental Management: Waste Act also specifically regulates the process for management of contaminated land. These Acts also provide for enforcement mechanisms as well as provisions for the imposition of criminal sanction. These also apply to mining activities.

Apart from its international commitments, climate change mitigation regulation in South Africa is still being developed. Sasol continues to engage with the South African government on the development of pollution prevention plans, a draft Carbon Tax Bill as well as the imposition of mandatory carbon budgets. Sasol has received and agreed to the carbon budget allocated to it, which is in place until 2020. Mandatory greenhouse gas reporting will begin in 2018, although the regulations pertaining thereto were published in 2017. Sasol's engagement focuses on the need for alignment of mitigation instruments in an effort to create long-term policy certainty.

For information regarding our challenges associated with these regulatory requirements refer to "Item 3.D−Risk factors".

Health and safety

Occupational health and safety is governed by the Occupational Health and Safety Act and the Mine Health and Safety Act for compensation of employees who suffer occupationally related diseases or injuries. Specific requirements for chemicals and hazardous substances are currently regulated by the Hazardous Substances Act.

Germany and Italy

In Germany and Italy, we operate a number of plants and facilities for the manufacture, storage, processing and transportation of chemical feedstock, products and waste. These operations are subject to numerous laws and ordinances relating to safety, health and the protection of the environment. The objectives and requirements of these legal frameworks are largely consistent with that of the South African Framework, although more established and pervasive in some respects.

Hazardous substances

Provisions for the protection of humans and the environment against the harmful effects of hazardous substances and preparations are provided in the Chemicals Acts, and related ordinances on the Prohibition of Certain Chemicals and Hazardous Incidents. All hazardous substances are subject to the requirements of the European Union (EU) Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) Regulation, including requirements for registration and notification obligation before these substances can be brought onto the market. Hazardous substances and mixtures must be classified, labelled and packed in accordance with the EU classification, labelling and packaging regulation. Further regulations prohibiting and limiting manufacture, marketing and use also apply.

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United States

In the US, we operate a number of plants and facilities for the storage and processing of chemical feedstock, products and wastes. Sasol's US operations and growth projects are subject to numerous laws, regulations and ordinances relating to safety, health and the protection of the environment. The objectives and requirements of these legal frameworks are largely consistent with that of the South African Framework, although more established and entrenched in some respects.

Hazardous substances are, in particular, regulated by a standard that incorporates the requirements of the Globally Harmonised System for classification and labelling of chemicals into occupational health and safety legislations. Chemical manufacturers and importers are required to evaluate the hazards of the chemicals they produce or import, and prepare labels and safety data sheets to convey the hazard information to their downstream customers.

Regulation relating to climate change in the US at federal level is currently uncertain given the announced policies of the Trump administration. However, in most states, climate change regulation continues to be developed.

Canada

Oil and natural gas production

The British Columbia (BC) Petroleum and Natural Gas Act and Environmental Management Act are the primary sources of regulatory controls over our natural oil and gas-producing areas in Canada. The acts and supporting legislation are administered by the BC Oil & Gas Commission to regulate the oil and gas industry and ensure public safety, environmental protection, conservation of petroleum resources and equitable participation in production. Regulations aimed at achieving methane reductions have recently been published.

In late 2016, the Canadian federal government announced a national carbon price programme which will require all provinces and territories to have carbon pricing initiatives in effect by 2018 at a minimum of CAD10/tonne of CO^2 equivalent emissions, to increase by CAD10/tonne annually until it reaches CAD50/tonne in 2022. The introduction of the national carbon price programme should have a relatively minor financial impact on Sasol's Canadian operations.

Mozambique

A National Environmental Policy (Resolution 5/95) is the government document outlining the priorities for environmental management and sustainable development in Mozambique, including the required legal framework. The Environmental Law (Law 20/1997) provides a legal framework for the use and correct management of the environment and its components and to assure sustainable development in Mozambique. The Regulations on Environmental Impact Assessment (Decree 54/2015) set forth the procedures applicable for the granting of environmental licences.

The Environmental Regulations for Petroleum Operations (Decree 56/2010) apply to petroleum operations including exploration, development, production, transport, storage and marketing of petroleum products.

Regulations on Environmental Quality and Emission Standards (Decree 18/2004−amended by Decree 67/2010) aim to establish the standards for environmental quality and for effluents release in order to assure the effective control and maintenance of the admissible standards of concentration of polluting substances on the environmental components. This is supplemented by specific regulations on solid waste and water quality management.

The Petroleum Act (Law 21/2014) and the Petroleum Operations Regulations (Decree 34/2015) requires holders of exploration and production rights to conduct petroleum operations in compliance with environmental and other applicable legislation. The law makes provision for compensation to be paid under general legislation by the holder of a right to conduct petroleum operations to persons whose assets are damaged. The law establishes strict liability for the holder of the right who causes environmental damage or pollution.

Gabon

Natural oil and gas activities

The primary legislation in Gabon governing oil and gas activities is the Hydrocarbon Law (law No. 011/2014) which established a new regime governing hydrocarbons exploration, exploitation and transportation activities, in compliance with environmental and other applicable legislation. Existing production sharing contracts remain in force until their expiry and will remain governed by the previous law (law No. 14/1982), with the exception of a limited number of additional obligations under the new regime such as a natural gas flaring prohibition.

Other countries

In a number of other countries, we are engaged in various activities that are impacted by local and international laws, regulations and treaties. In Malaysia, China and other countries, we operate plants and facilities for the storage, processing and transportation of chemical substances, including feedstock, products and waste. In the United Arab Emirates, Nigeria and other countries, we are involved, or are in the process of becoming involved, in exploration, extraction, processing or storage and transportation activities in connection with feedstock, products and waste relating to natural oil and gas, petroleum and chemical substances.

In Qatar, we participate in a joint venture owning and operating a GTL facility involving the production, storage and transportation of GTL diesel, GTL naphtha and LPG. These operations are subject to numerous laws and ordinances relating to safety, health and the protection of the environment.

Our operations in the respective jurisdictions are subject to numerous laws and regulations relating to exploration and mining rights and the protection of safety, health and the environment.

4.C Organisational Structure

Sasol Limited (Sasol) is the ultimate parent of the Sasol group of companies.

Sasol South Africa (Pty) Ltd, a wholly owned subsidiary in the Sasol group and a company incorporated in the Republic of South Africa, primarily holds our operations located in South Africa. A number of other subsidiaries incorporated in the Republic of South Africa, including Sasol Oil (Pty) Ltd, Sasol Mining Holdings (Pty) Ltd, Sasol Middle East and India (Pty) Ltd and Sasol Africa (Pty) Ltd, hold our interests in operations in South Africa, other parts of Africa and the Middle East. Sasol Financing (Pty) Ltd, responsible for the management of cash resources and investments, is wholly owned and incorporated in the Republic of South Africa.

Our wholly owned subsidiary, Sasol Investment Company (Pty) Ltd, a company incorporated in the Republic of South Africa, primarily holds our interests in companies incorporated outside South Africa, including Sasol European Holdings Limited (United Kingdom), Sasol Wax International GmbH (Germany), Sasol (USA) Corporation (United States), Sasol Holdings (Asia Pacific) (Pty) Ltd (South Africa), Sasol Chemical Holdings International (Pty) Ltd (South Africa), Sasol Canada Holdings Limited (Canada) and their subsidiaries.

See Exhibit 8.1 for a list of our significant subsidiaries and significant jointly controlled entities.

4.D Property, plants and equipment

Refer to "Item 18−Annual Financial Statements−Note 16−Property, plant and equipment" for further information regarding our property, plant and equipment.

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Mining

Coal mining facilities

Our main coal mining facilities are located at the Secunda Mining Complex, which consists of underground collieries (Bosjesspruit, Brandspruit, Impumelelo, Middelbult, Shondoni shaft, Syferfontein, and Twistdraai, Thubelisha shaft) and the Sigma complex consisting of the Mooikraal colliery near Sasolburg.

For detail regarding the cost of the assets in our coal mining facilities, refer to the segmental information contained in "Item 18−Annual Financial Statements−Note 16−Property, plant and equipment".

A map showing the location of our coal properties and major manufacturing plants in South Africa is shown on page M-1.

Mining operates seven mines for the supply of coal to the Secunda Synfuels Operations, Sasolburg Operations (utility coal only) and the external market. The annual production of each mine, the primary market to which it supplies coal and the location of each mine are indicated in the table below:

Colliery	Location	Market	Nominated capacity per year (Mt)(2)	Production (Mt)(3) 2017(4)	2016	2015
Bosjesspruit	Secunda	Secunda Synfuels Operations	7,1	**6,1**	6,6	7,3
Brandspruit	Secunda	Secunda Synfuels Operations	3,3	**2,8**	5,3	7,0
Impumelelo	Secunda	Secunda Synfuels Operations	3,6	**2,2**	1,7	–
Middelbult, Shondoni shaft	Secunda	Secunda Synfuels Operations	7,9	**6,5**	7,6	6,9
Syferfontein	Secunda	Secunda Synfuels Operations	11,3	**10,9**	11,1	10,6
Twistdraai, Thubelisha shaft	Secunda	Export/Secunda Synfuels Operations(1)	8,9	**7,9**	8,2	7,5
Sigma : Mooikraal	Sasolburg	Sasolburg Operations	1,9	**1,2**	1,8	1,9
				37,6	42,3	41,2
Production tons per continuous miner (mining production machine) per shift (t/cm/shift)				**1 147**	1 322	1 367

(1) The secondary product from the export beneficiation plant is supplied to Secunda Synfuels Operations.

(2) The nominated capacity of the mines is the expected maximum production of that mine during normal operating hours, and does not represent the total maximum capacity of the mine.

(3) Production excludes externally purchased coal.

(4) The decrease in production volumes is primarily due to the impact of labour actions at our Secunda mining operations in the first half of 2017.

Processing operations

The run of mine (ROM) coal is transported via overland conveyor belts to the export beneficiation plant from the

Coal export business–*Secunda operations.* We started the coal export business in August 1996. Run of mine coal is sourced from the existing East shaft of Twistdraai Colliery (formerly East, West and Central shafts) and the Thubelisha shaft (nominated capacity 8,9 Million tons (Mt)). The export beneficiation plant has a design throughput total capacity of 10,5 Mt per annum. In 2017, we produced 7,9Mt from Twistdraai, Thubelisha shaft; of which we beneficiated 7,3Mt.

Twistdraai shafts. The export product is loaded onto trains by means of a rapid load-out system, and then transported to the Richards Bay Coal Terminal (RBCT) in KwaZulu-Natal.

Mining has a 4,2% shareholding in RBCT, which corresponds to the existing entitlement of 3,6Mt per year. Actual export volumes for 2017 were 3,03 Mt. For the foreseeable future, we anticipate exports of approximately 3,30Mt per year.

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Sasol Coal Supply–Secunda Operations. Sasol Coal Supply operates the coal handling facility between Mining and Secunda Synfuels Operations by stacking and blending coal on six live stockpiles. The overland conveyors from the mining operations to the coal handling facility are, in total, 100 kilometres (km) long and also form part of the Sasol Coal Supply operation.

The operation has a live stockpile capacity of 720 000 tons, which is turned over around 1,2 times per week. In addition, there is a targeted strategic stockpile capacity of more than 2,0Mt. The objectives of this facility are:

- to homogenise the coal quality supplied to Secunda Synfuels Operations;
- to keep mine bunkers empty;
- to keep the Secunda Synfuels Operations bunkers full with a product that conforms to customer requirements;
- to maintain a buffer stockpile to ensure even supply; and
- to perform a reconciliation of business with regard to quantity and quality.

The daily coal supply to Secunda Synfuels Operations is approximately 112 000 tons.

Coal exploration techniques

Mining's geology department employs several exploration techniques in assessing the geological risks associated with the exploitation of the coal deposits. These techniques are applied in a mutually supportive way to achieve an optimal geological model of the relevant coal seams, targeted for production purposes. The Highveld Basin is considered to be structurally complex when compared to the other coalfields in South Africa where mining activities take place. As a result, Mining bases its geological modelling on sufficient and varied geological information. This approach is utilised in order to achieve a high level of confidence and support to the production environment.

Core recovery exploration drilling. This is the primary exploration technique that is applied in all exploration areas, especially during reconnaissance phases. In and around operational mines, the average vertical borehole density varies from 1:10 to 1:15 (boreholes per hectare), while in medium-term mining areas, the average borehole density is in the order of 1:25. Depths of the boreholes drilled vary, depending on the depth to the Pre-Karoo basement, from 160 metres (m) to 380m. The major application of this technique is to locate the coal horizons, to determine coal quality and to gather structural information about dolerite dykes and sills, and the associated de-volatilisation and displacement of coal reserves. This information is used to compile geological models and forms the basis of geological interpretation.

Directional drilling. Directional drilling from surface to in-seam has been successfully applied for several years. A circular area with a radius of approximately 1,4km of coal deposit can be covered by this method from one drill site. The main objective of this approach is to locate dolerite dykes and transgressive dolerite sills, as well as faults with displacements larger than the coal seam thickness.

Horizontal drilling. This technique is applied to all operational underground mines and supplies short-term (minimum three months) exploration coverage per mining section. No core is usually recovered, although core recovery is possible, if required. The main objective is to locate dolerite dykes and transgressive sills intersecting the coal mining horizon, by drilling horizontal holes in the coal seam from a mined out area. A drilling reach of up to 1km is possible, although the average length is usually 800m in undisturbed coal.

Aeromagnetic surveys. Many explorations are usually aero-magnetically surveyed before the focused exploration is initiated. The main objective is to locate magnetic dolerite sills and dykes, as well as large-scale fault zones.

Geophysical wireline surveys of directional boreholes. Geophysical surveys are routinely conducted in the completed directional drilled boreholes. This results in the availability of detailed information leading to increased confidence of the surface directional drilling results.

Secunda operations

The coal supplied to Secunda Synfuels Operations is the raw coal mined from the five mines supplying Secunda Synfuels Operations exclusively and the secondary product from the export beneficiation plant.

We have carried out extensive geological exploration in the coal resource areas, and undertake additional exploration to update and refine the geological models. This allows for accurate forecasting of geological conditions and coal qualities, and also effective planning and utilisation of coal reserves.

Computation and storage of geological information

We store geological information in the acQuire database. We conduct regular data validation and quality checking through several in-house methods. Data modelling is conducted by manual interpretation and computer-derived geological models, using the Minex 6 edition of the GEOVIA/ MINEX software. Reserves and composite qualities are computed using established and recognised geo-statistical techniques.

General stratigraphy

The principal coal horizon, the Number 4 Lower Coal Seam, provides some 89,26% (2016−89,41%) of the total proved and probable reserves. The Number 4 Lower Coal Seam is one of six coal horizons occurring in the Vryheid Formation of the Karoo Supergroup, a permo-carboniferous aged, primarily sedimentary sequence. The coal seams are numbered from the oldest to the youngest.

The Number 4 Lower Coal Seam is a bituminous hard coal, characterised by the following borehole statistics:

The depth to the base of the seam ranges from 40m to 241m with an average depth of 135m below the surface topography. All the current mining done on this seam is underground;

The floor of the seam dips gently from north to south at approximately 0,5 degrees;

The thickness of the seam varies in a range up to 10m with a weighted average thickness of 3,3m. In general, thinner coal is found to the south and thicker coal to the west adjacent to the Pre-Karoo basement highs;

The inherent ash content (air dried basis) is an average 28,6%, which is in line with the coal qualities supplied during the past 30 years to Secunda Synfuels Operations;

The volatile matter content is tightly clustered around a mean of 19,5% (air dried); and

The total sulphur content (air dried), which primarily consists of mineral sulphur in the form of pyrite and minor amounts of organic sulphur, averages 0,92% of the total mass of the coal.

The other potential coal seam is:

The Number 2 Coal Seam at Middelbult colliery and Impumelelo colliery, which has been included in our reserve base.

Reserve estimation (remaining reserves at 31 March 2017)

We have approximately 3,7 billion tons (Bt) (2016−3,7 Bt) of gross in situ proved and probable coal reserves in the Secunda Deposit and approximately 1,2 Bt (2016−1,2 Bt) of recoverable reserves. The coal reserve estimations are set out in table 1 that follows. Reported reserves will be converted into synthetic oil reserves, except for reserves which will be used for utilities in Secunda Synfuels Operations and the majority of the Twistdraai, Thubelisha shaft reserves which will be exported. The reserve disclosure in this section includes Mining's total coal resources and reserves available for mining operations in Secunda. These reserves have not been adjusted for the synthetic oil reserves reported in the supplemental oil and gas information. The different reserve areas are depicted on the map on page M-1, as well as whether a specific reserve area has been assigned to a specific mine.

Table 1.

Coal reserve estimations(1) as at 31 March 2017, in the Secunda area where we have converted mining rights (signed on 29 March 2010) in terms of the Mineral and Petroleum Resources Development Act, Act 28 of 2002

Reserve area	Gross in situ coal resource(2) (Mt)(5)	Geological discount (Mt)(5)	Mine layout losses (Mt)(5)	Extraction rate (%)	Recoverable reserves(3) (Mt)(5)	Beneficiated yield(4) (%)	Proved/ probable
Middelbult mine, number 4 seam	666	90	168	45	206	100	Proved
Middelbult mine, number 2 seam	61	13	8	39	19	100	Probable
Bosjesspruit mine	218	9	92	49	76	100	Proved
Bosjesspruit mine	–	–	–	–	33	100	Probable
Twistdraai mine	7	1	3	35	1	P43,S23	Proved
Syferfontein mine	219	16	54	39	86	100	Proved
Brandspruit mine	43	1	34	44	3	100	Proved
Twistdraai Thubelisha shaft	692	179	117	55	250	P34,S38	Proved
Impumelelo, Block 2, number 4 seam	703	49	99	54	230	100	Proved
Impumelelo, Block 2, number 2 seam	384	27	118	54	63	100	Probable
Block 2 South, number 4 seam	363	98	48	54	123	100	Probable
Block 2 South, number 2 seam	133	36	18	54	45	100	Probable
Block 3 South	141	38	19	58	52	100	Probable
Total Secunda area	**3 630**				**1 187**		

(1) The coal reserve estimations in this table were compiled under supervision of Mr Viren Deonarain and Mr Jakes Lock who are considered competent people. The "South African Code for Reporting of Minerals Resources and Minerals Reserves (The SAMREC Code 2007 edition)" dealing with competence and responsibility, paragraph 7, state Documentation detailing Exploration Results, Mineral Resources and Mineral reserves from which a Public Report is prepared, must be prepared by, or under the direction of, and signed by a Competent Person. Paragraph 9 states: A 'Competent Person' is a person who is registered with SACNASP, ECSA or PLATO, or is a Member or Fellow of the SAIMM, the GSS or a Recognised Overseas Professional organisation (ROPO). The Competent Person must comply with the provisions of the relevant promulgated Acts. Mr J Erasmus (Pr.Nat.Sc), on behalf of Sumsare Consulting performed a comprehensive and independent audit of the coal resource/reserve estimations in July 2015 and the estimates were certified as correct. The estimation of the reserves is compliant with the definition and guidelines as stated in the SAMREC and Joint Ore Reserve Committee (JORC) codes, as well as SEC Industry Guideline 7.

(2) The gross in situ coal resource is an estimate of the coal tonnage, contained in the full coal seam above the minimum thickness cut off and relevant coal quality cut off parameters. No loss factors are applied and seam height does not include external dilution or contamination material.

(3) The recoverable coal reserve is an estimate of the expected recovery of the mines in these areas and is determined by the subtraction of losses due to geological and mining factors and the addition of dilatants such as moisture and contamination.

(4) The P% of P43 and P34 refers to the export product yield from the recoverable coal reserve and the S% of S23 and S38 refers to secondary product yield, which will be supplied to the Sasol Synfuels Operations. The balance of this is discard material.

(5) Mt refers to 1 million tons. Reference is made of tons, each of which equals 1 000 kilograms, approximately 2 205 pounds or 1 102 short tons.

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Table 2.

Coal qualities, on an air dry basis, in respective coal reserve areas, where Mining has converted mining rights in respect of the Secunda mining complex in terms of the Mineral and Petroleum Resources Development Act, Act 28 of 2002.

Reserve area	Wet/dry tons	Average Inherent Moisture Content (%)	Average Superficial Moisture Content (%)	Assigned/ unassigned	Steam/ metallurgical coal	Heat Value (air dry) basis MJ/kg	Sulphur (air dry basis)
Middelbult mine	Wet	4,2	n/a	Assigned	Steam	21,3	0,9
Bosjesspruit mine	Wet	3,8	n/a	Assigned	Steam	18,8	0,8
Twistdraai mine	Wet	3,8	n/a	Assigned	Steam	20,8	1,1
Syferfontein mine	Wet	5,5	n/a	Assigned	Steam	21,4	0,8
Brandspruit mine	Wet	3,8	n/a	Assigned	Steam	17,6	1,3
Twistdraai, Thubelisha shaft	Wet	4,3	n/a	Assigned	Steam	20,5	1,1
Impumelelo, Block 2, number 4 seam.	Wet	4,1	n/a	Assigned	Steam	18,1	1,2
Impumelelo, Block 2, number 2 seam	Wet	3,7	n/a	Assigned	Steam	17,5	0,8
Block 2 South, number 4 seam	Wet	4,1	n/a	Unassigned	Steam	18,2	1,2
Block 2 South, number 2 seam	Wet	3,6	n/a	Unassigned	Steam	17,4	0,7
Block 3 South	Wet	3,6	n/a	Unassigned	Steam	21,9	0,7

Table 3.

Coal qualities, on an as received basis, in respective coal reserve areas, where Mining has converted mining rights in the Secunda mining complex in terms of the Mineral and Petroleum Resources Development Act, Act 28 of 2002.

Reserve area	Wet/dry tons	Average Inherent Moisture Content (%)	Average Superficial Moisture Content (%)	Assigned/ unassigned	Steam/ metallurgical coal	Heat Value (as received) basis MJ/kg	Sulphur (as received basis)
Middelbult mine	Wet	4,2	4,5	Assigned	Steam	20,3	0,9
Bosjesspruit mine	Wet	3,7	4,0	Assigned	Steam	18,1	0,9
Twistdraai mine	Wet	3,8	3,6	Assigned	Steam	20,0	1,1
Syferfontein mine	Wet	5,5	4,7	Assigned	Steam	20,5	0,8
Brandspruit mine	Wet	3,7	3,7	Assigned	Steam	16,9	1,2
Twistdraai, Thubelisha shaft	Wet	4,2	4,3	Assigned	Steam	19,6	1,0
Impumelelo, Block 2, number 4 seam	Wet	4,1	3,7	Assigned	Steam	18,0	1,1
Impumelelo, Block 2, number 2 seam	Wet	3,7	3,7	Assigned	Steam	17,5	0,8
Block 2 South, number 4 seam	Wet	4,1	3,1	Unassigned	Steam	18,0	1,1
Block 2 South, number 2 seam	Wet	3,6	2,7	Unassigned	Steam	17,2	0,7
Block 3 South	Wet	3,4	3,6	Unassigned	Steam	21,8	0,7

Criteria for proved and probable

Over and above the definitions for coal reserves, probable coal reserves and proved coal reserves, set forth in Industry Guide 7, promulgated by the US Securities and Exchange Commission, we consider the following criteria to be pertinent to the classification of the reserves:

Probable reserves are those reserve areas where the drill hole spacing is sufficiently close in the context of the deposit under consideration, where conceptual mine design can be applied, and for which all the legal and environmental aspects have been considered. Probable reserves can be estimated with a lower level of confidence than proved coal reserves. Currently this classification results in variable drill spacing depending on the complexity of the area being considered and is generally less than 500m, although in some areas it may extend to 800m. The influence of increased drilling in these areas should not materially change the underlying geostatistics of the area on the critical parameters such as seam floor, seam thickness, ash and volatile content.

Proved reserves are those reserves for which the drill hole spacing is generally less than 350m, for which a complete mine design has been applied which includes layouts and schedules resulting in a full financial estimation of the reserve. This classification has been applied to areas in the production stage or for which a detailed feasibility study has been completed.

Legal rights on coalfields

Our subsidiary, Sasol Mining (Pty) Ltd, is the holder of various prospecting and mining rights in respect of the areas where we operate in Mpumalanga and the Free State. These prospecting and mining rights are granted by the State acting as custodian of South Africa's mineral and petroleum resources in accordance with the provisions of the Mineral and Petroleum Resources Development Act, 28 of 2002. In respect of the Secunda Complex, the mining right which covers an area of 168 439 hectares, became effective on 29 March 2010 and remains valid for a period of 30 years and comprises the total reserve area shown in table 1 and on page M-1. The Secunda Complex mining right was amended to incorporate additional reserves areas which were acquired to extend the life of the mining operations. The amended mining right is yet to be registered in the Mineral and Petroleum Titles Registration Office. Sasol Mining has also taken transfer of a mining right located directly adjacent to the Secunda complex mining right. This registered mining right covers an additional 2 476 hectares and remains valid for a period of twenty years from 23 December 2015.

In respect of the Mooikraal Colliery near the town of Sasolburg in the Free State, the two mining rights which became effective on 29 March 2010 were consolidated into a single mining right covering approximately 6 647 hectares. The consolidated mining right remains valid for a period of 30 years and is yet to be registered in the Mineral and Petroleum Titles Registration Office. The validity period of our mining rights may, on application to the Department of Mineral Resources, be renewed for further periods not exceeding 30 years each. The revised Mining Charter was published on 15 June 2017. The Chamber of Mines applied to the High Court for an urgent interdict to suspend the implementation of the revised Mining Charter until such a time as an application for a judicial review of the revised Mining Charter has been dealt with.

Exploration and Production International (E&PI)

Natural Oil and Gas Operations

Our natural oil and gas operations are managed by our Exploration and Production International (E&PI) business unit. E&PI's principal activities are the exploration, appraisal, development and production of hydrocarbon resources. Currently we hold equity in three producing assets with proved reserves in Mozambique, Canada and Gabon and one non-producing asset in Mozambique. We also have equity in exploration licences in Mozambique, Australia, Nigeria and South Africa.

In the narrative sections below, unless stated otherwise, all quantitative statements refer to gross figures. The tabular information which follows after the narrative provides:

- Total gross and net developed and undeveloped acreage of our natural oil and gas assets and exploration licences by geographic area, at 30 June 2017

- The number of net natural oil and gas wells completed in each of the last three years and the number of wells being drilled or temporarily suspended, at 30 June 2017

- Capitalised natural oil and gas exploratory well costs at the end of the last three years and information about the continued capitalisation of natural oil and gas exploratory well costs at 30 June 2017

- Details about the production capacity of our natural oil and gas production facilities and the number of productive natural oil and gas wells, at 30 June 2017

- Average sales prices and production costs, of natural oil and gas.

Refer to the "Supplemental Oil and Gas Information" on pages G-1 to G-6 for:

- Costs incurred in natural oil and gas property acquisition, exploration and development activities, for the last three years

- Capitalised costs relating to natural oil and gas activities, for the last three years

- The results of operations for natural oil and gas producing activities, for the last three years

The maps on page M-2 show E&PI's global footprint and the location of our assets and exploration licences.

Mozambique

Licence Terms

Development and Production Assets

In Mozambique, we have interests in two onshore assets, one of which is producing, with proved reserves. The other asset consists of two areas under development and other reservoirs that are being assessed for commerciality.

The producing asset is the Pande-Temane Petroleum Production Agreement (PPA) licence (302,2 thousand developed net acres). Our subsidiary, Sasol Petroleum Temane Limitada (SPT), the operator, holds a 70% working interest in the PPA. The PPA expires in 2034, and carries two possible five-year extensions. There is no requirement to relinquish any acreage until the expiry of the PPA.

The other asset is the Pande-Temane Production Sharing Agreement (PSA) licence (442,8 thousand undeveloped net acres). Our subsidiary, Sasol Petroleum Mozambique Limitada (SPM), the operator, holds a 100% working interest, which will be reduced to 70% (with a corresponding reduction of 132,8 thousand undeveloped net acres) on completion of a 30% farm-down of our equity, for which a term sheet was signed with Empresa National de Hidrocarbonetos de Moçambique (ENH), the national oil company of Mozambique on 21 June 2017. Under the terms of the current PSA licence, ENH is also entitled to a calculated share of production.

The two PSA development areas covered by development and production periods until 2041 for the oil development (125,9 thousand undeveloped net acres) and 2046 for the gas development (157,3 thousand undeveloped net acres), are being developed in accordance with the Phase 1 field development plan approved by the Mozambican authorities in January 2016. The remaining PSA area (159,6 thousand undeveloped net acres) is covered by a five-year commercial assessment period (CAP) ending in February 2018, which will be followed by a

Natural oil and gas proved reserves and production quantity information, for the last three years

Standardised measures of discounted future net cashflows relating to natural oil and gas proved reserves, for the last three years

Changes in the standardised measures of discounted future net cashflows relating to natural oil and gas proved reserves, for the last three years.

further five-year CAP upon application. Thereafter, the retention of reservoirs in the CAP area is contingent on a declaration of commerciality and field development plan approval by the Mozambican government.

Exploration

We also have interests in two exploration licences, one offshore and the other onshore, and two licences which are in the process of being negotiated.

The offshore exploration licence comprises the shallow water parts of the Exploration and Production Concession Blocks 16 and 19. Our subsidiary Sasol Petroleum Mozambique Exploration Limitada (SPMEL), the operator, holds an 85% working interest (622,7 thousand undeveloped net acres) and ENH has a 15% interest that is carried until field development. Petroleum operations in the licence were suspended in 2008 and will remain so until the Strategic Environmental Assessment (SEA), commissioned by the Mozambique government, is made public. We have retained our interest in the licence with a view to defining a future work programme when the outcome of the SEA is known.

The onshore exploration licence is the Exploration and Production Concession Area A. Our subsidiary SPMEL, the operator, holds a 50% working interest and ENH has a 10% interest that is carried until field development. ENH is also entitled under the terms of the Area A licence to a calculated share of production. In April 2017, the government agreed that the second period (which ended in May 2017) commitment well could be completed in the third period (which ends in May 2019), and confirmed the third period commitment to acquire 2D seismic had been fulfilled. A further 20% of the licence area was relinquished in May 2017, at the end of the second period. Retention of the remaining area (620,7 thousand undeveloped net acres) at the end of the third period in May 2019, is contingent on a declaration of commerciality and field development plan approval by the Mozambican government.

In October 2015, the authorities announced the results of the Fifth Mozambique Licensing Round in which our subsidiary SPMEL and our partners were successful. On completion of negotiations for Exploration and Production Concession contracts, SPMEL will hold a 70% working interest, as operator, in the onshore Pande-Temane Area PT5-C (521,0 thousand undeveloped net acres), and a 25,5% working interest (324,2 thousand undeveloped net acres) in the offshore Angoche Area A5-A, which will be operated by Eni Mozambico S.p.A.

Activities

In the Pande-Temane PPA asset, a minor de-bottlenecking project, which increased the capacity of the Central Processing Facility (CPF) to 491 million standard cubic feet per day, was completed in February 2017. Additionally, 42 square kilometres (km^2) of 3D seismic data was acquired over Pande in 2017.

Present activities in the Pande-Temane PPA asset include infill drilling projects and compression projects that will lower the inlet pressure at the CPF. Well planning activities are being undertaken for the first infill well (scheduled to be operational in 2018), and detailed design and engineering work is progressing on phase two compression (scheduled to be operational in 2019). These projects will be followed by additional infill wells and phase three compression. These projects are necessary to maintain production as the reservoirs deplete and are in accordance with the approved field development plan.

In the Pande-Temane PSA development areas, six development wells were drilled and completed in 2017 with a further three wells scheduled to be drilled in 2018. These wells are part of the 12 producing well development programme, representing the initial development of four oil and gas reservoirs, in the approved field development plan. The field development plan also envisages the capacity of the PPA CPF to be increased to 633 million standard cubic feet per day gas. The light oil production rates are anticipated to realise between the low and mid-point of the range presented in the FDP. This has triggered a review of the development programme and the design basis of the Liquids Processing Facility (LPF) to be constructed adjacent to the CPF. The cost of the development plan is US$1,4 billion covering expansion of the CPF, construction of the LPF and flowlines and the initial drilling programme. US$211,7 million has been spent to end 2017 comprising drilling costs, civil engineering works, detailed engineering and subsurface modelling.

During PSA development drilling, additional hydrocarbons were encountered in horizons, that were not the prime targets. A discovery notice and appraisal programme was submitted to the Mozambique government in order to mature these resources. In the PSA CAP areas, evaluation and well planning activities have progressed, with the aim of drilling two wells in 2018.

Additionally in the PSA, 125 km^2 of 3D seismic data and 120 km of 2D seismic data were acquired in 2017.

In the Area A exploration licence, drilling activities for the commitment well (Babane-1) commenced in May 2017. The target reservoir sands were penetrated but no hydrocarbon-bearing zones were encountered. Demobilisation from the Babane-1 well was completed on 10 July 2017.

Capitalised Exploratory Well Costs

At 30 June 2017, there were no exploratory wells costs capitalised in the Pande-Temane PPA asset or in the two development areas in the Pande-Temane PSA asset.

In the Pande-Temane PSA CAP area, exploratory well costs continue to be capitalised for a period greater than one year after the completion of drilling, amounting to R276,3 million (US$18,7 million); these costs relate to the exploration drilling activities conducted and completed in 2008, and the follow up activities which continued in 2017.

At 30 June 2017, R14,0 million exploratory well costs remained capitalised for Area A.

Facilities and Productive Wells

Natural gas and condensate is produced from the Pande-Temane PPA asset, at the CPF on a site of approximately 400 000 square metres, that is located some 700 kilometres north of Maputo, the capital of Mozambique. Production from the Temane and Pande fields, which are managed as a single operational field, is routed from production wells via in-field flowlines and pipelines to the CPF. The design capacity of the CPF is 491 million standard cubic feet per day sales gas together with small amounts of associated condensate.

At 30 June 2017, there were 20 productive wells in the PPA asset.

Delivery Commitments

Gas produced from the Pande-Temane PPA asset, other than royalty gas provided to the Mozambican government, is supplied in accordance with long-term Gas Sales Agreements (GSAs). The gas produced in accordance with GSA1, signed on 27 December 2002 (25 years contract term), and GSA2, signed on 10 December 2008 (20 years contract term), is sold internally for use as part of the feedstock for our chemical and synthetic fuel operations in South Africa, with a base case supply of 120 PJ/a (108,86 bscf/a) and 27 PJ/a (24,49 bscf/a) respectively. There are four GSA3 20-year contracts, that supply gas to the Mozambique market. These satisfy a licence condition that a portion of gas produced is utilised in-country. The contracts are with Matola Gas Company S.A from 1 July 2014 for 8 PJ/a (7,26 bscf/a), ENH-Kogas from 1 March 2013 for 6 PJ/a (5,44 bscf/a), Central Termica de Ressano Garcia S.A. from end-February 2015 for 11 PJ/a (9,98 bscf/a) and ENH effective from 1 June 2015 for 2PJ/a (1,81 bscf/a).

Infill drilling and compression projects, which will convert proved undeveloped reserves from the PPA into proved developed reserves in order to meet near-term delivery commitments are under way. Additional steps are under consideration in order to ensure commitments can be met to the end of the contracts.

PPA condensate is currently sold to Petróleos de Moçambique, S.A. (Petromoc), who transports the condensate by truck from the CPF, for export via the port of Beira. The contract expires in July 2018 after which the condensate will be sold to a buyer selected by competitive tender.

Proved Reserves

Our Mozambique proved reserves are contained in the Pande-Temane PPA asset. These represent the net economic interest volumes that are attributable to Sasol after the deduction of petroleum production tax. The primary sales product for the PPA is natural gas, with minor amounts of associated liquid hydrocarbons.

Changes to proved reserves

There was a reduction in proved gas reserves due to production of 116,4 billion cubic feet.

Changes to proved developed reserves

Proved developed gas reserves decreased by 27,5 billion cubic feet to 710,7 billion cubic feet. The decrease was due to production which was partly offset by revisions resulting from an improved calibration of the integrated production system model of future recovery.

Proved undeveloped reserves converted to proved developed reserves

No reserves were converted from undeveloped to developed during 2017.

Changes to proved undeveloped reserves

Proved undeveloped gas reserves decreased by 43,3 billion cubic feet to 429,0 billion cubic feet. This was due to the improved calibration of the integrated production system model which resulted in a reclassification of some proved reserves from undeveloped to developed.

No resources were matured to undeveloped reserves in 2017.

Proved undeveloped reserves remaining undeveloped

Proved undeveloped gas reserves, presently estimated to be 429,0 billion cubic feet, have remained undeveloped in the Pande-Temane PPA asset for the last eleven years. The total proved volume (developed plus undeveloped) represents gas that will be recovered as part of the approved field development plan and which is required to satisfy existing gas sales agreements. In order to optimise the timing of capital expenditure, required to convert undeveloped reserves to developed reserves, E&PI regularly studies production performance and reviews its plan for installation of additional compression and wells. The first infill well and phase two compression are scheduled to be operational respectively in 2018 and 2019. These projects will be followed by additional infill wells and phase 3 compression.

Rest of Africa (outside Mozambique)

Licence Terms

Gabon

Development and Production

In Gabon, our subsidiary Sasol Gabon S.A. holds a 27,75% working interest in the Etame Marin Permit (EMP) asset, which is a producing asset with proved reserves. VAALCO Gabon S.A. is operator of the asset, under the terms of the EMP Exploration and Production Sharing Contract.

The EMP contract area comprises three 10-year Exclusive Exploitation Authorisations (EEAs), each with two five-year renewal periods available on request and subject to Government decree. The Etame EEA first five-year renewal period expired in July 2016 and an application for the second five-year renewal period, which was submitted in April 2016 is pending approval from the Government. The Avouma EEA is currently in the first five-year renewal period to March 2020. The initial ten-year period of the Ebouri EEA expired in June 2016 and an application for the first five-year renewal period, which was submitted in March 2016, is also pending approval. The current production plan assumes the EEA renewals will be granted with no change in contract terms.

Etame EEA: 3,4 thousand developed net acres, 2001-2021

Avouma EEA: 3,6 thousand developed net acres, 2005-2020 + one five-year extension (to March 2025)

Ebouri EEA: 1,0 thousand developed net acres, 2006-2021 + one five-year extension (to June 2026)

Exploration

Our subsidiary Sasol Gabon S.A. has executed a farm-in agreement with Perenco Oil and Gas Gabon S.A for a 40% working interest in the DE 8 permit offshore Gabon (245,7 thousand undeveloped net acres). As at 30 June 2017, the transaction was subject to the satisfaction of certain conditions. The licence is in the second exploration period, which expires in December 2017 and includes one commitment well.

South Africa

In South Africa, we have interests in one exploration licence and one licence which is subject to negotiation.

Our subsidiary Sasol Africa (Pty) Ltd holds a 60% working interest in the ER236 licence, offshore in the Durban Basin, which is operated by Eni South Africa BV. At the end of the first exploration period in November 2016, 20% of the licence was relinquished (9 740,3 thousand undeveloped net acres remaining) and on 11 July 2017 the Petroleum Agency South Africa (PASA) granted entry into the second exploration period which expires in July 2019. The work programme commitments for the first two exploration periods have been met.

In July 2015, our subsidiary Sasol Africa (Pty) Ltd and The Petroleum Oil and Gas Corporation of South Africa (SOC) Limited (PetroSA) were invited to commence negotiations for an Exploration Right over the 3A/4A area located offshore in the Orange Basin which was previously covered by a technical co-operation permit. Provided the negotiations are successful, on award of the exploration licence Sasol Africa (Pty) Ltd and PetroSA, the operator, will each hold a 50% working interest (3 129,8 thousand undeveloped net acres).

Nigeria

Our subsidiary, Sasol Exploration and Production Nigeria Limited (SEPNL), gave notice of our intention to withdraw from the OML 145 licence in Nigeria in May 2015. Government approval is awaited, after which the relinquishment of our working interest will be complete.

Activities

Gabon

In 2017 two workovers were performed to replace defective electric submersible pumps. These workovers were performed using a hydraulic workover unit, demonstrating the capability to perform such activities at a lower cost than had previously been possible. Present activities in the EMP asset, include well planning activities for a potential drilling and workover programme commencing in 2018 and study work for further development opportunities, including options for crude sweetening.

In October 2014, the Gabon government issued the findings from an industry-wide audit, performed on its behalf. Fee payment was made in October 2016, as final settlement of amounts due with respect to the EMP asset.

South Africa

In July 2016 the acquisition of 3D seismic data over the ER236 licence was completed, with data processing completed in May 2017.

Capitalised Exploratory Well Costs

At 30 June 2017, there were no exploratory well costs capitalised in our Gabon asset and South Africa or Nigeria exploration licences.

Facilities and Productive Wells

Oil is produced from the EMP asset facilities, located some 35-kilometres offshore southern Gabon, which consist of four wellhead platforms, subsea flowlines and a floating production, storage and off-loading vessel (FPSO), managed as a single operational field. Oil from the Etame, Avouma and Ebouri, EEAs, is produced by means of a combination of subsea and platform wells which are connected by pipelines to the FPSO. The FPSO is contracted from and operated by Tinworth Pte. Limited. The processed oil is stored in tanks on the FPSO prior to export by shipping tanker.

At 30 June 2017, there were 11 productive wells across the three EEAs.

Delivery Commitments

Oil produced from the Gabon EMP asset is marketed internationally on the open market. The oil is sold under a short-term Crude Oil Sale and Purchase Agreement (COSPA) which is renewed periodically. The current COSPA, with Glencore Energy UK Limited as buyer, has been extended to 31 January 2018. The COSPA is expected to be further extended or re-contracted as required on terms not dissimilar to the current contract.

Proved Reserves

Our Rest of Africa proved reserves are contained in the EMP asset, offshore Gabon. These represent the net economic interest volumes attributable to Sasol after application of the licence terms, including the deduction of royalty. The primary sales product is oil, all gas produced is consumed in operations or flared.

Changes to proved reserves

There was a reduction in proved oil reserves due to production of 1,3 million barrels.

Changes to proved developed reserves

Proved developed reserves increased by 0,9 million barrels to 1,7 million barrels. The increase was a result of revisions totalling 2,1 million barrels due to better well performance than previously anticipated and changes in sales prices, partially offset by production. An additional increase of 0,1 million barrels was due to the successful workover of one well which was unproductive in 2016 (at a cost of US$ 2,3 million net to Sasol).

Proved undeveloped reserves converted to proved developed reserves

No reserves were converted from undeveloped to developed during 2017.

Changes to proved undeveloped reserves

There were no undeveloped reserves at the beginning of 2017, and no resources were matured to undeveloped reserves in 2017.

Proved undeveloped reserves remaining undeveloped

There were no reserves remaining undeveloped at 30 June 2017.

North America

Licence Terms

Canada

In Canada, our subsidiary Sasol Canada Exploration and Production Limited (SCEPL), holds a 50% working interest in the Farrell Creek and Cypress A asset located in British Columbia, which is a producing asset with proved reserves. The asset is operated by Progress Energy Canada Ltd (PECL).

As at 30 June 2017 Farrell Creek comprised 29 licences and leases and Cypress A comprised 25 licences and leases. The Farrell Creek and Cypress A asset covers an area of 17,9 thousand developed net acres and 38,5 thousand undeveloped net acres, respectively. Acreage retention and the conversion of licences (which carry no production rights) to leases (with production rights) is enabled by drilling commitments, the provincial government's prescribed lease selection and validation process and licence extension applications.

The decision to retain acreage and convert licences to leases is dependent on the drilling results and ongoing study work. Production, drilling and other retention activities are included in the applicable work programmes so that licences and leases, due to expire before 31 December 2018 are retained (4 licences and leases affected for a total of 2,1 thousand net acres).

Activities

In June 2016, to responsibly steward the Farrell Creek and Cypress A asset through the low gas price environment, the Progress Sasol Montney Partnership (PSMP) agreed to slow the pace of appraisal and development and significantly reduce activities. The drilling and completion work programme during 2017 was therefore limited to the completion of 10 previously drilled wells, three in Farrell Creek and seven in Cypress A.

In May 2017 the PSMP confirmed the work programme to 31 December 2017 and approved the drilling of two wells and the completion of one previously-drilled well, all in Cypress A. None of these wells will be productive by the end of the approved work programme.

Capitalised Exploratory Well Costs

At 30 June 2017, there are no exploratory well costs capitalised in our Canada asset.

Facilities and Productive Wells

Natural gas and liquids are produced from the Farrell Creek and Cypress A asset by means of production wells, flowlines, gathering lines and processing facilities. Gas from Farrell Creek wells and Cypress A southern wells is processed through facilities owned by SCEPL and PECL, covering a site of approximately 160 000 square metres. Gas from Cypress A northern wells is currently processed and sold through third party production facilities.

At 30 June 2017, there were 172 productive wells.

Delivery Commitments

Gas from the Farrell Creek and Cypress A asset is sold into the Western Canada market, under a long-term agreement with PECL, effective until 2024. Pricing is based on the daily realised spot market prices less transportation and marketing fees. A small amount of petroleum liquids is sold under the same agreement.

Production from Farrell Creek and Cypress A is currently not sufficient to fully utilise contracted gas transportation capacity. Low production in 2017 resulted in continued non-utilised transport charges in the Spectra and TransCanada/NOVA pipelines. PECL, as operator, partially mitigates exposure through placing of non-utilised gas transmission capacity in the gas transmission market. Additionally, a non-utilised capacity of 170 million standard cubic feet per day has been contracted to a third party for the period November 2017 to November 2019.

Proved Reserves

Our North America proved reserves are contained in the Canada Farrell Creek and Cypress A asset. These represent the net economic interest volumes that are attributable to Sasol before the deduction of royalties. The primary sales product is natural gas, with minor amounts of associated liquid hydrocarbons.

Full development of the asset will require around 2 900 wells, of which only some 6,5% have been drilled and completed to date. Reserves are limited to those volumes of gas and associated liquid hydrocarbons attributable to Sasol that are forecast to be produced from productive wells together with wells to be drilled and/or completed in the approved work programme.

Changes to proved reserves

There was a reduction in proved gas reserves due to production of 21,9 billion cubic feet.

Changes to proved developed reserves

Proved developed gas reserves increased by 14,5 billion cubic feet to 122,4 billion cubic feet. The increase was the result of revisions totalling 21,6 billion cubic feet due to better well performance than previously anticipated and conversion of undeveloped reserves to developed. These increases were partially offset by production.

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Proved undeveloped reserves converted to proved developed reserves

Completion of 10 wells during 2017 resulted in conversion of 14,8 billion cubic feet undeveloped gas reserves to developed reserves. The total cost of this conversion was CAD50,4 million net to Sasol.

Changes to proved undeveloped reserves

The undeveloped gas reserves at 30 June 2016 were all converted to developed reserves in 2017, and no resources were matured to undeveloped reserves in 2017.

Proved undeveloped reserves remaining undeveloped

There were no reserves remaining undeveloped at 30 June 2017.

Australasia

Licence Terms

Australia

In Australia, we have interests in one offshore exploration licence and three onshore exploration licences. Offshore in the North West Shelf of Australia, our subsidiary Sasol Petroleum Australia Limited (SPAL) holds a 30% working interest in the AC/P 52 licence (160,9 thousand undeveloped net acres). The licence is operated by Shell Development Australia (Pty) Ltd.

Owing to an international boundary dispute, the AC/P 52 licence holders have submitted a Suspension and Extension application to the government requesting a licence period extension to May 2019.

Onshore in the Beetaloo Basin of Australia's Northern Territory, our subsidiary SPAL currently holds a 35% working interest in the EP76, EP98 and EP117 licences, which are operated by Origin Energy Resources Limited. We are in the process of withdrawing from these licences (1 583,6 thousand undeveloped net acres affected) and government approval of the transfer of our interests is expected to be completed in 2018.

Activities

Australia

In 2017, in the Beetaloo Basin, a multi-stage fracture stimulation programme was performed on the Amungee NW-1 well, followed by a successful production test. Additionally, one well was drilled.

Capitalised Exploratory Wells Costs

Australia

At 30 June 2017, there were no exploratory well costs capitalised in our Australian exploration licences.

Tabular Natural Oil and Gas Information

Developed and Undeveloped Acreage

The table below provides total gross and net developed and undeveloped acreage for our natural oil and gas assets by geographic area at 30 June 2017.

Natural oil and gas acreage concentrations at 30 June 2017	Mozambique(1)	Rest of Africa(2)	North America(1)(2)	Austr
			thousand acres	
Developed acreage				
Gross	431,7	28,7	35,7	
Net	302,2	8,0	17,9	
Undeveloped acreage				
Gross	2 416,8	16 233,8	76,9	
Net	1 686,2	9 740,3	38,5	

(1) Certain licences in Mozambique and North America overlap as they relate to specific stratigraphic horizons.

(2) Rest of Africa comprises Gabon and South Africa, North America comprises Canada, Australasia comprises Australia.

Drilling Activities

The table below provides the number of net wells completed in each of the last three years

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and the number of wells being drilled or temporarily suspended at 30 June 2017.

Number of wells(2) drilled for the year ended 30 June	Mozambique(1)	Rest of Africa(1)	North America(1)	Australasia(1)	Total
2015					
Net development wells–productive(2)	–	0,8	7,5	–	8,3
2016					
Net development well–productive(2)	–	0,8	9,0	–	9,8
Net stratigraphic test well–exploratory type(3)	–	–	–	1,0	1,0
As at 30 June 2016					
Temporarily suspended wells–gross	–	–	–	–	
Temporarily suspended wells–net	–	–	–	–	
2017					
Net exploratory wells–productive(2)	–	–	–	–	
Net exploratory wells–dry(2)	–	–	–	–	
Net development wells–productive(2)	6,0	–	5,0	–	11,0
Net development wells–dry(2)	–	–	–	–	–
Net stratigraphic test wells–exploratory type(3)	0,5	–	–	0,4	0,9
Net stratigraphic test wells–development type(3)	–	–	–	–	–
As at 30 June 2017					
Wells being drilled–gross(4)	–	–	4,0	–	4,0
Wells being drilled–net(4)	–	–	2,0	–	2,0
Temporarily Suspended wells–gross	–	–	–	–	–
Temporarily Suspended wells–net	–	–	–	–	–

Capitalised Exploratory Well costs Ageing at 30 June 2017	Mozambique (Rand in millions)
1 to 5 years	221,0
over 5 years	58,2
Number of projects	1(1)

(1) Project activities for the Pande-Temane PSA CAP area are described above, under Mozambique–Activities.

Oil and Gas Production Facilities and Productive Wells

We operate production facilities in Mozambique and have non-operating interests in producing assets in Canada and Gabon.

The table below provides the production capacity at 30 June 2017.

Plant Description	Location	Design Capacity
Central Processing Facility	Pande-Temane PPA, Mozambique	491 MMscf/ day gas
Floating, Production, Storage and Offloading facility	Etame Marin Permit, Gabon	25 000 bpd oil
Processing Facilities	Farrell Creek, Canada	320 MMscf/ day gas

The table below provides the number of productive oil and gas wells at 30 June 2017. A productive well is a producing well or a well that is mechanically capable of production.

Number of productive wells 30 June 2017	Mozambique	Rest of Africa(1)	North America(1)	Total
Productive oil wells (number)				
Gross	–	11,0	–	11,0
Net	–	3,1	–	3,1
Productive gas wells (number)				
Gross	20,0	–	172,0	192,0
Net	14,0	–	86,0	100,0

(1) Rest of Africa comprises Gabon, North America comprises Canada.

Proved Reserves and Production

The proved developed and proved undeveloped reserves of natural oil and gas as at 30 June 2017 and the two previous years along with volumes produced during the year are contained in the Natural Gas and Oil supplemental information, in Table 4, on page G-4.

(1) Rest of Africa comprises Gabon and South Africa, North America comprises Canada, Australasia comprises Australia.

(2) A productive well is an exploratory or development well that is not a dry well. A dry well is an exploratory or development well that proves to be incapable of producing either oil or natural gas in sufficient quantities to justify completion.

(3) A stratigraphic test well is drilled to obtain information pertaining to a specific geological condition and is customarily drilled without the intent of being completed. Stratigraphic test wells are 'exploratory type' if not drilled in a known area or 'development type' if drilled in known area.

(4) The number of wells being drilled includes wells that have been drilled, but have not yet been mechanically completed to enable production.

Capitalised Exploratory Well Costs

The table below provides details about natural oil and gas exploratory well costs at the end of the last three years, showing additions, costs charged to expense and costs reclassified.

	2017	2016	2015
	(Rand in millions)		
Capitalised Exploratory Well Costs			
Balance at beginning of year	279,8	1 670,2	1 351,9
Additions for the year	197,7	1 588,7	511,8
Costs incurred	209,6	897,8	583,7
Asset retirement obligation adjustments	(11,9)	690,9	(71,9)
Charged to expense for the year	(189,0)	(320,0)	–
Farm down proceeds	–	(112,0)	–
Exiting of licences	–	–	(200,7)
Costs reclassified to Capital Work in Progress	–	(2 620,3)	–
Translation of foreign entities	1,8	73,2	7,2
Balance at end of year	290,3	279,8	1 670,2

Sales Prices and Production Costs

The table below summarises the average sales prices for natural gas and petroleum liquids produced and the average production cost, not including ad valorem and severance taxes, per unit of production for each of the last three years.

Average sale prices and production costs (Rand per unit) for the year ended 30 June	Mozambique	North America(2)	Rest of Africa(2)
2015			
Average sales prices			
Natural gas, per thousand standard cubic feet	30,9	28,3	–
Natural liquids, per barrel	489,5	385,7	614,2
Average production cost(1)			
Natural gas, per thousand standard cubic feet	10,0	7,4	–
Natural liquids, per barrel	–	–	308,9
2016			
Average sales prices			
Natural gas, per thousand standard cubic feet	25,1	20,0	
Natural liquids, per barrel	106,4	361,6	574,3
Average production cost(1)			
Natural gas, per thousand standard cubic feet	3,9	9,1	–
Natural liquids, per barrel	–	–	489,4
2017			
Average sales prices			
Natural gas, per thousand standard	23,0	24,3	–

Our interests in facilities in Qatar

ORYX GTL is a gas-to-liquids plant, located at Ras Laffan Industrial City, situated along the northeast coast of Qatar.

Our interests in facilities in Mozambique

CTRG is a power generation facility, located at Ressano Garcia.

Transportation capacity

The table below provides details of the transportation capacity and location available to the Energy business.

Plant description	Location	Design capacity(1)
Gauteng transmission network	Gauteng	128 bscf/a
Rompco Pipeline	From Central Processing Facility (Mozambique) to Pressure Protection Station (Secunda) (865km)–From Mozambique to Secunda and Sasolburg	191 bscf/a
Secunda, Witbank and Middelburg pipeline	South Africa	11 bscf/a
Transnet Pipeline transmission pipeline	South Africa	23 bscf/a

(1) Nameplate capacity represents the total saleable production capacity. Due to the integrated nature of these facilities, the requirement for regular statutory maintenance shutdowns and market conditions, actual saleable volumes will be less than the nameplate

The following table provides details of the production capacity and location of the main joint arrangement plants where the Energy business has an interest.

Plant description	Location	Design capacity(1)
ORYX GTL	Ras Laffan Industrial City in Qatar	32 400 bpd (nominal)
EGTL	Escravos, Nigeria	33 200 bpd (nominal)
Natref	Sasolburg, South Africa	108 000 bpd (nominal)
CTRG	Ressano Garcia, Mozambique	175MW

(1) Nameplate capacity represents the total saleable production capacity. Due to the integrated nature of these facilities, the requirement for regular statutory maintenance shutdowns and market conditions, actual saleable volumes will be less than the nameplate.

Secunda Synfuels operations

Synthetic oil

Refer to "Item 4. D Property, plants and equipment–Mining" for details on our mining properties and

cubic feet			
Natural liquids, per barrel	166,1	338,7	653,2
Average production cost(1)			
Natural gas, per thousand standard cubic feet	3,2	2,4	–
Natural liquids, per barrel	–	–	389,0

(1) Average production costs per unit of production are calculated according to the primary sales product.

(2) Rest of Africa comprises Gabon, North America comprises Canada

Supplemental oil and gas information

Supplemental oil and gas information: See "Item 18−Financial Statements−Supplemental Oil and Gas Information" for supplemental information relating to natural oil and gas producing activities.

Energy−Plants and Facilities

Our facilities in South Africa

Our main manufacturing facilities are located at Secunda Synfuels Operations. Additionally the Natref refinery, based in Sasolburg, is approximately 2,0 km^2

coal exploration techniques used during the estimation of synthetic oil reserves.

The size of this total property is approximately 82,5 square kilometres (km^2) with operating plants accounting for 8,35 km^2. This forms the base for the main manufacturing facilities for Energy, Base and Performance Chemicals.

The following table sets forth a summary of the synthetic oil equivalent average sales price and related production costs for the year shown:

	2017	2016	2015
Average sales price per barrel (Rand per unit)	683,46	635,85	869,72
Average production cost per barrel (Rand per unit)	448,67	359,75	280,88
Production (millions of barrels)	41,3	51,6	51,8

Supplemental oil and gas information

Supplemental oil and gas information: See "Item 18−Financial Statements−Supplemental Oil and Gas Information" for supplemental information relating to synthetic oil producing activities.

Base Chemicals

Our facilities in South Africa

Our main manufacturing facilities are located at Secunda Synfuels Operations and Secunda Chemicals Operations. The size of this total property is approximately 82,5 square kilometres (km^2) with operating plants accounting for 8,35 km^2.

Our Sasolburg facilities

The Base and Performance Chemical facilities at Sasolburg are the base for a number of our chemical industries operations. The size of these properties is approximately 51,4 km^2.

The following table summarises the main production capacities of the Regional Operating Hubs in Secunda and Sasolburg that produce polymer and monomer products marketed by Base Chemicals.

Production capacity at 30 June 2017

Product	South Africa(2)	Malaysia(1)(2)	Total
	(ktpa)		
Ethylene	615	72	**687**
Propylene	950	11	**961**
LDPE	220	102	**322**
LLDPE	150	−	**150**
Polypropylene-1	250	−	**250**
Polypropylene-2	375	−	**375**
Ethylene dichloride	160	−	**160**
Vinyl chloride	205	−	**205**
PVC	190	−	**190**
Chlorine	145	−	**145**
Caustic soda	167	−	**167**
Cyanide	40	−	**40**
Hydrochloric acid	90	−	**90**
Calcium chloride	10	−	**10**

(1) Includes our attributable share of the production capacity of joint operations.

(2) Nameplate capacity represents the total saleable production capacity. Due to the integrated nature of these facilities, the requirement for regular statutory maintenance shutdowns and market conditions, actual saleable volumes will be less than the nameplate capacity.

The following table summarises the main production capacities of the Regional Operating

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Hubs in Secunda and Sasolburg that produce solvent products marketed by Base Chemicals:

Production capacity as at 30 June 2017

Product	South Africa	Germany	Total(1)
		(ktpa)	
Ketones	293	–	**293**
Acetone	175	–	*175*
MEK	60	–	*60*
MiBK	58	–	*58*
Glycol ethers	–	80	**80**
Butyl glycol ether	–	80	*80*
Acetates	54	–	**54**
Ethyl acetate	54	–	*54*
Mixed alcohols	215	–	**215**
Pure alcohols	473	–	**473**
Methanol (C1)	140	–	*140*
Ethanol (C2)	114	–	*114*
n-Propanol (C3)	70	–	*70*
n-Butanol (C4)	150	–	*150*
iso-Butanol (C4)	15	–	*15*
Acrylates	125	–	**125**
Ethyl acrylate	35	–	*35*
Butyl acrylate	80	–	*80*
Glacial acrylic acid	10	–	*10*
Maleic anhydride(2)	–	53	**53**
Other	19	–	**19**

(1) Consolidated nameplate capacities excluding internal consumption and including our attributable share of the production capacity of our Sasol Huntsman joint venture. Nameplate capacity represents the total saleable production capacity. Due to the integrated nature of these facilities, the requirement for regular statutory maintenance shutdowns and market conditions, actual saleable volumes will be less than the nameplate capacity.

(2) Our 50% share of the production capacity of our Sasol Huntsman joint venture.

Approximately 90% of our production capacity is located at sites in South Africa and 10% in Germany.

Our facilities in the United States

Base Chemicals' share of the LCCP, currently being constructed, is located at Lake Charles, Louisiana (site size approximately 6 million m^2; plant size 650 000 m^2).

Refer to "Item 3.D−Risk factors" and "Item 5.B−Liquidity and capital resources" for further detail on the construction of the LCCP.

Performance Chemicals

Our facilities in South Africa

Our facilities at Secunda and Sasolburg are the base for a number of our chemical industries operations.

Our facilities in Germany

Performance Chemicals operations are based at three locations in Germany, namely Brunsbüttel (site size approximately 2 million m^2; plant size 500 000 m^2), Marl (site size approximately 160 000 m^2; plant size 75 000 m^2) and the Wax facility based in Hamburg (site size approximately 160 000 m^2; plant size 100 000 m^2).

Our facilities in Italy

The operations of Performance Chemicals are based at three locations in Italy. The primary facilities are at Augusta (site size approximately 1,36 million m^2; plant size 510 000 m^2) and Terranova (site size approximately 330 000 m^2; plant size 160 000 m^2).

Our facilities in the United States

Various Performance Chemicals operations are based at a number of locations in the US. The most significant of these facilities is located at Lake Charles, Louisiana (site size approximately 6 million m^2; plant size 650 000 m^2).

Performance Chemicals also has phenolics operations based at Oil City, Pennsylvania; Houston and Winnie, Texas;- as well as an alumina facility in Tucson, Arizona.

Construction of our 50% joint venture high-density polyethylene plant with Ineos Olefins and Polymers USA is essentially complete and is due to reach beneficial operation in the second half of the 2017 calendar year. Upon completion, the plant will be the largest bi-modal HDPE manufacturing facility in the US with a nameplate capacity of 470 kilotons annually.

Our facility in China

The operations of Performance Chemicals are based at Nanjing (site size approximately 90 000 m^2; plant size 4 000 m^2).

Production capacity at 30 June 2017

Product	Facilities location	Total(1) (ktpa)
Surfactants	United States, Europe, Far East	**1 000**
C6+ alcohol	United States, Europe, South Africa, Far East	**630**
Ethylene	United States	**455**
Inorganics	United States, Europe, South Africa	**71**
Paraffins and olefins	United States, Europe	**750**
LAB	United States, Europe	**435**
C5-C8 alpha olefins	United States, South Africa	**456**
Paraffin wax and wax emulsions	Europe	**460**
FT-based wax and related products	South Africa	**280**
Paraffin wax	South Africa	**30**

(1) Nameplate capacity represents the total saleable production capacity. Due to the integrated nature of these facilities, the requirement for regular statutory maintenance shutdowns and market conditions, actual saleable volumes will be less than the nameplate capacity.

Performance Chemicals' share of the LCCP, currently being constructed, is located at Lake Charles, Louisiana (site size approximately 3 million m^2; plant size 540 000m^2).

Refer to "Item 3.D−Risk factors" and "Item 5.B−Liquidity and capital resources" for further detail on the construction of the LCCP.

ITEM 4A. UNRESOLVED STAFF COMMENTS

There are no unresolved written comments from the SEC staff regarding our periodic reports under the Securities Exchange Act of 1934 received not less than 180 days before 30 June 2017, that are considered material.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

This section should be read in conjunction with our consolidated financial statements included in "Item 18−Annual Financial Statements" as at 30 June 2017 and 2016, and for the years ended 30 June 2017, 2016 and 2015, including the accompanying notes, that are included in this annual report on Form 20-F. The following discussion of operating results and the financial review and prospects as well as our consolidated financial statements have been prepared in accordance with IFRS as issued by the IASB.

For information regarding our financial overview and external factors impacting on our business, refer to the "CFO Report−Market overview" and "Key risks impacting our financial performance" as contained in Exhibit 99.3. This includes an analysis of the impact of macro-economic factors on Sasol's performance and an overview of the current economic environment, crude oil prices, exchange rates, gas prices and chemical prices. Movements in our cost base are also analysed, including the impact of cost-reduction measures and inflation.

Certain information contained in the discussion and analysis set forth below and elsewhere in this annual report includes forward-looking statements that involve risks and uncertainties. See "Forward-Looking Statements". See "Item 3.D−Key information−Risk factors" for a discussion of significant factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in this annual report.

5.A Operating results

Results of operations

	2017	2016	Change 2017/2016	2015	Change 2016/2015
	(Rand in millions)		(%)	(Rand in millions)	(%)
Turnover	**172 407**	172 942	−	185 266	(7)
Operating costs and expenses	**(140 157)**	(136 320)	3	(139 967)	(3)
Remeasurement items	**(1 616)**	(12 892)	(87)	(807)	1 498
Share of profit of equity accounted investments, net of tax	**1 071**	509	110	2 057	(75)
Operating profit	**31 705**	24 239	31	46 549	(48)
Net finance costs	**(1 697)**	(521)	226	(956)	(46)
Profit before tax	**30 008**	23 718	27	45 593	(48)
Taxation	**(8 495)**	(8 691)	(2)	(14 431)	(40)
Profit	**21 513**	15 027	43	31 162	(52)

Financial review 2017

For information regarding our financial condition, and an overview of our results refer "CFO Report−Financial performance" as contained in Exhibit 99.3.

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For information on changes in our financial condition, and overall financial performance refer "CFO Report−Market overview" and "Financial performance" as contained in Exhibit 99.3.

Turnover

Turnover consists of the following categories:

	2017	2016	Change 2017/2016	2015	Change 2016/2015
	(Rand in millions)		(%)	(Rand in millions)	(%)
Sale of products	**169 115**	170 830	(1)	183 935	(7)
Services rendered	**1 549**	1 695	(9)	998	70
Other trading income	**1 743**	417	318	333	25
Turnover	**172 407**	172 942	−	185 266	(7)

The primary factors contributing to the decreases in turnover were:

	Change 2017/2016 (Rand in millions)	(%)	Change 2016/2015 (Rand in millions)	(%)
Turnover, 2016 and 2015	172 942		185 266	
Exchange rate effects	(11 330)	(7)	23 565	13
Product prices	14 343	8	(32 442)	(18)
−crude oil	9 041	5	(26 120)	(14)
−other products	5 302	3	(6 322)	(4)
Net volume changes	705	−	(3 413)	(2)
Other effects	(4 253)(1)	(2)	(34)	−
Turnover	172 407	−	172 942	(7)

(1) Other effects arise mainly from the offset of feedstock credits against turnover, relating to kerosene return-stream swap agreements entered into in 2017.

Operating costs and expenses

Operating costs and expense consists of the following categories:

	2017	2016	Change 2017/2016	2015	Change 2016/2015
	(Rand in millions)		(%)	(Rand in millions)	(%)
Materials, energy and consumable used	**(71 436)**	(71 320)	−	(80 169)	(11)

Materials, energy and consumables used. Materials, energy and consumables used in 2017 amounted to R71 436 million, an increase of R116 million, or 0,2%, compared with R71 320 million in 2016, which decreased by 11% from R80 169 million in 2015. These costs remained relatively flat between 2017 and 2016 due to the continued decline in crude oil prices, partially offset by higher production volumes at Secunda Synfuels Operations, Sasolburg Operations and Eurasia Operations.

Selling and distribution costs. These costs comprise of marketing and distribution of products, freight and customs and excise duty after the point of sale. Selling and distribution costs in 2017 amounted to R6 405 million, which represents a decrease of R509 million, or 7%, compared with R6 914 million in 2016, which increased by R873 million, or 15%, million compared with R6 041 million in 2015. The variation in these costs was mainly attributable to the stronger rand against major currencies, which impacted our foreign operations during 2017. Selling and distribution costs represented 4% of sales in 2017, 4% of sales in 2016, and 3% of sales in 2015.

Maintenance expenditure. Maintenance expenditure in 2017 amounted to R8 654 million, which represents an increase of R201 million, or 2%, compared with R8 453 million in 2016, which increased by R825 million, or 11%, compared with R7 628 million in 2015. Maintenance expenditure remained relatively flat in 2017 compared to 2016 mainly due to our cost-saving initiatives implemented as part of the Response Plan and the stronger rand/US dollar exchange rate. Maintenance costs include additional stonework sections, overhauls and required maintenance due to unforeseen technical difficulties in equipment at Sasol Mining. The increase in maintenance expenditure in 2016 was mainly due to the weakening of the exchange rate against major currencies, planned extended shutdowns in Sasolburg and the US, as well as well workovers amounting to R133 million in Gabon.

Employee related expenditure. Employee related expenditure amounted to R24 471 million, which represents an increase of

Selling and distribution costs	**(6 405)**	(6 914)	(7)	(6 041)	14
Maintenance expenditure	**(8 654)**	(8 453)	2	(7 628)	11
Employee-related expenditure	**(24 417)**	(23 911)	2	(22 096)	8
Exploration expenditure and feasibility costs	**(491)**	(282)	74	(554)	(49)
Depreciation and amortisation	**(16 204)**	(16 367)	(1)	(13 567)	21
Translation (losses)/ gains	**(1 201)**	150	(901)	(959)	(116)
Other operating expenses	**(13 037)**	(13 011)	0	(10 854)	20
Other operating income	**1 688**	3 788	(55)	1 901	99
Operating costs and expenses	**(140 157)**	(136 320)	3	(139 967)	(3)

R506 million, or 2%, compared with R23 911 million in 2016, which increased by R1 815 million, or 8%, from 2015.

This amount includes labour costs of R24 654 million (2016–R23 540 million and 2015–R23 478 million) and a share-based payment charge to the income statement of R226 million (debit), (2016–R494 million (debit) and 2015–R1 161 million (credit)).

Excluding the effect of the share-based payment expenses, our employee costs increased by R1 114 million, or 5%, in 2017. This was primarily due to normal annual salary increases and an increase in headcount. Overall headcount increased from 30 100 in 2016 to 30 900 employees in 2017, an increase of 2,7%.

Exploration expenditure and feasibility costs. Exploration expenditure and feasibility costs in 2017 amounted to R491 million, which represents an increase of R209 million, or 74%, compared with R282 million in 2016, which decreased by R272 million compared with R554 million in 2015. The increase in 2017, as compared to 2016 and 2015, was largely attributable to an increased focus on West Africa where additional costs were incurred for the acquisition of seismic data for possible exploration activities.

Depreciation and amortisation. Depreciation and amortisation in 2017 amounted to R16 204 million, which represents a marginal decrease of R163 million, compared with R16 367 million in 2016, which increased by R2 800 million compared with R13 567 million in 2015. The decrease in depreciation is largely attributable to the strengthening of the rand/US dollar exchange rate, and a stable asset base in 2017.

The increase in depreciation and amortisation in 2016 compared to 2015 is mainly due to the increase in assets that reached beneficial operations in 2016 at Secunda Synfuels operations, Mining and Base Chemicals, as well as the impact of the weaker rand/US dollar exchange rate. In addition, our Gabon assets recorded higher depreciation (R779 million), due to lower reserves being declared, on the back of a lower oil price.

Translation (losses)/gains. Translation losses arising primarily from the translation of monetary assets and liabilities, as well as foreign exchange contracts, amounted to R1 201 million in 2017, as compared to a R150 million gain in 2016 and a R959 million loss in 2015. The 2017 translation loss includes a translation loss on receivables of R909 million. During 2017, the rand consistently strengthened against the US dollar resulting in exchange rate losses.

The closing rate is used to translate, to rand, all our monetary assets and liabilities denominated in a currency other than the rand at the reporting date and, as a result, a net loss was recognized on these translations during 2017 and a gain was recognised on these translations in 2016 and a loss in 2015. The strengthening of the rand has a positive impact on the translation of our monetary liabilities, while the weakening of the rand has a positive impact on the translation of our monetary assets. On the converse, a strengthening of the rand has a negative impact on the translation of our monetary assets.

Other operating expenses. Other operating expenses in 2017 amounted to R13 037 million, an increase of R26 million, compared to R13 011 million in 2016, which increased by R2 157 million from R10 854 million in 2015.

This amount includes:

rental expenses of R1 367 million (2016–R1 243 million and 2015–R1 114 million);

insurance costs of R511 million (2016–R457million and 2015–R542 million);

computer costs of R1 991 million (2016–R1 832 million and 2015–R 1 614million);

hired labour of R878 million (2016–R893 million and 2015–R804 million);

audit remunerations of R89 million (2016–R85 million and 2015–R87 million);

professional fees of R1 383 million (2016–R 1 202 million and 2015–R1 227 million);

derivative gains (including foreign exchange contracts) of R635 million, 2016–R1 250 million and 2015–R317 million;

movements in rehabilitation provisions of R472 million (2016–R1 946 million and 2015–(R1 722 million) due to the extension of useful life); and

other expenses of R6 981 million (2016–R6 603 million and 2015–R7 505 million).

Included in other expenses are restructuring costs related to our Business Performance Enhancement Programme (BPEP) of Rnil (2016–R235 million; 2015–R1 525 million)

In 2015, the reversal of the administrative penalty of R534 million, which was imposed by the Competition Tribunal in June 2014 was included against other operating expenses.

Other operating income. Other operating income in 2017 amounted to (R1 688 million), which represents a decrease of R2 100 million, or 55%, compared with (R3 788 million) in 2016. In 2015, other operating income amounted to (R1 901 million).

Other operating income in 2016 includes the reversal of the EGTL provision of R2 296 million, after a favorable decision at the Tax Appeal Tribunal.

Share of profits from equity accounted investments

	2017	2016	Change 2017/2016 (%)	2015	Change 2016/2015 (%)
	(Rand in millions)				
Profit before tax	**1 338**	378	254	2 333	(84)
Tax	**(267)**	131	(304)	(276)	147
Share of equity accounted profit, net of tax	**1 071**	509	110	2 057	(75)
Remeasurement items, net of tax	**14**	13	–	1	1 200

The share of profits of equity accounted investments (net of tax) amounted to R1 071 million in 2017 as compared to R509 million in 2016 and R2 057 million in 2015. The increase is mainly due to a 16% volume increase at our ORYX GTL facility coupled with the positive impact of higher Brent crude oil prices resulting in an 81% increase in ORYX GTL's equity accounted earnings from R463 million in 2016 to R839 million in 2017. The ORYX GTL plant achieved an average utilisation rate of 95% during the 2017 year.

The Escravos gas to liquids (EGTL) plant in Nigeria resumed operation in quarter three of 2017 after completion of the scheduled maintenance programme and both trains are operating as expected. Losses of R472 million were incurred relating to EGTL in 2017.

Remeasurement items

For information regarding the remeasurement items recognised, refer to "Item 18–Annual Financial Statements–Note 8".

Finance costs and finance income

For information regarding finance costs incurred and finance income earned, refer to "Item 18–Annual Financial Statements–Note 6".

The increase in finance costs is due to an increased number of projects having reached beneficial operation during 2017 for which interest is no longer capitalised as well as finance costs charged by the South African Revenue Service on South African income tax assessments. For more information on the South African income tax assessments issued by the South African Revenue Service refer to "Legal proceedings and other contingencies" under 4.B Business overview.

Tax

For information regarding the tax charge, refer to "Item 18–Annual Financial Statements–Note 11".

Non-controlling interests

For information regarding our non-controlling interests, and their share of profit, refer "Item 18–Annual Financial Statements–Note 21".

in share of profit of equity accounted investments in 2017 compared to 2016

Profit attributable to non-controlling interests in subsidiaries of R1 139 million decreased by R663 million, or 37%, from R1 802 million in 2016; which was an increase of R356 million or 25% from R1 446 million in 2015.

The decrease in profit attributable to non-controlling interests in 2017, as compared to the increase in 2016 and 2015 is largely attributable to a decrease in the profits attributable to the non-controlling interests in Sasol Oil of R546 million due to a liability of R1,2 billion in respect of the ongoing tax litigation with the South African Revenue Service.

Financial review 2016

Group results

Operating profit of R24,2 billion decreased by 48% compared to the prior year on the back of challenging and highly volatile global markets. Average Brent crude oil prices moved dramatically lower by 41% compared to the prior year (average dated Brent was US$43/bbl for the year ended 30 June 2016 compared with US$73/bbl in the prior year). Although commodity chemical prices were lower due to depressed oil prices, there was still strong demand and robust margins in certain key markets. The average basket of commodity chemical prices decreased by 22% compared to a 41% decrease in oil. In particular, the average margin for our speciality chemicals business remained resilient compared to the prior year. The effect of lower oil and commodity chemical prices was partly offset by a 27% weaker average rand/US dollar exchange rate (R14,52/US$ for the year ended 30 June 2016 compared with R11,45/US$ in the prior year). On average, the rand/bbl oil price of R630 was 25% lower compared to the prior year.

Items which materially impacted operating profit

During 2016, profitability was impacted by the following significant items:

- a net remeasurement items expense of R12,9 billion compared to a R0,8 billion expense in the prior year. These items relate mainly to partial impairments of our low density polyethylene cash generating unit in the United States (US) of R956 million (US$65 million) and our share in the Montney shale gas asset of R9,9 billion (CAD880 million) due to a further deterioration of conditions in the North American gas market resulting in a decline in forecasted natural gas prices;
- a cash-settled share-based payment charge to the income statement of R371 million compared to a credit of R1,4 billion in the prior year. The credit in the prior year was largely due to a 29% decrease in the share price in financial year 2015; and
- the reversal of a provision of R2,3 billion (US$166 million) based on a favourable ruling received from the Tax Appeal Tribunal in Nigeria relating to the Escravos Gas-to-Liquids (EGTL) project.

Financial review 2015

Group results

Operating profit of R46,5 billion increased by 2% compared to the prior year. This achievement was due to a strong overall operational performance with increased sales volumes, resilient margins and cost increases contained to below inflation. Conversely, the group's profitability was adversely impacted by a 33% decline in average Brent crude oil prices (average dated Brent was US$73,46/bbl for the year ended 30 June 2015 compared with US$109,40/bbl in the prior year). This decrease was partly off-set by a 10% weaker average rand/US dollar exchange rate (R11,45/US$ for the year ended 30 June 2015 compared with R10,39/US$ in the prior year).

Items which materially impacted operating profit

During 2015, profitability was positively impacted by the following significant items:

- a cash-settled share-based payment credit to the income statement of R1,4 billion compared to an expense of R5,4 billion in the prior year, largely due to a 29% lower share price (closing share price of R450,00 compared to R632,36 in the prior year), partially negated by the increase in the number of share options exercised during the year;

the extension of the useful life of our operating assets in South Africa resulting in a decrease in depreciation of R1,4 billion and environmental rehabilitation provisions of R1,8 billion; and

net remeasurement items expense of R0,8 billion in 2015, as compared to a R7,6 billion expense in the prior year. The 2015 remeasurement items relate mainly to the full reversal of the previous R2,0 billion impairment of the FT Wax Expansion Project, the partial impairment of our Canadian shale gas assets of R1,3 billion and the partial impairment of our Etame assets in Gabon of R1,3 billion.

Segment review−results of operations

Reporting segments are identified in the way in which the Joint Presidents and Chief Executive Officers organise segments within our group for making operating decisions and assessing performance. The segment overview included below is based on our segment results. Inter-segment turnover was entered into under terms and conditions substantially similar to terms and conditions which would have been negotiated with an independent third party. Refer to Business segment information of "Item 18−Annual Financial statements" for further detail regarding turnover and Operating profit per segment.

Refer also to "Our Operating Model Structure" as contained in Exhibit 99.4.

Operating Business Units

Mining

	2017	2016	Change 2017/2016	2015	Change 2016/2015
	(Rand in millions)		(%)	(Rand in millions)	(%)
External turnover	2 946	2 360	25	2 215	7
Inter-segment turnover	16 016	14 615	10	13 472	8
Total turnover	**18 962**	**16 975**	12	**15 687**	**8**
Operating costs and expenses(1)	(15 237)	(12 236)	25	(11 344)	8
Operating profit	**3 725**	**4 739**	(21)	**4 343**	**9**
Operating margin %	20	28		28	

(1) Operating costs and expenses net of other income.

Results of operations 2017 compared to 2016

Total turnover increased by 12% from R16 975 million to R18 962 million. Operating profit of R3 725 million represents a decrease of 21% when compared to the prior year primarily due to the impact of labour actions at our Secunda mining operations in the first half of the financial year. The labour action resulted in additional once-off costs of R1 billion (relating mainly to additional security and hired labour costs) and external coal purchases of R0,4 billion to ensure continuous supply to Secunda Synfuels Operations (SSO). The total cost amounts to R1,4 billion. Production volumes decreased to 37,6 Mt for 2017 compared with 42,3 Mt due to the prolonged labour action and slower-than-expected ramp up of productivity after the strike. Normalised unit costs of production were 13% above inflation in 2017.

