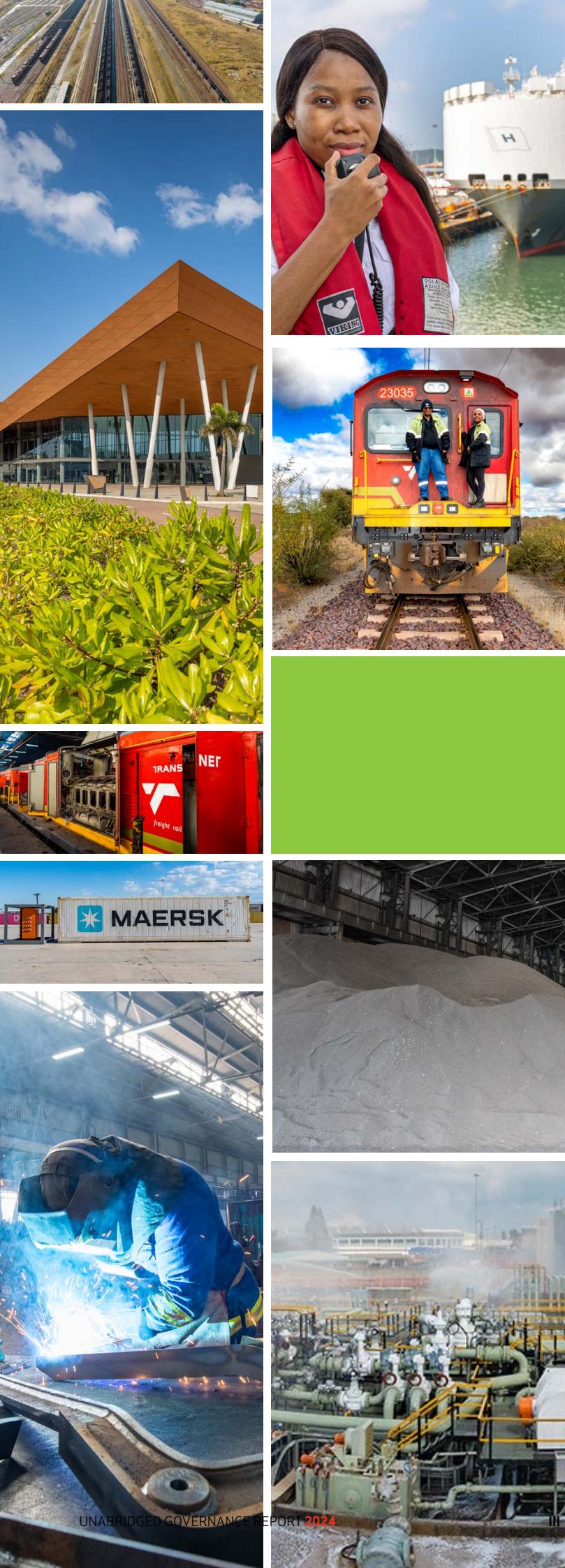




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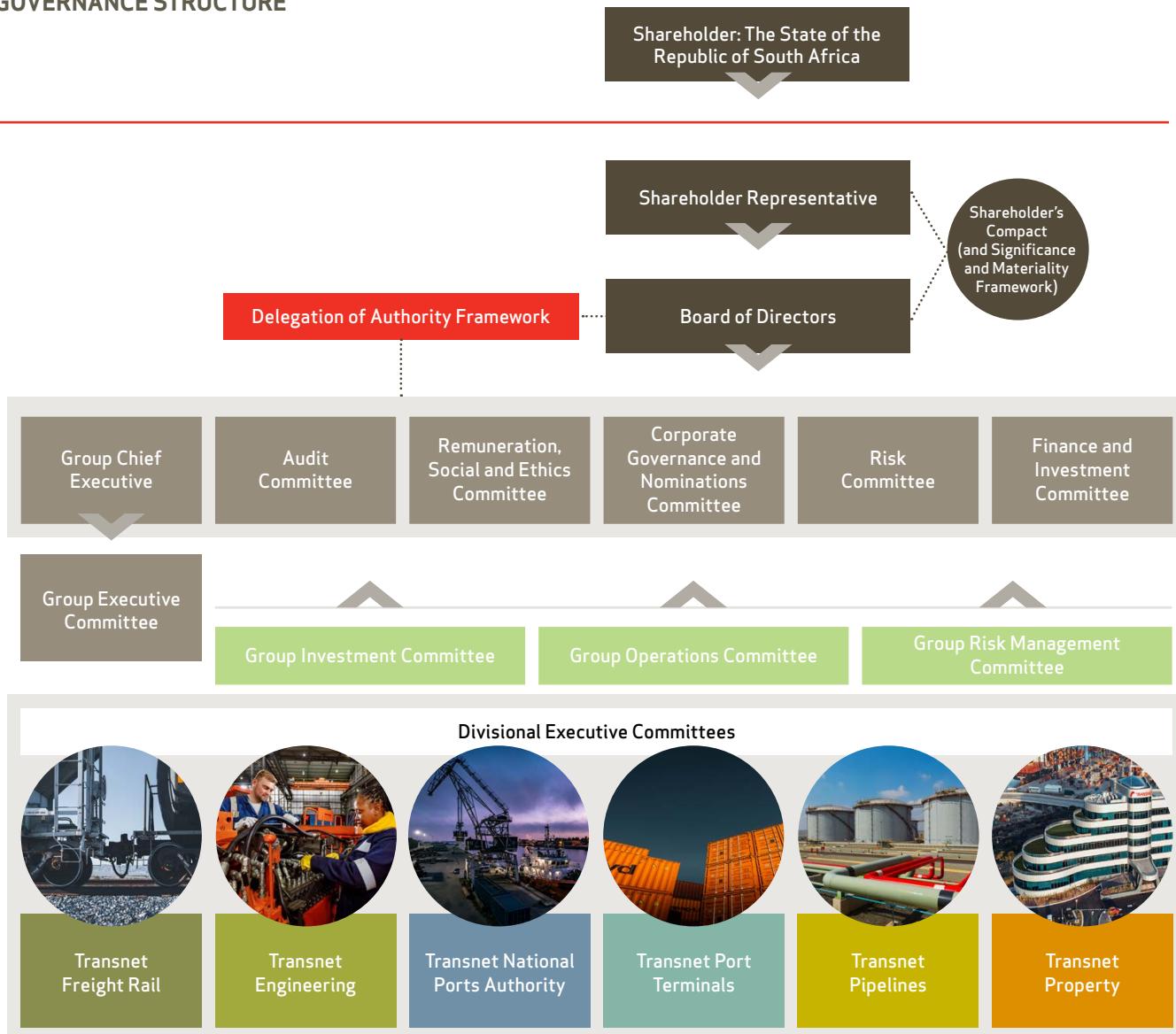
EXECUTIVE SUMMARY

