

ATNS EMPLOYMENT EQUITY PLAN 2010 – 2014

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1. INTRODUCTION

Air Traffic and Navigation Services SOC Limited (ATNS) is committed to the establishment of a work environment that is characterised by equality in employment. This implies that black people (Africans, Indians and coloureds), women and people with disabilities will experience ATNS as a place where they are adequately represented, and where they can fulfill their dreams and aspirations without fear of discrimination.

ATNS will continuously strive towards creating a balanced profile of employees within the company through all occupational categories and levels in the workforce by appointing and developing people with potential, and drawing on the best skills available from all race groups in order to ensure a sustainable competitive advantage both now and in the future.

The primary focus of this plan will be to build the capacity of disadvantaged groups within the company. A secondary focus will be on the external recruitment of disadvantaged groups.

2. OBJECTIVES

- To work towards creating a balanced profile of employees within the company through all occupational categories and levels in the workforce.
- To eliminate any discriminatory practices in terms of race, gender or disability.
- To provide for the company's present and future requirements for skilled staff, in line with its business plan.
- To achieve this by implementing, monitoring and evaluating appropriate measures aimed at redressing the effects of the past imbalances created by discriminatory employment policies and practices.

3. MEASURES TO PROMOTE EMPLOYMENT EQUITY

- Ensure that our demographic profile is transformed to reflect the demographics of the country within which ATNS performs its business in order to redress the effects of the past imbalances.
- Take into account skills shortages and implementing short, medium and longer term interventions to address these skills internally and appropriately through various interventions such as internships, graduate development programmes and bursar options.
- Regularly conduct an analysis to monitor current versus required status, and keep track of this on a monthly basis.
- Promote diversity in the workplace based on equal dignity and respect for all people.
- Eliminate disparities in employment, occupations, income and remuneration processes.
- Promote constitutional rights of equality and exercise of true democracy.
- Eliminate sexual harassment in the workplace.
- Remove unjustified barriers to employment and workplace environment.
- Develop, promote and retain employees from designated groups through accelerated development programmes.
- Eliminate unfair discrimination including but not limited to HIV and AIDS.
- Promote equal opportunity and fair treatment in employment through the elimination of unfair employment practices.
- Eliminate victimisation of employees for exercising their rights in terms of The Employment Equity Act and other legislations.

4. CONSULTATION WITH STAKEHOLDERS AND OBTAINING ORGANISATIONAL BUY-IN

4.1 Employment Equity Forum

Through the Employment Equity and Skills Development Forum and according to its Constitution (ATNS SHR Directive 1/2005) the company will ensure that communication and consultation takes place throughout ATNS on issues pertaining to Employment Equity. The Employment Equity Forum is also responsible for aspects such as:

- ensuring compliance with the Employment Equity Act of 1998;
- discharging the consulting obligations imposed by the Act 55 of 1998;
- in co-operation with management. draft and amend the ATNS Employment Equity Plan; and
- report to the Director General. Department of Labour on the submission of the Employment Equity Report.

4.2 Company Executives support

It is the ATNS intention to constantly align this plan and supporting strategies with Corporate directives and guidance. Regular consultation will continue to take place at the Executive level.

4.3 Organised Labour

The contents of this plan are and will consistently be shared with organised labour. that is. the Union representing employees. Constructive inputs aimed at improving the plan will continue to be incorporated into revisions of the plan. Organised labour will also have a role to play in the implementation of the plan.

4.4 Employees

The contents of this plan and its implications will be shared with employees on a regular basis.

5. PROGRESS TO DATE: STATUS QUO

5.1 Quantitative Perspective

ATNS's status as at end March 2010 in terms of the representation of designated groups is as follows (see Table 1 to 7 below):

- ATNS Employees: Race and Gender categories
- Learnerships and Bursary students: Race and Gender categories
- Mid-year population estimates: 2009
- National Demographics: Graph
- ATNS EE Status: Graph
- National and ATNS Males and Females Status: Graph

Table 1: ATNS employee headcount as at end March 2010. The total number reflected excludes individuals on Learnerships and ATNS Bursars.