Our export coal business benefited from higher global coal prices during the year; however a portion of the volumes were sent to SSO during the strike period. Our export volumes, decreased by 7% to 3 million tons (Mt) (2016−3,2 Mt). Export sales represented approximately 16% of the total turnover generated by Mining during 2017 (2016−14%).

Results of operations 2016 compared to 2015

Total turnover increased by 8% from R15 687 million to R16 975 million. Operating profit of R4 739 million represents an increase of 9% as compared to the prior year. Production volumes increased to 42,3 Mt for 2016 compared with 41,2 Mt in 2015. Normalised unit costs of production were contained to 5% below inflation

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in 2016, following on from a 2% decrease in 2015 as compared to 2014.

Our export volumes, primarily to Pakistan, India and Africa, decreased by 6% to 3,2 million tons (Mt) (2015−3,4 Mt). Export sales represented approximately 14% of the total turnover generated by Mining during 2016 (2015−14%).

For further analysis of our results refer "Integrated Report−Operational reviews" as contained in Exhibit 99.7.

Exploration and Production International

	2017	2016	Change 2017/ 2016	2015	Change 2016/ 2015
	(Rand in millions)		(%)	(Rand in millions)	(%)
External turnover	1 750	1 706	3	2 043	(17)
Inter-segment turnover	2 334	2 505	(7)	3 129	(20)
Total turnover	**4 084**	**4 211**	(3)	**5 172**	**(19)**
Operating costs and expenses(1)	(3 499)	(15 925)	(78)	(8 342)	91
Operating profit/ (loss)	**585**	**(11 714)**	(105)	**(3 170)**	**270**
Operating margin %	14	(278)		(61)	

(1) Operating costs and expenses net of other income including exploration costs and depreciation

Results of operations 2017 compared to 2016

Total turnover decreased by 3% from R4 211 million in 2016 to R4 084 million in 2017 due to the stronger rand/US dollar exchange rate. Exploration and Production International (E&PI) recorded an operating profit of R585 million compared to an operating loss of R1,8 billion (excluding the impact of the partial impairment of our Canadian shale gas operations of R9,9 billion) in the prior year. This result was achieved through focused management of the asset portfolio and strict cost control. Operating profit includes a translation gain of R337 million versus a translation loss of R695 million in the prior year.

Operating profit from our Mozambican producing operations increased to R1 990 million from R1 128 million in the prior year, mainly due to a 2% increase in gas production volumes and the net positive impact of foreign currency translations.

Our Gabon asset recorded an operating profit of R295 million compared to an operating loss of R994 million in the prior year, mainly due to higher sales prices, the partial reversal of an impairment of R197 million and lower depreciation charges. This was offset by an 18% decrease in production volumes resulting from the deferral of drilling activities in line with our Response Plan cash-conservation initiatives.

Our Canadian shale gas asset in Montney generated a lower operating loss of R746 million, compared to an operating loss of R1 075 million (excluding the impact of a partial impairment of R9 882 million) in the prior year.

Our Canadian gas production volumes increased by 6% compared to the prior year, mainly due to completion activities on existing wells. There were no drilling rigs in operation during the year in line with our Response Plan as well as capital and cash conservation initiatives.

Results of operations 2016 compared to 2015

Total turnover decreased by 19% from R5 172 million in 2015 to R4 211 million in 2016. The business recorded an operating loss of R11 714 million compared to an operating loss of R3 170 million in the prior year.

Excluding the partial impairment of our Canadian shale gas operations of R9 882 million (CAD880 million) in 2016, which was recognised due to the continued decline in gas prices, the business recorded a loss of R1 832 million.

In Mozambique, production volumes increased by 5% as a result of our efforts to debottleneck the production facility, coupled with the increase in gas transportation capacity to 169 billion standard cubic feet (bscf), and a full volume offtake by our joint electricity operations in Mozambique.

The lower oil price had a significant impact on our Gabon assets resulting in a loss of R994 million which includes the impact of higher depreciation (R779 million) due to lower reserves being declared, on the back of a lower oil price. This is compared to a R1 124 million loss in the prior year, which included the partial impairment of the asset of R1 331 million. The new development wells which were brought on line during the financial year resulted in a 16% higher average of 18 824 barrels of oil production per day (on a gross basis) when compared to 16 284 barrels in the prior year.

Our Canadian gas production volumes were 5% lower compared to the prior year due to reduced development activities, driven by lower oil and gas prices. Our Canadian operations produced and sold 20,7 bscf of natural gas during 2016 compared to 21,8 bscf in 2015.

In order to manage the shale gas asset through the low gas price environment, in 2016 we concluded an agreement with our partner, Progress Energy, to settle the outstanding funding commitment of R4 160 million (CAD380 million) and reduce the pace of appraisal, development and drilling activities. An 18-month reduced work programme was approved in June 2016. CAD305 million was paid in June 2016. The remaining CAD75 million will be paid on 1 July 2018.

For further analysis of our results refer "Integrated Report−Operational reviews" as contained in Exhibit 99.7.

Strategic Business Units

Energy

	2017	2016	Change 2017/ 2016	2015	Change 2016/ 2015
	(Rand in millions)		(%)	(Rand in millions)	(%)
External turnover	64 254	63 818	1	75 264	(15)
Inter-segment turnover	518	523	(1)	536	(2)
Total turnover	**64 772**	**64 341**	1	**75 800**	**(15)**
Operating costs and expenses(1)	(53 554)	(50 272)	7	(53 274)	(6)
Operating profit	**11 218**	**14 069**	(20)	**22 526**	**(38)**
Operating margin %	17	22		30	

(1) Operating costs and expenses net of other income.

Results of operations 2017 compared to 2016

Total turnover increased by 1% from R64 341 million in 2016 to R64 772 million in 2017, due to increases in the international prices of refined products, partly negated by the

Operating profit, including equity accounted earnings, of R11 218 million decreased by R2 851 million or 20% compared to the prior year. Operating margins decreased from 22% to 17%.

Excluding the effect of remeasurements, mainly the partial impairment of our US gas-to-liquids project (R1,7 billion), translation effects on the valuation of the balance sheet using the closing rand/US dollar exchange rate and the reversal of the Escravos GTL PIA provision of R2,3 billion in 2016, operating profit, including equity accounted earnings, increased by 5%.

The 5% increase is mainly due to higher crude oil prices, solid production performance of ORYX GTL, further positive contributions from our BPEP and Response Plan initiatives, partially negated by a 19% decrease in petrol differentials, stronger rand/US dollar exchange rates and lower liquid fuel sales volumes. Cost increases were contained to below inflation.

Gas sales volumes were 2% lower compared to the prior year mainly due to lower market demand. Our share of power produced at the Central Térmica de Ressano Garcia (CTRG) joint operation in Mozambique amounted to 658 gigawatt-hours of electricity, 1% higher than the prior year.

ORYX GTL delivered an excellent production performance with an average utilisation rate of 95%, while maintaining a world-class safety recordable case rate of zero. ORYX GTL contributed R839 million to operating profit with volumes increasing by 16% compared to the prior year.

The group participates in ORYX GTL's net assets (before tax) and pre-tax profits at 49%. With effect from 29 April 2017 as a result of change in tax regulations, tax is levied only on Sasol's share of profits and as a result any tax liability included in ORYX GTL's results is included at 100% in our equity-accounted share of ORXY GTL's financial results.

In Nigeria, Escravos GTL resumed operation after completion of the scheduled maintenance programme with both trains lower volumes sold and the stronger rand/US dollar exchange rate.

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running as expected. The plant is expected to ramp up towards design capacity during the year.

Results of operations 2016 compared to 2015

Total turnover decreased by 15% from R75 800 million in 2015 to R64 341 million in 2016, due to the sharp decline in oil prices.

Operating profit of R14 069 million decreased by R8 457 million or 38% compared to the prior year despite a 41% reduction in crude oil prices. Operating margins held firm at 22%, mainly as a result of record production volumes, higher liquid fuels sales through higher yielding marketing channels, the weaker rand/US dollar exchange rate and contributions from the BPEP and Response Plan initiatives.

Secunda Synfuels Operations increased production volumes of refined product by 1% to a record 7,8Mt. Natref Operations increased production volumes by 1% compared to the prior year. Sales volumes, however, remained flat on the back of challenging market and trading conditions experienced during the first half of the financial year, driven by lower demand for liquid fuels in Southern Africa, specifically in the agricultural, mining and manufacturing sectors.

Gas sales volumes were 1% higher compared to the prior year, mainly due to higher methane-rich gas sales to commercial customers. Our share of the Central Termica de Ressano Garcia (CTRG) joint operation in Mozambique delivered 653 089 megawatt-hours of electricity.

For further analysis of our results refer "Integrated Report−Operational reviews" as contained in Exhibit 99.7.

Base Chemicals

	2017	2016	Change 2017/ 2016	2015	Change 2016/ 2015
	(Rand in millions)		(%)	(Rand in millions)	(%)
External turnover	35 135	33 696	4	36 838	(9)
Inter-segment turnover	620	1 371	(55)	2 890	(53)
Total turnover	**35 755**	**35 067**	**2**	**39 728**	**(12)**
Operating costs and expenses(1)	(30 130)	(30 581)	(1)	(29 520)	4
Operating profit	**5 625**	**4 486**	**25**	**10 208**	**(56)**
Operating margin %	16	13	3	26	

(1) Operating costs and expenses net of other income.

Results of operations 2017 compared to 2016

Total turnover increased by 2% from R35 067 million in 2016 to R35 755 million in 2017, due to a 3% increase in sales volumes mainly as a result of higher volumes from SSO and improved production due to the commissioning of the C3 Expansion Project in the prior year. The US dollar basket price of our commodity chemicals improved by 6% compared to the prior year, but this was negated by the stronger rand/US dollar exchange rate.

Operating profit of R5 625 million increased by R1 139 million or 25% and operating margin increased from 13% to 16%.

The increase in operating profit is largely attributable to the reversal of the previously recognised impairment of R849 million ($65 million), in 2017 on the low density polyethylene (LDPE) cash generating unit of the LCCP project in the US.

Other cost increases were contained well within inflation.

Results of operations 2016 compared to 2015

Total turnover decreased by 12% from R39 728 million in 2015 to R35 067 million in 2016.

Excluding the partial impairment of our low density polyethylene (LDPE) cash generating unit in the US of R956 million (US$65 million) and the R537 million impairment of our methyl isobutyl ketone (MIBK) business in

Sasolburg, in 2016 Base Chemicals recorded an operating profit of R5 979 million.

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The operating margin decreased from 26% in the prior year to 13%. Sales volumes were down by 8% as a result of a planned extended shutdown to enable commissioning activities associated with the C3 Expansion Project, subdued demand for explosives and fertilisers and a planned stock build. A 22% decrease in our basket of commodity chemical prices was partly negated by the weaker rand/US dollar exchange rate. In nominal terms, we reduced costs by 1,5% compared to the prior year.

For further analysis of our results refer "Integrated Report−Operational reviews" as contained in Exhibit 99.7.

Performance Chemicals

	2017	2016	Change 2017/ 2016	2015	Change 2016/ 2015
	(Rand in millions)		(%)	(Rand in millions)	(%)
External turnover	67 806	71 254	(5)	68 874	3
Inter-segment turnover	2 080	2 380	(13)	2 910	(18)
Total turnover	**69 886**	**73 634**	(5)	**71 784**	**3**
Operating costs and expenses(1)	(59 886)	(62 358)	(4)	(59 070)	6
Operating profit	**10 000**	**11 276**	(11)	**12 714**	**(11)**
Operating margin %	14	15	(1)	18	

(1) Operating costs and expenses net of other income.

Results of operations 2017 compared to 2016

Turnover decreased by 5% from 73 634 million to R69 886 million. Operating profit of R10 000 million decreased by 11% compared to the prior year mainly as a result of significantly lower margins on ammonia due to lower market prices, the impact of a stronger rand and a partial impairment of R527 million (US$38,4 million) relating to our US Phenolics cash generating unit.

Sales volumes increased by 2% compared to the prior year mainly due to an increase of 2% in Organics volumes. Our FT Wax facility in South Africa continues to ramp up and produced 92kt of hard wax in 2017, which is in line with our forecast. These additional wax volumes were offset by lower volumes from our European wax facility due to reduced demand.

from favourable market conditions. Our US assets benefitted from higher ethylene sales prices during the first half of the financial year, but subsequently came under pressure as a result of reduced market prices. Other cost increases remained below inflation for the year.

Results of operations 2016 compared to 2015

Turnover increased by 3% from R71 874 million to R73 634 million. Operating profit of R11 276 million decreased by 11% compared to the prior year mainly as a result of the R2 021 million FT Wax Expansion Project (FTWEP) impairment reversal in the prior year.

Our operating margin reflects the full annual depreciation charge being recognised on FTWEP in 2016, while the project is still ramping up to full production. Excluding the impact of the impairment reversal in the prior year, operating profit increased by 5%. This increase is largely as a result of the weakening of the rand, coupled with resilience of the margins achieved by our European surfactants and alcohols businesses, negated by lower ethylene prices which negatively impacted the margins achieved by our assets in the US. Production volumes in our Eurasian Operations increased by 4%, while production volumes at our US Operations remained flat compared to the prior year.

Total sales volumes decreased marginally by 1% compared to the prior year, as a result of planned shutdowns at our ethylene plant in North America and our production facilities in Sasolburg and reduced demand for oilfield chemicals. The decrease in wax and ammonia sales volumes were compensated by an increase of 4% in organic sales volumes. Normalised sales volumes were up by 1,8%.

For further analysis of our results refer "Integrated Report−Operational reviews" as contained in Exhibit 99.7.

Disclosure pursuant to Section 219 of the Iran Threat Reduction and Syria Human Rights Act of 2012 and Section 13 (r) of the Exchange Act

To our knowledge, none of Sasol's activities, transactions or dealings is in violation with

The European organics products benefitted from improved 63

volumes and margins resulting

applicable sanctions laws and regulations. Performance Chemicals sold chemicals to a distributor in Switzerland who shipped the product to a customer in Iran. The total revenue from the two transactions was R1,5 million (EUR 0,09 million) which generated a loss from this activity amounted to R0,4 million (EUR 0,03 million). Further deliveries may be made as part of global supply arrangements with customers who deliver product to their customers in various countries including Iran.

For more information refer to "Actual or alleged non-compliance with laws could result in criminal or civil sanctions and could harm our reputation−Sanction laws" under Item 3.D. "Risk Factors"

Significant accounting policies and estimates

The preparation of our consolidated financial statements requires management to make estimates and assumptions that affect the reported results of its operations. Some of our accounting policies require the application of significant judgements and estimates by management in selecting the appropriate assumptions for calculating financial estimates. By their nature, these judgements are subject to an inherent degree of uncertainty and are based on our historical experience, terms of existing contracts, management's view on trends in the industries in which we operate and information from outside sources and experts. Actual results may differ from those estimates. Management believes that the more significant judgement and estimates relating to the accounting policies used in the preparation of Sasol's consolidated financial statements could potentially impact the reporting of our financial results and future financial performance.

We evaluate our estimates, including those relating to environmental rehabilitation and decommissioning obligations, long-lived assets, trade receivables, inventories, investments, intangible assets, income taxes, share-based payment expenses, hedges and derivatives, pension and other post-retirement benefits and contingencies and litigation on an ongoing basis. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making our judgements about carrying values of assets and liabilities that are not readily available from other sources.

In addition to the items below, "Item 18−Annual Financial statements" are incorporated by reference.

For accounting policies and areas of judgements relating to:

Valuation of share-based payments , refer "Item 18−Annual Financial statements"−Note 33 Cash settled share appreciation rights and Note 34−Share-based payment reserve;

Impairments−refer "Item 18−Annual Financial statements−Note 8 Remeasurement items";

Long-term provisions−refer "Item 18−Annual Financial statements−Note 30 Long-term provisions";

Post-retirement benefit obligations−refer "Item 18−Annual Financial statements−Note 32 Post-retirement benefit obligations";

Useful economic lives of assets and depreciation of coal mining assets−"Item 18−Annual Financial statements−Note 16 Property, plant and equipment and Note 17 Assets under construction";

Estimation of coal reserves−refer "Item 18−Annual Financial statements−Note 17 Assets under construction";

Recognition of deferred tax assets and utilisation of tax losses−refer "Item 18−Annual Financial statements−Note 13 Deferred tax and Note 12 Tax paid".

In accordance with the United States Securities and Exchange Commission (SEC) regulations, proved oil and gas reserves are those quantities of oil and gas which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible−from a given date forward, from known reservoirs under existing economic conditions, operating methods, and government regulations−prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract hydrocarbons must be approved and must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time. Existing economic conditions define prices and costs at which economic producibility is to be determined. The price is the average sales price during the 12-month period prior to the reporting date (30 June), determined as an un-weighted arithmetic average of the first-day-of-the-month price for each month within such period, unless prices are defined by contractual arrangements. Future price changes are limited to those provided by contractual arrangements in existence at year-end.

Our reported natural oil and gas reserves are estimated quantities based on SEC reporting regulations. Additionally, we require that the estimated quantities of oil and gas and related substances to be produced by a project be sanctioned by all internal and external parties to the extent necessary for the project to enter the execution phase and sufficient to allow the resultant products to be brought to market. See "Item 4.D Information on the company−Property, plants and equipment".

There are numerous uncertainties inherent in estimating quantities of reserves and in projecting future rates of production, including factors which are beyond our control. The accuracy of any reserve estimate is a function of the quality of available data, engineering and geological interpretation and judgement. Estimates of oil and gas reserves therefore are subject to future revision, upward or downward, resulting from new data and current interpretation, as well as a result of improved recovery, extensions and discoveries, the purchase or sale of assets, and production. Accordingly, financial and accounting measures (such as the standardised measure of future discounted cash flows, depreciation and amortisation charges and environmental and decommissioning obligations) that are based on proved reserves are also subject to revision and change.

Refer to "Standardised measure of discounted future net cash flows", on page G-6 for our standardised discounted future net cash flow information in respect of proved reserves for the year ended 30 June 2017 and to "Changes in the standardised measure of discounted future net cash flows", on page G-7.

Depreciation of natural oil and gas assets

Depreciation of mineral assets on producing oil and gas properties and property acquisition costs is based on the units-of-production method, calculated using estimated proved developed reserves.

Fair value estimations of financial instruments

We base fair values of financial instruments on quoted market prices of identical instruments, where available. If quoted market prices are not available, fair value is determined based on other relevant factors, including dealers' price quotations and price quotations for similar instruments traded in different markets. Fair value for certain derivatives is based on pricing models that consider current market and contractual prices for the underlying financial instruments or commodities, as well as the time value and yield curve or fluctuation factors underlying the positions. Pricing models and their underlying assumptions impact the amount and timing of unrealised gains and losses recognised, and the use of different pricing models or assumptions could produce different financial results. Refer to "Item 11−Quantitative and qualitative disclosures about market risk".

5.B Liquidity and capital resources

Liquidity, cash flows and borrowings

Based on our funding plan, we believe that current cash on hand, funds from operations and existing borrowing facilities, will be sufficient to cover our working capital and debt service requirements in the year ahead. We finance our capital expenditure from funds generated out of our business operations, existing borrowing facilities and, in some cases, additional borrowings to fund specific projects.

For information regarding our funding cash flows and liquidity, refer "Item 18−Annual Financial Statements−Note 15−Long-term debt" which includes an overview of our banking facilities and debt arrangements.

For information regarding the company's cash flow requirements refer to the "CFO Report−Our cash flow generation and utilisation" and "Managing our funding plan, debt profile and credit rating" as contained in Exhibit 99.3.

The following table provides a summary of our cash flows for each of the three years ended 30 June 2017, 2016 and 2015.

	2017	2016	2015
		(Rand in millions)	
Net cash retained from operating activities	28 480	33 935	40 936
Net cash used in investing activities	(56 677)	(71 034)	(42 085)
Net cash generated by financing activities	8 547	29 178	13 065

Cash flows retained from operating activities include the following significant items:

	2017	2016	2015
		(Rand in millions)	
Cash generated by operating activities	**44 069**	54 673	61 783
Income tax paid	**(6 352)**	(9 329)	(10 057)
Dividends paid	**(8 628)**	(10 680)	(12 739)

The cash generated by our operating activities is applied first to fund our operations, pay our debt and tax commitments and then to provide a return in the form of a dividend to our shareholders. The net cash retained is then invested based on our updated capital allocation framework which is aimed at driving maximum shareholder return.

Operating activities

Cash generated by operating activities in 2017 decreased by 19% to R44 069 million, largely attributable to purchases of crude oil options of $103 million (approximately R1,4 billion) necessary as part of our risk mitigation strategy, increases in working capital as well as a stronger rand (exchange rate of R13,06/US$ compared to R14,71/US$ at 30 June 2016).

Cash generated by operating activities in 2016 decreased by 12% to R54 673 million mainly as a result of a decrease in turnover due to lower oil prices (average dated Brent was 41% lower at $43/bbl for the year ended 30 June 2016 compared with US$73/bbl in the prior year).

In 2015, cash generated by operating activities decreased by 6% to R61 783 million from R65 449 million in 2014. This movement was also due to a 33% lower oil price in 2015 which impacted on turnover.

For further information regarding our cash flow generation, refer "CFO Report−Our cash flow generation and utilisation" as contained in Exhibit 99.3.

Investing activities

Net cash used in investing activities decreased to R56 677 million in 2017 as compared to R71 034 million in 2016. Net cash used in investing activities in 2016 increased from R42 085 million in 2015.

In 2017, included in additions to non-current assets is R36,8 billion (US$2,7 billion) relating to the construction of the LCCP. This is as compared to R42,4 billion (US$2,9 billion) in 2016. This decrease is largely as a result of the strengthening of the rand against the US dollar, re-phasing of the LCCP capital cash flow and active management of the capital portfolio .

Included in investing activities in 2017 are the proceeds from the sale of the Dongguan packaging facility (R89 million) as well as the partial sale of the Canadian land (R389 million).

Included in investing activities in 2016 is the settlement of our funding commitment on the Canadian shale gas asset of R4,4 billion (CAD380 million).

Cash flows utilised in investing activities include the following significant items:

	2017	2016	2015
		(Rand in millions)	
Additions to non-current assets(1)	(56 812)	(70 497)(2)	(42 645)
Proceeds on disposals	788	569	1 210

(1) Includes additions to property, plant and equipment; assets under construction and other intangible assets.

(2) In 2016, additions include R4 160 million in respect of an agreement concluded with our Canadian shale gas partner, Progress Energy, to settle the outstanding funding commitment. R3 339 million was settled in 2016, with the remaining CAD75 million (R821 million) due in July 2018.

For information regarding cash flows from investing activities refer "CFO Report−"Managing our funding plan, debt profile and credit rating" as contained in Exhibit 99.3.

For information regarding cash flows from additions and disposals, refer "Item 18−Annual Financial Statements−Note 16 and Note 9".

For details of our additions to non-current assets, and the projects to which these relate, refer to "Note 17−Assets under construction".

For details of our capital commitments refer to "Note 16−Property, plant and equipment".

Financing activities

The group's operations are financed primarily by means of its operating cash flows. Cash shortfalls are usually short-term in nature and are met primarily from short-term banking facilities. Our long-term capital expansion projects are financed by a combination of floating and fixed rate long-term debt, as well as internally generated funds. This debt is normally financed in the same currency as the underlying project and the repayment terms are designed to match the cash flows expected from that project.

For information regarding our debt and funding structure, refer "CFO Report−Managing our funding plan, debt profile and credit rating" as contained in Exhibit 99.3.

Capital resources

Sasol Financing (Pty) Ltd and Sasol Financing International Limited act as our group's financing vehicles. All our group treasury, cash management and borrowing activities are facilitated through Sasol Financing (Pty) Ltd and Sasol Financing International Limited. The group executive committee (GEC) and senior management meet regularly, to review and, if appropriate, approve the implementation of optimal strategies for the effective management of the group's financial risk.

Our cash requirements for working capital, share repurchases, capital expenditures, debt service and acquisitions over the past three years have been primarily financed through a combination of funds generated from operations and borrowings. In our opinion, our working capital is sufficient for present requirements.

Our debt as at 30 June comprises the following:

	2017	2016	2015
		(Rand in millions)	
Long-term debt, including current portion	**81 405**	79 877	42 066
Short-term debt	**2 625**	138	534
Bank overdraft	**123**	136	319
Total debt	**84 153**	80 151	42 919
Less cash (excluding cash restricted for use)	**(27 643)**	(49 985)	(48 329)
Net debt/(cash)	**56 510**	30 166	(5 410)

As at 30 June 2017, we had R1 803 million (2016−R2 331 million) in cash restricted for use. Refer to "Item 18−Financial Statements−Note 26" for a breakdown of amounts included in cash restricted for use.

The group has borrowing facilities with major financial institutions of R136 143 million (2016−R132 448 million; 2015−R113 732 million). Of these facilities, R84 153 million (2016−R80 151 million; 2015−R42 919 million) has been utilised at year end. Refer to "Item 18−Annual Financial Statements−Note 15 Long-term debt", for a breakdown of our banking facilities and the utilisation thereof.

There were no events of default for the years ended 30 June 2017 and 30 June 2016.

Included in the abovementioned borrowing facilities is our commercial paper programme of R8 billion, normally at fixed interest rates. There were no amounts outstanding under the commercial paper programme at 30 June 2017. Further, a revolving credit facility of US$1,5 billion is available to the group for further funding requirements. Centralised treasury facilities of R22,7 billion (US$1,6 billion and EUR170 million) were drawn during 2017.

Financial instruments and risk

Refer to "Item 11−Quantitative and qualitative disclosures about market risk" for a breakdown of our liabilities summarised by fixed and floating interest rates.

Debt profile and covenants

The information set forth under "Item 18−"Annual Financial Statements−Note 15−Long-term debt" is incorporated by reference.

Capital commitments

Refer "Item 18−"Annual Financial Statements−Note 16−Property, plant and equipment".

Our growth aspirations have been prioritised as we steadily advance our growth strategy, particularly in Southern Africa and North America. Capital investments in these regions will constitute a significant portion of our total capital expenditure over the next 10 years. We have sufficient headroom in our balance sheet to fund selective growth opportunities, pay dividends and provide a buffer against volatilities. Given that a large portion of our funding for our capital intensive growth plan will come from the offshore debt markets, we are acutely aware that we need to manage our gearing within our long-term targeted range. We expect that our gearing is likely to reach our internal gearing ceiling of 20% - 44% in the near term.

In the US, we are constructing the US$11 billion LCCP, which consists of a world-scale 1,5 million ton per year ethane cracker, and six downstream chemical projects. At 30 June 2017, the capital expenditure to date is $7,5 billion, and the overall project completion is around 74%. We have project specific finance facilities in place to fund the LCCP. For further detail on the funding of the LCCP, refer "Item 18−Annual Financial Statements−Note 15−Long-term debt". This US$11 billion estimate includes a contingency, which measured against industry norms for this stage of project completion, is considered sufficient to effectively take the project to beneficial operation within the revised cost estimate.

The first units of the LCCP are expected to reach beneficial operation in the second half of the 2018 calendar year.

During 2016, the LDPE cash generating unit was impaired by R956 million (US$65 million), largely as a result of the increased capital cost and lower margins. This impairment was fully reversed at 30 June 2017, based on a reduction in the spot WACC rate applicable to the US, the extension of the useful life to 50 years based on more detailed engineering analysis performed, and the completion of the project cost and schedule evaluation.

Various savings opportunities have been identified and are continuously being implemented to mitigate project risks. Although unplanned event-driven risks may stil impact the execution and cost of the project, we are confident that the remaining construction, procurement, execution and business readiness risks can be managed within the revised cost estimate of US$11 billion.

We continue to monitor the economics of the project against the backdrop of a challenging macro-economic environment. We rely extensively on the views of independent market consultants in formulating our views on our long-term assumptions. Their views differ significantly- from period to period, which again is indicative of the volatility in the market. For these reasons, the IRR for the LCCP, based on these different sets of price assumptions, varies between a range of returns which is both higher and lower than our weighted average cost of capital. At spot market prices, using the last quarter of 2017 as a reference, the IRR is between 8% to 8,5%. We are of the view that limited structural changes have occurred to market fundamentals since February 2017, when we last published the expected long-term IRR of the project, hence, based on our internal assessment, we are of the view that the IRR is in a range of 7% to 8% (Sasol WACC at 8% in US$ terms) based on conservative ethane prices. The cracker, however, remains cost competitive and is at the lower end of the cost curve for ethylene producers. We will continue to focus on factors that we can control, which are progressing the cost and schedule of the project according to plan.

In Mozambique, the field development plan (FDP) for the Production Sharing Agreement (PSA) licence was approved by regulatory authorities. The PSA FDP proposes an integrated oil, Liquefied Petroleum Gas (LPG) and gas-to-power project adjacent to the Petroleum Production Agreement (PPA) area. The development of these projects is a capital-intensive process carried out over long durations and requires us to commit significant capital expenditure. The total project cost for tranche one of the first phase of the PSA licence area and the fifth train is estimated at US$1,4 billion. The project is in its early stages of execution with the drill rig proceeding with the 13 well drilling programme.

For information on amounts capitalised in respect of these projects refer, "Item 18−Annual Financial Statements−Note 16−Property, plant and equipment" and "Note 17−Assets under construction".

For information on future amounts expected to be spent to complete the projects, refer "Item 18−Annual Financial Statements−Note 17−Assets under construction".

5.C Research and development, patents and licences

Refer to the "Item 4.B−Intellectual Capital" for further information research and development, patents and licences.

During 2017, R1 077 million was spent on research and development activities (2016−R1 105 million; 2015−R1 645 million).

5.D Trend information

Refer to the "CFO Report−Market overview" and "Key risks impacting our financial performance" as contained in Exhibit 99.3.

5.E Off-balance sheet arrangements

We do not engage in off-balance sheet financing activities and do not have any off-balance sheet debt obligations, off-balance sheet structured entities or unconsolidated affiliates.

Guarantees

As at 30 June 2017, the group recognised amounts in respect of certain guarantees. Refer to "Item 18−Annual Financial Statements, "Note 15 Long-term debt" and "Note 17 Assets under construction" for further information on guarantees.

Product warranties

The group provides product warranties with respect to certain products sold to customers in the ordinary course of business. These warranties typically provide that products sold will conform to specifications. The group accrues a warranty liability on a transaction-specific basis depending on the individual facts and circumstances related to each sale. Both the liability and expense related to product warranties are immaterial to the consolidated financial statements.

5.F Tabular disclosure of contractual obligations

Contractual obligations/commitments. The following significant undiscounted contractual obligations existed at 30 June 2017:

Contractual obligations	Total amount	Within 1 year	1 to 5 years	More than 5 years
	(Rand in millions)			
Bank overdraft	123	123		
Capital commitments	90 736	59 236	31 500	
Environmental and other obligations	102 729	11 657	22 954	68 118
External long-term debt	94 044	9 783	68 332	15 929
External short-term debt	2 625	2 625		
Finance leases	3 781	278	1 195	2 308
Operating leases	21 373	1 460	4 786	15 127
Post-retirement healthcare obligations(1)	4 163	179	911	3 073
Post-retirement pension obligations(1)	7 260	176	740	6 344
Purchase commitments(2)	45 642	19 668	24 557	1 417
Share-based payments	883	883		
Total	**373 358**	**106 068**	**154 975**	**112 315**

(1) Represents discounted values

(2) Includes off-take agreements entered into in the ordinary course of business, the most significant of which relate to LCCP (R17 639 million, US$1 351 million undiscounted) and ORYX GTL for a contracted minimum off-take gas volume.

Refer to "Item 18−Annual Financial statements"−Note 16 Property, plant and equipment for significant capital commitments and Note 30 Long-term provisions of for environmental and other obligations.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

6.A Directors and senior management

The board of directors and senior management

For information regarding our directors, refer to "Our board of directors and senior management" as contained in Exhibit 99.8.

Senior management−experience

Exhibit 99.8 for experience of our executive directors who are members of the GEC.

Family relationship

There are no family relationships between any of our non-executive directors, executive directors or members of our group executive committee.

Other arrangements

None of our non-executive directors, executive directors or group executive committee members or other key management personnel are elected or appointed under any arrangement or understanding with any major shareholder, customer, supplier or otherwise.

6.B Compensation

Refer to our Remuneration Report filed as Exhibit 99.2 for details of our directors and senior management compensation.

Long-term incentive schemes applicable to executive directors and senior management

For details regarding our long-term incentive schemes applicable to executive directors and senior management named in Item 6.A. Refer to our Remuneration Report filed as Exhibit 99.2.

6.C Board practices

Refer to "Item 6.A−Directors and senior management" for our board of directors and information with respect to their terms of office. Refer to our Remuneration Report filed as Exhibit 99.2 for details of our directors' and senior management service contracts and benefits upon termination of employment.

Refer to "Integrated Report−Our governance framework" as contained in Exhibit 99.9 for details relating to our audit- and remuneration committees, as well as the names of committee members; and refer to the "Terms of Reference−Audit Committee and Remuneration Committee" as contained in Exhibit 99.9.2 for summaries of the terms of reference under which the committees operate.

We have identified our senior management as the members of our group executive committee (GEC). See "Our board of directors and senior management" as contained in

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6.D Employees

The information set forth under "Item 18−Annual Financial Statements−Note 3−Employee-related expenditure" is incorporated by reference.

Remuneration of directors and key personnel is contained in the Remuneration Report, contained in Exhibit 99.2.

For information regarding the employees per segment, refer to "Item 18−Annual Financial Statements−Note 3−Employee-related expenditure". Our workforce geographic location composition at 30 June is presented below:

Region	**2017**	**2016**	**2015**
	Number of employees		
South Africa	26 058	25 394	26 138
Europe	2 728	2 721	2 780
North America	1 430	1 289	1 209
Other	684	696	792
Total	30 900	30 100	30 919

6.E. Share ownership

Refer to our Remuneration Report filed as Exhibit 99.2 for details of share ownership applicable to executive directors and senior management.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

7.A Major shareholders

Refer to "Item 18−Annual Financial Statements−Note 14−Equity" for the authorised and issued share capital of Sasol Limited.

To the best of our knowledge, Sasol Limited is not directly or indirectly owned or controlled by another corporation or the government of South Africa or any other government. We believe that no single person or entity holds a controlling interest in our securities.

In accordance with the requirements of the Companies Act of South Africa (Companies Act), the following beneficial shareholdings equal to or exceeding 5% of the total issued securities during the last three years were disclosed or established from inquiries as of 30 June 2017:

	2017		**2016**		**2015**	
	Number of shares	**% of shares**	**Number of shares**	**% of shares**	**Number of shares**	**% of shares**
GEPF(1)(2)	**85 275 320**	**13,1**	**84 121 005**	**12,9**	92 425 614	13,6
IDC(3)	**53 266 887**	**8,2**	**53 266 887**	**8,2**	53 266 887	7,8
AGPL(4)	**40 366 150**	**6,2**	*		*	

(1) Government Employees Pension Fund (GEPF)

(2) PIC Equities manages 67,6 million of the shares owned by GEPF.

(3) Industrial Development Corporation of South Africa (IDC)

(4) Allan Gray Proprietary Limited (AGPL)

* Not considered a major shareholder in this year

The voting rights of major shareholders do not differ from the voting rights of other shareholders.

As of 31 July 2017, 19 692 729 million Sasol ordinary shares, or approximately 3% of our total issued securities, were held in the form of American Depositary Receipts (ADRs). As of 31 July 2017, 391 record holders in the United States held approximately 18,73% of our total issued securities in the form of either Sasol ordinary shares or ADRs.

7.B Related party transactions

There have been no material transactions during the most recent three years, other than as described below, nor are there proposed to be any material transactions at present to which we or any of our subsidiaries are or were a party and in which any senior executive or director, or 10% shareholder, or any relative or spouse thereof or any relative of such spouse, who shared a home with this person, or who is a director or executive officer of any parent or subsidiary of ours, had or is to have a direct or indirect material interest. Furthermore, during our three most recent years, there has been no, and at 30 June 2017 there was no, outstanding indebtedness to us or any of our subsidiaries owed by any of our executive or independent directors or any associate thereof.

During the year, group companies, in the ordinary course of business, entered into various purchases and sale transactions with associates, joint ventures and certain other related parties. The effect of these transactions is included in the financial performance and results of the

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group. Terms and conditions are determined on an arm's length basis.

Amounts due to and from related parties are disclosed in the respective notes to the financial statements for the respective statement of financial position line items. Refer to "Item 18–Annual Financial Statements–Note 37–Related party transactions" for further details.

7.C Interests of experts and counsel

Not applicable.

ITEM 8. FINANCIAL INFORMATION

8.A Consolidated statements and other financial information

Refer "Item–18. Annual Financial Statements" for our financial statements, related notes and other financial information.

Dividend policy

Our previous dividend distribution policy was a progressive dividend policy. In February 2015 the Sasol Limited Board approved a change in the company's dividend policy, which is based on a dividend cover range. The Company's dividend policy takes into consideration various factors, including overall market and economic conditions, the Group's financial position, capital investment plans as well as earnings growth.

Headline earnings per share will serve as the basis for deciding on the dividend amount. The prevailing circumstances of the company, future investment plans, financial performance and the trading and macro-economic environments will be considered when we make decisions on dividends. The average rate of earnings to dividend distributions in the past five years was approximately 2,3 times. Our dividend cover for 2016 and 2017 was 2,8 times. We distribute dividends twice a year.

Refer to "Item 10.B–Memorandum and articles of association–Rights and privileges of holders of our securities".

Legal proceedings

For information regarding our legal proceedings refer to "Item 4.B–Business overview–Legal proceedings and other contingencies".

8.B Significant changes

Refer to "Item 18–Annual Financial statements–Note 38 Subsequent events".

ITEM 9. THE OFFER AND LISTING

9.A Offer and listing details

The following table sets forth, for the years indicated, the reported high and low quoted prices for the ordinary shares on the Johannesburg Stock Exchange (JSE) and for our American Depositary Receipts (ADRs) on the New York Stock Exchange.

	Shares (Price per share in rand)		ADRs (Price per ADR in US$)	
Period	**High**	**Low**	**High**	**Low**
2013	452,96	336,00	47,92	39,94
2014	645,10	420,00	60,21	41,65
2015	642,72	392,78	60,80	31,66
2016				
First quarter	447,89	375,25	36,57	26,97
Second quarter	465,69	358,79	34,31	24,55
Third quarter	492,50	360,70	31,62	21,88
Fourth quarter	487,00	390,10	32,96	25,29
2017				
First quarter	402,44	358,71	28,48	25,15
Second quarter	410,11	358,00	29,76	25,12
Third quarter	430,95	357,00	32,20	27,31
Fourth quarter	416,33	359,99	31,55	27,14
April	416,16	396,79	31,03	29,21
May	416,33	392,10	31,55	29,69
June	386,55	359,99	30,05	27,14
July	398,71	366,98	30,35	27,36
August (up to 24 August 2017)	410,00	390,00	30,55	29,55

9.B Plan of distribution

Not applicable.

9.C Markets

The principal trading market for our shares is currently the JSE. Our American Depositary Shares (ADS) have been listed on the New York Stock Exchange since 9 April 2003, each representing one common ordinary share of no par value, under the symbol "SSL". The Bank of New York Mellon is acting as the Depositary for our ADSs and issues our ADRs in respect of our ADSs.

9.D Selling shareholders

Not applicable.

9.E Dilution

Not applicable.

9.F Expenses of the issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

10.A Share capital

Not applicable.

10.B Memorandum and articles of association

1. Registration number, and object and purpose of the Company

Refer to "Item 10.B" of our registration statement pursuant to section 12(b) or 12(g) of the Securities Exchange Act of 1934, filed with the Securities and Exchange Commission on 6 March 2003 (the Registration Statement) for the registration number and object and purpose of the Company.

2. Our board of directors

Appointment, retirement and re-election of directors. Our directors are elected by our shareholders at the annual general meeting. The directors shall, within the minimum and maximum limits stipulated in the Memorandum of Incorporation (MOI), determine the number of directors from time to time. If so approved by the board, directors may also appoint alternate directors in their stead.

Retiring non-executive Directors may be re-elected, provided they are eligible. There is no age restriction and directors are allowed to serve irrespective of their age. The directors who retire every year shall be the longest serving since their last election. As between directors of equal seniority, the directors to retire, in the absence of agreement, will be selected from among them in alphabetical order. For more details regarding the rotation of directors, see information provided in our Registration Statement.

If at the date of the annual general meeting a non-executive director has held office for a period of five years since his last election, which election took place prior to 25 November 2016, or if he has held office for a period of 9 (nine) years since his first election, which election took place on or after 25 November 2016, he shall retire at such meeting, if not included as one of the directors to retire by rotation. The Board may nominate a director who served for 9 (nine) years for re-election for additional periods of one year at a time, but no such director's term of office shall exceed 12 (twelve) years.

Power to vote in respect of matters in which a director has a material interest. In terms of our MOI and the Companies Act, a director who has a personal financial interest in respect of a matter to be considered at a meeting, or knows that a related person has a personal financial interest in the matter, may not vote on the matter. In terms of our board charter, directors are appointed on the express understanding and agreement that they may be removed by the board if and when they develop an actual or prospective material, enduring conflict of interest with Sasol or a group company.

Power to vote on remuneration. A distinction is drawn between remuneration of directors as employees (executive directors) of the company and remuneration of directors for their services as directors. With regard to remuneration of directors for their services as directors and in accordance with the Companies Act, our MOI requires shareholder approval by way of a special resolution obtained in the previous two years for the payment of remuneration to directors for their service as directors, and the basis of payment thereof.

The remuneration of executive directors is determined by a disinterested quorum of directors on recommendation of the remuneration committee determined in accordance with the group's remuneration policy put to shareholders for a non-binding advisory vote at the annual general meeting as required by the King IV Report on Corporate Governance for South Africa 2016 (King IV). King IV now further requires that the remuneration implementation report also be put

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to shareholders for a non-binding advisory vote. No powers are conferred by our MOI, or by any other means, on the directors who are employees of the company, to vote on their own remuneration in the absence of a disinterested quorum of directors.

Borrowing powers exercisable by directors. Clause 26.2 of our MOI provides that the directors may borrow money and secure the payment or repayment thereof upon terms and conditions which they may deem fit in all respects and, in particular, through the issue of debentures which bind as security all or any part of the property of the Company, both current and future.

For information regarding the qualification shares to be held by directors, see information provided in our Registration Statement.

3. Rights and privileges of holders of our securities

Classes of shares. We have three classes of shares in issue, namely:

Ordinary Shares;

Preferred Ordinary Shares; and

Sasol BEE Ordinary Shares,

which have the rights and privileges more fully set out in our MOI and which are briefly described herein.

Dividend rights attaching to the various classes of shares

Ordinary Shares: In terms of our MOI, the company may make distributions as defined in the Companies Act, save however that no dividend may be declared and paid unless the company has first declared and paid in full the dividends due to the holders of the Preferred Ordinary Shares, the details of which are set out more fully below. If a dividend is declared by the board, only then does a shareholder have a right to receive a dividend which may be enforced against the company.

For more information regarding the payment of dividends on Ordinary Shares and to Holders of American Depositary Receipts (ADRs), refer to our Registration Statement.

Sasol BEE Ordinary Shares: The Sasol BEE Ordinary Shares rank *pari passu* with Sasol Ordinary Shares as regards to dividends.

Preferred Ordinary Shares carry a cumulative preferred ordinary dividend right for a period of ten years from the date of issue. These preferred dividend rights rank ahead of the dividend rights of the holders of any other shares in the company, including the Sasol BEE ordinary shares (but excluding any preference shares). The holders thereof have the right to receive and be paid a preferred ordinary dividend of R30,80 per annum until 30 June 2018.

Any payments made to holders of Sasol preferred ordinary shares must be made without deduction, set-off or withholding.

In terms of our MOI, no dividend may be paid unless it reasonably appears that the company will satisfy the solvency and liquidity test as defined in the Companies Act immediately after completing the proposed distribution; and the board, by resolution, has acknowledged that it has applied the solvency and liquidity test and has reasonably concluded that the company's assets equal or exceed the liabilities of the company and that the company will be able to pay its debts as they become due in the ordinary course of business for a period of 12 months following the payment of the dividend.

For further information on our dividend policy, see "Item 8.A−Consolidated statements and other financial information and our Registration Statement".

Voting rights. The Sasol BEE Ordinary Shares and the Preferred Ordinary Shares rank *pari passu* with Ordinary Shares in relation to the right to vote at shareholders' meetings of the company.

If the rights of any class of shareholders will be affected, then provision is made in the Companies Act for a separate class meeting. For more details regarding shareholders voting rights, see information provided in our Registration Statement.

Right to share in profits. This is not relevant under South African law. In terms of South African law, dividends are declared subject to the directors being satisfied as to the solvency and liquidity of a company.

Rights to surplus in the event of liquidation.

On the winding up of the company all dividends that should have been declared and paid to the holders of Preferred Ordinary Shares at that point in time will automatically be declared and paid in priority to shareholders of any other class of shares other than preference shares. Thereafter, each Preferred Ordinary Share shall participate *pari passu* with each Ordinary Share in the remaining assets of the company and the assets remaining after payment of the debts and liabilities of the company, the costs of liquidation and the payment of all dividends that should have been declared and paid to the holders of Preferred Ordinary Shares, as set out above, shall be distributed among the shareholders in proportion to the number of shares respectively held by each of them.

Redemption provision:. There are no redemption provisions relating to the Ordinary Shares and the Sasol BEE Ordinary Shares.

The restrictions on and entitlements in relation to the Preferred Ordinary Shares will lapse on the earlier of the tenth anniversary of the date of issue of the first Preferred Ordinary Shares or on the date of receipt by the company of a notice that a redemption event has occurred, in accordance with the terms of various agreements entered into by *inter alia* Sasol and the company Sasol Inzalo Groups Funding (Pty) Ltd (RF), and the company Sasol Inzalo Public Funding (Pty) Ltd (RF), (the redesignation date). On the redesignation date, the Preferred Ordinary Shares will be redesignated as Sasol ordinary shares and will rank *pari passu* in all respects with the Ordinary Shares.

Sinking funds. There are no sinking funds.

Liability for further capital calls. Under the previous Companies Act of South Africa, shares could only be issued if they were fully paid. Accordingly, no shares were issued which were subject to any capital calls. Under the latest Companies Act of South Africa however, partly paid shares may be issued under certain circumstances. The company has not yet made use of these provisions.

Discriminatory provisions against majority shareholders. There are no discriminatory provisions in our MOI against any holder of securities as a result of such holder owning a substantial number of shares in the company.

4. Changing rights of holders of securities

In terms of our MOI, we may only by way of special resolution amend the rights attached to any shares or convert any of our shares (whether issued or not) into shares of another class. A special resolution is also required for the company to convert shares into stock and to reconvert stock into shares. If the rights of any class of shareholders will be affected, then provision is made in the Companies Act for a separate class meeting of the holders of such shares. In addition to the above, shareholders have appraisal rights under the Companies Act, and accordingly, if we amend our MOI by altering the preferences, rights, limitations or other terms of any class of our shares in a manner that is materially adverse to the rights or interests of holders of that class of shares, every holder of that class of shares that was present at the meeting at which the resolution to amend our MOI was passed and voted against such resolution, will be entitled, on notice to the company to seek court relief upon establishing that they have been unfairly prejudiced by the company. For a special resolution to be approved by shareholders, it must be supported by at least 75% of the voting rights exercised on the resolution.

5. General meeting of shareholders

In terms of the Companies Act, the board or any other person specified in the company's MOI, including a shareholder/s holding not less than 10% (ten per cent) of the voting rights attached to the shares, may call a shareholders' meeting at any time. A written and signed demand to convene a shareholders meeting must describe the specific purpose for which the meeting is proposed.

If a company is unable to convene a meeting because it has no directors, then in terms of our MOI, any single shareholder entitled to vote may convene a meeting.

If the company fails to convene a meeting in accordance with its MOI, or as required by the shareholders holding in the aggregate at least 10% of the voting rights as set out above, or within the time periods as required, any shareholder may apply to court for an order to convene a shareholders' meeting on a date and subject to such terms as a court considers appropriate.

Notices. In terms of our MOI we are required to deliver written notice of shareholders' meetings to each shareholder and each beneficial shareholder at least 15 business days before a meeting. The Companies Act also stipulates that delivery of a notice will be deemed to have taken place on the seventh calendar day following the day on which the notice was posted by way of registered post.

Attendance at meetings. Before a person will be allowed to attend or participate at shareholder meetings, that person must present reasonably satisfactory identification and the person presiding at the meeting must reasonably satisfy himself that the right of the person to attend as shareholder or proxy has been reasonably verified. Meetings of shareholders may be attended by any person who holds shares in the company and whose name has been entered into our securities register and includes any person who is entitled to exercise any voting rights in relation to the company. Any person entitled to attend and to vote at any meeting may appoint a proxy/ies in writing to attend and to vote at such meeting on his/her/its behalf. In respect of shares which are not subject to the rules of a central securities depository, and in respect of which a person holds a beneficial interest which includes the right to vote on a matter, that beneficial holder may attend and vote on a matter at a meeting of shareholders, but only if that person's name has been entered in our register of disclosures as the holder of that beneficial interest. Beneficial shareholders whose shares are not registered in their own name or (in the case of certificated shares in the company's register of disclosure), or beneficial owners who have dematerialised their shares, are required to contact the registered shareholder or their Central Securities Depository Participant, as the case may be, for assistance to attend and vote at meetings.

Quorum. In terms of our MOI, the quorum necessary for the commencement of a shareholders meeting shall be sufficient persons present at the meeting to exercise, in aggregate, at least 25% of all the voting rights that are entitled to be exercised in respect of at least one matter to be decided at the shareholders meeting but the shareholders' meeting may not begin unless at least three persons entitled to vote are present. In terms of our MOI, if the required quorum of shareholders is not present within 30 minutes from the time appointed for the meeting to begin, the meeting will be postponed to the next business day and if at such adjourned shareholders' meeting a quorum is not present within 15 minutes from the time appointed for the shareholders' meeting, then the persons entitled to vote present shall be deemed to be the requisite quorum. In terms of the Companies Act, no further notice is required of a postponed or adjourned meeting unless the location is different from that of the postponed or adjourned meeting, or is different from a location announced at the time of an adjourned meeting.

See our Registration Statement for more information with respect to the holding of an annual general meeting and the proceedings at the annual general meeting.

6. Rights of non-South African shareholders

The only limitation imposed is that Sasol BEE ordinary shares may only be owned by persons who meet certain broad-based black economic empowerment credentials. In order to meet such credentials such person must, inter alia, be a South African citizen. See our Registration Statement for more information with respect to the rights of non-South African shareholders.

7. Provisions that would have the effect of delaying a change of control or merger

The Companies Act and the regulations to the Companies Act deal extensively with the requirements that must be met by a company with respect to a merger, an acquisition or a corporate restructure.

8. Disclosure of ownership threshold

Pursuant to section 122(1)(a) and (b) of the Companies Act, a person must notify the company within three business days after acquiring or disposing of a beneficial interest in sufficient securities of a class issued by that company such that, as a result of the acquisition or disposal, the person holds or no longer holds as the case may be, a beneficial interest in securities amounting to any multiple of 5% of the issued securities of that class. The Takeover Regulation Panel has interpreted this to mean an acquisition or disposal of shares in any 5% increment.

The JSE Listings Requirements require a listed company to disclose in its annual financial statements the interest of any shareholder, other than a director, who, insofar as it is known to the company, is directly or indirectly beneficially interested in 5% or more of any class of the company's capital.

9. Effect of the law

With respect to items 2 through 8 above, the effect of the law applicable to our company and where required, is explained.

10. Changes in share capital

In terms of the Companies Act, the board may (save to the extent that a company's MOI provides otherwise), increase or decrease the number of authorised shares in any class of shares. In addition, the board may (save to the extent that the company's MOI provides otherwise), classify any unclassified shares, or determine any preference rights, limitations or other terms in respect of a class of shares which have been provided for in a company's MOI and for which the board is required to determine the associated preference rights, limitations or other terms of shares.

In terms of our MOI and the JSE Listings Requirements, we are required to obtain the consent of shareholders, by special resolution, to increase the number of authorised shares in the share capital of the company, or to consolidate or to subdivide all or any shares or to amend the rights and privileges of any class of shares.

Issued shares placed under the control of directors. See section 4 above.

Unissued shares placed under the control of directors. The Companies Act generally allows the board to issue authorised shares without shareholder approval. However, in terms of our MOI, and subject to the JSE Listings Requirements, the company may, in a shareholders' meeting, place the balance of the ordinary shares not allotted under the control of the directors with general authorisation to allot, and issue such shares at such prices and upon such terms and conditions and with the rights and privileges attached thereto, as may be determined in shareholders' meeting. A special resolution is required to place the preference shares under the control of the directors. Further, in terms of our MOI, a special resolution is required to amend the rights attached to any unissued shares or convert any of our unissued shares into shares of another class. A special resolution is also required for the company to cancel, vary or amend shares or any rights attached to shares which, at the time of the passing of the relevant resolution, have not been taken up by any person or which no person has agreed to take up, and we may reduce our share capital by the amount of the shares so cancelled.

In terms of the Companies Act, a special resolution is required to approve an issue of shares or securities convertible into shares, or the issue of options for the allotment or subscription of authorised shares or other securities of the company, or a grant of any other rights exercisable for securities, if the shares, securities, options or rights are issued to a director, future director, prescribed officer, or future prescribed officer of the company, or their related parties or nominees. In addition, a special resolution is required to approve an issue of shares or securities which will, as a result of a transaction or a series of transactions, result in the voting power of the class of shares being issued being equal to or exceeding 30% of the voting powers of all the shares of that class immediately before the transaction or series of transactions.

10.C Material contracts

We do not have any material contracts, other than contracts entered into in the ordinary course of business.

10.D Exchange controls

South African exchange control regulations are administered by the Financial Surveillance Department (FSD) of the South African Reserve Bank and are applied throughout the Common Monetary Area (CMA) (South Africa, the Kingdoms of Lesotho and Swaziland and the Republic of Namibia) and regulate transactions involving South African residents, as defined in the Exchange Control Rulings, including natural persons and legal entities.

Day to day interaction with the FSD on exchange control matters is facilitated through Authorised Dealers who are persons authorised by National Treasury to deal in foreign exchange, in so far as transactions in respect of foreign exchange are concerned.

The South African government has from time to time stated its intention to relax South Africa's exchange control regulations when economic conditions permit such action. In recent years, the government has incrementally relaxed aspects of exchange control.

The following is a general outline of South African exchange controls. The comments below relate to exchange controls in force at the date of this annual report. These controls are subject to change at any time without notice. Investors should consult a professional advisor as to the exchange control implications of their particular investments.

Foreign financing and investments

Foreign debt. We, and our South African subsidiaries, require approval by the FSD to obtain foreign loans.

Funds raised outside the CMA by our non-resident subsidiaries, i.e. a non-resident for exchange control purposes, are not restricted under South African exchange control regulations and may be used for any purpose including foreign investment, as long as such use is without recourse to South Africa. We, and our South African subsidiaries, would, however, require approval by the FSD in order to provide guarantees for the obligations of any of our subsidiaries with regard to funds obtained from non-residents of the CMA.

Debt raised outside the CMA by our non-resident subsidiaries must be repaid or serviced by those foreign subsidiaries. Without approval by the FSD, we can neither use cash we earn in South Africa to repay or service such foreign debts nor can we provide security on behalf of our non-resident subsidiaries.

We may retain dividends declared by our foreign subsidiaries offshore which we may use for any purpose, without any recourse to South Africa. These funds may, subject to certain conditions, also be invested back into the CMA in the form of equity investments or loans.

Raising capital overseas. A listing by a South African company on any stock exchange requires prior approval by the FSD.

Under South African exchange control regulations, we must obtain approval from the FSD regarding any capital raising activity involving a currency other than the rand. In granting its approval, the FSD may impose conditions on our use of the proceeds of the capital raising activity outside South Africa, including limits on our ability to retain the proceeds of this capital raising activity outside South Africa or a requirement that we seek further approval by the FSD prior to applying any of these funds to any specific use. Any limitations imposed by the FSD on our use of the proceeds of a capital raising activity could adversely affect our flexibility in financing our investments.

Foreign investments. Under current exchange control regulations we, and our South African subsidiaries, require approval, either by Authorised Dealers of the FSD to invest offshore.

Although there is no limitation placed on us with regard to the amount of funds that we can transfer from South Africa for an approved foreign investment, the FSD may, however, request us to stagger the capital outflows relating to large foreign investments in order to limit the impact of such outflows on the South African economy and the foreign exchange market.

The FSD also requires us to provide it with an annual report, which will include the results, of all our foreign subsidiaries.

Investment in South African companies

Inward investment. As a general rule, a foreign investor may invest freely in shares in a South African company. Foreign investors may also sell shares in a South African company and transfer the proceeds out of South Africa without restriction. Acquisitions of shares or assets of South African companies by non-South African purchasers are not generally subject to review by the FSD when the consideration is in cash, but may require review by the FSD in certain circumstances, including when the consideration is equity in a non-South African company or when the acquisition is financed by a loan from a South African lender.

Dividends. There are no exchange control restrictions on the remittance of dividends declared out of trading profits to non-residents of the CMA. However, residents of the CMA may under no circumstances have dividends paid outside the CMA without specific approval from the FSD.

Transfer of shares and ADSs. Under South African exchange control regulations, our shares and ADSs are freely transferable outside South Africa among persons who are not residents of the CMA. Additionally, where shares are sold on the JSE on behalf of our shareholders who are not residents of the CMA, the proceeds of such sales will be freely exchangeable into foreign currency and remittable to them. The FSD may also require a review to establish that the shares have been sold at market value and at arm's length. While share certificates held by non-resident shareholders will be endorsed with the words "non-resident", such endorsement will, however, not be applicable to ADSs held by non-resident shareholders.

10.E Taxation

South African taxation

Corporate Income Tax

The following discussion summarises the South African (SA) tax consequences of the ownership and disposition of shares or ADSs by a US holder (as defined below). This summary is based upon current SA tax law and the convention that has been concluded between the governments of the United States and the SA for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital gains, signed on 17 February 1997 (the Treaty). In addition, this summary is based in part upon representations of the Depositary (The Bank of New York Mellon, as Depositary for our ADSs), and assumes that each obligation provided for in, or otherwise contemplated by the Deposit Agreement and any related agreement, will be performed in accordance with its respective terms.

The summary of the SA tax considerations does not address the tax consequences to a US holder that is resident in SA for SA tax purposes or whose holding of shares or ADSs is effectively connected with a permanent establishment in SA through which such US holder carries on business activities. It equally does not address the scenario where the US holder is not the beneficial recipient of the dividends or returns or, where the source of the transaction is deemed to be in SA, the recipient is not entitled to the full benefits under the Treaty or, in the case of an individual who performs independent person services, who has a fixed base situated in SA.

The statements of law set forth below are subject to any changes (which may be applied retroactively) in SA law or in the interpretation thereof by the SA tax authorities, or in the Treaty, occurring after the date hereof. Holders are strongly urged to consult their own tax advisors as to the consequences under SA, US federal, state and local, and other applicable laws, of the ownership and disposition of shares or ADSs.

Taxation of dividends

A dividends tax was introduced in SA with effect from 1 April 2012. In terms of these provisions, a dividends tax at the rate of 15% which changed to 20% with effect from 22 February 2017, on any dividend paid by a company to a shareholder. The liability to pay such dividends tax is on the shareholder, even though the company generally acts as a withholding agent. In the case of listed shares the regulated intermediary (being the Central Securities Depository Participant referred to below) is liable to withhold the dividends tax.

In the absence of any renegotiation of the Treaty, the tax on the dividends paid to a US holder with respect to shares or ADSs, is limited to 5% of the gross amount of the dividends where a US corporate holder holds directly at least 10% of the voting stock of Sasol. The maximum dividends tax rate is equal to 15% of the gross amount of the dividends in all other cases.

The definition of a dividend currently means any amount transferred or applied by a company that is a resident (including Sasol) for the benefit or on behalf of any person in respect of any share in that company, whether that amount is transferred or applied by way of a distribution made by the company, or as consideration for the acquisition of any share in that company. It specifically excludes any amount transferred or applied by the company that results in a reduction of so-called contributed tax capital (CTC) or constitutes shares in the company or constitutes an acquisition by the company of its own securities by way of a general repurchase of securities in terms of the JSE Listings Requirements. A distinction is thus made between a general repurchase of securities and a specific repurchase of securities. If the company embarks upon a general repurchase of securities, the proceeds are not deemed to be a dividend whereas, in the case of a specific repurchase of securities where the purchase price is not funded out of CTC, the proceeds are likely to constitute a dividend.

The concept of CTC effectively means the sum of the stated capital or share capital and share premium of a company that existed on 1 January 2011, excluding any transfers from reserves to the share premium account or stated capital account, plus proceeds from any new issue of shares by a company. Any application of CTC is limited to the holders of a class of shares and specifically that a distribution of CTC attributable to a specific class of shares must be made proportionately to the number of shares held by a shareholder in a specific class of shares. In other words, CTC can only be used proportionately by a company and cannot be applied by a company for the benefit of only one specific shareholder. The CTC of the company cannot therefore also be used in respect of different classes of shares and the CTC of a specific class is ring-fenced.

Taxation of gains on sale or other disposition

With effect from 1 October 2001, SA introduced a tax on capital gains, which only applies to SA residents and to non-residents if the sale is attributable to a permanent establishment of the non-resident or if it relates to an interest in immovable property in SA. With effect from 1 October 2007, gains realised on the sale of ordinary shares are automatically deemed to be on capital account, and therefore, subject to capital gains tax, if the ordinary shares have been held for a continuous period of at least three years by the holder thereof. This deeming provision is limited to ordinary shares and does not extend to preference shares or ADSs. The meaning of the word "resident" is different for individuals and corporations and is governed by the SA Income Tax Act of 1962 (the Act) and by the Treaty. In the event of conflict, the Treaty, which contains a tie breaker clause or mechanism to determine residency if a holder is resident in both countries, will prevail. In terms of the Act and the Treaty, a US resident holder of shares or ADSs will not be subject to capital gains tax on the disposal of securities held as capital assets unless the securities are linked to a permanent establishment conducted in SA. In contrast, gains on the disposal of securities which are not capital in nature are usually subject to income tax. However, even in the latter case, a US resident holder will not be subject to income tax unless the US resident holder carries on business in SA through a permanent establishment situated therein. In such a case, this gain may be subject to tax in SA, but only so much as is attributable generally to that permanent establishment.

Securities transfer tax

With effect from 1 July 2008, a single security transfer tax of 0,25% was introduced and is applicable to all secondary transfers of shares. No securities transfer tax (STT) is payable on the issue of securities, even though it is payable on the redemption of securities. STT is payable in SA regardless of whether the transfer is executed within or outside SA. A transfer of a dematerialised share can only occur in SA.

A security is also defined as a depository receipt in a company. Accordingly, STT is payable on the transfer of a depository receipt issued by a company. Generally, the central securities depository that has been accepted as a participant in terms of the Financial Markets Act, No. 19 of 2012 (that commenced on 3 June 2013) is liable for the payment of the STT, on the basis that the STT is recoverable from the person to whom the security is transferred.

Withholding taxes

A withholding tax of interest at the rate of 15% has been introduced with effect from 1 March 2015. This withholding tax is reduced to zero percent in terms of the Treaty to the extent that the interest is derived and beneficially owned by a resident of the other Contracting State.

A withholding tax of royalties at the rate of 15% (increased from 12.5% with effect from 1 March 2015). This withholding tax is reduced to zero percent in terms of the Treaty to the extent that the royalty is derived and beneficially owned by a resident of the other Contracting State.

Reportable arrangements

The legislation dealing with Reportable Arrangements ("RA") was promulgated during February 2016 which places a requirement on SA taxpayers to report certain transactions which are perceived by the South African Revenue Service ("SARS") to have characteristics that may lead to undue tax benefits. The reporting of such transactions intends to give SARS advance notice of the arrangements. In this regard, RA would typically include the following:

- Hybrid equity instruments (excluding listed instruments)
- Share buy backs in excess of R10 million
- Contributions/payments to non-resident trusts in excess of R10 million
- Acquisition of shares in companies with tax losses (or expected tax losses) in excess of R50 million
- Foreign insurance premiums paid in excess of R5 million; and
- Payment to foreign service providers rendering services in SA in excess of R10 million.

Excluded from RA's are:

- Transactions listed above where the tax benefit is less than R5 million; and
- Transactions where the financial reporting and tax classification differs and the tax benefit is not the main benefit of the transaction

Transfer Pricing and BEPS

Transfer pricing was introduced in SA in 1995, and the transfer pricing principles adopted in SA largely follow the Organisation for Economic Co-Operation and Development (the OECD) guidelines on transfer pricing. The main requirement is to ensure that a transaction is concluded at arm's length and that the transfer pricing between group entities is also at arm's length (also known as the 'arm's length principle'). The OECD guidelines prescribe methodologies for determining arm's length pricing which have been adopted by many countries including SA for their local transfer pricing regulation.

Where there is a deviation from the arm's length principle, the price charged between group entities (where one of those entities is a tax resident) which is different to what would have been concluded at an arm's length basis between unrelated persons and to tax the entity concerned is adjusted to increase the taxable income of the tax resident (also known as a primary adjustment). In addition, the adjusted amount is also deemed to be a dividend (also referred to as a secondary adjustment) that will be subject to dividend withholding tax, as well as the relevant penalties and interest is levied should such an adjustment occur.

Although not a member, SA is an observer of the OECD and therefore closely monitors the developments within the OECD. SA participated in the recent Base Erosion Profit Shifting (BEPS) project initiative by the OECD. This has influenced certain legislation amendments in the SAn Income Tax as well as the adoption of regulatory obligations such as the country-by-country reporting (CBC), master file and local file.

United States federal income taxation

The following is a general summary of the material US federal income tax consequences of the ownership and disposition of shares or ADSs to a US holder (as defined below) that holds its shares or ADSs as capital assets. This summary is based on US tax laws, including the Internal Revenue Code of 1986, as amended (the Code), Treasury regulations, rulings, judicial decisions, administrative pronouncements, all as of the date of this annual report, and all of which are subject to change or changes in interpretation, possibly with retroactive effect. In addition, this summary is based in part upon the representations of the Depositary and the assumption that each obligation in the Deposit Agreement relating to the ADSs and any related agreement will be performed in accordance with its terms.

US holders are strongly urged to consult their own tax advisors regarding the specific US federal, state and local tax consequences of owning and disposing of shares or ADSs in light of their particular circumstances as well as any consequences arising under the laws of any other taxing jurisdiction. In particular, US holders are urged to consult their own tax advisors regarding whether they are eligible for benefits under the Treaty.

This summary does not address all aspects of US federal income taxation that may apply to holders that are subject to special tax rules, including US expatriates, insurance companies, tax-exempt organisations, banks, financial institutions, regulated investment companies, persons subject to the alternative minimum tax or the 3.8% Medicare tax on net investment income, securities broker-dealers, traders in securities who elect to apply a mark-to-market method of accounting, persons holding their shares or ADSs as part of a straddle, hedging transaction or conversion transaction, persons who acquired their shares or ADSs pursuant to the exercise of employee stock options or similar derivative securities or otherwise as compensation, persons who directly or indirectly hold more than 10% of the total combined voting power of Sasol's shares or persons whose functional currency is not the US dollar. Such holders may be subject to US federal income tax consequences different from those set forth below.

As used herein, the term "US holder" means a beneficial owner of shares or ADSs that is:

(a) a citizen or individual resident of the US for US federal income tax purposes;

(b) a corporation (or other entity taxable as a corporation for US federal income tax purposes) created or organised in or under the laws of the US, any state thereof or the District of Columbia;

(c) an estate whose income is subject to US federal income taxation regardless of its source; or

(d) a trust if a court within the US can exercise primary supervision over the administration of the trust and one or more US persons are authorised to control all substantial decisions of the trust.

If a partnership (or other entity or arrangement treated as a partnership for US federal income tax purposes) holds shares or ADSs, the tax treatment of a partner generally will depend upon the status of the partner and the activities of the partnership. A partner in a partnership that holds shares or ADSs is urged to consult its own tax advisor regarding the specific tax consequences of the ownership and disposition of the shares or ADSs.

For US federal income tax purposes, a US holder of ADSs should be treated as owning the underlying shares represented by those ADSs. The following discussion (except where otherwise expressly noted) applies equally to US holders of shares and US holders of ADSs. Furthermore, deposits or withdrawals of shares by a US holder for ADSs or ADSs for shares will not be subject to US federal income tax.

Taxation of distributions

Distributions (without reduction of SA withholding taxes, if any) made with respect to shares or ADSs (other than certain pro rata distributions of Sasol's capital stock or rights to subscribe for shares of Sasol's capital stock) are includible in the gross income of a US holder as foreign source dividend income on the date such distributions are received by the US holder, in the case of shares, or by the Depositary, in the case of ADSs, to the extent paid out of Sasol's current or accumulated earnings and profits, if any, as determined for US federal income tax purposes ("earnings and profits"). Any distribution that exceeds Sasol's earnings and profits will be treated first as a nontaxable return of capital to the extent of the US holder's tax basis in the shares or ADSs (thereby reducing a US holder's tax basis in such shares or ADSs) and thereafter as either long-term or short-term capital gain (depending on whether the US holder has held shares or ADSs, as applicable, for more than one year as of the time such distribution is actually or constructively received).

The amount of any distribution paid in foreign currency, including the amount of any SA withholding tax thereon, will be included in the gross income of a US holder in an amount equal to the US dollar value of the foreign currency calculated by reference to the spot rate in effect on the date the dividend is actually or constructively received by the US holder, in the case of shares, or by the Depositary, in the case of ADSs, regardless of whether the foreign currency is converted into US dollars at such time. If the foreign currency is converted into US dollars on the date of receipt, a US holder of shares generally should not be required to recognise foreign currency gain or loss in respect of the dividend. If the foreign currency received in the distribution is not converted into US dollars on the date of receipt, a US holder of shares will have a basis in the foreign currency equal to its US dollar value on the date of receipt.

Any gain or loss recognised upon a subsequent conversion or other disposition of the foreign currency will be treated as US source ordinary income or loss. In the case of a US holder of ADSs, the amount of any distribution paid in a foreign currency ordinarily will be converted into US dollars by the Depositary upon its receipt. Accordingly, a US holder of ADSs generally will not be required to recognise foreign currency gain or loss in respect of the distribution.

Accrual basis US holders are urged to consult their own tax advisors regarding the requirements and elections available to accrual method taxpayers to determine the US dollar amount includable in income in the case of taxes withheld in a foreign currency.

Subject to certain limitations (including a minimum holding period requirement), SA dividend withholding taxes (as discussed above under "Taxation−SA taxation−Taxation of dividends") will be treated as foreign taxes eligible for credit against a US holder's US federal income tax liability. For this purpose, dividends distributed by Sasol with respect to shares or ADSs generally will constitute foreign source "passive category income" for most US holders. The use of foreign tax credits is subject to complex conditions and limitations. In lieu of a credit, a US holder may instead elect to deduct any such foreign income taxes paid or accrued in the taxable year, provided that the US holder elects to deduct (rather than credit) all foreign income taxes paid or accrued for the taxable year. US holders are urged to consult their own tax advisors regarding the availability of foreign tax credits or the deductibility of foreign taxes.

Dividends paid by Sasol will not be eligible for the dividends-received deduction generally allowed to US corporations in respect of dividends received from other US corporations. Certain non-corporate US holders are eligible for preferential rates of US federal income tax in respect of "qualified dividend income".

Sasol currently believes that dividends paid with respect to its shares and ADSs should constitute qualified dividend income for US federal income tax purposes (and Sasol anticipates that such dividends will be reported as qualified dividends on Form 1099-DIV delivered to US holders) if Sasol was not, in the year prior to the year in which the dividend was paid, and is not, in the year in which the dividend is paid, a Passive Foreign Investment Company (PFIC) for US federal income tax purposes. Each individual US holder of shares or ADSs is urged to consult his own tax advisor regarding the availability to him of the preferential dividend tax rate in light of his own particular situation including foreign tax credit limitations with respect to any qualified dividend income paid by Sasol, as applicable.

Sale, exchange or other taxable disposition of shares or ADSs

Upon a sale, exchange or other taxable disposition of shares or ADSs, a US holder generally will recognise capital gain or loss for US federal income tax purposes in an amount equal to the difference between the US dollar value of the amount realised on the disposition and the US holder's adjusted tax basis, determined in US dollars, in the shares or ADSs. Such gain or loss generally will be US source gain or loss, and generally will be treated as a long-term capital gain or loss if the holder's holding period in the shares or ADSs exceeds one year at the time of disposition if Sasol was not, at any time during the holder's holding period, a PFIC for US federal income tax purposes. The deductibility of capital losses is subject to significant limitations. If the US holder is an individual, long-term capital gain generally is subject to US federal income tax at preferential rates. Each US holder of shares or ADSs is urged to consult his own tax advisor regarding the potential US tax consequences from the taxable disposition of shares or ADSs, including foreign currency implications arising therefrom and any other SA taxes imposed on a taxable disposition.

Passive foreign investment company considerations

Sasol believes that it should not be classified as a PFIC for US federal income tax purposes for the taxable year ended 30 June 2017. US holders are advised, however, that this conclusion is a factual determination that must be made annually and thus may be subject to change. If Sasol were to be classified as a PFIC, the tax on distributions on its shares or ADSs and on any gains realised upon the disposition of its shares or ADSs may be less favourable than as described herein. Furthermore, dividends paid by a PFIC are not "qualified dividend income" and are not eligible for the reduced rates of taxation for certain dividends. In addition, each US person that is a shareholder of a PFIC, may be required to file an annual report disclosing its ownership of shares in a PFIC and certain other information. US holders should consult their own tax advisors regarding the application of the PFIC rules (including applicable reporting requirements) to their ownership of the shares or ADSs.

US information reporting and backup withholding

Dividend payments made to a holder and proceeds paid from the sale, exchange, or other disposition of shares or ADSs through a US intermediary or other US paying agent may be subject to information reporting to the US Internal Revenue Service (-IRS). US federal backup withholding generally is imposed on specified payments to persons who fail to furnish required information. Backup withholding will not apply to a holder who furnishes a correct taxpayer identification number or certificate of foreign status and makes any other required certification, or who is otherwise exempt from backup withholding. US persons who are required to establish their exempt status generally must provide IRS Form W-9 (Request for Taxpayer Identification Number and Certification) or applicable substitute form. Non-US holders generally will not be subject to US information reporting or backup withholding. However, these holders may be required to provide certification of non-US status (generally on IRS Form W-8BEN, W-8BEN-E or applicable substitute form) in connection with payments received in the United States or through certain US-related financial intermediaries.

Backup withholding is not an additional tax. Amounts withheld as backup withholding may be credited against a holder's US federal income tax liability. A holder may obtain a refund of any excess amounts withheld under the backup withholding rules by timely filing the appropriate claim for refund with the IRS and furnishing any required information.

Additional reporting requirements

Under recently enacted legislation and Treasury regulations, US holders who are individuals may be required to report to the IRS on Form 8938 information relating to their ownership of shares or ADSs, subject to certain exceptions (including an exception for shares or ADSs held in accounts maintained by certain financial institutions). US holders should consult their tax advisors regarding the effect, if any, of this legislation and these regulations on their obligations to file information reports with respect to the shares or ADSs.

10.F Dividends and paying agents

Not applicable.

10.G Statement by experts

Not applicable.

10.H Documents on display

All reports and other information that we file with the Securities and Exchange Commission (SEC) may be obtained, upon written request, from the Bank of New York Mellon, as Depositary for our ADSs at its Corporate Trust office, located at 101 Barclay Street, New York, New York 10286. These reports and other information can also be inspected without charge and copied at prescribed rates at the public reference facilities maintained by the SEC at 100 F Street, N.E., Washington, D.C. 20549. These reports may also be accessed via the SEC's website (*www.sec.gov*). Also, certain reports and other information concerning us will be available for inspection at the offices of the NYSE. In addition, all the statutory records of the company and its subsidiaries may be viewed at the registered address of the company in South Africa.

10.I Subsidiary information

Not applicable. For a list of our subsidiaries see Exhibit 8.1 to this annual report on Form 20-F.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a group, we are exposed to various market risks associated with our underlying assets, liabilities and anticipated transactions. We continuously monitor these exposures and enter into derivative financial instruments to reduce these risks. We do not enter into derivative transactions on a speculative basis. All fair values have been determined using current market pricing models.

The principal market risks (i.e. the risk of losses arising from adverse movements in market rates and prices) to which we are exposed are:

- foreign exchange rates applicable on conversion of foreign currency transactions as well as on conversion of assets and liabilities to rand;
- commodity prices, mainly crude oil prices; and
- interest rates on debt and cash deposits.

Refer to "Item 18−Annual Financial statements−Note 39 Financial risk management and financial instruments" for a qualitative and quantitative discussion of the group's exposure to these market risks. Specific recognition and measurement principles of the interest rate swap are contained within the same reference.The following is a breakdown of our debt arrangements and a summary of fixed versus floating interest rate exposures for operations. Liabilities reflect principal payments in each year.

Liabilities−notional	2018	2019	2020	2021	2022	Thereafter	Total	Fair value
				(Rand in millions)				
Fixed rate (Rand)	1 150	1 694	25	24	27	434	3 353	3 159
Average interest rate	12,47%	12,32%	13,00%	13,00%	13,00%	0		
Variable rate (Rand)	5 598	7 318	1 180	1 030	733	1 709	17 569	17 541
Average interest rate	7,78%	7,93%	8,17%	7,72%	6,99%	0		
Fixed Rate (US$)	15	9	2	2	1	13 015	13 044	13 396
Average interest rate	4,50%	4,50%	4,50%	4,50%	4,50%	4,47%		
Variable rate (US$)	733	4 447	5 956	3 477	31 734	0	46 347	46 989
Average interest rate	3,35%	3,34%	3,39%	3,52%	3,49%	1,31%		
Fixed rate (Euro)	209	68	49	48	49	99	521	521
Average interest rate	2,36%	2,42%	2,64%	3,01%	3,69%	3,69%		
Variable rate (Euro)	2 542	−	−	−	−	−	2 542	2 542
Average interest rate	1,10%	−	−	−	−	−		
Variable rate (Other currencies)	777	−	−	−	−	−	777	777
Average interest rate	−	−	−	−	−	−	−	−
Total	**11 025**	**13 537**	**7 212**	**4 581**	**32 544**	**15 257**	**84 153**	**84 926**

	2018	2019	2020	2021	2022	Thereafter	Fair value
				(Rand in millions)			
Interest rate swap−designated as a hedging instrument*							
Average notional amount	26 078	26 078	25 145	23 875	22 515	18 913	1 070
Average receive rate	1,40%	1,73%	1,96%	2,16%	2,16%	2,57%	
Average pay rate	2,70%	2,70%	2,70%	2,70%	2,70%	2,70%	
Notional at 30 June	26 078	26 078	24 839	23 548	22 166	18 367	

	2018	2019	2020	2021	2022	Thereafter	Total Maturity
Foreign Currency Derivatives−held for trading*							
USD							
Zero-cost collars	1 543	−	−	−	−	−	1 543
Foreign Exchange Contracts	3	−	−	−	−	−	3
EUR							
Foreign Exchange Contracts	(392)	−	−	−	−	−	(392)
Commodity derivatives−held for trading*							
Crude oil							
Crude oil options	1 116	−	−	−	−	−	1 116
Crude oil futures	1 602	−	−	−	−	−	1 602
Coal price							
Coal swaps	19	−	−	−	−	−	19

* For more information relating to contract amounts, weighted average strike prices, notional amounts and weighted average pay rate refer to "Item 18−Annual Financial statements−Note 39 Financial risk management and financial instruments".

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

12.A Debt securities

Not applicable.

12.B Warrants and rights

Not applicable.

12.C Other securities

Not applicable.

12.D American depositary shares

12.D.1 Depositary name and address

Not applicable.

12.D.2 Description of American depositary shares

Not applicable.

