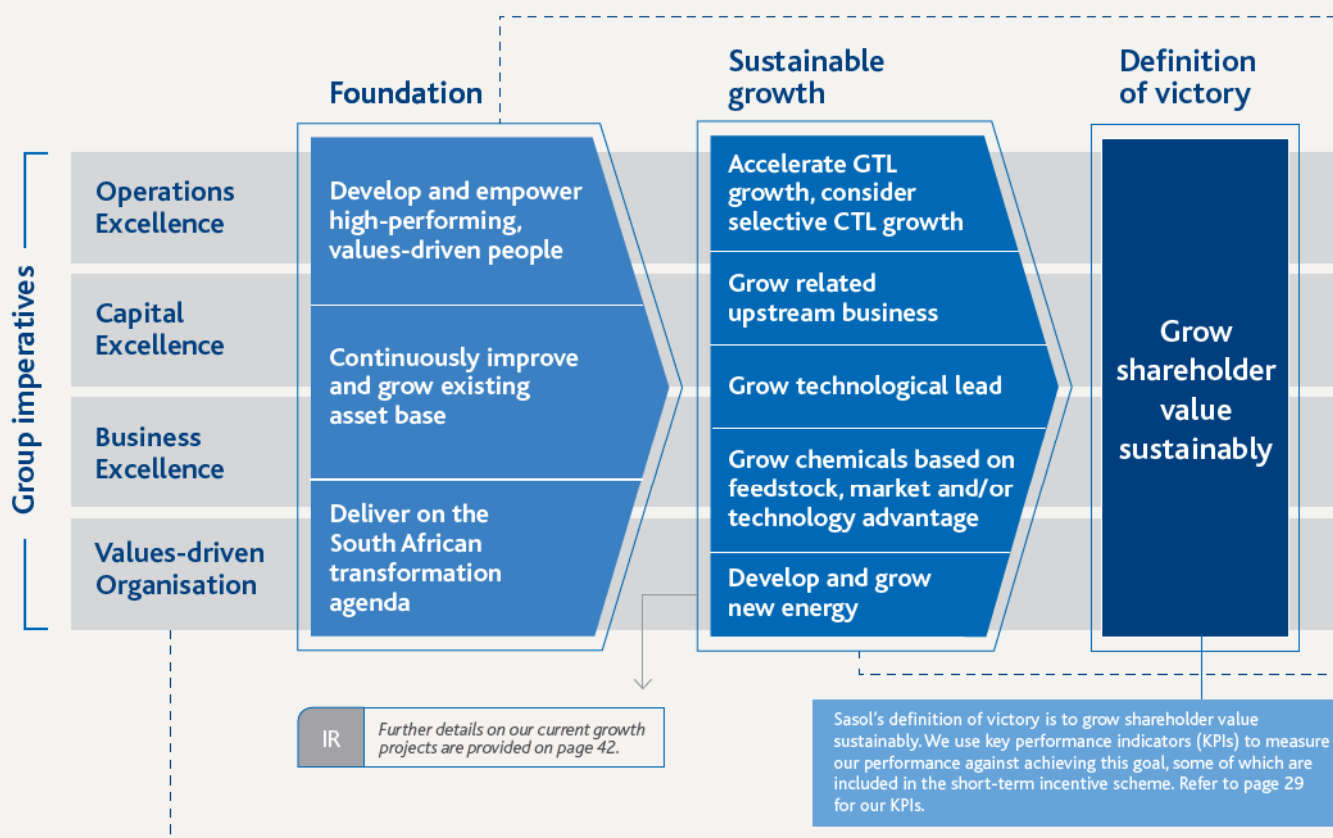


our strategy

for near- to medium-term profitable growth

Our strategic agenda has continued to serve us well. But in a rapidly changing world, we need to scrutinise it regularly to ensure it remains focused, robust and current. To be a more delivery-orientated organisation, we refined our strategic agenda. We are confident that the strategic pillars and the imperatives we prioritise as a group, will support the achievement of our definition of victory: to grow shareholder value sustainably.



Unpacking our group imperatives

Group imperatives are strategic priorities that require group-wide focus. During 2012, two imperatives – Functional Excellence and Planning and Optimisation – fell away. Planning and Optimisation is now embedded in our everyday business processes as a group function, while Functional Excellence has, to a large extent, been closed off as we now look to the SAP consolidation programme to harness efficiency and cost savings across the group. Similarly, our Marketing and Sales Excellence imperative has been broadened to Business Excellence.

Operations Excellence

This programme aims to improve reliability, sustainability and maintainability across Sasol's value chains by developing standardised, world-class management systems and by implementing best practice in our plants and businesses. It also seeks to develop competent and engaged people who adopt these practices and deliver targeted performance.

Capital Excellence

This programme aims to ensure the flexible and effective use of capital in the group's project value chain. It is focused on delivering projects that meet all quality requirements in the shortest possible time, at the lowest possible cost, yielding the greatest possible return on investment.

Business Excellence

This new imperative encompasses Marketing and Sales Excellence with a broader focus on improving our approach to doing business. This will ensure that we know exactly how to maximise financial impact. Through this imperative, sales, volumes, inventories and margins are financial levers we intend to use more effectively in our day-to-day business dealings.

Values-driven Organisation

Values define us and ultimately determine Sasol's success. It is not only for leaders to be values driven, so this imperative broadens the previous group imperative of values-driven leadership to all employees.

Our foundation pillar

Develop and empower high-performing, values-driven people

This replaces the previous strategic objective to develop and empower our people, underscoring the importance of a high-performance culture, adherence to our shared values and individual accountability. We invest significantly in skills development and training, focused leadership development and succession planning. In our quest to attract and retain the right people, there has been a substantial shift in our performance management approach.

Continuously improve and grow our existing asset base

We continue to grow our existing production assets, improving the efficiency and reliability of our operations through our Operations Excellence programme, while also investing in new facilities. Our drive to achieve a world-class safety record and moderate our environmental impact is dedicated and persistent, and driven by meaningful targets.

Deliver on the South African transformation agenda

As a proud South African company, we view black economic empowerment (BEE) as a moral obligation and a business imperative. During 2012, Sasol Mining exceeded the targets for BEE equity ownership ahead of the 2014 deadline. We established the Sasol women's network, as well as a women's empowerment strategy for the group. Our skills development programme seeks to build capacity both within Sasol and the broader community.

Our sustainable growth pillar

Accelerate GTL growth, consider selective CTL growth

We are accelerating the application of our GTL offering, the economics of which are attractive based on the large price differential between gas and oil. We will consider selective CTL growth, on a case-by-case basis, given that coal remains an important contributor to the energy mix; we are investigating an Indian CTL opportunity.

Grow related upstream business

We are pursuing growth by exploring for and producing more upstream resources to secure the feedstocks we need, and to capitalise on the benefits of integration with our downstream technologies.

Grow technological lead

Through research and development, managing technology and constantly innovating, we maintain the growth and sustainability of our fuels and chemical businesses and grow our competitive advantage.

Grow chemicals based on feedstock, market and/or technology advantage

Chemicals are a vital part of Sasol's portfolio. We have introduced strategic flexibility by giving those businesses that are not integrated into our value chain an opportunity to grow independently based on their competitive advantages.

Develop and grow new energy

Our focus is to ensure that power generation becomes Sasol's third major value chain. We are leveraging Sasol's key competitive advantage, which is developing and commercialising new technologies and implementing and operating facilities based on these, to also pursue growth in low-carbon and renewable energy alternatives.