Briefing

5 November 2025

Sasol Limited’s 2025 climate-related disclosures

Just Share

Table of Contents

1.	Key takeaways	1
2.	Introduction	2
3.	Cutback in climate disclosure, ongoing refusal to table shareholder resolutions	2
4.	Sasol's "optimised" strategy announced at Capital Markets Day	4
5.	Sticking with fossil fuels	6
5.1	"Grow and transform", or simply add?	8
6.	Emissions reporting	8
6.1	Scope 1 and 2 emissions	9
6.2	Scope 3 emissions	10
7.	Targets	11
7.1	Emission reduction and renewable energy targets	11
7.2	Energy efficiency	13
7.3	ESG ratings	14
8.	Progress on emission reductions and renewable energy targets	15
8.1	Emission reductions	15
8.2	Renewable energy procurement and integration	18
9.	How Sasol now plans to meet its emission reduction targets	20
9.1	Renewable energy	22
9.2	Coal boilers and toxic sulphur dioxide emissions	22
9.3	Carbon offsets	24
10.	Occupational health and safety	25
11.	Lobbying	26
12.	Governance	28
12.1	Changes to the board	28
12.2	Climate competence	28
12.3	Remuneration linked to emissions reductions	28

1. Key takeaways

- Sasol Limited (Sasol)'s decarbonisation strategy and targets, and its progress in achieving them, are of vital importance to South Africa's decarbonisation trajectory, and Sasol has deprioritised actual emissions reduction.

- Given that: Sasol's focus on decarbonisation has materially declined; the credibility of its "optimised" ERR and Sasol's ability to meet its targets is uncertain; and it continues to avoid shareholder scrutiny by refusing to table shareholder-proposed resolutions, Just Share recommends that **investors should not support Sasol's non-binding advisory vote** on its climate strategy at the company's 14 November annual general meeting.

- Sasol has not addressed the host of unanswered questions about the feasibility of its "optimised" emission reduction roadmap (ERR) presented at its May 2025 Capital Markets Day, in which it claims it will meet its 2030 emission reduction targets at significantly lower cost, with no feedstock replacement and **increased** production and emissions.

- Sasol plans to "offset" increased emissions from maximised production through renewable energy investments and carbon offsets. However, most emissions are from Secunda Operation's coal-to-liquid process and "offsetting" emissions does not prevent or undo the harm from burning fossil fuels.

- Executives will receive bonuses in 2026 for emission reductions that were primarily due to lower production rates, and not the implementation of strategies to decrease emissions. Furthermore, Sasol's FY25 LTI has modified its emissions reduction metric to "maintain our roadmap to reducing our carbon footprint **whilst increasing our production**".

- Sasol's rationale for refusing to table Just Share and Aeon Investment Management's shareholder resolution this year (on the cumulative external costs of Secunda Operations' climate and air pollution impacts) is undermined by its decision to table its *own* non-binding shareholder resolutions on its climate change strategy and management approach.

- It remains challenging to track Sasol's progress on achieving its targets, as it does not report clearly and consistently, including on the relevant baselines, which business units are included in the targets, and what its progress is per target.

- Sasol has expressed reservations to the United States Securities and Exchange Commission about its ability to meet its ERR targets "in a commercially viable manner or at all".

2. Introduction

At its 20 May 2025 Capital Markets Day (CMD), Sasol presented an "optimised" emission reduction roadmap (ERR), claiming that it will now meet its 2030 emission reduction targets at a dramatically lower cost, with no feedstock replacement and **increased** production levels. This, according to Sasol, "transforms decarbonisation into a value-creating opportunity, enabling us to achieve emissions targets while enhancing the long-term value of Secunda Operations".[1]

However, there are a host of unanswered questions about the feasibility of the "optimised" ERR. These are still not addressed in Sasol's 2025 reporting suite.

This briefing is part of Just Share's ongoing analysis of Sasol's climate disclosures and is published ahead of Sasol's 14 November AGM. We have again focused on Sasol's Southern Africa Energy and Chemicals Business, which is responsible for "Mining, Gas, Operations, and Fuels and Chemicals sales and marketing".[2] Its operations include Secunda Operations, Sasolburg Operations, National Petroleum Refiners of South Africa (Natref), and international operations in Qatar and Mozambique.

3. Cutback in climate disclosure, ongoing refusal to table shareholder resolutions

For the third consecutive year, Sasol's 2025 AGM will be electronic-only. This is not best practice for optimal shareholder engagement and AGM effectiveness.

In September 2025, Just Share and Aeon Investment Management co-filed a shareholder resolution asking Sasol to "commission and disclose, in its 2026 suite of reports: an independent third-party report on the cumulative external costs of the climate and air pollution impacts of the company's Secunda Operations, in particular, mortality and health impacts for the most vulnerable populations affected by its operations, including the children, women and the elderly whose rights are negatively affected by these impacts, and the costs to the economy (for example working and school days lost) as a result of these impacts".

We asked that the report cover the cumulative external costs of impacts from the date on which the company announced its "revised emission reduction roadmap", until 31 December 2030, the date by which the company has committed to achieve its 2030 targets.

A detailed supporting statement explains the rationale for the resolution. In short, although Sasol regularly publicises that it has extensive positive impacts on South Africa's economy, the external costs and negative impacts of its operations, all of which are imposed on society, particularly the most vulnerable – and the risks that these pose to Sasol, to investors, and to society at large - have largely not been quantified or disclosed. Neither

1 P 26 IR 2025.
2 P 59 IR 2025.

Sasol's original ERR nor its "optimised" ERR have integrated the climate- and air quality-related impacts and costs of its operations, either for Sasol or for the South African economy and broader society. This is a gap of significant relevance to the company's shareholders, because it means that material financial and other risks related to the company are absent from investor decision-making.

The statement points out that a failure by Sasol to consider and integrate all risks and costs that it faces may place investor capital at substantial risk. Given the credible risk of non-delivery by the company on the commitments in the optimised ERR, and to ensure well-informed investment decisions, the co-filers state that it is important for shareholders and other stakeholders to have full details not only of Sasol's plans to ensure that it can meet its decarbonisation targets, but also to better understand the broader impacts of the company on the South African economy and on society and the risks that these pose.

As it has done on every other occasion that a shareholder-proposed resolution has been filed (now at least seven), Sasol refused to table the Just Share and Aeon resolution. It claimed that the board cannot table the resolution without "acting in violation of well established company law principles" because the board must "manage and direct the affairs of the company" and the resolution's subject matter falls within the "business and affairs of the company". According to Sasol, if it passed, the resolution "would constitute a direction or instruction by the shareholders to the directors in the exercise of their duties to the Company". We dispute this interpretation.

In contradiction to the above rationale for refusing to table shareholder-proposed resolutions, this year, Sasol has again invited its shareholders to vote on its own climate-related resolution. If Sasol's argument that it cannot table shareholder-proposed resolutions on these issues is correct, then this same argument means that the company should not be asking shareholders for their view on its climate change mitigation strategy, because this resolution's subject matter also falls squarely "within the business and affairs of the company".

The fact that Sasol tables its own climate-related resolutions, but refuses to table those proposed by shareholders, is indicative of the fact that its refusal is not based on a rational interpretation of the law, but rather on its determination to avoid shareholder scrutiny, and to control the pace and scale of its decarbonisation.

In its 2025 resolution, Sasol states, "Unless the strategy and management approach towards climate change are materially changed, the resolution will remain in effect for a three-year period (2025-2028) within which Sasol will continue to report on progress towards achieving its targets … annually".[3] This implies that Sasol does not intend to table another climate change resolution until 2028 at the earliest.

[3] Sasol, Notice of Annual General Meeting 2025.

As set out in Just Share's November 2024 briefing, there has also been a noticeable reduction in Sasol's climate-related disclosures. From 2024, Sasol stopped publishing climate reports. This reduced its disclosure on climate-specific information from a report of almost 80 pages in 2023, to just 12 pages dedicated to climate change in its 2024 integrated report, and 8 pages in its 2025 integrated report.

4. Sasol's "optimised" strategy announced at Capital Markets Day

Sasol's abbreviated climate-related disclosures, combined with the significant changes to its climate strategy announced at its 20 May 2025 CMD, point to the company's diminished focus on decarbonisation. Sasol's original ERR was unveiled with great fanfare at the previous CMD in 2021, where it announced plans to reduce scope 1 and 2 GHG emissions by 30% by 2030. For its Southern Africa Energy Business, this would be done by reducing production (turning down its boilers), energy efficiency (EnEf) measures, introducing liquefied natural gas (LNG) as a replacement feedstock for coal, and increasing its use of renewable energy (RE). The capital cost of this ERR was estimated at R15-25 billion.