12.D.3 Depositary fees and charges

The Bank of New York Mellon serves as the depositary for Sasol's American Depositary Shares (ADSs). Sasol's ADSs, each representing one Sasol ordinary share, are traded on the New York Stock Exchange under the symbol "SSL". The ADSs are evidenced by American Depositary Receipts, or ADRs, issued by The Bank of New York Mellon, as Depositary, under the Deposit Agreement (dated as of 14 July 1994, as amended and restated as of 6 March 2003), among The Bank of New York Mellon, Sasol Limited and its registered ADR holders. ADR holders are required to pay the following fees to the Depositary:

Service	Fees (USD)
Depositing or substituting the underlying shares	Up to US$5,00 per 100 ADS
Receiving or distributing dividends	Up to US$0,02 per ADS
Selling or exercising rights	Up to US$5,00 per 100 ADS
Withdrawing an underlying security	Up to US$5,00 per 100 ADS

In addition, all non-standard out-of-pocket administration and maintenance expenses, including but not limited to, any and all reasonable legal fees and disbursements incurred by the Depositary (including legal opinions, and any fees and expenses incurred by or waived to third-parties) will be paid by the company. Fees and out-of-pocket expenses for the servicing of non-registered ADR holders and for any special service(s) performed by the Depositary will be paid for by the company.

12.D.4 Depositary payments for 2017

In terms of the Amended and Restated Deposit Letter Agreement dated as of 21 September 2015 (the Letter Agreement), the

Depositary will pay the company 70% of all dividend fees it collects for as long as the number of ADRs outstanding exceed 50% of the number outstanding on 21 September 2015. These payments will be made to the company within 60 days from the date such fees are collected. During the 2017 financial year, two payments of $547 465,07 and $367 387,17 were received from the Bank of New York Mellon in respect of the 2016 year end final dividend and the 2017 interim dividend respectively.

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

Not applicable.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

Not applicable.

ITEM 15. CONTROLS AND PROCEDURES

(a) Disclosure controls and procedures

The company's Joint Presidents and Chief Executive Officers and Chief Financial Officer, based on their evaluation of the effectiveness of the group's disclosure controls and procedures (required by paragraph (b) of 17 CFR 240.13a-15) as of the end of the period covered by this annual report on Form 20-F, have concluded that, as of such date, the company's disclosure controls and procedures were effective.

(b) Management's annual report on internal control over financial reporting

Management of Sasol is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934, as amended. Under Section 404 of the Sarbanes-Oxley Act of 2002, management is required to assess the effectiveness of Sasol's internal control over financial reporting as of the end of each financial year and report, based on that assessment, whether the Company's internal control over financial reporting is effective.

Sasol's internal control over financial reporting is a process designed under the supervision of the Joint Presidents and Chief Executive Officers and Chief Financial Officer to provide reasonable assurance as to the reliability of Sasol's financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorisations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Management assessed the effectiveness of Sasol's internal control over financial reporting as of 30 June 2017. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organisations of the Treadway Commission (COSO) in "Internal Control−Integrated Framework (2013)". Based on this assessment, our management has determined that, as of 30 June 2017, Sasol's internal control over financial reporting was effective.

(c) The effectiveness of internal control over financial reporting as of 30 June 2017 was audited by PricewaterhouseCoopers Inc., independent registered public accounting firm, as stated in their report on page F-1 of this Form 20-F.

(d) Changes in internal control over financial reporting

There were no changes in our internal control over financial reporting that occurred during the year ended 30 June 2017 that have materially affected, or are likely to materially affect, our internal control over financial reporting as at 30 June 2017.

Item 16.A AUDIT COMMITTEE FINANCIAL EXPERT

Mr. Colin Beggs, an independent member of the audit committee and its chairman since 1 January 2011, was determined by our board to be the audit committee's financial expert within the meaning of the Sarbanes-Oxley Act, in accordance with the Rules of the NYSE and the SEC.

Item 16.B CODE OF ETHICS

Sasol has a code of ethics that applies to all of our directors, officers and employees, including the Joint Presidents and Chief Executive Officers, Chief Financial Officer and the Senior Vice President: Financial Control Services. We undertook a comprehensive review of our code in 2014, and adopted the current code with effect from 1 July 2014. The revised code has been translated into the common languages of all major countries in which we operate, and we conducted an extensive awareness campaign for our employees, service providers and customers. In July 2015, we also adopted a code of ethics for suppliers.

Any amendment or waiver of the code as it relates to our Joint Presidents and Chief Executive Officers or Chief Financial Officer will be posted on our website within five business days following such amendment or waiver. No such amendments or waivers are anticipated.

The code is available on our internet and intranet websites. The website address is http://www.sasol.com/sustainability/ethics. This website is not incorporated by reference in this annual report.

We have been operating an independent ethics reporting telephone line through external advisors since 2002. This confidential and anonymous ethics hotline provides an impartial facility for all stakeholders to report deviations from ethical behaviour, including fraud and unsafe behaviour or environmental misconduct. Our code of ethics guides our interactions with all government representatives. Our policy prohibits contributions to political parties or government officials since these may be interpreted as an inducement for future beneficial treatment, and as interference in the democratic process.

Item 16.C PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table sets forth the aggregate audit and audit-related fees, tax fees and all other fees billed by our principal accountants (PricewaterhouseCoopers Inc.) for each of the 2017 and 2016 years:

	Audit fees	Audit-related fees	Tax fees	All other fees	Total
	(Rand in millions)				
2017(1)	**83**	**3**	**3**	**–**	89
2016(1)	80	4	1	–	85

(1) In respect of our audit committee approval process, all non-audit and audit fees paid to PricewaterhouseCoopers Inc. have been pre-approved by the audit committee.

Audit fees consist of fees billed for the annual audit of the company's consolidated financial statements, review of the group's internal controls over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act and the audit of statutory financial statements of the company's subsidiaries, including fees billed for assurance and related services that are reasonably related to the performance of the audit or reviews of the company's financial statements that are services that only an external auditor can reasonably provide.

Audit-related fees consist of the review of documents filed with regulatory authorities, consultations concerning financial accounting and reporting standards, review of security controls and operational effectiveness of systems, due diligence related to acquisitions and employee benefit plan audits.

Tax fees include fees billed for tax compliance services, including assistance in the preparation of original and amended tax returns; tax consultations, such as assistance in connection with tax audits and appeals; tax advice relating to acquisitions, transfer pricing, and requests for rulings or technical advice from tax authorities; and tax planning services and expatriate tax compliance, consultation and planning services.

All other fees consist of fees billed which are not included under audit fees, audit related fees or tax fees.

Audit committee approval policy

In accordance with our audit committee pre-approval policy, all audit and non-audit services performed for us by our independent accountants were approved by the audit committee of our board of directors, which concluded that the provision of such services by the independent accountants was compatible with the maintenance of that firm's independence in the conduct of its auditing functions.

In terms of our policy, non-audit services not exceeding R500 000 that fall into the categories set out in the pre-approval policy, do not require pre-approval by the audit committee, but are pre-approved by the Senior Vice President: Financial Control Services. The audit committee is notified of each such service at its first meeting following the rendering of such service. All non-audit services exceeding R500 000 but not exceeding R2 million are pre-approved by the Chief Financial Officer. The audit committee is notified on a monthly basis of services approved within this threshold. Fees in respect of non-audit services exceeding R2 million require pre-approval by the audit committee, prior to engagement.

The total aggregate amount of non-audit fees in any one financial year must be less than 20% of the total audit fees for Sasol's annual audit engagement, unless otherwise directed by the audit committee. In addition, services to be provided by the independent accountants that are not within the category of approved services must be approved by the audit committee prior to engagement, regardless of the service being requested and the amount, but subject to the restriction above.

Requests or applications for services that require specific separate approval by the audit committee are required to be submitted to the audit committee by both management and the independent accountants, and must include a detailed description of the services to be provided and a joint statement confirming that the provision of the proposed services does not impair the independence of the independent accountants.

No work was performed by persons other than the principal accountant's employees on the principal accountant's engagement to audit Sasol Limited's financial statements for 2017.

Item 16.D EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

Item 16.E PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

Period	**Total number of shares repurchased**	**Average price paid per share**	**Shares cancelled under the share repurchase programme**	**Total number of shares purchased as part of publicly announced programmes**	**Maximum number of shares that may yet be purchased under the programme(1)**
For the year ended 30 June 2017					
Balance at 30 June 2016	40 309 886	–	(31 500 000)	8 809 886	56 268 816
2016-07-01 to 2016-07-31	–	–	–	–	56 591 912
2016-08-01 to 2016-08-31	–	–	–	–	56 593 482
2016-09-01 to 2016-09-30	–	–	–	–	56 605 882
2016-10-01 to 2016-10-31	–	–	–	–	56 607 392
2016-11-01 to 2016-11-30	–	–	–	–	56 608 562
2016-12-01 to 2016-12-31	–	–	–	–	56 612 922
2017-01-01 to 2016-01-31	–	–	–	–	56 612 922
2017-02-01 to 2017-02-29	–	–	–	–	56 612 922
2017-03-01 to 2017-03-31	–	–	–	–	56 612 922
2017-04-01 to 2017-04-30	–	–	–	–	56 612 922
2017-05-01 to 2017-05-31	–	–	–	–	56 612 922
2017-06-01 to 2017-06-30	–	–	–	–	56 612 922
2017-07-01 to 2017-07-31	–	–	–	–	56 612 922
2017-08-01 to 2017-08-28	–	–	–	–	56 612 922
	40 309 886		**(31 500 000)**	**8 809 886**	

(1) Approval is obtained annually at the annual general meeting for a new maximum number of shares to be repurchased.

Item 16.F CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT

Not applicable.

Item 16.G CORPORATE GOVERNANCE

Sasol maintains a primary listing of its ordinary shares and Sasol BEE ordinary shares on the Johannesburg Stock Exchange operated by the JSE Limited (JSE) and a listing of American Depositary Shares on the New York Stock Exchange (NYSE). Accordingly, the company is subject to the disclosure, corporate governance and other requirements imposed by applicable South African and United States legislation, the JSE, the United States Securities and Exchange Commission (SEC) and the NYSE. We have implemented controls to provide reasonable assurance of our compliance with all relevant requirements in respect of our listings.

We have compared our corporate governance practices to those for domestic US companies listed on the NYSE and confirm that we comply substantially with such NYSE corporate governance standards and there were no significant differences at 30 June 2017.

Refer to "Integrated Report−Our governance framework" as contained in Exhibit 99.9, for further details of our corporate governance practices.

Item 16.H Mine Safety Disclosure

Not applicable.

Item 17. FINANCIAL STATEMENTS

Sasol is furnishing financial statements pursuant to the instructions of Item 18 of Form 20-F.

a. At our annual general meeting held on 25 November 2016, shareholders granted the authority to the directors to approve the repurchase by the company of its issued securities up to 10% of each of Sasol's ordinary shares and Sasol BEE ordinary shares. The company's issued ordinary shares as at 25 November 2016, was 651 389 516 (4 December 2015−651 389 516) and its issued Sasol BEE ordinary shares as at 25 November 2016, was 2 838 565 (4 December 2015−2 838 565). No shares were repurchased in terms of this authority.

b. The repurchase is limited to a maximum of 10% of the company's securities in the applicable class at the time the authority was granted and no acquisition may be made at a price more than 10% above the weighted average of the market value of the securities for the five business days immediately preceding the date of such acquisition.

c. In terms of the JSE Limited Listings Requirements and the terms of the resolution, the general authority granted to the directors by shareholders on 25 November 2016 to acquire the company's issued securities will not exceed 15 months from the date of the resolution and will be valid only until the company's next annual general meeting, which is scheduled for 17 November 2017.

d. The authority granted by shareholders on 4 December 2015, was replaced by a new authority from shareholders on 25 November 2016 to repurchase Sasol ordinary shares and Sasol BEE ordinary shares. The maximum number of Sasol ordinary shares that could be repurchased between 4 December 2015 and 25 November 2016 amounts to 65 138 951 and the maximum number of Sasol BEE ordinary shares 283 856.

e. No programme was terminated prior to the expiration date. All programme previously approved by shareholders expire at the annual general meeting following the meeting at which such approval was granted.

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Item 18. FINANCIAL STATEMENTS

The following consolidated financial statements, together with the auditors' report of PricewaterhouseCoopers Inc. (PwC) are filed as part of this annual report on Form 20-F:

Index to Consolidated Financial Statements for the years ended 30 June 2017, 2016 and 2015

* Refer to Item 18−"Annual financial statements" which have been incorporated by reference.

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Shareholders of Sasol Limited

In our opinion, the accompanying consolidated statements of financial position and the related consolidated income statements, statements of comprehensive income, changes in equity and cash flows present fairly, in all material respects, the financial position of Sasol Limited and its subsidiaries at 30 June 2017 and 30 June 2016, and the results of their operations and their cash flows for each of the three years in the period ended 30 June 2017 in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of 30 June 2017, based on criteria established in *Internal Control–Integrated Framework* 2013 issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Company's management is responsible for these financial statements, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express opinions on these financial statements and on the Company's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ PricewaterhouseCoopers Inc.

Johannesburg, Republic of South Africa

28 August 2017

SUPPLEMENTAL OIL AND GAS INFORMATION (unaudited)

In accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Section 932, "Extractive Industries−Oil and Gas", and regulations of the US Securities and Exchange Commission (SEC), this section provides supplemental oil and gas information separately about our natural oil and gas exploration and production operations, as managed by Exploration and Production International (E&PI); and about our coal mining operations and the conversion of coal reserves to synthetic oil, as managed by Mining and Sasol Secunda Operations.

NATURAL OIL AND GAS

The supplemental information provided below relates to our natural oil and gas operations, which are managed by Exploration and Production International (E&PI).

Tables 1 through to 3 present historical information pertaining to costs incurred for property acquisitions, exploration and development; capitalised costs; and results of operations. Table 4 presents estimates of proved developed and proved undeveloped reserves (which are not supplemental). Tables 5 and 6 present information on the standardised measure of estimated discounted future net cash flows related to proved reserves and changes therein.

TABLE 1−COSTS INCURRED FOR PROPERTY ACQUISITION, EXPLORATION, AND DEVELOPMENT ACTIVITIES

The table below presents the costs incurred, during the last three years, in natural oil and gas property acquisition, exploration and development activities, whether capitalised or charged to income currently.

	Natural oil and gas (Rand in millions)			
	Mozambique	North America(1)(2)	Other areas(1)	Total
Year ended 30 June 2015				
Acquisition of unproved properties(3)	–	–	120,7	120,7
Exploration	550,8	–	248,9	799,7
Development	636,5	2 923,9	857,7	4 418,1
Total costs incurred	1 187,3	2 923,9	1 227,3	5 338,5
Year ended 30 June 2016				
Acquisition of unproved properties	–	–	–	–
Exploration	736,1	–	238,7	974,8
Development	745,6	7 447,7	391,7	8 585,0
Total costs incurred	1 481,7	7 447,7	630,4	9 559,8
Year ended 30 June 2017				
Acquisition of unproved properties	–	–	–	–
Exploration	**40,5**	–	**372,7**	**413,2**
Development	**1 986,7**	**362,4**	**(43,7)(4)**	**2 305,4**
Total costs incurred	**2 027,2**	**362,4**	**329,0**	**2 718,6**

(1) North America comprises Canada. Other Areas comprises: Gabon, Australia and South Africa.

(2) Development cost in 2016 includes CAD380 million (R4,2 billion), agreed with our partner, Progress Energy, as the first part of the settlement of the remaining funding commitment.

(3) Stated as acquisition of proved properties in 2016.

(4) Relates to the reversal of accruals raised in 2016.

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TABLE 2–CAPITALISED COSTS RELATING TO OIL AND GAS PRODUCING ACTIVITIES

The table below summarises the aggregate amount of property, plant and equipment and intangible assets relating to natural oil and gas exploration and production activities, and the aggregate amount of the related depreciation and amortisation.

	Natural Oil and Gas (Rand in millions)			
	Mozambique	**North America(1)**	**Other areas(1)**	**Total**
Year ended 30 June 2015				
Proved properties	8 135,5	20 171,9	3 836,5	32 143,9
Producing wells and equipment	6 672,5	19 086,0	3 325,0	29 083,5
Non-producing wells and equipment	1 463,0	1 085,9	511,5	3 060,4
Unproved properties	1 882,6	1 278,8	216,3	3 377,7
Capitalised costs	10 018,1	21 450,7	4 052,8	35 521,6
Accumulated depreciation	(2 648,1)	(10 870,8)	(2 875,7)	(16 394,6)
Net book value	7 370,0	10 579,9	1 177,1	19 127,0
Year ended 30 June 2016				
Proved properties	8 992,2	31 030,0	5 099,2	45 121,4
Producing wells and equipment	8 808,2	30 584,2	5 099,2	44 491,6
Non-producing wells and equipment	184	445,8	–	629,8
Unproved properties	4 466,0	–	55,9	4 521,9
Capitalised costs	13 458,2	31 030,0	5 155,1	49 643,3
Accumulated depreciation	(3 274,3)	(21 927,3)	(4 545,6)	(29 747,2)
Net book value	10 183,9	9 102,7	609,5	19 896,1
Year ended 30 June 2017				
Proved properties	**8 599,2**	**27 502,1**	**4 251,8**	**40 353,1**
Producing wells and equipment	**8 513,2**	**27 420,2**	**4 250,2**	**40 183,6**
Non-producing wells and equipment	**86,0**	**81,9**	**1,6**	**169,5**
Unproved properties	**6 051,6**	–	**49,3**	**6 100,9**
Capitalised costs	**14 650,8**	**27 502,1**	**4 301,1**	**46 454,0**
Accumulated depreciation	**(3 832,6)**	**(20 577,9)**	**(4 036,9)**	**(28 447,4)**
Net book value	**10 818,2**	**6 924,2**	**264,2**	**18 006,6**

(1) North America comprises Canada. Other Areas comprises: Gabon, Australia and South Africa

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TABLE 3–RESULTS OF OPERATIONS FOR OIL AND GAS PRODUCING ACTIVITIES

The results of operations for natural oil and gas producing activities are summarised in the table below.

	Natural oil and gas (Rand in millions)			
	Mozambique	North America(1)	Other areas(1)	Total
Year ended 30 June 2015				
Sales to unaffiliated parties	392,4	695,5	954,9	2 042,8
Transfers to affiliated parties	3 129,2	–	–	3 129,2
Total revenues	3 521,6	695,5	954,9	5 172,0
Production costs	(1 102,1)	(161,8)	(493,5)	(1 757,4)
Foreign currency translation (losses)/gains	(402,0)	–	(9,4)	(411,4)
Exploration expenses	(21,7)	–	(189,7)	(211,4)
Valuation provision	–	(1 295,6)	(1 330,7)	(2 626,3)
Farm-down (losses)/gains	–	–	(502,9)	(502,9)
Depreciation	(569,3)	(1 604,2)	(259,7)	(2 433,2)
Operating profit / (loss)	1 426,5	(2 366,1)	(1 831,0)	(2 770,6)
Tax	(746,4)	–	356,8	(389,6)
Results of operations	680,1	(2 366,1)	(1 474,2)	(3 160,2)
Year ended 30 June 2016				–
Sales to unaffiliated parties	228,4	466,4	861,4	1 556,2
Transfers to affiliated parties	2 655,2	–	–	2 655,2
Total revenues	2 883,6	466,4	861,4	4 211,4
Production costs	(440,8)	(185,8)	(783,1)	(1 409,7)
Foreign currency translation (losses)/gains	(1 053,2)	–	(2,8)	(1 056,0)
Exploration expenses	(108,8)	–	(71,1)	(179,9)
Valuation provision	–	(9 882,1)	(416,8)	(10 298,9)
Farm-down (losses)/gains	347,5	–	(13,7)	333,8
Depreciation	(630,1)	(1 310,3)	(1 061,5)	(3 001,9)
Operating profit/(loss)	998,2	(10 911,8)	(1 487,6)	(11 401,2)
Tax	589,3	–	389,1	978,4
Results of operations	1 587,5	(10 911,8)	(1 098,5)	(10 422,8)
Year ended 30 June 2017				–
Sales to unaffiliated parties	**224,8**	**559,7**	**835,2**	**1 619,7**
Transfers to affiliated parties	**2 464,7**	–	–	**2 464,7**
Total revenues	**2 689,5**	**559,7**	**835,2**	**4 084,4**
Production costs	**(373,3)**	**(48,2)**	**(497,8)**	**(919,3)**
Foreign currency translation (losses)/gains	**345,6**	–	**(1,6)**	**344,0**
Exploration expenses	**(37,3)**	–	**(222,5)**	**(259,8)**
Valuation provision	–	–	**8,2**	**8,2**
Farm-down (losses)/gains	–	–	**(0,9)**	**(0,9)**
Depreciation	**(560,4)**	**(1 260,3)**	**(201,5)**	**(2 022,2)**
Operating profit/(loss)	**2 064,1**	**(748,8)**	**(80,9)**	**1 234,4**
Tax	**(321,1)**	–	**(126,6)**	**(447,7)**
Results of operations	**1 743,0**	**(748,8)**	**(207,5)**	**786,7**

(1) North America comprises Canada. Other areas comprises: Gabon, Australia and South Africa.

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TABLE 4–PROVED RESERVE QUANTITY INFORMATION

The table below summarises the proved developed and proved undeveloped reserves of natural oil and gas, as at 30 June 2017 and the two previous years, along with volumes produced during the year. Refer to Item 4.D Property, plants and equipment.

Proved reserves of synthetic oil is shown separately on page G-6. As at 30 June 2017, the total proved reserve estimate for natural oil and gas is 216,0 million barrels in oil equivalent terms (6 000 standard cubic feet of natural gas is equivalent to 1 barrel of oil).

The table below also presents the changes in proved reserves of natural oil and gas over the last three years and identifies the reasons for the changes in the estimates.

	Crude oil and condensate(4)				Natural gas(4)			Oil equivalent(1)(4)			
	Mozambique(2)	North America(3)	Rest of Africa(3)	Total	Mozambique(2)	North America(3)(5)	Total	Mozambique	North America(3)(4)	Rest of Africa(3)	Total
	Millions of barrels				Billions of cubic feet			Equivalent, Millions of barrels			
Balance at 30 June 2014	**4,1**	**0,2**	**4,2**	**8,5**	**1 388,4**	**72,5**	**1 460,9**	**235,5**	**12,3**	**4,2**	**252,0**
Revisions	0,0	0,1	(1,3)	(1,2)	(82,8)	33,3	(49,5)	(13,8)	5,6	(1,3)	(9,5)
Improved recovery	0,6	0,2	(0,5)	0,3	174,7	32,8	207,5	29,7	5,7	(0,5)	34,9
Production	(0,3)	(0,2)	(1,3)	(1,8)	(109,2)	(21,8)	(131,0)	(18,5)	(3,8)	(1,3)	(23,6)
Balance at 30 June 2015	4,4	0,3	1,1	5,8	1 371,1	116,8	1 487,9	232,9	19,8	1,1	253,8
Revisions	(0,3)	0,1	0,8	0,6	(42,4)	(0,6)	(43,0)	(7,4)	0,0	0,8	(6,6)
Improved recovery	0,0	0,0	0,4	0,4	(3,8)	27,2	23,4	(0,6)	4,5	0,4	4,3
Production	(0,3)	(0,2)	(1,5)	(2,0)	(114,4)	(20,7)	(135,1)	(19,4)	(3,6)	(1,5)	(24,5)
Balance at 30 June 2016	**3,8**	**0,2**	**0,8**	**4,8**	**1 210,5**	**122,7**	**1 333,2**	**205,5**	**20,7**	**0,8**	**227,0**
Revisions	**0,2**	**0,5**	**2,1**	**2,8**	**88,9**	**21,6**	**110,5**	**15,1**	**4,0**	**2,1**	**21,2**
Improved recovery	**(0,3)**	**–**	**0,1**	**(0,2)**	**(43,3)**	**–**	**(43,3)**	**(7,5)**	**–**	**0,1**	**(7,4)**
Production	**(0,3)**	**(0,1)**	**(1,3)**	**(1,7)**	**(116,4)**	**(21,9)**	**(138,3)**	**(19,7)**	**(3,8)**	**(1.3)**	**(24,8)**
Balance at 30 June 2017	**3,4**	**0,6**	**1,7**	**5,7**	**1 139,7**	**122,4**	**1 262,1**	**193,4**	**20,9**	**1,7**	**216,0**
Proved developed reserves											
At 30 June 2015	1,1	0,3	1,1	2,5	386,8	103,7	490,5	65,5	17,6	1,1	84,2
At 30 June 2016	2,2	0,2	0,8	3,2	738,1	107,9	846,0	125,2	18,2	0,8	144,2
At 30 June 2017	**2,0**	**0,6**	**1,7**	**4,3**	**710,7**	**122,4**	**833,1**	**120,5**	**20,9**	**1,7**	**143,1**

Proved undeveloped reserves											
At 30 June 2015	3,3	0,0	–	3,3	984,3	13,1	997,4	167,4	2,2	–	169,6
At 30 June 2016	1,6	0,0	–	1,6	472,4	14,8	487,2	80,3	2,5	–	82,8
At 30 June 2017	**1,4**	–	–	**1,4**	**429,0**	–	**429,0**	**72,9**	–	–	**72,9**

(1) 6 000 standard cubic feet of natural gas is equivalent to 1 barrel of oil.

(2) Natural oil and gas production in Mozambique in 2015, 2016 and 2017 originated from the single operational Pande-Temane PPA field, which comprises more than 15% of our total proved reserves.

(3) North America comprises Canada, Rest of Africa comprises Gabon.

(4) Volumes presented in this table are after deduction of royalty taken in kind.

(5) Revision of (0,6) billion cubic feet in 2016 was incorrectly stated as 0,6 billion cubic feet in Form 20-F of 2016.

Preparation of Reserve Estimates

To ensure natural oil and gas reserves are appropriately estimated, are accurately disclosed and are compliant with current Securities and Exchange Commission (SEC) regulations and Financial Accounting Standards Board (FASB) requirements, E&PI has established and maintains estimation guidelines, procedures and standards, which are subject to review by suitably experienced independent external consultants, and a set of internal controls, which are in accordance with the requirements of the Sarbanes Oxley Act of 2002. The internal controls cover, amongst other matters, the segregation of duties between the asset teams which provide the necessary data, the corporate reserves team which prepares the reserves estimates, and the corporate authority which is the E&PI executive committee. The controls also include confirmation that the members of the corporate reserves team are appropriately qualified and experienced and that their compensation arrangements are not materially affected by the reserves.

The process includes a review of all estimated future production rates and future capital and operating costs to ensure that the assumptions, data, methods and procedures are appropriate; a review of the technologies used in the estimation process to determine reliability; and arrangements to validate the economic assumptions and to ensure that only accurate, complete and consistent data are used in the estimation of reserves.

The technical person within E&PI who is primarily responsible for overseeing the preparation of natural oil and gas reserves is the E&PI Manager: Corporate Reserves and Resources. The qualifications of the incumbent include a MA and MSc in Mathematics with 38 years' experience in oil and gas exploration and production activities and 29 years' experience in reserves estimation.

The definitions of categories of natural oil and gas reserves used in this disclosure are consistent with those set forth in the Regulations:

Proved Reserves of oil and gas−Those quantities of oil and gas, which, by analysis of geoscience and engineering data, can be estimated with reasonable certainty to be economically producible−from a given date forward, from known reservoirs under existing economic conditions, operating methods, and government regulations−prior to the time at which contracts providing the right to operate expire, unless evidence indicates that renewal is reasonably certain, regardless of whether deterministic or probabilistic methods are used for the estimation. The project to extract hydrocarbons must be approved and must have commenced or the operator must be reasonably certain that it will commence the project within a reasonable time. Additionally Sasol requires that natural oil and gas reserves will be produced by a "project sanctioned by all internal and external parties".

Existing economic conditions define prices and costs at which economic producibility is to be determined. The price is the average sales price during the 12-month period prior to the ending date of the period covered by the report, determined as an un-weighted arithmetic average of the first-day-of-the-month price for each month within such period, unless prices are defined by contractual arrangements. Future price changes are limited to those provided by contractual arrangements in existence at year-end. At the reporting date, product sales prices were determined by existing contracts for the majority of Sasol's natural oil and gas reserves. Costs comprise development and production expenditure, assessed in real terms, applicable to the reserves class being estimated. Depending upon the status of development proved reserves of oil and gas are subdivided into "Proved Developed Reserves" and "Proved Undeveloped Reserves".

Proved Developed Reserves−Those proved reserves that can be expected to be recovered through existing wells with existing equipment and operating methods (or in which the cost of the required equipment is relatively minor compared to the cost of a new well) and through installed extraction equipment and infrastructure operational at the time of the reserves estimate if the extraction is by means not involving a well.

Proved Undeveloped Reserves–Those proved reserves that are expected to be recovered from new wells on undrilled acreage or from existing wells where a relatively major expenditure is required before production can commence.

Definitions of Changes to Proved Reserves

The definitions of the changes to Proved Reserves estimates used in this disclosure are consistent with FASB ASC 932-235-50-5.

TABLE 5–STANDARDISED MEASURE OF DISCOUNTED FUTURE NET CASH FLOWS RELATING TO PROVED RESERVES

The standardised measures of discounted future net cash flows, relating to natural oil and gas proved reserves for the last three years, are shown in the table below.

	Natural oil and gas (Rand in million)			
	Mozambique(1)	North America(1)	Rest of Africa(1)	Total
Year ended 30 June 2015				
Future cash inflows	48 356,0	3 908,1	1 006,0	53 270,1
Future production costs	(7 879,1)	(3 122,6)	(1 139,5)	(12 141,2)
Future development costs	(6 825,3)	(1 830,4)	(927,9)	(9 583,6)
Future income taxes	(11 060,1)	–	(100,4)	(11 160,5)
Undiscounted future net cash flows	22 591,5	(1 044,9)	(1 161,8)	20 384,8
10% annual discount for timing of estimated cash flows	(9 941,5)	882,9	229,2	(8 829,4)
Standardised measure of discounted future net cash flows	12 650,0	(162,0)	(932,6)	11 555,4
Year ended 30 June 2016				
Future cash inflows	31 758,7	3 306,5	507,5	35 572,7
Future production costs	(6 445,2)	(3 140,9)	(967,2)	(10 553,3)
Future development costs	(7 394,8)	(2 436,4)	(889,7)	(10 720,9)
Future income taxes	(6 677,0)	0,0	(50,6)	(6 727,6)

Undiscounted future net cash flows	11 241,7	(2 270,8)	(1 400,0)	7 570,9
10% annual discount for timing of estimated cash flows	(3 797,0)	1 118,1	224,8	(2 454,1)
Standardised measure of discounted future net cash flows	7 444,7	(1 152,7)	(1 175,2)	5 116,8
Year ended 30 June 2017				
Future cash inflows	25 803,2	3 642,5	1 142,7	30 588,4
Future production costs	(6 764,1)	(2 787,4)	(1 236,9)	(10 788,4)
Future development costs	(5 720,9)	(1 613,6)	(595,6)	(7 930,1)
Future income taxes	(5 396,4)	–	(111,9)	(5 508,3)
Undiscounted future net cash flows	7 921,8	(758,5)	(801,7)	6 361,6
10% annual discount for timing of estimated cash flows	(2 534,0)	620,6	213,2	(1 700,2)
Standardised measure of discounted future net cash flows	5 387,8	(137,9)	(588,5)	4 661,4

(1) North America comprises Canada, Rest of Africa comprises Gabon.

The undiscounted future net cash flows in Canada for our Farrell Creek and Cypress A asset, and in Gabon for our Etame Marin Permit asset, 2015, 2016 and 2017 are negative as a result of future production and development costs, primarily contractually committed costs and asset retirement costs, which are not directly related to future production or dependent upon the continuation of production and will be incurred even in the event of no future production. For both assets these costs are fully responsible for the negative future cash flow.

In Canada, the cost of unused gas transportation capacity is included in production costs. We market the unused capacity on an ad hoc basis and though such marketing has been successful in the past, no future revenue from this marketing is included in the calculation of the standardised measure of discounted future net cash flows.

Standardised Measure of Discounted Future Net Cash Flows

The standardised measure of discounted future net cash flows, relating to the proved reserves in the table above, are calculated in accordance with the requirements of FASB ASC Section 932-235. Future cash inflows are computed by applying the prices used in estimating proved reserves to the year-end quantities of those reserves. Future development and production costs are computed by applying the costs used in estimating proved reserves. Future income taxes are computed by applying the appropriate year-end statutory tax rates, with consideration of future tax rates already legislated, to the future pre-tax net cash flows relating to the reserves, less the tax basis of the properties involved. The future income tax expenses therefore give effect to the tax deductions, tax credits and allowances relating to the reserves.

Discounted future net cash flows are the result of subtracting future development and production costs and future income taxes from the cash inflows. A discount rate of 10 percent a year is applied to reflect the timing of the future net cash flows relating to the reserves. The information provided here does not represent management's estimate of the expected future cash flows or value of the properties. Estimates of reserves are imprecise and will change over time as new information becomes available. Moreover probable and possible reserves along with other classes of resources, which may become proved reserves in the future, are excluded from the calculations. The valuation prescribed under FASB ASC Section 932 requires assumptions as to the timing and amount of future development and production costs. The calculations are made as of 30 June each year and should not be relied upon as an indication of the companies' future cash flows or value of natural oil and gas reserves.

TABLE 6–CHANGES IN THE STANDARDISED MEASURE OF DISCOUNTED NET CASH FLOWS

The changes in standardised measure of discounted future net cash flows, relating to the Proved Reserves are shown in the table below.

	Natural oil and gas (Rand in millions)			
	Mozambique(1)	North America(2)	Rest of Africa(2)	Total
Present value at 30 June 2014	13 501,1	(400,5)	460,4	13 561,0
Net changes for the year	(851,1)	238,5	(1 393,0)	(2 005,6)
Sales and transfers of oil and gas produced net of production costs	(3 317,7)	(506,8)	(662,0)	(4 486,5)
Development costs incurred	853,8	2 930,0	855,0	4 638,8
Net change due to current reserves estimates from:				–
Improved recovery	2 208,6	291,4	(381,5)	2 118,5
Revisions	(1 349,3)	1 118,6	(771,0)	(1 001,7)
Net changes in prices and costs related to future production	(5 216,4)	(440,7)	(1 052,6)	(6 709,7)
Changes in estimated future development costs	(14,9)	(3 114,3)	(102,2)	(3 231,4)
Accretion of discount	1 987,5	(40,1)	100,7	2 048,1
Net change in income tax	769,6	–	457,2	1 226,8
Net change due to	3 227,7	0,4	163,4	3 391,5

exchange rate				
Present value at 30 June 2015	12 650,0	(162,0)	(932,6)	11 555,4
Net changes for the year	**(5 205,3)**	**(990,7)**	**(242,6)**	**(6 438,6)**
Sales and transfers of oil and gas produced net of production costs	(2 394,0)	(521,5)	(209,1)	(3 124,6)
Development costs incurred	637,7	2 205,9	570,6	3 414,2
Net change due to current reserves estimates from:				–
(Reduced)/ improved recovery	(88,3)	182,0	213,5	307,2
Revisions	697,7	333,9	501,8	1 533,4
Net changes in prices and costs related to future production	(11 445,5)	(580,1)	(739,3)	(12 764,9)
Changes in estimated future development costs	(213,1)	(2 565,8)	(354,1)	(3 133,0)
Accretion of discount	1 825,4	(16,2)	(84,3)	1 724,9
Net change in income tax	1 775,2	0,0	43,1	1 818,3
Net change due to exchange rate	3 999,6	(28,9)	(184,8)	3 785,9
Present value at 30 June 2016	7 444,7	(1 152,7)	(1 175,2)	5 116,8

Net changes for the year	(2 056,9)	1 014,8	586,7	(455,4)
Sales and transfers of oil and gas produced net of production costs	(2 141,9)	(434,5)	(375,9)	(2 952,3)
Development costs incurred	267,0	499,9	35,7	802,6
Net change due to current reserves estimates from:				–
(Reduced)/ improved recovery	(822,0)	–	15,1	(806,9)
Revisions	1 324,8	434,2	1 204,4	2 963,4
Net changes in prices and costs related to future production	(1 232,1)	413,3	(530,9)	(1 349,7)
Changes in estimated future development costs	289,2	71,5	261,7	622,4
Accretion of discount	1 127,4	(115,3)	(112,9)	899,2
Net change in income tax	522,1	–	(49,9)	472,2
Net change due to exchange rate	(1 391,4)	145,7	139,4	(1 106,3)
Present value at 30 June 2017	5 387,8	(137,9)	(588,5)	4 661,4

(1) Mozambique values for 2014 have been recalculated in 2015.

(2) North America comprises Canada, Rest of Africa comprises Gabon.

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SYNTHETIC OIL

TABLE 1–COSTS INCURRED FOR PROPERTY ACQUISITION, EXPLORATION, AND DEVELOPMENT ACTIVITIES

The table below provides the costs incurred during the year in synthetic oil property acquisition, exploration and development activities, whether capitalised or charged to income currently.

	Synthetic oil–South Africa		
Year ended 30 June	2017	2016	2015
Acquisition of proved properties	0,1	11,8	174,4
Exploration	129,8	154,3	148,0
Development	2 063,8	3 014,4	4 729,7
Total costs incurred	2 193,7	3 180,5	5 052,1

TABLE 2–CAPITALISED COSTS RELATING TO SYNTHETIC OIL ACTIVITIES

The table below summarises the aggregate amount of property, plant and equipment and intangible assets relating to synthetic oil and production activities, and the aggregate amount of the related depreciation and amortisation.

	Synthetic oil–South Africa		
Year ended 30 June	2017	2016	2015
Proved properties	91 872,4	85 985,0	78 711,2
Producing wells and equipment	91 872,4	85 985,0	71 191,5
Non-producing wells and equipment	–	–	7 519,7
Unproved properties	–	–	–
Capitalised costs	91 872,4	85 985,0	78 711,2
Accumulated depreciation	(28 936,4)	(26 027,6)	(22 853,3)
Net book value	62 936,0	59 957,4	55 857,9

TABLE 3–RESULTS OF OPERATIONS FOR OIL AND GAS PRODUCING ACTIVITIES

The results of operations for synthetic oil activities are summarised in the table below.

	Synthetic oil–South Africa		
Year ended 30 June	2017	2016	2015
Sales to unaffiliated parties	–	–	–
Transfers to affiliated parties	35 659,7	33 428,4	45 709,4
Total revenues	35 659,7	33 428,4	45 709,4
Production costs	(18 507,5)	(18 557,3)	(14 543,2)
Foreign currency translation gains / (losses)	7,2	8,6	(11,1)
Exploration expenses	(28,0)	(47,0)	(45,0)
Depreciation	(6 088,1)	(5 395,0)	(4 511,8)
Operating profit/ (loss)	11 043,3	9 437,7	26 598,3
Tax	(1 967,9)	(2 600,2)	(6 954,4)
Results of operations	9 075,4	6 837,5	19 643,9

TABLE 4–PROVED RESERVE QUANTITY INFORMATION

Proved Reserves

The table below summarises proved developed and proved undeveloped reserves of synthetic oil as at 30 June 2017, for the last three years. As at 30 June 2017, the total proved reserve estimate for synthetic oil is 980,5 million barrels in oil equivalent terms.

	Synthetic oil–South Africa		
	2017	2016	2015
Opening balance	990,9	1 042,5	680,7
Revisions	30,9	–	413,6
Recovery/ (loss)	–	–	–
Production	(41,3)	(51,6)	(51,8)
Balance at 30 June	980,5	990,9	1 042,5
Proved developed reserves	980,5	990,9	1 042,5
Proved undeveloped reserves	–	–	–

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TABLE 5–STANDARDISED MEASURE OF DISCOUNTED FUTURE NET CASH FLOWS RELATING TO PROVED RESERVES

	Synthetic oil–South Africa		
Year ended 30 June	**2017**	**2016**	**2015(1)**
Future cash inflows	670 163,5	630 028,9	906 161,1
Future production costs	(373 987,5)	(341 767,1)	(346 619,9)
Future development costs	(199 417,2)	(183 888,3)	(181 021,4)
Future income taxes	(38 109,1)	(36 878,3)	(114 069,6)
Undiscounted future net cash flows	58 649,7	67 495,2	264 450,3
10% annual discount for timing of estimated cash flows	(40 504,8)	(43 046,6)	(160 169,1)
Standardised measure of discounted future net cash flows	18 144,9	24 448,6	104 281,2

(1) Standardised measure of discounted future net cash flows at 30 June 2015 has been restated to correct the allocation of future development costs. In 2015, the useful life of Secunda Synfuels Operations was extended to 2050, which exceeded the quantities of the proved coal reserves. The future development costs are now allocated in line with proved coal reserves and not on total synthetic oil production as used previously.

The standardised measure of discounted future net cash flows, relating to the proved reserves in the table above, are calculated in accordance with the requirements of FASB ASC Section 932-235.

TABLE 6–CHANGES IN THE STANDARDISED MEASURE OF DISCOUNTED NET CASH FLOWS

	Synthetic oil–South Africa		
	2017	**2016**	**2015(1)**
Present value–opening balance	24 448,7	104 281,2	162 843,1
Net changes for the year	(6 303,9)	(79 832,5)	(58 562,1)
Sales and transfers of oil and gas produced net of production costs	(17 152,2)	(14 871,2)	(31 166,1)
Development costs incurred	9 339,9	9 367,1	11 369,9
Net change due to current reserves estimates from:			
Improved recovery	–	–	–
Commercial arrangements	–	–	–
Revisions	1 695,3	3 527,6	30 491,1
Net changes in prices and costs related to future production	21 021,7	(173 986,8)	(123 966,6)
Changes in estimated future development costs	(11 616,0)	(8 348,0)	(20 968,8)
Accretion of discount	2 195,5	9 441,1	14 599,3
Net change in income tax	2 355,0	35 442,4	28 759,1
Net change due to exchange rate	(14 143,1)	59 595,3	32 320,0
Present value at 30 June	18 144,8	24 448,7	104 281,0

(1) Standardised measure of discounted future net cash flows at 30 June 2015 has been restated to correct the allocation of future development costs. In 2015, the useful life of Secunda Synfuels Operations was extended to 2050, which exceeded the quantities of the proved coal reserves. The future development costs are now allocated in line with proved coal reserves and not on total synthetic oil production as used previously.

Standardised Measure of Discounted Future Net Cash Flows

The standardised measure of discounted future net cash flows, relating to the proved reserves in the table above, are calculated in accordance with the requirements of FASB ASC Section 932-235. Future cash inflows are computed by applying the prices used in estimating proved reserves to the year-end quantities of those reserves. Future development and production costs are computed by applying the costs used in estimating proved reserves. Future income taxes are computed by applying the appropriate year-end statutory tax rates, with consideration of future tax rates already legislated, to the future pre-tax net cash flows relating to the reserves, less the tax basis of the properties involved. The future income tax expenses therefore give effect to the tax deductions, tax credits and allowances relating to the reserves.

Discounted future net cash flows are the result of subtracting future development and production costs and future income taxes from the cash inflows. A discount rate of 10 percent a year is applied to reflect the timing of the future net cash flows relating to the reserves. The information provided here does not represent management's estimate of the expected future cash flows or value of the properties. Estimates of reserves are imprecise and will change over time as new information becomes available. Moreover probable and possible reserves along with other classes of resources, which may become proved reserves in the future, are excluded from the calculations. The valuation prescribed under FASB ASC Section 932 requires assumptions as to the timing and amount of future development and production costs. The calculations are made as of 30 June each year and should not be relied upon as an indication of the companies' future cash flows or value of synthetic oil reserves.

ITEM 19. EXHIBITS

1.1 Memorandum of incorporation of Sasol Limited

2.1 The amount of long-term debt securities issued by Sasol Limited and its subsidiaries authorised under any given instrument does not exceed 10% of the total assets of Sasol Limited and its subsidiaries on a consolidated basis. Sasol Limited hereby agrees to furnish to the SEC a copy of any such instrument upon its request.

4.1 Management Share Incentive Scheme**

4.2 The Deed of Trust for the Sasol Inzalo Management Trust*

4.3 The Deed of Trust for the Sasol Inzalo Employee Scheme*

8.1 List of subsidiaries

12.1 Certification of Bongani Nqwababa and Stephen Russell Cornell, Joint Presidents and Chief Executive Officers of Sasol Limited pursuant of Section 302 of the Sarbanes-Oxley Act of 2002.

12.2 Certification of Paul Victor, Chief Financial Officer of Sasol Limited pursuant of Section 302 of the Sarbanes-Oxley Act of 2002.

13.1 Certification of Bongani Nqwababa and Stephen Russell Cornell, Joint Presidents and Chief Executive Officers of Sasol Limited and Paul Victor, Chief Financial Officer of Sasol Limited pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

13.2 Certification of Bongani Nqwababa and Stephen Russell Cornell, Joint Presidents and Chief Executive Officers of Sasol Limited and Paul Victor, Chief Financial Officer of Sasol Limited pursuant to Rule 13a-15(f) under the Securities Exchange Act of 1934, as adopted pursuant to Section 404 of the Sarbanes- Oxley Act of 2002.

15.2 Consent of independent registered public accounting firm−PwC

99.1 Sasol Limited Consolidated Annual Financial Statements

99.2 Sasol Limited Remuneration Report

99.3 CFO Report

99.4 Our Operating Model Structure

99.5 Integrated Report−Our strategy

99.6 Integrated Report−Our integrated value chain

99.7 Integrated Report−Operational reviews

99.8 Information about our board of directors and senior management

99.9 Integrated Report−Our governance framework

99.9.1 Sasol Limited Board Charter

99.9.2 Terms of reference−Audit Committee and Remuneration Committee

* Incorporated by reference to our annual report on Form 20-F filed on 7 October 2008.

** Incorporated by reference to our registration statement on Form 20-F filed on 6 March 2003.

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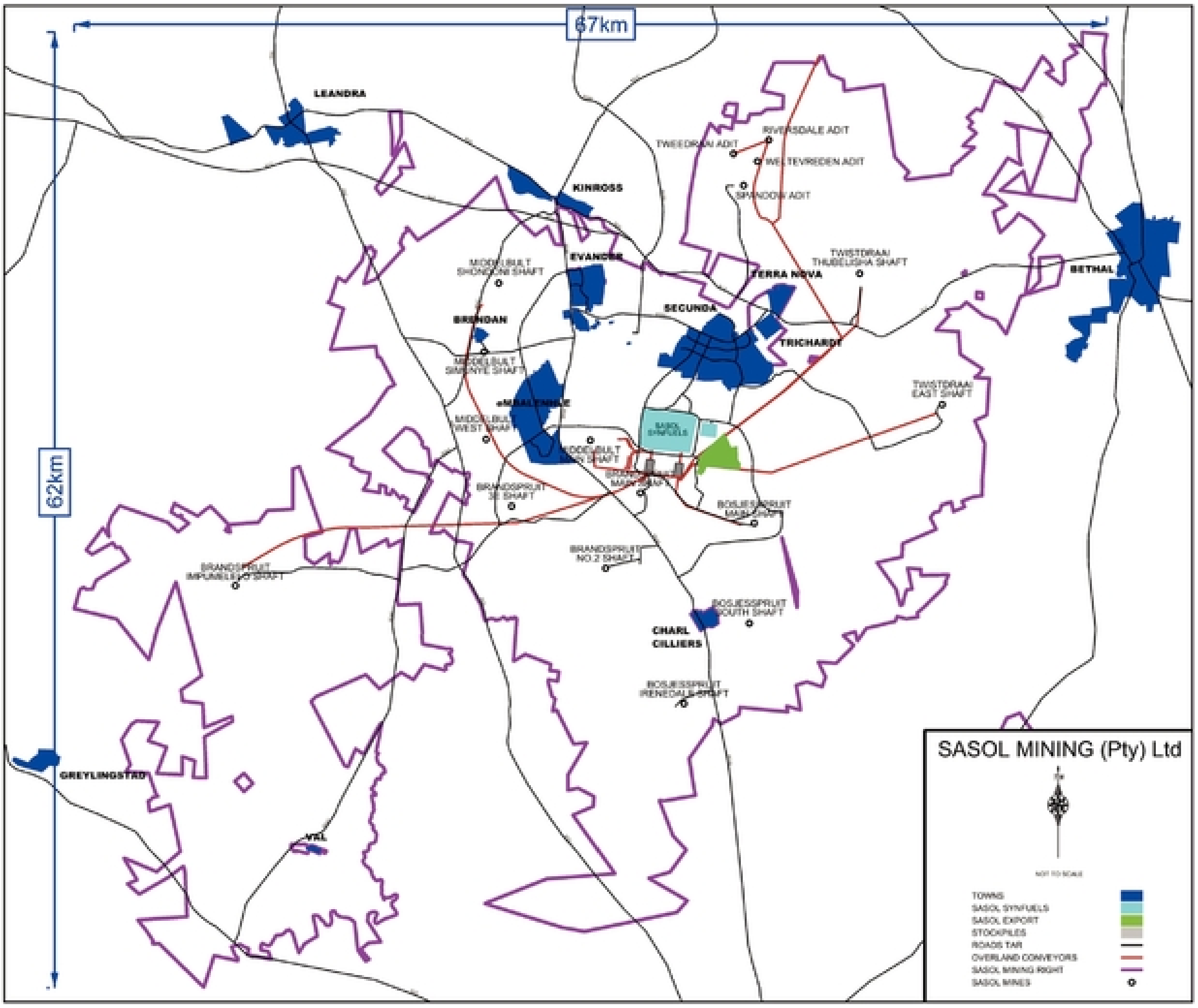

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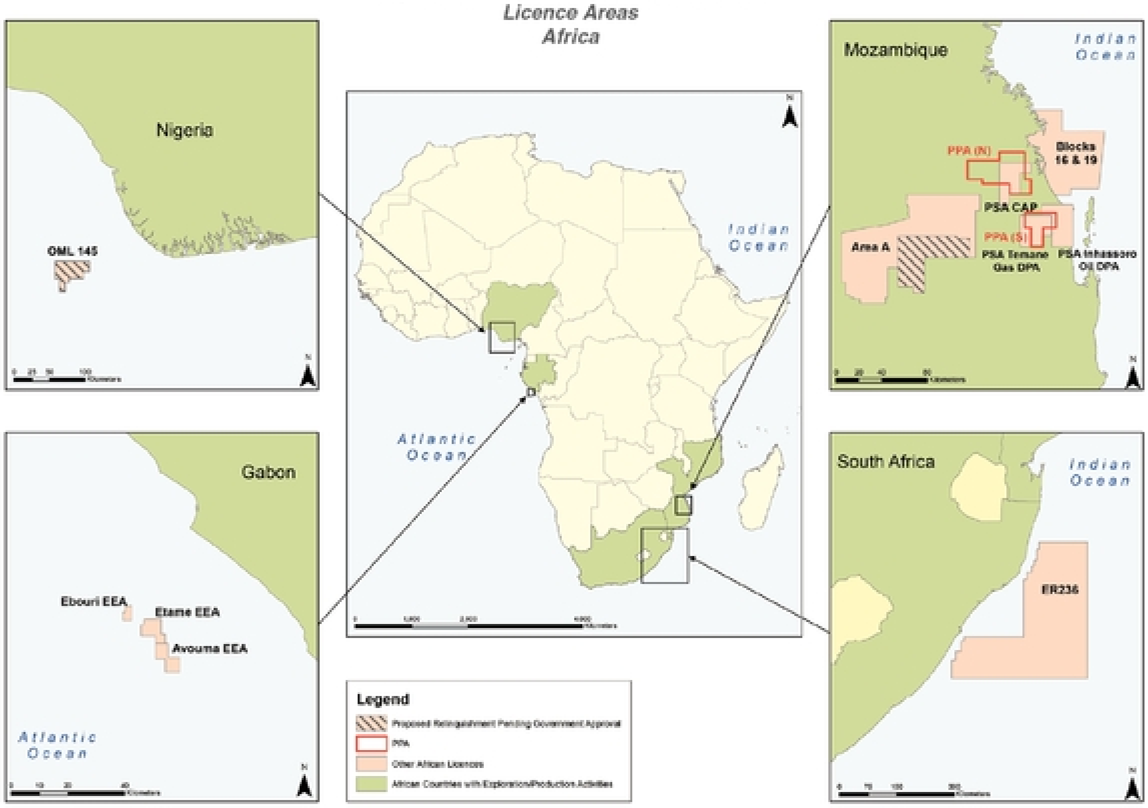
Exploration and Production International Licence Areas Africa



Exploration and Production International Global Footprint and Office Locations

Exhibit 8.1

LIST OF SUBSIDIARIES

Name	Nature of business	Percentage ownership	Country of incorporation
Sasol Technology (Pty) Ltd	Engineering services, research and development and technology transfer	100	South Africa
Sasol New Energy Holdings (Pty) Ltd	Developing lower-carbon energy solutions	100	South Africa
Alexandria Wax Products Co	Sales and marketing of wax products	51	Egypt
Sasol Mining (Pty) Ltd	Coal mining activities	89,8(1)	South Africa
Sasol Mining Holdings (Pty) Ltd	Holding company for the group' s mining interests	100	South Africa
Sasol Financing (Pty) Ltd	Management of cash resources, investment and procurement of loans (for South African operations)	100	South Africa
Sasol Investment Company (Pty) Ltd	Holding company for foreign investments	100	South Africa
Sasol South Africa (Pty) Ltd	Integrated petrochemicals and energy company.	100	South Africa
Sasol Oil (Pty) Ltd	Marketing of fuels and lubricants	75	South Africa
Sasol Chemical Holdings International (Pty) Ltd	Investment in the Sasol Chemie group	100	South Africa
Sasol UK Limited	Marketing and distribution of chemical products	100	United Kingdom
Sasol Chemicals Pacific Limited	Marketing and distribution of chemical products	100	Hong Kong
Sasol Gas (Pty) Ltd	Marketing, distribution and transportation of pipeline gas and the maintenance of pipelines used to transport gas	100	South Africa
Sasol Oil International Limited	Buying and selling of crude oil	75(2)	Isle of Man
Sasol Africa (Pty) Ltd	Exploration, development, production, marketing and distribution of natural oil and gas and associated products	100	South Africa
Sasol Canada Exploration and Production Limited	General partner in, and management of, the Sasol Canada Exploration and Production Limited Partnership which holds Sasol' s upstream interests in the Sasol Progress Energy Canada Ltd partnership in Canada	100	Canada
Sasol Canada Holdings Limited	Exploration, development, production, marketing and distribution of natural oil and gas and associated products in Canada	100	Canada
Sasol Middle East and India (Pty) Ltd	Develop and implement international GTL and CTL ventures	100	South Africa
Sasol Wax International GmbH	Holding company for Sasol Wax operations (outside South Africa)	100	Germany
Sasol Wax GmbH	Production, marketing and distribution of waxes and wax related products	100	Germany
National Petroleum Refiners of South Africa (Pty) Ltd	Refining crude oil	47,73(2)	South Africa

Sasol Chemie GmbH and Co. KG	Investment in the Sasol Germany GmbH, Sasol Solvents Germany GmbH and Sasol Performance Chemicals GmbH	100	Germany
Sasol Germany GmbH	Production, marketing and distribution of chemical products	100	Germany
Sasol Solvents Germany GmbH	Production and marketing of solvents	100	Germany
Sasol Italy SpA	Trading and transportation of oil products, petrochemicals and chemical products and derivatives	99,9	Italy
Sasol Holdings (USA) (Pty) Ltd	Holding company for the group' s interests in the United States	100	South Africa
Sasol Chemicals (USA) LLC	Production, marketing and distribution of chemical products	100	United States
Sasol Holdings (Asia Pacific) (Pty) Ltd	Holding company for the group' s Asia Pacific investments	100	South Africa
Sasol European Holdings Limited	Holding company for the group' s European holdings (excl. Germany)	100	United Kingdom
Sasol Financing International Limited	Management of cash resources, investments and procurement of loans (for our foreign operations)	100	South Africa
Sasol (USA) Corporation	Holds and manages our interests and operations in the United States	100	United States

(1) This represents our effective holding through Sasol Mining Holdings (Pty) Ltd.
(2) This represents our effective holding through our 75% interest in Sasol Oil (Pty) Ltd.

INCORPORATED JOINTLY CONTROLLED ENTITIES

Name	Nature of business	Country of incorporation	Interest %
Chevron Sasol EGTL Limited	Investment activities in relation to the Escravos gas-to-liquids project	Bermuda	10
Ixia Coal (Pty) Ltd	Investment activities Sasol Mining	South Africa	49
ORYX GTL Limited (QSC)	Manufacturing and marketing of synthetic fuels from gas	Qatar	49
Petronas Chemicals LDPE Sdn Bhd	Manufacturing and marketing of low-density polyethylene pellets	Malaysia	40
Sasol Chevron Holdings Limited	Marketing of Escravos GTL products	Bermuda	50
Sasol-Huntsman GmbH & Co KG	Manufacturing of chemical products	Germany	50
Kubu Energy Resources (Pty) Ltd.	Coal bed methane exploration	Botswana	50
Sasol Chevron Nigeria Limited	Personal, technical services and training to the Escravos GTL facility in Nigeria	Nigeria	50
Sasol Dyno Nobel (Pty) Ltd	Manufacturing and distribution of explosives	South Africa	50
Petromoc E Sasol SARL	Retail and commercial marketing of liquid fuels; petrol, diesel, illuminating paraffin, liquefied petroleum gas (LPG), fuel oil and lubricants in Mozambique	Mozambique	49

Strategic Energy Technology Systems Private Limited	Prospecting, exploration, production, exploitation of mineral oil, petroleum, oil, gas and other similar or allied substances	India	50
Central Termica de Ressano Garcia (CTRG SA)	ommercializationProduction, generation, transport and commercialization of electrical energy, including export, construction operation and management of a power plant	Mozambique	49
Sasol Wilmar Alcohol Industries (Lianyungang) Co Ltd	Development, production, sale and distribution of oleochemical based alcohol, surfactant, auxiliaries, petroleum additives, leather chemicals, water treatment auxiliaries, etc	China	50
Gemini HDPE LLC	Construction of the high-density polyethylene plant	USA	50
Republic of Mozambique Pipeline Investments Company (Pty) Ltd (ROMPCO)	Owning and operating the natural gas transmission pipeline between Temane in Mozambique and Secunda in South Africa for the transportation of natural gas produced in Mozambique to markets in Mozambique and South Africa	South Africa	50

Exhibit 12.1

CERTIFICATIONS

I, Bongani Nqwababa, certify that:

1. I have reviewed this annual report on Form 20-F of Sasol Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company' s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the company' s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the company' s internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company' s internal control over financial reporting; and

5. The company' s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company' s auditors and the audit committee of the company' s board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company' s ability to record, process, summarise and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company' s internal control over financial reporting.

Date: 28 August 2017

By: /s/ BONGANI NQWABABA

Bongani Nqwababa

Joint President and Chief Executive Officer

CERTIFICATIONS

I, Stephen Cornell, certify that:

1. I have reviewed this annual report on Form 20-F of Sasol Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company' s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the company' s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the company' s internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company' s internal control over financial reporting; and

5. The company' s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company' s auditors and the audit committee of the company' s board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company' s ability to record, process, summarise and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company' s internal control over financial reporting.

Date: 28 August 2017

By: /s/ STEPHEN CORNELL

Stephen Cornell

Joint President and Chief Executive Officer

Exhibit 12.2

CERTIFICATIONS

I, Paul Victor, certify that:

1. I have reviewed this annual report on Form 20-F of Sasol Limited;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company' s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the company' s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the company' s internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company' s internal control over financial reporting; and

5. The company' s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company' s auditors and the audit committee of the company' s board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company' s ability to record, process, summarise and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company' s internal control over financial reporting.

Date: 28 August 2017

By: /s/ PAUL VICTOR

Paul Victor

Chief Financial Officer

Exhibit 13.1

CERTIFICATION PURSUANT TO 18
U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the annual report of Sasol Limited (the "Company") on Form 20-F for the period ending 30 June 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned hereby certify that to the best of our knowledge:

1. The Report fully complies with the requirements of Section 13(a) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: 28 August 2017

By: /s/ BONGANI NQWABABA
Bongani Nqwababa
Joint President and Chief Executive Officer

By: /s/ STEPHEN CORNELL
Stephen Cornell
Joint President and Chief Executive Officer

Date: 28 August 2017

By: /s/ PAUL VICTOR
Paul Victor
Chief Financial Officer

A signed original of this written statement required by Section 906 has been provided to and will be retained by Sasol Limited and furnished to the Securities and Exchange Commission or its staff upon request.

This certification will not be deemed ' 'filed' ' for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liability of that section. This certification will not be deemed to be incorporated by reference into any filing under the Securities Act of 1933 or the Securities Exchange Act of 1934, even if the document with which it is submitted to the Securities and Exchange Commission is so incorporated by reference.

Exhibit 13.2

MANAGEMENT' S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

Management of Sasol Limited (Sasol) is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) under the Securities Exchange Act of 1934. Under Section 404 of the Sarbanes-Oxley Act of 2002, management is required to assess the effectiveness of the Company' s internal control over financial reporting as of the end of each fiscal year and report, based on that assessment, whether the Company' s internal control over financial reporting is effective.

Sasol' s internal control over financial reporting is a process designed under the supervision of the President and Chief Executive Officer and Chief Financial Officer to provide reasonable assurance as to the reliability of Sasol' s financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of our assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures are being made only in accordance with authorisations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

Management assessed the effectiveness of Sasol' s internal control over financial reporting as of 30 June 2017. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in ' 'Internal Control−Integrated Framework (2013)' ' . Based on our assessment, we believe that, as of 30 June 2017, Sasol' s internal control over financial reporting was effective.

PricewaterhouseCoopers Inc., an independent registered public accounting firm, has issued an opinion on the effectiveness of Sasol' s internal control over financial reporting as stated in their report which appears herein.

Date: 28 August 2017

By: /s/ BONGANI NQWABABA
Bongani Nqwababa
Joint President and Chief Executive Officer

By: /s/ STEPHEN CORNELL
Stephen Cornell
Joint President and Chief Executive Officer

Date: 28 August 2017

By: /s/ PAUL VICTOR

Paul Victor
Chief Financial Officer

Exhibit 15.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statement on Form S-8 (No. 333-218375) of Sasol Limited of our report dated 28 August 2017 relating to the consolidated financial statements and the effectiveness of internal control over financial reporting, which appears in this Annual Report on Form 20-F.

/s/ PricewaterhouseCoopers Inc.
Johannesburg, Republic of South Africa
28 August 2017

Exhibit 99.1

Sasol Limited Group

Income statement
for the year ended 30 June

	Note	2017 Rm	2016 Rm	2015 Rm
Turnover	1	**172 407**	172 942	185 266
Materials, energy and consumables used	2	**(71 436)**	(71 320)	(80 169)
Selling and distribution costs		**(6 405)**	(6 914)	(6 041)
Maintenance expenditure		**(8 654)**	(8 453)	(7 628)
Employee-related expenditure	3	**(24 417)**	(23 911)	(22 096)
Exploration expenditure and feasibility costs		**(491)**	(282)	(554)
Depreciation and amortisation		**(16 204)**	(16 367)	(13 567)
Other expenses and income **		**(12 550)**	(9 073)	(9 912)
Translation (losses)/gains	4	**(1 201)**	150	(959)
Other operating expenses and income	5	**(11 349)**	(9 223)	(8 953)
Remeasurement items	8	**(1 616)**	(12 892)	(807)
Equity accounted profits, net of tax	19	**1 071**	509	2 057
Operating profit		**31 705**	24 239	46 549
Finance income	6	**1 568**	1 819	1 274
Finance costs	6	**(3 265)**	(2 340)	(2 230)
Profit before tax		**30 008**	23 718	45 593
Taxation	11	**(8 495)**	(8 691)	(14 431)
Profit for the year		**21 513**	15 027	31 162
Attributable to				
Owners of Sasol Limited		**20 374**	13 225	29 716
Non-controlling interests in subsidiaries		**1 139**	1 802	1 446
		21 513	15 027	31 162

	Note	Rand	Rand	Rand
Per share information				
Basic earnings per share	7	**33,36**	21,66	48,71
Diluted earnings per share	7	**33,27**	21,66	48,70

** A loss of R1 107 million (30 June 2016 – R920 million gain; 30 June 2015 – R156 million loss) arising from foreign exchange contracts (FECs) has been reclassified from translation (losses)/gains, to other operating expenses and income, in accordance with the recognition of other derivative gains and losses.

Statement of comprehensive income
for the year ended 30 June

2017 Rm	2016 Rm	2015 Rm

Profit for the year	**21 513**	15 027	31 162
Other comprehensive income, net of tax			
Items that can be subsequently reclassified to the income statement	**(8 931)**	13 253	3 604
Effect of translation of foreign operations***	**(10 074)**	15 112	3 590
Effect of cash flow hedges***	**1 821**	(2 855)	–
Fair value of investments available-for-sale	**11**	(7)	16
Tax on items that can be subsequently reclassified to the income statement	**(689)**	1 003	(2)
Items that cannot be subsequently reclassified to the income statement	**743**	(546)	(593)
Remeasurement on post-retirement benefit obligation****	**1 114**	(877)	(847)
Tax on items that cannot be subsequently reclassified to the income statement	**(371)**	331	254
Total comprehensive income for the year	**13 325**	27 734	34 173
Attributable to			
Owners of Sasol Limited	**12 234**	25 890	32 727
Non-controlling interests in subsidiaries	**1 091**	1 844	1 446
	13 325	27 734	34 173

*** These amounts include the loss of R302 million (2016 – R97 million; 2015 – Rnil) on reclassification from the cash flow hedge reserve and a gain of Rnil (2016 – (R840 million); 2015 – (R893 million)) on reclassification from the foreign currency translation reserve, respectively, to profit and loss.

**** Includes the effect of a (gain)/loss of (R105 million) (2016 – R749 million; 2015 – R590 million) relating to the movement in the asset limitation, as well as a loss/(gain) of R50 million (2016 – (R63 million); 2015 – R46 million) on reimbursive rights related to post-retirement benefits, recognised in long-term receivables.

The notes are an integral part of these Consolidated Financial Statements.

Statement of financial position
at 30 June

	Note	2017 Rm	2016 Rm
Assets			
Property, plant and equipment	16	**158 773**	155 054
Assets under construction	17	**130 734**	104 011
Goodwill and other intangible assets		**2 361**	2 680
Equity accounted investments	19	**11 813**	13 118
Other long-term investments		**987**	943

Post-retirement benefit assets	32	**622**	614
Long-term receivables and prepaid expenses	18	**2 613**	2 772
Deferred tax assets	13	**3 082**	3 389
Non-current assets		**310 985**	282 581
Assets in disposal groups held for sale	10	**216**	1 064
Inventories	22	**25 374**	23 798
Tax receivable	12	**2 538**	2 487
Trade and other receivables	23	**27 641**	28 426
Short-term financial assets	39	**2 739**	42
Cash restricted for use	26	**1 803**	2 331
Cash	26	**27 643**	49 985
Current assets		**87 954**	108 133
Total assets		**398 939**	390 714
Equity and liabilities			
Shareholders' equity		**211 711**	206 997
Non-controlling interests		**5 523**	5 421
Total equity		**217 234**	212 418
Long-term debt	15	**74 312**	78 015
Long-term provisions	30	**16 648**	18 810
Post-retirement benefit obligations	32	**11 069**	12 703
Long-term deferred income		**910**	631
Long-term financial liabilities	39	**733**	2 844
Deferred tax liabilities	13	**25 860**	23 691
Non-current liabilities		**129 532**	136 694
Short-term debt	15	**9 718**	2 000
Short-term provisions	31	**3 007**	4 246
Tax payable	12	**1 903**	878
Trade and other payables	24	**36 400**	33 317
Short-term deferred income		**282**	170
Short-term financial liabilities	39	**740**	855
Bank overdraft	26	**123**	136
Current liabilities		**52 173**	41 602
Total equity and liabilities		**398 939**	390 714

The notes are an integral part of these Consolidated Financial Statements.

Sasol Limited Group

Statement of changes in equity
for the year ended 30 June

Share capital Note 14	Share repurchase programme Note 14	Share-based payment reserve Note 34	Investment fair value reserve	Foreign currency translation reserve	Cash flow hedge accounting reserve	Remeasurement on post-retirement benefits	Retained earnings	Shareholders' equity	Non-controlling interests	Total equity

	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
Balance at 30 June 2014	**29 084**	**(2 641)**	**(12 904)**	**28**	**14 704**	**(7)**	**(1 413)**	**144 126**	**170 977**	**3 792**	**174 769**
Shares issued on implementation of share options	144	–	–	–	–	–	–	–	**144**	–	**144**
Share-based payment expense	–	–	501	–	–	–	–	–	**501**	–	**501**
Settlement of post-retirement benefit obligations	–	–	–	–	–	–	25	(25)	–	–	–
Total comprehensive income for the year	–	–	–	14	3 585	–	(588)	29 716	**32 727**	1 446	**34 173**
profit	–	–	–	–	–	–	–	29 716	**29 716**	1 446	**31 162**
other comprehensive income for the year	–	–	–	14	3 585	–	(588)	–	**3 011**	–	**3 011**
Dividends paid	–	–	–	–	–	–	–	(12 739)	**(12 739)**	(365)	**(13 104)**
Balance at 30 June 2015	**29 228**	**(2 641)**	**(12 403)**	**42**	**18 289**	**(7)**	**(1 976)**	**161 078**	**191 610**	**4 873**	**196 483**
Shares issued on implementation of share options	54	–	–	–	–	–	–	–	**54**	–	**54**
Share-based payment expense	–	–	123	–	–	–	–	–	**123**	–	**123**
Expiry of Sasol share incentive scheme	–	–	(1 302)	–	–	–	–	1 302	–	–	–
Settlement of post-retirement benefit obligations	–	–	–	–	–	–	8	(8)	–	–	–
Total comprehensive income for the year	–	–	–	(16)	15 027	(1 781)	(565)	13 225	**25 890**	1 844	**27 734**
profit	–	–	–	–	–	–	–	13 225	**13 225**	1 802	**15 027**
other comprehensive income for the year	–	–	–	(16)	15 027	(1 781)	(565)	–	**12 665**	42	**12 707**
Dividends paid	–	–	–	–	–	–	–	(10 680)	**(10 680)**	(1 296)	**(11 976)**
Balance at 30 June 2016	**29 282**	**(2 641)**	**(13 582)**	**26**	**33 316**	**(1 788)**	**(2 533)**	**164 917**	**206 997**	**5 421**	**212 418**

Share-based payment expense	–	–	**463**	–	–	–	–	–	**463**	–	**463**
Long-term incentive scheme converted to equity-settled*	–	–	**645**	–	–	–	–	–	**645**	–	**645**
Long-term incentives vested and settled	–	–	**(51)**	–	–	–	–	**51**	–	–	–
Total comprehensive income for the year	–	–	–	**7**	**(10 031)**	**1 141**	**743**	**20 374**	**12 234**	**1 091**	**13 325**
profit	–	–	–	–	–	–	–	**20 374**	**20 374**	**1 139**	**21 513**
other comprehensive income for the year	–	–	–	**7**	**(10 031)**	**1 141**	**743**	–	**(8 140)**	**(48)**	**(8 188)**
Dividends paid	–	–	–	–	–	–	–	**(8 628)**	**(8 628)**	**(989)**	**(9 617)**
Balance at 30 June 2017	**29 282**	**(2 641)**	**(12 525)**	**33**	**23 285**	**(647)**	**(1 790)**	**176 714**	**211 711**	**5 523**	**217 234**

* Refer to note 34 for further detail on the conversion of the long-term incentive scheme

The notes are an integral part of these Consolidated Financial Statements.

Statement of cash flows
for the year ended 30 June

	Note	2017 Rm	2016 Rm	2015 Rm
Cash receipts from customers		**172 061**	175 994	186 839
Cash paid to suppliers and employees		**(127 992)**	(121 321)	(125 056)
Cash generated by operating activities	27	**44 069**	54 673	61 783
Dividends received from equity accounted investments	19	**1 539**	887	2 812
Finance income received	6	**1 464**	1 633	1 234
Finance costs paid	6	**(3 612)**	(3 249)	(2 097)
Tax paid	12	**(6 352)**	(9 329)	(10 057)
Cash available from operating activities		**37 108**	44 615	53 675
Dividends paid	29	**(8 628)**	(10 680)	(12 739)
Cash retained from operating activities		**28 480**	33 935	40 936
Additions to non-current assets[(1)]		**(56 812)**	(70 497)	(42 645)
additions to property, plant and equipment	16	**(390)**	(4 304)	(1 273)
additions to assets under construction	17	**(59 892)**	(69 422)	(43 754)

additions to other intangible assets		**(61)**	(22)	(79)
increase in capital project related payables		**3 531**	3 251	2 461
Additional cash contributions to equity accounted investments		**(444)**	(548)	(588)
Proceeds on disposals and scrappings	9	**788**	569	1 210
Net cash disposed of on disposal of businesses	9	**–**	–	(105)
Purchase of investments		**(96)**	(223)	(224)
Proceeds from sale of investments		**28**	171	264
(Increase)/decrease in long-term receivables		**(141)**	(506)	3
Cash used in investing activities		**(56 677)**	(71 034)	(42 085)
Share capital issued on implementation of share options		**–**	54	144
Dividends paid to non-controlling shareholders in subsidiaries		**(989)**	(1 296)	(365)
Proceeds from long-term debt	15	**9 277**	34 008	14 543
Repayment of long-term debt	15	**(2 364)**	(3 120)	(1 663)
Proceeds from short-term debt		**4 033**	2 901	2 686
Repayment of short-term debt		**(1 410)**	(3 369)	(2 280)
Cash generated by financing activities		**8 547**	29 178	13 065
Translation effects on cash and cash equivalents		**(3 207)**	7 069	3 095
(Decrease)/increase in cash and cash equivalents		**(22 857)**	(852)	15 011
Cash and cash equivalents at the beginning of year		**52 180**	53 032	38 021
Cash and cash equivalents at the end of the year	26	**29 323**	52 180	53 032

(1) Additions to non-current assets, including capital accruals, amounts to R60 343 million (2016 – R73 748 million; 2015 – R45 106 million)

The notes are an integral part of these Consolidated Financial Statements.

Segment information

	Mining		Exploration and Production International		Energy		Base Chemicals		Performance Chemicals		Group Functions		Total		Deferred tax assets and liabilities		Net tax receivable/ (payable)		Post-retirement benefit assets		Total per statement of financial position	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
Statement of financial position																						
Non-current assets	**23 489**	22 685	**18 142**	20 077	**60 840**	61 884	**101 738**	84 854	**97 965**	84 284	**5 107**	4 794	**307 281**	278 578	**3 082**	3 389	**–**	–	**622**	614	**310 985**	282 581
Current assets	**1 986**	1 818	**2 579**	2 923	**17 094**	16 615	**12 940**	14 337	**25 026**	25 525	**25 791**	44 428	**85 416**	105 646	**–**	–	**2 538**	2 487	**–**	–	**87 954**	108 133
Non-current liabilities	**2 574**	3 358	**6 625**	8 948	**9 344**	9 726	**26 488**	29 691	**27 205**	31 484	**31 436**	29 796	**103 672**	113 003	**25 860**	23 691	**–**	–	**–**	–	**129 532**	136 694

Current liabilities	**2 440**	2 430	**1 271**	1 961	**11 030**	9 571	**9 598**	8 163	**13 869**	12 442	**12 062**	6 157	**50 270**	40 724	–	–	**1 903**	878	–	–	**52 173**	41 602

	Mining			Exploration and Production International			Energy			Base Chemicals			Performance Chemicals			Group Functions			Total		
	2017	**2016**	**2015**	**2017**	**2016**	**2015**	**2017**	**2016**	**2015**	**2017**	**2016**	**2015**	**2017**	**2016**	**2015**	**2017**	**2016**	**2015**	**2017**	**2016**	**2015**
	Rm	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**
Income statement																					
External turnover	**2 946**	2 360	2 215	**1 750**	1 706	2 043	**64 254**	63 818	75 264	**35 135**	33 696	36 838	**67 806**	71 254	68 874	**516**	108	32	**172 407**	172 942	185 266
Total turnover	**18 962**	16 975	15 687	**4 084**	4 211	5 172	**64 772**	64 341	75 800	**35 755**	35 067	39 728	**69 886**	73 634	71 784	**516**	108	221	**193 975**	194 336	208 392
Intersegmental turnover	**(16 016)**	(14 615)	(13 472)	**(2 334)**	(2 505)	(3 129)	**(518)**	(523)	(536)	**(620)**	(1 371)	(2 890)	**(2 080)**	(2 380)	(2 910)	–	–	(189)	**(21 568)**	(21 394)	(23 126)
Operating profit/(loss)*	**3 725**	4 739	4 343	**585**	(11 714)	(3 170)	**11 218**	14 069	22 526	**5 625**	4 486	10 208	**10 000**	11 276	12 714	**552**	1 383	(72)	**31 705**	24 239	46 549
Profit for the year attributable to owners of Sasol Limited	**2 266**	3 000	2 762	**47**	(10 972)	(3 698)	**6 395**	9 112	15 645	**5 075**	4 067	7 341	**7 948**	8 229	9 321	**(1 357)**	(211)	(1 655)	**20 374**	13 225	29 716
Effect of remeasurement items**	**6**	31	31	**(6)**	9 963	3 126	**1 844**	1 267	(104)	**(901)**	1 723	93	**663**	55	(1 804)	**10**	(147)	(535)	**1 616**	12 892	807
Depreciation and amortisation	**1 905**	1 673	1 377	**2 053**	3 042	2 476	**4 496**	4 194	3 465	**3 577**	3 159	2 806	**3 438**	3 678	2 892	**735**	621	551	**16 204**	16 367	13 567
Statement of cash flows																					
Cash flow from operations	**5 401**	6 465	5 784	**1 726**	2 946	3 301	**17 996**	17 178	22 991	**9 215**	9 218	11 312	**14 533**	15 976	13 453	**(2 635)**	1 190	(419)	**46 236**	52 973	56 422
Additions to non-current assets***	**2 839**	3 459	4 737	**2 600**	8 938	5 372	**6 781**	6 348	8 165	**23 409**	28 569	12 680	**23 828**	25 494	12 828	**886**	940	1 324	**60 343**	73 748	45 106
Other disclosures																					
Capital commitments**	**3 099**	3 563	3 837	**19 431**	23 648	5 264	**10 327**	9 588	8 949	**29 722**	51 449	51 123	**27 396**	48 422	46 212	**761**	616	851	**90 736**	137 286	116 236

* Includes equity accounted profits/(losses), net of tax

** Excludes equity accounted investments

*** Includes capital accruals

Geographic segment information

Mining			Exploration and Production International			Energy			Base Chemicals			Performance Chemicals			Group Functions			Total		
2017	**2016**	**2015**	**2017**	**2016**	**2015**	**2017**	**2016**	**2015**	**2017**	**2016**	**2015**	**2017**	**2016**	**2015**	**2017**	**2016**	**2015**	**2017**	**2016**	**2015**

External turnover*	Mining 2017 Rm	Mining 2016 Rm	Mining 2015 Rm	International 2017 Rm	International 2016 Rm	International 2015 Rm	Energy 2017 Rm	Energy 2016 Rm	Energy 2015 Rm	Base Chemicals 2017 Rm	Base Chemicals 2016 Rm	Base Chemicals 2015 Rm	Performance Chemicals 2017 Rm	Performance Chemicals 2016 Rm	Performance Chemicals 2015 Rm	Group Functions 2017 Rm	Group Functions 2016 Rm	Group Functions 2015 Rm	Total 2017 Rm	Total 2016 Rm	Total 2015 Rm
South Africa	–	–	19	–	–	5	60 814	60 312	71 959	17 997	18 040	18 772	3 186	3 396	4 463	–	–	–	81 997	81 748	95 218
Rest of Africa	–	–	–	355	379	236	3 438	3 502	3 299	2 716	2 429	4 321	821	1 179	1 314	34	87	–	7 364	7 576	9 170
Europe	2 040	1 496	1 484	835	861	955	2	3	5	5 392	4 932	3 984	29 791	32 641	30 417	–	–	–	38 060	39 933	36 845
North America	–	–	–	560	466	696	–	1	1	2 643	2 286	2 553	19 960	20 650	22 270	–	–	–	23 163	23 403	25 520
South America	–	–	–	–	–	–	–	–	–	307	354	1 173	1 758	2 178	1 452	–	–	15	2 065	2 532	2 640
Asia, Australasia and Middle East	906	864	712	–	–	151	–	–	–	6 080	5 655	6 035	12 290	11 210	8 958	482	21	17	19 758	17 750	15 873
Total operations	2 946	2 360	2 215	1 750	1 706	2 043	64 254	63 818	75 264	35 135	33 696	36 838	67 806	71 254	68 874	516	108	32	172 407	172 942	185 266

* The analysis of turnover is based on the location of the customer.