INTRODUCTION

The Company follows the principles of the King IV Report on Corporate Governance for South Africa, 2016, alongside regulatory provisions. The goal is to achieve good governance outcomes: an ethical culture, good performance, effective control, and transparent legitimacy. This Governance Report details the application of these King IV principles.

The Department of Public Enterprises (DPE) was disbanded as part of the government's efforts to streamline functions and improve the efficiency of state-owned enterprises (SOEs). For the year ended 31 March 2024, Transnet's Shareholder was the DPE. Following the reconfiguration at the government level, the oversight of Transnet has been allocated to the Department of Planning, Monitoring and Evaluation as its new Shareholder Representative. The company is in the process of aligning and setting up processes with officials from the portfolio of the new Shareholder Representative.

GOVERNANCE STRUCTURE



LEARDERSHIP, ETHICS AND CORPORATE CITIZENSHIP

Principle 1: The Accounting Authority should govern ethically and effectively.

ETHICS RELATED POLICIES

Several policies are in place which foster an ethical culture-including the Code of Ethics Commitment Statement, No Gifts and Hospitality Policy, Non-Executive Directorship and Trusteeships Policy, Whistle-blowing Policy, Anti-Bribery and Corruption Policy, Domestic Prominent Influential Persons and Foreign Prominent Public Officials Policy, Lifestyle Audit Policy, and Security Screening and Vetting Policy. These apply to both employees and Directors.

DECLARATION OF INTEREST (DOI) PROCESS

The Company has DOI and Related Party Disclosure policies for Directors and Employees to manage conflicts and disclosures. All Directors and Employees (including consultants and fixed-term contractors) must declare their interests annually or as changes occur.

During the review period, the DOI and Related Party Disclosure Policy for Employees was updated to align with best corporate governance practices. The Board approved the revised Policy in December 2023, enhancing transparency, preventing conflicts of interest, and upholding Company integrity.

The declaration process requires Directors' and Prescribed Officers' interests to be presented to the Board before the Annual General Meeting (AGM) for Shareholder noting. The REMSEC oversees the declarations of Prescribed Officers, while CorpGov oversees those of the Board of Directors.

To meet regulatory requirements and improve the process, declarations of interest are a standing item on the agenda for all Board, Committee, Exco, and Sub-Committee meetings, as well as other key decision-making meetings.

ETHICAL GOVERNANCE

Principle 02: The Accounting Authority should govern the ethics of the organisation in a way that supports the establishment of an ethical culture.

THE REMUNERATION, SOCIAL AND ETHICS COMMITTEE

REMSEC oversees the governance of ethics, ensuring the Company's ethical performance is assessed, monitored, reported, and disclosed in the Integrated Report. It handles social and ethical matters in accordance with the Companies Act.

THE CODE OF ETHICS COMMITMENT STATEMENT

This statement affirms the Company's ethical principles and standards for Non-Executive Directors, employees, suppliers, service providers, customers, and stakeholders. It includes appointing ethics ambassadors to promote the ethics programme. The Company is appointing and training these ambassadors.

ETHICS MANAGEMENT PROGRAMME

An updated risk-based Ethics Management Strategy is under approval of the Board, to ensure relevance and best practices. The Company will develop an Ethics Curriculum Framework for training to institutionalise Company-wide ethics.