Sasol thereafter stated that it would "define the required steps to reach Future Sasol" and to "optimise its ERR" at its 2025 CMD.[4]

At its May 2025 CMD, Sasol announced that, for the next three years, it will have two strategic pillars: (1) to "Strengthen our Foundation" - also called the "business of today"; and (2) to "Grow and Transform", or the "business of the future".[5] This "new" strategy is the latest iteration of a revolving door of Sasol strategies; such as 2024's two pillar "strengthen and grow" and "transform", and 2023's "reset, transition, and reinvent"; all of which have had little demonstrable success.

In short, Sasol's new decarbonisation plan includes **increasing its RE ambition** from a shared target with Air Liquide of 1200 MW-by-2030, to 2 GW (although it is not clear how much of this new RE it plans to procure or build itself). Sasol has **abandoned its plans to use LNG as a replacement feedstock and to reduce production at Secunda**, stating that the sulphur dioxide emissions leniency it was granted last year allows it "to keep more boilers running, preserving steam capacity while meeting compliance requirements. We are no longer cutting back on gasifiers, and will **maximise Secunda's production**".

Sasol claims that its "optimised" ERR will achieve the same 30%-by-2030 emission reduction targets promised in 2021, at a **fraction of the cost (R4-7 billion**, although this amount appears to exclude Sasol's estimated R2-4 billion in capex for its increased RE target). This reduction in costs appears to be predominantly due to Sasol's decisions no longer to supply Secunda with LNG and to abandon a coal fine briquetting plan.

4 P 6 IR 2024.
5 P 24 IR 2025.

Although Sasol has said that LNG as a transition feedstock is “uneconomical” and will no longer form part of its ERR, it still asserts that LNG remains the only viable alternative to meet South Africa’s medium-to long-term energy needs and to support the transition away from coal-based power generation.[6] This includes its “methane rich gas bridging solution” that extends the “gas production plateau” from FY28 to FY30, giving South Africa enough time to transition to LNG”; and its collaboration with Eskom “to accelerate the development of a gas-to-power solution that provides the anchor demand to aggregate LNG”. Sasol regards itself as “uniquely positioned to support the country’s gas ambitions”.[7]

Instead of “transition gas”, Sasol will now use **carbon offsets** to make up the balance of the 30% emission reduction targets, even though the company indicated in 2021 that it did **not** intend to rely on offsets to meet its 2030 targets.[8]

Essentially, Sasol’s “optimised” approach is to “offset” increased emissions from maximised production through RE investments and carbon offsets. However, RE can only directly reduce its scope 2 emissions, while the bulk of its emissions are scope 1 process emissions from Secunda Operation’s coal-to-liquid process. “Offsetting” scope 1 emissions does not prevent or undo the harm caused by burning fossil fuels: Sasol will continue to emit huge quantities of GHGs and be a major contributor to climate change.

In its 2025 Form 20-F filed with the United States Securities and Exchange Commission, Sasol expresses reservations about its ability to meet its targets:

The achievement of our 2030 GHG reduction targets and 2050 ambition is primarily subject to the availability of capital to implement the roadmap, the availability of sufficiently developed [RE] projects and grid infrastructure to route [RE] to our operations, global supply chain challenges in the [RE] sector, our ability to access sufficient and cost-effective carbon offsets and the ability to access markets in the jurisdictions within which we operate and trade to enable the transition. It is also subject to the potential prohibitive costs of green hydrogen and electrolysers, the lack of enabling policy and legal frameworks, and the need to balance people, planet and profit considerations, taking a just transition into account. In this regard, we can provide no assurances that Sasol’s plans to reduce GHGs pursuant to our roadmaps or otherwise will be successful in a commercially viable manner or at all.

6 P 13, 25 & 71 IR 2025.
7 P 21 & P 71 IR 2025.
8 P 16 CCR 2021 (Sasol also stated that, “should technology changes not occur at the pace and scale required, we might leverage offsetting to achieve last mile decarbonisation or greater ambition” – P 20 CCR 2021); P 44 CCR 2023.

5. Sticking with fossil fuels

A closer look at Sasol's new "two pillars" as announced at its May 2025 CMD reveals that they are at odds with each other.

Pillar one, "strengthen our foundation", aims to "restore value" from Sasol's Southern Africa value chain, mainly through increasing production volumes while maintaining "cost discipline" and "efficient capital expenditure".[9]

One of the main reasons for Sasol's decline in production has been deteriorating coal quality for the Secunda Operations.[10] It plans to increase production by securing "cost-competitive coal and gas feedstock by increasing internal coal production and stabilising gas supply from Mozambique." Sasol will "focus on reducing external coal reliance,[11] optimizing quality, cost, and volumes, and driving down gas value chain costs."[12]

It reports that its "significant progress in improving coal quality, stabilising gasifier availability and embedding cost discipline…. are expected to restore production to over 7,4 million tonnes and reduce our breakeven oil price to US$50/bbl by FY28."[13] It acknowledges that emissions will increase from 2026.[14]

Sasol is "transparent about our intent to continue using coal well into the future".[15] It asserted at its 2025 CMD that, "**Our Southern African foundation will remain largely fossil fuel based and it will carry our business well into the future.**"[16] Numerous other statements in its reporting demonstrate Sasol's unwavering commitment to fossil fuels. For example, that its "sufficient access to own coal reserves to 2040+" means its "foundation remains robust". Similarly, it has "secure feedstock" and is "well-positioned to sustain full gasifier rates into the 2040s".[17] Sasol also asserts that "we are clear that coal will continue to play a role in our energy mix as we transition at a pace that makes sense across operational, economic, and social considerations".[18]

---

9 P 24 & 25 IR 2025. It seeks to achieve value chain oil breakeven of US$60/bbl by FY26 and US$50/bbl by FY28 through improved coal quality, stable supply, cost discipline and operational reliability. It also seeks to reset International Chemicals by implementing a comprehensive reset and turnaround strategy through market focus, asset optimisation and cost discipline. Here, Sasol sets EBITDA targets of US$450-US$550 million and 10-13% margin for FY26, and US$750-US$850 million and more than 15% margin for FY28.

10 P 105 IR 2025.

11 Including by building a destoning plant to improve coal quality from Sasol's mines, which is reported to be on track to reach beneficial operation in the first half of FY26.

12 P 13, 21 & 60 IR 2025.

13 P 21 IR 2025.

14 P 81 IR 2025.

15 Sasol, Climate FAQs.

16 See Sasol, Capital Markets Day presentation, slide 12.

17 P 26 IR 2025.

18 P 82 IR 2025.

Sasol's doubling down on its fossil fuel commitment is concerning not only because of the resulting devastating GHG emissions, but also the increasing financial risks for high-emitters. These could have severe impacts on a company already under financial strain.

Sasol reports that climate change and the transition to a lower-carbon economy will likely impact future prices of oil and natural gas, and the recoverable amount of its assets. It also recognises that the transition "may impact demand for certain refined products".[19]

Sasol comments that in "addition to revenue erosion, other potential financial impacts include increased operating costs from compliance with carbon pricing mechanisms".[20] Secunda turnover could be eroded from between 5-7%, "depending on the level of global climate ambition and regulatory frameworks adopted" and that this could lead to "a revenue loss between R1.8 – R2.4 billion by 2030".[21]

Perversely - given its plan to increase emissions - another financial risk that Sasol's reporting acknowledges is the increasing costs of extreme weather caused by climate change. In 2022, heavy rainfall and flooding led to Sasol's Natref crude oil storage facility being submerged under 1.5 meters of water. This led to a production loss of an estimated R242 million, and Sasol acknowledges that these events are "driven by climate change" and "that these events could lead to increased expenditure on flood mitigation, infrastructure reinforcement, and potential operational losses due to downtime. The financial effects may impact operating expenses, capital expenditure (for infrastructure upgrades), and potentially revenue due to operational interruptions."[22]

Sasol recognises that its operations will be under greater scrutiny and that there is an increased risk of challenges to its environmental licences based on climate, health or other impacts associated with the licensed activities, and of litigation related to "ESG issues (including climate change, greenwashing concerns or allegations, environmental justice and public disclosure of strategies). This could adversely impact the resilience of Sasol's operations and our continued licence to operate."[23]

19 P 51 AFS 2025.
20 P 63 2024 CDP.
21 Ibid.
22 P 78 2024 CDP.
23 P 29, 30, 31 & 34 Form 20-F 2025.

5.1 "Grow and transform", or simply add?

The second pillar of Sasol's newly-announced strategy is to grow and transform the company by "building new income streams through sustainable business ventures".[24] It takes the view that "unlocking value" from its foundation business will "build the momentum needed to drive growth and transform Sasol into a more sustainable and future-ready enterprise.[25]

In addition to growing sustainable fuels and chemicals,[26] Sasol's priorities here are: progressing the ERR, including by commissioning the fine coal beneficiation facility by FY26; and developing a "profitable and scalable integrated power business" by increasing the RE target to up to 2 GW by 2030, with about 1 GW contracted by FY28.[27]

Making Sasol a "more future-ready and sustainable enterprise", which is positioned for "long-term sustainable growth",[28] demands a marked transformation, including a significant reduction in its GHG-intensive activities, all of which is fundamentally at odds with "pillar one" and the company's doubling down on fossil fuels.