	Mining			Exploration and Production International			Energy			Base Chemicals			Performance Chemicals			Group Functions			Total		
	2017	2016	2015	2017	2016	2015	2017	2016	2015	2017	2016	2015	2017	2016	2015	2017	2016	2015	2017	2016	2015
Operating profit/ (loss)	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm	Rm
South Africa	2 775	4 232	3 915	1 307	860	1 225	12 248	12 504	20 868	2 723	3 626	7 556	1 516	2 627	6 933	(125)	899	(1 159)	20 444	24 748	39 338
Rest of Africa	–	–	–	707	506	(283)	(85)	2 588	(40)	185	261	152	121	220	148	26	20	13	954	3 595	(10)
Europe	658	321	291	(503)	(1 694)	(1 731)	(47)	47	565	642	505	514	3 076	2 695	592	84	479	819	3 910	2 353	1 050
North America	–	–	–	(728)	(10 922)	(2 433)	(1 756)	(753)	(618)	729	(1 026)	526	3 541	3 344	4 387	85	(18)	208	1 871	(9 375)	2 070
South America	–	–	–	–	–	–	–	–	–	39	40	151	221	708	45	–	–	16	260	748	212
Asia, Australasia and Middle East	292	186	137	(198)	(464)	52	858	(317)	1 751	1 307	1 080	1 309	1 525	1 682	609	482	3	31	4 266	2 170	3 889
Total operations	3 725	4 739	4 343	585	(11 714)	(3 170)	11 218	14 069	22 526	5 625	4 486	10 208	10 000	11 276	12 714	552	1 383	(72)	31 705	24 239	46 549

Non-current assets

for the year ended 30 June	2017 Rm	2016 Rm	2015 Rm
South Africa	**139 398**	139 422	128 893
Rest of Africa	**17 856**	12 136	13 892
Europe	**13 925**	13 903	11 775
North America	**125 983**	100 247	49 457
South America	**1**	1	1
Asia, Australasia and Middle East	**10 118**	12 869	10 561
Total operations	**307 281**	278 578	214 579

Deferred tax asset	**3 082**	3 389	1 752
Post-retirement benefit assets	**622**	614	590
Total non-current assets	**310 985**	282 581	216 921

Reporting segments

The group has six main reportable segments that reflects the structure used by the Joint Presidents and Chief Executive Officers to make key operating decisions and assess performance. The group' s reportable segments are operating segments that are differentiated by the activities that each undertakes and the products they manufacture and market (referred to as business segments). The group evaluates the performance of its reportable segments based on operating profit.

The operating model structure reflects how the results are reported to the Chief Operating Decision Maker (CODM). The CODM for Sasol are the Joint Presidents and Chief Executive Officers.

Operating business units

Mining

Mining is responsible for securing the coal feedstock for the Southern African value chain, mainly for gasification, but also to generate electricity and steam. The coal is sold for gasification and utility purposes to Secunda Synfuels, for utility purposes to Sasolburg Operations; and to third parties in the export market.

Mining sells coal under both long- and short-term contracts at a price determinable from the agreements. Turnover is recognised upon delivery of the coal to the customer, which, in accordance with the related contract terms is the point at which the title and risks and rewards of ownership pass to the customer. Prices are fixed or determinable and collectability is reasonably assured.

The date of delivery related to Mining is determined in accordance with the contractual agreements entered into with customers. These are summarised as follows:

Delivery terms	Title and risks, and rewards of ownership pass to the customer
Free on Board	When the coal is loaded onto the vessel at Richards Bay Coal Terminal − the customer is responsible for shipping and handling costs.
Free on Barge (Amsterdam)	When the coal is loaded from Overslag Bedrijf Amsterdam stockpile onto the customer vessel − the seller is responsible for shipping and handling costs, these are, however, recovered from the customer.
Cost Insurance Freight and Cost Freight Railage	When the coal is loaded into the vessel − the seller is responsible for shipping and handling costs which are included in the selling price.

The related costs of sales are recognised in the same period as the supply of the coal and include any shipping and handling costs incurred. All inter-segment sales are conducted at market related prices.

Exploration and Production International

Exploration and Production International (E&PI) develops and manages the group' s upstream interests in oil and gas exploration and production in Mozambique, South Africa, Australia, Canada and Gabon.

E&PI sells Mozambican gas under long-term contracts to both Sasol and external customers, condensate on short-term contracts, and Canadian gas into the market at spot prices. Oil is sold to customers under annual contracts. Prices are determinable from the agreements, and on the open market.

Strategic business units

Performance Chemicals

Performance Chemicals markets commodity and differentiated performance chemicals. The key product lines are organics, inorganics and wax value chains. These are produced in various Sasol production facilities around the world.

Base Chemicals

Base Chemicals markets commodity chemicals based on the group' s upstream Fischer-Tropsch, ethylene, propylene and ammonia value chains. The key product lines are polymers, solvents and ammonia-based fertilisers. These are produced in various Sasol production facilities around the world.

The Base and Performance Chemicals businesses sell the majority of their products under contracts at prices determinable from such agreements. Turnover is recognised upon delivery to the customer which, in accordance with the related contract terms, is the point at which the title and risks and rewards of ownership transfer to the customer. Prices are determinable and collectability is reasonably assured. Turnover on consignment sales is recognised on consumption by the customer, when title and the risks and rewards of ownership pass to the customer. Prices are determinable and collectability is reasonably assured.

The date of delivery is determined in accordance with the contractual agreements entered into with customers which are as follows:

Delivery terms	Title and risks, and rewards of ownership pass to the customer:
Ex-tank sales	When products are loaded into the customer' s vehicle or unloaded from the seller' s storage tanks.
Ex-works	When products are loaded into the customer' s vehicle or unloaded at the seller' s premises.
Carriage Paid To	On delivery of products to a specified location (main carriage is paid for by the seller).
Free on Board	When products are loaded into the transport vehicle − the customer is responsible for shipping and handling costs.
Cost of Insurance Freight and Cost Freight Railage	When products are loaded into the transport vehicle − the seller is responsible for shipping and handling costs which are included in the selling price.
Proof of Delivery	When products are delivered to and signed for by the customer.
Consignment Sales	As and when products are consumed by the customer.

Energy

Energy is responsible for the sales and marketing of liquid fuels, pipeline gas and electricity. In South Africa, Energy sells approximately nine billion litres of liquid fuels annually, blended from fuel components produced by the Secunda Synfuels operations, crude oil refined at Natref, as well as some products purchased from other refiners. Energy markets approximately 55bscf of natural and methane-rich gas a year.

Energy sells liquid fuel products under both short- and long-term agreements for both retail sales and commercial sales, including sales to other oil companies. The prices for retail sales are regulated and fixed by South African law. For commercial sales and sales to other oil companies, the prices are fixed and determinable according to the specific contract, with periodic price adjustments.

Turnover for the supply of fuel is based on measurement through a flow-meter into customers' tanks. Turnover is recognised under the following arrangements:

Delivery terms	Title and risks, and rewards of ownership pass to the customer:
Commercial sales transactions and sales to other oil companies	The risks and rewards of ownership, as well as the title of the product, transfer to the customer when product is delivered to the customer site. This is the point where collectability is reasonably assured.
Dealer-owned supply agreements and franchise agreements	The risks and rewards of ownership of the product transfer to the customer upon delivery of the product to the customer. Title under these contracts is retained to enable recovery of the goods in the event of a customer default on payment. However, the title to the goods does not enable the group to dispose of the product or rescind the transaction, and cannot prevent the customer from selling the product.

Transportation and handling costs are included in turnover when billed to customers in conjunction with the sale of a product. The related costs of sales are recognised in the same period as the turnover.

Gas is sold under long-term contracts at a price determinable from the supply agreements. Turnover is recognised at the intake flange of the customer where it is metered, which is the point at which the title and risks and rewards of ownership pass to the customer, and where prices are determinable and collectability is reasonably assured. Gas analysis and tests of the specifications and content are performed prior to delivery.

The Energy business also develops, implements and manages the group' s international business ventures based on Sasol' s proprietary gas-to-liquids (GTL) technology. Sasol holds 49% in ORYX GTL in Qatar, and an indirect 10% share in Escravos GTL in Nigeria.

Turnover is derived from the sale of goods produced by the operating facilities and is recognised when, in accordance with the related contract terms, the title and risks and rewards of ownership pass to the customer. Prices are fixed or determinable and collectability is reasonably assured. Shipping and handling costs are included in turnover when billed to customers in conjunction with the sale of the products. Turnover is also derived from the rendering of engineering services to external partners in joint ventures upon the proof of completion of the service.

Group Functions

Group Functions includes head office and centralised treasury operations.

Operating activities

1 Turnover

for the year ended 30 June	2017 Rm	2016 Rm	2015 Rm
Sale of products	**169 115**	170 830	183 935
Services rendered	**1 549**	1 695	998
Other trading income*	**1 743**	417	333
	172 407	172 942	185 266

* In 2017, other trading income includes licensing fees from the Uzbekistan GTL project.

Accounting policies:

Revenue is recognised at the fair value of the consideration received or receivable net of indirect taxes, rebates and trade discounts and consists primarily of the sale of products, services rendered, licence fees and royalties.

Revenue is recognised when the following criteria are met:

- evidence of an arrangement exists;
- delivery has occurred or services have been rendered and the significant risks and rewards of ownership have been transferred to the purchaser;
- transaction costs can be reliably measured;
- the selling price is fixed or determinable; and
- collectability is reasonably assured.

The timing of revenue recognition is as follows. Revenue from:

- the sale of products is recognised when the group has substantially transferred all the risks and rewards of ownership and no longer retains continuing managerial involvement associated with ownership or effective control;
- services rendered is based on the stage of completion of the transaction, based on the proportion that costs incurred to date bear to the total cost of the project; and
- licence fees and royalties are recognised on an accrual basis.

The group enters into exchange agreements with the same counterparties for the purchase and sale of inventory that are entered into in contemplation of one another. When the items exchanged are similar in nature, these transactions are combined and accounted for as a single exchange transaction. The exchange is recognised at the carrying amount of the inventory transferred.

For further information on revenue recognition, refer to Segment information.

2 Materials, energy and consumables used

for the year ended 30 June	2017 Rm	2016 Rm	2015 Rm
Cost of raw materials	**63 291**	63 781	72 962
Cost of electricity and other consumables used in production process	**8 145**	7 539	7 207
	71 436	71 320	80 169

Costs relating to items that are consumed in the manufacturing process, including changes in inventories and distribution costs up until the point of sale.

Sasol Limited Group
Operating activities
(continued)

3 Employee-related expenditure

for the year ended 30 June	Note	2017 Rm	2016 Rm	2015 Rm
Analysis of employee costs				
Labour		**26 646**	25 878	25 531
salaries, wages and other employee-related expenditure		**24 814**	23 996	23 921
post-employment benefits		**1 832**	1 882	1 610
Share-based payment expenses*		**226**	494	(1 161)
equity-settled	34	**463**	123	221
cash-settled	33	**(237)**	371	(1 382)
Total employee-related expenditure		**26 872**	26 372	24 370
Costs capitalised to projects		**(2 455)**	(2 461)	(2 274)
Per income statement		**24 417**	23 911	22 096

* 2015 excludes the Sasol Inzalo refinancing share-based payment expense of R280 million, which has been disclosed as other operating expenses. Refer to note 34.

The total number of permanent and non-permanent employees, in approved positions, including the group' s share of employees within joint operation entities and excluding contractors, joint ventures' and associates' employees, is analysed below:

for the year ended 30 June	2017 Number	2016 Number	2015 Number
Permanent employees	**30 600**	29 726	30 257
Non-permanent employees	**300**	374	662
	30 900	30 100	30 919

The number of employees by area of employment is analysed as follows:

for the year ended 30 June	2017 Number	2016 Number	2015 Number
Business segmentation			
Mining	**7 483**	7 263	7 908
Exploration and Production International	**416**	413	494
Energy	**5 008**	4 820	4 799
Base Chemicals	**6 407**	6 122	5 983
Performance Chemicals	**6 466**	6 365	6 326
Group Functions	**5 120**	5 117	5 409
Total operations	**30 900**	30 100	30 919

Accounting policies:

Remuneration of employees is charged to the income statement, except where it is capitalised to projects in line with the accounting policy for assets under construction.

Short-term employee benefits

Short-term employee benefits includes salaries, wages and costs of temporary employees, paid vacation leave, sick leave and incentive bonuses.

Long-term employee benefits

Long-term employee benefits are those benefits that are expected to be wholly settled more than 12 months after the end of the annual reporting period, in which the services have been rendered and are discounted to their present value.

Post-retirement benefits

Further information on these benefits is provided in Note 32, and include defined benefit contribution plans, as well as defined benefit plans.

4 Translation (losses)/gains

for the year ended 30 June	2017 Rm	2016 Rm	2015 Rm
Arising from			
Trade and other receivables	**(909)**	1 431	1 370
Trade and other payables	**237**	(142)	(339)
Foreign currency loans	**313**	(1 475)	(865)
Other	**(842)**	336	(1 125)
	(1 201)	150	(959)
Business segmentation			
Mining	**(19)**	12	14
Exploration and Production International	**337**	(694)	(380)
Energy	**(299)**	(53)	(104)
Base Chemicals	**(336)**	375	203
Performance Chemicals	**(357)**	499	136
Group Functions	**(527)**	11	(828)
Total operations	**(1 201)**	150	(959)

Differences arising on the translation of monetary assets and liabilities into functional currency.

5 Other operating expenses and income

for the year ended 30 June	2017 Rm	2016 Rm	2015 Rm
Rentals	**1 367**	1 243	1 114
Insurance	**511**	457	542
Computer costs	**1 991**	1 832	1 614
Hired labour	**878**	893	804
Audit remuneration	**89**	85	87
Derivative gains (including foreign exchange contracts)	**(635)**	(1 250)	(317)
Professional fees	**1 383**	1 202	1 227
Changes in rehabilitation provisions	**472**	1 946	(1 722)
Other expenses[1]	**6 981**	6 603	7 505
Other operating income[2]	**(1 688)**	(3 788)	(1 901)
	11 349	9 223	8 953

(1) Included in other expenses are restructuring costs related to our Business Performance Enhancement Programme of Rnil (2016 − R235 million; 2015 − R1 525 million).
(2) Other operating income in June 2016 includes the reversal of the EGTL provision of R2 296 million, after a favourable decision at the Tax Appeal Tribunal.

6 Net finance costs

for the year ended 30 June	Note	2017 Rm	2016 Rm	2015 Rm
Finance income				
Dividends received from investments		**59**	23	46
Notional interest received		**1**	114	39
Interest received on		**1 508**	1 682	1 189
other long-term investments		**36**	30	20
loans and receivables		**349**	316	216
cash and cash equivalents		**1 123**	1 336	953
Per income statement		**1 568**	1 819	1 274
Less: notional interest		**(1)**	(114)	(39)
Less: interest received on tax		**(103)**	(72)	(1)
Per the statement of cash flows		**1 464**	1 633	1 234
Finance costs				
Debt		**3 463**	2 696	1 351
debt		**3 162**	2 599	1 351

interest rate swap - net settlements		**301**	97	–
Preference share dividends		**989**	981	1 034
Finance leases		**86**	76	93
Other(1)		**378**	26	32
		4 916	3 779	2 510
Amortisation of loan costs	15	**279**	157	113
Notional interest	30	**834**	657	725
Total finance costs		**6 029**	4 593	3 348
Amounts capitalised to assets under construction	17	**(2 764)**	(2 253)	(1 118)
Per income statement		**3 265**	2 340	2 230
Total finance costs before amortisation of loan costs and notional interest		**4 916**	3 779	2 510
Less: interest accrued on long-term debt	15	**(956)**	(530)	(408)
Less: interest accrued on tax payable(1)		**(348)**	–	(5)
Per the statement of cash flows		**3 612**	3 249	2 097

(1) Interest accrued on tax payable in 2017 relates mainly to our tax litigation claim. Refer to note 11.

7 Earnings and dividends per share

for the year ended 30 June	2017 Rand	2016 Rand	2015 Rand
Attributable to owners of Sasol Limited			
Basic earnings per share	**33,36**	21,66	48,71
Headline earnings per share	**35,15**	41,40	49,76
Diluted earnings per share	**33,27**	21,66	48,70
Diluted headline earnings per share	**35,05**	41,40	49,75
Dividends per share	**12,60**	14,80	18,50
interim	**4,80**	5,70	7,00
final*	**7,80**	9,10	11,50

* Declared subsequent to 30 June 2017 and has been presented for information purposes only. No accrual regarding the final dividend has been recognised.

Earnings per share (EPS)

Earnings per share is derived by dividing attributable earnings by the weighted average number of shares, after taking the share repurchase programme and the Sasol Inzalo share transaction into account. Appropriate adjustments are made in calculating diluted, headline and diluted headline earnings per share.

	Number of shares		
for the year ended 30 June	2017	2016	2015

Weighted average number of shares	million	**610,7**	610,7	610,1
Earnings attributable to owners of Sasol Limited	Rm	**20 374**	13 225	29 716
Basic earnings per share	Rand	**33,36**	21,66	48,71

Headline earnings per share (HEPS)

	Number of shares		
	2017	**2016**	**2015**
for the year ended 30 June	**million**	**million**	**million**
Weighted average number of shares	**610,7**	610,7	610,1

		2017	**2016**	**2015**
for the year ended 30 June	**Note**	**Rm**	**Rm**	**Rm**
Headline earnings is determined as follows:				
Earnings attributable to owners of Sasol Limited		**20 374**	13 225	29 716
Adjusted for:				
Effect of remeasurement items for subsidiaries and joint operations, net of tax	8	**1 077**	12 046	642
gross remeasurement items		**1 616**	12 892	807
tax effect and non-controlling interest effect		**(539)**	(846)	(165)
Effect of remeasurement items for equity accounted investments	8	**14**	13	(1)
Headline earnings		**21 465**	25 284	30 357

	2017	**2016**	**2015**
for the year ended 30 June	**Rand**	**Rand**	**Rand**
Headline earnings attributable to owners of Sasol Limited			
Headline earnings per share	**35,15**	41,40	49,76

7 Earnings and dividends per share continued

Diluted earnings per share (DEPS) and diluted headline earnings per share (DHEPS)

Diluted earnings per share (DEPS) and diluted headline earnings per share (DHEPS) are calculated considering the potential dilution that could occur if all of the group' s long-term incentives (LTIs) had vested, if all outstanding share options were exercised and the effects of all dilutive potential ordinary shares resulting from the Sasol Inzalo share transaction. The number of shares outstanding is adjusted to show the potential dilution if the LTI' s were settled in Sasol Limited shares. The Sasol Inzalo share transaction is anti-dilutive for EPS and HEPS in 2017, 2016 and 2015.

	Number of shares		
	2017	**2016**	**2015**
for the year ended 30 June	**million**	**million**	**million**

Weighted average number of shares	**610,7**	610,7	610,1
Potential dilutive effect of outstanding share options*	–	–	0,1
Potential dilutive effect of long-term incentive scheme**	**1,7**	–	–
Diluted weighted average number of shares for DEPS and DHEPS	**612,4**	610,7	610,2

* The share option scheme expired in December 2015.
** On 25 November 2016, the cash-settled LTI scheme was converted to an equity-settled share scheme.

for the year ended 30 June	2017 Rm	2016 Rm	2015 Rm
Diluted earnings is determined as follows:			
Earnings attributable to owners of Sasol Limited	**20 374**	13 225	29 716
Diluted earnings attributable to owners of Sasol Limited	**20 374**	13 225	29 716
Diluted headline earnings is determined as follows:			
Headline earnings attributable to owners of Sasol Limited	**21 465**	25 284	30 357
Diluted headline earnings attributable to owners of Sasol Limited	**21 465**	25 284	30 357

for the year ended 30 June	2017 Rand	2016 Rand	2015 Rand
Diluted earnings per share	**33,27**	21,66	48,70
Diluted headline earnings per share	**35,05**	41,40	49,75

The Sasol Inzalo share transaction will unwind in June and September 2018. The Sasol Limited shares held in the Inzalo structures, relating to the funded invitation will be sold into the market in order to repay the external preference share debt. This could result in a dilutionary impact, as the 25,6 million shares held in the Inzalo structures will then be included in the weighted average number of shares.

Once-off items

8 Remeasurement items affecting operating profit

for the year ended 30 June	Note	2017 Rm	2016 Rm	2015 Rm
Effect of remeasurement items for subsidiaries and joint operations				
Impairment of		**2 477**	12 320	2 853
property, plant and equipment	16	**415**	8 424	294
assets under construction	17	**1 942**	3 586	2 555
goodwill and other intangible assets		**120**	310	3
other assets		–	–	1
Reversal of impairment of		**(1 136)**	–	(2 036)

property, plant and equipment	16	**(272)**	–	(294)
assets under construction	17	**(849)**	–	(1 727)
goodwill and other intangible assets		**–**	–	(15)
equity accounted investments		**(15)**	–	–
Fair value write down - assets held for sale	10	**64**	–	–
Loss/(profit) on	9	**211**	936	866
disposal of property, plant and equipment		**(25)**	(412)	(257)
disposal of goodwill and other intangible assets		**4**	24	164
disposal of other assets		**–**	(1)	–
disposal of businesses		**(51)**	226	410
scrapping of property, plant and equipment		**183**	266	174
disposal and scrapping of assets under construction		**100**	833	375
Write-off of unsuccessful exploration wells	17	**–**	(3)	–
Realisation of foreign currency translation reserve		**–**	(361)	(876)
Remeasurement items per income statement		**1 616**	12 892	807
Tax effect		**(532)**	(829)	(186)
Non-controlling interest effect		**(7)**	(17)	21
Total remeasurement items for subsidiaries and joint operations, net of tax		**1 077**	12 046	642
Effect of remeasurement items for equity accounted investments		**14**	13	(1)
Total remeasurement items for the group, net of tax		**1 091**	12 059	641

Impairment/reversal of impairments

The group' s non-financial assets, other than inventories and deferred tax assets, are reviewed for impairment at each reporting date or whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Recoverable amounts are estimated for individual assets or, where an individual asset cannot generate cash inflows independently, the recoverable amount is determined for the larger cash generating unit to which it belongs.

Value-in-use calculations

The recoverable amount of the assets reviewed for impairment is determined based on the value-in-use calculations. Key assumptions relating to this valuation include the discount rate and cash flows used to determine the value-in-use. Future cash flows are estimated based on financial budgets covering a five year period and extrapolated over the useful life of the assets to reflect the long term plans for the group using the estimated growth rate for the specific business or project. Where reliable cash flow projections are available for period longer than five years, those budgeted cash flows are used in the value-in-use calculation. The estimated future cash flows and discount rate are post-tax, based on the assessment of current risks applicable to the specific entity and country in which it operates. Discounting post-tax cash flows at a post-tax discount rate yields the same results as discount pre-tax cash flows at a pre-tax discount rate, assuming there are no significant temporary tax differences.

Main assumptions used for value-in-use calculations

		2017	2016	2015
Long-term average crude oil price (Brent) (nominal)*	US$/bbl	**74,29**	85,37	94,57
Long-term average gas price (Henry Hub), excluding margins (real)*	US$/mmbtu	**3,69**	3,73	4,40
Long-term average ethane price (nominal)*	USc/gal	**44,27**	62,49	78,12
Long-term average exchange rate*	Rand/US$	**14,71**	14,95	13,26

* Assumptions are provided on a long-term average basis. The 2017 oil price and exchange rate assumptions are calculated based on a five year period, while the ethane price is calculated based on a ten year period. The Henry Hub gas price is linked to the plant' s useful life and calculated until 2041. Oil price and exchange rate assumptions provided for the comparative periods are based on a ten year period.

		South Africa %	United States of America %	Europe %	Canada %
Growth rate − long-term Producer Price Index	**2017**	**5,50**	**2,00**	**2,00**	**2,00**
Weighted average cost of capital*	**2017**	**12,50**	**6,60**	**6,60 - 8,22**	**6,60**
Discount rate − risk adjusted	**2017**	**12,50**	**6,60**	**6,60 - 8,22**	**9,50 - 9,80**
Growth rate − long-term Producer Price Index	2016	6,02	2,52	1,80	2,00
Weighted average cost of capital*	2016	14,05	8,00	8,00 - 9,35	8,00
Discount rate − risk adjusted	2016	14,05	8,00	8,00 - 9,35	9,50 - 9,80
Growth rate − long-term Producer Price Index	2015	5,70	1,40	1,40	1,40
Weighted average cost of capital*	2015	12,95	8,00	8,00 - 9,35	8,00
Discount rate − risk adjusted	2015	12,95	8,00	8,00 - 9,35	9,50 - 9,80

* Calculated using spot market factors on 30 June.

Areas of judgement:

Management determines the expected performance of the assets based on past performance and its expectations of market development. The weighted average growth rates used are consistent with the increase in the geographic segment long-term Producer Price Index. Estimations are based on a number of key assumptions such as volume, price and product mix which will create a basis for future growth and gross margin. These assumptions are set in relation to historic figures and external reports. If necessary, these cash flows are then adjusted to take into account any changes in assumptions or operating conditions that have been identified subsequent to the preparation of the budgets.

The weighted average cost of capital rate (WACC) is derived from a pricing model. The variables used in the model are established on the basis of management judgement and current market conditions. Management judgement is also applied in estimating the future cash flows and defining of the cash-generating units. These values are sensitive to the cash flows projected for the periods for which detailed forecasts are not available and to the assumptions regarding the long-term sustainability of the cash flows thereafter.

Significant impairments/(reversals) of assets in 2017

Cash-generating unit (CGU)	Business segmentation	Property, plant and equipment 2017 Rm	Assets under con-struction 2017 Rm	Goodwill and other intangible assets 2017 Rm	Other 2017 Rm	Total 2017 Rm
US Gas-To-Liquids (GTL)	Energy	–	**1 697**	–	–	**1 697**
Lake Charles Chemicals Project - LDPE	Base Chemicals	–	**(849)**	–	–	**(849)**
Sasol Gabon	Exploration and Production International	**(197)**	–	–	–	**(197)**
Australia	Exploration and Production International	–	**189**	–	–	**189**
US Phenolics	Performance Chemicals	**415**	**11**	**101**	–	**527**
Other	Various	**(75)**	**45**	**19**	**(15)**	**(26)**
		143	**1 093**	**120**	**(15)**	**1 341**

US Gas-To-Liquids (GTL)

The delay of the US GTL project and the uncertainty around the probability and timing of project execution remains as an indicator of impairment. The strategic intention and positioning of the project is still being considered, with further clarity expected from the Board in 2018.

Consideration was given to the nature of the costs currently capitalised, and whether these would have any value should the project recommence (in the US, or in any other region).

The FEED activities already undertaken could still have value, however, a significant portion (+/-50 – 60%) would need to be redone, should a positive GTL decision be taken by the Board. This 're-do' percentage would likely increase to 100% if the GTL project is started up later than 2023, based on changes in technology and project memory loss within the organisation by that time.

In the absence of the formal strategic decision around GTL, there is too much uncertainty to define whether GTL will be pursued in the near- to medium-term future. There are a number of possible GTL opportunities for the group, which, if pursued with the intention of maximising the work already performed, could result in at least 40-50% of those previous activities still having value.

Accordingly, an impairment of R1 697 million (US$130 million), which represents approximately 60% of the capitalised costs, was recognised on US GTL at 30 June 2017. The remaining carrying value of US GTL at 30 June 2017 is R2 377 million (US$182 million) which includes R1 267 million (US$97 million) relating to land and R1 110 million (US$85 million) relating to capitalised FEED cost.

Base Chemicals - Lake Charles Chemicals Project

At 30 June 2016, following the announcement of the US$2 billion cost overrun on the LCCP, we recognised an impairment of R956 million (US$65 million) on the Low-Density Polyethylene (LDPE) unit.

At 31 December 2016, following a detailed review of the plant economics and evaluating the results of benchmarking of similar Sasol assets, the useful life of the asset was extended from 25 years to 50 years.

At 30 June 2017, the impairment was re-assessed taking the following factors into account:

- The spot WACC rate for the US decreased from 8,0% to 6,6% at 30 June 2017;
- Project completion has advanced to 74%, giving more certainty to the timeline and cost estimates;
- The benefit of the useful life extension has created sustained headroom in the value-in-use calculation; and
- The completion of an evaluation of the project cost and schedule, including external assurance , indicating that the project overall cost and expected milestones are achievable.

Based on the above, the previous impairment of US$65 million (R849 million) was reversed on 30 June 2017.

8 Remeasurement items affecting operating profit continued

US Phenolics

Significantly lower forecasted profit margins and lower volumes resulted in an impairment of US$38,4 million (R527 million) at 31 December 2016. This is in addition to the US$11,2 million (R165 million) impairment recognised at 30 June 2016. The useful life of the CGU is limited to 2034, given that the feedstock is produced in the TNPE unit in Sasolburg. The carrying value remaining at 30 June 2017 was US$90,6 million (R1 183 million).

Significant impairments of assets in prior periods

Shale gas assets − Sasol Canada

Our shale gas assets in Canada were impaired by R9,9 billion (CAD880 million) during 2016, in addition to R1,3 billion (CAD133 million) impaired in 2015. These significant impairments ware largely driven by the depressed gas market, resulting in a further decline in long-term gas prices.

FTWEP − Performance Chemicals

In 2013 the FTWEP project was impaired by R2,0 billion, mainly due to the volatile macroeconomic environment, and increased costs due to delays and poor labour productivity. This impairment was subsequently fully reversed in 2015, driven by the extension of the useful life of the asset to 2034.

Sensitivity to changes in assumptions

Management has considered the sensitivity of the value-in-use calculations to various key assumptions such as crude oil and gas prices, commodity prices and exchange rates. These sensitivities have been taken into consideration in determining the required impairments and reversals of impairments. The following assets are particularly impacted by changes in key assumptions:

US Gas-To-Liquids (GTL)

There are various other factors that could have a significant impact on the economics of the US GTL. These include the exposure to low crude oil prices, project execution and delayed start-ups, accuracy of assumptions of the internal rate of return at date of execution and the premiums and margins earned on GTL diesel. Movements in these fundamentals can impact the project returns and the future viability of the US GTL project. Additionally uncertainties remain around the viability of the FEED costs and ability to utilise the technology in future.

Base Chemicals − Lake Charles Chemicals Project

The LCCP is particularly sensitive to changes in assumptions regarding cost, schedule, as well as pricing margins. A cost overrun of US$500 million or a schedule delay of 6 months would impact the overall recoverable amount by between US$200 million and US$400 million, however there would still be no impairment required, as the headroom over the carrying amounts is sufficient to absorb this. A 5% change in the ethane price assumptions would impact the recoverable amount by between US$350 and US$450 million. Pricing factors are outside of the control of management.

Sasol Canada − Shale gas assets

The benefit of the funding commitment settled in the prior period resulted in no additional impairment being recognised in respect of the Sasol Canada shale gas assets for the year ended 30 June 2017. The value-in-use calculation is particularly sensitive to changes in volume forecasts, the gas price and exchange rates. These variables are interdependent and accordingly a 5% change in any of these variables could change the recoverable amount by R1 383 million − R1 622 million (CAD137 million − CAD161 million). Some of these factors are within the control of management and are monitored closely to minimise the impact of potential impairments. The gas price, however, is driven by global macro-economics, and hence cannot be controlled by management. We continue to monitor this asset for further impairments or signs of recovery indicating a reversal of impairment.

Sasol Petroleum Mozambique - Production Sharing Agreement (PSA)

No impairment was recognised in respect of the PSA asset for the year ended 30 June 2017. Despite the sustained economic and political instability in Mozambique, management remains committed to its investment in the region. The project is still in an early stage of development and is particularly sensitive to the oil price, capital estimates and production volume forecasts.

Accounting policies:

Remeasurement items are items of income and expense recognised in the income statement that are less closely aligned to the operating or trading activities of the reporting entity and includes the impairment of non-current assets, profit or loss on disposal of non-current assets including businesses and equity accounted investments, and scrapping of assets. The group' s non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date or whenever events or changes in circumstances indicate that the carrying amount may not be recoverable, to determine whether there is any indication of impairment. An impairment test is performed on all goodwill, intangible assets not yet in use and intangible assets with indefinite useful lives at each reporting date.

The recoverable amount of an asset is defined as the amount that reflects the greater of the fair value less costs of disposal and value-in-use that can be attributed to an asset as a result of its ongoing use by the entity. Value-in-use is estimated using a discounted cash flow model. The future cash flows are adjusted for risks specific to the asset and is adjusted where applicable to take into account any

specific risks relating to the country where the asset or cash-generating unit is located. The rate applied in each country is reassessed each year. The recoverable amount may be adjusted to take into account recent market transactions for a similar asset.
Some assets are an integral part of the value chain but are not capable of generating independent cash flows because there is no active market for the product streams produced from these assets, or the market does not have the ability to absorb the product streams produced from these assets or it is not practically possible to access the market due to infrastructure constraints that would be costly to construct. Product streams produced by these assets form an input into another process and accordingly do not have an active market. These assets are classified as corporate assets in terms of IAS 36 when their output supports the production of multiple product streams that are ultimately sold into an active market.

The group’ s corporate assets are allocated to the relevant cash generating unit based on a cost or volume contribution metric. Costs incurred by the corporate asset are allocated to the appropriate cash generating unit at cost. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the cash-generating unit to which the corporate asset belongs.
In Southern Africa, the coal value chain originates with feedstock mined in Secunda and Sasolburg and continues along the integrated processes of the operating business units, ultimately resulting in fuels and chemicals-based product lines. Similarly, the gas value chain starts with the feedstock obtained in Mozambique and continues along the conversion processes in Secunda and Sasolburg, ultimately resulting in fuels and chemicals-based product lines. The groups of assets which support the different product lines, including corporate asset allocations, are considered to be separate cash-generating units.

In the US, the ethylene value chain results in various chemicals-based product lines, sold into active markets. The assets which support the different chemicals-based product lines, including corporate asset allocations, are considered to be separate cash-generating units. In Europe, the identification of separate cash-generating units is based on the various product streams that have the ability to be sold into active markets by the European business units.

Certain products are sometimes produced incidentally from the main conversion processes and can be sold into active markets. When this is the case, the assets that are directly attributable to the production of these products, are classified as separate cash-generating units. The cost of conversion of these products is compared against the revenue when assessing the asset for impairment.

Exploration assets are tested for impairment when development of the property commences or whenever facts and circumstances indicate impairment. An impairment loss is recognised for the amount by which the exploration assets carrying amount exceeds their recoverable amount.

9 Disposals and scrapping

for the year ended 30 June	Note	2017 Rm	2016 Rm	2015 Rm
Property, plant and equipment	16	**836**	348	298
cost		**7 037**	5 099	3 977
accumulated depreciation and impairment		**(6 201)**	(4 751)	(3 679)
Assets under construction	17	**105**	963	841
Goodwill and other intangible assets		**103**	107	239
cost		**173**	392	352
accumulated amortisation and impairment		**(70)**	(285)	(113)

Equity accounted investments − Uzbekistan GTL LLC		–	1 042	(21)
Long-term receivables and prepaid expenses		**7**	–	–
Assets in disposal groups held for sale		–	126	796
Trade and other receivables		**7**	–	–
Cash and cash equivalents		–	–	105
Long-term provisions	30	–	(356)	–
Long-term deferred income		–	–	11
Liabilities in disposal groups held for sale		–	(43)	(201)
Short-term provisions		–	–	6
Trade and other payables		**(30)**	–	19
		1 028	2 187	2 093
Total consideration		**788**	772	1 210
consideration received		**788**	569	1 210
consideration still receivable		–	203	–
		(240)	(1 415)	(883)
Realisation of accumulated translation effects		**29**	479	17
Net loss on disposal		**(211)**	(936)	(866)
Total consideration comprising				
Exploration and Production International − Farm down of Area A in Mozambique		–	464	–
Energy − Sale of Canada land		**389**	–	–
Performance Chemicals − Sale of Baltimore land		–	92	–
Base Chemicals − Sale of DongGuan packaging facility		**89**	–	–
Other		**310**	216	1 210
Total consideration		**788**	772	1 210

Significant disposal in 2017

Energy − Sale of Canada land

In 2017, we disposed of a portion of our land in Canada with a carrying value of CAD35 million (R354 million) for proceeds of CAD38 million (R389 million).

Significant disposals in prior periods

Energy − Investment in Uzbekistan GTL joint venture

In light of the current economic environment, we reviewed our long-term strategic interest in the Uzbekistan Gas-to-Liquids (GTL) investment. We decided to withdraw from our equity participation by exercising a put option on 8 April 2016 for US$1. Accordingly, the disposal of the equity accounted investment with a carrying value of R1 042 million was accounted for on the date of exercise of the put option resulting in a net loss of R563 million, including the impact of the reclassification of the Foreign Currency Translation Reserve of R479 million in 2016.

Exploration and Production International − Exploration licences

In 2015, we withdrew from our Nigerian licences, recognising a loss on disposal of R569 million.

10 Disposal groups held for sale

for the year ended 30 June	2017 Rm	2016 Rm
Assets in disposal groups held for sale		
Energy − Land in Canada	–	569
Energy − Property and mineral rights in the US*	**200**	264
Group Functions − Investment in Oxis Energy Limited	–	212
Other	**16**	19
	216	1 064

* A fair value write down of R64 million was recognised on the Lake deSmet property based on the estimated fair value less cost to sell at 30 June 2017.

Business segmentation		
Mining	**14**	16
Energy	**202**	836
Group Functions	–	212
Total operations	**216**	1 064

Accounting policies:

A non-current asset or disposal group (a business grouping of assets and their related liabilities) is designated as held for sale when its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The classification as held for sale of a non-current asset or disposal group occurs when it is available for immediate sale in its present condition and the sale is highly probable. A sale is considered highly probable if management is committed to a plan to sell the non-current asset or disposal group, an active divestiture programme has been initiated, the non-current asset or disposal group is marketed at a price reasonable to its fair value and the disposal will be completed within one year from classification.

Where a disposal group held for sale will result in the loss of control or joint control of a subsidiary or joint operation, respectively, all the assets and liabilities of that subsidiary or joint operation are classified as held for sale, regardless of whether a non-controlling interest in the former subsidiary or an ongoing interest in the joint operation is to be retained after the sale.

Where a disposal group held for sale will result in the loss of joint control of a joint venture or significant influence of an associate, the full investment is classified as held for sale. Equity accounting ceases from the date the joint venture or associate is classified as held for sale.

Before classification of a non-current asset or disposal group as held for sale, it is reviewed for impairment. The impairment loss charged to the income statement is the excess of the carrying amount of the non-current asset over its expected fair value less costs to sell.

No depreciation or amortisation is provided on non-current assets from the date they are classified as held for sale.

Taxation

11 Taxation

for the year ended 30 June	Note	2017 Rm	2016 Rm	2015 Rm
South African normal tax		**4 393**	5 826	5 673
current year		**3 887**	6 084	6 036
prior years		**506**	(258)	(363)
Dividend withholding tax		**59**	86	80
Foreign tax		**2 682**	2 420	3 077
current year		**2 680**	2 704	3 101
prior years		**2**	(284)	(24)
Income tax		**7 134**	8 332	8 830
Deferred tax − South Africa	13	**2 677**	1 894	5 425
current year		**2 634**	1 878	5 521
prior years		**43**	16	(96)
Deferred tax − foreign	13	**(1 316)**	(1 535)	176
current year		**(718)**	(734)	152
prior years		**(127)**	81	28
recognition of previously unrecognised deferred tax assets*		**(470)**	(945)	–
tax rate change		**(1)**	63	(4)
		8 495	8 691	14 431

* Included is the recognition of a deferred tax asset relating to the accumulated tax losses in Italy which were previously limited in line with the forecasted utilisation thereof. In 2017, recent profits and a successful business turnaround strategy have resulted in the recognition of a previously unrecognised deferred tax asset of EUR25,4 million (R377,2 million). Additionally R93 million (2016 - R917 million) of previously unrecognised tax assets were recognised after the approval of the Production Sharing Agreement (PSA) licence area' s Field Development Plan (FDP) in Mozambique.

Regional analysis			
South Africa	**7 013**	7 806	11 178
Rest of Africa	**951**	(526)	472
Europe	**906**	1 137	1 280
United States of America	**(424)**	183	1 402
Other	**49**	91	99
Total operations	**8 495**	8 691	14 431

Contingent liability

The South African Revenue Service (“SARS”) has issued revised assessments for Sasol Oil (Pty) Ltd (“Sasol Oil”) relating to a dispute around its international crude oil procurement activities for the 2005 to 2012 tax years. These revisions could result in potential adjustments to the company’ s taxable income and an additional tax liability including interest and penalties of approximately R1,2 billion for the periods 2005 to 2014. Sasol Oil has co-operated fully with SARS during the course of the audit related to these assessments. SARS’ decisions to suspend the payment of this disputed tax for the periods 2005 to 2012 currently remain in force.

The litigation process in the Tax Court, relating to the international crude oil procurement activities for the 2005 to 2007 years of assessment was concluded and judgement was delivered on 30 June 2017 in favour of SARS. As a result, a liability of R1,2 billion has been recognised in the annual financial statements in respect of the 2005 to 2014 matters that remain the subject of the ongoing litigation. Sasol Oil, in consultation with its tax and legal advisors, does not support the basis of the judgement and issued a Notice of Intention to Appeal to the Supreme Court of Appeal on 31 July 2017. The Tax Court granted Sasol Oil’ s application for leave to appeal to the Supreme Court of Appeal on 14 August 2017.

SARS has notified Sasol Oil of its intention to place on hold the field audit relating to this issue for the 1999 to 2004 tax years pending the outcome of the litigation. As a result of the judgement handed down on 30 June 2017, a possible obligation may arise from the field audit, which is regarded as a contingent liability.

In addition, there could be a potential tax exposure of R11,6 billion for the periods 2013 to 2014 on varying tax principles relating to the aforementioned activities. Supported by its specialist tax and external legal advisors, Sasol Oil disagrees with SARS’ assessment for the 2013 and 2014 periods. Accordingly, Sasol Oil has submitted objection to the revised assessment and requested suspension of payment. Sasol Oil and SARS have come to a resolution with regards to the request for suspension of payment, resulting in SARS suspending payment for the significant majority of the disputed tax. Further, based on the outcome of the Tax Court judgement, a possible obligation may arise for the tax years subsequent to 2014, which could give rise to a further contingent liability at 30 June 2017.

Reconciliation of effective tax rate	2017 %	2016 %	2015 %
The table below shows the difference between the South African enacted tax rate (28%) compared to the effective tax rate in the income statement. Total income tax expense differs from the amount computed by applying the South African normal tax rate to profit before tax. The reasons for these differences are:			
South African normal tax rate	**28,0**	28,0	28,0
Increase in rate of tax due to:			
disallowed preference share dividends	**0,9**	1,2	0,5
disallowed expenditure[(1)]	**2,3**	4,3	1,6
disallowed share-based payment expenses	**0,1**	0,2	0,1
translation differences	–	1,1	–
different tax rates	**0,2**	1,0	2,0
effect of tax litigation matters[(2)]	**3,2**	–	–
tax losses not recognised[(3)]	**1,0**	13,1	3,4

other adjustments	**0,5**	1,2	0,5
	36,2	50,1	36,1
Decrease in rate of tax due to:			
exempt income	**(0,4)**	(0,8)	(1,2)
share of profits of equity accounted investments	**(1,0)**	(0,6)	(1,3)
exempt income on reversal of EGTL provision	**–**	(2,7)	–
recognition of previously unrecognised deferred tax assets	**(1,6)**	(4,0)	–
utilisation of tax losses	**–**	(0,7)	–
investment incentive allowances	**(2,4)**	(2,4)	(0,6)
translation differences	**(0,9)**	–	(0,3)
prior year adjustments	**(1,4)**	(1,9)	(1,0)
other adjustments	**(0,2)**	(0,4)	–
Effective tax rate	**28,3**	36,6	31,7
Adjusted effective tax rate[4]	**26,5**	28,2	33,0

(1) 2016 includes the loss on disposal of investment in Uzbekistan GTL joint venture of R563 million (refer to note 9) and other non-deductible expenses incurred not deemed to be in the production of taxable income.
(2) This relates to the tax, interest and penalties of litigation matters pertaining to Sasol Oil. Refer contingent liability note 35.
(3) Tax losses not recognised in 2016 resulted mainly from the R9,9 billion impairment of the Canadian shale gas asset for which no deferred tax asset was raised. Refer note 8.
(4) Effective tax rate adjusted for equity accounted investments, remeasurement items and, in 2017, the effect of Sasol Oil tax litigation matters.

12 Tax paid

for the year ended 30 June	Note	2017 Rm	2016 Rm	2015 Rm
Net amounts (receivable)/unpaid at beginning of year		**(1 609)**	(658)	547
Net interest on tax		**245**	(72)	3
Income tax per income statement	11	**7 134**	8 332	8 830
Reclassification to held for sale		**–**	–	2
Foreign exchange differences recognised in income statement		**(8)**	66	37
Translation of foreign operations		**(45)**	52	(20)
		5 717	7 720	9 399
Net tax receivable per statement of financial position		**635**	1 609	658
tax payable		**(1 903)**	(878)	(905)
tax receivable		**2 538**	2 487	1 563
Per the statement of cash flows		**6 352**	9 329	10 057
Comprising				
Normal tax				
South Africa		**3 984**	6 321	7 249
Foreign		**2 309**	2 922	2 728

Dividend withholding tax	**59**	86	80
	6 352	9 329	10 057

13 Deferred tax

for the year ended 30 June	Note	2017 Rm	2016 Rm
Reconciliation			
Balance at beginning of year		**20 302**	20 818
Current year charge		**2 421**	(975)
per the income statement	11	**1 361**	359
per the statement of comprehensive income		**1 060**	(1 334)
Foreign exchange differences recognised in income statement		**(148)**	487
Translation of foreign operations		**203**	(28)
Balance at end of year		**22 778**	20 302
Comprising			
Deferred tax assets		**(3 082)**	(3 389)
Deferred tax liabilities		**25 860**	23 691
		22 778	20 302

Deferred tax assets and liabilities are determined based on the tax status and rates of the underlying entities.

for the year ended 30 June	2017 Rm	2016 Rm
Attributable to the following tax jurisdictions		
South Africa	**23 699**	20 843
United States of America	**(370)**	104
Germany	**(210)**	(758)
Mozambique	**1 036**	1 372
Other	**(1 377)**	(1 259)
	22 778	20 302

Deferred tax is attributable to temporary differences on the following:

Net deferred tax assets:		
Property, plant and equipment	**1 200**	1 014
Short- and long-term provisions	**(1 560)**	(3 010)
Calculated tax losses	**(1 705)**	(1 843)
Other	**(1 017)**	450
	(3 082)	(3 389)

Net deferred tax liabilities:		
Property, plant and equipment	**31 009**	30 199
Current assets	**(289)**	(848)
Short- and long-term provisions	**(4 898)**	(3 974)
Calculated tax losses	**(518)**	(174)
Financial derivatives	**11**	(1 236)
Other	**545**	(276)
	25 860	23 691

Deferred tax assets have been recognised for the carry forward amount of unused tax losses relating to the group' s operations where, among other things, taxation losses can be carried forward indefinitely and there is compelling evidence that it is probable that sufficient taxable profits will be available in the future to utilise all tax losses carried forward.

for the year ended 30 June	2017 Rm	2016 Rm
Calculated tax losses		
(before applying the applicable tax rate)		
Available for offset against future taxable income	**25 856**	28 085
Utilised against the deferred tax balance	**(7 706)**	(6 985)
Not recognised as a deferred tax asset	**18 150**	21 100

Deferred tax assets not recognised on tax losses mainly relate to Sasol' s exploration and development entities, where future taxable income is uncertain.

Calculated tax losses carried forward that have not been recognised:

Expiry between one and five years	–	7
Expiry thereafter	**17 920**	18 395
Indefinite life	**230**	2 698
	18 150	21 100

Areas of judgement:

Sasol companies are involved in tax litigation and tax disputes with various tax authorities in the normal course of business. A detailed assessment is performed regularly on each matter and a provision is recognised where appropriate. Although the outcome of these claims and disputes cannot be predicted with certainty, Sasol believes that open engagement and transparency will enable appropriate resolution thereof.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the deferred tax asset can be utilised. The provision of deferred tax assets and liabilities reflects the tax consequences that would follow from the expected recovery or settlement of the carrying amount of its assets and liabilities.

(continued)

13 **Deferred tax** continued

Unremitted earnings at end of year that would be subject to foreign dividend withholding tax and after tax effect if remitted

Deferred tax liabilities are not recognised for the income tax effect that may arise on the remittance of unremitted earnings by foreign subsidiaries, joint operations and incorporated joint ventures. It is management' s intention that, where there is no double taxation relief, these earnings will be permanently re-invested in the group.

for the year ended 30 June	2017 Rm	2016 Rm
Unremitted earnings at end of year that would be subject to dividend withholding tax	**40 266**	42 498
Europe	**11 826**	12 921
Rest of Africa	**2 891**	4 399
United States of America	**18 968**	17 796
Other	**6 581**	7 382
Tax effect if remitted	**1 582**	1 654
Europe	**327**	338
Rest of Africa	**235**	356
United States of America	**948**	890
Other	**72**	70

Dividend withholding tax

With effect from 22 February 2017, dividend withholding tax increased from 15% to 20% on dividends distributed to Sasol Limited shareholders. Dividends paid to companies and certain other institutions and certain individuals are not subject to this withholding tax. This tax is not attributable to the company paying the dividend but is collected by the company and paid to the tax authorities on behalf of the shareholder.

On receipt of a dividend, the company includes the dividend withholding tax in its computation of the income tax expense.

for the year ended 30 June	2017 Rm	2016 Rm
Undistributed earnings at end of year that would be subject to dividend withholding tax withheld by the company on behalf of Sasol Limited shareholders	**175 132**	163 264
Maximum withholding tax payable by shareholders if distributed to individuals	**35 026**	24 490

Accounting policies:

The income tax charge is determined based on net income before tax for the year and includes deferred tax and dividend withholding tax.

The current tax charge is the tax payable on the taxable income for the financial year applying enacted or substantively enacted tax rates and includes any adjustments to tax payable in respect of prior years.

Deferred tax is provided for using the liability method, on all temporary differences between the carrying amount of assets and liabilities for accounting purposes and the amounts used for tax purposes and on any tax losses. No deferred tax is provided on temporary differences relating to:

- the initial recognition of goodwill;
- the initial recognition (other than in a business combination) of an asset or liability to the extent that neither accounting nor taxable profit is affected on acquisition; and
- investments in subsidiaries, associates and interests in joint arrangements to the extent that the temporary difference will probably not reverse in the foreseeable future and the control of the reversal of the temporary difference lies with the parent, investor, joint venturer or joint operator.

The provision for deferred tax is calculated using enacted or substantively enacted tax rates at the reporting date that are expected to apply when the asset is realised or liability settled.

Deferred tax assets and liabilities are offset when the related income taxes are levied by the same taxation authority, there is a legally enforceable right to offset and there is an intention to settle the balances on a net basis.

Equity

14 Share capital

for the year ended 30 June	2017 Rm	2016 Rm	2015 Rm
Issued share capital (as per statement of changes in equity)*	**29 282**	29 282	29 228

* As at 30 June 2017, a total of R2 641 million represented by 8 809 886 Sasol ordinary shares (30 June 2016 − 8 809 886; 30 June 2015 − 8 809 886) representing 1,43% (30 June 2016 − 1,43%; 30 June 2015 − 1,43%) of the issued share capital of the company, excluding the Sasol Inzalo share transaction, is held by its subsidiary, Sasol Investment Company (Pty) Ltd. These shares are held as treasury shares and do not carry any voting rights. No shares were repurchased in 2017 (2016 − nil; 2015 − nil).

	Number of shares		
for the year ended 30 June	2017	2016	2015
Authorised			
Sasol ordinary shares of no par value	**1 127 690 590**	1 127 690 590	1 127 690 590
Sasol preferred ordinary shares of no par value	**28 385 646**	28 385 646	28 385 646
Sasol BEE ordinary shares of no par value	**18 923 764**	18 923 764	18 923 764
	1 175 000 000	1 175 000 000	1 175 000 000
Issued			
Shares issued at beginning of year	**679 775 162**	679 480 362	678 935 812
Issued in terms of the employee share schemes	**47 277**	294 800	544 550
Shares issued at end of year	**679 822 439**	679 775 162	679 480 362
Comprising			
Sasol ordinary shares of no par value	**651 436 793**	651 389 516	651 094 716
Sasol preferred ordinary shares of no par value	**25 547 081**	25 547 081	25 547 081
Sasol BEE ordinary shares of no par value	**2 838 565**	2 838 565	2 838 565
	679 822 439	679 775 162	679 480 362

Held in reserve			
Allocated to the Sasol Share Incentive Scheme	**–**	–	306 900
Unissued shares	**495 177 561**	495 224 838	495 212 738
Sasol ordinary shares of no par value	**476 253 797**	476 301 074	476 288 974
Sasol preferred ordinary shares of no par value	**2 838 565**	2 838 565	2 838 565
Sasol BEE ordinary shares of no par value	**16 085 199**	16 085 199	16 085 199
	495 177 561	495 224 838	495 519 638

The Sasol preferred ordinary and BEE ordinary shares have voting rights attached to them and will be Sasol ordinary shares at the end of the term of the Sasol lnzalo share transaction.

The BEE ordinary shares rank *pari passu* with the Sasol Limited ordinary shares, and differ only in the fact that they are listed on the BEE segment of the JSE main board, and trading is restricted.

The Sasol preferred ordinary shares rank *pari passu* with the Sasol ordinary shares and differ only in the fact that they are not listed and trading is restricted. The Sasol preferred ordinary shares carry a cumulative preferred dividend right with a dividend of R30,80 per annum, payable until 2018. The Sasol preferred ordinary shares are not redeemable.

The Sasol BEE ordinary shares receive dividends per share simultaneously with, and equal to, the Sasol ordinary shares.

Accounting policies:

When Sasol Limited' s shares are repurchased by a subsidiary, the amount of consideration paid, including directly attributable costs, is recognised as a deduction from shareholders' equity. Repurchased shares are classified as treasury shares and are disclosed as a deduction from total equity. Where such shares are subsequently reissued, any consideration received is included in the statement of changes in equity.

Funding activities and facilities

15 Long-term debt

for the year ended 30 June	Note	2017 Rm	2016 Rm
Total long-term debt		**81 405**	79 877
Short-term portion		**(7 093)**	(1 862)
		74 312	78 015
Analysis of long-term debt			
At amortised cost			
Secured debt		**43 827**	47 899
Preference shares		**12 045**	11 972
Finance leases		**1 864**	1 606

Unsecured debt		**24 461**	19 588
Unamortised loan costs		**(792)**	(1 188)
		81 405	79 877
Reconciliation			
Balance at beginning of year		**79 877**	42 066
Loans raised		**9 664**	34 967
proceeds from new loans		**9 277**	34 008
settlement of funding commitment on Canadian assets		**–**	821
finance leases acquired		**387**	138
Loans repaid		**(2 364)**	(3 120)
Interest accrued	6	**956**	530
Amortisation of loan costs	6	**279**	157
Translation effect of foreign currency loans		**(15)**	36
Translation of foreign operations		**(6 992)**	5 241
Balance at end of year		**81 405**	79 877
Interest-bearing status			
Interest-bearing debt		**80 352**	78 941
Non-interest-bearing debt		**1 053**	936
		81 405	79 877
Maturity profile			
Within one year		**7 093**	1 862
One to five years		**58 933**	24 669
More than five years		**15 379**	53 346
		81 405	79 877
Business segmentation			
Mining		**1 360**	2 043
Exploration and Production International		**755**	853
Energy		**7 058**	6 062
Base Chemicals		**21 890**	24 483
Performance Chemicals		**18 037**	20 087
Group Functions		**32 305**	26 349
Total operations		**81 405**	79 877

Fair value of long-term debt

The fair value of long-term debt is based on the quoted market price for the same or similar instruments or on the current rates available for debt with the same maturity profile and with similar cash flows. Market related rates ranging between 2,9% and 13,0% were used to discount estimated cash flows based on the underlying currency of the debt.

	2017 Rm	2016 Rm
Total long-term debt (before unamortised loan costs)*	**82 261**	81 027

* The difference in the fair value of long-term debt in 2017 compared to the carrying value is mainly due to the prevailing market price of the debt instruments in the US and Inzalo preference shares debt at 30 June 2017.

15 Long-term debt continued

In terms of Sasol Limited' s memorandum of incorporation, the group' s borrowing powers are limited to twice the sum of its share capital and reserves (2017 − R423 billion; 2016 − R414 billion).

Terms of repayment	Security	Business	Currency	Interest rate at 30 June 2017	2017 Rm	2016 Rm
Secured debt						
Repayable in bi-annual instalments ending December 2021	Secured by assets under construction with a carrying value of R101 039 million (2016 − R73 040 million) and other assets with a carrying value of R17 294 million (2016 − R18 608 million)	Base and Performance Chemicals (US Operations)	US dollar	**Libor + 2,25%(1)**	**36 748**	41 381
Repayable in quarterly instalments ending April 2021	Secured by assets under construction with a carrying value of R4 474 million (2016 − R3 323 million) and other assets with a carrying value of R119 million (2016 − R571 million)	Base Chemicals	US dollar	**Libor + 3,75%**	**2 686**	3 058
Repayable in bi-annual instalments ending June 2022	Secured by property, plant and equipment with a carrying value of R5 888 million (2016 − R4 481 million)	Energy (Rompco)	Rand	**Jibar + 1,75%**	**4 148**	3 274
Other secured debt		Various	Various	**Various**	**245**	186
					43 827	47 899
Preference shares						
A preference shares repayable in semi-annual instalments between June 2008 and September 2018(2)	Secured by Sasol preferred ordinary shares held by the company	Group Functions (Inzalo)	Rand	**Fixed 11,1% to 12,3%**	**1 471**	1 636
B preference shares repayable between June 2008 and September 2018(2)	Secured by Sasol preferred ordinary shares held by the company	Group Functions (Inzalo)	Rand	**Fixed 13,3% to 14,7%**	**1 164**	1 163
C preference shares repayable September 2018(2)	Secured by guarantee from Sasol Limited	Group Functions (Inzalo)	Rand	**Variable 68% of prime**	**9 247**	8 901

A preference shares repayable between March 2013 and September 2018[3]	Secured by preference shares held in Sasol Mining (Pty) Ltd	Mining (Ixia)	Rand	**Fixed 10,0%**	**163**	272
					12 045	11 972

(1) The Libor exposure for approximately 50% of the debt profile is hedged using an interest rate swap, under which the variable rate is swapped for a fixed rate. Refer to note 39.

(2) A, B and C preference share debt was raised within structured entities as part of the Sasol Inzalo share transaction (refer to note 34.2). Dividends on the A and B preference shares are payable in semi-annual instalments ending October 2018. Dividends on the C preference shares are payable on maturity in October 2018. It is required that 50% of the principal amount of the A preference shares is repaid between October 2008 and October 2018, with the balance of the debt repayable at the end date. The B and C preference shares are repayable in October 2018, on maturity.

The Inzalo transaction will unwind between June and September 2018. The A and B preference shares are secured by rights over the Sasol Limited preferred ordinary shares held in the Inzalo structured entities. It is expected that the A, B and C preference share debt will be settled using the shares held by the Inzalo structured entities.

The C preference shares are guaranteed by Sasol Limited, thus any shortfall in the value of the shares in the Inzalo entities will be a cash outflow for the group. Based on current assumptions, a share price of approximately R366,00 - R450,00 will result in a cash outflow for the group of approximately R3,5 billion - R1 billion based on projections of interest and dividends using a dividend cover of 2,8 times.

(3) Preference share debt was raised in 2011 within structured entities as part of the Sasol Ixia Coal broad-based black economic empowerment transaction. Dividends and the principal amount on these preference shares are payable on maturity between March 2013 and October 2018. The preference shares are secured by preference shares held in Sasol Mining (Pty) Ltd, a subsidiary of Sasol Mining Holdings (Pty) Ltd. These preference shares may not be disposed of or encumbered in any way.

Terms of repayment	Security	Business	Currency	Interest rate at 30 June 2017	2017 Rm	2016 Rm
Finance leases						
Repayable in monthly instalments over 15 to 25 years ending May 2042	Secured by plant and with a carrying value R1 955 million (2016 – R1 738 million)	Energy,Base and Performance Chemicals	Various	**Fixed 4,0% to 16,6% and variable 8,2% to 13,3%**	**1 730**	1 523
Other finance leases	Underlying assets	Various	Various	**Various**	**134**	83
					1 864	1 606
					57 736	61 477

Terms of repayment	Business	Currency	Interest rate at 30 June 2017	2017 Rm	2016 Rm
Unsecured debt					
Various repayment terms from December 2017 to January 2026	Various	Various	**Various**	**1 773**	1 809

Repayable in July 2018	Exploration and Production International	Canadian dollar	–	**755**	853
Various repayment terms	Energy	Rand	**Fixed 8,0%**	**397**	360
Various repayment terms from December 2018 to November 2022(4)	Group Functions (Sasol Financing)	US dollar	**Fixed 4,5% and variable Libor + 0,75% to 1,35%**	**20 336**	14 791
Repayable in bi-annual instalments ending December 2018	Mining	Rand	**Jibar + 1,25%**	**1 200**	1 775
Total unsecured debt				**24 461**	19 588
Total long-term debt				**82 197**	81 065
Unamortised loan costs (amortised over period of debt using the effective interest rate method)				**(792)**	(1 188)
				81 405	79 877
Short-term portion of long-term debt				**(7 093)**	(1 862)
				74 312	78 015

(4) Included in this amount is the US$1 billion (R13 billion) bond, with a fixed interest rate of 4,5% which is listed on the New York Stock Exchange and is recognised in Sasol Financing International Limited, a 100% owned subsidiary of the group. Sasol Limited has fully and unconditionally guaranteed the bond. There are no restrictions on the ability of Sasol Limited to obtain funds from the finance subsidiary by dividend or loan.

at 30 June 2017	**Total facilities US$m**	**Cash utilised US$m**	**Remaining US$m**	**Rand equivalent**
Lake Charles Chemicals Project funding profile				
Term loan	3 995	2 810	1 185	**15 476**
Available cash, cash flow from operations and general borrowings	7 005	3 881	3 124	**40 799**
Total funding requirement	11 000	6 691	4 309	**56 275**

15 Long-term debt continued

30 June 2017	**Expiry date**	**Currency**	**Contract amount million**	**Total Rand equivalent Rm**	**Utilised facilities Rm**	**Available facilities Rm**
Banking facilities and debt arrangements						
Group treasury facilities						
Commercial paper (uncommitted)	None	Rand	**8 000**	**8 000**	–	**8 000**

Commercial banking facilities	Various	Rand	**5 745**	**5 745**	**–**	**5 745**
Commercial banking facilities	Various	US dollar	**750**	**9 791**	**3 264**	**6 527**
Commercial banking facilities	Various	Euro	**230**	**3 431**	**2 536**	**895**
Revolving credit facility	None	US dollar	**1 500**	**19 583**	**3 917**	**15 666**
Debt arrangements						
US Dollar Bond	November 2022	US dollar	**1 000**	**13 055**	**13 055**	**–**
Other Sasol businesses						
Specific project asset finance						
US Operations (funding of LCCP)	December 2021	US dollar	**3 995**	**52 155**	**36 748**	**15 407**
US Operations (Letter of credit for LCCP)	December 2021	US dollar	**45**	**588**	**170**	**418**
Energy – Republic of Mozambique Pipeline Investments Company (Rompco)	June 2022	Rand	**2 511**	**2 511**	**2 511**	**–**
Energy – Republic of Mozambique Pipeline Investments Company (Rompco)	June 2022	Rand	**2 700**	**2 700**	**1 620**	**1 080**
Base Chemicals – High-density polyethylene plant	April 2021	US dollar	**202**	**2 637**	**2 637**	**–**
Mining – Mine replacement programme	December 2018	Rand	**1 200**	**1 200**	**1 200**	**–**
Energy – Clean Fuels II (Natref)	Various	Rand	**1 493**	**1 493**	**1 493**	**–**
Debt arrangements						
Sasol Inzalo (preference shares)	October 2018	Rand	**9 334**	**9 334**	**9 334**	**–**
Mining preference shares	September 2018	Rand	**159**	**159**	**159**	**–**
Finance leases						
Sasol Oil (Pty) Ltd	Various	Rand	**1 088**	**1 088**	**1 088**	**–**
Other debt arrangements		Various	**–**	**–**	**2 673**	**–**
					82 405	**53 738**
Available cash						**27 520**
Total funds available for use						**81 258**

Total utilised facilities	**82 405**
Accrued interest	**956**
Unamortised loan cost	**792**
Total debt including accrued interest and unamortised loan cost	**84 153**
Comprising	
Long-term debt	**74 312**
Short-term debt	**9 718**
Short-term debt	**2 625**
Short-term portion of long-term debt	**7 093**
Bank overdraft	**123**
	84 153

Accounting policies:

Debt, which constitutes a financial liability, includes short-term and long-term debt. Debt is initially recognised at fair value, net of transaction costs incurred and is subsequently stated at amortised cost. Debt is classified as short-term unless the borrowing entity has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Debt is derecognised when the obligation in the contract is discharged, cancelled or has expired. Premiums or discounts arising from the difference between the fair value of debt raised and the amount repayable at maturity date are charged to the income statement as finance expenses based on the effective interest rate method.

Sasol Limited Group

Investing Activities

16 Property, plant and equipment

for the year ended 30 June	Land Rm	Building and improvements Rm	Plant, equipment and vehicles Rm	Mineral assets Rm	Total Rm
Carrying amount at 30 June 2016	1 329	6 522	113 274	33 929	**155 054**
Additions	–	349	705	58	**1 112**
to sustain existing operations	–	26	528	69	**623**
to expand operations	–	323	177	(11)	**489**
Net reclassification from/(to) other assets	–	46	(9)	2	**39**
Reduction in rehabilitation provisions capitalised (note 30)	–	(18)	(94)	(1 288)	**(1 400)**
Disposal of business	–	(10)	(43)	–	**(53)**
Projects capitalised	–	1 631	18 106	3 696	**23 433**
Reclassification from held for sale	514	1	–	–	**515**
Translation of foreign operations	(58)	(172)	(2 064)	(897)	**(3 191)**
Disposals and scrapping	(362)	(16)	(363)	(42)	**(783)**
Current year depreciation charge	–	(500)	(11 521)	(3 789)	**(15 810)**
Net impairment of property, plant and equipment	(66)	18	(292)	197	**(143)**
Carrying amount at 30 June 2017	**1 357**	**7 851**	**117 699**	**31 866**	**158 773**

for the year ended 30 June	Land Rm	Building and improvements Rm	Plant, equipment and vehicles Rm	Mineral assets Rm	Total Rm
Carrying amount at 30 June 2015	1 758	5 930	105 393	22 741	135 822
Additions	6	166	1 182	1 031	2 385
to sustain existing operations	6	34	849	1 031	1 920
to expand operations	–	132	333	–	465
Settlement of funding commitment on Canadian assets	–	–	–	4 160	4 160
Net reclassification from/(to) other assets	–	36	(49)	14	1
Reduction in rehabilitation provisions capitalised	–	–	(1)	(44)	(45)

Projects capitalised	128	719	16 602	15 563	33 012
Reclassification to held for sale	(697)	(2)	–	–	(699)
Translation of foreign operations	159	243	3 352	1 398	5 152
Disposals and scrapping	(2)	(23)	(280)	(43)	(348)
Current year depreciation charge	–	(496)	(10 908)	(4 558)	(15 962)
Net impairment of property, plant and equipment	(23)	(51)	(2 017)	(6 333)	(8 424)
Carrying amount at 30 June 2016	1 329	6 522	113 274	33 929	155 054

for the year ended 30 June	Land Rm	Building and improvements Rm	Plant, equipment and vehicles Rm	Mineral assets Rm	Total Rm
2017					
Cost	**1 630**	**14 231**	**215 017**	**67 880**	**298 758**
Accumulated depreciation and impairment	**(273)**	**(6 380)**	**(97 318)**	**(36 014)**	**(139 985)**
	1 357	**7 851**	**117 699**	**31 866**	**158 773**
2016					
Cost	1 559	12 846	207 102	70 143	291 650
Accumulated depreciation and impairment	(230)	(6 324)	(93 828)	(36 214)	(136 596)
	1 329	6 522	113 274	33 929	155 054
2015					
Cost	1 931	11 252	184 357	45 927	243 467
Accumulated depreciation and impairment	(173)	(5 322)	(78 964)	(23 186)	(107 645)
	1 758	5 930	105 393	22 741	135 822

	2017 Rm	2016 Rm
Business segmentation		
Mining	**21 715**	20 654
Exploration and Production International	**11 765**	14 780
Energy	**42 238**	39 891
Base Chemicals	**38 215**	36 457
Performance Chemicals	**41 367**	40 389
Group Functions	**3 473**	2 883
Total operations	**158 773**	155 054

for the year ended 30 June	2017 Rm	2016 Rm	2015 Rm
Additions to property, plant and equipment (cash flow)			
Current year additions*	**1 112**	6 545	3 053
Adjustments for non-cash items	**(722)**	(2 241)	(1 780)

movement in environmental provisions capitalised	**(324)**	(1 282)	(1 090)
movement in long-term debt*	**–**	(821)	–
other non-cash movements**	**(398)**	(138)	(690)
Per the statement of cash flows	**390**	4 304	1 273

* In 2016, additions includes R4 160 million in respect of an agreement concluded with our Canadian shale gas partner, Progress Energy, to settle the outstanding funding commitment. R3 339 million was settled in 2016, with the remaining CAD75 million (R821 million) due in July 2018.

** Includes plant, equipment and vehicles acquired by finance leases.

Sasol Limited Group

Investing activities

(continued)

16 **Property, plant and equipment** continued

for the year ended 30 June	2017 Rm	2016 Rm
Leased assets		
Carrying value of capitalised leased assets (included in plant, equipment and vehicles)	**2 060**	1 774
cost	**3 182**	2 782
accumulated depreciation	**(1 122)**	(1 008)
Capital commitments (excluding equity accounted investments)		
Capital commitments, excluding capitalised interest, include all projects for which specific board approval has been obtained. Projects still under investigation for which specific board approvals have not yet been obtained are excluded from the following:		
Authorised and contracted for	**154 739**	143 380
Authorised but not yet contracted for	**61 673**	95 590
Less expenditure to the end of year	**(125 676)**	(101 684)
	90 736	137 286
to sustain existing operations	**23 850**	19 327
to expand operations	**66 886**	117 959
Estimated expenditure		
Within one year	**59 236**	75 134
One to five years	**31 500**	62 152
	90 736	137 286
Business segmentation		
Mining	**3 099**	3 563
Exploration and Production International	**19 431**	23 648
Energy	**10 327**	9 588
Base Chemicals	**29 722**	51 449
Performance Chemicals	**27 396**	48 422
Group Functions	**761**	616

Total operations	**90 736**	137 286

Significant capital commitments at 30 June comprise of:

Project	Project location	Business segment	2017 Rm	2016 Rm
Lake Charles Chemicals Project	United States	Base and Performance Chemicals	**46 051**	88 683
Mozambique exploration and development	Mozambique	Exploration and Production International	**18 883**	22 099
Sixth fine ash dam	Secunda	Energy	**5 072**	362
Shutdown and major statutory maintenance	Secunda	Energy, Base and Performance Chemicals	**3 921**	4 015
Air Liquide - air separation unit	Secunda	Energy, Base and Performance Chemicals	**886**	2 018
Impumelelo Colliery to maintain Brandspruit Colliery operation	Secunda	Mining	**622**	872
Loop Line 2 project	Mozambique	Energy	**13**	1 721
High-density polyethylene plant	United States	Base Chemicals	**622**	1 115
Shondoni Colliery to maintain Middelbult Colliery operation	Secunda	Mining	**557**	1 041
Canadian shale gas asset	Canada	Exploration and Production International	**237**	692
Coal tar filtration east project	Secunda	Energy, Base and Performance Chemicals	**706**	379
Other capital commitments	Various	Various	**13 166**	14 289
			90 736	137 286

Accounting policies:

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses. Land is not depreciated.

When plant and equipment comprises major components with different useful lives, these components are accounted for as separate items.

Depreciation of mineral assets on producing oil and gas properties is based on the units-of-production method calculated using estimated proved developed reserves.

Life-of-mine coal assets are depreciated using the units-of-production method and is based on proved and probable reserves assigned to that specific mine (accessible reserves) or complex which benefits from the utilisation of those assets. Other coal mining assets are depreciated on the straight-line method over their estimated useful lives.

Depreciation of property acquisition costs, capitalised as part of mineral assets in property, plant and equipment, is based on the units-of-production method calculated using estimated proved reserves.

Property, plant and equipment, other than mineral assets, is depreciated to its estimated residual value on a straight- line basis over its expected useful life.

Areas of judgement:

The depreciation methods, estimated remaining useful lives and residual values are reviewed at least annually. The estimation of the useful lives of property, plant and equipment is based on historic performance as well as expectations about future use and therefore requires a significant degree of judgement to be applied by management.

The following depreciation rates apply in the group:

Buildings and improvements	2 - 5%
Retail convenience centres	3 - 5%
Plant	2 - 5%
Equipment	10 - 33%
Vehicles	10 - 33%
Mineral assets	Units of production over life of related reserve base
Life-of-mine coal assets	Units of production

17 Assets under construction

for the year ended 30 June	Property plant and equipment under construction Rm	Other intangible assets under development Rm	Exploration and evaluation assets Rm	Total Rm
Balance as at 30 June 2016	102 185	1 470	356	**104 011**
Additions	59 771	313	228	**60 312**
to sustain existing operations	16 653	235	–	**16 888**
to expand operations	43 118	78	228	**43 424**
Net reclassification from/(to) other assets	(29)	29	–	–
Finance costs capitalised	2 764	–	–	**2 764**
Net impairment of assets under construction	(728)	(176)	(189)	**(1 093)**
Reduction in rehabilitation provision capitalised (note 30)	(726)	–	(27)	**(753)**
Projects capitalised	(23 433)	(240)	–	**(23 673)**
Translation of foreign operations	(10 575)	(151)	(3)	**(10 729)**
Disposals and scrapping	(105)	–	–	**(105)**
Balance at 30 June 2017	129 124	1 245	365	**130 734**

for the year ended 30 June	Property plant and equipment under construction Rm	Other intangible assets under development Rm	Exploration and evaluation assets Rm	Total Rm
Balance as at 30 June 2015	57 001	1 721	3 255	61 977
Additions	68 766	499	1 584	70 849
to sustain existing operations	16 028	325	–	16 353
to expand operations	52 738	174	1 584	54 496
Net reclassification from/(to) other assets	90	(21)	–	69
Finance costs capitalised	2 253	–	–	2 253
Net impairment of assets under construction	(1 870)	–	(1 716)	(3 586)
Write-off of unsuccessful exploration wells	–	–	3	3
Reclassification to disposal groups held for sale	–	–	(128)	(128)
Projects capitalised	(30 221)	(873)	(2 791)	(33 885)
Translation of foreign operations	6 945	211	266	7 422
Disposals and scrapping	(779)	(67)	(117)	(963)
Balance at 30 June 2016	102 185	1 470	356	104 011

for the year ended 30 June	2017 Rm	2016 Rm
Business segmentation		
• Mining	**1 141**	1 446
• Exploration and Production International	**6 256**	5 165
• Energy	**9 064**	11 197
• Base Chemicals	**59 908**	44 414
• Performance Chemicals	**54 006**	41 044
• Group Functions	**359**	745
Total operations	**130 734**	104 011

for the year ended at 30 June	2017 Rm	2016 Rm	2015 Rm
Additions to assets under construction (cash flow)			
Current year additions	**60 312**	70 849	43 773
Adjustments for non-cash items	**(420)**	(1 427)	(19)
cash flow hedge accounting	**(2)**	(2)	(5)
movement in environmental provisions capitalised	**(418)**	(1 425)	(14)
Per the statement of cash flows	**59 892**	69 422	43 754

The group hedges its exposure to foreign currency risk in respect of its significant capital projects by means of forward exchange contracts. Cash flow hedge accounting is applied to these hedging transactions and accordingly, the effective portion of any gain or loss realised on these contracts is adjusted against the underlying item of assets under construction.

	2017 Rm	2016 Rm
Capital expenditure		
Projects to sustain operations comprise of:		
Secunda Synfuels Operations	**8 453**	7 187
Shutdown and major statutory maintenance	**3 569**	3 285
Renewals	**1 002**	774
Oxygen train 17 (Outside Battery Limits portion)	**979**	147
Sixth fine ash dam (environmental)	**637**	155
Volatile organic compounds abatement programme (environmental)	**655**	669
Coal tar filtration east project (safety)	**419**	852
Other environmental related expenditure	**185**	261
Other safey related expenditure	**377**	528
Other projects to sustain existing operations (less than R500 million)	**630**	516
Mining (Secunda and Sasolburg)	**2 831**	3 436
Shondoni Colliery to maintain Middelbult Colliery operation	**368**	842
Impumelelo Colliery to maintain Brandspruit Colliery operation	**274**	385
Refurbishment of equipment	**783**	576
Other environmental related expenditure	**7**	17
Other safety related expenditure	**314**	23
Other projects to sustain existing operations (less than R500 million)	**1 085**	1 593
Other (in various locations)	**5 602**	5 724
Expenditure related to environmental obligations	**174**	224
Expenditure incurred relating to safety regulations	**401**	494
Other projects to sustain existing operations (less than R500 million)	**5 027**	5 006
	16 886	16 347

17 Assets under construction continued

	2017 Rm	2016 Rm
Capital expenditure		

Projects to expand operations comprise of:	Project location	Business segment		
Lake Charles Chemicals Project*	United States	Base and Performance Chemicals	**36 775**	42 375
Canadian shale gas asset	Canada	Exploration and Production International	**381**	3 286
Fischer-Tropsch wax expansion project	Sasolburg	Performance Chemicals	**606**	1 109
High-density polyethylene plant	United States	Base Chemicals	**1 448**	1 832
Mozambique exploration and development	Mozambique	Exploration and Production International	**1 840**	1 025
Loop Line 2 project	Mozambique	Energy	**638**	1 149
C3 Expansion project	Secunda	Base Chemicals	**25**	551
Other projects to expand operations (less than R500 million)	Various	Various	**1 293**	1 748
			43 006	53 075

*At 30 June 2017 actual capital expenditure (accrual basis) - US$2,7 billion (2016 - US$2,9 billion).

Project-related performance guarantees

Project	Description	Guarantor	Maximum guaranteed amount Rm	Liability recognised Rm
Lake Charles Chemicals Project	Completion guarantees and sureties issued in respect of the Lake Charles Chemicals Project. This includes a loan facility of US$3 995 million, of which US$2 815 million has been recognised (including accrued interest).	Sasol Limited/ Sasol Financing	**52 155**	**36 748**
Ineos joint venture	Completion guarantee issued in respect of the US$420 million loan in the joint arrangement, in which Sasol has a 50% share (US$210 million). Repayments are made quarterly, and the current balance on the loan is US$206 million, representing the maximum exposure to the group.	Sasol Financing	**2 689**	**2 689**

Accounting policies:

Assets under construction

Assets under construction are non-current assets, which includes land and expenditure capitalised for work in progress in respect of activities to develop, expand or enhance items of property, plant and equipment, intangible assets and exploration assets. The cost of self-constructed assets includes expenditure on materials, direct labour and an allocated proportion of project overheads. Cost also includes the estimated costs of dismantling and removing the assets and site rehabilitation costs to the extent that they relate to the construction of the asset as well as gains or losses on qualifying cash flow hedges attributable to that asset. When regular major inspections are a condition of continuing to operate an item of property, plant and equipment, and plant shutdown costs will be incurred, an estimate of these shutdown costs are included in the carrying value of the asset at initial recognition. Land acquired, as well as costs capitalised for work in progress in respect of activities to develop, expand or enhance items of property, plant and equipment are classified as part of assets under construction.