RESPONSIBLE BUSINESS CONDUCT

Principle 03: The Accounting Authority should ensure that the organisation is and is seen to be a responsible corporation citizen.

CORPORATE CITIZENSHIP

The Board complies with all national and international legal requirements and standards, adhering to its own codes and policies when dealing with matters related to the conduct of Company business. The Company is a signatory to the UN Global Compact and has various Corporate Social Investment (CSI) programmes in place.

The Transnet Foundation drives the Company's SED agenda to profit beneficiaries. Beneficiaries include communities along the Company's operational footprint nationwide and other identified stakeholders. The socio-economic initiatives are managed at the highest level of the Company, forming part of the Shareholder's Compact targets as approved.

The Company's community investment programmes are underpinned by the commitment to uplift and empower communities through health interventions, promotion of education and training, to enable effective asset utilisation. This provides much-needed infrastructure solutions, rural sports development, deployment of employees' skills and competencies, and effects positive changes in various communities.

The ESG Report is a standing agenda item for both the REMSEC and Audit Committee with quarterly reporting and disclosures delivered to the Audit Committee. The Board monitors CSI activities through REMSEC and reports on related activities annually in the Integrated Report.

STRATEGY, PERFORMANCE AND REPORTING

Principle 04: The Accounting Authority should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process.

CORPORATE PLAN

The Board approves the Corporate Plan, which outlines the Company's strategic objectives, plans, and details the associated key performance areas and indicators to be implemented to achieve the Company's strategic objectives. The 2024/25FY Corporate Plan was approved by the Board and submitted to the NT and the Executive Authority by the end of February, as required by the PFMA.

SHAREHOLDER'S COMPACT

Annually the Company enters a Shareholder's Compact with the Shareholder Representative. The Shareholder's Compact mandates the Company to deliver numerous strategic deliverables, and is overseen by the Board. The Board monitors the Company's performance against the targets set out and ensures that adequate processes and internal controls are in place for related budget planning and allocation to effectively advance the Company's mandate. This oversight ensures that the Company effectively advances its mandate, aligns with strategic objectives, and upholds the highest standards of financial management and accountability.

COMPANY STRATEGY

The Company's performance has declined over the past years and to address this challenge, the newly appointed Board submitted an 18-month Recovery Plan for implementation effective 1 November 2023. The Recovery Plan key focus is to turn around the operations through the increase of volumes and improvement in revenue through various initiatives. It will remain the core focus of the Company throughout 2024/25FY.

An extensive overhaul of the Company's strategy is well underway to ensure the alignment and fulfilment of the objectives outlined in the Recovery Plan, Shareholder Compact and Corporate Plan. This strategic revamp aims to position the Company for sustained growth and resilience, addressing any underlying challenges and optimising operational efficiencies to meet recovery targets effectively.

BOARD STRATEGIC SESSION, PERFORMANCE MONITORING SESSIONS AND THE DEEP DIVE

The Board holds Strategy Workshops and Deep Dive sessions to discuss matters of a strategic nature. Extensive deep dive sessions were conducted in the period under review to induct new Directors and ensure that they are thoroughly informed of critical operational and strategic matters. The initiatives and recommendations from these sessions are developed into strategies and plans, which are then submitted to the Board for consideration. This process helps to shape the Corporate Plan and Shareholder's Compact. In support of the Recovery Plan the Board meets monthly to monitor performance against the plan.

COMPANY REPORTS

Principle 05: The Accounting Authority should ensure that reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance, and its short- medium- and long-term prospects.

INTEGRATED REPORT

To ensure the integrity of reporting, the Integrated Report is compiled and reviewed by an inter-disciplinary team prior to submission of the relevant sections at the appropriate Board Committees for recommendation to the Board for approval. Assurance on accuracy and reliability of financial information and sustainability matters is provided by the External Auditor. Key governance matters are also reported in the Integrated Report by the Board and its Committees in the governance section.

ANNUAL FINANCIAL STATEMENTS

The Company issues audited Interim and Annual Financial Statements in line with applicable legislation and accounting standards. The Company also reports on the extent of its compliance with the Companies Act in the Directors Report in the Annual Financial Statements.

EXECUTIVE AUTHORITY QUARTERLY REPORT

The Board ensures that the Company adheres to all procedures for reporting to the Executive Authority through the submission of quarterly reports, as required by the PFMA. This report outlines key matters, decisions taken, and governance milestones achieved by the Board and its Committees.

COMPANIES AND INTELLECTUAL PROPERTY COMMISSION (CIPC) COMPLIANCE.

The Group Company Secretary certifies that the Company has filed all returns and notices for the financial year end with the CIPC and that all such returns are true, correct and up to date as required by the Companies Act.

GOVERNANCE STRUCTURES AND DELEGATION

Principle 06: The Accounting Authority should serve as the focal point and custodian of corporate governance in the organisation.

THE MEMORANDUM OF INCORPORATION ('MOI')

There is a MOI which sets out the rights, duties and responsibilities of the Shareholder, Board and Management, and which outlines matters reserved for decision by the various role players.