Although it claims to be "fully committed to this transformative journey",[29] **critically lacking from Sasol's optimised ERR is a clear plan with timelines for this transformation**. Sasol fails: to quantify the key elements of its emissions reduction strategy and the proportional impact of each action in achieving its targets; to commit to phasing out capital expenditure on carbon-intensive assets or products; and to align future capital expenditures with its long-term decarbonisation goals and disclose how the alignment is determined.[30]

Instead, Sasol intends to "strengthen the fossil fuel foundation", maximise carbon-intensive production, and vastly reduce its planned expenditure on the ERR. This casts significant doubt on its ability to meet its emission reduction targets.

6. Emissions reporting

In 2025, Sasol reported a decrease of 8.5% in total GHG emissions from 2024, from 64 204 kilotons (kt) of CO_2e to 58 728. This includes a restatement of emissions for 2023 and 2024, which were previously reported as 64 392 and 64 819 respectively.[31]

24 P 26 IR 2025.
25 P 24 IR 2025.
26 Including renewable diesel, and sustainable aviation fuels, with sustainable product certification to allow 1-2 million litres per annum product offtake by FY27.
27 P 24 IR 2025.
28 Ibid.
29 P 21 IR 2025.
30 Transition Pathway Initiative, Sasol (Chemicals).
31 P 3 Performance Date 2024.

Natural Capital – Our environment	2025	2024	2023	2022	Foot-note
Total greenhouse gas (CO_2 equivalent) (kilotons)[R3]	58 728,00	64 204,00	64 408,00	63 696,00	11,18
Southern Africa Energy and Chemicals[R3]	56 503,00	61 871,00	62 204,00	61 337,00	15,18
Secunda[R3]	48 660,00	53 734,00	53 875,00	53 202,00	18,20
Sasolburg	4 988,00	5 216,00	5 402,00	5 133,00	
Mining	799,00	780,00	779,00	870,00	
Natref	983,00	1 175,00	1 216,00	1 234,00	23
Mozambique	959,00	911,00	834,00	821,00	
Chemicals Marketing and Sales	–	–	–	–	16
Other strategic business units and functions	114,00	55,00	98,00	77,00	
International Chemicals	2 225,00	2 333,00	2 204,00	2 359,00	
Chemicals Eurasia	738,00	768,00	714,00	785,00	
Chemicals America	1 487,00	1 565,00	1 490,00	1 574,00	

6.1 Scope 1 and 2 emissions

Sasol restated its Secunda 2024 scope 1 emissions due to a revision to the gas production unit in Secunda's emissions calculation.[32] Sasol's total scope 1 emissions have **decreased** by 9,9% (as compared to its restated 2024 emissions) and its scope 2 emissions have **increased** by 6,9% in 2025, rising above 2023 levels.[33]

Natural Capital – Our environment	2025	2024	2023	2022	Foot-note
Direct carbon dioxide (CO_2) Scope 1 (CO_2 equivalent) (kilotons)[R2]	52 849,00	58 705,00	58 660,00	57284,00	11,18
Southern Africa Energy and Chemicals[R2]	51 210,00	57 011,00	57 097,00	55 587,00	15,18
Secunda[R2]	44 949,00	50 336,00	50 324,00	49 270,00	18,20
Sasolburg	4 392,00	4 660,00	4 819,00	4 380,00	18
Mining	78,00	109,00	93,00	101,00	22
Natref	746,00	907,00	955,00	962,00	
Mozambique	959,00	911,00	834,00	820,00	
Chemicals Marketing and Sales	–	–	–	–	
Other strategic business units and functions	86,00	88,00	72,00	54,00	16
International Chemicals	1639,00	1694,00	1 563,00	1 697,00	
Chemicals Eurasia	569,00	580,00	543,00	633,00	
Chemicals America	1070,00	1114,00	1 020,00	1 064,00	
Indirect carbon dioxide (CO_2) Scope 2 (kilotons)	5 879,01	5 498,81	5 747,04	6 607,00	
Southern Africa Energy and Chemicals	5 292,05	4 859,38	5 105,81	5 972,00	15
Secunda	3 710,71	3 398,41	3 551,08	4 084,00	
Sasolburg	596,49	556,00	584,46	784,00	
Mining	720,99	611,00	687,40	798,00	
Natref	237,29	267,91	260,93	281,00	
Mozambique	–	–	–	–	
Chemicals Marketing and Sales	0,09	0,06	–	–	
Other strategic business units and functions	26,48	26,00	21,94	25,00	16
International Chemicals	586,96	639,43	641,23	635,00	
Chemicals Eurasia	169,21	188,00	171,10	151,00	
Chemicals America	417,75	452,00	470,12	484,00	

Sasol reports that lower production, rather than the implementation of emissions reduction strategies, contributed to decreased scope 1 emissions. Since Sasol's "top priority is to improve production volumes," its **emissions will rise in 2026**.[34]

32 P 9 Performance Data 2025.
33 P 3 Performance Data 2025.
34 P 53 & 81 IR 2025; P 32 Form 20-F 2025.

Of the 58 728,00 $ktCO_2e$ emitted over the period of 1 July 2024 to 30 June 2025, 83% are from the Secunda Operations and 8.5% are from the Sasolburg Operations. **In 2025, scope 1 emissions were responsible for 90% of Sasol's total GHG emissions.**[35] By far the majority of Secunda's scope 1 emissions are a byproduct of its coal-to-liquids combustion process at Secunda. Scope 2 emissions made up 10% of its GHG emissions.

6.2 Scope 3 emissions

Sasol's reported scope 3 emissions (i.e., indirect emissions not included in scope 2) in 2025 were 36 209 694 tCO_2e.[36] These emissions are not included in Sasol's total emissions figure of 58 728 $ktCO_2e$. Sasol's combined scope 1, 2 and 3 emissions stand at 94 937 694 tCO_2e, with the result that scope 3 emissions constitute 38% of Sasol's total emissions.

As per the table below,[37] the largest contributor to scope 3 is category 11, "the use of sold products" (81% of its reported scope 3 emissions) and this is the only category - and only for its Southern Africa Business - in relation to which Sasol has set an emission reduction target. This year, these emissions increased by 3.54%. Since category 11 emissions are based on the amount of products Sasol produces and sells, the planned increase in production levels will result in increased scope 3 emissions.

Category	2025 (tCO_2e)	2024 (tCO_2e)	2023 (tCO_2e)	2022 (tCO_2e)	2021 (tCO_2e)	Accounting accuracy
1. Purchased goods and services	4 250 065	4 483 665	4 780 323	5 247 445	5 432 140	●
2. Capital goods			N/A			●
3. Fuel- and energy-related activities[1]	218 740	232 636	232 099	249 435	240 993	●
4. Upstream transportation	357 324	413 616	408 021	402 850	478 974	●
5. Waste generated in operations[1]	71 883	79 634	75 981	77 345	70 159	●
6. Business travel[2]	1 343	2 204	3 576	2 007	600	●
7. Employee commuting	34 872	35 801	36 986	36 237	32 584	●
8. Upstream leased assets	3 768	3 588	3 662	3 725	4 785	●
9. Downstream transportation[3]	128 401	279 812	230 114	273 038	253 280	●
10. Processing of sold products		N/A				●
11. Use of sold products[1]	29 445 256	28 438 287	29 108 286	29 585 273	30 831 235	●
12. End-of-life treatment of sold products			N/A			●
13. Downstream leased assets			N/A			●
14. Franchises	132 672	139 052	143 007	148 389	141 412	●
15. Investments	1 565 370	1 487 618	1 642 528	1 531 284	1 330 133	●
Total	36 209 694	35 595 913	36 664 583	37 557 028	38 816 295	

[1] Limited assurance provided by KPMG.
[2] Scope 3 Category 6 emissions decreased significantly due to reduced business travel, driven by cost-saving measures.
[3] Scope 3 Category 9 emissions decreased significantly due to our strategic exit from coal exports, prioritising domestic use and lowering transport-related emissions.

● Highly certain ● Moderate certainty ● Low certainty ● Not applicable

35 Sasol's combined GHG emissions from methane, nitrous oxides and carbon dioxide (scope 1) are quantified as carbon dioxide equivalents (CO_2e) and recorded as direct scope 1 CO_2e emissions.
36 P 85 IR 2025.
37 Ibid.

7. Targets

Sasol has set a number of targets. These include targets relating to emission reductions, RE procurement and integration, EnEf improvements, and ESG ratings.