| | Male | | | | Female | | | | Total |
|--|------------|-----------|-----------|------------|------------|-----------|-----------|------------|------------|
| Occupational Levels | A | I | C | W | A | I | C | W | |
| Top Management | 1 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 1 |
| Senior Management | 4 | 1 | 0 | 2 | 1 | 0 | 0 | 0 | 8 |
| Professionally Qualified and Experienced | 23 | 5 | 2 | 54 | 8 | 0 | 1 | 9 | 102 |
| Skilled Technical Workers Junior Managers | 95 | 48 | 27 | 203 | 51 | 21 | 17 | 81 | 543 |
| Semi-Skilled and Discretionary Decision Making | 34 | 2 | 7 | 17 | 50 | 6 | 11 | 22 | 149 |
| Unskilled and Defined Decision Making | 21 | 0 | 4 | 0 | 5 | 0 | 0 | 0 | 30 |
| Total | 178 | 56 | 40 | 276 | 106 | 28 | 29 | 108 | 833 |

Table 2: ATS Bursars and Learnerships as at December 2009.

| | Male | | | | Female | | | | Total |
|---------------------|-----------|----------|----------|-----------|-----------|----------|----------|----------|------------|
| Occupational Levels | A | I | C | W | A | I | C | W | |
| Learnerships | 10 | 0 | 0 | 0 | 5 | 0 | 0 | 0 | 15 |
| ATCO Bursars | 17 | 3 | 4 | 36 | 10 | 0 | 4 | 3 | 77 |
| ATSO Bursars | 3 | 1 | 0 | 1 | 2 | 1 | 1 | 2 | 11 |
| AIMO Bursars | 6 | 1 | 0 | 1 | 2 | 0 | 0 | 1 | 11 |
| Total | 36 | 5 | 4 | 38 | 19 | 1 | 5 | 6 | 114 |

Table 3: Mid-year population estimates for South Africa by population group and sex. 2009.

| Population group | Male | | Female | | Total | |
|------------------|-------------------|--------------------------------|-------------------|--------------------------------|-------------------|--------------------------------|
| | Number | Percentage of total population | Number | Percentage of total population | Number | Percentage of total population |
| African | 18 901 000 | 79.2 | 20 235 200 | 79.5 | 39 136 200 | 79.3 |
| Coloured | 2 137 300 | 9.0 | 2 295 800 | 9.0 | 4 433 100 | 9.0 |
| Indian/Asian | 635 700 | 2.6 | 643 400 | 2.5 | 1 279 100 | 2.6 |
| White | 2 194 700 | 9.2 | 2 277 400 | 9.0 | 4 472 100 | 9.1 |
| Total | 23 868 700 | 100.0 | 25 451 800 | 100.0 | 49 320 500 | 100.0 |

Table 4: National demographics graph based on the July 2009 statics report as published by Statistics SA.

NATIONAL DEMOGRAPHICS

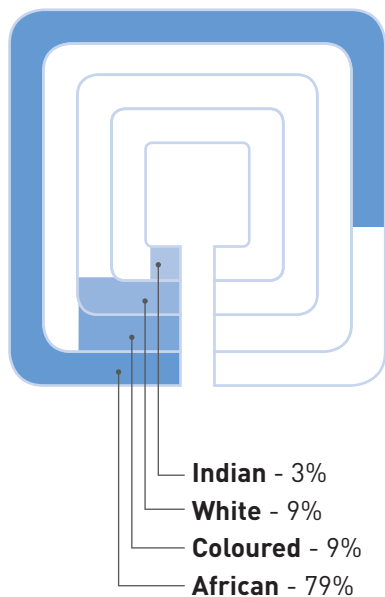


Table 5: ATNS Employment Equity status as compared with SA Demographics.

ATNS EMPLOYMENT EQUITY STATUS

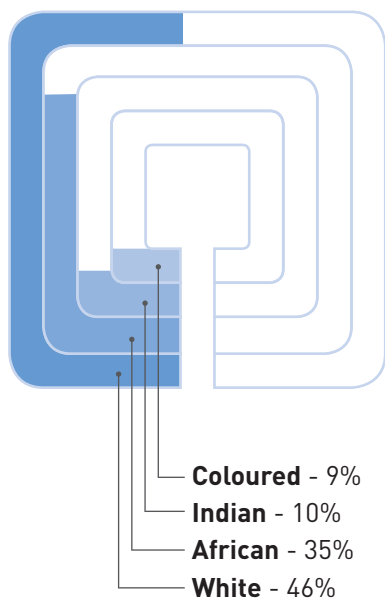


Table 6: National female demographics as based on the July 2009 statics report as published by Statistics SA.

