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Dear valued customer and partner,

Update: SAPREF to pause refinery operations

In November 2020 bp and Shell announced a strategic review of their shareholding in the SAPREF refinery. We stated that the review would consider various options available to SAPREF, and to Shell and bp as shareholders, to reduce our carbon footprint, maximise value for all stakeholders and align longer-term ambitions.

As part of this strategic review, we have in the last year engaged potential purchasers to see if there were buyers prepared to invest in and operate the refinery in the long-term. Engagements with a potential buyer are still ongoing. The intent of the shareholders is still to find a buyer to take over the refinery.

While we progress the sale process, we wish to inform you that at this time, bp and Shell have taken the decision to commence with a spend freeze and pause refinery operations effective no later than the end of March 2022. This will be for an indefinite period but with a re-start possible in the future, including in the event of any future sale.

The decision has been taken to allow an informed finalization on the various options available to the shareholders, a sale option being the most preferred. Until decisions about the future of the refinery have been made – including a possible change of ownership – the SAPREF shareholders are unable to commit to further investment in the refinery.

For the duration of the operational pause, the refinery will be placed into a “safe park” mode that allows for a potential start-up in the future, should a potential sale process be successful.

Registration Number (2007/016255/07)

Chairman: D BUNCH (British)

Directors: J ALDERSLADE A AJALA (British) M B MAKHUBEDU S MNCWANGO H MTOLO P SANDERSON (British)

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This will all be done in a responsible manner ensuring that we remain focussed on health, safety, security, and the environment as the main priority.

This was not an easy decision that the shareholders had to take. More so given the refinery's near 60-year uninterrupted run, mainly a result of the fantastic work and dedication by the teams directly involved in ensuring its continued operation.

It is worth emphasizing that this process will not affect Shell's customer focussed businesses in South Africa.

In preparation for the operational pause at the end of March, we have plans in place to ensure ongoing security of supply to the country and our marketing businesses through our existing assets. Should you have any specific questions I would encourage you to speak to your business focal point.

Regards

A handwritten signature in black ink that reads "ade ajala". The signature is written in a cursive, lowercase style.

Ade Ajala

GM Lubricants & Supply Chain