Just Share has previously pointed out that Sasol does not report clearly and consistently on its various targets (including the relevant baselines; which business units are included in the targets; and what its progress is per target).[38] Just Share has raised this in correspondence with Sasol, which has not satisfactorily answered all the questions posed.[39]

7.1 Emission reduction and renewable energy targets

Sasol has clarified that its rebaselined 2017 emissions figure of 63 001 ktCO_2e includes its Secunda Operations, Sasolburg Operations, Sasol Mining and South African Regional Operations and Asset Services, and excludes Natref and Mozambique.[40] This means that 63 001 ktCO_2e is the baseline for: Sasol Energy Business's scope 1 and 2 emission reduction milestone of 5% by 2026 and target of 30% by 2030.

In 2021, in relation to its decision to exclude Natref from its emissions targets, Sasol indicated that "target setting is undertaken in consultation with Natref's joint venture partners and a separate target may be explored for the future".[41] To date, Sasol has provided no update in this regard, including regarding its new Natref JV partner, the Prax Group.

Just Share has also pointed out that Sasol's interpretation of "net zero" has varied over the years. Sasol has stated that it does not have a net zero by 2050 "target", but that "Sasol's longer-term ambition for the Group remains climate net zero". Sasol did not respond to Just Share as to whether Natref and Mozambique are excluded from its net zero ambition.

Sasol's assessment of the applicability of alternative frameworks to determine whether its emission reduction targets are science-based "remains ongoing as part of broader efforts to enhance transparency and credibility in our emissions reduction reporting".[42]

38 Just Share, AGM round-up Sasol Limited 2024; Just Share, Sasol Limited's 2024 climate-related disclosures.
39 Just Share, Sasol Limited's 2024 Capital Markets Day: Unanswered questions.
40 Just Share has previously expressed concerns about Sasol's rationale for choosing 2017 as the baseline – which was because it was one of Sasol's highest emitting years - as well as the exclusion of Natref, Mozambique and "other strategic business units and functions" from the baseline.
41 P 3 CCR 2021.
42 P 80 IR 2025.

The following are Sasol's updated emission reduction and RE milestones and targets as far as can be understood:

TARGET YEAR		TARGET
2025	1)	integrate 600 MW of RE in its Energy Business (Sasol's share of this is 200 MW; Air Liquide's 400 MW);
2026	2)	reduce absolute scope 1 and 2 emissions by 5% (off its re-baselined 2017 baseline of 63 001 $ktCO_2e$) from its Energy Business (excluding Natref and Mozambique);
	3)	reduce absolute scope 1 and 2 emissions by 20% (off its 2017 baseline of 2800 $ktCO_2e$) from its International Chemicals business;
	4)	procure 40% RE for its Energy Business (with Air Liquide - the owner of the oxygen plant at Sasol's Secunda facility, Sasol had, in 2021, committed to procure 1200 MW of RE for Secunda by 2030, with 800 MW allocated to Sasol, and 400 MW to Air Liquide); and
	5)	procure 100% purchased RE for its International Chemicals Business by 2026;
2028	6)	contract approximately 1 GW of RE;[43]
2030	7)	reduce by 30% (off its re-baselined 2017 baseline) absolute scope 1 and 2 GHG emissions for the Energy (excluding Natref, Mozambique and "some other strategic business units and functions") and International Chemicals businesses, respectively (this is not a combined target);
	8)	reduce by 20% (off a 2019 baseline) absolute scope 3 emissions for category 11 of the GHG Protocol (use of sold energy products) from its Energy Business;[44]
	9)	procure 2 GW of RE;[45]
2050	10)	reduce absolute scope 1, 2 and 3 (category 11) GHG emissions to achieve a net zero emissions ambition for the Energy Business (presumably excluding Natref and Mozambique); and
	11)	reduce absolute scope 1 and 2 GHG emissions to achieve a net zero emissions ambition for the International Chemicals Business; and
	12)	100% renewable energy for its Energy Business.

43 P 24 IR 2025.

44 Sasol stated in 2021 that its scope 3 baseline assessment for its International Chemicals Business was "underway" and it has yet to provide this baseline, four years later (P 10 CCR 2021).

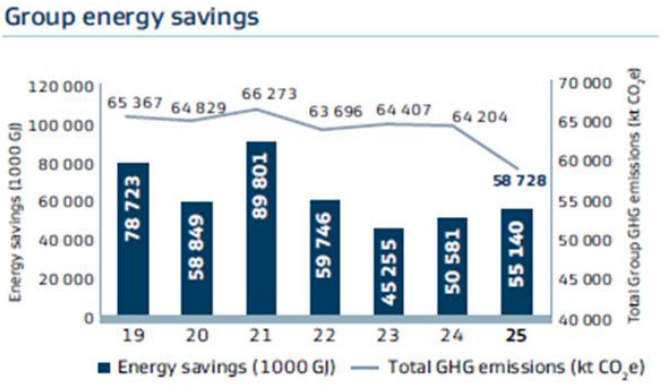
45 One of the 2021 conditions imposed by the Competition Tribunal for the sale of Sasol's Secunda air separation units to Air Liquide was that the two companies would jointly procure 900 MW of RE for Secunda Operations by 2030. The parties subsequently agreed that they would procure 1200 MW for Secunda, with 800 MW allocated to Sasol and 400 MW to Air Liquide. In line with this, Sasol's ERR initially set a target of 1200 MW of RE by 2030 and Sasol had undertaken to procure 80% RE for its Energy Business by 2030. In 2025, Sasol has now increased its RE target to 2 GW by 2030. Sasol has yet to clarify how much, if any, of this additional 800 MW will be procured jointly.

Sasol's progress on these targets is addressed in section 8.

7.2 Energy efficiency

Sasol has committed to achieving a 30% improvement in EnEf by 2030, off a 2005 baseline.[46] Sasol indicates its commitment to "continuously improve" the EnEf of its manufacturing operations. It reports that it supports the "International Energy Productivity 100 (EP100) initiative". This is now known as the Smart Energy Coalition, and Sasol's commitment is reflected as "implement an energy management system (EnMs) across operations by 2028,[47] and improve energy productivity by 30% by 2030 relative to a 2010 baseline".[48]

Sasol says it will improve its EnEf performance by: "Setting realistic, meaningful targets and reporting progress against them"; and "Following internationally acceptable EnEf standards and practices".[49] It provides the following graph of its energy savings: [50]



As per the table below,[51] Sasol is **behind in progress on both its 30%-by-2030 EP100 and EnEf targets**. As of 2025, for EP100, it has achieved a 17,3% improvement from 2010, whereas its 2025 target was 22,5%. For EnEf, it has achieved a 18,3% improvement from the 2005 baseline. Compared to 2024, for the Group, there has been an improvement of 2,9% and of 4,6% for Operations and Projects.[52] Sasol attributes this largely to plant improvements at Secunda Operations following the annual shutdown.[53] It is not clear why, in calculating its FY25 short-term incentive (STI) score, Sasol records an improvement of

46 P 4 Sustainability Report 2019.
47 Sasol reports using a standardised EnMs, applying EnEf management principles according to ISO 50001 guidelines (P 87 IR 2025).
48 The Climate Group, Smart Energy Coalition members.
49 P 87 IR 2025.
50 P 81 IR 2025.
51 P 87 IR 2025.
52 P 16 & 87 IR 2025.
53 P 81 & 87 IR 2024.

1,11% from FY24.[54] Nor why, on its website, it references an improvement in Group EnEf of 2,9% year-on-year,[55] when its improvement last year was reported as 2,1%.[56]

Key performance indicator (%)	2025	2024	Target
Group EnEf – improvement from FY05 baseline	18,3	15,4	25
Group energy productivity (EP100) – improvement from FY10 baseline	17,3	14,5	22.5
Energy Operations EnEf – improvement from FY05 baseline	15,9	11,5	25

Sasol believes that the re-establishment of stable plant operations, in combination with the full implementation of its EnEf improvement roadmap, will help it reach this target.[57]

7.3 ESG ratings

In 2021, Sasol set a goal to improve its ESG ratings annually, with the overall aim to be included in the Standard & Poor's Corporate Sustainable Assessment for the Dow Jones Sustainability Index (DJSI).[58] Sasol has still not achieved DJSI inclusion. Last year, it stated that, since 2021, it has increased its ratings for six of the seven agencies for which it submits questionnaires.[59]

However, in 2025, Sasol makes no mention of its DJSI ambitions. There were also several unexplained inconsistencies in Sasol's ESG ratings disclosures:

- FTSE4Good, Moody's Analytics and IRAS were inexplicably excluded.
- Sasol reports that it received 56 (out of 100) for S&P Global, but has restated last year's score as 62, having reported it as 67 in 2024. Although Sasol reports that it remained in the LargeMidCap ESG index, its score has dropped substantially since 2024 (by 11 points).
- The 2025 CDP water rating is misrepresented with an upwards-facing arrow (when its water rating deteriorated), while the CDP climate rating is misrepresented with a down-facing arrow facing (when its score had improved).
- Sasol states that its MSCI score was both "AA" and "A" – only one can be correct.
- Although Sasol states that its ISS Corporate ranking improved for governance and declined for environment, it also reflects the opposite conclusions on the next page of the integrated report.[60]

54 P 151 IR 2025.
55 Sasol, Climate FAQs.
56 P 86 IR 2024.
57 P 87 IR 2025.
58 P 14 IR 2021. Its 2022 LTI corporate performance target (1 July 2021-30 June 2024) records this target as being "within 6% of the DJSI inclusion score by November 2023" (P 40 IR 2021). It did not achieve this by November 2023 - its score was 67 (P 70, 139 & 150 IR 2024).
59 P 70 IR 2024.
60 P 75, 76 & 89 IR 2025.