NATIONAL FEMALE DEMOGRAPHICS

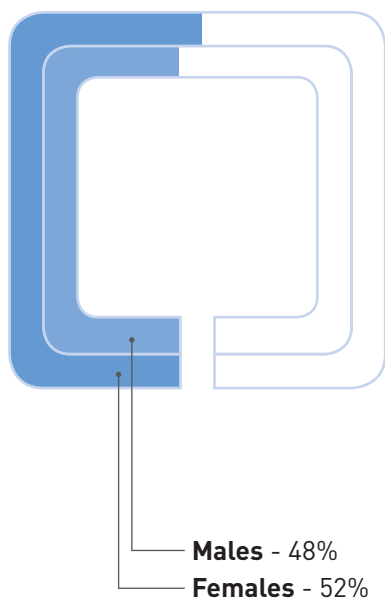
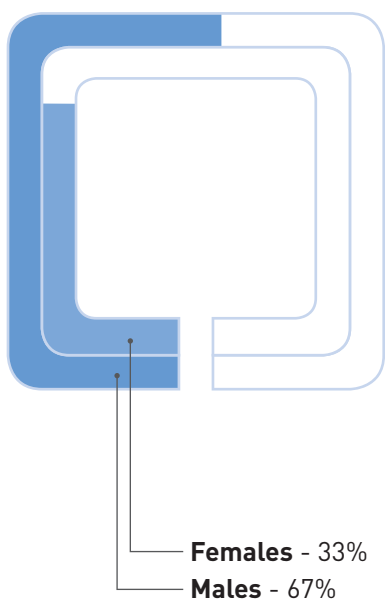


Table 7: ATNS female demographics as based on the July 2009 statics report as published by Statistics SA.

ATNS FEMALE STATISTICS



5.2 Comparison with South African Economically Active Population

The Quarterly Labour Force Survey (QLFS) is a household-based sample survey conducted by Statistics South Africa. It collects data on the labour market activities of individuals aged 15 years and above who live in South Africa. However, this report will only cover labour market activities of persons aged between 15 and 64 years.

This report presents the key findings of the QLFS conducted in July–September, 2009 (Q3:2009). Table A highlights the results.

Table A: Key labour market indicators (Statistics South Africa – July 2009)

| | Jul-Sep 2008 | Apr-Jun 2009 | Jul-Sep 2009 | Qrt to Qrt change | Year- on-year change | P-value (Qrt to Qrt) |
|---|-----------------|-----------------|-----------------|-------------------------|----------------------------|----------------------------|
| | Thousand | | | | | |
| Population 15 - 64 years | 30 801 | 31 080 | 31 172 | 92 | 371 | - |
| Labour Force | 17 777 | 17 495 | 17 077 | -418 | -700 | 0.00 |
| Employed | 13 655 | 13 369 | 12 885 | -484 | -770 | 0.00 |
| Formal sector (Non-agricultural) | 9 439 | 9 356 | 9 073 | -283 | -366 | 0.00 |
| Informal sector (Non-agricultural) | 2 175 | 2 109 | 1 993 | -116 | -182 | 0.03 |
| Agriculture | 767 | 710 | 653 | -57 | -114 | 0.13 |
| Private households | 1 274 | 1 194 | 1 166 | -28 | -108 | 0.41 |
| Unemployed | 4 122 | 4 125 | 4 192 | 67 | 70 | 0.43 |
| Not economically active | 13 024 | 13 585 | 14 095 | 510 | 1 071 | 0.00 |
| Discouraged work-seekers | 1 071 | 1 517 | 1 632 | 115 | 561 | 0.05 |
| Other (not economically active) | 11 953 | 12 068 | 12 463 | 395 | 510 | 0.00 |
| Rates (%) | | | | | | |
| Unemployment rate | 23.2 | 23.6 | 24.5 | 0.9 | 1.3 | 0.02 |
| Employed/population ratio (Absorption) | 44.3 | 43.0 | 41.3 | -1.7 | -3.0 | 0.00 |
| Labour force participation rate | 57.7 | 56.3 | 54.8 | -1.5 | -2.9 | 0.00 |

Due to rounding, numbers do not necessarily add up to totals.

The number of persons in the labour force decreased by 418 000 from 17.5 million in Q2:2009 to 17.1 million in Q3:2009. Table A shows that employment decreased significantly by 3.6% between Q2:2009 and Q3:2009. A total of 484 000 jobs were lost between the two quarters, with most job losses recorded in the formal sector (283 000), followed by the informal sector (116 000).