Finance expenses in respect of specific and general borrowings are capitalised against qualifying assets as part of assets under construction. Where funds are borrowed specifically for the purpose of acquiring or constructing a qualifying asset, the amount of finance expenses eligible for capitalisation on that asset is the actual finance expenses incurred on the borrowing during the period less any investment income on the temporary investment of those borrowings.

Where funds are made available from general borrowings and used for the purpose of acquiring or constructing qualifying assets, the amount of finance expenses eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on these assets. The capitalisation rate is the weighted average of the interest rates applicable to the borrowings of the group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining qualifying assets. The amount of finance expenses capitalised will not exceed the amount of borrowing costs incurred.

Exploration assets

Exploration assets comprise capitalised expenditure relating to the exploration for and evaluation of mineral resources (coal, oil and gas). Mineral assets comprise capitalised expenditure relating to producing coal, oil and gas properties, including development costs and previously capitalised exploration assets.

Oil and gas

The successful efforts method is used to account for natural oil and gas exploration, evaluation and development activities.

Property and licence acquisition costs as well as development cost, including expenditure incurred to drill and equip development wells on proved properties, are capitalised as part of assets under construction and transferred to mineral assets in property, plant and equipment when the assets begin producing.

On completion of an exploratory well or exploratory-type stratigraphic test well, the entity will be able to determine if there are oil or gas resources. The classification of resources as proved reserves depends on whether development of the property is economically feasible and recoverable in the future, under existing economic and operating conditions, and if any major capital expenditure to develop the property as a result of sufficient quantities of additional proved reserves being identified is justifiable, approved and recoverable.

The cost of exploratory wells, through which potential proved reserves may be or have been discovered and the associated exploration costs are capitalised as exploration and evaluation assets in assets under construction. These costs remain capitalised pending the evaluation of results and the determination of whether there are proved reserves.

The following conditions must be met for these exploration costs to remain capitalised:

- Sufficient progress is being made in assessing the oil and gas resources, including assessing the economic and operating viability with regards to developing the property.

- It has been determined that sufficient oil and gas resources or reserves exist which are economically viable based on a range of technical and commercial considerations to justify the capital expenditure required for the completion of the well as a producing well, either individually or in conjunction with other wells.

Progress in this regard is reassessed at each reporting date and is subject to technical, commercial and management review to ensure sufficient justification for the continued capitalisation of such qualifying exploration and evaluation expenditure as an exploration and evaluation asset as part of assets under construction. If both of the above conditions are not met or if information is obtained that raise substantial doubt about the economic or operating viability, the costs are charged to the income statement.

Exploratory wells and exploratory-type stratigraphic test wells can remain suspended on the statement of financial position for several years while additional activity including studies, appraisal, drilling and/or seismic work on the potential oil and gas field is performed or while the optimum development plans and timing are established in the absence of impairment indicators.

Coal mining

Coal mining exploration and evaluation expenditure is charged to the income statement until completion of a final feasibility study supporting proved and probable coal reserves. Expenditure incurred subsequent to proved and probable coal reserves being identified is capitalised as exploration assets in assets under construction.

Expenditure on producing mines or development properties is capitalised when excavation or drilling is incurred to extend reserves or further delineate existing proved and probable coal reserves. All development expenditure incurred after the commencement of production is capitalised to the extent that it gives rise to probable future economic benefits.

A unit is considered to be produced once it has been removed from underground and taken to the surface, passed the bunker and has been transported by conveyor over the scale of the shaft head. The calculation is based on proved and probable reserves assigned to that specific mine (accessible reserves) or complex which benefits from the utilisation of those assets. Inaccessible reserves are excluded from the calculation.

18 Long-term receivables and prepaid expenses

for the year ended 30 June	2017 Rm	2016 Rm
Total long-term receivables	**3 737**	3 777
Short-term portion	**(1 734)**	(1 738)
	2 003	2 039
Long-term prepaid expenses	**610**	733
	2 613	2 772
Comprising:		
Long-term receivables (interest-bearing) - joint operations	**414**	667

Long-term loans	**1 589**	1 372
	2 003	2 039

Impairment of long-term loans and receivables

Long-term loans and receivables that are not past their due date are not considered to be impaired, except in situations where they are part of individually impaired long-term loans and receivables.

19 Equity accounted investments

for the year ended 30 June	2017 Rm	2016 Rm
Amounts recognised in the statement of financial position:		
Investments in joint ventures and associates	**11 813**	13 118

for the year ended 30 June	2017 Rm	2016 Rm
Business segmentation		
Mining	**1**	4
Energy	**8 603**	9 879
Base Chemicals	**3 038**	3 235
Performance Chemicals	**14**	–
Group Functions	**157**	–
Total carrying value of equity accounted investments	**11 813**	13 118

for the year ended 30 June	2017 Rm	2016 Rm	2015 Rm
Amounts recognised in the income statement:			
Share of profits of equity accounted investments, net of tax	**1 071**	509	2 057
share of profits	**1 085**	522	2 056
remeasurement items	**(14)**	(13)	1
Amounts recognised in the statement of cash flows:			
Dividends received from equity accounted investments	**1 539**	887	2 812

There are no significant restrictions on the ability of the joint ventures or associate to transfer funds to Sasol Limited in the form of cash dividends or repayment of loans or advances.

Impairment testing of equity accounted investments

Based on impairment indicators at each reporting date, impairment tests in respect of investments in joint ventures and associates are performed. The recoverable amount of the investment is compared to the carrying amount, as described in note 8, to calculate the impairment.

Investing activities
(continued)

At 30 June, the group' s interest in equity accounted investments and the total carrying values were:

Name	Country of incorporation	Nature of activities	Interest %	2017 Rm	2016 Rm
Joint ventures					
ORYX GTL Limited	Qatar	GTL plant	**49**	**7 480**	8 622
Sasol Huntsman GmbH & co KG	Germany	Manufacturing of chemical products	**50**	**925**	974
Petronas Chemicals LDPE Sdn Bhd	Malaysia	Manufacturing and marketing of low-density polyethylene pellets	**40**	**566**	671
Sasol Dyno Nobel (Pty) Ltd	South Africa	Manufacturing and distribution of explosives	**50**	**246**	249
Sasol Chevron Holdings Limited	Bermuda	Marketing of Escravos GTL products	**50**	**255**	302
Associates					
Petronas Chemicals Olefins Sdn Bhd*	Malaysia	Ethane and propane gas cracker	**12**	**1 301**	1 341
Escravos GTL (EGTL)**	Nigeria	GTL plant	**10**	**757**	850
Other equity accounted investments			**Various**	**283**	109
Carrying value of investments				**11 813**	13 118

* Although the group holds less than 20% of the voting power of Petronas Chemicals Olefins Sdn Bhd, the group exercises significant influence with regards to the management of the venture.

** Although the group holds less than 20% of the voting power of EGTL, the group has significant influence with regards to the management and technical support to the plant.

Summarised financial information for the group' s share of equity accounted investments which are not material***

for the year ended 30 June	2017 Rm	2016 Rm
Operating profit	**449**	285
Profit before tax	**464**	259
Taxation	**(232)**	(213)
Profit and total comprehensive income for the year	**232**	46

*** The financial information provided represents the group' s share of the results of the equity accounted investments.

Capital commitments relating to equity accounted investments	2017 Rm	2016 Rm
Capital commitments, excluding capitalised interest, include all projects for which specific board approval has been obtained up to the reporting date. Projects still under investigation for which specific board approvals have not yet been obtained are excluded from the following:		
Authorised and contracted for	**292**	175

Authorised but not yet contracted for	**573**	756
Less: expenditure to the end of year	**(281)**	(323)
	584	608

Areas of judgement:

Joint ventures and associates are assessed for materiality in relation to the group using a number of factors such as investment value, strategic importance and monitoring by those charged with governance.

ORYX GTL is considered to be material as it is closely monitored and reported on to the decision makers and is considered to be a strategically material investment.

19 Equity accounted investments continued

Summarised financial information for the group' s material equity accounted investments

In accordance with the group' s accounting policy, the results of joint ventures and associates are equity accounted. The information provided below represents the group' s material joint venture. The financial information presented includes the full financial position and results of the joint venture and includes intercompany transactions and balances.

	Joint venture	
	ORYX GTL Limited	
	2017	2016
for the year ended 30 June	Rm	Rm
Summarised statement of financial position		
Non-current assets	**12 642**	15 311
Current assets	**4 288**	5 713
Total assets	**16 930**	21 024
Other non-current liabilities	**359**	371
Deferred tax liability	**41**	75
Other current liabilities	**1 171**	2 982
Tax payable	**25**	–
Total liabilities	**1 596**	3 428
Net assets	**15 334**	17 596
Summarised income statement		
Profit before tax	**1 782**	241
Taxation	**1**	703
Profit and total comprehensive income for the year	**1 783**	944
The group' s share of profits of equity accounted investment	**839**	463
49% share of profit before tax	**873**	118

Taxation*	**(34)**	345

Reconciliation of summarised financial information		
Net assets at the beginning of the year	**17 596**	14 697
Profit before tax for the year	**1 782**	241
Taxation*	**1**	703
Foreign exchange differences	**(2 017)**	3 022
Dividends paid	**(2 028)**	(1 067)
Net assets at the end of the year	**15 334**	17 596
Carrying value of equity accounted investment	**7 480**	8 622
49% share of net assets, excluding taxation	**7 546**	8 622
100% share of tax liabilities*	**(66)**	–

* The group participates in the joint venture' s net assets (before tax) and pre-tax profits at 49%. With effect from 29 April 2017 as a result of change in tax regulations, tax is levied only on Sasol' s share of profits and as a result any tax liability included in ORYX GTL' s results is included at 100% in our equity-accounted share of the joint venture' s financial results.

The year-end for ORYX GTL Limited is 31 December.

The carrying value of the investment represents the group' s interest in the net assets thereof.

Contingent liabilities

There were no contingent liabilities at 30 June 2017 relating to our joint ventures or associates.

Accounting policies:

The financial results of associates and joint ventures are included in the group' s results according to the equity method from acquisition date until the disposal date. Under the equity method, investments in associates and joint ventures are recognised initially at cost. Subsequent to the acquisition date, the group' s share of profits or losses of associates and joint ventures is charged to the income statement as equity accounted earnings and its share of movements in equity reserves is recognised as other comprehensive income or equity as appropriate. A joint venture is a joint arrangement in which the parties have joint control with rights to the net assets of the arrangement. An associate is an entity, other than a subsidiary, joint venture or joint operation, in which the group has significant influence, but no control or joint control, over financial and operating policies. Associates and joint ventures whose financial year-ends are within three months of 30 June are included in the consolidated financial statements using their most recently audited financial results. Adjustments are made to the associates' and joint ventures financial results for material transactions and events in the intervening period.

20 Interest in joint operations

At 30 June, the group' s interest in material joint operations were:

Name	Country of incorporation	Nature of activities	% of equity owned 2017 Rm	% of equity owned 2016 Rm
Sasol Canada	Canada	Development of shale gas reserves and production and marketing of shale gas	**50**	50
Natref	South Africa	Refining of crude oil	**64**	64

The information provided is Sasol' s share of joint operations (excluding unincorporated joint operations) and includes intercompany transactions and balances.

for the year ended 30 June	Sasol Canada Rm	Natref Rm	Other* Rm	Total 2017 Rm	Total 2016 Rm
Statement of financial position					
External non-current assets	7 083	2 765	6 388	**16 236**	17 034
External current assets	1 042	307	539	**1 888**	3 321
Intercompany current assets	12	227	59	**298**	389
Total assets	8 137	3 299	6 986	**18 422**	20 744
Shareholders' equity	6 430	207	2 256	**8 893**	10 062
Long-term liabilities	1 553	2 423	2 500	**6 476**	7 899
Interest-bearing current liabilities	–	476	323	**799**	399
Non-interest-bearing current liabilities	154	155	326	**635**	858
Intercompany current liabilities	–	38	1 581	**1 619**	1 526
Total equity and liabilities	8 137	3 299	6 986	**18 422**	20 744
Income statement					
Turnover	560	1 802	1 420	**3 782**	3 717
Operating (loss)/profit(1)	(712)	365	2	**(345)**	(10 495)
Other expenses	(9)	(207)	(178)	**(394)**	(377)
Net (loss)/profit before tax	(721)	158	(176)	**(739)**	(10 872)
Taxation	–	(57)	7	**(50)**	(10)
Attributable (loss)/profit	(721)	101	(169)	**(789)**	(10 882)
Statement of cash flows					
Cash flow from operations	575	743	115	**1 433**	1 385
Movement in working capital	(151)	154	187	**190**	(482)
Tax paid	–	(17)	3	**(14)**	(101)
Other expenses	–	(208)	(318)	**(526)**	(523)
Cash available from operations	424	672	(13)	**1 083**	279
Dividends paid	–	(170)	–	**(170)**	(139)
Cash retained from operations	424	502	(13)	**913**	140
Cash flow from investing activities(2)	51	(459)	(1 784)	**(2 192)**	(9 548)
Cash flow from financing activities	(476)	(10)	1 080	**594**	6 215
(Increase)/decrease in cash requirements	(1)	33	(717)	**(685)**	(3 193)

* Includes our high-density polyethylene (HDPE) plant in North America, Central Térmica de Ressano Garcia (CTRG) and Sasol Wilmar Alcohol Industries (Lianyungang) Co Ltd.

(1) 2016 included the impairment of our Canadian shale gas assets of R9,9 billion (CAD880 million) which was due to lower gas prices in North America.

(2) 2016 included the impact of settlement of funding commitments on the Canadian asset.

At 30 June 2017, the group' s share of the total capital commitments of joint operations amounted to R992 million (2016 – R2 066 million).

21 Interest in significant operating subsidiaries

Sasol Limited is the ultimate parent of the Sasol group of companies. Our wholly-owned subsidiary, Sasol Investment Company (Pty) Ltd, a company incorporated in the Republic of South Africa, holds primarily our interests in companies incorporated outside of South Africa. The following table presents each of the group' s significant subsidiaries (including direct and indirect holdings), the nature of activities, the percentage of shares of each subsidiary owned and the country of incorporation at 30 June.

There are no significant restrictions on the ability of the group' s subsidiaries to transfer funds to Sasol Limited in the form of cash dividends or repayment of loans or advances.

Name	Country of incorporation	Nature of activities	% of equity owned		Investment at cost (Rm)[1]	
			2017	**2016**	**2017**	**2016**
Significant operating subsidiaries						
Direct						
Sasol Mining Holdings (Pty) Ltd	South Africa	Holding company of the group' s mining interests	**100**	100	**8 638**	8 636
Sasol Technology (Pty) Ltd	South Africa	Engineering services, research and development and technology transfer	**100**	100	**316**	1 552
Sasol Financing (Pty) Ltd	South Africa	Management of cash resources, investments and procurement of loans (for South African operations)	**100**	100	**5 479**	*
Sasol Investment Company (Pty) Ltd	South Africa	Holding company for foreign investments	**100**	100	**54 665**	51 185
Sasol South Africa (Pty) Ltd[2]	South Africa	Integrated petrochemicals and energy company	**100**	100	**19 704**	19 043
Sasol Middle East and India (Pty) Ltd	South Africa	Develop and implement international GTL and CTL ventures	**100**	100	**10 094**	10 087
Sasol Gas (Pty) Ltd[3]	South Africa	Marketing, distribution and transportation of pipeline gas and the maintenance of pipelines used to transport gas	**–**	100	**–**	48
Sasol Africa (Pty) Ltd	South Africa	Exploration, development, production, marketing and distribution of natural oil and gas and associated products	**100**	100	**7 270**	7 270
Sasol Oil (Pty) Ltd	South Africa	Marketing of fuels and lubricants	**75**	75	**651**	617
Sasol New Energy Holdings (Pty) Ltd	South Africa	Developing lower-carbon energy solutions	**100**	100	**1 545**	1 545

* Nominal amount.
(1) The cost of these investments represents the holding company' s investment in the subsidiaries, which eliminate on consolidation.
(2) Sasol Limited holds 97% interest in Sasol South Africa (Pty) Ltd. The remaining 3% interest is held by other subsidiaries in the group.
(3) As from 30 June 2017 the Sasol Gas (Pty) Ltd investment is held by Sasol South Africa (Pty) Ltd.

Name	Country of incorporation	Nature of activities	% of equity owned 2017	% of equity owned 2016
Significant operating subsidiaries				
Indirect				
The Republic of Mozambique Pipeline Investment Company (Pty) Ltd (Rompco)*	South Africa	Owning and operating of the natural gas transmission pipeline between Temane in Mozambique and Secunda in South Africa for the transportation of natural gas produced in Mozambique to markets in Mozambique and South Africa	**50**	50
Sasol Financing International Limited	South Africa	Management of cash resources, investment and procurement of loans (for our foreign operations)	**100**	100
Sasol Gas (Pty) Ltd(1)	South Africa	Marketing, distribution and transportation of pipeline gas and the maintenance of pipelines used to transport gas	**100**	–
Sasol Germany GmbH	Germany	Production, marketing and distribution of chemical products	**100**	100
Sasol Italy SpA	Italy	Trading and transportation of oil products, petrochemicals and chemical products and derivatives	**100**	100
Sasol Mining (Pty) Ltd	South Africa	Coal mining activities	**90**	90
Sasol Canada Holdings Limited	Canada	Exploration, development, production, marketing and distribution of natural oil and gas and associated products in Canada	**100**	100
Sasol Chemicals (USA) LLC	United States of America	Production, marketing and distribution of chemical products	**100**	100

* Through contractual arrangements Sasol exercises control over the relevant activities of Rompco.
(1) As from 30 June 2017 the Sasol Gas (Pty) Ltd investment is held by Sasol South Africa (Pty) Ltd.

Our other interests in subsidiaries are not considered significant.

Non-controlling interests

The group has a number of subsidiaries with non-controlling interests, however none of them were material to the financial statements.

Guarantees

Sasol Limited has guaranteed the fulfilment of various subsidiaries' obligations in terms of contractual agreements. The group has guaranteed the borrowing facilities and banking arrangements of certain of its subsidiaries.

Areas of judgement:

The disclosure of subsidiaries is based on materiality taking into account the contribution to turnover, assets of the group, and the way the business is managed and reported on.

Control is obtained when Sasol is exposed, or has rights, to variable returns from its involvement with the subsidiary and has the ability to affect those returns through our power over the subsidiary.

The financial results of all entities that have a functional currency different from the presentation currency of their parent entity are translated into the presentation currency. Income and expenditure transactions of foreign operations are translated at the average rate of exchange for the year except for significant individual transactions which are translated at the exchange rate ruling at that date. All assets and liabilities, including fair value adjustments and goodwill arising on acquisition, are translated at the rate of exchange ruling at the reporting date. Differences arising on translation are recognised as other comprehensive income and are included in the foreign currency translation reserve.

Working capital

22 Inventories
Carrying value

for the year ended 30 June	2017 Rm	2016 Rm
Crude oil and other raw materials	**3 521**	3 699
Process material	**1 794**	1 459
Maintenance materials	**5 201**	4 907
Work in progress	**2 044**	2 140
Manufactured products	**12 629**	11 260
Consignment inventory	**185**	333
	25 374	23 798
Business segmentation		
Mining	**1 514**	1 387
Exploration and Production International	**155**	202
Energy	**6 912**	5 947
Base Chemicals	**5 975**	5 628
Performance Chemicals	**10 762**	10 579
Group Functions	**56**	55
Total operations	**25 374**	23 798

The impact of lower crude oil and chemical product prices has resulted in a net realisable value write-down of R470 million in 2017 (2016 – R344 million).

Inventories with a carrying value of R3 165 million (2016 – R3 181 million) are encumbered. Inventory of R3 015 million (2016 – R3 181 million) is held at net realisable value.

Accounting policies:

Inventories are stated at the lower of cost and net realisable value. Cost includes expenditure incurred in acquiring, manufacturing and transporting the inventory to its present location. Manufacturing costs include an allocated portion of production overheads which are directly attributable to the cost of manufacturing such inventory. The allocation is determined based on the greater of normal production capacity and actual production. The costs attributable to any inefficiencies in the production process are charged to the income statement as incurred.

By-products are incidental to the manufacturing processes, are usually produced as a consequence of the main product stream, and are immaterial to the group. Revenue from sale of by-products is offset against the cost of the main products.

Cost is determined as follows:

Crude oil and other raw materials	First-in-first-out valuation method (FIFO)
Process, maintenance and other materials	Weighted average purchase price
Work-in-progress	Manufacturing costs incurred
Manufactured products including consignment inventory	Manufacturing costs according to FIFO

23 Trade and other receivables

for the year ended 30 June	2017 Rm	2016 Rm
Trade receivables	**20 982**	20 752
Other receivables*	**3 759**	4 262
Related party receivables – equity accounted investments	**92**	1 009
Impairment of trade receivables	**(158)**	(183)
Trade and other receivables	**24 675**	25 840
Duties recoverable from customers	**412**	554
Prepaid expenses	**1 133**	702
Value added tax	**1 421**	1 330
	27 641	28 426

* Other receivables include short-term portion of long-term receivables, cell captive and insurance related receivables, receivables related to exploration activities and employee-related receivables.

Credit risk exposure in respect of trade receivables is analysed as follows:

for the year ended 30 June	Carrying value 2017 Rm	Impairment 2017 Rm	Carrying value 2016 Rm	Impairment 2016 Rm
Age analysis of trade receivables				
Not past due date	**19 537**	**5**	19 428	–
Past due 0 - 30 days	**1 073**	**7**	794	4
Past due 31 - 150 days	**197**	**6**	283	16
Past due 151 days - one year	**22**	**10**	83	22
More than one year**	**153**	**130**	164	141
	20 982	**158**	20 752	183

** More than one year relates to long outstanding balances for specific customers who have exceeded their contractual repayment terms.

Impairment of trade receivables

Trade receivables that are not past their due date are not considered to be impaired, except where they are part of individually impaired trade receivables. The individually impaired trade receivables mainly relate to certain customers who are trading in difficult economic circumstances.

No individual customer represents more than 10% of the group' s trade receivables.

Fair value of trade receivables

The carrying value approximates fair value because of the short period to maturity of these instruments.

Collateral

The group holds no collateral over the trade receivables which can be sold or pledged to a third party.

	2017 Rm	2016 Rm
Business segmentation		
Mining	**422**	308
Exploration and Production International	**743**	762
Energy	**8 323**	8 212
Base Chemicals	**5 562**	5 817
Performance Chemicals	**9 793**	9 945
Group Functions	**2 798**	3 382
Total operations	**27 641**	28 426

Accounting policies:

Trade and other receivables are recognised initially at fair value and subsequently stated at amortised cost using the effective interest rate method, less impairment losses.

24 Trade and other payables

for the year ended 30 June	2017 Rm	2016 Rm
Trade payables	**11 941**	12 178
Capital project related payables*	**11 883**	9 482
Accrued expenses	**2 220**	1 899
Related party payables	**87**	133
third parties	**18**	51
equity accounted investments	**69**	82
Trade payables	**26 131**	23 692
Other payables**	**6 068**	6 054
Duties payable to revenue authorities	**4 004**	3 264
Value added tax	**197**	307
	36 400	33 317

* The increase in capital project related payables relate to the Lake Charles Chemicals Project.

** Other payables includes employee-related payables.

No individual vendor represents more than 10% of the group' s trade payables.

Fair value of trade and other payables

The carrying value approximates fair value because of the short period to settlement of these obligations.

Accounting policies:

Trade and other payables are initially recognised at fair value and subsequently stated at amortised cost. Capital project related payables are excluded from working capital, as the nature and risks of these payables are not considered to be aligned to operational trade payables.

25 (Increase)/decrease in working capital

	2017 Rm	2016 Rm	2015 Rm
(Increase)/decrease in inventories	**(3 214)**	1 125	3 764
(Increase)/decrease in trade receivables	**(346)**	2 849	2 770
Increase/(decrease) in trade payables	**1 393**	(2 274)	(1 173)
(Increase)/decrease in working capital	**(2 167)**	1 700	5 361

Sasol Limited Group
Working capital
(continued)

Cash management

26 Cash and cash equivalents

for the year ended 30 June	Note	2017 Rm	2016 Rm
Cash restricted for use		**1 803**	2 331
Cash		**27 643**	49 985
Cash and cash equivalents		**29 446**	52 316
Bank overdraft		**(123)**	(136)
Per the statement of cash flows		**29 323**	52 180
Cash by currency			
Rand		**14 037**	13 437
Euro		**2 994**	7 323
US Dollar		**10 605**	28 376
Other currencies		**1 687**	3 044
		29 323	52 180
Cash restricted for use			
In trust	26.1	**447**	331
In respect of joint operations	26.2	**559**	1 538
Other	26.3	**797**	462
		1 803	2 331

Included in cash restricted for use:

26.1 Cash held in trust is restricted for use and held in escrow. Includes R322 million (2016 − R315 million) for the rehabilitation of various sites.

26.2 Cash in respect of joint operations can only be utilised for the business activities of the joint operations. This includes Sasol' s interests in the high-density polyethylene (HDPE) plant in North America of R85 million (2016 - R565 million); in the Canadian shale gas asset of R117 million (2016 - R545 million) and the Sasol gas pipeline in Mozambique of R263 million (2016 - R239 million). The decrease from prior year relates mainly to progress made on the construction of the HDPE plant, as well as further optimisation of the capital profile of the Canadian shale gas asset.

26.3 Other cash restricted for use includes deposits for future abandonment site obligations and decommissioning of pipelines, as well as cash deposits serving as collateral for bank guarantees.

Fair value of cash and cash equivalents

The carrying value of cash and cash equivalents approximates fair value due to the short-term maturity of these instruments.

Accounting policies:

Cash and cash equivalents comprises cash on hand, cash restricted for use, bank overdraft, demand deposits and other short-term highly liquid investments with a maturity period of three months or less at date of purchase. Cash and cash equivalents are stated at carrying amount which is deemed to be fair value. Bank overdrafts are offset against cash and cash equivalents in the statement of cash flows.

Cash restricted for use comprises cash and cash equivalents which are not available for general use by the group, including amounts held in escrow, trust or other separate bank accounts.

27 Cash generated by operating activities

for the year ended 30 June	Note	2017 Rm	2016 Rm	2015 Rm
Cash flow from operations	28	**46 236**	52 973	56 422
(Increase)/decrease in working capital	25	**(2 167)**	1 700	5 361
		44 069	54 673	61 783

28 Cash flow from operations

	Note	2017 Rm	2016 Rm	2015 Rm
Operating profit		**31 705**	24 239	46 549
Adjusted for				
share of profits of equity accounted investments	19	**(1 071)**	(509)	(2 057)
equity-settled share-based payment	34	**463**	123	501
depreciation and amortisation		**16 204**	16 367	13 567
effect of remeasurement items	8	**1 616**	12 892	807
movement in long-term provisions				
income statement charge	30	**228**	2 687	(2 239)
utilisation	30	**(969)**	(1 754)	(1 545)
movement in short-term provisions		**(215)**	(2 378)	(716)
movement in post-retirement benefits		**356**	402	129
translation effects		**(11)**	581	1 012
write-down of inventories to net realisable value		**470**	344	249
movement in financial assets and liabilities		**(3 120)**	698	–
movement in other receivables and payables		**50**	157	–
other non-cash movements		**530**	(876)	165
		46 236	52 973	56 422

29 Dividends paid

	2017 Rm	2016 Rm	2015 Rm
Final dividend – prior year	**5 650**	7 140	8 376
Interim dividend – current year	**2 978**	3 540	4 363
	8 628	10 680	12 739
Forecast cash flow on final dividend – current year	**4 844**	5 650	7 135

The forecast cash flow on the final dividend is calculated based on the net number of Sasol ordinary shares in issue at 30 June 2017 of 651,4 million. The actual dividend payment will be determined on the record date of 30 September 2017.

Provisions

30 Long-term provisions

for the year ended 30 June	Environmental Rm	Share-based payments* Rm	Other Rm	Total Rm
2017				
Balance at beginning of year	17 128	2 515	2 230	**21 873**
Capitalised in property, plant and equipment and assets under construction	742	–	–	**742**
Long-term incentive scheme converted to equity settled (note 34)	–	(645)	–	**(645)**
Reduction in rehabilitation provision capitalised**	(2 153)	–	–	**(2 153)**
Reclassification from other liabilities	–	–	8	**8**
Per the income statement	339	(237)	126	**228**
additional provisions and changes to existing provisions	493	(237)	131	**387**
reversal of unutilised amounts	(180)	–	(5)	**(185)**
effect of change in discount rate	26	–	–	**26**
Notional interest	824	–	10	**834**
Utilised during year (cash flow)	(164)	(748)	(57)	**(969)**
Foreign exchange differences recognised in income statement	(662)	–	(71)	**(733)**
Translation of foreign operations	(338)	–	(68)	**(406)**
Balance at end of year	**15 716**	**885**	**2 178**	**18 779**

for the year ended 30 June	Environmental Rm	Share-based payments Rm	Other Rm	Total Rm
Long-term provisions				
2016				
Balance at beginning of year	11 022	3 529	1 873	16 424

Capitalised in property, plant and equipment and assets under construction	2 707	–	–	2 707
Reduction in capitalised rehabilitation provision	(94)	–	–	(94)
Disposals	(44)	–	(312)	(356)
Reclassification from other liabilities	–	–	130	130
Per the income statement	1 946	371	370	2 687
additional provisions and changes to existing provisions	946	371	385	1 702
reversal of unutilised amounts	(77)	–	(14)	(91)
effect of change in discount rate	1 077	–	(1)	1 076
Notional interest	648	–	9	657
Utilised during year (cash flow)	(242)	(1 385)	(127)	(1 754)
Foreign exchange differences recognised in income statement	759	–	106	865
Translation of foreign operations	426	–	181	607
Balance at end of year	17 128	2 515	2 230	21 873

* Refer note 33 for accounting policies and areas of judgement used in calculating the share-based payment provision (cash settled).
** In 2017, reduction in rehabilitation capitalised, relates to a reassessment of our provision based on legislation changes, discount rates and new rehabilitation methods which resulted in a reduction of R2,1 billion.

for the year ended 30 June	**Note**	**2017 Rm**	**2016 Rm**
Expected timing of future cash flows			
Within one year		**2 131**	3 063
One to five years		**4 196**	3 993
More than five years		**12 452**	14 817
		18 779	21 873
Short-term portion	31	**(2 131)**	(3 063)
Long-term provisions		**16 648**	18 810
Estimated undiscounted obligation*		**102 729**	119 366

* In 2017, we re-assessed our provision based on legislation changes and new rehabilitation methods which resulted in a reduction of the undiscounted obligation.

Business segmentation		
Mining	**1 573**	1 695
Exploration and Production International	**5 857**	8 083
Energy	**3 091**	3 949
Base Chemicals	**3 104**	2 379
Performance Chemicals	**2 224**	2 185
Group Functions	**799**	519
Total operations	**16 648**	18 810

Environmental provisions

In accordance with the group' s published environmental policy and applicable legislation, a provision for rehabilitation is recognised when the obligation arises, representing the estimated actual cash flows in the period in which the obligation is settled.

The environmental obligation includes estimated costs for the rehabilitation of coal mining, oil, gas and petrochemical sites. The amount provided is calculated based on currently available facts and applicable legislation.

The total environmental provision at 30 June 2017 amounted to R15 716 million (2016 − R17 128 million). In line with the requirements of the legislation of South Africa, the utilisation of certain investments is restricted for mining rehabilitation purposes. These investments amounted to R582 million (2016 − R543 million). In addition, guarantees of R497 million (2016 − R497 million) and indemnities of R541 million (2016 − R541 million) are in place from Sasol Financing and other financial institutions. Restricted cash of R322 million (2016 − R315 million) is held in escrow, primarily for the purpose of rehabilitation.

The following risk-free rates were used to discount the estimated cash flows based on the underlying currency and time duration of the obligation.

for the year ended 30 June	2017 %	2016 %
South Africa	**7,3 to 8,6**	7,7 to 8,8
Europe	**0,0 to 1,5**	0,0 to 0,8
United States of America	**1,3 to 2,6**	0,7 to 1,9
Canada	**0,9 to 2,5**	0,9 to 1,9

for the year ended 30 June	2017 Rm	2016 Rm
A 1% point change in the discount rate would have the following effect on the long-term provisions recognised		
Increase in the discount rate	**(2 983)**	(3 460)
amount capitalised to property, plant and equipment	**(1 646)**	(2 059)
income recognised in income statement	**(1 337)**	(1 401)
Decrease in the discount rate	**4 114**	4 723
amount capitalised to property, plant and equipment	**2 272**	2 757
expense recognised in income statement	**1 842**	1 966

31 Short-term provisions

for the year ended 30 June	Note	2017 Rm	2016 Rm
Other provisions		**522**	825
Short-term portion of			
long-term provisions	30	**2 131**	3 063
post-retirement benefit obligations	32	**354**	358
		3 007	4 246

Accounting policies:

Long-term provisions are determined by discounting the expected future cash flows using a pre-tax discount rate to their present value. The increase in discounted long-term provisions as a result of the passage of time is recognised as a finance expense in the income statement.

Estimated long-term environmental provisions, comprising pollution control, rehabilitation and mine closure, are based on the group' s environmental policy taking into account current technological, environmental and regulatory requirements. The provision for rehabilitation is recognised as and when the environmental liability arises. To the extent that the obligations relate to the construction of an asset, they are capitalised as part of the cost of those assets. The effect of subsequent changes to assumptions in estimating an obligation for which the provision was recognised as part of the cost of the asset is adjusted against the asset. Any subsequent changes to an obligation which did not relate to the initial construction of a related asset are charged to the income statement. The estimated present value of future decommissioning costs, taking into account current environmental and regulatory requirements, is capitalised as part of property, plant and equipment, to the extent that they relate to the construction of the asset, and the related provisions are raised. These estimates are reviewed at least annually.

Deferred tax is recognised on the temporary differences in relation to both the asset to which the obligation relates to and rehabilitation provision.

Termination benefits are recognised as a liability at the earlier of the date of recognition of restructuring costs or when the group is demonstrably committed, without realistic possibility of withdrawal, to a formal detailed plan to either terminate employment before normal retirement date, or to provide termination benefits as a result of an offer made to encourage voluntary redundancy. In the case of an offer to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits that are expected to be wholly settled more than 12 months after the end of the reporting period are discounted to their present value.

Areas of judgement:

The determination of long-term provisions, in particular environmental provisions, remains a key area where management' s judgement is required. Estimating the future cost of these obligations is complex and requires management to make estimates and judgements because most of the obligations will only be fulfilled in the future and contracts and laws are often not clear regarding what is required. The resulting provisions could also be influenced by changing technologies and political, environmental, safety, business and statutory considerations.

It is envisaged that, based on the current information available, any additional liability in excess of the amounts provided will not have a material adverse effect on the group' s financial position, liquidity or cash flow.

32 Post-retirement benefit obligations

for the year ended 30 June	Note	2017 Rm	2016 Rm
Post-retirement healthcare benefits	32.1		
South Africa		**3 921**	3 690
United States of America		**242**	304
		4 163	3 994
Net pension benefits	32.2		
South Africa − post-retirement benefit asset		**(622)**	(614)
Foreign − post-retirement benefit obligation		**7 260**	9 067
		6 638	8 453

Total post-retirement benefit assets	**(622)**	(614)

for the year ended 30 June	2017 Rm	2016 Rm
Total post-retirement benefit obligations	**11 423**	13 061
Less short-term portion		
post-retirement healthcare benefits	**(178)**	(166)
pension benefits	**(176)**	(192)
Total long-term post-retirement benefit obligations	**11 069**	12 703

The group provides post-retirement medical and pension benefits to certain of its retirees, principally in South Africa, Europe and the United States of America. Generally, medical coverage provides for a specified percentage of most medical expenses, subject to pre-set rules and maximum amounts. Pension benefits are payable in the form of retirement, disability and surviving dependent pensions. The medical benefits are unfunded. The pension benefits in South Africa are funded.

Accounting policies:

The group operates or contributes to defined contribution pension plans and defined benefit pension plans for its employees in certain of the countries in which it operates. These plans are generally funded through payments to trustee-administered funds as determined by annual actuarial calculations.

Defined contribution pension plans are plans under which the group pays fixed contributions into a separate legal entity and has no legal or constructive obligation to pay further amounts. Contributions to defined contribution pension plans are charged to the income statement as an employee expense in the period in which the related services are rendered by the employee.

The group' s net obligation in respect of defined benefit pension plans is actuarially calculated separately for each plan by deducting the fair value of plan assets from the gross obligation for post-retirement benefits. The gross obligation is determined by estimating the future benefit attributable to members in return for services rendered to date.

This future benefit is discounted to determine its present value, using discount rates based on government bonds for South African obligations, and corporate bonds in Europe and the US, that have maturity dates approximating the terms of the group' s obligations and which are denominated in the currency in which the benefits are expected to be paid. Independent actuaries perform this calculation annually using the projected unit credit method.

Defined contribution members employed before 2009 have an option to purchase a defined benefit pension with their member share. This option gives rise to actuarial risk, and as such, these members are accounted for as part of the defined benefit fund and are disclosed as such.

Past service costs are charged to the income statement at the earlier of the following dates:

- when the plan amendment or curtailment occurs; and
- when the group recognises related restructuring costs or termination benefits.

Actuarial gains and losses arising from experience adjustments and changes to actuarial assumptions, the return on plan assets (excluding amounts included in net interest on the defined benefit liability/(asset)) and any changes in the effect of the asset ceiling (excluding amounts included in net interest on the defined benefit liability/(asset)) are remeasurements that are recognised in other comprehensive income in the period in which they arise.

Where the plan assets exceed the gross obligation, the asset recognised is limited to the lower of the surplus in the defined benefit plan and the asset ceiling is determined using a discount rate based on government bonds.

Surpluses and deficits in the various plans are not offset.

The entitlement to healthcare benefits is usually based on the employee remaining in service up to retirement age and the completion of a minimum service period. The expected costs of these benefits are accrued on a systematic basis over the expected remaining period of employment, using the accounting methodology described in respect of defined benefit pension plans above. Independent actuaries perform the calculation of this obligation annually.

	Healthcare benefits	Pension benefits
Last actuarial valuation − South Africa	**31 March 2017**	**31 March 2017**
Last actuarial valuation − United States of America	**30 April 2017**	**30 April 2017**
Last actuarial valuation − Europe	**n/a**	**30 April 2017**
Full/interim valuation	**Full**	**Full**
Valuation method adopted	**Projected unit credit**	**Projected unit credit**

The plans have been assessed by the actuaries and have been found to be in sound financial positions.

Principal actuarial assumptions

Weighted average assumptions used in performing actuarial valuations determined in consultation with independent actuaries.

32 Post-retirement benefit obligations continued

	South Africa		United States of America		Europe	
	2017	2016	2017	2016	2017	2016
at valuation date	%	%	%	%	%	%
Healthcare cost inflation						
initial	**7,5**	7,5	**7,0***	7,0*	**n/a**	n/a
ultimate	**7,5**	7,5	**5,5***	5,5*	**n/a**	n/a
Discount rate − post-retirement medical benefits	**9,8**	9,9	**3,5**	3,2	**n/a**	n/a
Discount rate − pension benefits	**10,1**	9,8	**2,7**	2,5	**1,9**	1,7
Pension increase assumption	**5,2**	4,9	**n/a****	n/a**	**1,8**	1,8

Average salary increases	**5,5+**	5,5+	**4,2**	4,2	**2,8**	2,8
Weighted average duration of the obligation − post-retirement medical obligation	**15 years**	17 years	**9 years**	9 years	**n/a**	n/a
Weighted average duration of the obligation − pension obligation	**13 years**	14 years	**14 years**	15 years	**18 years**	19 years

Assumptions regarding future mortality are based on published statistics and mortality tables.

* The healthcare cost inflation rate in respect of the plans for the United States of America is capped. All additional future increases due to the healthcare cost inflation will be borne by the participants.

** There are no automatic pension increases for the United States pension plan.

\+ In line with our low oil price Response Plan, forecasted salary increases are linked to inflation.

32.1 Post-retirement healthcare benefits

Reconciliation of projected benefit obligation to the amount recognised in the statement of financial position

	South Africa		United States of America		Total	
	2017	**2016**	**2017**	**2016**	**2017**	**2016**
for the year ended 30 June	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**
Projected benefit obligation	**3 921**	3 690	**242**	304	**4 163**	3 994
Less short-term portion	**(159)**	(144)	**(19)**	(22)	**(178)**	(166)
Non-current post-retirement healthcare obligation	**3 762**	3 546	**223**	282	**3 985**	3 828

Reconciliation of the total post-retirement healthcare obligation recognised in the statement of financial position

	South Africa		United States of America		Total	
	2017	**2016**	**2017**	**2016**	**2017**	**2016**
for the year ended 30 June	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**	**Rm**
Total post-retirement healthcare obligation at beginning of year	**3 690**	4 054	**304**	249	**3 994**	4 303
Movements recognised in the income statement:	**414**	405	**19**	20	**433**	425
current service cost	**59**	77	**11**	10	**70**	87
interest cost	**357**	354	**8**	10	**365**	364
curtailments and settlements[(1)]	**(2)**	(26)	**–**	–	**(2)**	(26)
Actuarial (gains)/losses recognised in other comprehensive income:	**(32)**	(632)	**(21)**	4	**(53)**	(628)
arising from changes in financial assumptions	**54**	(483)	**(8)**	14	**46**	(469)
arising from changes in demographic assumptions	**–**	–	**1**	2	**1**	2

arising from changes in actuarial experience	**(86)**	(149)	**(14)**	(12)	**(100)**	(161)
Benefits paid	**(151)**	(137)	**(24)**	(25)	**(175)**	(162)
Translation of foreign operations	**–**	–	**(36)**	56	**(36)**	56
Total post-retirement healthcare obligation at end of year	**3 921**	3 690	**242**	304	**4 163**	3 994

(1) Amount represents employees who were offered voluntary retrenchment packages in terms of the Business Performance Enhancement Programme and Response Plan initiatives.

Sensitivity analysis

The sensitivity analysis is performed in order to assess how the post-retirement healthcare obligation would be affected by changes in the actuarial assumptions underpinning the calculation.

	South Africa		United States of America	
	2017	2016	2017	2016
for the year ended 30 June	Rm	Rm	Rm	Rm
1% point change in actuarial assumptions:				
Increase in the healthcare cost inflation	**594**	571	**–***	–*
Decrease in the healthcare cost inflation	**(487)**	(467)	**–***	–*
Increase in the discount rate	**(472)**	(453)	**(20)**	(25)
Decrease in the discount rate	**584**	561	**24**	30
Increase in the pension increase assumption	**145**	138	**–***	–*
Decrease in the pension increase assumption	**(183)**	(174)	**–***	–*

* A change in the healthcare cost inflation for the United States of America will not have an effect on the above components or the obligation as the employer' s cost is capped and all future increases due to the healthcare cost inflation are borne by the participants. There are no automatic pension increases for the United States pension plan.

The sensitivities may not be representative of the actual change in the post-retirement healthcare obligation, as it is unlikely that the changes would occur in isolation of one another, and some of the assumptions may be correlated.

Pension increase risk

The South African healthcare plan is linked to pension benefits paid, which are to some extent linked to inflation. Accordingly, increased inflation levels represent a risk that could increase the cost of paying the funds committed to benefits.

Healthcare cost inflation risk

Healthcare cost inflation is CPI inflation plus two percentage points over the long term. An increase in healthcare cost inflation will increase the obligation of the plan.

32.1 Post-retirement healthcare benefits continued

Discount rate risk

The discount rate is derived from prevailing bond yields. A decrease in the discount rate will increase the obligation of the plan.

Other

Changes in other assumptions used could also affect the measured liabilities. There is also a regulatory risk as well as foreign funds under the jurisdiction of other countries. To the extent that governments can change the regulatory frameworks, there may be a risk that minimum benefits or minimum pension increases may be instituted, increasing the associated cost for the fund.

32.2 Pension benefits

South African operations

Background

In 1994, all members were given the choice to voluntarily transfer to the newly established defined contribution section of the pension fund and approximately 99% of contributing members chose to transfer to the defined contribution section.

Defined benefit option for defined contribution members

In terms of the rules of the fund, on retirement, employees employed before 1 January 2009 have an option to purchase a defined benefit pension with their member share. Should a member elect this option, the group is exposed to actuarial risk. In terms of IAS 19, the classification requirements stipulate that where an employer is exposed to any actuarial risk, the fund must be classified as a defined benefit plan.

Fund assets

The assets of the fund are held separately from those of the company in a trustee administered fund, registered in terms of the South African Pension Funds Act, 1956. Included in the fund assets are 2 253 108 Sasol ordinary shares valued at R826 million at year-end (2016 − 2 253 108 Sasol ordinary shares valued at R895 million) purchased under terms of an approved investment strategy.

Membership

A significant number of employees are covered by union sponsored, collectively bargained, and in some cases, multi-employer defined contribution pension plans. Information from the administrators of these plans offering defined benefits is not sufficient to permit the company to determine its share, if any, of any unfunded vested benefits.

Pension fund assets

The assets of the pension funds are invested as follows:

	South Africa		United States of America	
	2017	**2016**	**2017**	**2016**
at 30 June	**%**	**%**	**%**	**%**
Equities	**53**	55	**44**	43

resources	**5**	5	**7**	8
industrials	**2**	3	**5**	5
consumer discretionary	**14**	12	**5**	5
consumer staples	**13**	15	**3**	4
healthcare	**4**	5	**5**	5
information technologies	**3**	3	**9**	6
telecommunications	**2**	2	**2**	1
financials (ex real estate)	**10**	10	**8**	9
Fixed interest	**10**	10	**44**	45
Direct property	**16**	14	**7**	7
Listed property	**7**	8	**–**	–
Cash and cash equivalents	**3**	2	**–**	–
Third party managed assets	**11**	11	**–**	–
Other	**–**	–	**5**	5
Total	**100**	100	**100**	100

The pension fund assets are measured at fair value at valuation date. The fair value of equity has been calculated by reference to quoted prices in an active market. The fair value of property and other assets has been determined by performing market valuations and using other valuation techniques at the end of each reporting period.

Investment strategy

The investment objectives of the group' s pension plans are designed to generate returns that will enable the plans to meet their future obligations as well as returns greater than their policy benchmark reflecting the target weights of the asset classes used in its targeted strategic asset allocation. The precise amount for which these obligations will be settled depends on future events, including the life expectancy of the plan' s members and salary inflation. The obligations are estimated using actuarial assumptions, based on the current economic environment.

The trustees target the plans' asset allocation within the following ranges within each asset class:

	South Africa[1]		**United States of America**	
Asset classes	**Minimum %**	**Maximum %**	**Minimum %**	**Maximum %**
Equities				
local	**35**	**55**	**25**	**65**
foreign	**5**	**25**	**–**	**25**
Fixed interest	**5**	**25**	**20**	**65**
Property	**10**	**25**	**–**	**20**
Other	**–**	**15**	**–**	**20**

(1) Members of the scheme have a choice of four investment portfolios. The targeted allocation disclosed represents the moderate balanced investment portfolio which the majority of the members of the scheme have adopted. The total assets of the fund under these investment portfolios are R137 million, R46 762 million, R707 million and R471 million for the low risk portfolio, moderate balanced portfolio, aggressive balanced portfolio and money market portfolio, respectively. Defined benefit members' funds are invested in the moderate balanced portfolio. The money market portfolio is restricted to active members from age 55.

The trustees of the respective funds monitor investment performance and portfolio characteristics on a regular basis to ensure that managers are meeting expectations with respect to their investment approach. There are restrictions and controls placed on managers in this regard.

Reconciliation of the projected net pension liability/(asset) recognised in the statement of financial position

	South Africa		Foreign		Total	
for the year ended 30 June	**2017 Rm**	**2016 Rm**	**2017 Rm**	**2016 Rm**	**2017 Rm**	**2016 Rm**
Projected benefit obligation (funded)	**46 508**	44 823	**2 913**	3 208	**49 421**	48 031
defined benefit portion	**19 200**	18 290	**2 913**	3 208	**22 113**	21 498
defined benefit option for defined contribution members	**27 308**	26 533	–	–	**27 308**	26 533
Plan assets	**(48 340)**	(46 752)	**(2 514)**	(2 439)	**(50 854)**	(49 191)
defined benefit portion	**(21 669)**	(20 691)	**(2 514)**	(2 439)	**(24 183)**	(23 130)
defined benefit option for defined contribution members	**(26 671)**	(26 061)	–	–	**(26 671)**	(26 061)
Projected benefit obligation (unfunded)	–	–	**6 861**	8 298	**6 861**	8 298
Asset not recognised due to asset limitation	**1 210**	1 315	–	–	**1 210**	1 315
Net liability/(asset) recognised	**(622)**	(614)	**7 260**	9 067	**6 638**	8 453

The decrease of R105 million in the asset limitation (2016 – R749 million) was recognised as a gain in other comprehensive income.

	South Africa		Foreign		Total	
for the year ended 30 June	**2017 Rm**	**2016 Rm**	**2017 Rm**	**2016 Rm**	**2017 Rm**	**2016 Rm**
Pension asset	**(622)**	(614)	–	–	**(622)**	(614)
Pension benefit obligation	–	–	**7 260**	9 067	**7 260**	9 067
long-term portion	–	–	**7 084**	8 875	**7 084**	8 875
short-term portion	–	–	**176**	192	**176**	192
Net liability/(asset)	**(622)**	(614)	**7 260**	9 067	**6 638**	8 453

The obligation which arises for the defined contribution members with the option to purchase into the defined benefit fund is limited to the assets that they have accumulated until retirement date. However, after retirement date, there is actuarial risk associated with the members as full defined benefit members. Accordingly, the obligation recognised for the defined contribution members exceeds their related asset.

32 **Post-retirement benefit obligations** continued

32.2 **Pension benefits** continued

Based on the latest actuarial valuation of the fund and the approval of the trustees of the surplus allocation, the company has an unconditional entitlement to only the funds in the employer surplus account and the contribution reserve. The estimated surplus due to the company amounted to approximately R622 million (2016 − R614 million) and has been included in the pension asset recognised in the current year.

Investment risk

The actuarial valuation assumes certain asset returns on invested assets. If actual returns on plan assets are below the assumption, this may lead to a strain on the fund, which, over time, may lead to a plan deficit. In order to mitigate the concentration risk, the fund assets are invested across equity securities, property securities and debt securities. Given the long-term nature of the obligations, it is considered appropriate that investment is made in equities and real estate to improve the return generated by the fund. These may result in improved pension benefits to members.

Pension increase risk

Benefits in these plans are to some extent linked to inflation so increased inflation levels represent a risk that could increase the cost of paying the funds committed to benefits. This risk is mitigated as pension benefits are subject to affordability.

Discount rate risk

The discount rate is derived from prevailing bond yields. A decrease in the discount rate used will increase the obligation of the plan.

Other

Changes in other assumptions used could also affect the measured liabilities. There is also a regulatory risk as well as foreign funds under the jurisdiction of other countries. To the extent that governments can change the regulatory frameworks, there may be a risk that minimum benefits or minimum pension increases may be instituted, increasing the associated cost for the fund.

Reconciliation of projected benefit obligation

	South Africa		Foreign		Total	
	2017	2016	2017	2016	2017	2016
for the year ended 30 June	Rm	Rm	Rm	Rm	Rm	Rm
Projected benefit obligation at beginning of year	**44 823**	42 473	**11 506**	8 142	**56 329**	50 615
Movements recognised in income statement:	**5 277**	4 602	**587**	606	**5 864**	5 208
current service cost	**927**	965	**370**	354	**1 297**	1 319
past service cost	**−**	−	**21**	13	**21**	13

interest cost	**4 350**	3 640	**196**	232	**4 546**	3 872
curtailments and settlements	–	(3)	–	7	–	4
Actuarial (gains)/losses recognised in other comprehensive income:	**(1 803)**	(1 004)	**(931)**	1 536	**(2 734)**	532
arising from changes in demographic assumptions	–	–	**(3)**	1	**(3)**	1
arising from changes in financial assumptions	**(1 803)**	(1 004)	**(971)**	1 564	**(2 774)**	560
arising from change in actuarial experience	–	–	**43**	(29)	**43**	(29)
Member contributions	**411**	679	–	–	**411**	679
Benefits paid	**(2 200)**	(1 927)	**(304)**	(474)	**(2 504)**	(2 401)
Translation of foreign operations	–	–	**(1 084)**	1 696	**(1 084)**	1 696
Projected benefit obligation at end of year	**46 508**	44 823	**9 774**	11 506	**56 282**	56 329
unfunded obligation*	–	–	**6 861**	8 298	**6 861**	8 298
funded obligation	**46 508**	44 823	**2 913**	3 208	**49 421**	48 031

* Certain of the foreign defined benefit plans have reimbursement rights under contractually agreed legal binding terms that match the amount and timing of some of the benefits payable under the plan. This reimbursive right has been recognised in long-term receivables at fair value (2017 − R268 million; 2016 − R344 million). A decrease of R50 million (2016 − increase of R63 million) has been recognised as a loss in other comprehensive income in respect of the reimbursive right.

Reconciliation of plan assets of funded obligation

	South Africa		Foreign		Total	
	2017	2016	2017	2016	2017	2016
for the year ended 30 June	Rm	Rm	Rm	Rm	Rm	Rm
Fair value of plan assets at beginning of year	**46 752**	43 629	**2 439**	2 076	**49 191**	45 705
Movements recognised in income statement:	**4 407**	3 686	**58**	65	**4 465**	3 751
interest income	**4 535**	3 734	**58**	65	**4 593**	3 799
interest on asset limitation	**(128)**	(48)	–	–	**(128)**	(48)
Actuarial (losses)/gains recognised in other comprehensive income:	**(1 930)**	(218)	**202**	(69)	**(1 728)**	(287)
arising from return on plan assets (excluding interest income)	**(1 930)**	(218)	**202**	(69)	**(1 728)**	(287)
Plan participant contributions*	**411**	679	–	–	**411**	679

Employer contributions*	**900**	903	**265**	263	**1 165**	1 166
Benefit payments	**(2 200)**	(1 927)	**(165)**	(325)	**(2 365)**	(2 252)
Translation of foreign operations	**–**	–	**(285)**	429	**(285)**	429
Fair value of plan assets at end of year	**48 340**	46 752	**2 514**	2 439	**50 854**	49 191
Actual return on plan assets	**2 477**	3 468	**260**	(4)	**2 737**	3 464

* Contributions, for the defined contribution section, are paid by the members and Sasol at fixed rates.

Contributions

Funding is based on actuarially determined contributions. The following table sets forth the projected pension contributions for the 2018 financial year.

	South Africa Rm	Foreign Rm
Pension contributions	**987**	**255**

Sensitivity analysis

A sensitivity analysis is performed in order to assess how the post-retirement pension obligation would be affected by changes in the actuarial assumptions underpinning the calculation.

	South Africa		Foreign	
	2017	2016	2017	2016
for the year ended 30 June	Rm	Rm	Rm	Rm
1% point change in actuarial assumptions				
Increase in average salaries increase assumption	**15**	16	**416**	502
Decrease in average salaries increase assumption	**(14)**	(14)	**(353)**	(427)
Increase in the discount rate	**(1 552)**	(1 519)	**(1 507)**	(1 726)
Decrease in the discount rate	**2 494**	1 818	**1 989**	2 291
Increase in the pension increase assumption	**2 538**	1 862	**956***	1 066*
Decrease in the pension increase assumption	**(1 622)**	(1 588)	**(731)***	(802)*

* This sensitivity analysis relates only to the Europe obligations as there are no automatic pension increases for the United States of America pension plan, and thus it is not one of the inputs utilised in calculating the obligation.

The sensitivities may not be representative of the actual change in the post-retirement pension obligation, as it is unlikely that the changes would occur in isolation of one another, and some of the assumptions may be correlated.

33 Cash-settled share-based payment provision

for the year ended 30 June	2017 Rm	2016 Rm	2015 Rm
During the year, the following share-based payment expenses were recognised in the income statement relating to cash-settled arrangements (refer to note 34 for the equity-settled share-based payment disclosure):			
Share-based payment expense − movement in long-term provisions			
Sasol Share Appreciation Rights Scheme	**(342)**	(180)	(1 634)
Share Appreciation Rights with no corporate performance targets (CPTs)	**(110)**	50	(436)
Share Appreciation Rights with corporate performance targets (CPTs)	**(232)**	(230)	(1 198)
Sasol Long-term Incentive Scheme[1]	**105**	551	252
	(237)	371	(1 382)

(1) On 25 November 2016, the cash-settled LTI scheme was converted to an equity-settled share-based payment scheme.

Sasol' s share price decreased by 8% over the financial year to a closing price on 30 June 2017 of R366,50. This has resulted in a R237 million credit being recognised in the current year.

Sasol Share Appreciation Rights Scheme (closed since 2013)

The maximum number of rights to be issued under the cash-settled Sasol Share Appreciation Rights Scheme (SARs) and the cash-settled Sasol Long-term Incentive Scheme (LTIs) shall not at any time exceed 69 million shares/rights. The maximum number of shares issued under the equity-settled LTI scheme (2016)may not exceed 32,5 million representing 5% of Sasol Limited' s issued share capital at the time of approval.

Total rights/units granted	2017 Number	2016 Number
Share Appreciation Rights	**11 401 116**	13 610 058
Long-term Incentive Units[2]	**–**	5 994 481
	11 401 116	19 604 539

(2) On 25 November 2016, the cash-settled LTI scheme was converted to an equity-settled share-based payment scheme.

The SAR Scheme allows eligible senior employees to earn a long-term incentive amount calculated with reference to the increase in the Sasol Limited share price between the offer date of SARs to exercise of such vested rights. No shares are issued in terms of this scheme and all amounts payable in terms of the Sasol SAR Scheme are settled in cash.

The offer price of these appreciation rights equals the closing market price of the underlying shares on the trading day immediately preceding the granting of the right. The fair value of the cash-settled liability is calculated at each reporting date. On resignation, SARs which have not yet vested lapse and SARs which have vested may be exercised at the employee' s election before their last day of service. On death, all appreciation rights vest immediately and the deceased' s estate has a period of 12 months to exercise these rights. On retrenchment or retirement, all appreciation rights vest immediately and the employee has a period of 12 months to exercise these rights.

It is group policy that employees should not deal in Sasol Limited securities (and this is extended to the Sasol SARs) for the periods from 1 January for half year-end and 1 July for year-end until two days after publication of the results and at any other time during which they have access to price sensitive information.

	2017				2016			
	SARs with no CPTs Rm	SARs with CPTs Rm	Long-term Incentives Rm	Total Rm	SARs with no CPTs Rm	SARs with CPTs Rm	Long-term Incentives Rm	Total Rm
Per statement of financial position at 30 June	**153**	**732**	**–**	**885**	330	1 014	1 171	2 515
Total intrinsic value of rights vested, but not yet exercised	**122**	**181**	**–***	**303**	251	292	–**	543

* All LTIs were converted to equity-settled on 25 November 2016.
** Before conversion to equity-settled, LTIs were automatically settled in cash upon vesting.

Share-based payment expense is calculated based on the following assumptions at 30 June 2017 for the SARs and at conversion/grant date for the LTIs:

		2017			2016		
		SARs with no CPTs	SARs with CPTs	Long-term Incentives	SARs with no CPTs	SARs with CPTs	Long-term Incentives
Model		**Binomial tree**	**Binomial tree**	**Monte-Carlo**	Binomial tree	Binomial tree	Monte-Carlo
Risk-free interest rate	(%)	**7,03 - 8,75**	**7,03 - 8,75**	**7,03 - 9,22**	6,99 - 8,81	6,99 - 8,81	6,99 - 8,81
Expected volatility	(%)	**20,86**	**24,45**	**29,87**	39,49	38,93	38,95
Expected dividend yield	(%)	**3,42**	**3,42**	**3,42**	3,81	3,81	3,81
Expected forfeiture rate	(%)	*****	**9,00**	**3,00 - 5,00**	14,00	9,00	5,00
Vesting period – SARs issued between 2009 - 2011		**2, 4, 6 years**	**2, 4, 6 years**	**–**	2, 4, 6 years	2, 4, 6 years	–
Vesting period – LTIs		**–**	**–**	**3 years****	–	–	3 years
Vesting period – SARs issued between 2012 - 2014		**–**	**3, 4, 5 years**	**–**	–	3, 4, 5 years	–

* All SARs with no CPTs have vested and therefore no forfeiture is applied.
** On 25 November 2016, the cash-settled LTI scheme was converted to an equity-settled share scheme.

The risk-free rate for periods within the contractual term of the rights is based on the South African government bonds in effect at the time of the valuation of the grant.

The expected volatility in the value of the rights granted is determined using the historical volatility of the Sasol share price.

The expected dividend yield of the rights granted is determined using the historical dividend yield of the Sasol ordinary shares.

The valuation of the share-based payment expense requires a significant degree of judgement to be applied by management.

Accounting policies:

The cash-settled schemes allow certain senior employees the right to participate in the performance of the Sasol Limited share price, in return for services rendered, through the payment of cash incentives which are based on the market price of the Sasol Limited share. The vested portion of these rights are recognised as a liability at fair value, at each reporting date, in the statement of financial position until the date of settlement. The unvested portion is at each reporting date, in the statement of financial position until the date of settlement and employee costs are recognised over the period that the employees provide services to the company.

Areas of judgement:

Fair value is measured using the Binomial tree and Monte-Carlo option pricing models where applicable. The expected life used in the models has been adjusted, based on management' s best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations such as volatility, dividend yield and the vesting period. The fair value takes into account the terms and conditions on which these incentives are granted and the extent to which the employees have rendered service to the reporting date.

Reserves

34 Share-based payment reserve

for the year ended 30 June	Note	2017 Rm	2016 Rm	2015 Rm
During the year, the following share-based payment expense was recognised in the income statement relating to the equity-settled share-based payment scheme:				
Equity-settled − recognised directly in equity		**463**	123	501
Sasol Share Incentive Scheme	34.1	–	–	–
Sasol Inzalo share transaction(1)	34.2	**76**	123	501
Long-term incentives(2)	34.3	**387**	–	–

(1) Included in the equity-settled share-based payment charge for 2015 is a once-off charge of R280 million relating to the partial refinancing of the Sasol Inzalo transaction. The refinancing was accounted for as a modification to the equity-settled share-based payment arrangement.
(2) On 25 November 2016, the cash-settled LTI scheme was converted to an equity-settled share scheme.

Equity-settled share incentive schemes

34.1 The Sasol Share Incentive Scheme (expired)

In 1988, the shareholders approved the implementation of the Sasol Share Incentive Scheme, which expired in December 2015. Following the introduction of the Sasol Share Appreciation Rights Scheme in March 2007, no further options were issued in terms of the Sasol Share Incentive Scheme.

Movements in the number of options outstanding	Number of share options	Weighted average exercise price Rand
Balance at 30 June 2014	858 950	235,63
Options converted to shares	(544 550)	(233,84)
Options lapsed	(7 500)	(218,81)
Balance at 30 June 2015	306 900	239,20
Options converted to shares	(294 800)	(238,97)
Options lapsed	(12 100)	(244,71)
Balance at 30 June 2016	–	–
Options converted to shares	–	–
Options lapsed	–	–
Balance at 30 June 2017	–	–

for year ended 30 June	2017 Rand	2016 Rand	2015 Rand
Average market price of options exercised during year	–	422,69	465,93

34.2 The Sasol Inzalo share transaction

In May 2008, the shareholders approved the Sasol Inzalo share transaction, a broad-based black economic empowerment (BEE) transaction, which resulted in the transfer of beneficial ownership of 10% (63,1 million shares) of Sasol Limited' s issued share capital before the implementation of this transaction to its employees and a wide spread of BEE participants. The transaction was introduced to assist Sasol, as a major participant in the South African economy, in meeting its empowerment objectives.

The structures of Sasol Inzalo will unwind in June and September 2018. The structures were funded with preference share funding at inception of Inzalo (except for the Black Public Cash Offer). The preference share funding in the Inzalo structures are secured and will require the sale of Sasol preferred ordinary shares to repay the preference share funding.

Components of the transaction	Participants	% allocated	Number of shares	Value of shares issued Rm
The Sasol Inzalo Employee Trust and The Sasol Inzalo Management Trust	Sasol Management and Employees	**4,0**	**25,2 million Sasol ordinary shares**	**9 235**
The Sasol Inzalo Foundation	The Sasol Inzalo Foundation	**1,5**	**9,5 million Sasol ordinary shares**	**3 463**

Selected Participants	Selected Participants	1,5	**9,5 million Sasol preferred ordinary shares**	3 463
Black Public Invitations	Black Public	3,0	**16,1 million Sasol preferred ordinary shares and 2,8 million Sasol BEE ordinary shares**	6 927
		10,0		**23 088**

for the year ended 30 June	Share-based payment expense recognised 2017 Rm	2016 Rm	2015 Rm
Black Public Funded Invitation[1]	–	–	280
The Sasol Inzalo Employee Trust and The Sasol Inzalo Management Trust[2]	**76**	123	221
	76	123	501

(1) Includes a share-based payment expense of R280 million in 2015; relating to the partial refinancing of the Sasol Inzalo transaction.
(2) The unrecognised share-based payment expense related to non-vested Employee and Management Trusts' share rights, expected to be recognised over a weighted average period of 0,92 years amounted to R34 million at 30 June 2017 (2016 - R111 million; 2015 - R234 million).

for the year ended 30 June 2017	Total	i) Employee and Management Trusts	ii) Sasol Inzalo Foundation	iii) Selected Participants	iv) Black Public Invitations
Shares and share rights granted	**60 614 266**	**23 914 500**	**9 461 882**	**8 387 977**	**18 849 907**
already vested	**58 222 816**	**21 523 050**	**9 461 882**	**8 387 977**	**18 849 907**
within one year	**2 391 450**	**2 391 450**	–	–	–
Shares and share rights forfeited and unallocated	**2 464 948**	**1 317 186**	–	**1 073 905**	**73 857**
	63 079 214	**25 231 686**	**9 461 882**	**9 461 882**	**18 923 764**

for the year ended 30 June 2016	Total	i) Employee and Management Trusts	ii) Sasol Inzalo Foundation	iii) Selected Participants	iv) Black Public Invitations
Shares and share rights granted	60 747 265	24 047 499	9 461 882	8 387 977	18 849 907
already vested	55 937 765	19 237 999	9 461 882	8 387 977	18 849 907
within two years	4 809 500	4 809 500	–	–	–
Shares and share rights forfeited and unallocated	2 331 949	1 184 187	–	1 073 905	73 857
	63 079 214	25 231 686	9 461 882	9 461 882	18 923 764

34 Share-based payments reserve continued

34.2 The Sasol Inzalo share transaction continued

No further shares and share rights have been granted in terms of the Sasol Inzalo Employee and Management and the Selected Participant and the Black Public Invitations. The share-based payment expense recognised in the current year relates to share rights granted in previous years and is calculated based on the assumptions applicable to the year in which the share rights were granted.

at 30 June 2015	Total	i) Employee and Management Trusts	ii) Sasol Inzalo Foundation	iii) Selected Participants	iv) Black Public Invitations
Shares and share rights granted	60 940 615	24 240 849	9 461 882	8 387 977	18 849 907
already vested	53 668 360	16 968 594	9 461 882	8 387 977	18 849 907
within three years	7 272 255	7 272 255	–	–	–
Shares and share rights forfeited and unallocated	2 138 599	990 837	–	1 073 905	73 857
	63 079 214	25 231 686	9 461 882	9 461 882	18 923 764

Movements in the number of shares and share rights granted	Number of shares/ share rights	Estimated strike price value Rand***	Weighted average remaining life Years
Sasol Inzalo Employee and Management Trusts			
Balance at 30 June 2014	24 519 672	666,27	4,0
Share rights forfeited	(278 823)		
Balance at 30 June 2015	24 240 849	735,73	3,0
Share rights forfeited	(193 350)		
Balance at 30 June 2016	**24 047 499**	**814,91**	**2,0**
Share rights forfeited	**(132 999)**		
Balance at 30 June 2017	**23 914 500**	**905,10**	**1,0**
Sasol Inzalo Foundation*			
Balance at 30 June 2017	**9 461 882**	–	**1,2**
Selected Participants**			
Balance at 30 June 2017	**9 461 882**	**480,40**	**1,0**
Black Public Invitations**			
Balance at 30 June 2017	**18 923 764**	**456,30**	**1,0**

* The Sasol Limited Board approved that the repurchase right will not be exercised at the end of the scheme.
** The estimated strike price value represents the debt balance at 30 June, per share right. Refer to note 15 for detail on the debt.
*** This is the share price that is required for the Inzalo Scheme to create value for the participants.

Accounting policies:

The equity-settled schemes allow certain employees the right to receive ordinary shares in Sasol Limited after a prescribed period. Such equity-settled share-based payments are measured at fair value at the date of the grant. The fair value determined at the grant date of the equity-settled share-based payments is charged as employee costs,with a corresponding increase in equity, on a straight-line basis over the period that the employees become unconditionally entitled to the shares, based on management' s estimate of the shares that will vest and adjusted for the effect of non-market-based vesting conditions. These equity-settled share-based payments are not subsequently revalued.

To the extent that an entity grants shares or share options in a BEE transaction and the fair value of the cash and other assets received is less than the fair value of the shares or share options granted, such difference is charged to the income statement in the period in which the transaction becomes effective. Where the BEE transaction includes service conditions the difference will be charged to the income statement over the period of these service conditions. A restriction on the transfer of the shares or share options is taken into account in determining the fair value of the share or share option.

34.3 Sasol Long−term Incentive Scheme

During September 2009, the group introduced the Sasol Long-term Incentive Scheme (LTI). The objective of the LTI scheme is to provide qualifying employees the opportunity of receiving an incentive linked to the value of Sasol Limited ordinary shares. The LTI scheme allows certain senior employees to earn a long-term incentive amount linked to certain Corporate Performance Targets (CPTs). Allocations of the LTI are linked to the performance of both the group and the individual. On resignation, LTIs which have not yet vested will lapse. On death, retirement and retrenchment, the LTIs vest immediately, calculated to the extent that the CPTs are anticipated to be met, and are settled within 40 days from the date of termination. Accelerated vesting does not apply to top management. In November 2016 after receiving approval at the Annual General Meeting, the scheme was converted from cash-settled to equity-settled with the introduction of the 2016 equity-settled LTI scheme. An amount of R645 million, the full amount in the cash-settled share-based payment provision was transferred to the share-based payment reserve in equity. All the vesting conditions and all other terms and conditions of the scheme remain the same, including the standard vesting period of three years, with the exception of top management, who have five year vesting period for 50% of the awards.

Movements in the number of options outstanding	Number of share options	Weighted average fair value Rand
Balance at 30 June 2016	–	–
Conversion of LTI scheme to equity-settled scheme on 25 November 2016	**6 398 182**	**340,85**
LTIs granted	**150 200**	**370,47**
LTIs vested	**(194 390)**	**359,92**
Effect of CPTs and LTIs forfeited	**(155 403)**	**343,03**
Balance at 30 June 2017*	**6 198 589**	**337,80**

* The options outstanding as at 30 June 2017 have a weighted average remaining vesting period of 1,42 years. The exercise price of these options is Rnil.

for year ended 30 June	2017 Rand
Average weighted market price of LTIs vested (after conversion to equity-settled)	**375,43**

Average fair value of options granted	2017

Model	(%)	**Monte-Carlo**
Risk-free interest rate	(%)	**7,03 – 9,22**
Expected volatility	(%)	**29,87**
Expected dividend yield	(%)	**3,42**
Expected forfeiture rate	(%)	**3 – 5**
Vesting period - top management		**3 / 5 years**
Vesting period - all other participants		**3 years**

The risk-free rate for periods within the contractual term of the rights is based on the South African government bonds in effect at the time of the valuation of the grant.

The expected volatility in the value of the rights granted is determined using the historical volatility of the Sasol share price.

The expected dividend yield of the rights granted is determined using the historical dividend yield of the Sasol ordinary shares.

The valuation of the share-based payment expense requires a significant degree of judgement to be applied by management.

Other disclosures

35 Contingent liabilities

35.1 Litigation

Allegation of exchange of commercially sensitive information in the commercial diesel market – Sasol Oil (Pty) Ltd

On 24 October 2012, the Commission referred allegations of price-fixing and market division against Chevron SA, Engen, Shell SA, Total SA, Sasol Limited, Sasol Oil, BP SA and the South African Petroleum Industry Association (SAPIA) to the Tribunal for adjudication.

The Commission is alleging that the respondents exchanged commercially sensitive information, mainly through SAPIA, in order to ensure that their respective prices for commercial diesel followed the Wholesale List Selling Price published by the Department of Energy.

This is not a new matter and Sasol began engaging with the Commission in this regard in 2008 as part of its group-wide competition law compliance review, which preceded the Commission' s investigation into the liquid fuels sector.

Sasol has reviewed the Commission' s referral documents and does not agree with the Commission' s allegations. Sasol continues to engage with the Commission in regard to this matter. The outcome of this matter cannot be estimated at this point in time and accordingly, no provision was recognised at 30 June 2017.

Claimed compensation for lung diseases – Sasol Mining (Pty) Ltd

On 2 April 2015, 22 plaintiffs instituted action against Sasol Mining (Pty) Ltd at the High Court in Gauteng, South Africa, for allegedly having contracted lung diseases while working at its collieries. The plaintiffs allege that they were exposed to harmful quantities of coal dust while working underground for Sasol Mining and that the company failed to comply with various sections of the Mine Health and Safety Act, 1996; failed to comply with various regulations issued in terms thereof; and failed to take effective measures to reduce the exposure of mine workers to coal dust. The plaintiffs allege that all of the above increased the risk for workers to contract coal dust related lung diseases.

This lawsuit is not a class action but rather 22 individual cases, each of which will be judged on its own merits. The plaintiffs seek compensation for damages relating to past and future medical costs and loss of income amounting to R82,5 million in total. Sasol Mining is defending the claim.

The merits of each single claim are not yet clear. There is also some uncertainty as to whether one or more of the claims has become prescribed. Therefore, it is not possible at this stage to make an estimate of the likelihood that the plaintiffs will succeed with their claim and if successful, what the quantum of damages would be that the court will award. Therefore, no provision has been raised at 30 June 2017.

Construction disputes − Fischer Tropsch Wax Expansion Project in Sasolburg (FTWEP)

After the conclusion of construction of FTWEP in Sasolburg, a number of contractual claims have been instituted by some contractors who were involved in the construction and project management relating to this project. Certain of these claims have already been resolved, either through settlement between the parties or through the contractual dispute resolution process. Two larger matters are still ongoing. The claimants are Fluor SA (Pty) Ltd and Wetback Contracts (Pty) Ltd.

Fluor SA (Pty) Ltd − FTWEP

Fluor claimed an additional amount of R485,7 million, plus interest (R83,6 million up to May 2015). This dispute turns on the nature and quantification of Fluor' s alleged entitlement to a change to the prices and completion dates for delayed access. In June 2015, Fluor referred the claim to adjudication. In September 2015 the adjudicator rejected Fluor' s entire claim. Thereafter, Fluor notified Sasol of its dissatisfaction with the outcome of the adjudication and Fluor' s intention to refer the matter to arbitration. The arbitration process commenced with Fluor filing its statement of claim during December 2016. Sasol filed two objections against the statement of claim which had the potential to dispose of the arbitration proceedings.

The arbitrator however did not decide in favour of Sasol on the objection applications and dismissed the application with costs. The objections will still be raised as a special jurisdictional plea and will be filed with Sasol' s statement of defence. The arbitrator has requested that the parties agree on the timetable going forward and Sasol has submitted a proposed timetable to Fluor for consideration. Sasol believes that Fluor' s claim is not justified. Accordingly, no provision was recognised at 30 June 2017.

Wetback Contracts (Pty) Ltd − FTWEP

Wetback instituted a claim of R634,2 million for additional compensation. Sasol submitted three counterclaims with an aggregate value of R229,2 million. The matter has been referred to arbitration. The hearing of this dispute commenced on 9 May 2016. During the first two weeks of the hearing, Sasol successfully applied for the separation of certain key issues relating to the interpretation of the contract to be decided before the remainder of the merits of the matter could be heard. This successful separation of issues dictated the framework within which the matter proceeded. In addition to the hearing in December 2016, further hearings on the merits of the matter took place during the first half of 2017. In accordance with the schedule agreed between the parties, the matter will continue to be heard during August and November 2017 and it is anticipated that the arbitration hearing will conclude during November 2017, where after the Arbitrator will prepare his final determination. Sasol believes that Wetback' s claim is not justified. Accordingly, no provision was raised as at 30 June 2017.

35 Contingent liabilities continued

35.1 Litigation continued

Other litigation and tax matters

From time to time, Sasol companies are involved in other litigation and similar proceedings in the normal course of business. A detailed assessment is performed on each matter and a provision is recognised where appropriate. Although the outcome of these proceedings and claims cannot be predicted with certainty, the company does not believe that the outcome of any of these cases would have a material effect on the group’ s financial results. Tax exposures are considered in note 11.

35.2 Competition matters

Sasol continuously evaluates its compliance programmes and controls in general, including its competition law compliance programmes and controls. As a consequence of these compliance programmes and controls, including monitoring and review activities, Sasol has adopted appropriate remedial and/or mitigating steps, where necessary or advisable, lodged leniency applications and made disclosures on material findings as and when appropriate. These ongoing compliance activities have already revealed, and may still reveal, competition law contraventions or potential contraventions in respect of which we have taken, or will take, appropriate remedial and/or mitigating steps including lodging leniency applications.

35.3 Environmental orders

To ensure our ongoing compliance with new air quality regulations in South Africa, Sasol applied for certain postponements to manage our short-term challenges relating to the compliance timeframes. We have received decisions on our initial postponement applications from the National Air Quality Officer, which, while aligned with our requests, imposed stretched targets reflected in our atmospheric emission licences. In some cases shorter postponements were granted and further applications have been made to extend compliance timeframes in line with our committed environmental roadmaps.

Sasol’ s environmental obligation accrued at 30 June 2017 was R15 716 million compared to R17 128 million at 30 June 2016. Included in this balance is an amount accrued of approximately R5 816 million in respect of the costs of remediation of soil and groundwater contamination and similar environmental costs. These costs relate to the following activities: site assessments, soil and groundwater clean-up and remediation, and on-going monitoring. Due to uncertainties regarding future costs the potential loss in excess of the amount accrued cannot be reasonably determined.

Although Sasol has provided for known environmental obligations that are probable and reasonably estimable, the amount of additional future costs relating to remediation and rehabilitation may be material to results of operations in the period in which they are recognised. It is not expected that these environmental obligations will have a material effect on the financial position of the group.

36 Commitments under leases

Operating leases − Minimum future lease payments

The group leases buildings under long-term non-cancellable operating lease agreements and also rents offices and other equipment under operating leases that are cancellable at various short-term notice periods by either party.

for the year ended 30 June	2017 Rm	2016 Rm
Property, plant and equipment		
Within one year	**1 316**	1 426
One to five years	**4 009**	3 942
More than five years	**13 089**	11 945
	18 414	17 313

Included in operating leases is the following:

- The lease for the Sasol Corporate office building. The lease term is 20 years with an option to extend for a further five years. This is a significant lease for the group.
- The rental of a pipeline for the transportation of gas products. The rental payments are determined based on the quantity of gas transported. The lease may be extended by either party to the lease for a further three year period prior to the expiry of the current lease term of 16 years.

Water reticulation for Secunda Synfuels Operations		
Within one year	**144**	133
One to five years	**777**	590
More than five years	**2 038**	2 049
	2 959	2 772

The water reticulation commitments of Secunda Synfuels Operations relate to a long-term water supply agreement. The rental payments are determined based on the quantity of water consumed over the 20 year period of the lease.

Total minimum future lease payments	**21 373**	20 085

These leasing arrangements do not impose any significant restrictions on the group or its subsidiaries.

Contingent rentals

The group has contingent rentals in respect of operating leases that are linked to market related data such as inflation.

Finance leases − minimum future lease payments

The group leases buildings and other equipment under long-term non-cancellable finance lease agreements. These lease agreements contain terms of renewal and escalation clauses but exclude purchase options.

for the year ended 30 June	2017 Rm	2016 Rm
Within one year	**278**	276
One to five years	**1 195**	920

More than five years	**2 308**	1 869
Less amounts representing finance charges	**(1 917)**	(1 459)
Total minimum future lease payments	**1 864**	1 606

Air Liquide - Air Separation Unit

We have entered into a lease agreement for an Air Separation Unit, to be built and owned by Air Liquide. The effective date of the lease will be when the asset achieves beneficial operations (expected to be December 2017). The finance lease asset to be capitalised at commencement date is estimated to be in a range of R4 billion − R6 billion. The payment structure within the agreement contains a number of market variables such as inflation, exchange rates and construction cost. These variables, along with the discount rate, could materially affect the value to be capitalised.