DELEGATION OF AUTHORITY ('DOA') POLICY AND FRAMEWORK

The Company's Delegation of Authority is delineated in the Board-approved DOA Policy and Framework. The DOA Framework outlines Board-reserved matters, and those that are delegated to the various role players. The DOA Framework is reviewed annually or as and when required to ensure relevance and alignment with governance and business requirements.

BOARD OF DIRECTORS MEETINGS

The Board meets at least four times per year, reporting meeting attendance and decisions to the Executive Authority, detailed in the accompanying annexure. The Board confirms it has fulfilled its duties for the reporting period.

COMMITTEE CHARTERS (CHARTER)

Charters guide the Board and Committees in effective governance, defining authority, roles, responsibilities, composition, and protocols. Regular reviews align charters with governance instruments, regulations, and business needs.

BOARD-APPROVED POLICIES AND PROCEDURES

The Company's policies and procedures, approved by the Board, guide daily operations, compliance with legislation, governance management, and internal process streamlining. All policies and procedures are accessible via the Company's intranet.

ACCESS TO COMPANY INFORMATION

The Board has unrestricted access to all Company information, records, documents and property.

BOARD COMPETENCIES

Principle 07: The Accounting Authority should comprise the appropriate balance of knowledge, skills, experience, diversity, and independence for it to discharge its governance role and responsibilities objectively and effectively.

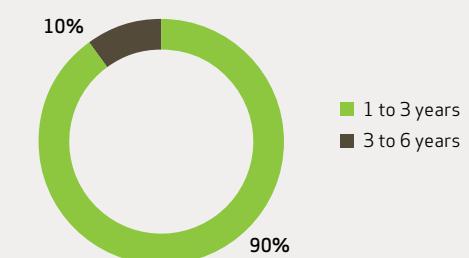
BOARD COMPOSITION

The Company's MOI outlines director composition, appointment, nomination, and rotation procedures, overseen by the Shareholder Representative.

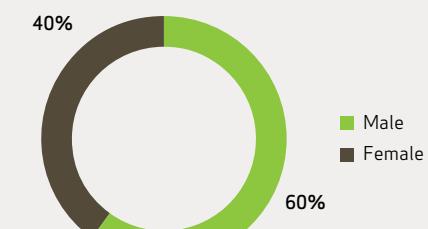
The Board strives for diversity, independence, and a balanced mix of knowledge, skills, and experience. The Corporate Governance and Nominations Committee regularly updates a skills matrix to achieve this balance.

NON-EXECUTIVE DIRECTORS' DEMOGRAPHICS

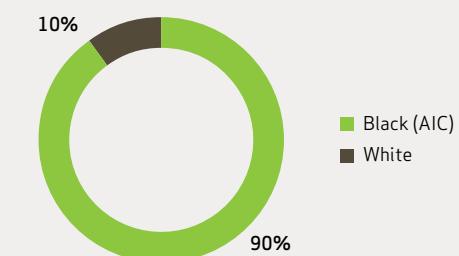
LENGTH OF TENURE



GENDER REPRESENTATION



RACE REPRESENTATION



Directors' Skills Matrix	
Skills, Strengths, and Expertise:	Oversight Strength:
Investment	Governance
Insurance	Leadership
Banking	Management
Risk and Compliance Management	Strategy
Human Resources, People Management and Industrial Relations	Organisational development
Legal	
Finance	
Accounting and Auditing	
Procurement	
Policy Development	
Stakeholder Relations	
Asset Management	
Business Development and Marketing	
Economic Development	
Transport and Logistics Management	
Project Management	
Supply Chain Management	
Taxation	
Shared Services	
Procedures and Process Redesign	
ICT, Functional Specifications and Business Analytics	
Internal Control Evaluation	
Audit Strategy and Management	
Forensic Investigations and Audit	
Climate Finance	
Decarbonisation Pathways	
Procedures and Process Redesign	
ICT, Functional Specifications and Business Analytics	

The Board is satisfied that the NEDs of the Company who are independent, in accordance with Principle 7 of King IV, have delivered on the Company's mandate and fulfilled its fiduciary responsibilities for the year under review.

BOARD DELEGATION TO COMMITTEES

Principle 08: The Accounting Authority should ensure that its arrangements for delegation within its own structures promote independent judgement and assist with the balance of power and effective discharge of its duties.

THE BOARD AND ITS COMMITTEES

The Board established the Audit, Remuneration, Social and Ethics, Corporate Governance and Nominations, Finance and Investment, and Risk Committees in accordance with statutory and non-statutory requirements. The Board is accountable to the Shareholder Representative for all decisions made, ensuring compliance with legislative and regulatory obligations.

COMMITTEE COMPOSITION

Board Committees consist of at least three members, as required by the MOI and respective charters. A detailed report on each Committee's composition and activities, meeting King IV disclosure requirements, is included as annexure (A) to this report.

BOARD EVALUATION

Principle 09: The Accounting Authority should ensure that the evaluation of its own performance and that of its own Committees, its chair and its individual members, support continued improvement in its performance and effectiveness.

BOARD PERFORMANCE EVALUATION POLICY

The approved Board Performance Evaluation Policy sets out the principles that guide the performance and effectiveness of the Board, Board Committees and individual Directors.