While employment fell by a substantial 484 000 from Q2:2009, this decline did not translate to a significant increase in the number of unemployed persons, but rather to the increase in the number of persons who are not economically active (510 000) with a sizeable proportion (22.5%) of them being discouraged workseekers; the number of unemployed persons increased by 67 000. This resulted in a significant increase in the unemployment rate between Q2:2009 and Q3:2009.

Compared to Q3:2008, there was an annual decrease of 5.6% (770 000) in employment, an increase of 70 000 in the number of unemployed persons and a massive increase of 1 071 000 in the number of persons who are not economically active – 561 000 being discouraged work-seekers.

5.3.1 Attrition statistics - total workforce

| Financial Year | 2007/08 | 2008/09 | 2009/10 as at end March 2010 |
|------------------|---------|---------|------------------------------|
| Total percentage | 10.2% | 9.42% | 9.55% |

5.3.2 Retirement statistics

The retirement figures going forward into the 5-year plan are as follows:

2010: 7
 2011: 8
 2012: 8
 2013: 6
 2014: 7

5.4 Projected AIC. Females and People with Disability Targets for five year period (FY 2010/11 to 2014/15).

| National demographics vs. ATNS Employment Equity status as at December 2009 | | | | ATNS's Employment Equity five year goals | | | | | |
|---|-------------|--------------|----------|--|-------------|-------------|-------------|-------------|-------------|
| Population group | National | ATNS | Variance | Actual as at March 2010 | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 |
| | % | % | % | % | % | % | % | % | % |
| African | 79.3 | 37.28 | -44.4 | 37.28 | 40.9 | 45.0 | 50.0 | 55.0 | 60.0 |
| Indian | 2.6 | 9.32 | 7.7 | 9.32 | 9.5 | 8.5 | 7.5 | 6.0 | 5.5 |
| Coloured | 9.0 | 8.17 | -0.5 | 8.17 | 8.6 | 8.8 | 8.8 | 9.0 | 9.0 |
| | | | | | | | | | |
| AIC – totals & projections | 90.9 | 54.76 | | 54.76 | 59 | 63 | 66.3 | 70 | 74.5 |
| White | 9.1 | 46.4 | 37.3 | 46.4 | 41.0 | 37.7 | 33.7 | 30.0 | 25.5 |
| | | | | | | | | | |
| Female | 51.6 | 33.3 | -18.3 | 33.3 | 39.0 | 43.0 | 46.0 | 49.0 | 51.0 |
| | | | | | | | | | |
| Disabled persons | | | 0.0 | 1.7 | 2.5 | 3.0 | 3.5 | 4.3 | 5.0 |
| | | | | | | | | | |
| HCP/Permission Targets | | | | 935 | 1052 | 1044 | 1045 | 1071 | 1103 |

6. GOALS, OBJECTIVES AND ACTION PLANS FOR THE ACHIEVEMENT OF TARGETS AND KEY PERFORMANCE AREAS

The following broad strategies will be pursued to achieve these targets:

The accountability matrix (RACI) for the plan is as follows:

LEGEND: (RACI)

R = Responsible
A = Accountable
C = Consult
I = Inform

Stakeholders Matrix:

Board of Directors = BoD
 Executive Management Committee = Exco
 Executive Human Capital = EHC
 Manager: HR Services = MSHR
 HR Practitioner = HRP
 Line Manager = LM
 Employees = Emp
 Organised Labour = OL

6.1 African, Indians and Coloureds

| Strategy | Action/s to be taken | Deadline Date/s | Accountability |
|---|---|--|---|
| 1. Ensuring that black (AIC) people are adequately represented in all occupational levels | <ul style="list-style-type: none"> Consultation on targets with stakeholders /line managers A systematic programme of targeted recruitment Seeking external talent only once all internal talent acquisition has been exhausted Inclusion of incentive at a departmental level for the achievement of set target Inclusion as a Key Performance Measure for all line managers | 15/06/10 Ongoing and applicable to all vacant positions, commencing 01/07/10 Commencing 01/07/10 | BoD – C Exco - C EM: SHR – A M: HRS - R HRP – R LM – C/I Emp/OL – C & I |
| 2. Shaping our ATS Bursar intake profile to have at least 70% African, Indian and Coloured representation | <ul style="list-style-type: none"> Planned bursar programme with targets for each of the categories, for example: ATC, ATSA and AIM Bursars | Reviewed annually commencing 01/07/10 | |
| 3. Seeking ways to retain employees from the AIC group so that they are not lost to the external market | <ul style="list-style-type: none"> To research possible retention strategies including but not limited to the following: <ul style="list-style-type: none"> review of existing benefits and retention strategies research on possible retention interventions, for example: <ul style="list-style-type: none"> employee benefits incentives contractual aspects long-term service awards | Reviewed annually | |

