

R32m package for Sasol's boss

Sasol's directors have defended the R31.88m package paid to chief executive David Constable, saying he has been the main driver of the company's sterling financial performance.



"The company does well and Constable does well. The board feels and continues to feel that the company is performing well," non-executive director and chairman of the remuneration committee Henk Dijkgraaf said at Sasol's annual general meeting on Friday (30 November).

Sasol's earnings a share for the year that ended June increased by 25% and profit increased by 23%.

Dijkgraaf said it was important to note that Sasol was not only comparing itself against South African companies, but against companies in the MSCI Energy Index.

Constable, a Canadian, was appointed in July last year. Before that, he was group president of operations at construction company Fluor in Texas. Sasol said the board wanted a package for Constable that will take into consideration that he was a true expert and when he retired he might have to return home to a dollar-based economy.

The company said all its employees benefitted from the rand's foreign exchange rate.

"Constable is not the only international recruit the company has. There are about 250 individuals who are in his category, it is just that his salary is disclosed for transparency reasons," Dijkgraaf said.

Sasol, the second-largest emitter of green house gases in South Africa after Eskom, said it had a R1.5bn budget for environmental sustainability. Its carbon emissions have increased from 74,000 tons since 2005 to 76,000 this year.

Although Sasol's environmental budget had declined, the company said there was no specific decision to cut expenditure on the environment.

Constable said Sasol had a sustainability programme in the broad sense although it lacked indicators.

"This is not indicated at corporate level but when one delves into the organisation, there are social and environmental indicators. If you look at our performance on greenhouse gas reductions, we are quite proud of what we have been able to achieve. Since 2005, we have reduced our carbon equivalents by 12m tons. From my perspective, I think we have done well," Constable added.

Source: *Business Times* via I-Net Bridge

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