BOARD PERFORMANCE EVALUATION

The Executive Authority requires the Board to conduct an annual Board evaluation exercise, facilitated by an independent service provider. The evaluation assesses the performance of the Board and its Committees and makes recommendations where required. The Board performance evaluation for the 2023/24FY is in progress.

MEETING ASSESSMENTS

Meeting Assessments are conducted regularly at the Board and Committee meetings to ensure continuous improvement through feedback provided.

DIRECTOR INDUCTION AND CONTINUOUS DEVELOPMENT

The Group Company Secretary submits a Board training plan to address the Board and Committee training needs, focusing on topical, legislative, and regulatory issues, and recommendations from the Independent Board Evaluation Report. Directors are encouraged to identify their own training interests. Implementation of the 2023/24 FY Training Plan was interrupted by the Board's focus on the Recovery Plan and Company stabilisation. The following table depicts the training selected and attended by individual Directors for their continuous development during the year under review.

GOVERNANCE STRUCTURES AND DELEGATION continued

Continuous development sessions conducted in the 2023/24FY:

Training Topic	Date	Attendee
Improving Governance in the Public Sector	1 November 2023	Mr CS Benjamin Ms MP Zambane
Masterclass for Board Leadership	2 November 2023	Mr AH Sangqu
Governance of Ethics	11 March 2024	Ms BG Sedupane

DELEGATION OF AUTHORITY

Principle 10: The Accounting Authority should ensure delegation to management to contribute to role clarity and effective exercise of authority and responsibilities.

The Board recommends candidates for GCE and GCFO to the Shareholder Representative for appointment, with recent appointments made in 2024 following previous executives' departure. The REMSEC submits Prescribed Officers' appointments to the Board for notation.

The Chief Audit Executive is appointed by and reports to the Audit Committee Chair.

The Group Company Secretary, appointed by the Board from 1 April 2022, fulfils a statutory role crucial for corporate governance, providing expertise, counsel, and safeguarding organisational integrity.

DELEGATION TO MANAGEMENT

The Board delegates powers to the GCE to manage the business and provide direction to the Company's operations to ensure that the strategy is successfully implemented in line with the

DOA POLICY AND FRAMEWORK.

The GCE is assisted by members of the Group Executive Committee to deliver on specific functions in their respective areas of responsibility and expertise. The Company further carries out its mandate through its Operating Divisions and subsidiaries, which receive delegations from the GCE.

GOVERNANCE FUNCTIONAL AREAS

Principle 11: Risk Governance

The Accounting Authority should govern risk in a way that supports the organisation in setting and achieving its strategic objective.

INTEGRATED RISK MANAGEMENT POLICY

The Board approved an Integrated Risk Management Policy, outlining the Company's commitment to risk governance and reporting across all levels-strategic, compliance, tactical, and operational. The Policy is currently under review in line with the Company's Policy Framework.

As part of its strategy review, the Company adopted an ERM Strategy and Framework, approved by the Board. These governance documents are being aligned with the new R4G Strategy, informed by the Company's Recovery Plan and Freight Logistics Roadmap.

The Company conducts regular risk identification, assessments, evaluations, and monitoring, reporting findings to the Risk Committee for oversight. Significant changes in the Company's risk profile are escalated to the Board as necessary, following the risk matrix.

RISK COMMITTEE

The Board of Directors have established a Risk Committee which is responsible for oversight of risk management within the Company which include the following:

- Enterprise Risk Management Strategy and Framework;
- Integrated Risk Management Plan;
- Risk Appetite and Tolerance Framework;
- Enterprise Risk Management Methodology;
- Risk Maturity Surveys;
- Business Continuity Management Plans;
- Integrated Report (Risk Management section);
- Corporate Plan (Risk Management section); and
- Risk and Integrity Management Framework (RIMF) Implementation Plan.

ICT GOVERNANCE

Principle 12: Technology and Information Governance

The Accounting Authority should govern technology and information in a way that supports the organisation setting and achieving its strategic objectives.

ICT GOVERNANCE FRAMEWORK

The Board-approved ICT Governance Framework undergoes regular review and assessment for effectiveness. It sets out requirements for implementing robust ICT structures, principles, processes, and practices to support effective IT and Digital Governance within the Company. This framework also forms the basis for evaluating and monitoring ICT activities effectively across the organisation.

The purpose of the framework, is to define and assign roles and responsibilities for IT Governance to relevant stakeholders within the Company to:

- Ensure clear accountability and responsibility for IT Governance within Transnet Group;
- Implement an IT Governance structure that allows ICT to operate cohesively across the Company and enable the achievement of strategic business objectives;

- Align IT Governance with Company-wide governance practices;
- Adopt Technology and Information Governance good practices across Transnet Group;
- Ensure that all Technology and Information decisions are business case driven to the maximum benefit of the Company;
- Develop understanding and support of the practices driving the success of the ODs; and
- Attain and maintain the buy-in of the CIOs for transversal initiatives.