Sasol's Sustainalytics score also deteriorated – from 30.6 to 35.6 (staying in the high-risk category), as did its Sasol Italy and Sasol Germany ecovadis scores.[61]

Irrespective of its inconsistent reporting, Sasol is **failing to meet its goals related to ESG ratings** and has not indicated how it intends to ensure that it will do so.

8. Progress on emission reductions and renewable energy targets

8.1 Emission reductions

For reasons that aren't clear, in its reporting, Sasol depicts its progress on emission reduction by combining some emissions targets. It does not separately depict its progress on the International Chemicals milestones and targets as it does with the Southern Africa Energy and Chemicals scope 1 and 2 emission reduction target.

8.1.1 Scopes 1 and 2

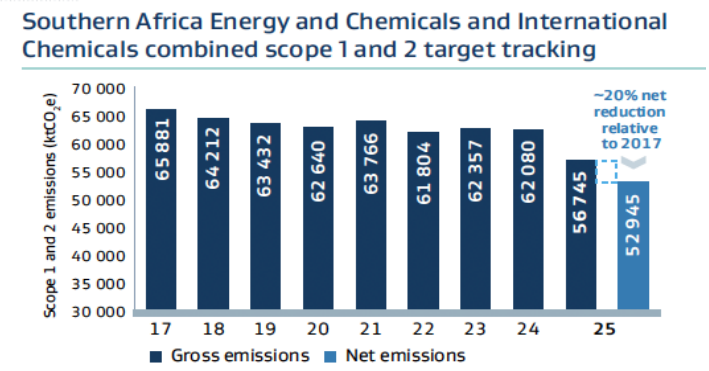
Just Share has pointed out that, based on the emission figures in Sasol's annual reports since 2005, Sasol has achieved emission reductions of about 8 Mt, or 0.6% a year, over 18 years (from 72,5 Mt in 2005 to 64,4 Mt in 2023). In 2023, Sasol indicated that, to meet the 2030 goal to reduce its emissions by 30%, it would need to reduce emissions by 16,2 Mt over 7 years (from 62,3 Mt in 2023 to 46,1 Mt in 2030), i.e., it would need to achieve double its previous emission reductions in less than half the time.

In 2025, Sasol now states that it has achieved approximately 20% **net** reduction off a **combined** Southern Africa Energy and Chemicals and International Chemicals 2017 scope 1 and scope 2 baseline.[62] Although the emission reduction targets for these entities are separate, Sasol reports on its combined progress towards achieving them.

For just the Southern Africa scope 1 and scope 2 target, Sasol reports a 13.5% reduction in gross GHG emissions and approximately 19% **net** reduction in GHG emissions, both relative to the 2017 baseline.[63] The net reductions are inclusive of "sustainable market mechanisms" in the form of carbon credit retirements. As is set out below, Sasol had previously undertaken not to rely on carbon offsets to meet its 2030 targets. It provides no explanation for reneging on this commitment.

61 P 75 & 76 IR 2025.
62 P 81 IR 2025.
63 Ibid.

Sasol depicts these reductions as follows:[64]



4. Group targets includes Secunda, Sasolburg, Mining, North America, Eurasia and our pipelines, which is a portion of our strategic business units from a 2017 baseline.
5. A revision to the gas production unit in Secunda's emissions calculation methodology contributed to an emission reduction and a restatement of FY24 emissions from 62 744 to 62 080kt CO_2eq. The FY17 baseline remains unchanged.
6. Aligned with the optimised ERR strategy presented at Capital Markets Day (CMD), targets are defined on a net basis, inclusive of sustainable market mechanisms.

Sasol has restated the 2024 emissions as per note 5 to the above graph (which also applies to the graph on the next page). For both graphs, the 2023 emissions also do not exactly match what Sasol reported last year.[65]

In addition, it is not clear how Sasol calculates the 56 745 ktCO$_2$e figure for 2025, based on the performance data it has provided. It does not state the amount it has allocated for "pipelines", but this must be less than the 114 it has reported for "other strategic business units and functions". The emissions of Secunda, Sasolburg, Mining, Chemicals Eurasia and Chemicals America amount to 56 672 ktCO$_2$e, which would imply that it has included 73 ktCO$_2$e for pipelines.[66]

From the 56 745 ktCO$_2$e figure, Sasol deducts 3800 ktCO$_2$e based on the use of carbon offsets. Before offsets and using Sasol's 2025 figure in the graph, this is a 13,9% reduction from the 2017 baseline (if the Southern Africa and International Chemicals baseline and targets were combined, which they are not).

Sasol states that **lower production volumes** contributed to a reduction of GHG emissions in the Energy Business of 13.5% compared to the 2017 baseline. "The year-on-year emissions decline is primarily due to lower pure gas throughput, reduced steam production, and enhanced operational stability within the gas circuit at Secunda Operations… This reduction was partially offset by prioritisation of natural gas to support production output over power generation".[67]

64 Ibid.
65 Sasol reported 62 335 ktCO$_2$e or the first graph for 2023 (rather than 62 357); and 60 127 ktCO$_2$e for the second graph for 2023 (rather than 60 153).
66 P 3 Performance Data 2025.
67 P 81 IR 2025.

On its website, Sasol also attributes the emission reductions to:

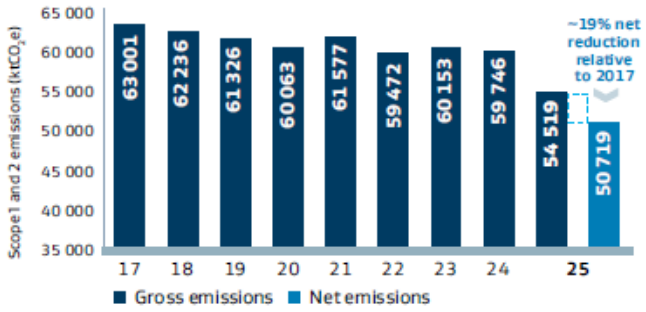
- "Methodology improvements", with a revision to the emissions calculation methodology at the Secunda gas production unit, leading to a restatement of FY24 emissions.
- "Expanded [ERR] levers", now incorporating sustainable market mechanisms.
- Carbon offsets, where 3,8 Mt CO_2e credits were retired by SA Energy and Chemicals, contributing significantly to the 19% net reduction from the 2017 baseline.
- EnEf gains, with Group EnEf improving by 2.9% year-on-year, particularly at Secunda Operations and Chemicals Eurasia. As set out in 7.2 above, this improvement does not match what Sasol has reported elsewhere.

It reports that the scope 1 emissions decline was "partially offset by an increase in Scope 2 emissions due to higher electricity imports as internal electricity generation decreased".[68]

Sasol also confirms that the planned recovery of production volumes to more than 7,4 Mt will result in **emissions increasing from 2026**.[69]

For the Southern Africa target depicted in the graph below,[70] it is not clear how Sasol calculates the 54 519 $ktCO_2e$ figure for 2025, based on the performance data it has provided. The emissions of Secunda, Sasolburg and Mining amount to 54 447 $ktCO_2e$, which would imply that it has included 72 $ktCO_2e$ as the amount for pipelines.[71]

Southern Africa Energy and Chemicals scope 1 and 2 emissions



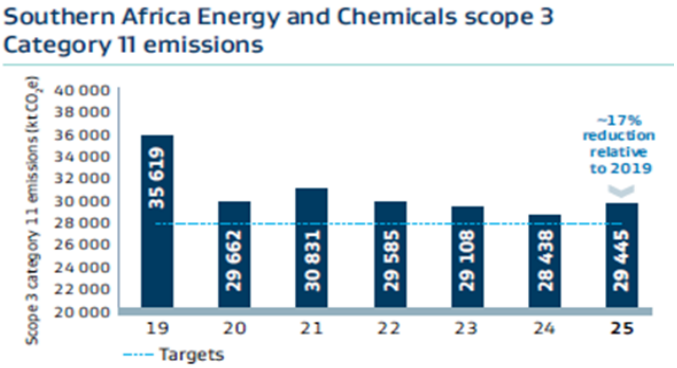
7. Southern Africa Energy and Chemicals targets includes Secunda, Sasolburg, Mining and our pipelines, which is a portion of our strategic business units.
8. Refer to note 5 above for description.