| Strategy | Action/s to be taken | Deadline Date/s | Accountability |
|---|--|---|----------------|
| 4. Ensuring that at least 60% of all promotions to senior levels gives preference to employees from the AIC group | <ul style="list-style-type: none"> • Senior level positions identified for AIC candidates • Develop a structured organogram indicating lines of succession and possible successors | 01/07/10 01/08/10 | |
| 5. Establishing monthly progress monitoring mechanisms | <ul style="list-style-type: none"> • Monthly progress reports in terms of the achievement of numerical and non-numerical goals. including but not limited to: <ul style="list-style-type: none"> • progress against EE targets • number of mentoring/coaching sessions conducted • number of internships completed • number of bursars • number of training programmes run and success ratios • reasons for exit so as to correlate against retention strategies | Monthly and ongoing | |
| 6. Establishing support mechanisms such as coaching and mentoring for employees from designated groups | <ul style="list-style-type: none"> • Research into various coaching and mentoring options on both an individual and group basis • Identification of possible internal mentors and coaches • Implementation of coaching and mentoring options | 01/08/10 01/08/10 Ongoing | |
| 7. Creating an organisational culture and environment wherein AIC employees are respected and treated on an equitable level | <ul style="list-style-type: none"> • Conduct an employee survey to ascertain perceptions and attitudes towards equity and other 'diversity' aspects • Given the outcomes of the survey to customise diversity interventions. for example: <ul style="list-style-type: none"> • diversity training • amendment or creation of policies pertaining to gender awareness • roadshows | Ongoing Ongoing | |

6.2 Females

| Strategy | Action/s to be taken | Deadline Date/s | Accountability |
|---|--|--|----------------|
| 8. Ensuring that females are adequately represented in all occupational levels | <ul style="list-style-type: none"> • Consultation on targets with stakeholders /line managers • A systematic programme of targeted recruitment • Seeking external talent only once all internal talent acquisition has been exhausted • Inclusion of incentive at a departmental level for the achievement of set targets • Inclusion as a Key Performance Measure for all line managers | 01/07/10 Ongoing and applicable to all vacant positions, commencing 01/07/10 Commencing 01/08/10 | TBC |
| 9. Shaping our ATS Bursar intake profile to have at least 70% female | <ul style="list-style-type: none"> • Planned bursar programme with targets for each of the categories. for example: ATC. ATSA and AIM Bursars | Reviewed annually commencing 01/07/10 | |
| 10. Seeking ways to retain female employees so that they are not lost to the external market | <ul style="list-style-type: none"> • To research possible retention strategies including but not limited to the following: <ul style="list-style-type: none"> • review of existing benefits and retention strategies • research on possible retention interventions. for example: <ul style="list-style-type: none"> • employee benefits • incentives • contractual aspects • long-term service awards • secondment of staff to other department (multi-skilling and re-skilling) • job rotation (multi-skilling) • career path and succession planning. • mentorship programmes • exchange programmes • exploring external labour market for skills acquisitions | Reviewed annually and ongoing | |
| 11. Ensuring that at least 50% of all promotions to senior levels are given preference to females | <ul style="list-style-type: none"> • Senior level positions identified for female candidates • Have in place structured organogram indicating lines of succession and possible successors | On-going 01/08/10 | |
| 12. Establishing monthly progress monitoring mechanisms | <ul style="list-style-type: none"> • Monthly progress reports in terms of the achievement of numerical and non-numerical goals. including but not limited to: <ul style="list-style-type: none"> • progress against EE targets • number of mentoring/coaching sessions conducted • number of internships • number of bursars • number of training programme run and success ratios • reasons for exit so as to correlate against retention strategies | Monthly and on-going | |

| Strategy | Action/s to be taken | Deadline Date/s | Accountability |
|---|---|---|----------------|
| 13. Establishing support mechanisms such as coaching and mentoring for female employees | <ul style="list-style-type: none"> Research into various coaching and mentoring options on both an individual and group basis Identification of possible internal mentors and coaches Implementation of coaching and mentoring options | 01/08/10 01/08/10 Commencing 01/08/10 | |
| 14. Creating an organisational culture and environment wherein female employees are respected through gender awareness, sensitisation and educational initiatives | <ul style="list-style-type: none"> Conduct an employee survey to ascertain perceptions and attitudes towards females and other 'diversity' aspects Given the outcomes of the survey to customise diversity interventions. for example: <ul style="list-style-type: none"> diversity training amendment or creation of policies pertaining to gender awareness roadshows | Ongoing Ongoing | |