DELEGATION TO MANAGEMENT TO IMPLEMENT AND EXECUTE EFFECTIVE TECHNOLOGY AND INFORMATION MANAGEMENT

The Board-approved DOA Framework addresses the delegation of ICT responsibilities from the Board to Management. The Risk Committee is tasked with overseeing ICT risk management and ensuring the establishment and implementation of business continuity initiatives. These initiatives are crucial for the Company to operate under ICT instability and recover from serious risk incidents effectively.

ICT INTEGRATION

There is integration of people, technologies, information, and processes across the Company to help achieve business objectives. In this regard, technology and information are also used ethically and responsibly in compliance with relevant legislations.

ICT ROLE IN ENSURING BUSINESS RESILIENCE

ICT related challenges on disaster recovery plans and tests were reported to the Board and its Committees in the year under review.

ENSURING RESPONSIVENESS TO CYBER SECURITY AND SOCIAL MEDIA RISKS

The Board is regularly briefed on the Company's cyber security posture and plans. The Company positions cyber security as a top priority and this aids the Company to guard against any resultant negative impact and reputational damage.

MONITORING OF THIRD-PARTY AND OUTSOURCED SERVICE PROVIDER RISKS

The Company conducts thorough due diligence to assess risks and vulnerabilities before engaging with third-party service providers. As part of the tender process, monitoring of Domestic Politically Exposed Persons (PEPs), Prominent Influential Persons (PIPs), and Foreign Politically Exposed Persons have been integrated to identify high-risk individuals. This includes standard checks for high-value tenders.

MONITOR AND EVALUATE VALUE DELIVERED FROM TECHNOLOGY INVESTMENTS AND PROJECTS

The Company regularly monitors investments and technology related projects to ensure that the Company derives full value from such investments.

MANAGEMENT OF THE DISPOSAL OF OBSOLETE TECHNOLOGY AND INFORMATION

This aspect is governed by the Divisional Bid Acquisition Council.

THE ETHICAL AND RESPONSIBLE USE OF ICT AND COMPLIANCE WITH APPLICABLE LAWS

The Board has requested and been provided with insight on the ICT's regulatory universe.

GOVERNANCE FUNCTIONAL AREAS continued

Oversee Management of Information (Including Use of Information Architecture, Protection of Privacy and Security).

ICT analyses Company data to ensure compliance with regulatory requirements, including the POPI Act, and adherence to internal policies, standards, architecture, and procedures.

THE OVERVIEW OF ARRANGEMENTS GOVERNING AND MANAGING TECHNOLOGY AND INFORMATION

The ICT Executive Committee is tasked with advising the Group Executive Committee on ICT Strategy, Corporate Plans, and Digital initiatives. They oversee the development and implementation of data and information architecture to ensure the confidentiality, integrity, and availability of information.

AREAS OF CURRENT AND FUTURE FOCUS

ICT aims to employ a digital first culture to digitise both existing and next-generation products and services. The digital first approach is enabled by the provision of digital platforms as well as disruptive and enabling technologies to support digital transformation which underpins a strong digital backbone and leverages on an ecosystem that includes strategic partnerships to ensure that ICT provides agile and innovative services.

SIGNIFICANT CHANGES, ACQUISITIONS, INCIDENT MANAGEMENT AND REMEDIAL ACTION

The main responsibility of the ICT Leadership (Management Committee and Operating Divisions), along with IT Service Providers, is to oversee ICT operations. The Change Advisory Board supports a change-management team by advising, assessing, and prioritising changes. Acquisitions are handled by the Transnet Acquisition Council, facilitated by the Supply Chain Management Department. Incident management, problem resolution, and remedial actions are overseen by the ICT Service Management team, reporting to the Enterprise Technology Services functional unit.

COMPLIANCE GOVERNANCE

Principle 13: Compliance Governance

The Accounting Authority should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that it supports the organisation being ethical and a good corporate citizen.

COMPLIANCE MANAGEMENT

The Company has a dedicated Regulation and Compliance function to support the Board and Management in fulfilling their compliance responsibilities. This function provides advice, risk management support, independent monitoring, and reporting on compliance controls for critical regulatory requirements. Management is accountable for implementing these controls.

With approximately 176 primary legislative requirements, including 53 strategic ones, compliance is managed through a decentralised model using a risk-based approach. Compliance Officers are appointed within Operating Divisions and at the Corporate Centre to oversee implementation.

The Risk Committee approved the 2024/25FY Compliance Plan aligned with the overall Compliance Strategy, focusing on enhancing business accountability and integration. Regular reviews of Compliance Standards and Frameworks ensure adaptation to changing environments.

The Compliance Policy has been integrated into the Compliance Framework and the Integrated Risk Management Policy, retiring the standalone Policy. Inspections by environmental regulators are tracked, monitored, and reported in the Integrated Report.

REMUNERATION MANAGEMENT

Principle 14: Remuneration Governance

The Accounting Authority should ensure that the organisation remunerates fairly, responsibly and transparently to promote the achievement of strategic objectives and positive outcomes in short, medium, and long term.