68 Sasol, Climate FAQs.
69 P 81 IR 2025.
70 Ibid.
71 P 3 Performance Data 2025.

8.1.2 Scope 3

According to Sasol, its "scope 3 emissions management approach continues to focus on enhancing the accuracy and completeness of our baseline emissions inventory, identifying potential reduction opportunities where feasible so as to contribute to value chain decarbonisation over time".[72]

Sasol reports that its category 11 Southern Africa Energy and Chemicals emissions increased in 2025 to 29 445 256 tCO_2e - and that this is an approximate 17% reduction from the 2019 baseline.[73]



It states that the increase from 2024 scope 3 "sold products" emissions was as a result of increased sales of natural gas and coal. "The rise in natural gas was largely driven by the commencement of our Production Sharing Agreement (PSA) asset in Mozambique. This contributed to an increase in gas volumes supplied to South Africa. Coal sales also increased mainly due to lower internal coal consumption by our Synfuels operations, creating surplus volumes available for sale".[74]

The increased production Sasol plans will inevitably result in increased scope 3 emissions.

8.2 Renewable energy procurement and integration

Sasol reports that it increased its 2030 RE target to 2 GW, due to "shifts in the regulatory environment" that will now allow the company to sell excess electricity.[75] It made this announcement at its May 2025 CMD, but without providing clarity on how this target interacts with the 800 MW RE allocated to Sasol of the 1200 MW-by-2030 shared target with Air Liquide, nor whether the updated target is shared.

72 P 85 IR 2025.
73 P 81 & 85 IR 2025.
74 P 81 IR 2025.
75 Sasol, Climate FAQs.

For its Southern Africa business, Sasol states that, to date, it has concluded 9 power purchase agreements (PPAs). It reports that these, along with its self-builds, will amount to 922 MW of RE procured (688 MW procured jointly with Air Liquide and 232 MW by Sasol only).[76]

Of these projects, Sasol reports the following:

- a 3.3 MW Sasol solar PV plant in Sasolburg Operations is reducing its scope 2 emissions by approximately 6.5 kt/a;
- the 69 MW Msenge wind project became operational in October 2024 (this seems to have been procured by Sasol only and is wheeled to its Sasolburg Operations);[77]
- the 97,5 MW Damlaagte solar plant reached commercial operation in August 2025 (this was jointly procured with Air Liquide for wheeling to Secunda Operations);[78] and
- a short-term PPA for 10 MW solar PV at Sasolburg was expected to be operational by September 2025 (this appears to have been procured by Sasol only and not to be online yet).[79]

Sasol had also committed, with Air Liquide, to integrate 600 MW of RE into its Energy Business by 2025 (with 200 MW allocated to Sasol). Irrespective of how the Damlaagte 97,5 MW are allocated between Air Liquide and Sasol - which is not reported - Sasol will **fail to meet this target**.

As at 29 August 2025, Sasol reported 169.5 MW of RE online,[80] 14% of Sasol's original 1200 MW-by-2030 procurement target, shared with Air Liquide.

Signing PPAs is a long way from actual integration of RE into Sasol's Energy business. Sasol states that its remaining contracts will "come online in the next 2 to 3 years".[81]

Sasol also does not specify whether it is on track to meet its milestone of 40% RE for its Energy Business by 2026, nor whether its new target means that its 2030 target of 80% RE for the Energy Business is now updated.

In May 2025, Sasol concluded 160 MW of RE PPAs, including 150 MW as part of the Ampli Energy joint venture with Discovery Green, scheduled to commence in FY28.[82] Ampli Energy has "secured one of the first offtake agreements"[83] and Sasol plans to supply its first

76 Ibid. It is not clear how Sasol calculates the 232 MW.
77 P 116 IR 2025.
78 Sasol, Media Statement, 25 August 2025.
79 P 116 IR 2025.
80 Sasol, Media Statement, 25 August 2025; 97.5 Damlaagte +3.3 Sasolburg +69 Msenge = 169.8.
81 P 78 Form 20-F 2025.
82 Sasol, SENS Announcement, 22 July 2025; P 70 IR 2025.
83 P 70 IR 2025.

customers with RE by 2026.[84] It describes this partnership as "a bold move in participating in growing the market of [RE] electrons to SMMEs".[85] Sasol reports that it has applied for an electricity trading licence and "progressed plans to sell surplus power".[86]

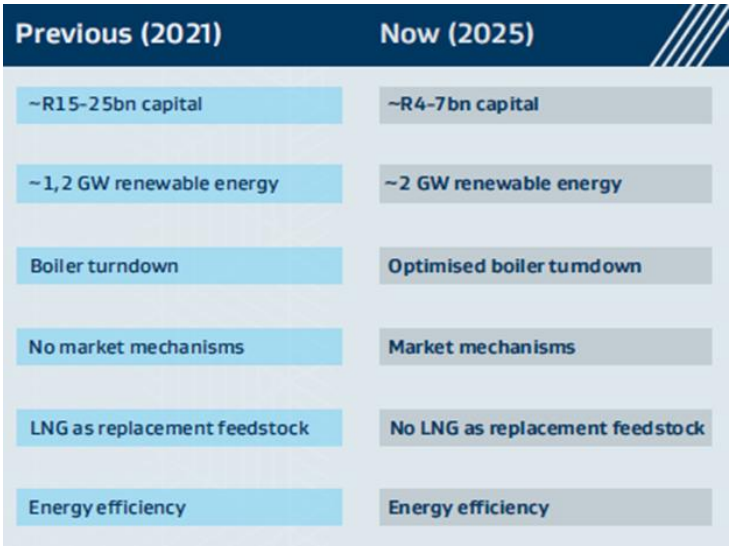
According to a graphic in Sasol's reporting, its RE plans are as follows:

- 2026: Impofu 330 MW wind (jointly procured with Air Liquide);
- 2027:
  - De Aar 2 South: 140 MW wind (jointly procured with Air Liquide);
  - Paarde Valley 120 MW solar (jointly procured with Air Liquide);
- 2028: additional 1 GW of RE contracted; and
- 2030: "up to 2 GW" RE.[87]

Given that Sasol has only brought 169.5 MW of RE into operation in four years and will not meet its target to integrate 600 MW by 2025, it is unclear how it will meet its new target of 2 GW by 2030.

9. How Sasol now plans to meet its emission reduction targets

Sasol describes its optimised ERR as having "revised decarbonisation levers and strategies, aligned to Sasol's climate commitments and operational realities".[88] It provides the following comparison between its previous and "optimised" ERRs: [89]



84 P 28 Annual Financial Results Presentation 2025 Script.
85 P 21 IR 2025.
86 P 70 IR 2025.
87 Ibid.
88 Sasol, Climate FAQs.
89 P 82 IR 2025.

Sasol claims that the optimised ERR demonstrates its ability to lower its carbon footprint while continuing to deliver value; for instance:

- Expanding our [RE] ambition to 2 GW to replace a greater portion of "expensive coal-based electricity" with "cleaner, cost-effective power": this "not only reduces emissions but delivers competitive returns and strengthens our energy resilience";
- Load-based SO_2 limits for Secunda coal boilers: this "enables us to keep more boilers in operation, preserving critical steam capacity while remaining compliant…. [W]e've stopped scaling back gasifier use and are now maximising production at Secunda. This also allows us to cut capital expenditure, by shifting away from fine coal recycling and progressing alternative, lower-cost solutions"; and
- Leveraging carbon offsets and RE certificates (RECs): this provides "flexibility for emissions that are currently hard to abate" and helps to "close the remaining gap to our 2030 target".[90]

For its previous ERR, Sasol indicated the following allocations to meet its 2030 Energy Business 30% emission reduction targets:

- 6% from integrating RE;
- 12% from boiler turndown and EnEf; and
- 12% from "transition feedback", aiming to reduce its coal feedstock by about 25% (or 10 million tons) by 2030.[91]

Sasol does not indicate how emission reductions will be allocated in its optimised ERR, but it appears that it will now rely heavily on carbon offsets and RECs.

Sasol's approach to its optimised ERR makes clear that it does not prioritise emissions reduction. It describes its approach as: "balancing production and decarbonisation";[92] "Progressing on our optimised [ERR] for value creation";[93] intending "to maximise value creation and minimise negative impacts";[94] and that it will achieve 2030 emission reductions "in a value accretive way without compromising production."[95] It also continues to use vague terms such as "optimising", rather than publishing a credible, concrete transition plan with actionable steps and timelines.

90 Sasol, Mitigation: Emission reduction roadmap; Sasol, Climate FAQs; P 82 IR 2025.
91 Sasol, CEO Stakeholder Letter, 29 November 2023.
92 P 28 IR 2025.
93 P 16 IR 2025.
94 P 14 IR 2025.
95 P 21 IR 2025.