Lake Charles Chemicals Project

We have entered into rail yard and wash bay lease agreements to support our Lake Charles Chemicals Project rail operations. The effective date of the leases will be December 2017 and April 2018 respectively. The finance lease asset to be capitalised for the rail yard at commencement date is estimated to be approximately R2,7 billion (US$203 million). The finance lease asset to be capitalised for the wash bay at commencement date is estimated to be R288 million (US$22 million).

Contingent rentals

The group has no contingent rentals in respect of finance leases.

37 Related party transactions

Parties are considered to be related if one party directly or indirectly has the ability to control or jointly control the other party or exercise significant influence over the other party or is a member of the key management of the reporting entity (Sasol Limited). In particular, this relates to joint ventures and associates. Disclosure in respect of joint ventures and associates is provided in note 19.

Group companies, in the ordinary course of business, entered into various purchase and sale transactions with associates and joint ventures. The effect of these transactions is included in the financial performance and results of the group. Terms and conditions are determined on an arm' s length basis. Amounts owing (after eliminating intercompany balances) to related parties are disclosed in the respective notes to the financial statements for those statement of financial position items. No impairment of receivables related to the amount of outstanding balances is required.

Material related party transactions

The following table shows the material transactions that are included in the annual financial statements using the equity method for associates and joint ventures.

for the year ended 30 June	2017 Rm	2016 Rm	2015 Rm
Sales and services rendered from subsidiaries to related parties			

Joint ventures	**1 088**	1 079	1 107
Purchases by subsidiaries from related parties			
Joint ventures	**617**	592	530
Associates	**120**	88	89
	737	680	619

Identity of related parties with whom material transactions have occurred

Except for the group' s interests in joint ventures and associates, there are no other related parties with whom material individual transactions have taken place.

Key management remuneration

Key management comprises of Executive and Non-executive Directors as well as other members of the Group Executive Committee (GEC)/Prescribed Officers. Refer to the audited Remuneration Report for full details of remuneration of key management personnel and Non-executive Directors.

	Salary R' 000	Retirement funding R' 000	Other benefits R' 000	Annual incentives(1) R' 000	Total 2017 R' 000	Total 2016(2) R' 000	Total 2015(2) R' 000
Executive Directors	29 645	3 611	22 517	21 560	**77 333**	69 041	71 183

(1) Incentives approved on the group results for the 2017 financial year and payable in the following year. Incentives are calculated as a percentage of total guaranteed package/net base salary as at 30 June 2017.
(2) Total remuneration for the financial year excludes gains derived from the long-term incentive schemes which are separately disclosed.

Gains on Long-term incentives and Share Appreciation Rights for the Executive Directors' and former Executive Director were as follows:

	Long-term incentive rights vested(1) R' 000	Share appreciation rights, with CPTs exercised R' 000	Share appreciation rights without CPTs exercised R' 000	Total 2017 R' 000	Total 2016 R' 000	Total 2015 R' 000
Executive Directors	24 970	–	–	**24 970**	30 705	26 719

(1) Long-term incentives for the 2017 financial year represent incentives approved on the group results for the 2017 financial year, payable in the 2018 financial year.

Remuneration and benefits paid and short-term incentives approved for the Prescribed Officers were as follows:

	Salary R' 000	Retirement funding R' 000	Other benefits R' 000	Annual incentives(1) R' 000	Total 2017 R' 000	Total 2016(2) R' 000	Total 2015(2) R' 000
Prescribed Officers	31 979	5 669	12 173	21 128	**70 949**	70 363	77 911
Number of GEC members					**10**	10	10

(1) Incentives approved on the group results for the 2017 financial year and payable in the following year. Incentives are calculated as a percentage of total guaranteed package/net base salary as at 30 June 2017.
(2) Total remuneration for the financial year excludes gains derived from the long-term incentive schemes which are separately disclosed.

Gains on Long-term incentives and Share Appreciation Rights for the Prescribed Officers were as follows:

	Long-term incentive rights vested(1) R' 000	Share appreciation rights, with CPTs exercised R' 000	Share appreciation rights without CPTs exercised R' 000	Total 2017 R' 000	Total 2016 R' 000	Total 2015 R' 000
Prescribed Officers	21 865	1 174	768	**23 807**	49 793	35 080

(1) Long-term incentives for the 2017 financial year represent incentives approved on the group results for the 2017 financial year, payable in the 2018 financial year.

The gains from SARs exercised during 2017 is disclosed in the Remuneration Report.

The total IFRS2 charge for Executive Directors and the GEC in 2017 amounted to R22,5 million and R13,2 million, respectively.

Non-executive Directors' emoluments for the year was as follows:

	Board meeting fees R' 000	Lead Director fees R' 000	Committee fees R' 000	Share incentive trustee fees R' 000	Ad Hoc Special Board - Committee Meeting R' 000	Total 2017 R' 000	Total 2016 R' 000	Total 2015 R' 000
Non-executive Directors	16 462	688	5 159	68	702	**23 079**	22 645	19 938

38 Subsequent events

There were no events that occurred subsequent to 30 June 2017.

39 Financial risk management and financial instruments

Financial instruments

The following table summarises the group' s classification of financial instruments.

	Note	Carrying value: At fair value through profit and loss Rm	Available-for-sale Rm	Amortised cost Rm	Held-to-maturity Rm	Fair value Rm
2017						
Financial assets						
Investments in listed securities		–	**681**	–	–	**681**
Investments in unlisted securities		–	**225**	–	–	**225**
Other long-term investments		–	–	–	**81**	**81**
Long-term receivables	18	–	–	**3 737**	–	**3 737**
Short-term financial assets		**2 739**	–	–	–	**2 739**
Trade and other receivables**		–	–	**24 675**	–	**24 675***
Cash and cash equivalents	26	–	–	**29 446**	–	**29 446***
Financial liabilities						
Listed long-term debt (US Dollar Bond)+	15	–	–	**13 014**	–	**13 365**
Unlisted long-term debt+	15	–	–	**68 153**	–	**68 896**
Short-term debt and bank overdraft		–	–	**2 986**	–	**2 986***
Long- and short-term financial liabilities		**1 473**	–	–	–	**1 473**
Trade and other payables+	24	–	–	**26 131**	–	**26 131***

	Note	Carrying value: At fair value through profit and loss Rm	Available-for-sale Rm	Amortised cost Rm	Held-to-maturity Rm	Fair value Rm
2016						
Financial assets						
Investments in listed securities		–	616	–	–	616
Investments in unlisted securities		–	246	–	–	246
Other long-term investments		–	–	–	81	81
Long-term receivables	18	–	–	3 777	–	3 777
Short-term financial assets		42	–	–	–	42
Trade and other receivables**		–	–	25 840	–	25 840*
Cash and cash equivalents	26	–	–	52 316	–	52 316*
Financial liabilities						
Listed long-term debt (US Dollar Bond)+	15	–	–	14 638	–	14 760
Unlisted long-term debt+	15	–	–	65 239	–	66 267

Short-term debt and bank overdraft		–	–	274	–	274*
Long- and short-term financial liabilities		3 699	–	–	–	3 699
Trade and other payables+	24	–	–	23 692	–	23 692*

* The fair value of these instruments approximates carrying value, due to their short-term nature.
** Trade and other receivables includes employee-related and insurance-related receivables.
+ Includes unamortised loan costs

39.1 Financial risk management

The group is exposed in varying degrees to a number of financial instrument related risks. The Group Executive Committee (GEC) has the overall responsibility for the establishment and oversight of the group’ s risk management framework. The GEC established the risk and safety, health and environment committee, which is responsible for providing the board with the assurance that significant business risks are systematically identified, assessed and reduced to acceptable levels. A comprehensive risk management process has been developed to continuously monitor and control these risks. Based on the risk management process Sasol refined its hedging policy and the Board appointed a subcommittee, the Hedging and Digital Committee that meets regularly to review and, if appropriate, approve the implementation of hedging strategies for the effective management of financial market related risks.

The group has a central treasury function that manages the financial risks relating to the group’ s operations.

Capital allocation

The group’ s objectives when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the group’ s ability to continue as a going concern while taking advantage of strategic opportunities in order to grow shareholder value sustainably.

The group manages the capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, repurchase shares currently issued, issue new shares, issue new debt, issue new debt to replace existing debt with different characteristics and/or sell assets to reduce debt.

The group monitors capital utilising a number of measures, including the gearing ratio. The gearing ratio is calculated as net borrowings (total borrowings less cash) divided by shareholders’ equity. The group’ s targeted gearing ratio is between 20% and 40%, and has been temporarily lifted to 44% until 2018. Gearing takes into account the group’ s substantial capital investment and susceptibility to external market factors such as crude oil prices, exchange rates and commodity chemical prices. The group’ s gearing level for 2017 is 26,7% ((2016 – 14,6%; 2015 – (2,8%)).

Financing risk

Financing risk refers to the risk that financing of the group’ s net debt requirements and refinancing of existing borrowings could become more difficult or more costly in the future. This risk can be decreased by managing the group within the targeted gearing ratio, maintaining an appropriate spread of maturity dates, and managing short-term borrowings within acceptable levels.

The group' s target for long-term borrowings include an average time to maturity of at least two years, and an even spread of maturities.

Credit rating

To achieve and keep an optimal capital structure, the group aims to maintain a stable long-term investment grade credit rating, recognising that Sasol, like all South African domiciled entities, is constrained (but not necessarily capped) by the South African sovereign rating. In April 2017 S&P downgraded South Africa' s sovereign credit rating from BBB- investment grade to BB+ with a negative outlook. Due to Sasol' s exposure to the political and economic risks in South Africa, S&P thereafter downgraded Sasol' s long and short term foreign currency corporate ratings from BBB/A-2 to BBB-/A-3 with a stable outlook.

Similarly Moody' s Investors Service downgraded Sasol Limited' s long-term issuer rating to Baa3 (negative outlook) from Baa2 (negative outlook), and raised the national scale issuer rating to Aaa.za from Aa1.za in June 2017.

Risk profile

Risk management and measurement relating to each of these risks is discussed under the headings below (sub-categorised into credit risk, liquidity risk, and market risk) which entails an analysis of the types of risk exposure, the way in which such exposure is managed and quantification of the level of exposure in the statement of financial position.

Credit risk

Credit risk, or the risk of financial loss due to counterparties not meeting their contractual obligations.

How we manage the risk

The risk is managed by the application of credit approvals, limits and monitoring procedures. Where appropriate, the group obtains security in the form of guarantees to mitigate risk. Counterparty credit limits are in place and are reviewed and approved by the respective subsidiary credit management committees. The central treasury function provides credit risk management for the group-wide exposure in respect of a diversified group of banks and other financial institutions. These are evaluated regularly for financial robustness especially in the current global economic environment. Management has evaluated treasury counterparty risk and does not expect any treasury counterparties to fail in meeting their obligations.

39 Financial risk management and financial instruments continued

39.1 Financial risk management continued

Our exposure to and assessment of the risk

Trade and other receivables consist of a large number of customers spread across diverse industries and geographical areas. The exposure to credit risk is influenced by the individual characteristics, the industry and geographical area of the counterparty with whom we have transacted. Trade and other receivables and long-term receivables are carefully monitored for impairment. An allowance for impairment of trade receivables is made where there is an identified loss event, which based on previous experience, is evidence of a reduction in the recoverability of the cash flows. Details of the credit quality of trade receivables and the associated provision for impairment is disclosed in note 23. Long-term receivables are reviewed on a regular basis based on our credit risk policy, and is not impaired. The carrying value of receivables represents the maximum credit risk exposure.

No single customer represents more than 10% of the group' s total turnover or more than 10% of total trade receivables for the years ended 30 June 2017, 2016 and 2015. Approximately 45% (2016 − 47%; 2015 − 51%) of the group' s total turnover is generated from sales within South Africa, while about 22% (2016 − 23%; 2015 − 20%) relates to European sales and 13% (2016 − 14%; 2015 − 12%) relates to sales within the US. The concentration of credit risk within geographic regions is largely aligned with the geographic regions in which the turnover was earned.

Liquidity risk

Liquidity risk is the risk that an entity in the group will be unable to meet its obligations as they become due.

How we manage the risk

The group manages liquidity risk by effectively managing its working capital, capital expenditure and cash flows, making use of a central treasury function to manage pooled business unit cash investments and borrowing requirements. Currently the group is maintaining a positive cash position, conserving the group' s cash resources through continued focus on working capital improvement and capital reprioritisation. The group meets its financing requirements through a mixture of cash generated from its operations and, short and long-term borrowings. Adequate banking facilities and reserve borrowing capacities are maintained. The group is in compliance with all of the financial covenants per its loan agreements, none of which is expected to present a material restriction on funding or its investment policy in the near future. The group has sufficient undrawn borrowing facilities, which could be utilised to settle obligations. Refer to note 15.

Our exposure to and assessment of the risk

The maturity profile of the undiscounted contractual cash flows of financial instruments at 30 June were as follows:

	Note	Contractual cash flows* Rm	Within one year Rm	One to five years Rm	More than five years Rm
2017					
Financial assets					
Non-derivative instruments					
Long-term receivables	18	**2 003**	–	**696**	**1 307**
Trade and other receivables	23	**24 675**	**24 675**	–	–
Cash restricted for use	26	**1 803**	**1 803**	–	–
Cash	26	**27 643**	**27 643**	–	–
Investments available-for-sale		**906**	**906**	–	–
Investments held-to-maturity		**81**	–	**81**	–
		57 111	**55 027**	**777**	**1 307**

Derivative instruments					
Foreign exchange contracts		**515**	**515**	–	–
Coal swaps		**21**	**21**	–	–
Zero cost collar		**1 546**	**1 546**	–	–
Crude oil futures		**52**	**52**	–	–
Crude oil options		**1 116**	**1 116**	–	–
		60 361	**58 277**	**777**	**1 307**
Financial liabilities					
Non-derivative instruments					
Long-term debt	15	**(94 044)**	**(9 783)**	**(68 332)**	**(15 929)**
Short-term debt	15	**(2 625)**	**(2 625)**	–	–
Trade and other payables	24	**(26 131)**	**(26 131)**	–	–
Bank overdraft	26	**(123)**	**(123)**	–	–
Financial guarantees**		**(89)**	**(89)**	–	–
		(123 012)	**(38 751)**	**(68 332)**	**(15 929)**
Derivative instruments					
Interest rate swap		**(1 070)**	–	–	**(1 070)**
Foreign exchange contracts		**(904)**	**(904)**	–	–
Coal swaps		**(2)**	**(2)**	–	–
Zero cost collar		**(3)**	**(3)**	–	–
		(124 991)	**(39 660)**	**(68 332)**	**(16 999)**

* Contractual cash flows include interest payments.

** Issued financial guarantees contracts are all repayable on default, however the likelihood of default is considered remote.

39 Financial risk management and financial instruments continued

39.1 Financial risk management continued

	Note	Contractual cash flows* Rm	Within one year Rm	One to five years Rm	More than five years Rm
2016					
Financial assets					
Non-derivative instruments					
Long-term receivables	18	2 039	–	400	1 639
Trade and other receivables	23	25 840	25 840	–	–
Cash restricted for use	26	2 331	2 331	–	–
Cash	26	49 985	49 985	–	–
Investments available-for-sale		862	862	–	–
Investments held-to-maturity		81	–	81	–
		81 138	79 018	481	1 639

Derivative instruments					
Foreign exchange contracts		2 031	2 031	–	–
		83 169	81 049	481	1 639
Financial liabilities					
Non-derivative instruments					
Long-term debt	15	(97 443)	(4 656)	(36 322)	(56 465)
Short-term debt	15	(138)	(138)	–	–
Trade and other payables	24	(23 692)	(23 692)	–	–
Bank overdraft	26	(136)	(136)	–	–
Financial guarantees**		(103)	(103)	–	–
		(121 512)	(28 725)	(36 322)	(56 465)
Derivative instruments					
Interest rate swap		(3 208)	–	–	(3 208)
Commodity derivates		(2 092)	(2 092)	–	–
Foreign exchange contracts		(2 470)	(2 470)	–	–
		(129 282)	(33 287)	(36 322)	(59 673)

* Contractual cash flows include interest payments.

** Issued financial guarantees contracts are all repayable on default, however the likelihood of default is considered remote.

Market risk

Market risk is the risk arising from possible market price movements and their impact on the future cash flows of the business. The market price movements that the group is exposed to:

Foreign currency risk

Foreign currency risk is a risk that earnings and cash flows will be affected due to changes in exchange rates.

How we manage the risk

Our Hedging and Digital Committee sets broad guidelines in terms of tenor and hedge cover ratios specifically to assess future currency exposure and large forward cover amounts for long periods into the future, which have the potential to materially affect our financial position. These guidelines and our hedging policy are reviewed from time to time. This hedging strategy enables us to better predict cash flows and thus manage our working capital and debt more effectively. Foreign currency risks are managed through the group' s hedging policy and financing policies that direct and the selective use of various derivatives.

Our exposure to and assessment of the risk

The group' s transactions are predominantly entered into in the respective functional currency of the individual operations. A large portion of our turnover and capital investments are significantly impacted by the rand/US$ and rand/EUR exchange rate. Some of our fuel products are governed by the BFP, of which a significant variable is the rand/US$ exchange rate. Our chemical products are mostly commodity products whose prices are largely based on global commodity and benchmark prices quoted in US dollars and consequently are exposed to exchange rate fluctuations that have an impact on cash flows and financing activities. These operations are exposed to foreign currency risk in connection with contracted payments in currencies not in their individual functional currency. The most significant exposure for the group exists in relation to the US dollar and the Euro. The translation of foreign operations to the presentation currency of the group is not taken into account when considering foreign currency risk.

For forecasting purposes, a 10c change in the rand/US$ exchange rate will impact operating profit by approximately R710 million (US$52 million) in 2018. This is based on an average oil price of US$50/bbl.

This calculation is done at a point in time and is based on a 12-month average oil price at a constant 12-month average exchange rate. It may be used as a general rule but the sensitivity is not linear over large absolute changes in the oil price and hence applying it to such scenarios may lead to an incorrect reflection of the change in profit from operations.

Zero-cost collars

In line with the newly implemented risk mitigation strategy, the group hedges 70-80% of its estimated foreign currency exposure in respect of forecast sales and purchases over the following 12 months. The group uses zero-cost collars to hedge its currency risk, most with a maturity of less than one year from the reporting date.

Foreign exchange contracts

Foreign exchange contracts (FECs) are utilised throughout the group to hedge the risk of currency depreciation on committed and highly probable forecast transactions. Transactions hedged with FECs include capital and goods purchases (imports) and sales (exports). Other transactions hedged include certain intercompany loans which expose the group to foreign currency risk.

A number of FECs were entered into during the year and classified as held for trading. FECs are also utilised in the group in cash flow hedge relationships. FECs taken out to hedge exposure to fluctuations in the rand/US$ exchange rate were held over a total notional amount of R34 million (US$nil; EUR2,3 million) at 30 June 2017 (2016 − R797 million (US$53 million; EUR4 million)).

The following significant exchange rates were applied during the year:

	Average rate		Closing rate	
	2017	**2016**	**2017**	**2016**
	Rm	**Rm**	**Rm**	**Rm**
Rand/Euro	**14,83**	16,12	**14,92**	16,33
Rand/US dollar	**13,61**	14,52	**13,06**	14,71

The table below shows the significant currency exposure where entities within the group have monetary assets or liabilities that have exposure to the US dollar or the Euro. The amounts have been presented in rand by converting the foreign currency amount at the closing rate at the reporting date.

	2017		2016	
	Euro	**US dollar**	**Euro**	**US dollar**
	Rm	**Rm**	**Rm**	**Rm**
Long-term receivables	−	−	266	203
Trade and other receivables	**312**	**1 911**	426	2 437
Cash restricted for use	−	**515**	−	37
Cash	**2 410**	**1 755**	6 362	3 369

Net exposure on assets	**2 722**	**4 181**	7 054	6 046
Long-term debt	**(103)**	**(31)**	(165)	(20)
Short-term debt	**(2 542)**	**(22)**	–	(62)
Trade and other payables	**(166)**	**(986)**	(212)	(1 666)
Bank overdraft	–	**(14)**	–	–
Net exposure on liabilities	**(2 811)**	**(1 053)**	(377)	(1 748)
Exposure on external balances	**(89)**	**3 128**	6 677	4 298
Net exposure on balances between group companies	**(2 871)**	**8 262**	(3 055)	6 667
Total net exposure	**(2 960)**	**11 390**	3 622	10 965

39 Financial risk management and financial instruments continued

39.1 Financial risk management continued

Sensitivity analysis

The following sensitivity analysis is provided to show the foreign currency exposure of the individual entities at the end of the reporting period. This analysis is prepared based on the statement of financial position balances that exist at year-end, for which there is currency risk, before consideration of currency derivatives, which exist at that point in time. The effect on equity is calculated as the effect on profit and loss. The effect of translation of results into presentation currency of the group is excluded from the information provided.

A 10% weakening in the group’ s significant exposure to the foreign currency at 30 June would have increased either the equity or the profit by the amounts below, before the effect of tax. This analysis assumes that all other variables, in particular, interest rates, remain constant, and has been performed on the same basis for 2016.

	2017		2016	
	Equity Rm	Income statement Rm	Equity Rm	Income statement Rm
Euro	**(296)**	**(296)**	362	362
US dollar	**1 139**	**1 139**	1 097	1 097

A 10% movement in the opposite direction in the group’ s exposure to foreign currency would have an equal and opposite effect to the amounts disclosed above.

Interest rate risk

Interest rate risk is the risk that the value of short term investments and financial activities will change as a result of fluctuations in the interest rates.

Fluctuations in interest rates impact on the value of short-term investments and financing activities, giving rise to interest rate risk. The group has significant exposure to interest rate risk due to the volatility in South African, European and US interest rates.

How we manage the risk

Our debt is comprised of different instruments, which by their nature either bear interest at a floating or a fixed rate. We monitor the ratio of floating and fixed interest in our loan portfolio and may manage this ratio, by electing to incur either bank loans, bearing a floating interest rate, or bonds, which bear a fixed interest rate. We may also use interest rate swaps, where appropriate, to convert some of our debt into either floating or fixed rate debt to manage the composition of our portfolio. In some cases, we may also use other interest rate derivatives, which enables us to mitigate the risks associated with this exposure.

In respect of financial assets, the group' s policy is to invest cash at floating rates of interest and cash reserves are to be maintained in short-term investments (less than one year) in order to maintain liquidity, while achieving a satisfactory return for shareholders.

Our exposure to and assessment of the risk

In July 2015, we entered into an interest rate swap to convert approximately 50% of the variable Libor rate exposure of the US$3 995 million term loan facility from a Libor rate to a fixed rate. The loan was incurred by Sasol Chemicals (USA) LLC to part fund the capital expenditure of the LCCP. The instrument effectively allows Sasol to swap the variable LIBOR for a fixed rate. The swap is settled on a quarterly basis, and has been designated as the hedging instrument in a cash flow hedge.

At the reporting date, the interest rate profile of the group' s interest-bearing financial instruments, including the effect of the interest rate swap was:

	Carrying value	
	2017	**2016**
	Rm	**Rm**
Variable rate instruments		
Financial assets	**29 044**	51 408
Financial liabilities	**(38 454)**	(50 065)
	(9 410)	1 343
Fixed rate instruments		
Financial assets	**250**	658
Financial liabilities	**(44 395)**	(29 045)
	(44 145)	(28 387)
Interest profile (variable: fixed rate as a percentage of total financial assets)	**99:1**	99:1
Interest profile (variable: fixed rate as a percentage of total financial liabilities)	**46:54**	63:37

Cash flow sensitivity for variable rate instruments

Financial instruments affected by interest rate risk include borrowings, deposits, derivative financial instruments, trade receivables and trade payables. A change of 1% in the prevailing interest rate in a particular currency at the reporting date would have increased/(decreased) earnings by the amounts shown below before the effect of tax. The sensitivity analysis has been prepared on the basis that all other variables, in particular foreign currency rates, remain constant and has been performed on the same basis for 2016. The sensitivity has been calculated including consideration of the effect of existing interest rate swap derivative instruments. Interest on the loan is paid quarterly, based on the prevailing Libor rate. Interest is recognised in the income statement using the effective interest rate method. The cash flow hedge reserve will be reclassified to profit and loss on a similar basis. Currently the total notional exposure hedged under the swap is US$1,98 billion.

	Income statement – 1% increase			
	South Africa Rm	Europe Rm	United States of America Rm	Other Rm
30 June 2017	**(82)**	**7**	**(42)**	**23**
30 June 2016	(9)	73	(174)	32

	Income statement – 1% decrease			
	South Africa Rm	Europe* Rm	United States of America* Rm	Other* Rm
30 June 2017	**81**	–	–	–
30 June 2016	9	–	–	–

* A decrease of 1% in interest rates for the United States of America and Europe will not have an effect on the income statement as it is not considered reasonably possible that the repo interest rates will decrease below 0%.

	Average fixed rate %	Expiry	Fair value loss recognised in other comprehensive income 2017 Rm	Fair value loss recognised in other comprehensive income 2016 Rm	Over-effectiveness recognised in profit and loss CY Rm	Over-effectiveness recognised in profit and loss PY Rm
Interest rate derivatives - cash flow hedge						
US$ – pay fixed rate receive floating rate**	**2,70**	**December 2026**	**(1 560)**	(3 004)	**14**	15

** Losses incurred on the movement in the swap derivative were recognised in other comprehensive income, as part of the effect of cash flow hedges, as it has been designated as the hedging instrument in the cash flow hedge of approximately 50% of the LIBOR risk associated with the US$3 995 million borrowings to fund the LCCP. This is the capitalised to assets under construction as part of the specific borrowing cost of the LCCP.

Commodity price risk

Commodity price risk is the risk of fluctuations in our earnings as a result of fluctuation in the price of commodities.

How we manage the risk

Crude oil and coal price

The group makes use of derivative instruments, including options and commodity swaps as a means of mitigating price movements and timing risks on crude oil purchases and sales and export coal sales. The group entered into hedging contracts which provide downside protection against decreases in the Brent crude oil price and export coal price.

Our exposure to and assessment of the risk

A substantial proportion of our turnover is derived from sales of petroleum and petrochemical products. Market prices for crude oil fluctuate because they are subject to international supply, demand and political factors. Our exposure to the crude oil price centres primarily around the selling price of the fuel marketed by our Energy business which is governed by the Basic Fuel Price (BFP) formula, the crude oil related raw materials used in our Natref refinery and certain of our offshore operations. Key factors in the BFP are the Mediterranean and Singapore or Mediterranean and Arab Gulf product prices for petrol and diesel, respectively.

For forecasting purposes, a US$1/barrel increase in the average annual crude oil price will impact operating profit by approximately R850 million (US$62 million) in 2018. This is based on an average rand/US dollar exchange rate assumption of R 13,75.

This calculation is done at a point in time and is based on a 12-month average oil price at a constant 12-month average exchange rate. It may be used as a general rule but the sensitivity is not linear over large absolute changes in the oil price and hence applying it to such scenarios may lead to an incorrect reflection of the change in profit from operations.

Dated Brent Crude prices applied during the year:

	Dated Brent Crude	
	2017	**2016**
	US$	**US$**
High	**56,30**	61,67
Average	**49,77**	43,37
Low	**40,26**	25,99

The following commodity derivatives were in place at 30 June:

	Contract amount 2017 Rm	Fair value 2017 Rm	Within one year 2017 Rm	Contract amount 2016 Rm	Fair value 2016 Rm	Within one year 2016 Rm
Commodity derivatives						
Crude oil futures	**1 602**	**52**	**52**	2 092	(4)	(4)

Sensitivity analysis

A 10% increase of the commodity prices at 30 June would have increased the fair value losses recognised in other operating costs in the income statement by the amounts shown below, before the effect of tax. This analysis assumes that all other variables remain constant and should not be considered predictive of future performances. This calculation has been performed on the same basis for 2016.

	2017 Rm	2016 Rm
Crude oil	**(95)**	(11)

Sensitivity analysis

A 10% decrease in the commodity prices at 30 June would have the equal but opposite effect on the fair value amounts shown above, on the basis that all other variables remain constant.

Summary of our derivatives

In the normal course of business, the group enters into a various of derivative transactions to mitigate our exposure to the Rand/US dollar exchange rates, oil price and coal price. Derivative financial instruments are entered into over foreign exchange, interest rate, and commodity exposures. Derivative instruments used by the group in hedging activities include swaps, options, forwards and other similar types of instruments based on foreign exchange rates, interest rates and the prices of commodities.

Income statement impact

	2017 Rm	2016 Rm	2015 Rm
Financial instruments			
Net gain/(loss) on derivative instruments			
Foreign exchange contracts (losses)/gains	**(1 107)**	920	(156)
Revaluation of put option crude oil derivatives	**(237)**	–	–
Revaluation of zero cost collar foreign exchange derivatives	**1 608**	–	–
Revaluation of crude oil futures	**277**	330	473
Revaluation of coal swaps	**94**	–	–
Interest rate swap	**14**	15	–
	649	1 265	317

Statement of financial position impact

	2017 Rm	2016 Rm
Financial instrument		
Derivative financial assets		
Foreign exchange contracts	**4**	34
Coal swaps	**21**	–

Crude oil futures	**52**	8
Zero cost collar	**1 546**	–
Crude oil options	**1 116**	–
	2 739	42
Derivative financial liabilities		
Foreign exchange contracts	**(393)**	(473)
Coal swaps	**(2)**	–
Crude oil futures	–	(12)
Zero cost collar	**(3)**	–
Interest rate swap	**(1 070)**	(3 208)
	(1 468)	(3 693)
Non-derivative financial liabilities		
Financial guarantees	**(5)**	(6)
	(1 473)	(3 699)

Derivatives designated in hedge relationships

An interest rate swap was entered into in July 2015, to ultimately hedge 50% of the Libor exposure of the borrowings taken out to fund the LCCP project. The instrument effectively allows Sasol to swap the variable LIBOR rate for a fixed rate. The swap is settled on a quarterly basis, and has been designated as the hedging instrument in a cash flow hedge. Interest on the loan is paid quarterly, based on the prevailing Libor rate. Interest is recognised in the income statement using the effective interest rate method. The cash flow hedge reserve is reclassified to profit and loss on a similar basis. At 30 June 2017 the total notional exposure hedged under the swap is US$1,98 billion (2016 – US$0,6 billion).

	Fair value of liabilities 2017 Rm	Fair value of liabilities 2016 Rm
Interest rate derivatives - cash flow hedge	**1 070**	3 208

39 **Financial risk management and financial instruments** continued

39.1 **Financial risk management** continued

	Fair value of assets 2017 Rm	Fair value of assets 2016 Rm	Fair value of liabilities 2017 Rm	Fair value of liabilities 2016 Rm		Contract / Notional amount* 2017	Contract / Notional amount* 2016
Derivatives held for trading							
Foreign exchange contracts	**4**	34	**(393)**	(473)	US$m	**300**	537
Crude oil futures	**52**	8	–	(12)	US$m	**123**	142
	56	42	**(393)**	(485)			

* The notional amount is the sum of the absolute value of all contracts for both derivative assets and liabilities.

In addition to foreign exchange contract utilised in normal operating activities, the following derivatives were entered into to mitigate the risks associated with the crude oil price, the Rand/USD exchange rate and the coal price.

		2017
Brent crude oil - Put options		
Premium paid	US$m	**103**
Number of barrels	million	**55**
Open positions	million	**25**
Settled	million	**30**
Average Brent crude oil price floor, net of costs	US$/bbl	**48,15**
Realised losses recognised in the income statement	Rm	**(732)**
Unrealised gains recognised in the income statement	Rm	**495**
Amount included in the statement of financial position	Rm	**1 116**
Rand/US dollar currency - Zero-cost collar instruments		
US$exposure - open position	US$bn	**4 000**
Annual average floor	R/US$	**13,46**
Annual average cap	R/US$	**15,51**
Unrealised gains recognised in the income statement	Rm	**1 608**
Amount included in the statement of financial position	Rm	**1 543**
Export coal - Swap options		
Number of tons	million tons	**3,93**
Open positions	million tons	**2,10**
Settled	million tons	**1,83**
Average coal swap price	US$/ton	**77,52**
Realised gains recognised in the income statement	Rm	**74**
Unrealised gains recognised in the income statement	Rm	**20**
Amount included in the statement of financial position	Rm	**19**

Sensitivity analysis

The fair value of significant derivatives held for trading is impacted by a number of market observable variables at valuation date. The sensitivities provided below reflect the impact on fair value as a result of movements in the significant input variables utilised for valuation purposes:

		Volatility		Brent crude future price		USD/ZAR spot price	USD Libor curve	
		+2%	-2%	+USD 2/bbl	-USD 2/bbl	-R1/USD*	+0,05%	-0,05%
Crude oil options	Rm	**50**	**(50)**	**(351)**	**427**	**n/a**	**n/a**	**n/a**
Zero-cost collar	Rm	**90**	**(99)**	**n/a**	**n/a**	**3 479**	**n/a**	**n/a**
Interest rate swap	Rm	**n/a**	**n/a**	**n/a**	**n/a**	**n/a**	**940**	**(940)**

* A weakening of the Rand/US$ spot exchange rate of R2,00, will likely result in the spot price falling within the corridor of the cap and floor rates of the zero-cost collars. No gain or loss will be made if these derivatives are settled at a spot price between the cap and floor. The exchange rate would have to weaken by at least R2,00/US$, up to the cap of R15,05, before losses are incurred on the derivatives.

Sasol Limited Group
Other disclosures
(continued)

39.2 Fair value

Various valuation techniques and assumptions are utilised for the purpose of calculating fair value.

The group does not hold any financial instruments traded in an active market, except for the investment in listed equity instruments. Fair value is determined using valuation techniques as outlined below. Where possible, inputs are based on quoted prices and other market determined variables.

Fair value hierarchy

The following table is provided representing the assets and liabilities measured at fair value at reporting date, or for which fair value is disclosed at reporting date.

The calculation of fair value requires various inputs into the valuation methodologies used.

The source of the inputs used affects the reliability and accuracy of the valuations. Significant inputs have been classified into the hierarchical levels in line with IFRS 13, as shown below.

There have been no transfers between levels in the current year. Transfers between levels are considered to have occurred at the date of the event or change in circumstances.

Level 1 Quoted prices in active markets for identical assets or liabilities.
Level 2 Inputs other than quoted prices that are observable for the asset or liability (directly or indirectly).
Level 3 Inputs for the asset or liability that are unobservable.

Financial instrument	Fair value 30 June 2017	Valuation method	Significant inputs	Fair value hierarchy of inputs
Financial assets				
Investments in listed securities	**681**	Quoted market price for the same instrument	Quoted market price for the same instrument	Level 1
Investments in unlisted securities	**225**	Discounted cash flow	Forecasted earnings, capital expenditure and debt cash flows of the underlying business, based on the forecasted assumptions of inflation, exchange rates, commodity prices etc. Appropriate WACC for the region.	Level 3
Other long-term investments	**81**	Discounted cash flow	Market related interest rates.	Level 3
Long-term receivables	**3 737**	Discounted cash flow	Market related interest rates.	Level 3

Derivative assets	**2 739**	Forward rate interpolator model, appropriate currency specific discount curve, discounted expected cash flows, numerical approximation	Forward exchange contracted rates, market foreign exchange rates, forward contract rates, market commodity prices, coal prices, crude oil prices	Level 2
Trade and other receivables	**24 675**	Discounted cash flow	Market related interest rates.	Level 3*
Cash and cash equivalents	**29 446**	**	**	Level 1**
Financial liabilities				
Listed long-term debt	**13 365**	Quoted market price for the same instrument	Quoted market price for the same instrument	Level 1
Unlisted long-term debt	**68 896**+	Discounted cash flow	Market related interest rates	Level 3
Short-term debt and bank overdraft	**2 986**	Discounted cash flow	Market related interest rates	Level 3*
Derivative liabilities	**1 473**	Discounted net cash flows, using a swap curve to infer the future floating cash flows, forward rate interpolator model, discounted expected cash flows, numerical approximation	US$Overnight Indexed Swap (OIS) curve, recovery probabilities, forward exchange contracted rates, coal prices, market foreign exchange rates	Level 2
Trade and other payables	**26 131**	Discounted cash flow	Market related interest rates	Level 3*

* The fair value of these instruments approximates their carrying value, due to their short-term nature.
** The carrying value of cash is considered to reflect its fair value.
\+ An increase of 1% of the market related interest rates would have decreased the fair value by R252 million.

40 Statement of compliance

The consolidated financial statements are prepared in compliance with International Financial Reporting Standards (IFRS) and Interpretations of those standards, as issued by the International Accounting Standards Board, the SAICA Financial Reporting Guides as issued by the Accounting Practices Committee and Financial Reporting Pronouncements as issued by Financial Reporting Standards

Council and the South African Companies Act, 2008. The consolidated financial statements were approved for issue by the Board of Directors on 18 August 2017 and will be presented to shareholders at the Annual General Meeting on 17 November 2017.

Basis of preparation of financial results

The consolidated financial statements are prepared using the historic cost convention except that, certain items, including derivative instruments, liabilities for cash-settled share-based payment schemes, financial assets at fair value through profit or loss and available-for-sale financial assets, are stated at fair value. The consolidated financial results are presented in rand, which is Sasol Limited' s functional and presentation currency, rounded to the nearest million.

The consolidated financial statements are prepared on the going concern basis.

The comparative figures are reclassified or restated as necessary to afford a proper and more meaningful comparison of results as set out in the affected notes to the financial statements.

Certain additional disclosure has been provided in respect of the current year. To the extent practicable, comparative information has also been provided.

Accounting policies

Except as otherwise disclosed, the accounting policies applied in the consolidated financial statements are consistent with those applied in previous years. These accounting policies are consistently applied throughout the group.

Accounting standards, interpretations and amendments to published accounting standards

During the current financial year, the following new accounting standards, interpretations and amendments to published accounting standards were considered by the group:

Standard	Date published	Effective date*	Anticipated impact on Sasol
IFRS 9, Financial Instruments (amended)	24-Jul-14	01-Jan-18	IFRS 9 introduced new requirements for classifying and measuring financial assets and liabilities. It also contains a new impairment model which will result in earlier recognition of losses and new hedging guidance which will require the implementation of new models, systems and processes. A detailed impact analysis is underway, however we do not expect the adoption of IFRS 9 to have a significant impact on total assets, total liabilities or earnings of the group. We do not expect a fundamental change in the recognition or measurement of impairments on financial assets, as the majority of the group' s financial assets are short-term trade receivables. Areas being investigated for possible impacts include exploration-related receivables, as well as intercompany loans and receivables. The recent hedging activity being undertaken by the group is being investigated for possible hedge accounting recognition under IFRS 9.
IFRS 15, Revenue from contracts with customers	28-May-14	01-Jan-18	IFRS 15 requires entities to recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in

			exchange for those goods or services. This core principle is achieved through a five step methodology that is required to be applied to all contracts with customers. The group is currently investigating the impact of the new recognition requirements, particularly in the regulated energy environment, with reference to the timing of recognition. The interaction between IFRS 9 and IFRS 15 is also being evaluated, largely in the exploration area of the group. The disclosure impacts of the new standard are expected to be significant and the system and process changes are currently being designed to ensure sufficient and accurate data is collected to enable this.
IFRS 16, Leases	13-Jan-16	01-Jan-19	IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments. We have assessed the major impacts of the standard, particularly on the statement of financial position. Based on the current operating leases in the group, the impact is expected to be R7 billion to R9 billion.

* The amendments apply for annual periods commencing on or after the date noted and early adoption is permitted, unless otherwise indicated

Exhibit 99.2

Report of the Remuneration Committee

Henk Dijkgraaf, *Chairman of the Remuneration Committee*

The committee is committed to ensuring fair, responsible and transparent pay practices

Dear shareholder,

On behalf of the Remuneration Committee (the Committee), I am pleased to present the 2017 Sasol remuneration report, which highlights the key components of our policy, that is aligned to the Group's strategy, and how the policy is translated into reward outcomes.

The Committee is tasked by the Sasol Limited Board to independently approve and oversee the implementation of a remuneration policy that will encourage the achievement of the company's strategy and grow stakeholder value sustainably. Our policy should enable the attraction and retention of skilled resources and result in rewards aligned with shareholder interests.

In the year, we welcomed the King IV Code™ for South Africa and specifically Principle 14 addressing fair, responsible and transparent remuneration practices that promote the achievement of strategic objectives and positive outcomes in the short, medium and long term. We debated the matter of fair and responsible remuneration of employees across the organisation to ensure that remuneration is externally comparable and internally equitable.

Since 2011, the Committee has actively engaged with Sasol's large institutional investors who we consider important stakeholders and our remuneration policy has undergone significant changes. We consider shareholders' contributions thoroughly and incorporate them into the policy where these enhancements align with the Group's strategy. I would like to thank all Sasol's shareholders for their continued support of our remuneration policy. At the November 2016 Annual General Meeting (AGM), 90,93% of votes cast were in favour of the policy.

Changes to our remuneration policy

Over the past year, we converted our cash-settled long-term incentive plan into an equity-settled scheme, replaced the corporate performance target of 'attributable headline earnings' with a 'return on invested capital' target and introduced an 'energy efficiency' target into the short-term incentive plan. In addition, we aligned the minimum shareholding requirements for our executive directors to global norms. These amendments further support the delivery of Sasol's strategic objectives and further incorporate environmental, social and governance matters into the Group's remuneration policy.

Following the various policy changes made over the past few years, the Committee believes that Sasol's remuneration policy has matured and compares well with relevant market practice. For this reason, we do not consider it necessary at this time, to make changes to the policy for the next financial year. We have, however, reviewed the targets in the short- and long-term incentive plans to ensure ongoing relevance and appropriateness in the context of the macro-economic climate and Sasol's business objectives and agreed to include a project delivery measure for the Group short-term incentive (STI) plan. The Committee, in response to questions by some of our shareholders, reviewed the vesting periods of long-term incentives and concluded that these are consistent with the horizon and lead times of our major capital investment programmes.

Pay for performance

Sasol's financial results for 2017 were severely impacted by the volatile macro-economic environment. The unexpected strengthening of the rand against hard currencies, combined with the continued low crude oil price, impacted significantly on Sasol's ability to meet earnings targets. The prolonged strike action at the Secunda mining operations also resulted in significant additional costs. Despite these challenges, Sasol maintained a resilient performance due to the Business Performance Enhancement Programme (BPEP) and Response Plan (RP) initiatives and was able to meet some of the targets set for the short-term incentive plan. The company's 'total shareholder return' performance was below target which resulted in a below-target long-term incentive plan vesting percentage. The Committee believes that the policy and the incentive targets achieved their stated objectives, resulting in balanced reward outcomes in line with the organisation's performance over the short and long term. The committee also requested an independent review on the relationship between executive pay and organisational performance and is comfortable that there is strong alignment. There were no exceptions to the policy which required the Committee's approval.

We are committed to ensuring that the remuneration policy and practices are fair and responsible and welcome the opportunity to discuss the policy and its outcomes with our stakeholders.

Henk Dijkgraaf
Chairman of the Remuneration Committee

17 August 2017

Remuneration Policy

1.1 Introduction

The Remuneration Committee is mandated by the Board to oversee all aspects of remuneration in accordance with the approved terms of reference. Feedback reports on the decisions taken at Committee meetings are presented to the Board. The effectiveness of the Committee and the Committee chairman is assessed regularly.

The Committee met five times during the year.

Sasol complies with the relevant remuneration governance codes and statutes that apply in the various jurisdictions within which it operates. All recommended practices stated under Principle 14 of the King IV Code™ are applied and are explained throughout this report through the outcomes achieved.

The Committee reappointed New Bridge Street (a UK-based firm that is a signatory to the UK Remuneration Consultants' Code of Conduct) to act as our independent external advisors in support of our endeavours to act independently and provide specialist input to the approval and implementation of the policy.

1.2 Key definitions

For clarity, the following terms are used in this report:

- The term 'Group Executive Committee' (GEC) refers to the members of the executive committee, who are responsible for the development and oversight of the implementation of the organisation's strategy and business plans. All members of the GEC report to the Joint Presidents and CEOs. Members of the GEC are classified as executive management within the meaning of the King IV Code™. Members of the GEC, with the exception of the Joint Presidents and CEOs, are also referred to as Executive Vice Presidents (EVPs). The implementation report covers the outcomes against targets set for the variable pay plans as well as the remuneration received/receivable by all members of the GEC.
- *'Group Leadership'* is defined as the level below the GEC (Senior Vice Presidents (SVPs)) (32);
- *'Top Management'* refers to members of the GEC as well as the Group Leadership (42);
- *'Leadership'* is defined as the level below Group Leadership (Vice Presidents (VPs) and General Managers (GMs) (191); and
- *'Senior Management'* is defined as the level below Leadership (1 034)

1.3 Executive service contracts

The term of office of the Joint Presidents and CEOs is not specified in the company's memorandum of incorporation. Members of the GEC have permanent employment contracts with notice periods of three to six months. The contracts provide for salary and benefits to be offered to them as well as participation in incentive plans on the basis of group and individual performance and as approved by the Board. EVPs (including executive directors) who are members of the South African Sasol Pension Fund are required to retire from the Group and as directors from the Board at the age of 60, unless requested by the Board to extend their term. Apart from security benefits, there are no other special benefits for members of the GEC.

1.4 Risk management

The following principles intend to mitigate against risks which may unintentionally emanate from the remuneration policy:

(a) The remuneration policy sets the tone for alignment between remuneration decisions and strategic business objectives, the Group's risk approach, and shareholders' interests. No part of the remuneration policy and any of the plans approved under the policy encourages excessive risk-taking and any change to the remuneration policy has to be approved by the Committee.

(b) The remuneration policy is transparent to employees and persons outside the company.

(c) All incentive plans and targets are reviewed annually to ensure ongoing relevance.

(d) The remuneration mix, including the ratio between fixed and variable remuneration, is annually reviewed by the Committee to ensure an appropriate balance between the reward components.

1.4 Risk management (continued)

(e) Executive management's remuneration awards are made in accordance with the policy and disclosed in the implementation report. Executives may not approve remuneration or benefit decisions from which they personally can benefit.

(f) Exceptions to policy and all awards to members of the GEC are approved by the Committee and for executive directors, by the Board. From 2018, the company secretary's remuneration will also be approved by the Board.

2.1 Key components of our remuneration policy

Our policy is linked to the Group strategy and is a key enabler for the achievement of the Group's key performance indicators. The key components of Sasol's remuneration policy, structure and incentive targets are set out in the table below:

Total Guaranteed Package (TGP)/Base salary	• TGP = base salary + cost of all employer contributions. • Broad pay bands are set with reference to location and sector-specific median benchmark points. • For executive management, the benchmark is derived from a comparator group resembling a similar geographic footprint, market capitalisation and business model as Sasol's. • The total cost of annual increases is approved by the Committee and set in accordance with market movement, affordability and forecast inflation. • Distribution of increases to employees outside the bargaining forums is done with reference to individual performance, internal equity, competence and potential with an effective date of 1 October. • Performance-based increases are not applied for the bargaining sector as across the board increases are applied with effect from 1 July.	• Employees in countries other than South Africa are paid a base salary rather than a TGP. • Salaries are paid monthly to all employees except for employees in the United States and Canada who receive salary payments on a biweekly basis in line with local market practice. • Employees who are promoted are considered for adjustments if justified. • The company's expatriate remuneration policy enables global mobility of key management and specialists. Salaries are adjusted for cost-of-living and location differences and tax equalisation is applied.
Benefits and allowances	• Benefits include, but are not limited to, membership of a retirement plan and health insurance, disability and death cover to which contributions are made by both the company and the employee. • Allowances are paid in terms of statutory compliance or as is prevalent in a sector/ jurisdiction. • A number of special allowances including *inter alia,* housing, cost of living, home leave and child education are included in the company's expatriate policy.	• Benefits are offered on retirement, for reasons of sickness, disability or death. • The beneficiaries of employees who pass away while in service receive additional insurance depending on the retirement plan of which they were a member during service. • Allowances are linked to roles within specific locations and paid together with salaries. With the exception of expatriates, there are no allowances paid to those in senior management and higher.

Remuneration component	Policy principles	Policy application
Short-term incentive (STI) plan	• A single STI structure applies to all employees globally excluding certain employees who are aligned with mining production bonus or sales commission arrangements. • Target incentives are set in accordance with median benchmarks. • The STI structure consists of group, entity and individual performance targets set in advance of every financial year. • Annual payment of STIs is in September, after approval by the Committee. • Production bonuses and commission schemes are paid out monthly.	• Group targets for 2017: (a) Growth in headline earnings (b) Growth in cash fixed costs (c) Growth in production volumes (d) Improvement in working capital and gross margin (e) B-BBEE targets (for South African entities) in respect of preferential procurement and employment equity (f) Safety and sustainability targets – recordable case rate (RCR), fires, explosions and releases (FERs) and energy efficiency in our manufacturing operations • Entity targets are set in line with business plans approved by the responsible EVP. • Sustainability (including entity specific environmental targets) are also set at entity level. • Individual targets are included in the performance agreement. These include major project milestones where relevant.

Long-term incentive (LTI) plan	The LTI consists of future equity-settled awards linked to the market value of a Sasol ordinary share (or American Depository Receipt (ADR) for international employees), subject to the vesting conditions.
	The Committee is responsible for governing all LTI awards and considers these in respect of:
	• internal and external promotions to qualifying roles;
	• annual awards to eligible employees; and
	• discretionary awards for purposes of retention.
	Awards are directly linked to the role and individual performance, and vesting is subject to service and performance targets. The vesting period is three years for participants in leadership and senior management. A split vesting period of three and five years applies to participants in top management.
		• Of the total award, the following portion is linked to corporate performance targets (CPTs):
		  • Group Executive Committee: 100%
		  • Other participants: 60%
		• Corporate performance targets include:
		  • total shareholders' return vs. two indices, namely the MSCI World Energy Index and the MSCI World Chemicals Index;
		  • efficiencies measuring increase in tons produced over staff growth; and
		  • return on invested capital (ROIC).

The following section provides more detail on the different components of the reward mix offered.

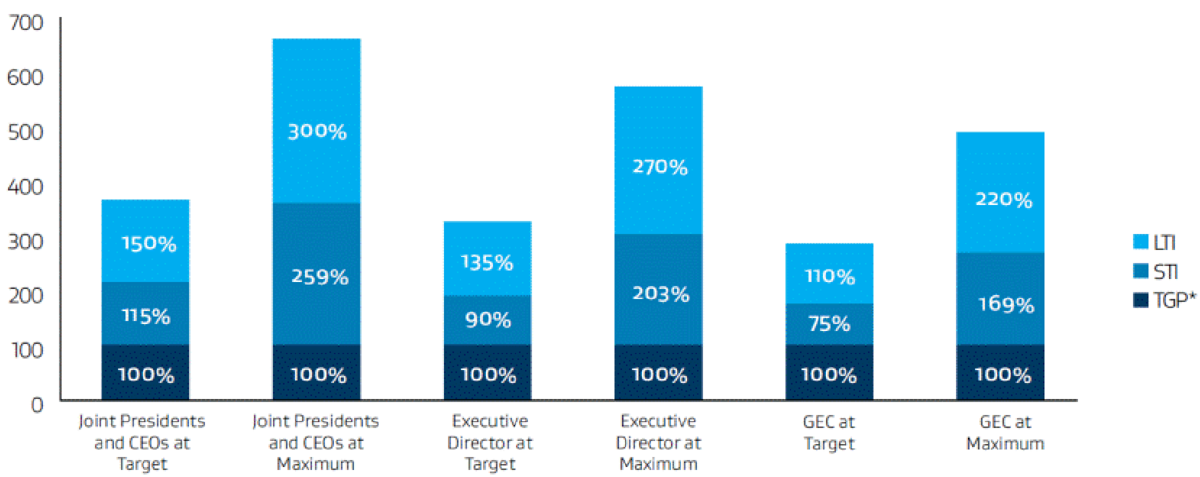
2.2 Total remuneration

2.2.1 Benchmarking

Executive remuneration is benchmarked against data provided in national executive remuneration surveys, as well as against information disclosed in the remuneration reports of organisations included in the executive remuneration comparator group. One of the Committee's key tasks is to preserve the relevance, integrity and consistency of this benchmarking exercise. With the exception of BG having been removed, the comparator group has remained unchanged since 2015. Benchmark data are used for purposes of providing trend lines and for the comparison of practices but are indicative only.

For positions below the GEC, survey reports from PwC Remchannel and Mercer Global Remuneration Solutions are used for benchmarking of South African remuneration levels; survey data from the Hay Group, ECA, Mercer and Towers Watson are used in different locations in the international environment. The ratios within the remuneration mix are structured for different structural layers within the organisation and geographic locations.

The threshold, target and maximum reward outcomes that could be derived under the terms of the policy are indicated in the following graph:



* Joint Presidents and CEOs, Executive Directors and GEC at threshold performance will only receive TGP.

The graphs indicate a balanced portfolio of rewards allocated in terms of base salary/TGP, short-term and long-term incentives, tied to the achievement of group and individual targets set over the short and long term to ensure sustainable focus on the Group's strategic objectives.

2.2.2 Total Guaranteed Package (TGP)

South African employees who are not covered by collective bargaining agreements receive a TGP which includes employer contributions towards retirement, risk, death and healthcare benefits. In terms of this model, all changes to benefit contribution levels are cost neutral to the employer and increases in the benefit pricing of employee and employer contributions reduce the net cash salary of employees.

In 2017, the total cost of increases granted to employees falling outside of collective bargaining units amounted to 6% for merit increases and a further 1% for internal equity adjustments. Employees in other jurisdictions received increases either based on forecast inflation or market movements, whichever was appropriate. Unionised employees received increases of between 7% and 7,5%, depending on the collective bargaining sector. These were implemented on 1 July 2016. The minimum wage in Sasol Mining increased from R7 300 per month to R8 300 per month with effect from 1 December 2016. This minimum wage excludes incentives, allowances and overtime and is equivalent to a TGP of R159 600 per annum.

2.2.3 Short-term incentive plan

The configuration and weightings attached to the different parts of the STI formula differs to the extent that employees can influence the achievement of performance objectives either directly or indirectly.

STI – members of the GEC

The following formula is used to calculate the STI amounts payable to the GEC:

STEP 1	STEP 2	STEP 3	STEP 4
STI TARGET INCENTIVE %	**GROUP PERFORMANCE FACTOR (0% – 150%)**	**INDIVIDUAL PORTFOLIO PERFORMANCE FACTOR (0% – 150%)**	**REMUNERATION COMMITTEE**
STI target percentages are derived from benchmarking against positions of similar impact and complexity in an identified peer group	Performance measured against a set of Group financial and non-financial drivers	Assessment of individual performance against project milestones, portfolio targets and individual targets	The Committee has full discretion to amend the formulaic outcomes where appropriate and will disclose where such discretion has been applied

The following table sets out the targets and weightings approved for the 2017 STI. The only change from 2016 is the inclusion of the Energy Efficiency target.

2017 STI targets	**Weighting**
Year-on-year growth in headline earnings	30%
Year-on-year growth in cash fixed costs (CFC)	20%
Year-on-year production volume growth (fuel-equivalent tons)	20%
Working capital and gross margin	10%
B-BBEE:	
Preferential procurement (5%)	
Employment equity (5%)	10%
Safety, health and environment (SHE):	
RCR (3,3%); FERs (3,3%); energy efficiency (3,4%)	10%

The Joint Presidents and CEOs are jointly and severally accountable to the Board and their performance is assessed by the Board, on recommendation of the Committee and the chairman of the Board. Performance is measured against a predetermined set of objectives that includes, *inter alia*, strategic leadership, financial and non-financial results, project progress and stakeholder relations as reflected in their performance scorecards.

The portfolios of GEC members cover a number of operating model entities (OMEs[1]) and large-scale projects, therefore a weighted combination of the relevant scores is included in the individual performance score for each GEC member. The final STI award for each GEC member is approved by the Committee considering performance at the Group, the combined OMEs and the individual levels.

STI – the four levels below GEC

The STI formula for employees below the GEC includes a performance modifier (ranging from 0% – 100%) in respect of the OME at which they were employed as at 30 June. The performance measures to determine the value of the modifier may include OME specific project milestones, safety and B-BBEE targets.

Each OME's final STI score is audited by the Sasol Assurance Services (SAS) and approved by the GEC. The Group STI score is audited by SAS and approved by the Committee. Approval for final payment of incentives is granted by the Committee.

2.2.4 Long-term incentive plans

Equity settled long-term incentive plan

The decision to convert the cash-settled LTIs awarded since 2014 to equity-settled LTIs was taken to strike a

A split vesting period applies to top management, where 50% of the award vests subject to the achievement of corporate performance targets after three years from the date of grant (performance period). The balance is released to the participant after a five-year period subject to the vesting conditions. Accelerated vesting principles in cases of termination for 'good leavers', do not apply to top management. A service penalty is applied for all participants whose services are terminated under 'good leaver' conditions before the end of the performance period.

The following table summarises the weightings and corporate performance targets (CPTs) under which the 2017 LTI awards were granted. Vesting is considered in terms of the weighted performance measured against four targets. There is no opportunity for retesting of targets.

Measures[1]	**Weighting** (of the portion linked to the CPTs)	**Threshold**	**Target** (at which 100% of the awards vest)	**Stretch target** (at which 200% of the awards vest)
Increase in tons produced per head	25%	0% improvement on base	1% improvement on base	2% improvement on base
Return on invested capital (ROIC)[2]	25%	Three-year average ROIC (excluding AUC[4]) at 1 times WACC[5]	Three-year average ROIC (excluding AUC[4]) at 1.3 times WACC[5]	Three-year average ROIC (excluding AUC[4]) at 1.5 times WACC[5]
TSR[3] – MSCI World Energy Index	25%	40th percentile of the index	60th percentile of the index	75th percentile of the index
TSR[3] – MSCI World Chemicals Index	25%	40th percentile of the index	60th percentile of the index	75th percentile of the index

1 Vesting on a straight-line basis between threshold and target and between target and maximum.
2 ROIC replaced compound growth in attributable earnings in 2017.
3 TSR = Total shareholders' return measured separately against the two indices; vests on a ranked relative basis between threshold and target and between target and maximum.
4 AUC = Assets under construction.
5 WACC = Weighted average cost of capital.

Share appreciation rights (SARs) (no awards made to executives since 2013)
SARs gave participating employees the opportunity, subject to the vesting conditions, to receive a future cash incentive payment calculated with reference to the increase in the market value of a Sasol ordinary share from the date of grant, after the three-, four- and five-year vesting periods respectively (up to 2012; over two, four and six years). The plan does not confer any rights to acquire shares in Sasol Limited and employees are not entitled to dividends (or dividend equivalents). The maximum period for exercising SARs is nine years from the date of the grant, after which they lapse.

Gains are only realised once the participant elects to exercise the vested SARs which can only be done outside of closed periods within the meaning of the JSE Listings Requirements. SARs issued in 2012, 2013 and 2014 vested at 88%, 119% and 101% respectively. The plan will expire in 2022.

2.3. Clawback policy

Clawbacks may be implemented by the Board for material misstatements of financial statements or errors in calculations that led to the overpayment of incentives to executives and gross misconduct on the part of the employee leading to dismissal. Clawbacks may be implemented from all gains derived from any short-term or long-term incentive award in the form of a reduction in the value of these awards in future years, or (other than for executive directors) in the form of a repayment plan over a period of up to 12 months. Executive directors are required to repay the amount in full immediately as it could otherwise be construed as a loan to a director in contravention of the South African Companies Act of 2008 and the US Sarbanes-Oxley Act of 2002. In the event that an employee has left the services of the company, or there is limited possibility of recovering amounts from future incentive awards, the company may institute proceedings to recover such amounts.

The requirement must be fully achieved within five years from 1 July 2014, or from the date of appointment if after this date.

Executive directors	Date of appointment	TGP/Salary on date of appointment	Annual pensionable remuneration	Required value of share ownership	Beneficial holdings[1]	Value of unvested LTIs at end of year
SR Cornell	1 July 2016	$900 000	$900 000	$2 700 000	19 000	$2 462 395
B Nqwababa	1 July 2016	R9 400 000	R6 580 000	R19 740 000	–	R40 315 000
P Victor	1 July 2016	R6 200 000	R4 340 000	R8 680 000	–	R22 723 000

1 American Depository Receipts.

2.5 Retention and sign-on payments

The sign-on payment and retention policy may be used in the recruitment of candidates in highly specialised or scarce skill positions, mostly in senior levels, or to retain critical skills. These payments are linked to retention periods of at least two years.

2.6 Termination arrangements applicable to executive service agreements

REMUNERATION POLICY COMPONENT	VOLUNTARY TERMINATION (i.e. resignation)	INVOLUNTARY TERMINATION (i.e. retrenchment, redundancy, retirement or other reasons included under the definition of 'good leaver')
Base salary	Payable up to the last date of service including the notice period either in exchange for service or *in lieu* of the notice period.	Payable up to the last date of service including a four-month notice period.
Health insurance	Benefit continues up to the last date of service.	Benefit continues up to last date of service; employees who qualify for the post-retirement plan continue to receive the employer's contribution.
Retirement and risk plans	Employer contributions are paid up to the last date of service. The employee is entitled to the full value of the investment and any returns thereon.	
Other benefits	Not applicable	A severance package equal to three weeks' salary per completed year of service is offered which may be increased for voluntary retrenchments or mutually agreed terminations.
Short-term incentive	If the executive resigns on or after 30 June, there is an entitlement to the STI which may be applicable for the past financial year, subject to the achievement of performance targets. No *pro rata* incentive is due if the executive leaves prior to the end of the financial year for reasons of dismissal or resignation.	A *pro rata* incentive is payable for the period in service during the financial year.
Long-term incentives	All vested SARs to be exercised by the last date of service. All unvested SARs and LTIs are forfeited.	The original SAR vesting period remains unchanged up to the normal date of retirement and then vests subject to the achievement of CPTs as well as an application of a service penalty for the period not worked during the vesting period. No accelerated vesting applies to long-term incentives but service penalty will be applied at the end of the vesting period.

2.7 Sasol Inzalo Management Scheme

Sasol implemented the Sasol Inzalo black economic empowerment (BEE) transaction in 2008 with participants being awarded the right to Sasol ordinary shares. The rights entitle the participants from the inception of the scheme to receive 50% of the dividends biannually and Sasol ordinary shares at the end of 10 years, being the tenure of the transaction, subject to Sasol's right to repurchase the shares issued to The Sasol Inzalo Management Trust in accordance with a predetermined repurchase formula. The formula takes into account the underlying value of the shares on 18 March 2008, the dividends not received by the Management Trust as a result of the pre-conditions attached to those shares and the price of a Sasol ordinary share at the end of the 10-year period. See note 34 of the annual financial statements for the outstanding rights under the Sasol Share Inzalo Management Scheme.

2.8 Non-executive director fees

Non-executive directors are appointed to the Sasol Limited Board based on their ability to contribute competence, insight and experience appropriate to assisting the Group to set and achieve its objectives. Consequently, fees are set at levels to attract and retain the calibre of director necessary to contribute to a highly effective board. They do not receive short-term incentives, nor do they participate in long-term incentive plans. No arrangement exists for compensation in respect of loss of office.

Non-executive directors are paid a fixed annual fee in respect of their board membership, as well as supplementary fees for committee membership and an additional committee fee for formally scheduled board and committee meetings that do not form part of the annual calendar of meetings. Actual fees and the fee structure are reviewed annually. The comparator group used for benchmarking of fees is the same as for executive remuneration benchmarking. The Committee has undertaken to do a comprehensive review of non-executive director fees in 2018 with a view to narrow the difference between the resident and non-resident non-executive director fees. The Board recommends the fees payable to the Chairman and non-executive directors for approval by the shareholders.

Annual non-executive directors' fees are as follows for the two past financial years:

	2017		2016	
	Member	**Chairman**	Member	Chairman
Chairman of the Board, inclusive of fees payable for attendance or membership of board committees and directorship of the company		**R4 900 000**		R4 900 000
Resident fees				
Non-executive directors	**R660 000**		R660 000	
Audit Committee	**R199 000**	**R398 000**	R199 000	R398 000
Remuneration Committee	**R136 000**	**R272 000**	R136 000	R272 000
Capital Investment Committee	**R117 000**	**R234 000**	R117 000	R234 000
Risk and Safety, Health and Environment Committee	**R117 000**	**R234 000**	R117 000	R234 000
Nomination and Governance Committee	**R117 000**	**R234 000**	R117 000	R234 000
Lead Independent Director (additional fee)	**R170 000**		R170 000	
Share Incentive Plan Trustees[1]	**R67 000**	**R134 000**	R67 000	R134 000
Attendance of formally scheduled *ad hoc* board and committee meetings (per meeting)	**R21 000**		R21 000	
Non-resident fees				
Non-executive directors	**US$147 000**		US$147 000	
Audit Committee	**US$27 000**	**US$54 000**	US$27 000	US$54 000
Remuneration Committee	**US$20 500**	**US$41 000**	US$20 500	US$41 000
Capital Investment Committee	**US$18 500**	**US$37 000**	US$18 500	US$37 000
Risk and Safety, Health and Environment Committee	**US$18 500**	**US$37 000**	US$18 500	US$37 000
Nomination and Governance Committee	**US$18 500**	**US$37 000**	US$18 500	US$37 000
Lead Independent Director (additional fee)	**US$51 000**		US$51 000	
Share Incentive Plan Trustees[1]	**R67 000**	**R134 000**	R67 000	R134 000
Attendance of formally scheduled *ad hoc* board and committee meetings (per meeting)	**R21 000**		R21 000	

1 Share Incentive Plan Trust was dissolved on 17 November 2016.

Implementation report

This part of the report focuses on the performance outcomes against the targets set for the 2017 STI plan as well as the LTI awards which vest with reference to the performance over the period that ends in 2017. In addition, the tables with all amounts received/receivable by executive management are included.

The resultant outcomes of the Group performance factor multiplier for 2017 are indicated in the following table:

Achievements against the 2017 STI targets:

Quality based earnings growth Target: 81% USD EBIT growth	Year-on-year growth in headline earnings	30%	2016 headline earnings + CPI (measured over the fiscal year)	2016 headline earnings + CPI (measured over the fiscal year) + 2%	2016 headline earnings + CPI (measured over the fiscal year) + 8%	Below threshold	0%
Gearing Target: Achieve a gearing level of 20% – 40% (Temporarily lifted to 44% until the end of 2018)	Year-on-year growth in production volumes (fuel-equivalent tons)	20%	2016 volumes	2016 volumes + 1%	2016 volumes + 2%	1,8% growth	28,00%
	Year-on-year growth in cash fixed costs (CFC)	20%	Approved Group 2017 CFC budget including BPEP savings of R9,6bn	Approved Group 2017 CFC budget including BPEP savings of R10,6bn	Approved Group 2017 CFC budget including BPEP savings of R11,6bn	In line with target	19,37%
	Working capital and gross margin	10%	15% below 2017 absolute working capital and gross margin budget	100% of 2017 absolute working capital and gross margin budget	15% better than 2017 absolute working capital and gross margin budget	8,8% below target	4,10%
Broad-based Black Economic Empowerment Target: Level 4 by 2020	B-BBEE: Preferential procurement	5%	0% improvement on 51% black-owned spend in South Africa of R3,2bn	51% black-owned spend in South Africa of R4,5bn	51% black-owned spend in South Africa of R5,0bn	Exceed stretch target	7,50%
	Employment equity (Senior African and Coloured appointments)	5%	30% of all opportunities employed in the targeted groups.	60% of all opportunities employed in the targeted groups.	75% of all opportunities employed in the targeted groups.	53% of oppor tunities utilised	3,77%
Safety, health and environment (SHE) Target: RCR of less than 0,30 by 2020	SHE safety lagging indicator – occupational safety	3,3%	0,36 RCR	0,30 RCR	0,27 RCR	RCR of 0,28 modified for five fatalities	0%
		3,3%	>27 FERs	27-24 FERs	23-21 FERs	Achieved stretch target	4,95%
Energy efficiency: 15% improvement by 2030	SHE environmental and sustainability – energy efficiency	3,4%	Energy efficiency improvement of 0,5% in South African operations	Energy efficiency improvement of 0,933% in South African operations	Energy efficiency improvement of 1,5% in South African operations	1,67% improve-ment	5,10%
							Total 72,79% (2016: 81,99%)

The following table provides a summary of outstanding LTI awards and vesting percentages in respect of awards for which the final performance year ends in 2017:

			Weighting of performance targets						
Financial year of allocation	**Vesting year (financial year)**	**Vesting range**	Growth in attributable earnings	Return on invested capital	Increase in tons produced/ head	TSR vs. MSCI World Chemicals index	TSR vs. JSE RESI 10	TSR vs. MSCI World Energy Index	Vesting results
2014	2017[1]	30% to 170%[2] 40% to 160%[3]	25%	–	25%	–	25%	25%	93,4% 94,3%
2015	**2018**	**0% to 200%[2]** **40% to 160%[3]**	**25%**	**–**	**25%**	**–**	**15%**	**35%**	**90,4%** **94,3%**
2016	2019 and 2021[4]	0% to 200%[2] 40% to 160%[3]	25%	–	25%	25%	–	25%	Unvested
2017	2020 and 2022[4]	0% to 200%[2] 40% to 160%[3]	–	25%	25%	25%	–	25%	Unvested

1 Vested on the 30 June 2016 results and settled in 2017.
2 Executive vice-presidents, CFO and Joint CEOs.
3 All other participants.
4 Split vesting period after three and five years respectively.

Executive Directors

The table below provides factors considered in the final determination of the annual STI award. The final Individual Performance Factors (IPFs) are disclosed in a range.

Executive Directors	**TGP/Base salary as at 30 June 2017 A**	**Target % B**	**Group factor % C**	**Individual performance factor % range D**	**2017 STI value E = AxBxCxD**
SR Cornell[1]	$900 000	115%	72,79%	90 – 100	$700 640
B Nqwababa	R9 400 000	115%	72,79%	90 – 100	R7 317 797
P Victor	R6 572 000	90%	72,79%	110 – 120	R4 951 190

1 Gross US dollar salary.

Remuneration and benefits paid (disclosed in rands) and approved in respect of 2017 for Executive Directors were as follows:

	SR Cornell[3,4]		B Nqwababa[5]		VN Fakude[6]		P Victor[7]		DE Constable[8]	
Executive Directors	**2017 R'000**	2016 R'000	**2017 R'000**	2016 R'000	**2017 R'000**	2016 R'000	**2017 R'000**	2016 R'000	**2017 R'000**	2016 R'000
Salary	12 583	–	8 505	5 987	3 197	6 181	5 360	–	–	22 769
Risk and retirement funding	963	–	814	636	896	1 765	938	–	–	223
Vehicle benefits	256	–	–	–	30	60	100	–	–	–
Medical benefits	362	–	81	81	24	46	82	–	–	371
Vehicle insurance fringe benefits	–	–	6	6	3	6	6	–	–	6
Security benefits	818	–	466	446	212	393	–	–	–	868
Other benefits	10 851	–	6 806	1 750	289	185	2 125	–	–	5 363
Total salary and benefits	**25 833**	**–**	**16 678**	**8 906**	**4 651**	**8 636**	**8 611**	**–**	**–**	**29 600**
Annual short-term incentive[1]	9 291	–	7 318	4 413	–	5 049	4 951	–	–	12 437
Long-term incentive gains[2]	2 107	–	12 013	–	6 312	10 320	4 538	–	–	14 352
Total annual remuneration	**37 231**	**–**	**36 009**	**13 319**	**10 963**	**24 005**	**18 100**	**–**	**–**	**56 389**

1 Short-term incentives approved based on the Group results for the 2017 financial year and payable in the 2018 financial year. Incentives are calculated as a percentage of total guaranteed package/base salary as at 30 June 2017.

2 Long-term incentives for the 2017 financial year represent the number of units x corporate performance target achieved (2017) x closing share price on 17 August 2017. The actual vesting date for the annual awards made on 11 September 2014 is 11 September 2017. Dividend equivalents implemented for all awards with effect from September 2014. Dividend equivalents accrue at the end of the vesting period, to the extent that the LTI units will vest. It represents: number of units awarded x corporate performance targets achieved during financial year 2017 x dividend equivalents up to 11 September 2017.

3 Mr SR Cornell was appointed as Joint President and Chief Executive Officer on 1 July 2016 and is paid in dollars, the increase in salary and benefits reflect the impact of the rand/US dollar exchange rate. Other benefits include a portion of R2 031 061 of a $750 000 sign on bonus paid and not previously disclosed due to the retention period. Included in other are benefits allowance (R387 038) accommodation (R1 288 998), home leave (R450 000), school fees (R160 236), settling in (R1 044 546), tax on benefits offered (R5 085 138) and relocation costs (R403 777).

4 Mr Cornell participates in an individual Senior Executive Retirement Plan (SERP) in order to adjust for differences between the benefits that would have been payable under his previous employer's retirement fund and the benefits payable under the retirement programmes of Sasol (USA) Corporation. The value accrued to 30 June 2017 under the SERP is $92 236. The SERP benefit is payable to Mr Cornell following his death, disability or termination of employment for any reason other than cause.

5 Mr B Nqwababa was appointed as Joint President and Chief Executive Officer on 1 July 2016. A sign on payment totalling R9 000 000 has been paid in 3 tranches over three years compensating partially for incentives and benefits forfeited when he resigned from his previous employer. Included in other is the amount relating to the final tranche and amounts not previously disclosed. This balance is disclosed to align with the King IV recommended practice.

6 Ms VN Fakude resigned as Executive Vice President Strategy and Sustainability with effect from 31 December 2016. Other Benefits include Inzalo dividends (R96 688) earned during the financial year and leave encashment (R192 781).

7 Mr P Victor was appointed as Chief Financial Officer with effect from 1 July 2016. Include in other benefits is a portion of a retention payment of R3 000 000 paid in two tranches. Included in other is the final tranche and amount not previously disclosed.

8 Mr DE Constable resigned from the Group with effect 30 June 2016.

Number of LTI holdings (unvested)

Executive Directors	Balance at beginning of year (number)	Granted (number)	Grant date	Effect of corporate performance targets (number)	Long-term incentive rights settled (number)	Effect of change of Executive Directors (number)	Balance at end of year (number)
SR Cornell	65 100	60 000	26-Sept-16	(2 439)	(34 561)	–	**88 100**
VN Fakude[1]	75 946	–	–	(2 007)	(28 439)	(2 700)	**42 800**
B Nqwababa	50 000	60 000	26-Sept-16	–	–		**110 000**
P Victor[2]	–	45 000	26-Sept-16	(486)	(6 882)	24 368	**62 000**
Total	**191 046**	**165 000**		**(4 932)**	**(69 882)**	**21 668**	**302 900**

Intrinsic value of LTI holdings (unvested)

Executive Directors	Intrinsic value at beginning of year	Intrinsic value of awards made during the year	Change in intrinsic value for the year	Effect of corporate performance targets	Long-term incentive rights settled[3]	Effect of change of Executive Directors	Intrinsic value at end of year[4]
SR Cornell	$1 765 512	$1 601 400	$115 573	($67 243)	($952 847)	–	**$2 462 395**
VN Fakude[1]	R30 163 473	–	(R2 084 482)	(R746 243)	(R10 574 189)	(R1 072 359)	**R15 686 200**
B Nqwababa	R19 858 500	R22 179 600	(R1 723 100)	–	–	–	**R40 315 000**
P Victor[2]	–	R16 634 700	(R850 369)	(R180 705)	(R2 558 865)	R9 678 239	**R22 723 000**

1 Ms VN Fakude resigned with effect from 31 December 2016. As a result of Ms VN Fakude's resignation a service penalty of 2700 units (before the effect of CPTs) was applied to a 2015 grant. This impact is included in the 'Effect of change in Executive Directors'.

2 Mr P Victor was appointed as Executive Director and Chief Financial Officer with effect from 1 July 2016.

3 Long-term incentives settled represent long-terms incentives that vested with reference to the group results for 2016 that was settled in the 2017 financial year. Difference between long-term incentive gains disclosed in 2016 and amount settled in 2017 is due to differences in actual share price at vesting date and the share price on 8 September 2016 being the disclosure date.

4 Intrinsic values at beginning and end of year have been determined using the closing share price of R397,17 and R366,50 on 30 June 2016 and 30 June 2017.

Number of SAR holdings – outstanding (vested and unvested)

Executive Directors	Balance at beginning of year (number)	Effect of corporate performance targets (number)	Effect of change of Executive Directors (number)	Balance at end of year (number)
VN Fakude[1]	142 100	(2 803)	–	**139 297**
P Victor[2]	–	(98)	8 100	**8 002**
	142 100	**(2 901)**	**8 100**	**147 299**

Fair value of SAR holdings – outstanding (vested and unvested)

Executive Directors	Fair value at beginning of year[3] R'000	Change in fair value for the year R'000	Effect of change of performance targets R'000	Effect of change of Executive Directors R'000	Fair value at end of year[3] R'000
VN Fakude[1]	19 635	(7 136)	(294)	–	**12 205**
P Victor[2]	–	(413)	(4)	1 138	**721**

Prescribed Officers

The table below provides factors considered in the final determination of the annual STI award. The final Individual Performance Factors (IPFs) are disclosed in a range.

Prescribed Officers	TGP/Base salary as at 30 June 2017 A	Target % B	Group factor % C	Individual performance factor % range[3] D	2017 STI value E = AxBxCxD
FR Grobler[1]	R5 032 681	75%	72,79%	100 – 110	R3 514 461
VD Kahla	R6 030 075	75%	72,79%	90 – 100	R3 291 969
BE Klingenberg	R7 197 729	75%	72,79%	90 – 100	R3 929 420
CK Mokoena[2]	R5 000 000	75%	72,79%	90 – 100	R1 137 344
M Radebe	R5 241 015	75%	72,79%	90 – 100	R2 575 081
CF Rademan	R6 390 474	75%	72,79%	90 – 100	R3 314 284
SJ Schoeman[1]	R5 625 275	75%	72,79%	90 – 100	R3 354 083

1 2017 pro rata STI value in US dollar/Euro paid in respect of period worked on expatriate contract.
2 Pro rata STI value for the period 1 February – 30 June 2017
3 Actual score determined by performance against individual scorecard, in a range of 0% – 150%.

Remuneration and benefits paid (disclosed in rands) and approved in respect of 2017 for Prescribed Officers were as follows:

Prescribed Officers	SR Cornell[3]		FR Grobler[4]		VD Kahla		BE Klingenberg	
R'000	**2017**	2016	**2017**	2016	**2017**	2016	**2017**	2016
Salary	–	9 827	**4 746**	3 035	**5 180**	4 765	**5 179**	4 527
Risk and retirement funding	–	268	**825**	1 408	**683**	629	**1 599**	1 501
Vehicle benefits	–	–	**169**	117	**–**	–	**212**	212
Medical benefits	–	293	**112**	77	**82**	81	**82**	81
Vehicle insurance fringe benefits	–	–	**6**	6	**6**	6	**6**	6
Security benefits	–	–	**30**	10	**419**	392	**332**	304
Other benefits	–	5 678	**1 944**	–	**–**	–	**–**	–
Total salary and benefits	**–**	**16 066**	**7 832**	**4 653**	**6 370**	**5 873**	**7 410**	**6 631**
Annual short-term incentive[1]	–	3 243	**3 515**	2 542	**3 292**	3 002	**3 929**	3 632
Long-term incentive gains[2]	–	12 736	**3 094**	6 825	**3 713**	4 233	**3 713**	6 023
Total annual remuneration	**–**	**32 045**	**14 441**	**14 020**	**13 375**	**13 108**	**15 052**	**16 286**

Prescribed Officers	CK Mokoena[5]		M Radebe[6]		CF Rademan		SJ Schoeman[7]	
R'000	**2017**	2016	**2017**	2016	**2017**	2016	**2017**	2016
Salary	**1 876**	–	**4 091**	3 840	**4 754**	3 983	**6 153**	4 098
Risk and retirement funding	**207**	–	**710**	688	**1 132**	1 569	**513**	446
Vehicle benefits	**–**	–	**264**	264	**320**	320	**424**	200
Medical benefits	**–**	–	**83**	81	**72**	71	**174**	81
Vehicle insurance fringe benefits	**–**	–	**6**	6	**6**	6	**6**	6
Security benefits	**–**	–	**153**	16	**35**	33	**–**	38
Other benefits	**4 295**	–	**87**	110	**–**	9	**2 848**	–
Total salary and benefits	**6 378**	**–**	**5 394**	**5 005**	**6 319**	**5 991**	**10 118**	**4 869**
Annual short-term incentive[1]	**1 137**	–	**2 575**	2 672	**3 314**	3 414	**3 366**	2 770
Long-term incentive gains[2]	**–**	–	**3 713**	4 233	**4 538**	5 019	**3 094**	6 825
Total annual remuneration	**7 515**	**–**	**11 682**	**11 910**	**14 171**	**14 424**	**16 578**	**14 464**

1 Short-term incentives approved based on the Group results for the 2017 financial year and payable in the 2018 financial year. Incentives are calculated as a percentage of total guaranteed package/base salary as at 30 June 2017.