REMUNERATION, SOCIAL AND ETHICS COMMITTEE

The Committee reviews the Shareholder's advisory vote on the Remuneration Policy and assists in aligning the Company's remuneration practices with its strategy. They propose fees for independent Non-Executive Directors to the Shareholder Representative for approval at the AGM. The Committee and Board regularly evaluate their effectiveness and policies.

REMUNERATION POLICY

The Board approved the Management Remuneration Policy recently. The Company is now developing a detailed implementation plan to roll out the Policy across the business. Annually, the Remuneration and Implementation report is presented separately for a non-binding advisory vote by shareholders at the AGM.

REMUNERATION REPORT

This report details fees for Non-Executive Directors, and remuneration for Executive Directors and Prescribed Officers, covering both current and prior years. It is subject to a non-binding advisory vote at the AGM.

AUDIT FUNCTION

Principle 15: Assurance

The Accounting Authority should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision making and of the organisation's external reports.

INTERNAL AUDIT

The Board delegates oversight of Internal Audit and External Audit activities to the Audit Committee, which approves and updates the Internal Audit Charter detailing Transnet Internal Audit's purpose, authority, and responsibilities as needed. The Chief Audit Executive (CAE) ensures Internal Audit's independence, reporting functionally to the Audit Committee and administratively to the Group Chief Executive. The CAE, a permanent member of the Group Executive Committee, has direct access to the Audit Committee Chairperson. The CAE's appointment was approved in March 2022, with ongoing performance assessments conducted annually. TIA submits a three-year risk-based audit plan annually for Audit Committee approval; plans for 2023/24 and 2024/25 were approved in May 2023 and February 2024, respectively.

An annual statement on governance, risk management, and internal controls' effectiveness is submitted to the Audit Committee. The 2023/24 CEA and Internal Financial Controls (IFC) Assessment were noted in August 2023, with the 2024/25FY assessments presented in May 2024.

TIA's Quality Assurance and Improvement Programme includes continuous internal quality assurance and external independent reviews every five years. The 2022 External Quality Assurance Review confirmed 'Generally Conforms,' the highest level of conformance. All Internal Audit staff annually declare adherence to TIA's Code of Ethics and Independence requirements;

for 2024/25FY, no ethical breaches or conflicts impacting independence were identified.

The CAE affirmed that Internal Audit functions executed their duties independently during the 2023/24FY Audit plan without undue influence, threats to independence, or breaches of professional conduct.

COMBINED ASSURANCE

Combined Assurance Forums are established for specific Priority Focus Areas (PFA), with ongoing rollout of the approved Policy and Framework across Operating Divisions. Combined Assurance Maps have been developed and are being implemented.

Ongoing engagements with External Audit explore opportunities to streamline Audit scope and reduce costs and operational burden.

Combined Assurance, Internal Audit, and External Audit reports are submitted to the Audit Committee to assess information integrity and control effectiveness. The Combined Assurance Plan for 2024/25 is under compilation for Audit Committee approval.

ASSURANCE OF EXTERNAL REPORTS

External Audit fulfils its statutory obligation by providing assurance on the Company's Financial Statements. They review the Integrated Report to ensure consistency with the audited annual financial statements. TIA, through its risk-based Audit plan, provides assurance on the Corporate Plan development process and assesses performance target assumptions, among other reviews.

STAKEHOLDER MANAGEMENT

Principle 16: Stakeholder

In the execution of its governance roles and responsibilities, the Accounting Authority should adopt a stakeholder inclusive approach that balance the needs, interests and expectation of material stakeholders in the best interests of the organisation over time.

STAKEHOLDER RELATIONSHIPS

The Group Chief Executive is delegated authority over material stakeholder issues, integrating them into the Company's strategy and risk management reports to the Board. Stakeholder engagement aligns with the Company's Culture Charter and values, focusing on inclusivity, accountability, materiality, and responsiveness. Stakeholder engagement performance is a key indicator in Balanced Scorecards for appointed Stakeholder Relationship Owners. Corporate Affairs manages stakeholder management, with overall Board responsibility. The annual Stakeholder Engagement Report summarises engagements and is presented to the Board via the Remuneration, Social and Ethics Committee, and externally in the Annual Integrated Report.

Guided by AA1000 standards (Accountability Principles Standard 2008 and AA1000 Stakeholder Engagement Standard 2011), the report assesses stakeholder relationship quality and responses. The Stakeholder Engagement Policy and Procedure are Board-approved.

STAKEHOLDER MANAGEMENT

Stakeholder engagement practices align with the DOA Framework. A Group Stakeholder Engagement Forum coordinates and standardises stakeholder management approaches. Regional Stakeholder Engagement Forums and the TCC Stakeholder Engagement Forum oversee community engagements, grievances, and developments.

The Stakeholder Engagement Policy details procedures for managing all stakeholder interactions. The Stakeholder universe identifies critical stakeholders influencing the Company. Frameworks aim to enhance engagement with key stakeholders. Corporate Affairs updates social aspects in ESG reporting, adhering to new ESG standard guidelines.