Sasol asserts that its ERR needs to be understood as having "unique characteristics" and that it is "non-linear and back-end loaded."[96] The implication that larger emission reductions will take place closer to the target deadline requires careful monitoring of milestones and a clear understanding of the assumptions underpinning the "unique characteristics" of the ERR.

9.1 Renewable energy

According to Sasol, RE will make a significant contribution to its 30%-by-2030 goals. It states that its RE plans will save over R4 billion in electricity costs between 2025 and 2030, with a projected cumulative scope 2 GHG emission reduction of over 10 Mt.[97]

RE is integrated into operations via PPAs and "behind-the-meter projects, delivering cost savings and emissions reductions".[98] Sasol describes its approach as two-pronged: first securing low-cost PPAs for shovel-ready projects which "allowed us to decarbonise quickly and lock in immediate savings"; and then to use this "breathing room… to pivot into equity stakes and trading positions for added value".[99]

According to Sasol, the "savings and carbon reductions already being realised from [RE] prove that our strategy is effective and profitable".[100] Importantly - and inexplicably - the additional cost of R2-4 billion required for RE has not been included in Sasol's "optimised" ERR cost of R4-7 billion.[101]

Many other unanswered questions remain about how Sasol will achieve its RE target. For instance, it has not provided any assessment of the feasibility of procuring, building and integrating 2 GW of RE in the next five years, when compared with the much smaller amounts procured in the last four years, including how it will overcome the grid capacity constraints hindering RE deployment across SA. The company has also not provided clarity on how RE sold via Ampli Energy will interact with its 2 GW RE goal.

9.2 Coal boilers and toxic sulphur dioxide emissions

Just Share has written extensively about Sasol's attempts to escape and delay compliance with South Africa's weak minimum emission standards (MES) - which aim to protect the environment and human health from toxic pollutants by limiting industrial emissions.

Most recently, Sasol has instituted litigation seeking an order that:

96 P 80 IR 2025.
97 P 71 IR 2025.
98 Sasol, Climate FAQs.
99 P 71 & 83 IR 2025.
100 P 83 IR 2025.
101 See Sasol, Capital Markets Day presentation, slide 5.

- the targets referred to in the Regulations for Implementing and Enforcing Air Quality Management Plans, 2025 (the Regulations) are non-binding goals;

- the Regulations, read with the Second-Generation Highveld Priority Area Air Quality Management Plan, 2025, (HPA AQMP) do not require a stakeholder to submit an emission reduction and management plan that achieves a 40% reduction of pollutants by 2030; and

- reviewing and setting aside the HPA AQMP to the extent that it sets a 40% emission reduction goal by 2030.[102]

Sasol's plans to institute this litigation must have been very advanced by the time it published its reporting suite, but it simply reports that it is "evaluating the [AQMP]'s implications and associated requirements".[103]

Sasol reports having "turned down" the equivalent of one coal boiler at the Secunda Operations since April 2025. The "regulatory certainty" it achieved as a result of the Minister of Forestry, Fisheries and the Environment Barbara Creecy granting its appeal to measure its emissions of SO_2 using a "load-based" emission limit weaker than the MES has meant that it can keep more coal boilers running. It reports that it has "optimised" the "utility system design and scope" so that only condensate production capacity is included and there is no need for additional steam production capacity. Sasol's new "optimised" boiler turndown will not impact production, which can now be "maximised".[104] As a result, it seems clear that Sasol will no longer achieve 12% emission reductions from boiler turndown and EnEf.

One of the conditions of Sasol being granted the weaker SO_2 MES limit was that it is required to "continue to implement its integrated solution and must achieve the reductions in emissions of all pollutants as undertaken in its application and appeal."[105]

Sasol claims that the Minister "does not expressly refuse or grant a load-based dispensation beyond 31 March 2030, although this has been requested by Sasol in our initial application and appeal. The implementation of the integrated roadmap, as a condition of the decision, is contingent on SO_2 also being regulated on a load-based limit beyond 31 March 2030. In light of this open issue and the conditions of the Minister's decision, a further dispensation will likely be required as available in law, the outcome of which cannot be guaranteed".[106]

Contrary to Sasol's statement above, Minister Creecy did not grant it leniency beyond 31 March 2030. She confirmed that alternative limits are "temporary" and cannot be granted

102 Sasol, Media statement, 19 September 2025.
103 P 77 IR 2025.
104 P 79 & 83 IR 2025; Capital Markets Day presentation, slide 46.
105 DFFE, Appeal Decision, 5 April 2024; P 77 & 92 IR 2025; P 41-42 Form 20-F 2025. It was also required to make monthly monitoring reports available on its website. Until recently, only the April 2025 monthly report was made available on Sasol's website.
106 P 42 Form 20-F 2025.

"in perpetuity". She stated that "the [National Air Quality Officer] would need to exercise her discretion … to bring emitters into compliance as soon as possible". The fact that Sasol intends to seek further leniency beyond 31 March 2030 demonstrates that it is confident that it will continue to be able to evade its legal obligation to meet these *minimum* standards first set over 15 years ago and made doubly as weak in 2020.

9.3 Carbon offsets

When Sasol presented its ERR in 2021, it undertook not to use offsets to meet its targets (stating also that "well-vetted offsets could be considered if mitigation measures are unsuccessful").[107] In 2023, Sasol's Climate Change Report confirmed, "Our decarbonisation approach does not rely on utilising carbon offsets to meet our interim, 2030, targets.[108]

Despite this undertaking and without even referencing its previous position, Sasol now reports that it will use carbon offsets to reach its 2030 targets, and will disclose these in its CDP disclosures to "maintain accountability".[109]

It reports that, due to "the current technical and economic challenges to completely avoiding or reducing GHG emissions, we continue to consider the strategic use of carbon credits and other market mechanisms essential to offset emissions that cannot be mitigated immediately." In the same breath, Sasol claims to remain "committed to advancing techno-economically feasible on-site mitigation options, aligning with our net zero aspirations and contributing to South Africa's [nationally determined contribution (NDC)]".[110]

However, rather than attempting to reduce emissions, Sasol will ramp up production. It reports that it seeks to preserve its carbon budget "while broader mitigation technologies are under development". It also reports that it is exploring how to generate and use offsets to build its business – no further information is provided in this regard.[111]

Sasol reports securing more than 3,8 million credits from seven local projects, "mitigating the release of over 3,8 Mt CO_2e."[112]

It has this year purchased carbon credits to the value of R723 million (more than R140 million more than last year) and stated that the "ultimate amount of credits acquired will depend on the development of projects under the applicable standards, delivering the credits within the agreed timeframe, and will be subject to audit/verification by an independent party".[113]

---

107 P 16 CCR 2021. Sasol also stated (P 20) that, "should technology changes not occur at the pace and scale require, we might leverage offsetting to achieve last mile decarbonisation or greater ambition".
108 P 44.
109 Sasol, Our approach to climate change.
110 P 81 & 83 IR 2025.
111 P 83 IR 2025.
112 Ibid.
113 P 41 AFS 2025.

In circumstances where Sasol has made little effort to ensure emissions reductions since its 2021 CMD, it is disingenuous to claim that the use of offsets is now justifiable.

10. Occupational health and safety

In addition to the severe health impacts on surrounding communities from Sasol's emissions, it is also responsible for a significant number of occupational injuries and diseases, including some significant increases from last year. It reports, for this year: [114]

Key performance indicator	2025	2024
Irreversible occupational diseases	45	37
Occupational disease incident rate	0,060	0,046
Noise-induced hearing loss	17	9
Mining occupational diseases	36	31
Irreversible lung disease	18	13
Reversible occupational diseases (TB, heart-related, work-related upper limb disorder, other)	36	47

Sasol indicates that the increased irreversible lung diseases are attributable to "dust exposure in our Mining environment".[115]

Sasol downplays the increase in hospitalisations for work-related injuries this year, commenting that "the overall severity profile improved".[116] Even though a reduction in the number of hospitalisations due to injuries at work was a new STI target introduced for FY2025, Sasol rates its STI performance here as "above target", since it excluded what it deemed to be "precautionary [hospital] admissions for observation purposes".[117]

Key performance indicator	Targets	2025	2024
Fatalities	Zero	1	5
Hospitalisations	60	65	59
RCR	0,25	0,25	0,25
LWDCR	0,11	0,13	0,11

114 P 103 IR 2025.
115 Ibid.
116 P 102 IR 2025.
117 P 15, 20, 45, 139 & 150-151 IR 2025.

Notwithstanding “Safety of our people” being its “first material matter”, a “core value”, and “our foremost priority”,[118] Sasol has sought postponements to implement certain retrofits of its plants to ensure compliance with occupational exposure limits. It states that although “some of the extensions have been granted, the approved periods granted are shorter than those initially requested”, and that it “may be required to submit further exemption applications to allow for the full implementation of the mitigation plans”. Some of its extensions were reported to be pending.[119]

11. Lobbying

Climate action in South Africa is not happening at the pace and scale required to limit the worst impacts of climate change. Central to this delay is corporate interference in climate policy and implementation, particularly by fossil fuel interests. Apart from non-binding JSE guidance,[120] lobbying in South Africa is unregulated.