2 Long-term incentives for the 2017 financial year represent the number of units x corporate performance target achieved (2017) x closing share price on 17 August 2017. The actual vesting date for the annual awards made on 11 September 2014 is 11 September 2017. Dividend equivalents implemented for all awards with effect from September 2014. Dividend equivalents accrue at the end of the vesting period, to the extent that the LTI units will vest. It represents: number of units awarded x corporate performance targets achieved during financial year 2017 x dividend equivalents up to 11 September 2017.

3 Mr SR Cornell became an executive director on 1 July 2016.

4 With effect from 1 April 2017, Mr FR Grobler is being paid in Euros in accordance with Sasol's expatriate policy. The increase in salary and benefits reflect the impact of the rand/Euro exchange rate. Other benefits for Mr FR Grobler include (Upset Allowance R549 020) (Expatriate allowances R1 395 023) Medical benefits include international cover for dependents.

5 Ms CK Mokoena was appointed as EVP Human Resources and Corporate Affairs effective 1 February 2017. A sign on payment totalling R7 500 000 and payable over two years was concluded with Ms CK Mokoena as part of her employment contract compensating partially for incentives and benefits forfeited when she resigned from her previous employer. This amount reflects the first tranche, paid in February 2017. The remaining balance will be paid in 2018. Other benefits include accommodation for six months.

6 Other benefits include Inzalo dividends earned during the financial year.

7 Mr SJ Schoeman became an expatriate effective 1 January 2017 and is paid in US dollars, the increase in salary and benefits reflect the impact of the rand/US dollar exchange rate. Other benefits for Mr SJ Schoeman include (Upset Allowance R552 603) (Expat allowances R631 370) (Accommodation R1 663 660). Medical benefits include international cover for Mr SJ Schoeman.

Number of LTI holdings (unvested)

Prescribed Officers	Balance at beginning of year (number)	Granted (number)	Grant date	Effect of corporate performance targets (number)	Long-term incentive rights settled (number)	**Balance at end of year (number)**
FR Grobler	41 136	18 000	26-Sept-16	(1 327)	(18 809)	**39 000**
VD Kahla	37 489	18 000	26-Sept-16	(824)	(11 665)	**43 000**
BE Klingenberg	45 269	22 000	26-Sept-16	(1 171)	(16 598)	**49 500**
CK Mokoena	–	15 000	13-Mar-17	–	–	**15 000**
M Radebe	35 489	18 000	26-Sept-16	(824)	(11 665)	**41 000**
CF Rademan	45 808	20 000	26-Sept-16	(976)	(13 832)	**51 000**
SJ Schoeman	51 136	18 000	26-Sept-16	(1 327)	(18 809)	**49 000**
Total	**256 327**	**129 000**		**(6 449)**	**(91 378)**	**287 500**

Intrinsic value of LTI holdings (unvested)

Prescribed Officers	Intrinsic value at beginning of year[1] R'000	Intrinsic value of awards made during the year R'000	Change in intrinsic value for the year R'000	Effect of corporate performance targets R'000	Long-term incentive rights settled[1] R'000	**Intrinsic value at end of year[2] R'000**
FR Grobler	16 338	6 654	(1 243)	(491)	(6 964)	**14 294**
VD Kahla	14 890	6 654	(1 140)	(306)	(4 337)	**15 761**
BE Klingenberg	17 979	8 133	(1 364)	(435)	(6 171)	**18 142**
CK Mokoena	–	5 508	(10)	–	–	**5 498**
M Radebe	14 095	6 654	(1 079)	(306)	(4 337)	**15 027**
CF Rademan	18 194	7 393	(1 389)	(363)	(5 143)	**18 692**
SJ Schoeman	20 310	6 654	(1 371)	(503)	(7 131)	**17 959**
Total	**101 806**	**47 650**	**(7 596)**	**(2 404)**	**(34 083)**	**105 373**

1 Long-term incentives settled represent long-terms incentives that vested with reference to the group results for 2016 that was settled in the 2017 financial year. Difference between long-term incentive gains disclosed in 2016 and amount settled in 2017 is due to differences in actual share price at vesting date and the share price on 8 September 2016 being the disclosure date.

2 Intrinsic values at the beginning and end of year have been determined using the closing share price of R397,17 and R366,50 on 30 June 2016 and 30 June 2017.

Number of SAR holdings (vested and unvested)

Prescribed Officers	Balance at beginning of year (number)	Effect of corporate performance targets (number)	SARs exercised (number)	Balance at end of year (number)
FR Grobler	66 150	141	(3 700)	**62 591**
VD Kahla	45 500	(1 943)	(26 487)	**17 070**
BE Klingenberg	172 113	(294)	(4 500)	**167 319**
M Radebe	128 753	(2 418)	–	**126 335**
CF Rademan	96 432	(294)	(3 000)	**93 138**
SJ Schoeman	63 875	(609)	–	**63 266**
Total	**572 823**	**(5 417)**	**(37 687)**	**529 719**

Fair value of SAR holdings (vested and unvested)

Prescribed Officers	Fair value at beginning of year[1] R'000	Change in fair value for the year R'000	Effect of change of performance targets R'000	Gain on exercise of share appreciation rights 2017 R'000	Fair value at end of year[1] R'000
FR Grobler	7 182	(1 350)	46	(306)	**5 572**
VD Kahla	5 794	(2 953)	(207)	(1 174)	**1 460**
BE Klingenberg	21 623	(6 097)	44	(347)	**15 223**
M Radebe	12 823	(1 611)	(162)	–	**11 050**
CF Rademan	12 912	(4 217)	44	(115)	**8 624**
SJ Schoeman	8 797	(3 340)	(49)	–	**5 408**
Total	**69 131**	**(19 568)**	**(284)**	**(1 942)**	**47 337**

1 Fair values at the beginning and end of year have been determined using the IFRS 2 option values on 30 June 2016 and 30 June 2017.

Share appreciation rights exercised

Prescribed Officers	Exercise dates	SARs exercised (number)	Market price per share (Rand)	Offer price per share (Rand)	Gain on exercise of share appreciation rights 2017
FR Grobler	11-Nov-16	3 700	377,19	294,50	**305 953**
VD Kahla	4-May-16	26 487	416,33	372,00	**1 174 169**
BE Klingenberg	11-Nov-16	4 500	371,56	294,50	**346 770**
CF Rademan	3-April-17	3 000	390,59	352,10	**115 470**
Total		**37 687**			**1 942 362**

Sasol Share Incentive Scheme

Executive Directors no longer have any outstanding share options under the now expired Sasol Share Incentive Scheme and accordingly did not exercise any options during the course of the financial year. During the prior year, FR Grobler exercised 1 300 share options with a strike price of R232,38 and a market price of R464,29 per share on the exercise date. This resulted in a gain on exercise of R301 483. His remaining 2 700 options lapsed on expiry of the scheme.

Sasol Inzalo Management Scheme rights

At the grant date on 3 June 2008, the issue price of the underlying share was R366,00 which represented the 60-day volume weighted average price of Sasol ordinary shares to 18 March 2008.

The shares were issued to The Sasol Inzalo Management Trust at R0,01 per share.

	Balance at beginning of year (number)	Effect of change of Executive Directors (number)	**Balance at end of year (number)**
Executive Directors			
VN Fakude [1]	25 000	(5 000)	**20 000**
Prescribed Officers			
M Radebe	15 000	–	**15 000**
Total	**40 000**	**(5 000)**	**35 000**

1 Ms VN Fakude resigned with effect from 31 December 2016 and retained 80% of her Inzalo shares.

Sasol Inzalo Public Limited RF (Sasol Inzalo) indirectly held 2 838 565 of the total issued capital of Sasol on 30 June 2017 in the form of unlisted Sasol preferred ordinary shares. The Sasol Inzalo ordinary shares have limited trading rights until 7 September 2018. Refer to note 34 of the Annual Financial Statements for details of the Sasol Inzalo share transaction.

Beneficial shareholding

The aggregate beneficial shareholding at 30 June 2017 of the directors of the company and the prescribed officers and their associates (none of whom have a holding greater than 1%) in the issued ordinary share capital of the company are detailed in the following tables.

	2017			2016		
Beneficial shareholdings[1]	**Direct beneficial**	**Indirect beneficial[2]**	**Total beneficial shareholding**	Direct beneficial	Indirect beneficial[2]	Total beneficial shareholding
Executive Directors						
SR Cornell [3]	**19 000**	**–**	**19 000**	–	–	–
VN Fakude [4]	**4 269**	**–**	**4 269**	4 269	–	4 269
Non-executive Directors						
IN Mkhize	**–**	**18 435**	**18 435**	–	18 435	18 435
Total	**23 269**	**18 435**	**41 704**	4 269	18 435	22 704

1 There was no change in the above shareholding between the end of the financial year and the date of approval of the Annual Financial Statements.

2 Sasol Inzalo Public Limited (RF) shares.

3 American Depositary Receipts.

4 Ms VN Fakude resigned with effect from 31 December 2016.

	2017			2016		
	Direct beneficial	**Indirect beneficial**	**Total beneficial shareholding**	Direct beneficial	Indirect beneficial	Total beneficial shareholding
Prescribed Officers						
FR Grobler	**13 500**	**–**	**13 500**	13 500	–	13 500
CF Rademan	**4 000**	**–**	**4 000**	600	–	600
M Radebe	**–**	**3 357**	**3 357**	–	3 357	3 357
Total	**17 500**	**3 357**	**20 857**	14 100	3 357	17 457

Non-executive Directors' remuneration for the year was as follows:

Non-executive Directors	Board meeting fees R'000	Lead Independent Director fees R'000	Committee fees R'000	Share Incentive Trust fees[6] R'000	*Ad hoc* or special meeting fees R'000	**Total 2017 R'000**	Total 2016 R'000
MSV Gantsho (Chairman)	4 900	–	–	–	–	**4 900**	4 900
HG Dijkgraaf [1, 2] (Lead Independent Director)	1 983	688	869	17	10	**3 567**	3 955
JE Schrempp [1, 3] (Lead Independent Director)	–	–	–	–	–	**–**	1 731
C Beggs	660	–	515	–	126	**1 301**	1 196
MJ Cuambe [1, 4]	1 983	–	433	–	21	**2 437**	186
GMB Kennealy [5]	165	–	–	–	–	**165**	–
NNA Matyumza	660	–	452	–	63	**1 175**	1 010
IN Mkhize	660	–	569	34	147	**1 410**	1 384
ZM Mkhize	660	–	117	–	42	**819**	819
MJN Njeke	660	–	316	–	63	**1 039**	888
ME Nkeli [5]	165	–	–	–	–	**165**	–
PJ Robertson [1]	1 983	–	1 025	17	115	**3 140**	3 411
S Westwell [1]	1 983	–	863	–	115	**2 961**	3 165
Total	**16 462**	**688**	**5 159**	**68**	**702**	**23 079**	22 645

1 Board and committee fees paid in US dollars, except for Share Incentive Trust and *Ad hoc* or special meeting fees which are paid in rands.
2 Mr HG Dijkgraaf appointed as Lead Independent Director on 4 December 2015.
3 Prof JE Schrempp retired from the board on 4 December 2015.
4 Mr MJ Cuambe appointed on 1 June 2016.
5 Mss GMB Kennealy and ME Nkeli appointed effective 1 March 2017.
6 Share Incentive Trust dissolved on 17 November 2016.

Executive Directors do not receive directors' fees.

Exhibit 99.3

CHIEF FINANCIAL OFFICER'S REVIEW

Paul Victor,
Chief Financial Officer

KEY MESSAGES:

Steering through
volatile external markets

Sustainably reducing our cost base
through continuous improvement

Allocating capital
to enable value-based growth

Protecting and strengthening
the balance sheet

Making **digital a part of our DNA**

Overview

2017 marked the start of an exciting era for Sasol, as we focused on driving value-based growth to enable us to deliver superior returns to our shareholders.

Steering through volatile external markets

Volatility in economic, political and social factors continued to add pressure to Sasol's results. Oil prices traded at an average of US$50/bbl on the back of geopolitical factors and the rand/US dollar exchange rate strengthened as global macro-economic dynamics overshadowed increased domestic political and economic risks. Both of these factors had a significant impact on our earnings. To mitigate the impact of financial risks on our business, we entered into various hedging contracts to protect the company against volatility in commodity prices, currencies and interest rate changes.

Against this backdrop, we showed great resilience and character: we delivered record production volumes at Secunda Synfuels of 7,83mt, and increased our production from our Eurasian Operations by 6%, due largely to management turnaround programmes to increase the efficiency of our operations. Earnings attributable to shareholders for the year ended 30 June increased by 54% to R20,4 billion from R13,2 billion in the prior year. Headline earnings per share (HEPS) decreased by 15% to R35,15 and earnings per share (EPS) increased by 54% to R33,36 compared to the prior year. The prior year EPS was negatively impacted by the R9,9 billion impairment of our Canadian shale gas assets. We continued to deliver a strong cost performance and managed to contain our cash fixed costs to below inflation in nominal terms, despite the additional once-off costs incurred due to the Mining strike. Through our continued focus on cost control and the commitment of our people, we achieved our Business Performance Enhancement Programme (BPEP) sustainable savings exit run-rate target of R5,4 billion per annum in 2017, a year earlier than planned. We have now closed out our BPEP programme, having achieved the targeted sustainable savings. Going forward we are committed to further drive continuous improvement to identify opportunities to sustainably drive down costs and deliver improved returns to our shareholders and stakeholders.

The cash flows generated from our robust foundation businesses will enable us to realise our growth aspirations in Southern Africa and North America. Our Lake Charles Chemicals Project (LCCP) in the US is of strategic importance to Sasol and will diversify our earnings base both from a geographic and product-slate perspective. The first units of the LCCP are on track to reach beneficial operation in the second half of calendar year 2018. The funding of the LCCP has been secured by using cash generated from our own operations and various borrowing facilities. The Production Sharing Agreement (PSA) project in Mozambique is progressing according to plan, with six of the 13 wells already drilled. We plan to use the gas from this project both in Mozambique and for our South African operations as we explore opportunities to operate in a lower-carbon economy and extend our gas-fed value chain operations to beyond 2034.

We expect Sasol's balance sheet to deleverage substantially over the next two years, and hence we are refining our capital allocation principles to guide how we allocate capital in a disciplined and transparent manner.

To ensure that we remain competitive and cost agile, we adopted a continuous improvement culture that aims to enhance our systems and capital allocation process to further reduce our cost base. This will be achieved by challenging ourselves to work smarter and more efficiently. The use of digital technologies and systems will be a key driver in achieving these efficiencies. We adopted a formal and focused digital initiative to align and guide the organisation forward. To ensure we can unlock maximum value, we engaged with partners who know the digital industry best. Digital technologies are transforming how we work and we aspire to deliver even more superior returns using these.

Operating profit up
31%

Maintained investment grade credit rating

Capital expenditure
R60,3 billion

Market overview

Global growth remained weak, with International Monetary Fund (IMF) estimates showing that world GDP growth slowed to 3,1% in the 2016 calendar year from 3,4% in the 2015 calendar year. Economic growth in the Eurozone and US was moderate, but broadly better than expected. While China's economic growth stabilised, large emerging market economies such as Brazil and Russia experienced recessionary conditions. South Africa's economy grew by only 0,3% in the 2016 calendar year, the slowest growth rate since 2009, mainly due to severe drought conditions, weak business and consumer confidence and policy uncertainty. Commodity and financial market volatility persisted throughout the financial year.

BRENT DATED AVERAGE CRUDE OIL PRICES

2017

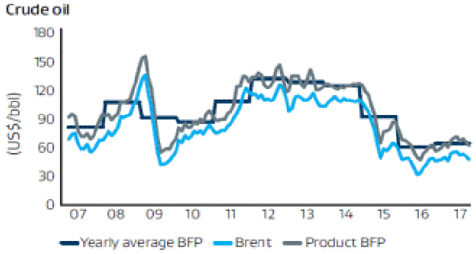
2016

2015

Crude oil

The crude oil price averaged US$49,77 per barrel (/bbl) for the 2017 financial year, touching a high of US$56,30/bbl, a low of US$40,26/bbl, and closing at US$47,39/bbl on 30 June 2017. This compares to an average of US$43,37/bbl for 2016.

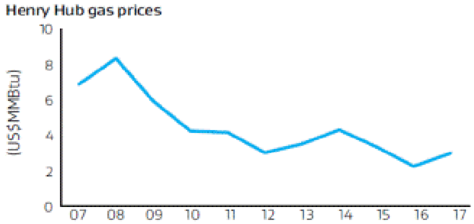
Crude oil



Gas prices

Gas prices in North America remained depressed. In 2017, gas prices averaged US$3,00/million British thermal units (MMBtu) relative to the very low average of US$2,25/MMBtu in 2016. At 30 June 2017, the spot Henry Hub gas price was US$2,98/MMBtu from US$2,94/MMBtu at 30 June 2016.

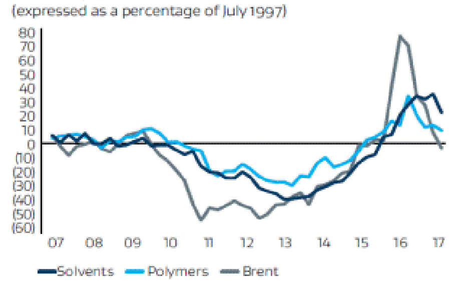
Henry Hub gas prices



Chemical prices

The continued softness in oil prices and feedstock costs for most of the chemical value chain led to corresponding softness in chemical sales prices. However, strong demand for chemicals supported margins. In South Africa, chemicals prices showed continued resilience when compared to the decline in average crude oil prices. Global and local demand/supply dynamics, as well as the competitive forces at play in markets within which we sell our Base Chemicals products, had a positive impact on the overall sales price levels achieved.

Chemical prices
(expressed as a percentage of July 1997)

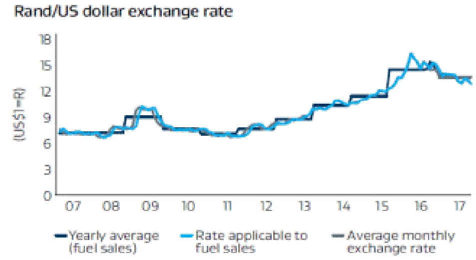


Exchange rates

During 2017, the rand/US dollar exchange rate averaged R13,61/US$. The exchange rate was influenced by domestic political developments, sovereign credit rating downgrades, an uptick in export commodity prices, improved emerging market risk perceptions and domestic and US interest rate expectations.

From a long-term perspective, the rand/US dollar exchange rate is still considered to be slightly undervalued. Despite this, the rand still faces a number of global and domestic risks that could lead to ongoing currency volatility. These risks include an uncertain political environment, sovereign credit rating developments, the strength and sustainability of the recent global upturn, key commodity price trends, the domestic and US interest rate cycles and emerging market risk perceptions.

Rand/US dollar exchange rate

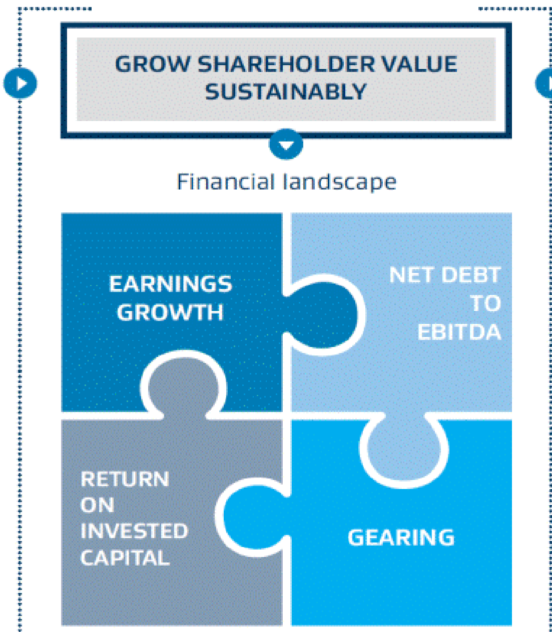


Key risks impacting our financial performance

In order to assess the impact of the operating environment on our business, it is important to understand those factors that affect the delivery of our results.

KEY FINANCIAL RISKS AFFECTING OUR PERFORMANCE

- Current economic climate
- Credit market risk and its impact on our debt profile
- Volatile markets and exchanges rates
- Crude oil, gas and chemical prices
- Executing on capital projects
- Improving our cost base given inflationary pressures
- Tax risk



KEY PERFORMANCE INDICATORS

Quality-based earnings growth
Target: 8% US dollar EBIT growth

Net debt-to-EBITDA
Target: Net debt-to-EBITDA ratio of <2,0 times

Gearing
Target: Achieve a gearing level of 20% to 40% (Temporarily lifted to 44% until the end of 2018)

Return on invested capital
Target: Capital portfolio to deliver return on capital invested of 18,3% in rand terms

Sasol's integrated risk management process has enabled us to remain resilient in the volatile macro-economic environment. We closely monitor the progress of our strategic objectives by considering and planning for various likely financial scenarios in determining whether the risk is within the limits of our risk tolerance and risk appetite as well as testing the robustness of our mitigation actions.

Financial performance

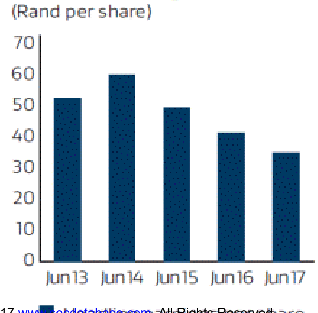
Overall in 2017, Sasol has delivered a strong business performance across most of the value chain, with our Secunda Synfuels Operations (SSO) reporting record volumes and our Eurasian Operations delivering their highest production volumes since 2015. Continued volatility in the macro-economic environment, particularly the stronger rand and low oil price, adversely impacted our financial performance.

Earnings attributable to shareholders for the year ended 30 June increased by 54% to R20,4 billion from R13,2 billion in the prior year.

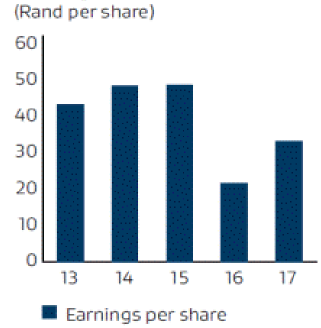
Headline earnings per share (HEPS) decreased by 15% to R35,15 and earnings per share (EPS) increased by 54% to R33,36 compared to the prior year. The prior year EPS was negatively impacted by the R9,9 billion impairment of our Canadian shale gas assets.

Profit attributable to shareholders
(R billion)

Headline earnings per share
(Rand per share)



Earnings per share
(Rand per share)



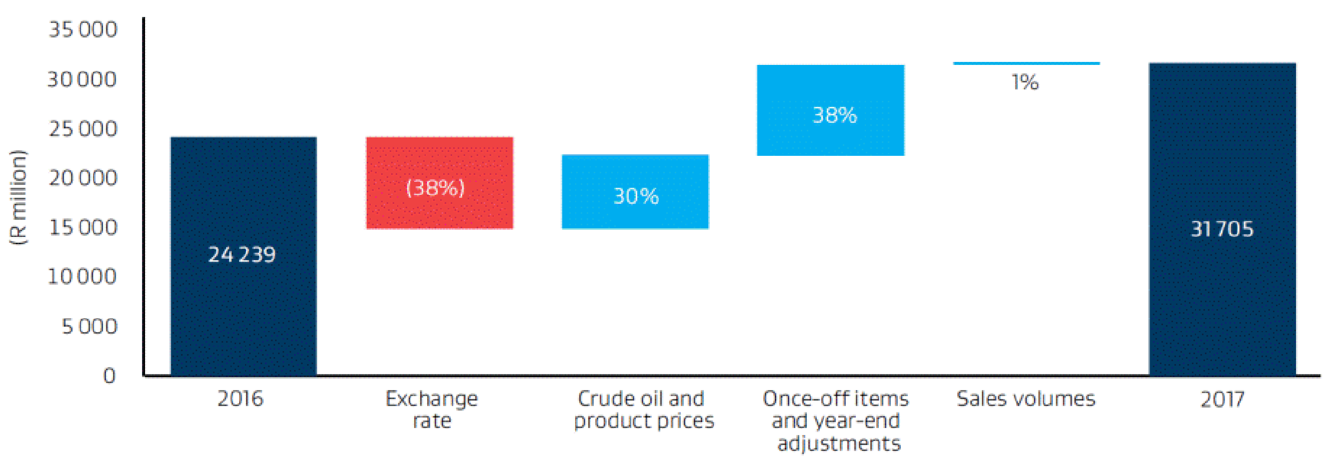
Included in remeasurement items is a partial impairment of our US Gas-to-Liquids (GTL) project amounting to R1,7 billion (US$130 million) due to the uncertainty around the probability and timing of project execution and the reversal of a partial impairment of the Lake Charles Chemicals Project (LCCP) amounting to R0,8 billion (US$65 million), which resulted from lower spot discount rates and the extension of the useful life of the project to 50 years.

The highlights of our operational performance can be summarised as follows:

- SSO increased production volumes by 1% to a record 7,83 million tons;
- Natref production volumes decreased by 5%. Plant shutdowns during the first half of the year contributed to a 3% decrease in production volumes and unplanned downtime during May 2017 led to a 2% reduction in production volumes;
- Our Eurasian Operations increased production volumes by 6% due to stronger product demand;
- ORYX GTL achieved a utilisation rate of 95%, compared to 81% in the previous year, which is higher than market guidance;
- Our Performance Chemicals business reported a 2% increase in sales volumes, which is at the upper end of our market guidance, mainly as a result of stronger demand and improved plant stability;
- Our Base Chemicals sales volumes increased by 3%, slightly below market guidance, due to extended shutdowns at our Chlor Vinyls and Polypropylene plants and a fire at a third party warehouse; and
- Liquid fuels sales volumes in our Energy business decreased by 2% due to a greater portion of production volumes from SSO being allocated to our higher margin yielding chemical businesses and lower Natref production volumes. Excluding the effect of the Natref downtime and lower allocated volumes from SSO, our liquid fuels sales volumes increased by 1%.

The decrease in the effective corporate tax rate from 36,6% to 28,3% was mainly as a result of the R9,9 billion partial impairment of our Canadian shale gas assets in the prior year. The adjusted effective tax rate, excluding equity accounted investments, remeasurements and once-off items, is 26,5% compared to 28,2% in the prior year.

Profit from operations – price volume variance analysis



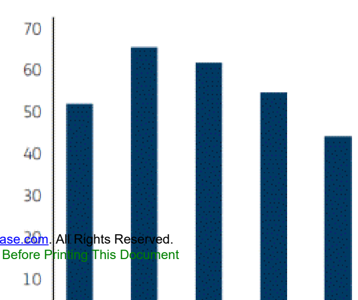
Our cash flow generation and utilisation

We apply cash generated from operating activities to repay our debt and tax commitments and then provide a return to our shareholders in the form of dividends.

Cash generated by operating activities

Cash generated by operating activities decreased by 19% to R44,1 billion compared with R54,7 billion in the prior year. Our net cash position decreased significantly by 44%, from R52,2 billion in June 2016 to R29,3 billion as at 30 June 2017, mainly due to the funding of the LCCP and the effect of a stronger closing rand/US dollar exchange rate.

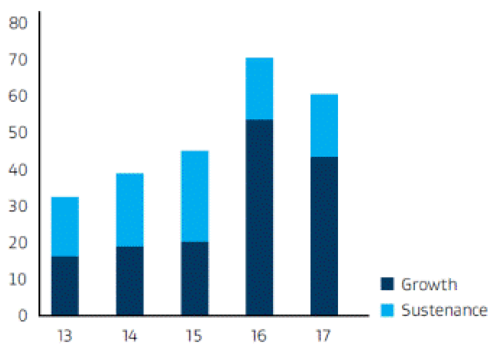
Cash generated by operating activities
(R billion)



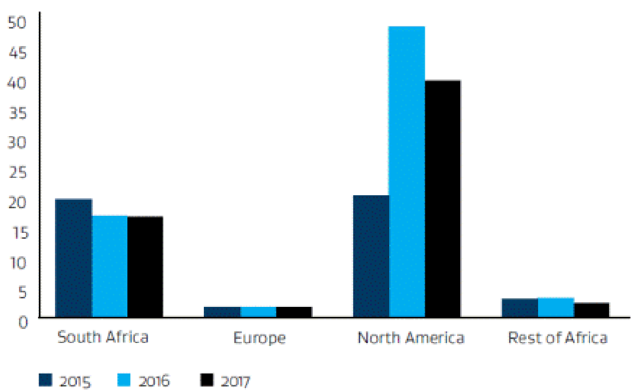
Capital investments

Over the past three years, we have made capital investments of R179 billion, of which R60,3 billion was invested in 2017. We focused our investment mainly in projects in South Africa, Mozambique and the United States, with some investments in Canada, Germany and Qatar. This relates primarily to the LCCP in the US and the Mozambican PSA project.

Additions to non-current assets (including capital accruals)
(R billion)



Capital investments by geographic region
(R billion)

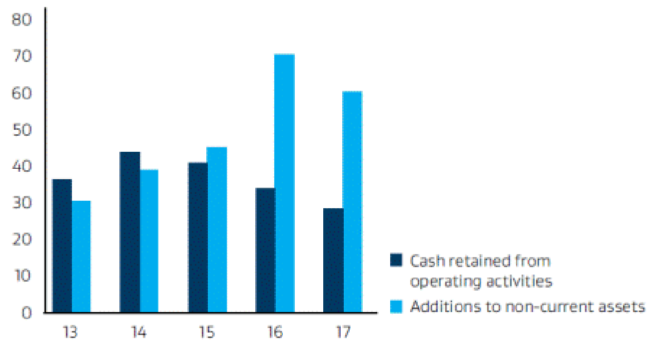


Our capital investment in South Africa was R17 billion in 2017, which is approximately 28% of the total capital investment for the year. Further details of additions to our non-current assets is provided in notes 16 and 17 to our Annual Financial Statements.

Cash utilisation

In 2017, the cash outflow of our capital investment programme exceeded the cash retained from operating activities by R28 billion.

Cash utilisation
(R billion)



Managing our funding plan, debt profile and credit rating

Funding

We have prioritised our growth aspirations as we steadily advance our growth strategy, particularly in Southern Africa and North America. Capital investments in these regions will constitute a significant portion of our total capital expenditure over the next 10 years. Following the completion of the LCCP, we expect our gearing to reduce and we have sufficient headroom in our balance sheet to fund these opportunities, and provide a buffer against volatilities.

Solvency and liquidity

Currently the group is maintaining a positive cash position, conserving the group's cash resources through a renewed focus on working capital improvement and capital reprioritisation. The group meets its financing requirements through a mixture of cash generated from its operations and short- and long-term borrowings. We maintain adequate banking facilities and reserve borrowing capacities. The Sasol group is in compliance with all of the financial covenants of its loan agreements, none of which is expected to present a material restriction on funding or its investment policy in the near future.

We believe that cash on hand and funds from operations, together with our existing borrowing facilities, will be sufficient to cover our working capital and debt service requirements in the year ahead.

Debt profile

Our long-term capital expansion projects are financed by a combination of floating and fixed-rate long-term debt, as well as internally generated funds. We endeavour to match debt to the currency of the underlying revenue generation.

Net debt increased by R26 344 million in 2017, from R30 166 million at the end of 2016. This was mainly due to the funding of the LCCP. Our debt was made up as follows:

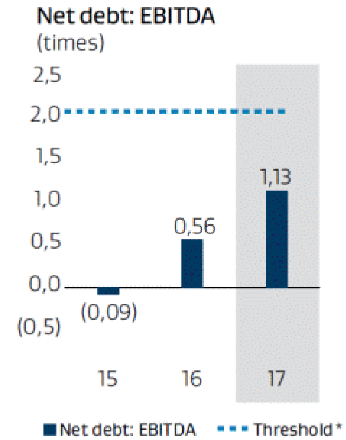
	2017 Rm	2016 Rm	2015 Rm
Long-term debt	**81 405**	79 877	42 066
Short-term debt	**2 625**	138	534
Bank overdraft	**123**	136	319
Total debt	**84 153**	80 151	42 919
Less cash (excluding cash restricted for use)	**27 643**	49 985	48 329
Net debt/(cash)	**56 510**	30 166	(5 410)
Increase in funding (proceeds minus repayments of debt)	**9 536**	30 420	13 286

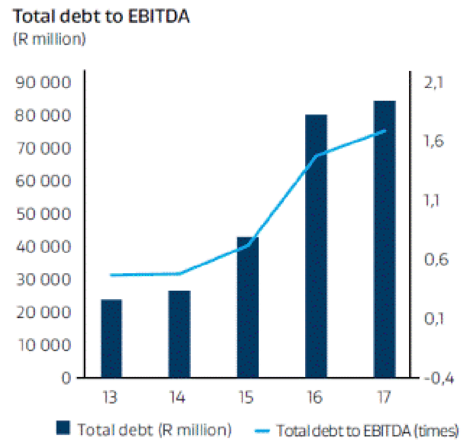
The average tenure of our debt portfolio is eight years. Our debt comprises different instruments, which bear interest at a floating or a fixed rate. To mitigate our interest rate risk, we use interest rate swaps, where appropriate, to convert some of our debt into either floating or fixed-rate debt to manage the composition of our portfolio. In July 2015, we entered into an interest rate swap to convert 50% of the US$4 billion term loan facility incurred by Sasol Chemicals (USA) LLC (to part fund the capital expenditure of the LCCP) from a variable to a fixed rate.

Our debt profile at 30 June analysed by currency was:

	2017 Rm	%	2016 Rm	%
Rand	**20 922**	**25**	20 138	25
US dollar	**59 391**	**70**	58 686	73
Euro	**3 063**	**4**	473	1
Other	**777**	**1**	854	1
Total debt	**84 153**	**100**	80 151	100

As we execute our growth initiatives in the US, we expect that our debt exposure will be biased towards the US dollar, matching the currency in which marginal revenues will be earned.





We have implemented a dynamic funding plan which is based on our latest assumptions and capital requirements. We review the plan on an ongoing basis and report on it to the Audit Committee to ensure that we have sufficient liquidity and headroom on the balance sheet in the foreseeable future.

Credit ratings

Our credit rating is influenced by some of our more significant risks. These include crude oil price volatility, movements in the sovereign credit rating of South Africa, our investments in developing countries and their particular associated economic risks, the potential for significant debt increase and the execution challenges associated with a number of our planned growth projects if they materialise simultaneously, as well as the risks arising from potential increases in capital costs associated with these projects.

In April 2017, S&P downgraded South Africa's sovereign credit rating from BBB- investment grade to BB+ with a negative outlook. Based on Sasol's exposure to the political and economic risks of South Africa, the company's long- and short-term foreign currency corporate rating was downgraded from BBB/A-2 to BBB-/A-3 with a stable outlook.

Similarly, Moody's Investors Service downgraded Sasol's

Delivering on our growth projects

Our rigorous focus on capital discipline and the implementation of our capital allocation framework in 2017 assisted us to optimise our capital expenditure and ensure that the project pipeline is focused and value accretive for our shareholders. The Capital Investment Committee played a significant role in reviewing the project pipeline and opportunities for growth and expansion against stringent criteria.

Our near-to-medium-term strategy focuses on two regions: Southern Africa and North America. Therefore, our focus remains on the execution of our world-scale ethane cracker and derivatives complex – the LCCP – in the United States (US) as well as further developing our footprint in Mozambique.

Overall construction on the LCCP continues on all fronts, with most engineering and procurement activities nearing completion. At 30 June 2017, capital expenditure amounted to US$7,5 billion, and the overall project completion was 74%. The total forecasted capital cost for the project remains within the approved US$11 billion budget and project progress is tracking the approved schedule. This budget includes a contingency which, measured against industry norms for this stage of project completion, is considered sufficient to effectively complete the project to beneficial operation (BO) within the approved budget. Various savings opportunities have been identified and are continuously being implemented to mitigate project risks. Although unplanned event-driven risks may still impact the execution and cost of the project, we are confident that the remaining construction, procurement, execution and business readiness risks can be managed within the budget. We continue to monitor the economics of the project against the backdrop of a challenging macro-economic environment. We rely extensively on the views of independent market consultants in formulating our views on our long-term assumptions. Their views differ significantly from period to period, which again is indicative of the volatility in the market. For these reasons, the internal rate of return (IRR) for the LCCP, based on these different sets of price assumptions, varies between a range of returns which is both higher and lower than our weighted average cost of capital (WACC). At spot market prices, using the last quarter of 2017 as a reference, the IRR is between 8% to 8,5%. We are of the view that limited structural changes have occurred to market fundamentals since February 2017, when we last published the expected long-term IRR of the project, hence, based on our assessment, we are of the view that the IRR is in a range of 7% to 8% (Sasol WACC at 8% in US$ terms) based on conservative ethane prices. The cracker, however, remains cost competitive and is at the lower end of the cost curve for ethylene producers. We will continue to focus on factors that we can control, which are progressing the cost and schedule of the project

Construction of our 50% joint venture high-density polyethylene plant with Ineos Olefins and Polymers USA is essentially complete and is on track for start-up during the second half of the 2017 calendar year. Our strategic R14,0 billion mine replacement programme, which will ensure uninterrupted coal supply to SSO in order to support Sasol's strategy to operate its Southern African facilities until 2050, is nearing completion. The development of the Production Sharing Agreement (PSA) licence area remains on budget and schedule. We have successfully drilled and tested four oil wells and two gas wells, and captured 3D seismic over parts of the PSA.

Managing costs

We continued to drive our cost containment programme. The strong cost performance was achieved by an accelerated sustainable delivery of our BPEP and RP.

Our BPEP achieved sustainable cost savings of R5,4 billion in 2017, a year earlier than expected. This was enabled through focused management actions and the accelerated delivery on certain key levers. We will close out the BPEP and track the sustainable savings on key elements, such as headcount, to ensure that we do not diminish the savings achieved. We will also apply the same amount of diligence to our low oil price RP.

Embracing digital technology to drive effectiveness and efficiency

To improve effectiveness and efficiency in how we do business, we are focused on using technology to redefine our customer experiences, improve operational efficiency, and embed digital advantages throughout Sasol's business. To embrace digital in the company, we are evaluating our resources and capabilities to ensure that we can deliver on the digital roadmap for Sasol. We have started to implement digital solutions in some areas of our business. These include our supply chain function and our digital catalyst pilot which is aimed at transforming how our chemicals customers do business with us across the full value chain.

Our objective is to embed digital across our value chain to improve the effectiveness and efficiency of our operations, whilst ensuring we remain within our risk and governance structures.

Analysing our shareholding and returns to shareholders

Shareholding

Sasol's shareholder base consists primarily of large institutional shareholders, as well as a significant number of value investors. The top 20 shareholders collectively own more than 60% of Sasol's outstanding shares. Approximately two-thirds of our shareholder base is in South Africa.

Total shareholder return

We return value to our shareholders by way of both dividends and share price appreciation.

Total shareholder return (TSR) is a measure of the performance of the company's shares over time, and combines both share price appreciation and dividends paid to indicate the total return to a shareholder over the period. Sasol's TSR for the five-year period ending 30 June 2017 was 38% in rand terms and a negative 37% in US dollar terms, which is in the mid-range of our peers.

The performance of the share price over this period was influenced by a combination of factors which we could control (directly related to improved operational efficiency and various cost containment initiatives) as well as factors beyond our control, such as market sentiment and the partial recovery of the global economy following the 2008 economic crisis and continuous macro-economic uncertainties. The volatility of the crude oil price, coupled with the rand/US dollar exchange rate, further contributed to the lower share price performance.

To address this, the company has put a number of measures in place to:

- improve project execution by implementing lessons learnt from previous projects;
- actively manage the balance sheet to address external volatility;
- focus on continuous improvement to address the structural shift in the energy price by improving the efficiency of our operations; and
- work with the government and other stakeholders to manage the impact of regulations on Sasol's South African business.

Dividends

Our dividend policy is to pay dividends within a dividend cover range based on HEPS. Taking into account the current volatile macro-economic environment, capital investment plans, our cash-conservation initiative, the current strength of our balance sheet, and the dividend cover range, the Board has declared a gross dividend of R12,60 per share (15% lower compared to the prior period). The dividend declared is in accordance with our dividend cover policy of 2,2x to 2,8x of annual HEPS.

The dividend demonstrates our commitment to return value to shareholders through dividend payments.

P Victor
Chief Financial Officer

Exhibit 99.4

OUR OPERATING MODEL STRUCTURE

Our operating model and refined legal structures allow us to approach our decision-making as an integrated organisation, driving the best interests of the entire group and not of a particular business or facility.

SASOL GROUP

OPERATING BUSINESS UNITS

Secure the sustainable supply of low-cost feedstocks to Sasol: coal from Mining and gas through Exploration and Production International. Help to deliver the selective growth and advancement of the group.

MINING

Secures the coal feedstocks for the Southern African value chain, mainly for gasification, but also for electricity and steam generation. Mines approximately 40 million tons (mm tons) of coal a year from one of the world's largest underground mining complexes at Secunda and Sasolburg. Also exports more than 3mm tons of coal a year.

EXPLORATION AND PRODUCTION INTERNATIONAL

Secures and develops gas feedstocks for the Southern African value chain. Exploration activities are centred on Southern Africa while production activities are in Mozambique, Canada and Gabon.

REGIONAL OPERATING HUBS

Responsible for converting feedstocks received for the production of a wide range of products and accountable for delivering against agreed safety, cost, volume and specification targets set by the group.

OPERATIONS

Secunda Synfuels

Operates a coal- and gas-based synthetic fuels manufacturing facility which also produces chemicals feedstocks and utilities.

Secunda Chemicals

Produces chemicals and provides site services to the Secunda complex.

Sasolburg Operations

Produces chemicals and cobalt catalyst and supplies utilities and site services to Sasolburg Operations.

Satellite Operations

Includes a wax blending plant in Durban, the gas, fuels and chemicals pipelines between Mozambique, Secunda, Sasolburg and KwaZulu-Natal and the explosive accessory plants in Ekandustria.

Natref Operations

Operates a crude oil refinery and is 63,64% owned by Sasol.

US Operations

Comprises a set of chemicals processing facilities in a number of US locations, the most significant of which is in Lake Charles, Louisiana.

Eurasian Operations

Consists of chemicals processing facilities in China, Germany and Italy.

GROUP FUNCTIONS

Focus on delivering fit-for-purpose, supportive and enabling business services and solutions.

Our operating platform has resulted in Sasol being a far more streamlined and cost-conscious organisation. It arranges our businesses and functions along Sasol's integrated value chain which draws on each unit's unique capabilities and areas of specialisation, namely Operating Business Units (OBUs), Regional Operating Hubs (ROHs), Strategic Business Units (SBUs) and Group Functions.

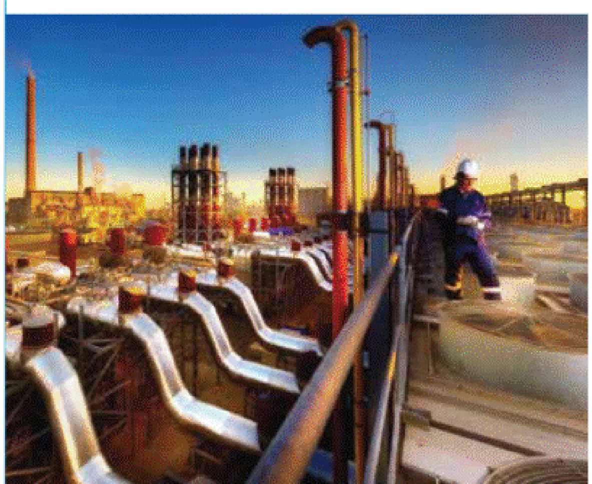
STRATEGIC BUSINESS UNITS

Market and sell products received from the Regional Operating Hubs in the energy and chemicals markets with the objectives of achieving optimal sustainable margins and growing the market.

As part of our stakeholder focus, as well as to increase efficiencies, our Key Account Management Executive Sponsorship initiative prioritises Sasol's key customers, servicing them through a single contact point.

ENERGY

Markets liquid fuels, natural gas and electricity in Southern Africa. Supplies about a quarter of South Africa's inland liquid fuels requirements. Develops, implements and manages Sasol's gas-to-liquids business ventures internationally.



CHEMICALS

Base Chemicals

Markets commodity chemicals based on the group's Fischer-Tropsch, ethylene, propylene and ammonia value chains. The foundation of the business is feedstock advantage, scale, product quality and cost leadership.

Performance Chemicals

Markets commodity and differentiated performance chemicals. Works to further develop our strengths in product differentiation through technological leadership and strong customer focus.

Exhibit 99.5

OUR STRATEGY

Guided by our vision and purpose, our strategic focus areas are based on three growth pillars: Upstream, Energy and Chemicals. Our **Upstream pillar** is geared to grow our oil and integrated gas business. Through our **Energy pillar,** we will expand our liquid fuels marketing and gas-to-power in Southern Africa, while growing selective gas-to-liquid globally.

STRATEGIC OBJECTIVES

UPSTREAM
- Deliver low-cost feedstocks in Southern Africa
- Grow economically attractive upstream resources in Southern Africa

OPERATIONS
- Continuously improve existing asset base and maintain technological lead
- Drive world-class safe operations to support growth

ENERGY
- Optimise liquid fuels marketing channels
- Deliver selective GTL opportunities and grow low-carbon power generation

CHEMICALS
- Drive value chain optimisation
- Drive selective growth based on feedstock, market and/or technology advantage

KPIs TO MEASURE PERFORMANCE

Return on invested capital (ROIC)
Target: Capital portfolio to deliver return on capital invested of 18,3%

Quality-based earnings growth
Target: 8% US dollar EBIT growth

Net debt-to-EBITDA
Target: Maintain a net debt-to-EBITDA ratio of <2,0 times

Gearing
Target: Achieve a gearing level of 20% – 40% (Temporarily lifted to 44% until the end of 2018)

Safety
Target: RCR of less than 0,3 by 2020

Greenhouse gas emissions
Target: To maintain direct GHG emissions from our South African operations within 302mt of CO_2e over calender years 2016 – 2020.

Broad-Based Black Economic Empowerment
Target: Level 4 by 2020

ROBUST FOUNDATION

- Protect our competitive advantage by ensuring that we can proactively respond to market and regulatory changes
- Proactively manage financial risks and protect the balance sheet
- Improving efficiency and effectiveness of our operations. As
use digitalisation as an enabler to improve efficiency and

REMUNERATION POLICY

The aim of our **Chemicals pillar** is to grow our ethylene and derivative businesses, in addition to delivering incremental high-return growth in differentiated products. Underpinning these growth pillars is our strategic focus to nurture and grow our existing Southern African and global value chain to ensure long-term sustainability.

	DELIVERY IN 2017	NEAR-TO-MEDIUM FOCUS
UPSTREAM	• Drilled first six wells in PSA licence area, Mozambique • Increased PPA gas production on plant debottlenecking, Mozambique • Benefited from active well management of oil asset in Gabon	• Drill seven more wells in PSA licence area, Mozambique • Finalise terms for new exploration licences, Mozambique • Focus on oil opportunities in West Africa • Complete the Shondoni colliery, advance Impumelelo mine, South Africa • Ensure feedstock security of gas beyond 2034
OPERATIONS	• Improved overall safety performance • Increased production volumes across most of the value chain • Advanced volatile organic compounds abatement project, South Africa • Achieved record volumes at Secunda Synfuels	• Install 17th air separation unit, Secunda South Africa • Continue investigating solutions to meet air quality standards post 2020, South Africa
ENERGY	• Increased liquid fuels retail network, South Africa • Expanded capacity of ROMPCO Mozambique-to-South Africa gas pipeline • Licensed FT GTL technology, Uzbekistan • Increased capacity utilisation at ORYX GTL joint venture, Qatar	• Grow fuel retail presence in Southern Africa • Maintain excellent utilisation rates and safety at ORYX GTL, Qatar • Continue to engage with potential GTL technology licensees • Consider gas-to-power opportunities in South Africa • Investigate further investment opportunities in Southern Mozambique
CHEMICALS	• Benefited significantly from C3 expansion project, South Africa • Progressed construction of HDPE joint venture and LCCP, United States • Completed wax expansion project, South Africa	• Develop incremental growth and merger and acquisition opportunities within our chemicals portfolio • Complete joint venture HDPE plant, United States • Secure customers for new US products • Pilot project to transform customer experience using digital platforms • Deliver LCCP within revised cost estimate and schedule

ROBUST FOUNDATION

DELIVERY IN 2017

- Achieved BPEP target of R5,4 billion a year earlier than previous market guidance
- Evolved our risk management approach to integrate in our financial management processes by identifying key undesirable events and mitigating controls
- Defined capital allocation guidelines to ensure that capital is allocated optimally to deliver superior returns to stakeholders
- Focused on improving ROIC through asset reviews, hedging, cost containment and risk mitigation
- Formally developed a digital roadmap

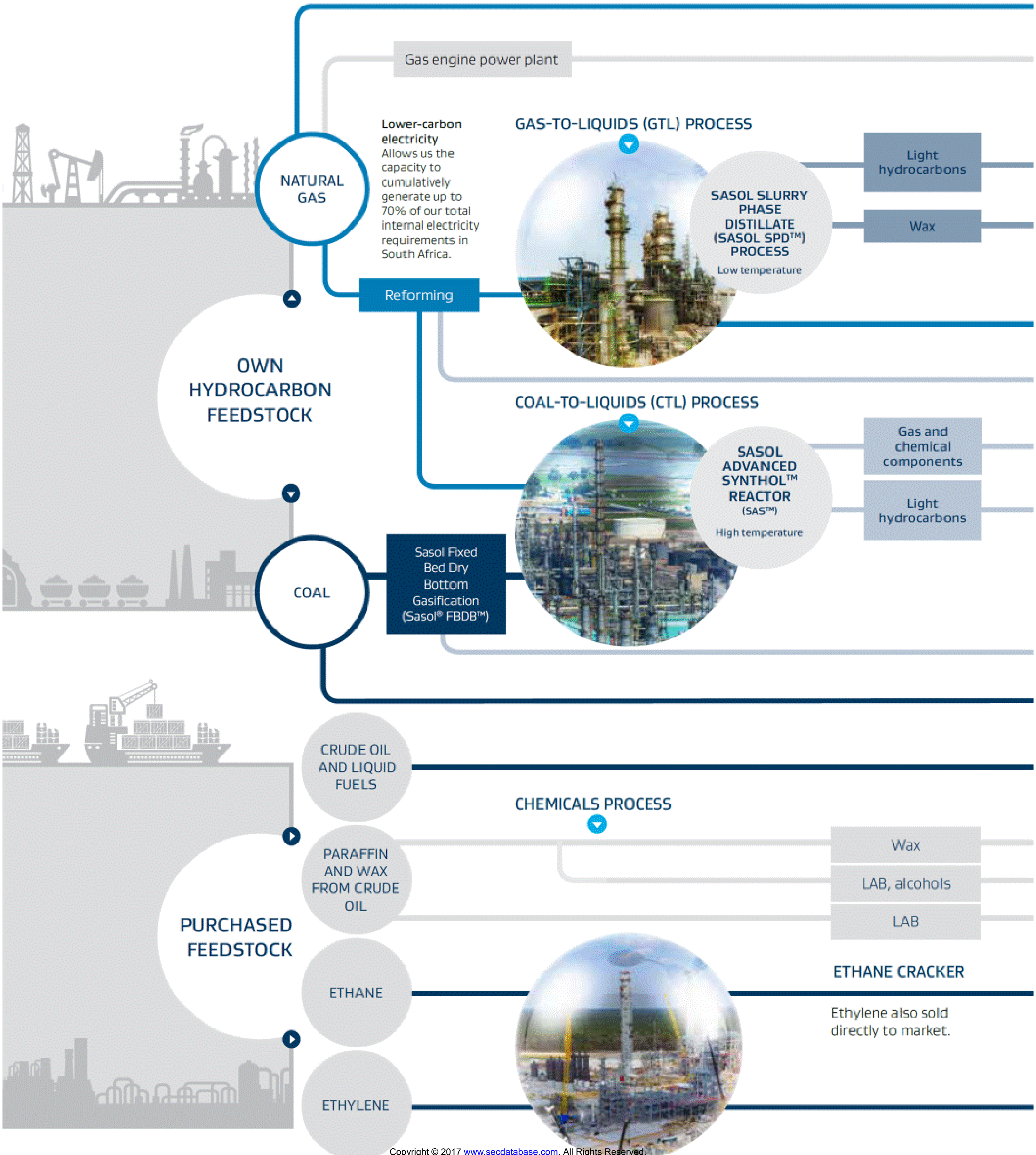
NEAR-TO-MEDIUM FOCUS

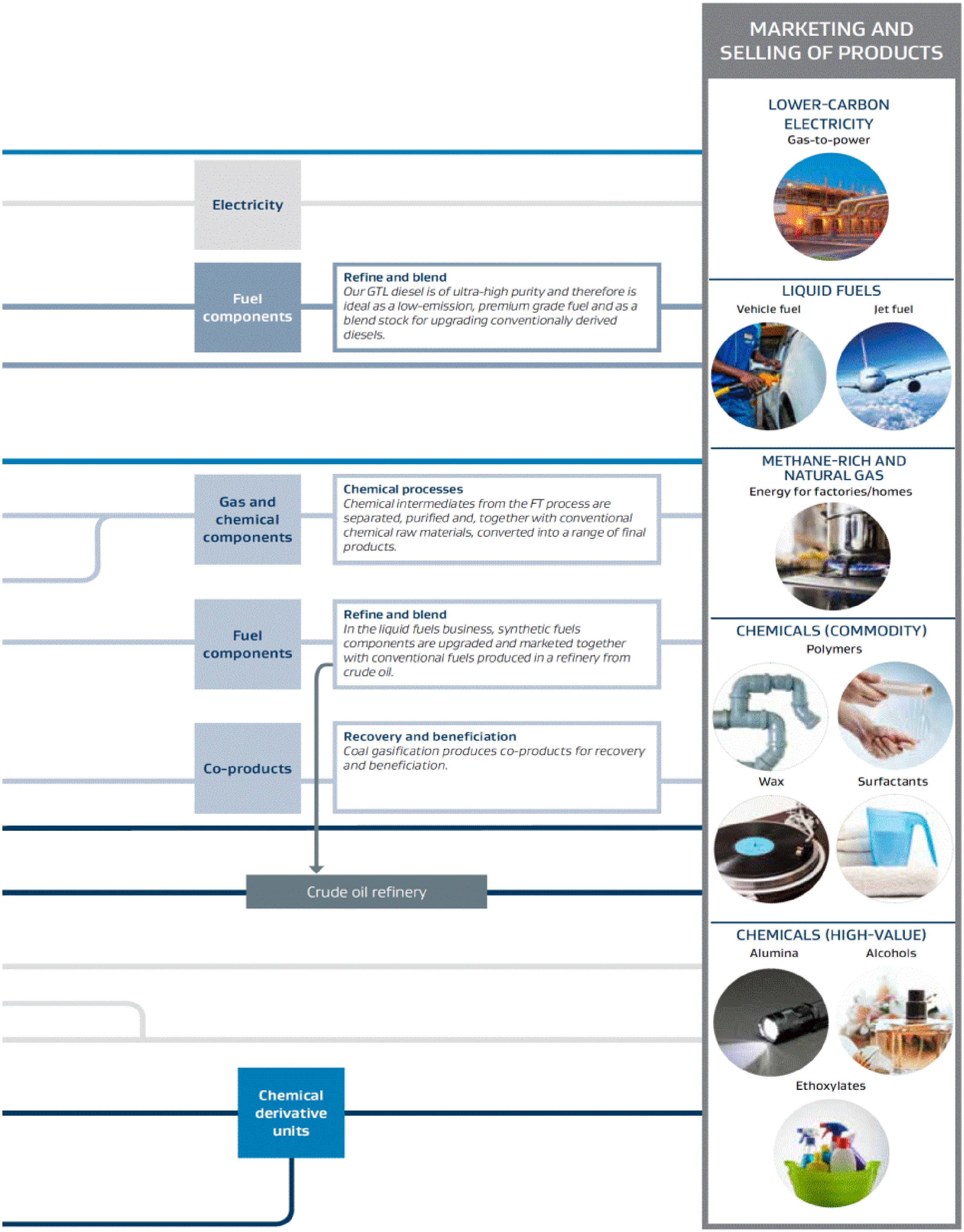
- Focus on continuous improvement to address the structural shift in the energy prices by sustainably improving our margin contribution and cost base delivery
- Use digital solutions to drive cost competitiveness
- Continue to review assets to repair or divest to increase our ROIC
- Communicate refined strategy and capital allocation choices to the capital markets
- Improve project execution by implementing lessons learnt from previous projects

Exhibit 99.6

OUR INTEGRATED VALUE CHAIN

Our integrated value chain, centered on our gas-to-liquids, coal-to-liquids and chemical processes, is at the heart of our differentiated value proposition. As we are becoming a more chemicals-biased company, we will continue to leverage off the benefits of the value chain as well as improve our processes in ways that ensure safe, reliable and efficient operations with reduced environmental impacts.





MARKETING AND SELLING OF PRODUCTS
LOWER-CARBON ELECTRICITY
Gas-to-power
Electricity
Fuel components
Refine and blend
Our GTL diesel is of ultra-high purity and therefore is ideal as a low-emission, premium grade fuel and as a blend stock for upgrading conventionally derived diesels.
LIQUID FUELS
Vehicle fuel
Jet fuel
METHANE-RICH AND NATURAL GAS
Energy for factories/homes
Gas and chemical components
Chemical processes
Chemical intermediates from the FT process are separated, purified and, together with conventional chemical raw materials, converted into a range of final products.
CHEMICALS (COMMODITY)
Polymers
Fuel components
Refine and blend
In the liquid fuels business, synthetic fuels components are upgraded and marketed together with conventional fuels produced in a refinery from crude oil.
Wax
Surfactants
Co-products
Recovery and beneficiation
Coal gasification produces co-products for recovery and beneficiation.
Crude oil refinery
CHEMICALS (HIGH-VALUE)
Alumina
Alcohols
Ethoxylates
Chemical derivative units

Exhibit 99.7

MINING

Mining is responsible for securing the coal feedstock for the Southern African integrated value chain, mainly for gasification but also to generate electricity and steam. By doing this we convert low-cost coal into higher-value products.

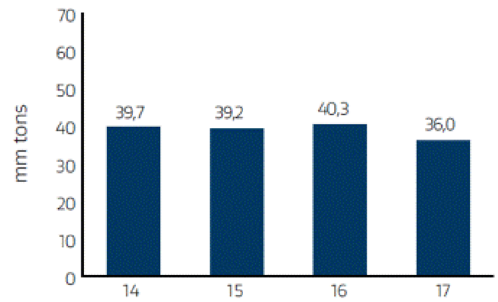
SALIENT FEATURES

- **Regrettably our safety performance deteriorated,** with two tragic fatalities during the period
- **Experienced a prolonged strike,** leading to lower production volumes, reduced profitability and additional costs of R1,4 billion
- **Increased external purchases of coal** to replenish our stockpiles to pre-strike levels to ensure uninterrupted supply to the integrated Sasol value chain
- **Lower export sales** as some export coal was diverted to Secunda Synfuels
- **Worked to rebuild relationships with our people** through team building and targeted engagements to enable a return to stable operations
- **Geological challenges** at new Impumelelo mine resulted in lower-than-expected production
- **82 new homeowners registered in eMbalenhle** as part of our home ownership initiative
- **Reported 19% increase in normalised unit cost of production** due to slower-than-anticipated production ramp-up post the strike and higher costs to increase production

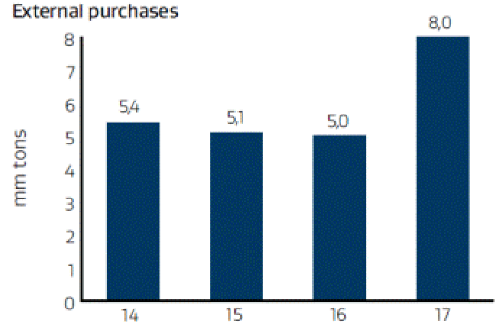
STRATEGIC OBJECTIVES FOR WHICH WE ARE ACCOUNTABLE

- Continuously improve existing asset base and maintain technological lead
- Drive world-class safe operations to support growth

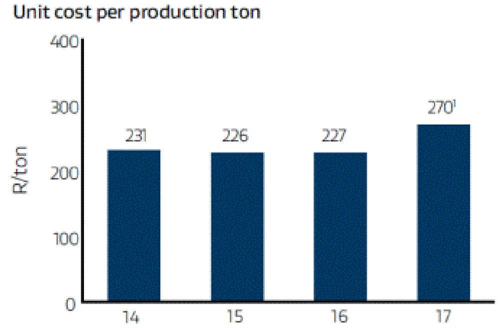
Saleable Production



External purchases



Unit cost per production ton



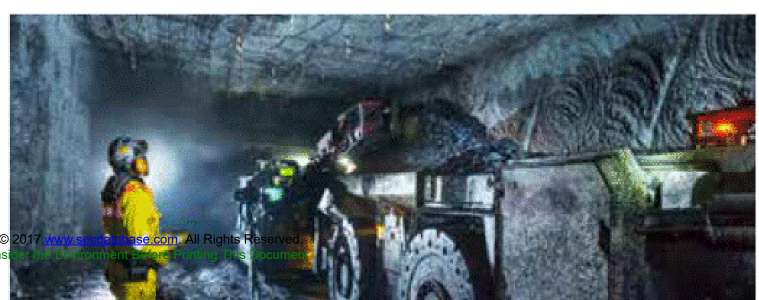
1 Normalised for the effect of labour actions in 2017.

PERFORMANCE SUMMARY

Our Secunda mining operations experienced a challenging year with the onset of protected strike action, which commenced in August 2016, by the Association of Mineworkers and Construction Union (AMCU). Notwithstanding a 11% decrease in mining production volumes resulting from the strike action and lower-than-expected production ramp-up post strike action we continued to deliver our full coal supply commitment to the integrated Sasol value chain through external coal purchases. The profitability of the mining business was significantly impacted by the R1,4 billion net additional cost as a result of the strike and external purchases to ensure continuous supply to Secunda Synfuels We worked hard to reintegrate teams after the strike and extended our community upliftment efforts, focusing particularly on greater home ownership among employees. Regrettably, we reported two work-related fatalities in the year, those of Mr Johannes Mpho Mashili on 4 July 2016 and Mr Themba Mahlangu on 2 April 2017. Safety remains a top priority.

LOOKING AHEAD

In the year ahead, we expect the Shondoni colliery to be completed and to further advance the second phase of the Impumelelo mine. In 2018, we will have renewed focus on our business improvement programme to improve productivity and cost efficiency is currently underway. We continue to track developments in the regulatory arena, particularly regarding the Mining Charter and the Mineral and Petroleum Resources Development Act Amendment Bill.



Strengthening our relationships with recognised

EXPLORATION AND PRODUCTION INTERNATIONAL

Exploration and Production International (E&PI) develops and manages the group's upstream interests in oil and gas exploration and production in Mozambique, Canada, Gabon, South Africa and Australia.

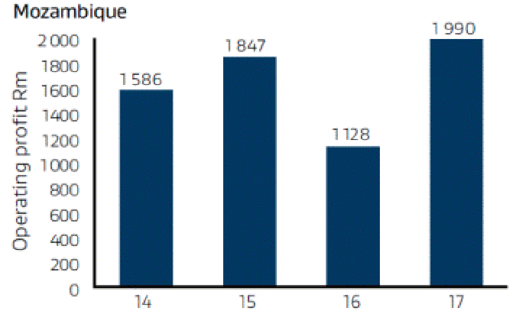
SALIENT FEATURES

- **Reported a R2,4 billion turnaround in profitability** (excluding the R9,9 billion Canadian impairment in the prior year), through decisive management interventions across all assets and favourable macro-economics
- **Contributed more than R16 billion** to Sasol's cash-conservation programme
- **Advanced our proactive, behaviour-based** safety approach
- **Drilled first six wells** in PSA licence area in Mozambique and signed a 30% farm-down term sheet with ENH
- **Increased Mozambique PPA gas production** by 2% on plant debottlenecking and Loopline 2 completion
- **Gabon Etame Marine Permit** exceeded 100 million barrels from inception to date
- **Completed 10 wells** in the Canadian shale gas assets, lifting gas production by 6%
- **Spent R72 million on social investment** in Mozambique, including launch of youth development programme
- **Awarded Best Corporate Taxpayer** by Mozambique's Tax Authority

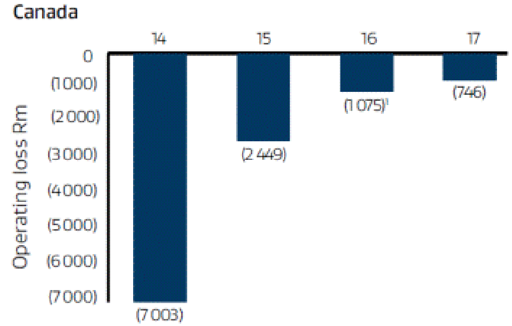
STRATEGIC OBJECTIVES FOR WHICH WE ARE ACCOUNTABLE

- Secure and develop gas feedstock in Southern Africa
- Grow economically attractive upstream portfolio

Mozambique

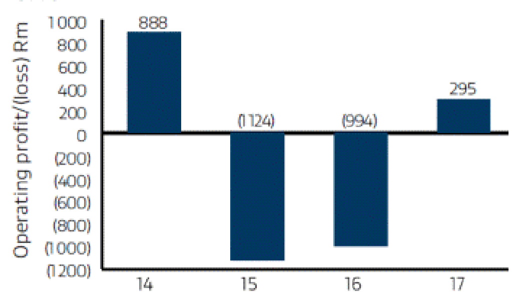


Canada



1. Excluding impact of partial impairment of our Canadian shale gas assets of R9 882 million.

Gabon



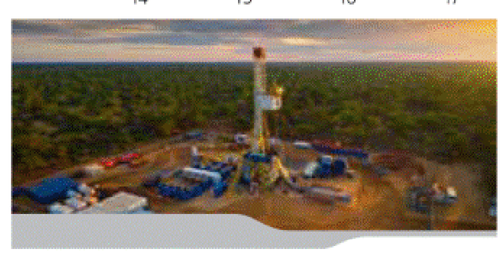
PERFORMANCE SUMMARY

We made a significant turnaround in our operating profit through decisive management interventions across all assets and we benefited from more favourable macro-economics with translation differences accounting for R1 billion of the turnaround.

In Mozambique, we remain committed to our growth plans, despite the fiscal challenges the country is facing. By drilling the first six wells in the Production Sharing Agreement (PSA) licence area within our approved budget and schedule, we advanced our project to develop an integrated oil, liquefied petroleum gas and gas project in the area adjacent to our Petroleum Production Agreement (PPA) facilities. In line with our strategy of joint value creation for the Government of Mozambique and Sasol, we signed a term sheet to farm down 30% of Sasol's rights and interests in the PSA to Empresa Nacional de Hidrocarbonetos (ENH). We also completed a project to debottleneck the PPA's Central Processing Facility. This, along with the completion of Loopline 2 on the Mozambique-to-South Africa pipeline, supported an 8% increase in gas production capacity and an increase of 2% in production volumes for the year. In terms of Mozambique exploration, we drilled an exploration well in Area A, but did not find any hydrocarbons. We also progressed negotiations with the government on the terms of two new exploration licences in Mozambique.

In Gabon, we focused on maximising the efficiency of the Etame Marin Permit (EMP) asset while reducing cost. We also reversed the remaining portion of the impairment previously booked. Amid continued low gas prices, we did not have any active drilling rigs in Canada, but we successfully completed 10 existing wells that resulted in a 6% increase in gas production.

In line with our strategy, we have commenced with the exit from the Beetaloo licence in Australia.



LOOKING AHEAD

Focused on creating a portfolio of producing and exploration oil and gas assets for near-term cash generation and long-term value, we are targeting growth opportunities in Southern and West Africa, while adhering to operational and safety standards in our current assets. Cash

OPERATIONS

Operations consists of our core petroleum and chemical product manufacturing assets. In Southern Africa, these are Secunda Synfuels, Secunda Chemicals, Sasolburg, Satellite and Natref Operations. Internationally, they include facilities in the United States, Europe and Asia. The value proposition of these regional operating hubs lies in our ability to integrate and operate complex technologies at scale, with world-class product quality and cost advantages.

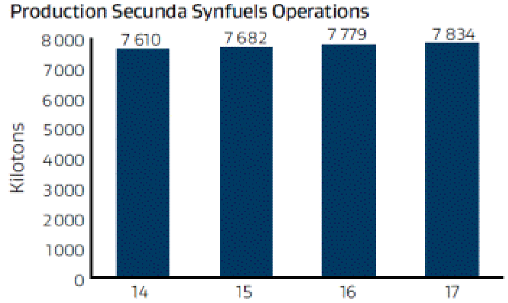
SALIENT FEATURES

- **Improved overall safety performance** across our operations
- **Increased production volumes,** led by record output at Secunda Synfuels, benefits of Secunda C3 expansion, start-up of second phase of Sasolburg wax expansion and record production at some US and German sites
- **Project to reduce emissions of volatile organic compounds (VOCs)** in Secunda will reach beneficial operation in the second half of calendar 2017 and cost and schedule to be managed
- Advanced operational and business readiness work in North America **ahead of start-up of the LCCP**
- **Increased community engagement and social investment** in Southern Africa and the US
- **Commenced emissions offset programme,** focused on reducing the burning of waste and domestic solid fuels in South African fenceline communities to improve ambient air quality
- **Responded to South African water restrictions** with Sasolburg achieving a 29% potable water saving that will be sustained into the future
- **Progressed efforts to improve gender diversity** at operations, stepped up training
- **Exceeded our utility Energy Integrity Index (EII)** improvement target 1% for the year achieving 1,67% improvement for our South African operations

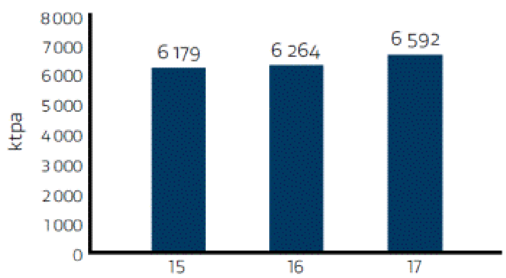
STRATEGIC OBJECTIVES FOR WHICH WE ARE ACCOUNTABLE

- Continuously improve existing asset base and maintain technological lead
- Drive world-class safe operations to support growth

Production Secunda Synfuels Operations



Saleable chemical production



PERFORMANCE SUMMARY

Focused on ensuring safe, stable, reliable and efficient facilities, we continued work to optimise our global operations, recording a 1% and 6% increase in production volumes for Secunda Synfuels Operations and Eurasian Operations respectively. We improved the performance of many of our assets, including Secunda's selective catalytic cracker following modifications, the chemicals operations in the US and Europe, and at Natref, where we replaced the fluidised catalytic cracker (FCC) cyclones and carried out a maintenance shutdown of the FCC and alkylation unit, significantly reducing the crude refinery's FCC catalyst use.

We progressed a number of capital projects in South Africa to meet our environmental compliance targets. The VOC abatement project will reach beneficial operation in the second half of calendar 2017. In the US, we made progress in our work to prepare commercially and operationally for the start-up of the LCCP. In Germany we started up the main units of the Disperal® project in Brunsbüttel. In Southern Africa, we stepped up engagement with all stakeholders, and continued our extensive support of social value within communities near our operations, including through support to municipalities to implement sound business processes and the handover of two state-of-the-art clinics in eMbalenhle and Sasolburg.

LOOKING AHEAD

We are working towards solutions to meet air quality new plant standards in South Africa that take effect in 2020. At Secunda, we plan to complete the first phase of our sixth fine ash d[illegible], realise further volume benefits of the C3 (polypropylene) expansion and make inroads in insulating low-cost houses for our air emissions offsets programme. At Sasolburg, we are

ENERGY BUSINESS

In Southern Africa, the Energy Business markets and sells liquid fuels, pipeline gas and electricity. Internationally, we develop, implement and manage Sasol's gas-to-liquids (GTL) business ventures based on our proprietary technology, creating higher-value products.

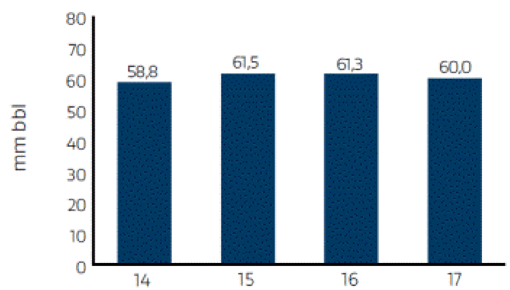
SALIENT FEATURES

- Reported an increase in our recordable case rate, however, we did not experience any serious injuries or significant transportation incidents
- Maintained resilient operating margins despite macro-economic headwinds and fuel transport sector strike; benefited from sales channel optimisation
- Extended our retail sales presence, Sasol recognised as one of South Africa's most valuable brands by Brand Finance
- Recorded strong cost performance, cash fixed costs decreased 5% in real terms
- Completed Loopline 2 ahead of schedule and below budget, increasing capacity of Mozambique-to-South Africa gas pipeline
- Supported our partners in Mozambique gas-to-power plant amid country's fiscal crisis
- B-BBEE partner Tshwarisano disbursed R132,7 million in dividends to the Batho Trust's broad-based beneficiaries
- Partial impairment of our US gas-to-liquids project amounting to R1,7 billion
- ORYX GTL increased capacity utilisation, excellent safety and cost performance
- EGTL successfully restarted after scheduled maintenance
- Provision raised of R1,2 billion for taxation payable subject to ongoing litigation in respect of crude oil procurement activities.
- Licensed out proprietary Sasol Slurry Phase LTFT™ technology to Uzbekistan GTL project

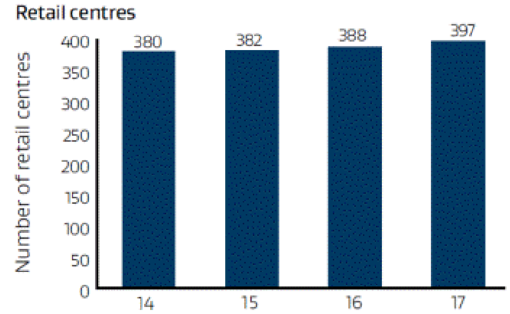
STRATEGIC OBJECTIVES FOR WHICH WE ARE ACCOUNTABLE

- Optimise liquid fuels marketing channels
- Deliver selective GTL opportunities and grow low-carbon power generation

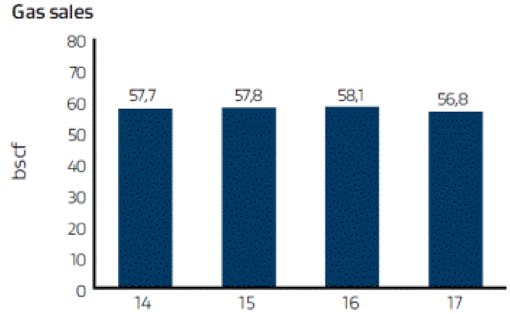
Liquid fuel sales



Retail centres



Gas sales



PERFORMANCE SUMMARY

We continued to pursue our strategy to increase our retail footprint and maximise margin. In the year we opened 10 new retail convenience centres and plan on opening 10 in 2018. We increased our share in the liquid fuels market however the macro-economic headwinds including a weak economy, a stronger rand and only marginally firmer oil price as well as a strike in the fuel transport sector and lower fuel differentials led to a 20% decline in operating profit. Excluding the effect of the Natref downtime and lower allocated volumes from SSO, our liquid fuels sales volumes increased by 1%. Normalised operating margins remained resilient as we continued to sell more liquid fuels through higher-margin sales channels, including non-refining wholesalers, commercial buyers and our growing retail presence.

We partially impaired our US gas-to-liquids project by R1,7 billion. Our joint venture power plant in Mozambique, Central Térmica de Ressano Garcia (CTRG), operated well at design capacity. Our power purchase agreement to supply Eskom came to an end in 2017. ORYX GTL, our joint venture in Qatar, achieved a utilisation rate of 95%.

LOOKING AHEAD

We have launched a project to maintain competitive advantage of 'reliability of supply' by executing a customer excellence approach. We continue to drive South African liquid fuels sales to the higher margin retail and commercial sectors. Engaging with stakeholders in the energy sector on the evolving energy landscape is a priority. In Qatar, the focus remains on maintaining high utilisation rates

CHEMICALS BUSINESS

Base Chemicals markets commodity chemicals from our upstream Fischer-Tropsch, ethylene and propylene value chains. Performance Chemicals markets commodity and differentiated performance chemical products which include organics, inorganics and wax value chains. We are able to adjust our product slate somewhat in response to market dynamics.

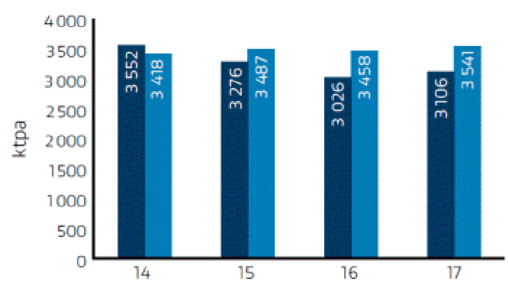
SALIENT FEATURES

- **Advanced on business readiness** ahead of start-up of the Gemini HDPE joint venture and the LCCP
- **Base Chemicals recorded improved safety performance** and fewer transport incidents; Performance Chemicals reported a deterioration
- **Performance Chemicals delivered resilient average gross margins,** while Base Chemicals gross margins were largely in line with the previous year
- **Reported 2% increase in sales volumes** at Performance Chemicals, 3% increase at Base Chemicals
- **Performance Chemicals benefited from start-up of second phase** of Sasolburg wax expansion and made significant progress on business improvement initiatives
- **Base Chemicals benefited from increased polypropylene volumes** flowing from Secunda C3 expansion project
- **Performance Chemicals secured final investment decision** for new ethoxylation plant in China
- **Launched Digital Catalyst pilot programme** to improve customer experience using digital platforms

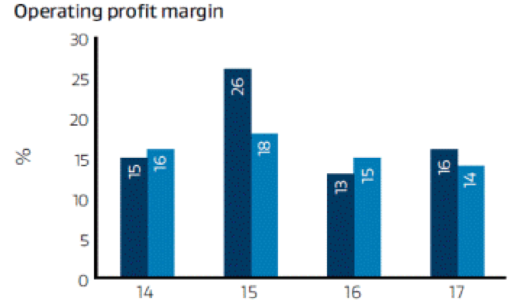
STRATEGIC OBJECTIVES FOR WHICH WE ARE ACCOUNTABLE

- Drive value chain optimisation
- Drive selective growth based on feedstock, market and/or technology advantage

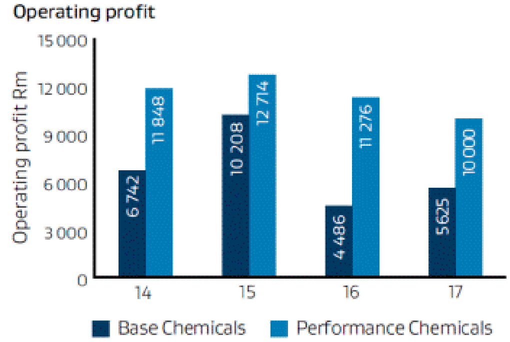
Sales volumes



Operating profit margin



Operating profit



PERFORMANCE SUMMARY

The stronger rand and lower ammonia prices contributed to a 11% decline in Performance Chemicals' operating profit, however sales volumes, normalised for planned shutdowns and the disposal of the US wax facility, rose 2%. Management interventions improved our cost position across a number of value chains and an increase in ethylene prices supported improved margins in the US. Demand for inorganics products remained healthy as we continued to differentiate our product offering. In Germany, we achieved beneficial operation of a project to increase our production capacity of Disperal®. We are also undertaking a number of incremental debottlenecking projects that have attractive returns and a short payback period on capital invested. After several years of strong growth in our Chinese surfactants business, we received approval to more than double the production capacity of ethoxylates in the region.

