

Case study | Sasol

Sasol has committed to achieving Net Zero Scope 1 & 2 emissions by 2050, with an interim target of a 30% reduction by 2030 (measured from a 2017 base).

The primary near-term levers include scaling up renewable energy intake by 1 200 MW (which reduces Scope 2 emissions from Eskom coal-derived electricity) and increasing the proportion of natural gas feedstock (as opposed to coal, which reduces Scope 1 emissions from their chemical processes). Both initiatives are targeted to be in place by 2030, with more than 600 MW of renewable energy power purchase agreements already completed. We are monitoring the pace with which the remaining power purchase agreements will be announced, along with additional natural gas feedstock options beyond 2030 (current natural gas reserve

plateau ends in 2028). Should we view the 2030 targets as behind schedule, we will continue to engage Sasol management to find a workable solution. We deliver greater impact in terms of transition through engagement with investee companies and their role as an agent of change rather than divestment.

Longer-term (beyond 2030), Sasol is exploring using alternative feedstocks (which would further reduce Scope 1 emissions), further advanced technologies, carbon sequestration and offsets.

Other example: SA mining industry actively developing renewable energy projects.

The Minerals Council of South Africa has stated that the industry is working on a pipeline of 5 116MW of renewable energy generation projects. A major contributor to this is Anglo American, who has an ambition of developing 3-5GW of

renewable and storage projects by 2030. To date, Anglo American has secured project finance for 520 MW, which should reduce Anglo's global Scope 2 emissions by 12% and reduce their electricity demand from Eskom by 30-35%.

Another key contributor is Sibanye Stillwater, who is targeting financial close 632 MW of projects by 2024. Of this, 267 MW has already been contracted. Once complete, this would cover roughly 30% of Sibanye's SA electricity requirements and reduce Scope 1 & 2 emissions by 27%.

Both Anglo and Sibanye's initiatives in South Africa are important as the bulk of the electricity they would normally source from Eskom is coal-derived, which is carbon intensive.



Sasol Ltd's Secunda Coal-to-Liquids Plant Operations.

Sasol Ltd's main plant uses gasification to make fuel, in Secunda, Mpumalanga, South Africa. Sasol is a global chemicals and energy company.