In 2025, Just Share released its report *The Obstruction Playbook: How corporate lobbying threatens South Africa’s Just Transition*. Using corporate submissions on legislative processes, and records of industry’s private meetings with government, the report demonstrates how anti-climate corporate lobbying has delayed and weakened the effectiveness of the Carbon Tax Act, 2019 and the Climate Change Act, 2024. Sasol and its industry associations play a significant role here.[121]

The carbon tax should have been a central tool to reduce South Africa’s GHG emissions, but the effective carbon tax (after allowances) is one of the lowest globally. The current rate remains vastly insufficient to drive meaningful decarbonisation.[122]

Just Share provided evidence in the *Obstruction Playbook* that, for example, in advance of National Treasury publishing proposals for the long-delayed phase 2 of the carbon tax, Sasol secured several bilateral meetings with National Treasury between January 2024 and January 2025, including to present to government on the “specific impacts of the carbon tax to its operations”. These engagements became more frequent after November 2024 when Treasury published the phase two discussion paper and in the build-up to the March 2025 Budget Review. Between December 2024 and January 2025, Sasol had three private meetings with Treasury, each attended by between five to seven senior Sasol executives.

When the 2025 March Budget Review was released, most of the proposals to strengthen the carbon tax in the November 2024 discussion paper had been abandoned, with the most significant concession to industry being that the 60% basic tax-free allowance will now be

118 P 19 & 20 IR 2025.
119 P 30 Form 20-F 2025.
120 JSE, Climate Disclosure Guidance, 2022.
121 InfluenceMap, Climate Policy Engagement in South Africa; Just Share, Media release, 16 May 2025.
122 SARB, Occasional Bulletin of Economic Notes, OBEN/24/01 September 2023; Just Share, The Obstruction Playbook: How corporate lobbying threatens South Africa’s Just Transition, 2025; Just Share, Comments on the Draft Taxation Laws Amendment Bill, 2025.

retained until the end of 2030. In fact, as things stand, 85-95% of tax-free allowances will be retained in phase 2 of the carbon tax.

Sasol confirms that one of the ways it measures the success of its engagements with regulators is "through policy outcomes, such as favourable tax amendments."[123] It has made several remarks about the "favourable" carbon tax framework "up to 2030";[124] and its satisfaction with the changes to phase 2 of the carbon tax which it claims "support industry-wide efforts to transition to a lower-carbon economy."[125] It comments that "Positive shifts in the carbon tax framework support future sustainable investments,"[126] and that "Externally, policy dynamics are shifting in our favour. The extension of carbon tax allowances and increased offset caps through 2030 are flattening the cost curve."[127]

Sasol reports that it has assumed that the current basic tax-free allowance is maintained until 31 December 2030, with a 3% decrease assumed every 5 years thereafter. Post 2030, it has assumed that the carbon tax rate will be escalated to US$55/t$CO_2$e.[128] The basis for these assumptions is unknown. In its Form 20-F, Sasol indicates that it regards the extent of the carbon tax increases as "significant", and expects further increases beyond 2030.[129]

Sasol's disclosure of its carbon tax liability for the FY25 (on 2024 emissions) is inconsistent. In its Form 20-F report, the company states that its net carbon tax payment for 2024 emissions was R832 million (as a result of higher offset purchases and lower production than in the previous year);[130] however, in its integrated report, the company says its carbon tax for 2024 emissions was R1,71 billion (after offsets and electricity levies);[131] and in its Annual Financial Statements, it records net carbon taxes for 2024 emissions as R1,6 billion.[132]

123 P 135 CDP 2024.
124 P 13 IR 2025.
125 P 80 IR 2025.
126 P 26 IR 2025.
127 Ibid.
128 P 51 AFS 2025.
129 P 32.
130 Ibid.
131 P 80 IR 2025.
132 P 41 AFS 2025.

12. Governance

12.1 Changes to the board

There have been numerous changes to Sasol's leadership and board in this financial year. On 1 September 2024, Walt Bruns assumed the role of chief financial officer. On 13 September 2024, Muriel Dube was appointed as the new chair of the board.[133] On 6 June 2025 - after being on the board for only one year - Tim Cumming resigned as a non-executive director, and on 9 June 2025, Xikongomelo Maluleke was appointed as a non-executive director.

12.2 Climate competence

It remains a concern that Sasol does not prioritise climate competence on its board despite the material risk climate change poses to its business. Muriel Dube remains the only board member with clear climate-relevant skills. It is assumed that Maluleke, a chartered accountant, has some relevant skills as she "founded and led an ESG and sustainability advisory firm."[134]

Sasol lists "Social, SHE and sustainability" as a field of expertise its directors have.[135] It provides no definition or explanation as to what these skills include or what criteria are used to assess them. Nor does it clarify which of its directors have these skills, and, apart from Dube and Maluleke, this is not clear from their biographies.

12.3 Remuneration linked to emissions reductions

Sasol has stated that it is held accountable for meeting its emission reduction targets by "Executive incentives" being "linked to short- and long-term emissions performance."[136]

However, it appears that the only climate change-related metric included in Sasol's 2025 STI scheme was "energy efficiency" weighted at 10% and for which the target was reported as met and an improvement of 1,11% reported in FY25.[137] As per 7.2 above, this is different from the 2025 EnEf improvement reported elsewhere by Sasol in the same integrated report and on its website. As set out in 10 above, Sasol reported that it was "above" target for its STI metric related to reducing the number of hospitalisations, despite an increase in the number of hospitalisations.

The 2023 long-term incentive (LTI) plan will vest in 2026. It included a "holistic focus on ESG matters" metric weighted 25% (split equally between Energy and Chemicals targets).

133 P 19 IR 2025.
134 P 82 Form 20-F 2025.
135 P 125 IR 2025.
136 Sasol, Climate FAQs – "How is Sasol held accountable for targets".
137 P 151 IR 2025.

These targets relate to achievement of measurable, "sustainable" emissions reduction by the end of FY25.[138]

In Sasol's integrated report, these performance indicators are broken down into separate targets for its Energy Business and Chemicals Business; the stretch being 4,5% for the Energy business and 15,0% for the Chemicals business. Sasol reports that it achieved a 13% reduction in emissions for Energy and a 11,6% reduction for Chemicals.[139] For this reason, a vesting score of 43,93% was awarded.

Sasol says that these emission reductions were due to "inter alia the boiler shutdown, the introduction of renewable energy and the N_2O catalyst implementation" and that "both the Energy and Chemicals business units exceeded their respective Scope 1 and Scope 2 emissions reduction targets against a 2017 baseline".[140] No mention is made that lower emissions resulted from Sasol's decline in production.[141] This means that executives will receive bonuses in 2026 for the reduction in emissions that Sasol acknowledges were primarily due to lower production rates, and not the implementation of strategies to decrease emissions.

In setting its FY25 LTI, Sasol has modified its emission reduction metric to "maintain our roadmap to reducing our carbon footprint **whilst increasing our production**".[142] This has a weighting of 25% and will be measured in GHG emissions intensity rather than absolute emissions.[143] In FY24, this KPI had a weighting of 15% and excluded the "whilst increasing our production" phrase.[144]

Sasol has proposed that, for FY26, "performance LTIs will replace the restricted LTIs, with all LTIs having a performance-based vesting period over three years". Performance shares are currently paid out after three years (50%), on the basis of performance; with the balance (the so-called "restricted shares" (50%)) paid out after five years, provided that the executive remains in Sasol's employ. The new proposal is for 100% of the LTI awards to be performance-based and vest in three years. Executives will now be rewarded more shares in that period.[145]

End

138 P 86 IR 2023. The following were the performance targets (all relate to scope 1 and 2 emissions reductions, off a 2017 baseline, by the end of 2025): (1) Threshold (rating = 0%): achieve a sustainable 3,55% reduction (equating to 2,3mtpa CO_2e); (2) Target (rating = 100%): achieve a sustainable 4,18% reduction (equating to 2,7mtpa CO_2e); and (3) Stretch (rating = 200%): achieve a sustainable 4,9% reduction (equating to 3,2mtpa CO_2e).

139 P 152 IR 2025. This does not match the International Chemicals emission reduction reported elsewhere in the integrated report (P 81 & 84).

140 P 152 IR 2025.

141 See Sasol, Climate FAQs – "Why was there a significant drop in emissions compared to previous years?".

142 P 154 IR 2025.

143 Intensity targets can often be misleading. This measures the efficiency of cutting emissions per unit of output instead of absolute emissions reduction. This means that even if GHG emissions intensity improves, if a company's total production increases faster, the total emissions will still be rising even if it appears that the company is lowering its GHG emissions intensity.

144 P 152 IR 2024.

145 P 140 IR 2024.