

Developing and empowering high-performing people

Developing, empowering and retaining values-driven, high-performing employees with the right skills and experience is critical to maintaining our success in an increasingly competitive market.

Our human resources (HR) strategy seeks to enable effective delivery of the Sasol business strategy. We strive to provide a work environment that attracts and develops the best talent; promotes a values-driven, high-performance culture; encourages diversity and transformation; and fosters sound employee relations.

This year we focused our efforts on driving five priorities:

- Optimising talent sourcing and recruitment across all our operations;
- Delivering fit-for-purpose competency-based learning;
- Improving leadership effectiveness in line with the new operating model and a values-driven high-performance culture;
- Embedding the refined employee value proposition and employer brand; and
- Facilitating effective implementation of the new organisational structure.

Employee statistics

At 30 June 2014, Sasol had 33 049 employees, comprising 28 438 permanent and 1 354 non-permanent employees in our South African companies, and 3 257 permanent and non-permanent employees in our international companies.

Attracting, developing and retaining talent

A specific focus area was our international talent attraction and sourcing framework, which aims to strengthen Sasol's position as an employer of choice and support our new operations in North America.

Attracting talent through appropriate remuneration

In an increasingly competitive global market for limited skills, it is critical that we provide appropriate remuneration to attract, retain and motivate the right calibre of employee. Our annual budget increases, which influence individual increases, are determined in relation to market movements, inflation indicators and company performance. We also take into account the nature of an employee's role, market benchmarks and individual performance. As a significant player in South African industry forums, we partner with other relevant role-players to conclude multi-year wage agreements.

Our structured performance management and appraisal process is aligned to our objective of embedding a values-driven, high-performance culture. While the specifics differ between business units and geographies, as a minimum, every employee's incentive contract provides for safety performance, financial results and employment equity in our South African operations. We also have performance indicators related to environmental and social factors. The design principles and group targets for all incentive schemes are reviewed annually and approved by the remuneration committee.

Nurturing future potential talent

To secure a pipeline of future talent, we have continued to invest significantly in skills development in our primary countries of operation. Initiatives range from basic literacy skills and science and maths education at school level, to skills development initiatives for artisans, engineers, scientists and chartered accountants.



DEVELOPING AND EMPOWERING HIGH-PERFORMING PEOPLE continued

Investment in learning initiatives

Learning programme	Total investment (Rm)
Novice Professional Development Programme (NPDP): candidate engineers, scientist, artisans and technicians	517
Chartered Accountant (CA) trainee programme	11
General Study Aid	29
Leadership Training	44
All other training	300
Total investment (includes salaries and direct training costs)	901

We run one of the largest bursary schemes in Southern Africa. This year, we invested R47 million, with the focus primarily on developing talent in science, technology and engineering disciplines. At present, we have 577 undergraduate and postgraduate bursars. Graduates from this scheme are placed on a structured professional development programme for a specified period of up to three years. In spite of all endeavours, employment at Sasol is not guaranteed for all bursars. Currently, 382 students are being trained through this initiative. In 2014, bursaries were allocated to 60 individuals, of whom 88% are black*. We ensure an approximately even gender ratio.

We recognise the critical importance of establishing partnerships to build a broader pool of skills in the areas in which we operate. In South Africa, we partnered with a tertiary technical college, the Flavius Mareka TVET College, to ensure nationally recognised qualifications for our artisan learnership programmes.

In Mozambique, together with our partners, the International Finance Corporation (IFC) and Companhia Moçambique de Hidrocarbonetos (CMH), we established a three-year learnership programme at the Central Processing Facility (CPF) in Temane, Inhambane province. A group of 18 students have graduated from the programme and have been placed at the CPF in Temane, Inhambane province. This included the first two female candidates. We have also partnered with the Ministry of Mineral Resources and the Eduardo Mondlane University with the aim of building tertiary-level technical skills (see focus story in our web-based report).

* Black employees refer to African, Coloured and Indian people, for the purposes of South African employment equity considerations.

Developing and training existing talent

We have made good progress with our internal development and training programmes aimed at raising basic competency levels, developing technical skills and enhancing leadership effectiveness.

During the year, 2 075 employees participated in our internal learning programmes. This comprised 1 744 learnerships (1 410 black learners; 377 women), 384 graduates and 165 in-service trainees. A total of R653,1 million was invested in developing skills among our black employees, of which R169,6 million was specifically spent on black women.

We emphasise identifying and developing high-potential talent, with the accompanying goal of promoting diversity and transformation across the group. Last year, we piloted the Sasol LEAP (learning, experiencing, accelerating, potential) programme. The initiative is a two- to five-year career development programme that gives high-potential individuals exposure to different roles across business units and geographies, supported by formal learning and mentorship. It is a holistic accelerated skills development approach, introduced to provide business-focused and timely delivery of future talent particularly at strategic leadership level. Nine high-potential employees were selected onto the inaugural programme, with 66% being black.

Through our leadership programmes, we seek to build general business acumen, enhance the ability to nurture and develop employee talent, leverage diversity for high performance, and deepen participants' appreciation of the global context.



Delivering a refined employee value proposition

In return for the skills, capabilities and experience our employees bring to our business, we aim to offer a unique employee value proposition and a great place to work. We have invested in a range of initiatives to ensure that Sasol remains a dynamic, technology-driven company that attracts talented, values-driven, high-performing people.

In 2013, we were voted the employer of choice by the Top Employers Institute. Sasol was recognised based on the following criteria:

- **Our organisation:** a dynamic, technology-driven company that attracts diverse, talented people with a pioneering spirit;
- **Our leaders:** high-performing leaders who create an environment that inspires our people to be the best that they can be;
- **Our culture:** a values-driven high-performing culture characterised by goal clarity and alignment, empowered accountability, teamwork and collaboration, stakeholder focus and inspirational leadership; and
- **Our opportunities and rewards:** various challenging career opportunities for talented and engaged people to grow into high-performing employees who are rewarded competitively.



Our online report, which can be found at www.sasolsdr.com, includes further information on: the Sasol HR strategy, embedding a values-driven, high performance culture and 2015 priorities; additional details on total workforce by employment type and region, turnover rates and retrenchment; and our internal skills development initiatives.

Maintaining positive employee relations

The industrial action across South Africa, particularly within the mining sector, has highlighted the critical importance of a partnership approach to employee relations.

Sasol promotes an employee relations culture that encourages employees to engage and voice their opinions. We maintain fair, open and constructive relationships with all employees within the legal frameworks of the countries in which we operate. We regularly review and update our employee relations policies in line with business and legislative requirements. Formal contracts are in place with all employees according to local legal requirements and the core conventions of the International Labour Organization.

We recognise the right of employees to collective bargaining and freedom of association. We maintain constructive relationships with all representative unions and works councils that enjoy consultative or negotiating powers on issues of mutual interest. More than 60% of our employees in South Africa are members of trade unions. Trade union representatives are present in our formal joint management-worker Health and Safety Committees. They also serve on the board of our medical scheme and on the boards of retirement funds.