Base Chemicals benefited from a full year of additional volumes from the C3 expansion project in Secunda, as well as planned stock builds at the end of the previous financial year. This contributed to a 3% increase in sales volumes. Operating profit increased 25%, largely due to the reversal of the impairment of our low-density polyethylene cash-generating unit in the US, stronger sales volumes, better dollar prices offset by the stronger rand/US dollar exchange rate.

LOOKING AHEAD

We continue with our business readiness work for the HDPE joint venture and the LCCP. This work includes streamlining of business processes and systems, as well as building organisational capacity. The HDPE joint venture is due to reach beneficial operation in the second half of calendar 2017. While some 92% of the new LCCP Performance Chemicals output will be placed with existing customers, Base Chemicals is making good progress to secure new customers for most of the new US output.

In 2018, we expect greater sales volumes of wax and co-monomers as the Sasolburg wax plant and the Lake Charles ethylene

RESEARCH, TECHNOLOGY AND MEGA PROJECTS

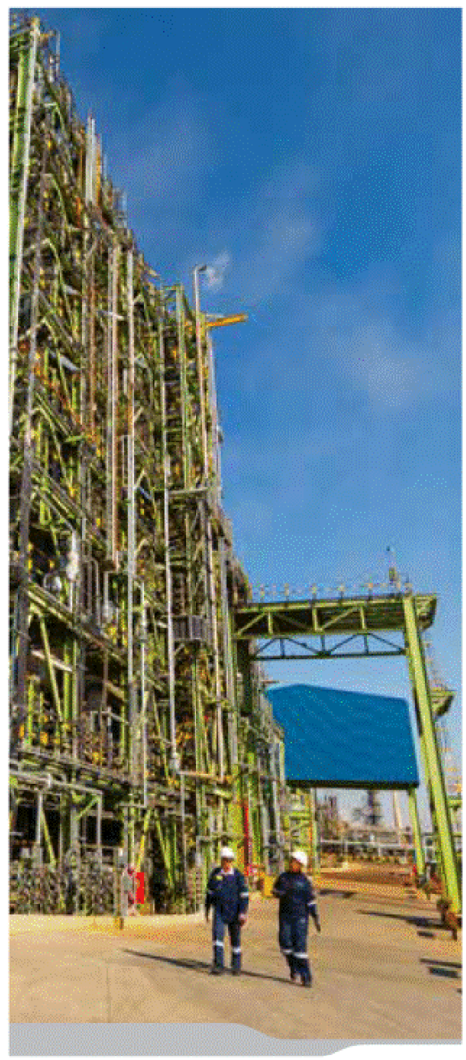
Our Group Technology function is made up of Research and Technology, Capital Projects as well as Engineering and Project Services. Mega Projects includes all projects of over US$1 billion, with a particular focus on the LCCP and the PSA. Together these functions create value by refining technologies, maintaining existing operations and establishing new ones, growing the business.

SALIENT FEATURES

- Regrettably Mega Projects had one fatality at LCCP; Group Technology recorded an improved safety performance
- Progressed LCCP: 74% complete by year-end; advanced PSA to detailed engineering stage within budget and schedule
- Completed second phase of Sasolburg wax expansion, within cost and schedule, producing on-spec product
- Brought Mozambique-South Africa gas pipeline capacity expansion project (Loopline 2) on line ahead of schedule and below budget
- Advanced a number of projects to support existing operations, securing base volumes
- Licensed out (in a non-equity manner) our proprietary Sasol Slurry Phase LTFT™ and associated water technologies
- Extended our research to continuously improve technologies
- Started commercial utilisation of our next generation Fischer-Tropsch GTL catalyst in the EGTL plant in Nigeria
- Continued to focus on securing competent skills through graduate development programme, bursaries and support to universities

STRATEGIC OBJECTIVES FOR WHICH WE ARE ACCOUNTABLE

- Continuously improve existing asset base and maintain Sasol's technological lead
- Drive selective growth based on our technology advantage
- Project execution excellence



PERFORMANCE SUMMARY

We continued to improve our capital and project management processes. Mega Projects made good progress on the LCCP and PSA and completed the second phase of the wax expansion project at Sasolburg within cost and schedule. By year-end, the LCCP was 74% complete and on track for the start-up of the first units in the second half of calendar 2018. Regrettably, we reported a fatality on the LCCP, that of a service provider Mr Tyler Truett on 5 April 2017. We have investigated the matter and lessons learnt are being shared with the teams. The PSA surface facilities project was on track, having achieved 74,5% progress on detail engineering and procurement activities required in support of the detail design and preparation for site construction. Since 2011, around 80% of our capital projects have been completed on or under budget and half have been on or ahead of schedule.

Group Technology worked with operations to secure Sasol's volume base by focusing on plant stability, energy efficiency and reliability. We continued to hone our business processes and nurture talent, running the graduate development programme and overseeing the development and placement of engineers and scientists. We extended our research to improve our proprietary technologies. By the non-equity licensing out of Sasol's LTFT™ GTL technology to Uzbekistan, we are securing our GTL resources and have an opportunity to continue to optimise the technology.

LOOKING AHEAD

We expect to close out engineering for most of the units on the LCCP by the end of the third quarter of calendar 2017. Given the ongoing detailed assurance processes we follow, we are confident about meeting the cost and schedule targets and that risks can be managed within these. On the PSA, site construction activities and the balance of procurement commences early in the new financial year. The civil and structural construction works are expected to near completion at the end of the financial year. We continue to support Sasolburg

Exhibit 99.8

INFORMATION ABOUT DIRECTORS AND SENIOR MANAGEMENT

Non-executive Directors

Colin Beggs (BCom (Hons), CA(SA)) (South African) (born 1948)
Independent non-executive director, Chairman of the Audit Committee and member of the Safety, Social and Ethics Committee and Digital, Information Management and Hedging Committee. Mr Beggs has been our Director since 1 July 2009. He joined Price Waterhouse in 1970 and was the Chief Executive Officer of PricewaterhouseCoopers Inc. until the end of June 2009. He is also a former Chairman of the Board of the South African Institute of Chartered Accountants. He served as Chairman of the Accounting Practices Committee and was a member of the Accounting Practices Board. He is also a Director of the Ethics Institute of South Africa. He is a Director and Audit Committee Chairman of Absa Bank Limited, Barclays Africa Group Limited and SAB Zenezele Holdings Limited.

Manual Cuambe (B Eng) (Mozambican) (born 1962)
Independent non-executive director and member of the Capital Investment Committee and Safety, Social and Ethics Committee. Mr Cuambe was appointed as director in 2016. He is the Managing Director of MC Investimentos & Consultoria (MCICO). He served as the Executive Chairman and Chief Executive Officer of Electricidade de Moçambique (EDM) from November 2005 to March 2012. Mr Cuambe is the Chairman of Companhia Eléctrica do Zambeze (CEZA), a wholly-owned subsidiary of EDM. He was a non-executive director of Companhia de Transmissão de Moçambique (MOTRACO), a joint venture between EDM, the Swaziland Electricity Company (SEC) and Eskom, from 1998 to 2002 and served as the Chairman of the Executive Committee of the Southern Africa Power Pool from November 2005 to April 2008. He has a post-graduate certificate in management studies from the Management College of Southern Africa.

Henk Dijkgraaf (MSc Eng (Mining)) (Dutch) (born 1946)
Independent non-executive director, Chairman of the Remuneration Committee and member of the Nomination and Governance Committee. Mr Dijkgraaf has been our Director since 2006. He is the former Chief Executive Officer of the Dutch natural gas companies, GasTerra, Gasunie and Nederlandse Aardolie Maatschappij. He held various positions in the Royal Dutch Shell group in a number of countries between 1972 and 2003, including the positions of President, Shell Nederland BV, Director, Shell Exploration and Production and Chief Executive, Gas, Power and Coal. He is Vice Chairman of the Board and Chairman of the Audit Committee of Eneco Holding NV, a major sustainable energy company in Western Europe, a member of the Board of the Southern African-Netherlands Chamber of Commerce and Deputy Chairman and Treasurer of the Netherlands Institute for the Near East. He attended the Senior Executive Programme at the Massachusetts Institute of Technology in the United States in 1987.

Mandla Gantsho (BCom (Hons), CA(SA), MSc, MPhil, PhD) (South African) (born 1962)
Independent non-executive director, Chairman of the Board and Nomination and Governance Committee and member of the Remuneration Committee as well as the Safety, Social and Ethics Committee. Dr Gantsho has been our Director since 2003 and was appointed Chairman with effect from 22 November 2013. He is the Chairman of Africa Rising Capital, the Chairman and member of the Audit Committee of Ithala Development Finance Corporate and the Chairman of Impala Platinum Holdings Limited. He was the Vice President Operations: Infrastructure, Private Sector & Regional Integration of the African Development Bank from 2006 to 2009, and before that, the Chief Executive Officer and Managing Director of the Development Bank of Southern Africa. He served as a Director of the South African Reserve Bank from 2011 to 2013. In 1997, he was appointed as a Commissioner of the Finance and Fiscal Commission, a body set up in terms of the South African Constitution to advise the South African parliament on intergovernmental fiscal transfers. In 2002, he was appointed as a member of the Myburgh Commission of Enquiry into the rapid depreciation of the rand in 2001.

Beatrix Kennealy (BAcc (Hons), CA) (South African) (born 1958)
Independent non-executive director and member of the Audit Committee and Capital Investment Committee. Ms Kennealy was appointed as director in 2017. She has been the Chief Financial Officer of large South African companies in the mining, FMCG and

financial services sectors, including the Chief Financial Officer of SARS from January 2009 to December 2013. She was also the Chief Operating Officer of Absa Capital from 2006 to 2009 and prior to that led the operations of the corporate banking and transaction unit, reporting into the Executive Director of the Corporate and Business Bank. In 2001, she joined lBHP Billiton as the Vice President Finance of the Manganese

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division and also served as the Finance Director at Samancor Chrome from 2001 to 2003. She currently serves as a director on the Standard Bank Group Board.

Nomgando Matyumza (LLB, CA(SA)) (South African) (born 1963)
Independent non-executive director and member of the Audit Committee, the Remuneration Committee and the Capital Investment Committee. Ms Matyumza became our director on 8 September 2014. She is the Lead Independent Director of Wilson Bayly Homes-Ovcon Limited and Chairman of its Audit and Risk Committee. She is a non-executive Director of Hulamin Limited and is Chairman of their Remuneration Committee and a member of its Audit Committee. She has been on independent non-executive director of the Standard Bank of South Africa Limited and Standard Bank Group Limited. She has held senior financial management and executive positions in various organisations, including South African Breweries, Transnet and Eskom. Ms Matyumza attended the University of Cape Town Graduate School of Business Executive Management Programme in 2000 and is an ordained minister of the African Methodist Episcopal Church.

Imogen Mkhize (BSc (Information Systems), MBA) (South African) (born 1963)
Independent non-executive director, Chairman of the Safety, Social and Ethics Committee and member of the Audit Committee, the Remuneration Committee and the Digital, Information Management and Hedging Committee. Ms Mkhize has been our Director since 2005. She is the former Chairman of The Richards Bay Coal Terminal Company (Pty) Ltd and a Director of NPC-Cimphor and Imbewu Capital Partners. She is a former member of the Financial Markets Advisory Board and previous directorships include Mondi Plc and Mondi Limited, MTN SA, Murray and Roberts, Illovo, Alan Gray, Datacentrix and the Council for Scientific and Industrial Research in South Africa. She was the Managing Director of Lucent Technologies South Africa and CEO of the 18^{th} World Petroleum Congress. Ms Mkhize is the Chairman of the Rhodes Business School and an emeritus member of the Harvard Business School Global Alumni Board. She is also a member of the Accenture South Africa Advisory Board and the Ethics Institute of South Africa. Ms Mkhize is a Chartered Director with the Institute of Directors of South Africa. In January 2015, she completed a Foresight Certificate Program with the College of Technology − University of Houston.

Moses Mkhize (BCom (Hons), Higher Diploma (Electrical Engineering)) (South African) (born 1961)
Independent non-executive director and member of the Nomination and GovernanceCommittee. Mr Mkhize has been our Director since 2011. Mr Mkhize is Executive Director: Manufacturing, Rolled Products of Hulamin Limited and also serves as Director of a number of subsidiaries of Hulamin.

J.J Njeke (BCompt (Hons), CA(SA), HDip Tax Law) (South African) (born 1958)
Independent non-executive director and member of the Nomination and GovernanceCommittee and the Audit Committee. Mr Njeke has been our Director since 2009. He is a past Chairman of the South African Institute of Chartered Accountants. He was the Managing Director of Kagiso Trust Investments from 1 June 1994 to 30 June 2010. He is the chairman of Adcorp Holdings Limited and MMI Holdings Limited, and a Director of Resilient Property Income Fund and the Council of the University of Johannesburg. He previously served as a member of the Katz Commission of Inquiry into Taxation in South Africa, the General Committee of the JSE Securities Exchange, the Audit Commission - Supervisory Body of the Office of Auditor General and the Audit Committee of the National Treasury.

Mpho Nkeli (BSC (Environmental Science) and MBA (South African) (born 1964)
Independent non-executive director and member of the Remuneration Committee and Safety, Social and Ethics Committee. Ms Nkeli served Vodacom Group Limited as the Chief human resource officer responsible for health, safety, environment and facilities and was an executive director of Vodacom South Africa (Pty) Ltd from 2011 to 2014, having previously served as an executive director of Alexander Forbes from 2005 until 2010. She also served as a non-executive director on the Boards of Ellerine Holdings Limited and

African Bank Investments Limited. Mpho is a member of the Boards of Impala Platinum Holdings Limited and Life Healthcare Group Limited. She previously chaired the Commission for Employment Equity.

Peter Robertson (BSc (Mech Eng), MBA) (American and British) (born 1947)
Independent Non-executive director, Chairman of the Capital Investment Committee and member of the Remuneration Committee and also the Safety, Social and Ethics Committee and Digital, Information Management and Hedging Committee. Mr Robertson has been our Director since 2012. Mr Robertson is an independent financial and oil and gas advisor. He held various positions ranging from management to executive leadership for Chevron Corporation in the United Kingdom and the United States between 1973 and 2009. These executive positions

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include Vice-President: Finance, Chevron USA, President: Exploration And Production Company and President: ChevronTexaco Overseas Petroleum. He served as Vice-Chairman of the Chevron Corporation Board from 2002 to 2009. Mr Robertson is a former Chairman of the US Energy Association and non-executive director of Sasol Chevron Holding Limited. He is also a Director and member of the Audit Committee of Jacobs Engineering Group Inc. He is a member of the Advisory Board of Campbell Lutyens and is Chairman of the World Affairs Council and the US-Saudi Arabian Business Council.

Stephen Westwell (BSc (Mech Eng), MSc (Management), MBA) (British) (born 1958)
Independent non-executive Director and Chairman of the Digital, Information Management and Hedging Committee and member of the Audit Committee, Capital Investment Committee and Safety, Social and Ethis Committee. Mr Westwell has been our Director since 2012. He is also a director and chairman of the Audit committee of Control Risk Limited. He was the Chief Executive Officer and Director of the EFR Group BV from 2015 to 2016. Before that he was the Chief Executive Officer of Silver Ridge Power Inc from 2013 to 2014. He held various management and executive positions for BP in South Africa, the United States and the United Kingdom between 1988 and 2007. These positions include head of BP' s retail business in South Africa and Board Member of PB Southern Africa, Chief Executive Officer for BP Solar; Chief Executive officer of BP Alternative Energy. He served as the Group Chief of Staff and a member of the executive management team in the United Kingdom from 2008 to 2011. He also worked for Eskom Holdings Limited in several operational capacities.

Executive Directors

Steve Cornell (BSc Chem Eng) (American) (born 1956)
Executive Director and member of the Capital Investment Committee, the Digital, Information Management and Hedging Committee and Safety, Social and Ethics Committee. Mr Cornell became our Joint President and CEO on 1 July 2016. He joined Sasol as Executive Vice President, International Operations on 1 February 2014, and was responsible for all Sasol' s operational activities outside Africa. Prior to that, he held senior positions at BP North America. He was Chief Operating Officer for US Fuels, responsible for production, sales, marketing and logistics of BP fuel products in the US. He was also BP' s Global Head of major downstream projects, providing oversight to all large capital projects in the petrochemicals and fuels businesses. He was also responsible for the development of BP' s fuels business in China. Before these positions he was Regional Vice President for Refining, responsible for BP' s refining business in the United States.

Bongani Nqwababa (BAcc (Hons), CA(Z), MBA) (South African) (born 1966)
Executive Director and member of the Capital Investment Committee, Digital, Information Management and Hedging Committee and Safety, Social and Ethics Committee. Mr Nqwababa became our Joint President and CEO on 1 July 2016. In August 2017, Business Unity South Africa (Busa), a non-profit organisation in South Africa which represents South Africa' s organised business, appointed him as its representative on the Brics Business Council. He was previously Group Chief Financial Officer, having been appointed to the Group Executive Committee on 1 March 2015. Before joining Sasol, he was Finance Director at Anglo American Platinum Limited. He is also a previous Finance Director of Eskom Holdings and Chief Financial Officer of Shell Southern Africa, and served as a non-executive director of Old Mutual plc and as Chairman of the South African Revenue Services Audit Committee. In his previous roles,

he has worked in many countries across the world including The Netherlands and United Kingdom. From December 2013 to September 2014, he served as an independent nonexecutive director of Sasol.

Paul Victor (BCompt (Hons), CA(SA), International Tax law (Hons)) (South African) (born 1972) Executive Director and member of the Capital Investment Committee, the Digital, Information Management and Hedging Committee and Safety, Social and Ethics Committee. Mr Victor became our Chief Financial Officer (CFO) and director on 1 July 2016. He was previously Senior Vice President: Financial Control Services at Sasol, and served as Acting CFO from 10 September 2013 to 28 February 2015. Mr Victor gained invaluable experience during his 10 years as Chief Financial Officer of Sasol Synfuels − a position he held until 2011, when he was appointed to head up the group' s financial governance and reporting.

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* Nolitha Fakude - Executive Director, appointed to the Board in 2005 and resigned effective 31 December 2016

Senior Management

Fleetwood Grobler has been a member of our GEC since 1 December 2013. He is our Executive Vice President, Chemicals Business, and is responsible for our global chemicals business. Prior to his appointment to the GEC, he was the Managing Director of Sasol Olefins & Surfactants. Mr Grobler joined Sasol in 1984 and has served in most of our South African operating facilities and has extensive experience in our international businesses. He obtained a Bachelor of Mechanical Engineering degree from the University of Pretoria, South Africa in 1984 and completed the Advanced Executive Program at the University of South Africa in 1994.

Vuyo Kahla has been a member of our GEC since 1 January 2011 and has been our Company Secretary since 14 March 2011. He is the Executive Vice President, Advisory, Assurance and Supply Chain and Company Secretary, and is responsible for the governance, compliance and ethics; legal, intellectual property and regulatory services; assurance services (incorporating the internal audit and forensic services functions); and supply chain functions. From June 2004 to November 2010, he held executive positions in Transnet SOC Limited, with responsibility for legal services, risk management, compliance, company secretarial services, strategy and business modelling, corporate and public affairs and public policy and regulation. The World Economic Forum recognised him as a Young Global Leader and he is an alumnus of the Prince of Wales University of Cambridge Programme on Sustainability Leadership. He is the Chairman of the Council of Rhodes University. He obtained a Bachelor of Arts (Law) degree and a postgraduate Bachelor of Law degree from Rhodes University, South Africa in 1994 and 1996, respectively.

Bernard Klingenberg became a member of the GEC on 1 April 2009. He has been our Executive Vice President, Southern African Operations since 1 July 2014 and with effect from 1 July 2016, is responsible for our operations globally. He was responsible for group human resources for a period of two years from 1 April 2009. Since joining the Sasol group in 1986, he has held various positions in maintenance, technical and general management fields in some of the South African Energy and the global Chemicals businesses of the group. He was the Managing Director of Sasol Polymers from April 2007 to March 2009 and before that the Managing Director of Sasol Nitro. He obtained a Master of Science (Mechanical Engineering) from the University of Cape Town, South Africa in 1986.

Charlotte Mokoena was appointed as the Executive Vice President, Human Resources and Corporate Affairs and became a member of the GEC in 2017. Prior to this role she was the Human Resources Executive at Tongaat Hulett Limited from 2013. Charlotte spent 11 years at Telkom South African Limited, during which time she held several senior positions spanning the human resources, business consulting and customer services disciplines. She has a BA (Human Resources Development and Social Sciences).

Maurice Radebe has been a member of our GEC since 1 November 2010. He has been our Executive Vice President responsible for our Energy Business since 1 July 2014. Prior to that, he was our Group Executive responsible for global corporate affairs, government relations and enterprise development. Mr Radebe joined Sasol Oil in January 2004, when Sasol Oil purchased Exel Petroleum, where he was the Managing Director. He served as the Managing Director of Sasol Oil from December 2006 until October 2010. He is chairman of the South African Petroleum Industry Association for the 2015 and 2016 calendar years. He obtained a Bachelor of Science (Applied Mathematics and Physics) from the University of the North (now known as the University of Limpopo), Polokwane, South Africa in 1983 and a Higher Diploma for Educators of Adults from the University of Witwatersrand, Johannesburg, South Africa in 1988. He attended the Management Advancement Programme at the Wits Business School in Johannesburg, South Africa in 1991 and obtained a Masters in Business Administration from Wits Business School in 1997. He attended the General Management Program at Harvard Business School in the US in 2007.

Riaan Rademan has been a member of our GEC since 1 May 2009. He is our Executive Vice President, Upstream and Business Enablement, responsible for mining, exploration and production and business enablement. Prior to that, he had been responsible for mining, safety, health and environment, supply chain and information management, shared services, group information management and procurement and supply chain. He previously served as Managing Director of Sasol Nitro and Sasol Mining. Mr Rademan obtained a Bachelor of Mechanical Engineering degree from the University of Pretoria, South Africa in 1980 and a Master of Business Leadership from the University of South Africa in 1987. He attended the Advanced Management Program at the University of Pennsylvania, Wharton School in the US in 1995.

Stephan Schoeman has been a member of our GEC since 1 May 2014. He is our Executive Vice President, Technology responsible for technology and our mega-projects in Lake Charles, Louisiana in the US. He was the

Managing Director of Sasol Synfuels from May 2011 to March 2014. Prior to that, he was the Managing Director of Sasol Infrachem. Mr Schoeman has worked at most of Sasol' s South African operating facilities and has extensive international experience. He obtained a Bachelor of Chemical Engineering degree from the University of Pretoria, South Africa in 1986.

Jon Harris has been appointed as a member of our GEC and Executive Vice President, Upstream, with effect from 7 August 2017 and will be responsible for mining and exploration and production. Previously he was with BG Group, a British multinational oil and gas company where he has gained deep and broad experience within the upstream oil and gas industry, having worked on conventional and unconventional resource plays, including liquefied natural gas and shale gas. Jon has a master' s degree in Fuels and Energy Engineering from Leeds University (UK) and completed the Advanced Management Programme at Duke University (USA)

Exhibit 99.9

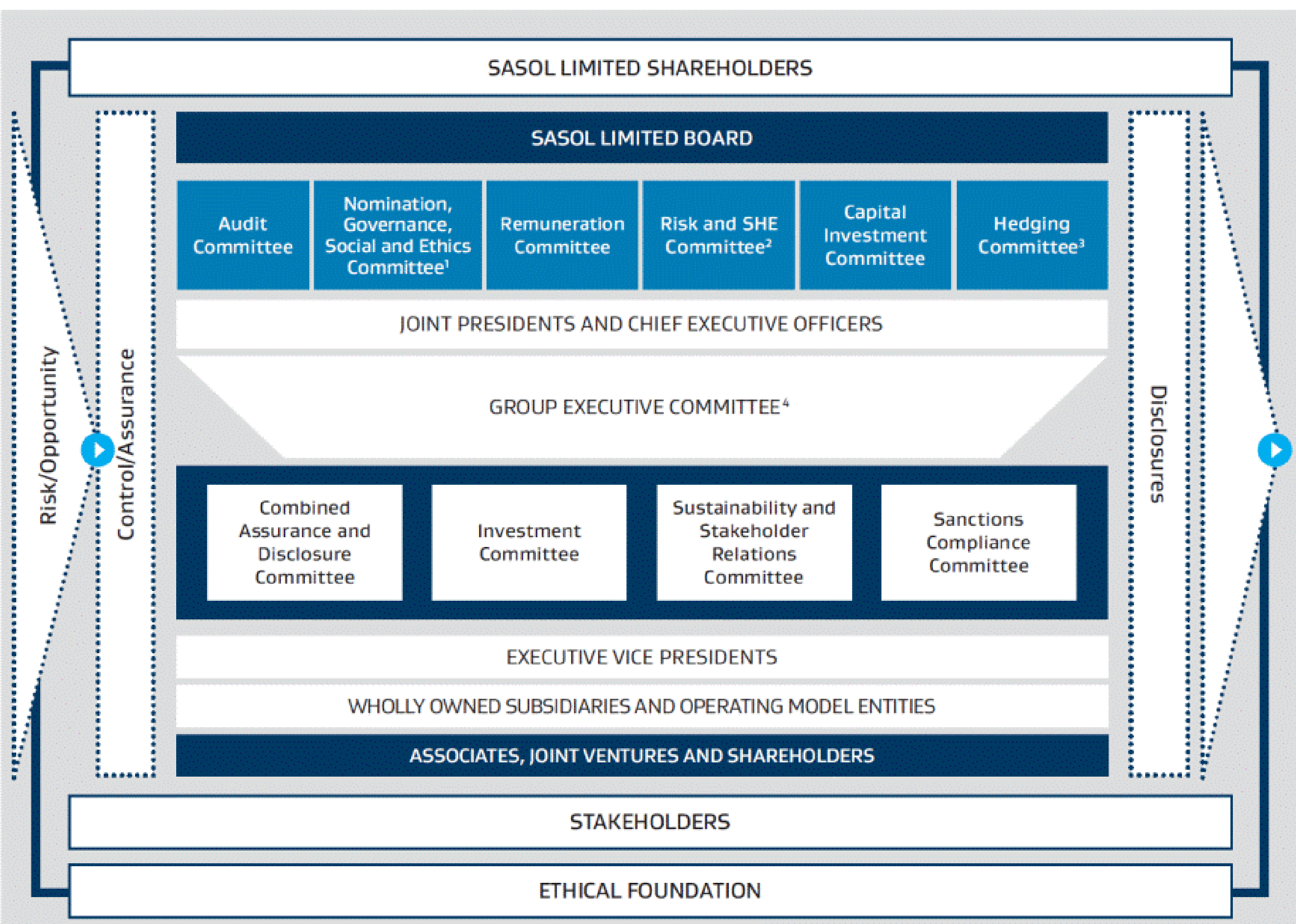
OUR GOVERNANCE FRAMEWORK

Sasol is a values-based organisation, committed to high standards of business integrity and ethics in all activities. The Board steers and sets the direction of the company and brings independent, informed and effective judgment and leadership to bear on material decisions reserved for the Board, while ensuring that strategy, risk, performance and sustainable development considerations are effectively integrated and appropriately balanced. The Board is satisfied that it fulfilled all its duties and obligations in the 2017 financial year.

As a company listed on the Johannesburg Stock Exchange (JSE) and the New York Stock Exchange (NYSE), Sasol is subject to, and has implemented controls to provide reasonable assurance of compliance with all relevant requirements in respect of these listings. The Board confirms that Sasol's corporate governance practices do not in any significant way differ from those required of domestic companies under NYSE listing standards. We apply all the principles of the King Report on Corporate Governance for South Africa 2016 (King IV™).

The Board and its committees continue to closely monitor the implementation of Sasol's legal compliance policy and processes and improve upon them to mitigate the risk of non-compliance with the laws in the various jurisdictions in which we do business. Competition laws, anti-bribery and anti-corruption laws, sanction laws and safety, health and environmental laws, identified as key group legal compliance risk areas, remain our focus. We have implemented risk mitigation controls for each of these areas, aiming to achieve a balanced approach on compliance, by taking into consideration Sasol's obligations as well as Sasol's rights.

We regularly review and benchmark the group's governance structures and processes to ensure they support effective and ethical leadership, good corporate citizenship and sustainable development and ensure that they are applied in the best interests of Sasol and our stakeholders. We have the necessary policies and processes in place to ensure that all entities in the Sasol Group adhere to essential Group requirements and minimum governance standards. As a direct or indirect shareholder, Sasol exercises its rights and is involved in the decision-making of its subsidiaries on material matters and is satisfied that its delegation of authority framework contributes to role clarity and effective exercise of authority and responsibilities.



1 Changed from Nomination, Governance, Social and Ethics Committee to Nomination and Governance Committee with effect from 1 July 2017.
2 The Risk and SHE Committee was reconstituted as the Safety, Social and Ethics Committee with effect from 1 July 2017.
3 The Hedging Committee was broadened to the Digital, Information Management and Hedging Committee with effect from 1 July 2017.
4 The Board appoints Group Executive Committee members on the recommendation of the Joint Presidents and Chief Executive Officers and

Our directors and the composition of the Board and committees

BOARD OF DIRECTORS[1]

Independent non-executive directors			Executive directors	7 Meetings/100% attendance	
MSV Gantsho (Chairman)	NNA Matyumza	S Westwell	B Nqwababa [4]	22 Aug 2016	24 Feb 2017
C Beggs	IN Mkhize	GMB Kennealy [3]	SR Cornell [4]	9 Sept 2016	22 May 2017
MJ Cuambe	ZM Mkhize	ME Nkeli [3]	VN Fakude [5]	24 Nov 2016	25 May 2017
HG Dijkgraaf [2]	MJN Njeke		P Victor [6]	25 Nov 2016	
	PJ Robertson				

AUDIT COMMITTEE [7]

Independent non-executive directors

C Beggs (Chairman)
GMB Kennealy [8]
NNA Matyumza
IN Mkhize
MJN Njeke
S Westwell

6 meetings
100% attendance

NOMINATION, GOVERNANCE, SOCIAL AND ETHICS COMMITTEE [7]

Independent non-executive directors

MSV Gantsho (Chairman)
HG Dijkgraaf
ZM Mkhize
MJN Njeke

5 meetings
100% attendance

REMUNERATION COMMITTEE [7]

Independent non-executive directors

HG Dijkgraaf (Chairman)
MSV Gantsho
IN Mkhize
ME Nkeli [8]
PJ Robertson
NNA Matyumza

5 meetings
100% attendance

RISK AND SHE COMMITTEE

Independent non-executive directors

IN Mkhize (Chairman)
C Beggs
MJ Cuambe [9]
MSV Gantsho
PJ Robertson
S Westwell

Executive directors

B Nqwababa
SR Cornell
P Victor

4 meetings
100% attendance

CAPITAL INVESTMENT COMMITTEE

Independent non-executive directors

PJ Robertson (Chairman)
MJ Cuambe
GMB Kennealy [8]
NNA Matyumza
S Westwell

Executive directors

SR Cornell
B Nqwababa
P Victor

4 meetings
100% attendance

HEDGING COMMITTEE

Independent non-executive directors

S Westwell (Chairman)
C Beggs
IN Mkhize
PJ Robertson

Executive directors

SR Cornell
B Nqwababa
P Victor

4 meetings
100% attendance

1 In terms of our memorandum of incorporation, the Board shall consist of a maximum of 16 directors. Up to five may be executive directors. One-third of directors must retire at every Annual General Meeting and are eligible for re-election.
2 Lead independent director.
3 Appointed as independent non-executive director on 1 March 2017.
4 Appointed as executive director and Joint President and CEO with effect from 1 July 2016.
5 Resigned as executive director and Executive Vice President, Strategy and Sustainability with effect from 31 December 2016.
6 Appointed as executive director and CFO with effect from 1 July 2016.
7 The Joint Presidents and Chief Executive Officers are not members of these committees but attend meetings by invitation. They are requested to leave the meeting, where appropriate, before any decisions are made that relate to them personally.
8 Appointed as a member with effect from 1 July 2017.
9 Appointed as a member with effect from 9 September 2016.

The Board recognises and embraces the benefits of diversity at Board level, to enhance the range of directors' perspectives. We appreciate that Board diversity is an essential component for sustaining a competitive advantage. Directors are chosen for their corporate leadership skills, experience and expertise. A combination of business, geographic and academic backgrounds as well as diversity in age, gender and race, enhance the composition of a truly diverse Board.

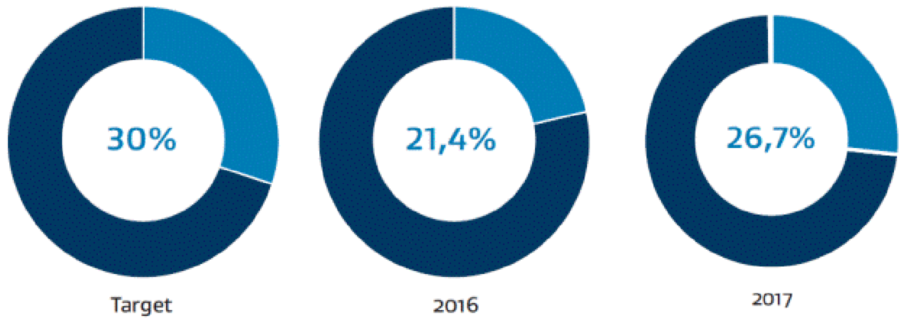
In the year, we announced the appointment of two new female non-executive independent directors, Mss GMB Kennealy and ME Nkeli. We also announced the resignation of Ms VN Fakude, executive director and Executive Vice President, Strategy and Sustainability.

The Nomination, Governance, Social and Ethics Committee assisted with the identification of suitable candidates to be proposed for appointment to the Board, taking into consideration the annual review of Board effectiveness, which includes among others, its composition. We consider all facets of diversity, in determining the optimal composition of the Board, having due regard to the Board's gender diversity policy, which should be balanced appropriately and enable it to discharge its duties and responsibilities effectively.

The Board determined a target of

30%

representation of women on the Board by 30 June 2019.



We are comfortable that we have the right balance of skills, experience and independence to make a meaningful contribution to the business of the company.

The committees established by the Board play an important role in enhancing standards of governance and effectiveness within the group. The terms of reference of the Board and its committees form part of the Board charter and are reviewed every year.

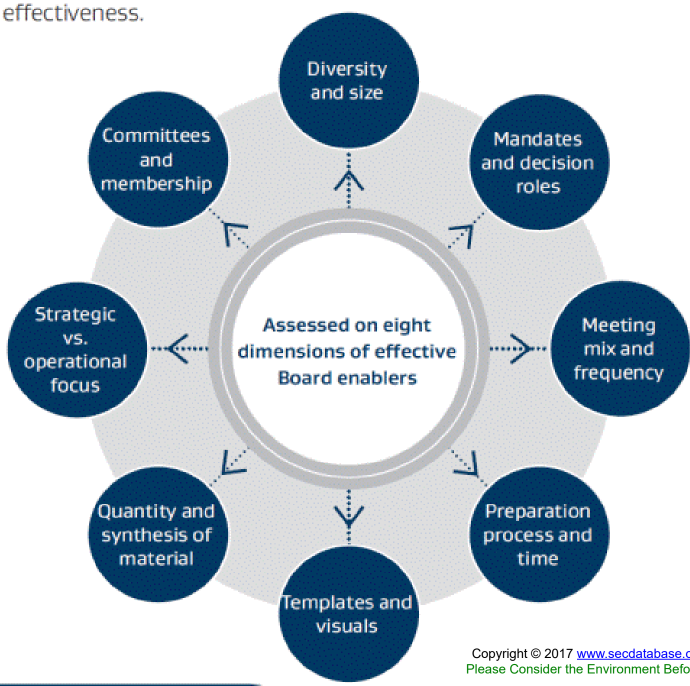
Development

The development of industry and group knowledge is a continuous process and we brief directors on legal developments and changes in the risk and general business environment on an on-going basis. We apprise newly appointed directors of Sasol's business and their duties and responsibilities as directors and give them the opportunity to visit Sasol's plants and operations.

The Board, its committees as well as any director are entitled to seek independent professional advice concerning the company's affairs and to gain access to any information they may require in discharging their duties as directors.

Performance

The evaluation of the effectiveness and performance of the Board, its committees, individual directors and the Chairman was externally assessed this financial year. We are satisfied that the evaluation process is improving the Board's performance and effectiveness.



- Reliable and effective reporting remains the greatest enabler to empower the Board to execute its responsibilities and focus on appropriate matters.
- With a few exceptions indicated below, the Board is working well; the structure, mandate and decision roles are appropriate for the size/complexity of Sasol and the Chairman's performance is satisfactory.
- The Board will focus on allocating more time to top talent discussions and restructuring Board committees – the social and ethics aspect of the Nomination, Governance, Social and Ethics Committee has been carved out as a separate committee going forward. The Risk and SHE Committee has been disbanded, with the Board assuming direct responsibility for the governance of risk, supported by all the Board committees, responsible for ensuring the effective monitoring of risks within the ambit of the committees' scope.

We, specifically, consider the independence of directors and their other commitments when they are first appointed, as well as annually, or at any other time when a director's circumstances change and warrant re-evaluation. This is done to determine whether a director has sufficient time to discharge his or her duties effectively and is free from conflicts that cannot be managed satisfactorily. Should the Nomination, Governance, Social and Ethics Committee be of the view that a director is over-committed or has an unmanageable conflict, the Chairman will meet with that director to discuss the resolution of the matter, to the satisfaction of the Committee.

It was also decided and the memorandum of incorporation accordingly amended, that no director going forward, would hold office for longer than nine years. The Board may nominate a director who served for nine years for re-election for additional periods of one year at a time, but no such director's term of office shall exceed twelve years. In order to retain necessary skills and experience, it was also agreed to remove the age restriction and directors are now allowed to serve irrespective of their age.

The Board is of the view that all non-executive directors are independent, in accordance with King IV™ and the rules of the NYSE. We have reconfirmed the independence of our non-executive directors who have been in office for more than nine years, namely Dr MSV Gantsho, Ms IN Mkhize and Mr HG Dijkgraaf. We did this after taking into account, among other considerations, the extent to which the diversity of their views, skills and experience continue to enhance the Board's effectiveness. Succession planning is a current key focus area.

Sustainability, social and ethics responsibilities

In executing its social and ethics responsibilities, as required by the South African Companies Act, the Nomination, Governance, Social and Ethics Committee considered and monitored Sasol's activities, having regard to relevant legislation, human rights and prevailing best practice, in matters relating to:

- **Social and economic development**, including Sasol's compliance with the 10 principles of the United Nations Global Compact as well as the purpose of the Organisation for Economic Co-operation and Development recommendations regarding corruption. The Committee also considered Sasol's activities in relation to good corporate citizenship, with an emphasis on Sasol's social investment and global programmes embarked on within education, skills development, environment, community development and employee volunteerism.

  The Board was responsible for considering and monitoring Sasol's activities in relation to all environmental, health and public safety matters, including the impact of the company's products and services on stakeholders.

- **Labour and employment activities**, taking into consideration employment relationships, organised labour and the International Labour Organisation Protocol on decent work and working conditions. The Committee also considers Sasol's progress in terms of the South African Employment Equity Act, No 55 of 1998, focusing on gender diversity and women empowerment and Sasol's contribution towards the educational development of employees. Sasol is committed to promoting equal opportunities and fair employment practices, globally, across all its businesses. We have implemented several programmes to ensure the practical application of our commitment to human rights, including worker participation and employment equity, always maintaining our high standards and statutory compliance.

  Sasol's code of ethics applies to all our directors and employees, it emphasises that ethical behaviour in everything Sasol does, globally, is an essential building block to embed a values-driven organisation and high-performance culture. We have translated the revised code into the most common languages of the major countries in which we operate. Our values are included in employee's performance assessments. We also conduct extensive awareness campaigns for our employees, service providers and customers and have implemented a supplier code of ethics.

- **Stakeholder relationships**, including supplier and consumer relationships and the governance of the Group's stakeholder engagement activities as well as Sasol's standing in terms of the South African Broad-Based Black Economic Empowerment (B-BBEE) Act, No 53 of 2003, including Sasol's proposed response to the revised B-BBEE Codes.

  The Board, assisted by the Committee, is responsible for ensuring that disputes with Sasol's stakeholders are resolved as effectively, efficiently and expeditiously as possible. It considers the legitimate interests and expectations of stakeholders in all its decision-making. We regularly communicate with our stakeholders, including by presenting the Group's strategy and performance. In terms of the Promotion of Access to Information Act, 2 of 2000, Sasol considers and responds to all requests for access to information. We ensure appropriate engagement with requesting parties, without compromising Sasol's rights with respect to the protection of certain information.

The code of ethics is available on our website http://www.sasol.com/sustainability/ethics.

Exhibit 99.9.1

Sasol Limited (“Sasol” or “the Company”)

Board Charter

Revised: 25 May 2017 – effective 1 July 2017

1. INTRODUCTION

This Board Charter is subject to the provisions of the South African Companies Act, 71 of 2008, (the Companies Act), the Company’s Memorandum of Incorporation (MOI) and any applicable law or regulatory provision. It is not intended to replace or amend the MOI in any way whatsoever. References to the male gender are intended to equally reflect as references to the female gender.

2. PURPOSE OF THE BOARD CHARTER

The purpose of the Board Charter is to provide a concise overview of:

a) the roles, responsibilities, functions and powers of the Sasol Limited Board (the Board), individual directors and the officials and executives of the Company;

b) the powers delegated to various Board committees of the Company;

c) relevant principles of the Company’s limits and delegations of authority and matters reserved for final decision-making or pre-approval by the Board; and

d) the policies and practices of the Board in respect of matters such as corporate governance, trading by directors in the securities of the Company, declarations and conflicts of interest, Board meeting documentation and procedures, composition of the Board and the nomination, appointment, induction, training and evaluation of directors and members of Board committees.

3. THE BOARD, OTHER ORGANS OF THE COMPANY AND COMPANY OFFICIALS

3.1 The Shareholders

Matters reserved for decision-making by the shareholders of the Company are set out in the MOI and the Companies Act.

A matter reserved for decision-making by the shareholders is considered by the Board before it is recommended to the shareholders for decision-making. The Board will, where appropriate, provide the shareholders with its recommendation and the relevant material information in respect of resolutions proposed for shareholder approval.

It is the policy of the Company to accurately disclose company information to shareholders and potential investors in such a way that the shareholders are apprised of all material aspects of the business of the Company and its direct and indirect subsidiaries (Group companies).

Directors and executive management are expected to attend shareholders’ meetings. The Chairmen of all Board committees are expected to be available at the Company’s annual general meeting to respond to relevant questions or queries.

Proceedings at meetings of shareholders are governed by the provisions of the Companies Act and the MOI.

3.2 The Board

3.2.1 General powers of the Board

The role, function and powers of the Board, its members and committees and its relationship vis-à-vis other organs of the Company and its direct and indirect subsidiaries and joint ventures are determined by law, the MOI of the Company, agreements such as shareholders' agreements (where relevant), corporate governance best practices and decisions and policies of the Board.

The Board is responsible for steering the Company and setting its strategic direction(2). In managing or directing the affairs of the Company the Board has authority to exercise all of the powers and perform any of the functions of the Company except to the extent that the Companies Act or MOI provide otherwise(3).

The Board accordingly has the power to make any decision in respect of the Company which has not been specifically reserved for decision-making by the shareholders. This power includes the power to exercise the rights as direct or indirect shareholder of Group companies.

The Board exercises its powers responsibly:

a) In the best interests of the Company with due regard to the interest of stakeholders of the Company; and

b) In compliance with the requirements of the law, the listings requirements of the stock exchanges on which the securities of the Company are listed, principles of sound corporate governance and Board policies and procedures.

3.2.2 The role, functions and responsibilities of the Board

Within the powers conferred upon the Board by the MOI and the Companies Act the Board has determined its main function and responsibility as being to add significant value to the Company by:

a) Retaining full and effective control over the Company and providing effective and ethical leadership in the best interest of the Company;

b) Informing and setting the strategic direction of the Company and ensuring that strategy, risk, performance and sustainability considerations are effectively integrated and appropriately balanced;

c) Determining and setting the tone of the Company values including principles of ethical business practice, human rights considerations and the requirements of being a responsible corporate citizen, which includes assessing and responsibly responding to the negative consequences of the Company' s activities and outputs on the triple context(4) in which it operates and the capitals(5) which it uses and affects.;

d) Bringing independent, informed and effective judgment to bear on material decisions of the Company and Group companies including material Company and group policies, the group framework of delegated authorities, appointment and removal of the Presidents and Chief

(2) King IV Report on Corporate Governance for South Africa 2016 (King IV)
(3) Section 66 Companies Act and paragraph 26.1 of the MOI
(4) Defined in King IV as "the combined context of the economy, society and environment in which the Company operates"
(5) Defined in King IV as "the stocks of value on which all organisations depend for their success as inputs to their business model, and which are increased, decreased or transformed through the organisation' s business activities and outputs"

Executive Officers (Joint CEOs(6)), approval of the appointment or removal of Group Executive Committee members, capital expenditure, material transactions and Company and consolidated group budgets;

e) Satisfying itself that the Company and Group companies are governed effectively in accordance with corporate governance best practices, appropriate and relevant non-binding industry rules, codes and standards and internal control systems to:

- maximise returns sustainably;
- safeguard the people, assets and reputation of the group; and
- ensure an effective control environment and compliance with applicable laws and regulations;

f) Monitoring and implementation by Group companies, Board committees and executive management of the Board' s strategies, decisions, values and policies with a structured approach to governance, integrated reporting, risk management and combined assurance;

g) Ensuring that the Company has appropriately constituted and effective Board committees as required by the Companies Act, MOI and recommended by best corporate governance practice that the Company chooses to apply;

h) Ensuring that there is an effective risk based internal audit;

i) Governing the disclosure control processes of the Company including ensuring the integrity of the Company' s integrated report(7) and reporting on the effectiveness of the Company' s system of internal controls;

j) Ensuring that disputes are resolved as effectively, efficiently and expeditiously as possible; and

k) Monitoring of the relationship between the Company and its stakeholders.

3.2.3 Matters reserved for decision-making by the Board

Without detracting in any way from the general powers of the Board(8) the Board from time to time determines in terms of the governance framework and delegated authorities, which matters are:

a) reserved for final decision-making by the Board or Board committees; or

b) require the Board' s or Board committees' consent before a final decision is made.

With effect from 1 July 2016, the Board delegated authority, not expressly reserved for the Board, to the Joint CEOs(9), who shall be jointly and severally liable and accountable to the Board, subject to the obligation to report all material matters to the Board.

(6) Joint Presidents and Chief Executive Officers appointed with effect from 1 July 2016. See para 3.5
(7) King IV defines integrated reporting as "a process founded on integrated thinking that results in a periodic integrated report by an organisation about value creation over time. It includes related communications regarding aspects of value creation. An integrated report could be a standalone report which connects the more detailed information in other reports."
(8) See 3.2.2 above and par 26.1 of the MOI
(9) Joint Presidents and Chief Executive Officers appointed with effect from 1 July 2016. See para 3.5

3.2.4 Composition of the Board, gender diversity policy, appointment, rotation and indenandence

The Board comprises a balance of executive and non-executive directors, with a majority of non-executive directors. A majority of the non-executive directors are independent. The Board should at all times be suitably constituted and do everything necessary to appropriately fulfill its role and responsibilities.

The Board may determine the number of directors on the Board at any time, subject to the proviso that the Board may comprise a maximum of sixteen (16) directors and a minimum of ten (10) directors. A maximum of five (5) salaried employees of the Company may simultaneously hold the office of director(10).

The directors may elect a Chairman, Deputy Chairman and/ or Lead Independent non-executive Director and determine the period for which they are to hold office(11). In addition, the Board must appoint a Chief Executive Officer and an executive financial director(12).

The Board is empowered to fill vacancies on the Board(13).

Only individuals with sound ethical reputations and business or professional acumen and who have sufficient time to effectively fulfill their role as Board member, will be considered for appointment to the Board. In order to determine whether a director is over committed the following criteria, amongst others, will be considered:

- If the director is not an executive office holder of any public company, he may hold the chairmanship of the Company as well as that of two other public listed companies.
- Non-executive directors of the Company should not hold more than five (5) directorships of public listed companies.
- If the director is an executive office holder (including an executive director) of a public company, he cannot hold any other directorships of a public listed company.

Should the Nomination and Governance Committee be of the view that a director is over committed, the Chairman will meet with that director to discuss the resolution of the matter to the satisfaction of the Committee.

Individuals with material enduring conflicts of interest with the Company or any Group company that cannot be reasonably managed by the normal methods of declaration of interests and temporary recusal from meetings will not be considered for appointment.

The Board recognises and embraces the benefits of having a diverse Board, appreciates that diversity at Board level is an essential component for sustaining a competitive advantage and is committed to ensuring a diverse and inclusive culture on Board level, where directors believe that their views are heard, their concerns are attended to and they serve in an environment where bias, discrimination and harassment are not tolerated.

(10) See par 22.1 of the MOI
(11) See par 29.4 of the MOI
(12) See par 26.3 of the MOI
(13) See par 22.4 of the MOI

Race, age and gender diversity, underpinned by the relevant skills as well as business, geographic and academic experience and background, enhance the composition of a truly diverse Board. All facets of diversity will be considered in determining the optimal composition of the Board and, where possible, should be balanced appropriately. All Board appointments are made on merit, having due regard for the benefits of diversity, including gender, which the Board as a whole requires to be effective.

Directors are appointed through a formal process and the Nomination and Governance Committee assists with the process of identifying suitable candidates to be proposed to the Board and shareholders. The Nomination and Governance Committee also assists with the review of Board effectiveness, which includes, amongst others, its composition.

- The Board composition should reflect:

  - a majority of independent non-executive directors;
  - racial and gender diversity; and
  - diversity in respect of the relevant business, geographic and academic backgrounds.

- In reviewing independence, the Nomination and Governance Committee considers the listings requirements of the Johannesburg Stock Exchange (JSE) and New York Stock Exchange (NYSE) as well as the Companies Act and King IV. In particular King IV provides that a director can be determined to be independent if, when judged from the perspective of a reasonable and informed third party, that the director has no interest, position, association or relationship which is likely to unduly influence or cause bias in decision-making in the best interests of the Company.

  In addition to the indicators to be considered to determine independence; friendships, and long-standing relationships, including whether directors serve on more than one board together, will also be considered to determine whether it may unduly influence the independence of a director.

- In reviewing Board composition, the Nomination and Governance Committee will consider the benefits of all aspects of diversity in order to enable the Board to discharge its duties and responsibilities effectively.

- In identifying suitable candidates for appointment to the Board, the Nomination and Governance Committee will consider candidates on merit against objective criteria and with due regard for the benefits of diversity on the Board.

- As part of the performance evaluation of the effectiveness of the Board, its committees and individual directors, the Nomination and Governance Committee will consider the balance of diversity requirements and representation on the Board, including gender and other factors relevant to its effectiveness.

The Nomination and Governance Committee will annually agree all measurable objectives for achieving diversity on the Board that are appropriate for the Company and recommend them to the Board for adoption. Achievement against these objectives will be disclosed in the annual corporate governance report.

Directors appointed by the Board, retire as directors at the first subsequent annual general meeting unless elected at such shareholder meeting(14). At least a third of incumbent directors retires by rotation at each annual general meeting and is eligible for re-election, unless shareholders have nominated

(14) See par 22.4.1 of the MOI

additional candidates for election. A director that has held office for a period of five (5) years since his last election, which election took place prior to 25 November 2016, or if he has held office for a period of nine (9) years since his first election, which election took place on or after 25 November 2016, shall retire at the annual general meeting if not included as one of the directors to retire by rotation. Retiring directors may be re-elected provided they are eligible(15). The Board may nominate a director who served for nine (9) years for re-election for additional periods of one year at a time, but no such director' s term of office shall exceed twelve (12) years.

There is no age restriction and directors are allowed to serve irrespective of their age.

Executive directors retire as members of management at the age of sixty (60), unless the Board agrees to a later retirement age in the interests of the Company. Such extensions will only be agreed to in very exceptional circumstances and will not be for long periods of time.

This Board Charter is considered to be an integral part of the conditions of appointment of all directors. Future letters of appointment should attach the Board Charter and specifically incorporate it by reference.

3.2.5 Board committees

In terms of the MOI(16) the Board is empowered to appoint Board committees and to delegate powers to such committees. The Board delegates certain functions to well-structured committees but without abdicating its own responsibilities.

Delegation is formal and involves the following:-

a) formal terms of reference are established and approved for each committee of the Board;

b) the committees' terms of reference are reviewed once a year;

c) the committees are appropriately constituted with due regard to the skills required by each committee;

d) the Board establishes a framework for the delegation of authority to management;

e) the Board notes reports from and/ or minutes of the meetings of each committee of the Board; and

f) the Board monitors the activities of committees and individuals with delegated authority.

The Board has the following committees:

- Audit Committee
- Remuneration Committee
- Nomination and Governance Committee
- Safety, Social and Ethics Committee
- Capital Investment Committee
- IT and Hedging Committee

(15) See par 22.2 of the MOI for greater clarity on director rotation
(16) See par 27.1 of the MOI

Refer to attachments 1 - 6 for the terms of reference of these committees.

3.2.6 Board meetings and documentation

3.2.6.1 Frequency

The Board must hold sufficient scheduled meetings to discharge all its duties as set out in this Charter. The Board meets quarterly and at such additional ad hoc times as may be required.

3.2.6.2 Agenda, meeting papers and minutes

The Board must establish an annual work plan for each year to ensure that all relevant matters are covered by the agendas of the meetings planned for the year.

A detailed agenda, together with supporting documentation must be circulated approximately five (5) business days prior to each meeting to the members of the Board and other invitees. The Chairman, with the assistance of the Company Secretary, must ensure that the agenda, as prepared, raises all relevant issues requiring attention in such a way and sequence that effective proceedings are facilitated.

The Nomination and Governance Committee shall annually consider whether the format and content of standard Board reports and submissions are appropriate and recommend to the Board such changes to Board reports or submissions as would improve the Board' s efficiency.

All meeting papers and submissions made at the Board meeting are strictly confidential and directors must under no circumstances circulate them to any other parties. Directors are expected to manage their security passwords providing electronic access to their meeting packs with due care and vigilance. All hard copies of meeting papers and Board submissions must be left in the Boardroom on conclusion of the meeting. A record of Board submissions shall be maintained and held by the Company Secretary in line with the retention policy. Directors may arrange with the Company Secretary to obtain access to records of Board documentation and minutes if required by them in the course of discharging their duties as directors of the Company.

The minutes must be completed as soon as possible after the meeting and circulated to the Chairman of the Board for review thereof.

3.2.6.3 Attendance

Board members will use their best endeavours to attend all meetings of the Board, including meetings called on an ad hoc basis for special matters, unless prior apology with reasons have been submitted to the Chairman or Company Secretary. Board members must be fully prepared for Board meetings to be able to provide appropriate and constructive input on matters for discussion. They are expected to participate fully, frankly, and constructively in Board discussions and to bring the benefit of their particular knowledge, experience, skills and abilities to bear in discharging their duties as directors.

The Chairman may at his or her discretion authorise the use of audio or video conferencing facilities to make participation in a Board meeting possible should attendance in person not be possible.

If the nominated Chairman of the Board is absent from a meeting, the members present must elect one of the members to act as Chairman.

Executive management, assurance providers and advisors may be in attendance at meetings, but by invitation only and they may not vote.

3.2.6.4 Quorum

A representative quorum for meetings is five (5) directors of which not less than three (3) directors shall be non-executive.(17)

3.2.6.5 Written Resolutions

It is the policy of the Board to limit the use of written resolutions to instances where the resolution is a mere formality or where the matter requiring decision by written resolution is of such an urgent nature that it cannot be deferred until the next Board meeting. The

Chairman, with the assistance of the Company Secretary, should consider in respect of each written resolution whether an urgent extra-ordinary Board meeting would be a more appropriate decision-making procedure than a written resolution. Each member of the Board who is able to receive notice must receive notice of the matter to be decided by written resolution.

Decisions taken by written resolution other than at a meeting are valid decisions of the Board if signed by a majority of directors(18).

3.3 The Chairman

The Chairman is elected by members of the Board(19) and is a non-executive director of the Board with no executive or management responsibilities. The Chairman provides leadership at Board level, represents the Board to the shareholders and is responsible for ensuring the integrity and effectiveness of the Board and its committees. The Chairman is also the Chairman of the meetings of shareholders.

To this end the Chairman is required to:

a) Set the ethical tone for the Board and the Company;

b) Provide overall leadership to the Board without limiting the principle of collective responsibility for Board decisions, while at the same time being aware of the individual duties of Board members;

c) Oversee the formal succession plan for the Board, the Joint CEOs and certain executive management appointments, such as the Chief Financial Officer;

d) Maintain regular dialogue with the Joint CEOs in respect of all material matters affecting the Company and the group and to consult with the other Board members promptly when considered appropriate;

e) Identify and participate in selecting Board members (via the Nomination and Governance Committee);

(17) See par 29.3.1 of the MOI
(18) See par 29.5.6 of the MOI
(19) See par 29.4.1 of the MOI

f) Formulate in consultation with the Joint CEOs and Company Secretary the yearly work plan for the Board against agreed objectives, and play an active part in setting the agenda for Board meetings - ensure that material matters in respect of the business or governance of the Company or group that he is aware of, are tabled at Board meetings;

g) Preside over Board meetings and ensure that material issues for consideration are tabled and interrogated effectively to ensure optimal Board decision-making and governance, manage conflicts of interest and act as a link between the Board and management, particularly the Board and the Joint CEOs;

h) Ensure that directors play a full and constructive role in the affairs of the Company and take a leading role in the process for removing non-performing or unsuitable directors from the Board;

i) Monitor how the Board works together and how individual directors perform and interact at meetings - ensure that a formal performance evaluation of the Board, Board committees and individual directors is conducted at least every two years and that every alternate year, opportunity is provided for reflection and discussion by the Board of its performance and that of its committees, it chair and its members as a whole;

j) Ensure that all directors are appropriately made aware of their responsibilities through a tailored induction programme, and ensuring that a formal programme of continual professional education is adopted at Board level;

k) Be accessible to the Joint CEOs between Board meetings to provide counsel and advice;

l) In consultation with the Remuneration Committee and the Board determine the performance objectives of the Joint CEOs and their performance against the objectives;

m) Ensure that good relations are maintained with the Company' s major shareholders and strategic stakeholders, and preside over shareholders' meetings; and

n) Attend to administrative approvals in respect of the Joint CEOs on, amongst others, leave, travel and entertainment.

The Chairman:

- may not be a member of the Audit Committee;
- may be a member but not chair the Remuneration Committee;
- must be a member and chair the Nomination and Governance Committee; and
- may be a member but not chair the Safety, Social and Ethics Committee.

The Chairman' s ability to add value to the Company, and the Chairman' s actual performance against criteria developed from his/her formalised role and functions should form part of an evaluation by the Board led by the Lead Independent Director or another independent non-executive director appointed by the Board at least every two years. The evaluation should take into account other external chairmanships to determine whether the Chairman has the capacity to discharge his duties to the Company.

3.4 Deputy Chairman and Lead Independent Director

The Board may appoint a Deputy Chairman and / or Lead Independent Director to assist the Chairman in the execution of his duties and such other functions as the Board may wish to delegate to the Deputy Chairman or Lead Independent Director.

Where the Chairman is absent or unable to perform his duties or where the independence of the Chairman is questionable or impaired, the Lead Independent Director must serve in this capacity for as long as the circumstances that caused the Chairman' s absence, inability or conflict exists.

The Lead Independent Director is appointed to:

a) Assist the Board to deal with management of any actual or perceived conflicts of interest that arise on the part of the Chairman;

b) Preside at all meetings of the Board at which the Chairman is not present or where the Chairman is conflicted, including any sessions of the independent directors;

c) Call meetings of the independent directors where necessary;

d) Serve as principal liaison between the independent directors and the Chairman;

e) Perform all such functions that cannot be performed by the Chairman due to his absence or the existence of a conflict of interest;

f) Liaise with major shareholders if requested by the Board in circumstances or transactions in which the Chairman is conflicted; and

g) Perform other duties that the Board may from time to time delegate.

3.5 The Joint Presidents and Chief Executive Officers

With effect from 1 July 2016, the Board appointed Joint Presidents and Chief Executive Officers.

The Joint CEOs, who are jointly and severally the highest executive decision-making authority of the Company and the Sasol group, and are jointly and severally delegated with authority from, and jointly and severally accountable to the Board for the development and successful implementation of the group strategy and the overall management and performance of the Sasol group within the framework of its policies, reserved powers and routine reporting requirements, consistent with the primary aim of enhancing long-term shareholder value.

The Joint CEOs can act separately or jointly. The Board has instituted a procedure to resolve a deadlock between the Joint CEOs in respect of any matter pertaining to their delegated authority or regarding the development and implementation of the group strategy and the overall management and performance of the Sasol group within the framework of its policies, reserved powers and routine reporting requirements, consistent with the primary aim of sustainably enhancing long-term shareholder value.

The Joint CEOs are supported by the Group Executive Committee (GEC) which is accountable to them subject to the authority of the Joint CEOs. The group' s limits and delegation of authority framework authorise any member of the GEC to sign and execute any documents required to

implement a decision taken by the CEOs, the GEC or the Board, unless specifically indicated otherwise by the Joint CEOs, the GEC or the Board respectively.

The Joint CEOs:

- provide executive leadership;
- must inform the Board of any material matter which may have a significant impact on the financial results or substantially impact the reputation of the group;
- may sub-delegate any of the powers delegated to them to the GEC, the Chief Financial Officer and any Executive Vice President or other committee, forum or individual within the group; and
- may exercise power and authority on, or sub-delegate, any matter necessary for the effective management and performance of the group which is not specifically reserved for the Board or the Company' s shareholders.

Their roles are formalised and their performance are evaluated against criteria developed for their roles.

The Joint CEOs are accountable to the Board to, amongst other things:

a) Agree and recommend for approval to the Board matters specified in the group limits and delegation of authority framework which amongst others relate to:

  - The vision, mission, values, strategy, long term plans and policy of the Company;
  - Annual budgets, group funding and financial management;
  - Significant mergers, acquisitions, divestitures, plant closures and asset disposal as well as material capital expenditure/ projects;
  - Risk policy and profile; and
  - Statutory, JSE and NYSE required reports;

b) Recommend the appointment of members of the executive team (members of the GEC) and ensure proper succession planning and performance appraisals of members of the executive team;

c) Develop and recommend to the Board the long-term strategy and vision of the Company and its quantified expression by way of critical short-term and long-term performance and sustainability targets;

d) Develop and recommend to the Board the capital expenditure programme of the Company;

e) Develop and recommend to the Board the annual business plans and budgets that support the Company' s long term strategy and approach to sustainability;

f) Ensure that the Company and Group companies have effective management teams and management structures;

g) Ensure that appropriate Company and group policies are formulated and implemented;

h) Monitor and report to the Nomination and Governance Committee and the Board on the effectiveness of legal compliance controls, processes, systems and resource capacity;

i) Monitor the performance of the Company and the Group companies against agreed performance and sustainability targets and report appropriately to the Board about such performance;

j) Establish an organisational structure and operating model for the Company and the group to ensure effective execution of the strategy, sustainability, governance and control imperatives;

k) Set the tone in providing ethical leadership and creating an ethical environment;

l) Ensure that effective internal Company and group controls, legal compliance and governance measures are deployed;

m) Ensure adherence to the relevant industry best practices standards unless there are cogent reasons for not implementing such standards and best practices; and

n) Serve as chief spokespersons of the Company.

The Joint CEOs are appointed by the Board on recommendation of the Nomination and Governance Committee. The duration of their appointment, terms of appointment and compensation are determined by the Board upon recommendation of the Remuneration Committee. The Board is accountable for ensuring, with the assistance of the Nomination and Governance Committee, that succession plans are in place for the Joint CEOs and other members of the GEC.

The Joint CEOs may not be members of the Remuneration-, Audit- or Nomination and Governance Committees but may attend on invitation and recuse themselves when conflicts arise, particularly when their performance and remuneration are discussed.

The Board should ensure that a succession plan is in place for the Joint CEOs.

3.6 The rights and duties of individual directors

The Board exercises its functions jointly and no director has any authority to severally perform any act on behalf of the Company or the business unless specifically authorised or requested by the Board or authorised nominees of the Board. Directors are jointly accountable for the decisions of the Board.

Directors' duties, standards of conduct and liabilities are captured in the Companies Act(20). Directors have a legal obligation to act in the best interest of the Company, to act with due care, diligence and skill in discharging their duties as directors, to declare and avoid conflicts of interest with the Company and the group and to account to the Company for any advantages gained in discharging their duties on behalf of the Company.

Directors may at any time request a meeting with the Chairman and will individually meet with the Chairman on an annual basis to discuss the Board and committee matters. The Chairman will invite non-executive directors from time to time to indicate whether they have a need to meet as a group without him/her and/or the executive management.

The Board is of the view that the interests of the Company are better served if the Board functions as a team rather than a fractious, uneasy coalition of executive, non-executive and independent factions.

(20) See sections 76 and 77 Companies Act

Directors have access to top management and the Company Secretary for advice about the governance of the Company and group and Board procedures and may after consultation with the Chairman, obtain such external advice as they may consider necessary to properly discharge their duties to the Company.

The Nomination and Governance Committee is required to consider and approve the induction and training programme of directors.

3.7 The Company Secretary

The decision to appoint or remove the Company Secretary is a Board decision. The Board should be assisted by a competent, suitably qualified and experienced Company Secretary.

The Company Secretary provides a central source of guidance and support to the Board and within the Company on matters of good governance and changes in legislation. The Board is aware of the duties of the Company Secretary and empowers him to fulfill those duties. As gatekeeper of good governance, the Company Secretary maintains an arm' s length relationship with the Board and its directors as far as is reasonably possible.

The Company Secretary is not a director of the Company and has a direct channel of communication to the Chairman.

The Company Secretary is accountable to the Board to:

a) Ensure that Board procedures are followed and reviewed regularly;

b) Ensure that the applicable rules and regulations for the conduct of the affairs of the Board are complied with;

c) Maintain statutory records in accordance with legal requirements;

d) Provide the Board as a whole and individual Board members with detailed guidance as to how their responsibilities should be properly discharged in the best interest of the Company and on good governance;

e) Keep abreast of, and inform the Board of current corporate governance thinking and practice;

f) Assist the Nomination and Governance Committee with the appointment of directors;

g) Advise the Nomination and Governance Committee on all legal and regulatory matters, including legal frameworks and processes;

h) Advise the Nomination and Governance Committee with respect to all regulatory filing and public disclosure relating to the Company' s governance processes;

i) Assist with director induction and training programmes;

j) Ensure that the Board Charter and the terms of reference of Board committees are kept up to date;

k) Prepare and circulate Board and Board committee papers;

l) Elicit responses, input, feedback for Board and Board committee meetings;

m) Assist in drafting annual work plans;

n) Ensure preparation and circulation of minutes of Board and committee meetings; and

o) Assist with the evaluation of the Board, committees and individual directors.

4. GROUP COMPANIES

The Company has several direct and indirect subsidiaries. As direct or indirect shareholder of these subsidiaries, the Company exercises its shareholder rights to ensure that the Company approves material decisions of its subsidiaries and that the group' s minimum requirements in respect of matters such as governance, internal controls, financial management, disclosure controls, risk management, legal compliance, safety, health and environmental management, internal audit, ethics management, human resource management, information management, stakeholder relationships and sustainability are complied with. Group functions design the systems, processes and capacity to ensure adherence by all Group companies in the group to minimum group requirements.

5. DISCLOSURE AND CONFLICTS OF INTEREST

In terms of the Companies Act(22) and the M01(23) a director who has a personal financial interest in respect of a matter to be considered at a Board meeting, or knows that a related person has a personal financial interest in the matter:

a) must disclose the general nature of the interest before the matter is considered;

b) must disclose all material information known to the director to the meeting;

c) may disclose observations and insights relating to the matter if requested by the other directors to do so; and

d) may not be present at the meeting where the matter is discussed, and may not participate in the consideration of the matter.

A director may disclose any personal financial interest in advance by delivering to the Company Secretary a notice setting out the nature and extent of the financial interest to be used until changed or withdrawn. A director who acquires a direct personal financial interest after an agreement or other matter has been approved by the Company, must promptly disclose the nature and extent of that interest to the Board.

Failure to make disclosure of interest in compliance with the Companies Act will render decisions, transactions or agreements invalid, unless subsequently ratified by shareholders or a court.

(22) Section 75 of the Companies Act
(23) clause 28 of the MOI

A director may disclose any personal financial interest in advance by delivering to the Company Secretary a notice setting out the nature and extent of the financial interest to be used until changed or withdrawn. The Company Secretary will submit all disclosures of interest to the Nomination and Governance Committee and the Board at the first subsequent meeting. The Nomination and Governance Committee is required to:

a) Consider all declarations of interest;

b) Report to the Board any conflicts of interest which require specific action by the Board;

c) Recommend to the Board which directors should be categorised for governance purposes as executive directors, non-executive directors and independent non-executive directors.

Enduring material conflicts of interest are regarded by the Board as incompatible with the fiduciary duties of directors. Directors are appointed on the express understanding and agreement that they may be removed by the Board if and when they develop an actual or prospective material, enduring conflict of interest with the Company or a Group company.

6. POLICY IN RESPECT OF CORPORATE GOVERNANCE AND RISK MANAGEMENT

The Company complies with all applicable corporate governance legislation. It is also the policy of the Company to apply the principles of the King IV Report on Corporate Governance for South Africa 2016 to the extent that they advance effective business leadership. In addition the Company' s corporate governance practices are reviewed frequently in view of changes to the Company and national and international developments in respect of corporate governance in order to proactively adapt the corporate governance practices of the Company should it be in the best interests of the Company to do so.

The Board directly assumes responsibility for the governance of risk; it approves Sasol' s risk policy that gives effect to its set direction on risk, ensuring that Sasol' s strategy takes account of the risks and opportunities Sasol may be exposed to. The Board also approves Sasol' s risk profile(24) and risk appetite and tolerance levels, ensuring that risks are managed within these levels and considers the risk environment from time to time, as deemed appropriate and based on materiality and changes in the external, transactional and internal environments.

To support the Board in ensuring effective risk management oversight, the Board Committees are responsible for ensuring the effective monitoring of risks, in compliance with Sasol' s enterprise risk management framework, risk policy and profile, within the ambit of each Committee' s scope. In monitoring and providing oversight on Sasol' s risk, each committee will consider potential opportunities as appropriate.

7. DEALING IN THE SECURITIES OF THE COMPANY

All directors of the Company and its major subsidiaries are required to adhere to the Company' s policy on dealing in the Company' s securities, which is designed to prevent insider trading in terms of the Financial Markets Act, 2012.

(24) Also referred to as the Sasol risk landscape

The Company Secretary should be notified of any dealing by a director in the securities of the Company. In terms of the JSE, NYSE and SEC requirements the Company is required to promptly announce all dealings in the securities of the Company.

8. PERFORMANCE EVALUATION: BOARD, BOARD COMMITTEES AND INDIVIDUAL DIRECTORS AND MEMBERS OF COMMITTEES

A formal evaluation of the Board, its committees and individual directors, including the Chairman, must be performed, either externally facilitated or not in accordance with methodology approved by the Nomination and Governance Committee, at least every two years. Every alternate year, opportunity is provided for reflection and discussion by the Board of its performance and that of its committees, its chair and its members as a whole.

The Nomination and Governance Committee is responsible to review the effectiveness of the Board and Board committees and its individual members. For this purpose the Nomination and Governance Committee adopts an appropriate methodology to perform the performance evaluations.

The Lead Independent Director, or in the absence of a Lead Independent Director, an independent non-executive director appointed by the Board, shall ensure that the performance of the Chairman is evaluated and shall chair those portions of meetings at which the Chairman' s performance appraisal is discussed.

9. POLICY IN RESPECT OF BUSINESS RESCUE PROCEEDINGS OR OTHER TURNAROUND MECHANISMS

The Board shall continuously monitor the solvency and liquidity of the Company and shall obtain adequate assurances from management about the solvency and liquidity of Group companies. As soon as the Company is financially distressed as defined in the Companies Act the Board shall consider business rescue proceedings or other turnaround mechanism and implement such steps as required by the Companies Act.

10. POLICY IN RESPECT OF DISPUTE RESOLUTION

It is the policy of the Company to ensure that internal and external disputes are resolved as effectively and expeditiously as possible. To this end consideration shall be given in respect of each financial and reputational material dispute whether settlement, litigation, arbitration, mediation or other forms of alternative dispute resolution would be the most effective methodology to resolve a dispute in the best interests of the Company.

The merits of claims against the Company or Group companies or allegations of misconduct or noncompliance against the Company or a Group company should be investigated thoroughly before a final decision is made to defend the claim or not to act in respect of an allegation of misconduct or non-compliance.

If non-compliances are uncovered, consideration should be given to engage with the relevant authorities or, if relevant, to apply for leniency if it would be in the interests of the Company or a Group company.

The validity and veracity of reasons for defending a claim against the Company or the Sasol group should be confirmed by written external legal advice before the commencement of formal legal proceedings to institute a legal action by way of formal legal proceedings.

The authority to make decisions in respect of dispute resolution and to represent the Company or a Group company is governed by the delegations of authority as approved by the Board from time to time.

11. MEMORANDUM OF INCORPORATION

This Board Charter is not intended to replace or amend the MOI in any way whatsoever. In the event of a conflict between the MOI and the Board Charter, the provisions of the MOI shall prevail. The Board Charter is also not intended to contain a comprehensive summary of the applicable legal principles. Board members requiring advice in respect of any matter referred to in this Charter should consult the Company Secretary in this regard.

Exhibit 99.9.2

TERMS OF REFERENCE
AUDIT COMMITTEE AND REMUNERATION COMMITTEE

Audit Committee

In compliance with listings requirements, applicable United States (US) Securities and Exchange Commission (SEC) rules and South African legislation, all the members of the Audit Committee are independent non-executive directors. The members are Mr C Beggs (Chairman), Ms NNA Matyumza, Ms IN Mkhize, Mr MJN Njeke, Mr S Westwell and Ms GMB Kennealy. They are financially literate and most have extensive audit committee experience. Mr C Beggs has been designated as the Audit Committee financial expert in accordance with the SEC rules.

The Committee is required to meet at least three times a year.

Statutory duties and functions

The Committee is constituted as a statutory committee of Sasol Limited in line with the Companies Act and accountable in this regard to both the Board and Sasol' s shareholders. It is a committee of the Board in respect of all other duties the Board and US legislation assigns to it and has been delegated extensive powers to perform its functions in accordance with the Companies Act and US corporate governance requirements.

The Committee fulfilled all its statutory duties as required by section 94(7) of the Companies Act.

The Committee also acts as the audit committee for all South African companies within the Sasol group. The Board annually reviews and approves the Committee' s terms of reference in terms of which responsibilities of the Committee include assisting the Board in overseeing the:

- quality and integrity of the company' s integrated reporting, including its financial statements and public announcements in respect of the financial results;

- qualification and independence of the external auditors and the scope and effectiveness of the external audit function;

- effectiveness of the group' s internal controls and internal audit function; and

- compliance with legal and regulatory requirements to the extent that it might have an impact on financial statements.

More specifically, the the Committee is responsible for, amongst others:

1. Overseeing integrated reporting, having regard to all factors and risks that may impact on the integrity of the integrated report, this includes reviewing the effectiveness of the Company' s disclosure controls and procedures and ensuring that appropriate assurance is provided.

2. Examining, reviewing and approving the integrated report and the annual report to be filed with the US SEC under Form 20-F and examine and review the annual financial statements of the Company, the interim reports and the preliminary announcement of results and any other announcement regarding the Company' s results or other financial information to be made public.

3. Considering and making recommendations on the appointment and retention of the external auditor(s) and evaluate the independence and performance of the external auditor(s), and consider whether any non-audit services rendered by such auditors substantively impair their independence.

4. Discussing, reviewing and approving the auditor(s) engagement letter, the terms, nature and scope of the audit function and the audit fee and where more than one auditor is involved, the maintenance of a professional relationship and co-ordination between them.

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5. Obtaining assurance from the external auditor(s) that adequate accounting records are being maintained and obtaining and reviewing with the lead audit partner and a more senior representative of the independent auditor, annually or more frequently as the Committee considers appropriate, a report by the external auditor describing: the external auditor' s internal quality-control procedures; any material issues raised by the most recent internal quality-control review, or peer review, of the external auditor, or by any inquiry, review or investigation by governmental, professional or other regulatory authorities, within the preceding five years, in respect of independent audits carried out by the external auditor, and any steps taken to deal with these issues;

6. Monitoring the effective functioning of the Group' s internal audit, ensuring that the roles and functions of the external audit and internal audit are sufficiently clarified and co-ordinated to provide an objective overview of the operational effectiveness of the Group' s systems of internal control and reporting and also ensuring that a combined assurance model is applied to provide a coordinated approach to all assurance activities.

7. Reviewing the expertise, resources and experience of the finance function annually. The review shall include a review of the expertise and experience of the financial director as may be required from time to time by any stock exchange on which the securities of the Company are listed.

The Committee is an integral part of the risk management process and also assist the Board in carrying out its information and technology responsibilities by ensuring the ethical and responsible use of technology and information and compliance with relevant laws and to ensure an appropriate control environment and management of material information and technology risks.

Remuneration Committee

Mr H G Dijkgraaf is the Chairman of the Remuneration Committee. He is supported by Dr MSV Gantsho, Ms IN Mkhize, Mr P J Robertson, Ms NNA Matymuza and Ms M E Nkeli who serves as members.

Responsibilities and functions

The Committee is the Remuneration Committee of Sasol Limited and all direct and indirect wholly-owned subsidiaries and all other subsidiaries and joint ventures of Sasol Limited (the Group) in respect of which Sasol Limited has the right, or power, to fulfill the functions as detailed in the Terms of Reference of the Committee. The Committee will, amongst others:

1. Assist the Board in exercising its function of ensuring that the Group remunerates its employees fairly, responsibly and transparently by, amongst others, implementing affordable, competitive and fair reward practices, so as to promote the achievement of strategic objectives and positive outcomes in the short-, medium- and long term.

2. Make recommendations to the Board in respect of the remuneration of the Executive Directors including the Joint Presidents and Chief Executive Officers and determine the remuneration of Executive Vice Presidents and approve any payments / increases made as well as consider recommendations on Non-Executive Directors' fees and make recommendations to the Board for approval by shareholders.

3. Approve material human resources policies for the Sasol Group as well as the retention schemes.

4. Approve the principles for the mix between guaranteed and variable components of remuneration for all levels of employees and approve proposals for annual salary adjustments in the Group.

5. Review the list of participants in the Sasol retention scheme, review the standard conditions of service and benefits offered to employees and consider the status of in-house pension funds, provident funds, medical aid, and other similar schemes.

6. Approve proposals on short- and long-term incentive schemes (design principles, target setting and allocation principles) and approve the fair value of long-term incentive grants offered to participants of the company' s

employee share scheme (excluding Executive Vice Presidents, Executive Directors and the Joint Presidents and Chief Executive Officers).

7. Approve the actual long-term incentive grants offered to Executive Vice Presidents and recommend to the Board, long-term incentive grants offered to Executive Directors and the Joint Presidents and Chief Executive Officers.

8. Determine and approve any criteria necessary to measure the performance of Executive Directors in discharging their functions and responsibilities and confirm that there is alignment between individual performance and rewards recommended to the Board.

9. Review and approve corporate goals and objectives relevant to the remuneration of the Joint Presidents and Chief Executive Officers, evaluate the performance of the Joint Presidents and Chief Executive Officers in light of those goals and objectives, and recommend the remuneration level of the Joint Presidents and Chief Executive Officers based on this evaluation.

10. Ensure that there is alignment between individual performance and rewards and review and approve the terms and conditions of Executive Directors' and Executive Vice Presidents' service agreements.