6.3 People with Disabilities

| Strategy | Action/s to be taken | Deadline Dates/s | Accountability |
|--|---|--|----------------|
| 15. Ensuring that disabled individuals are adequately represented in all occupational levels (to be determined by the nature of the employee's disability) | <ul style="list-style-type: none"> Consultation on targets with stakeholders /line managers A systematic programme of targeted recruitment Seeking external talent only once all internal talent acquisition has been exhausted Inclusion of incentive at a departmental level for the achievement of set target Inclusion as a Key Performance Measure for all line managers | 01 / 07 /10 Ongoing and applicable to all identified vacant positions commencing 01/07/10 01/07/10 01/08/10 | TBC |
| 16. Shaping our ATS Bursar intake profile to have at least 3% disabled employees | <ul style="list-style-type: none"> Planned bursar programme with targets for each of the categories. for example: ATC, ATSA and AIM Bursars | Reviewed annually commencing 01/08/10 | |
| 17. Seeking ways to retain disabled employees so that they are not lost to the external market | <ul style="list-style-type: none"> To research possible retention strategies including but not limited to the following: <ul style="list-style-type: none"> review of existing benefits and retention strategies research on possible retention interventions. for example: <ul style="list-style-type: none"> employee benefits incentives contractual aspects long-term service awards | Reviewed annually and ongoing | |
| 17. Ensuring that at least 3% of all promotions to senior levels are given preference to disabled employees | <ul style="list-style-type: none"> Senior level positions identified for disabled employees Have in place structured organogram indicating lines of succession and possible successors | 01/07/10 01/07/10 | |

| Strategy | Action/s to be taken | Deadline Dates/s | Accountability |
|--|--|-----------------------------|----------------|
| 19. Establishing monthly progress monitoring mechanisms | <ul style="list-style-type: none"> Monthly progress reports in terms of the achievement of numerical and non-numerical goals. including but not limited to: <ul style="list-style-type: none"> progress against EE targets number of mentoring/coaching sessions conducted number of internships number of bursars number of training programmes run and success ratios reasons for exit so as to correlate against retention strategies | Monthly commencing 01/07/10 | |
| 20. Establishing support mechanisms such as coaching and mentoring for disabled employees | <ul style="list-style-type: none"> Research into various coaching and mentoring options on both an individual and group basis Identification of possible internal mentors and coaches Implementation of coaching and mentoring options | 01/07/10 | |
| 21. Creating an organisational culture and environment wherein disabled employees are respected | <ul style="list-style-type: none"> Conduct an employee survey to ascertain perceptions and attitudes towards disabled employees and other 'diversity' aspects Given the outcomes of the survey to customise diversity interventions, for example: <ul style="list-style-type: none"> diversity training amendment or creation of policies pertaining to gender awareness roadshows | 01/07/10 01/08/10 | |
| 22. Employment practices will be adjusted to enable people with disabilities to perform to their maximum potential. Current physical barriers such as inaccessible buildings, toilets and parking spaces will be addressed | <ul style="list-style-type: none"> Conduct an audit of office park, building and working conditions to determine to what degree disabled people and which categories of disabled people can be accommodated Implement an action plan with time frames to address areas of concern identified | 01/09/10 01/11/10 | |

6.5 Monitoring and Evaluation Mechanism

| Strategy | Action/s to be taken | Deadline Date/s | Accountability |
|---|--|-------------------------------|----------------|
| 27. Relevant targets contained in this plan will continuously be included in the ATNS business plan | <ul style="list-style-type: none"> Targets to be reviewed annually and driven from the top down Targets to be included as part of all managers Key Performance Areas | Annually and on-going | |
| 28. Monthly reporting on numerical Employment Equity targets will be done | <ul style="list-style-type: none"> Annual review of policies, procedures and practices | Reviewed annually and ongoing | |

7. REVIEW CYCLE

This plan will be reviewed and updated on an annual basis.

8. INTERNAL PROCEDURES TO RESOLVE DISPUTES

ATNS's Grievance Procedure and agreed dispute resolution mechanism will continue to form a backbone of dispute resolution arising as a result of Employment Equity Plan.