SHAREHOLDER RELATIONSHIP; INCLUDING THE ANNUAL GENERAL MEETING (AGM)

Continuous engagement occurs with the Shareholder Representative and the Executive Authority. The AGM notice was posted on the Company's website. The Auditor General South Africa, serving as the Company's external auditor, attended the 33rd AGM held on 31 August 2023.



ANNEXURE A

EFFECTIVE MEETINGS

The Board and its Committees convene at least four times annually, with additional meetings scheduled as needed. These sessions are coordinated by the Group Company Secretary, aligning with approved Annual Work Plans and the Corporate Calendar. Special meetings may be convened at the Chairperson's or any Director's request following appropriate consultation.

Before each formal meeting, members and attendees of the Board and its Committees declare their interests. Similarly, members and attendees of the Group Executive Committee and its Sub-Committees declare interests before or at the start of meetings. These declarations are documented in the meeting minutes, which are presented for approval at the subsequent scheduled meeting.

Schedule of Directors attendance at Board and Committee meetings for the year ended 31 March 2024

Board/Committee	Board	Audit Committee	Corporate Governance and Nominations Committee	Finance and Investment Committee	Remuneration, Social and Ethics Committee	Risk Committee
Number of meetings held	22	7	9	11	10	6
Mr AH Sangqu*	17	-	8	-	-	-
Ms MJ Phillips (GCE) ²	9	-	-	-	-	-
Mr CS Benjamin ³	12	4	7	6	-	-
Ms SRM Buthelezi*	13	6	2	6	-	-
Mr MAW Debel*	17	6	-	8	-	4
Ms LM Letsoalo*	15	-	-	7	9	4
Mr BM Jiya*	17	2	-	3	9	2
Ms H Makhathini ¹	10	-	-	-	-	-
Mr DD Patel*	14	6	6	8	-	-
Ms BG Sedupane*	16	3	-	-	9	4
Ms MP Zambane*	17	3	8	-	9	4
Dr PS Molefe [§]	12	-	1	-	-	-
Ms PPJ Derby@	13	-	-	-	-	-
Ms NS Dlamini [!]	14	-	-	-	-	-
Ms UN Fikelepi*	3	1	1	-	-	2
Ms ME Letlape*	5	1	-	3	1	2
Ms DC Matshoga*	3	-	1	1	-	-
Prof FS Mufamadi	15	-	7	-	10	-
Mr AP Ramabulana*	5	1	-	3	-	1

* Rotated as a Non-Executive Director effective 11 July 2023

Appointed as Non-Executive Director of the Company effective 12 July 2023

³ Appointed as a Non-Executive Director of the Company effective 1 September 2023

! Resigned as Executive Director of the Company effective 29 September 2023

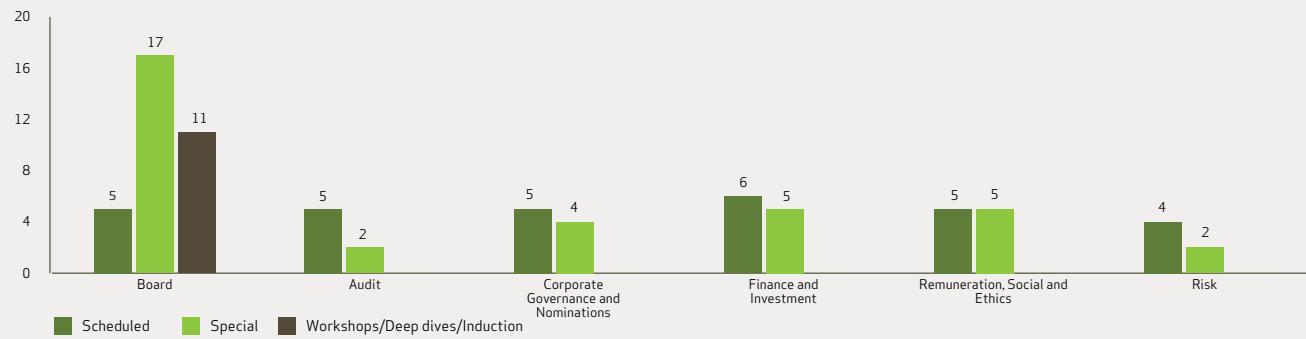
@ Ceased to be a director of the Company effective 31 October 2023

§ Resigned as a Non-Executive Director of the Company effective 31 October 2023

¹ Appointed as an Executive director of the Company effective 30 September 2023

² Appointed as an Executive Director of the Company effective 1 November 2023

BOARD AND COMMITTEE MEETINGS FOR THE 2023/24FY



THE BOARD OF DIRECTORS

The Board's purpose is to ensure that the Company remains a sustainable organisation that can achieve its strategic, statutory and other objectives. To fulfil this purpose, the Board must govern and control the Company's business. Directors owe a fiduciary duty to the Company.

The Board held 22 meetings during the year under review and some of the matters addressed by the Board are outlined below:

1. Turnaround Plan (Transnet Recovery Plan);
2. Approval of the 2022/23FY Integrated Report, Annual Financial Statements (incl. Director's report, Going Concern Assessment, press release, and all other year end reports/statements recommended by the respective Committees);
3. Transnet Rehabilitation Trust Financials;
4. Approval of the Company's 33rd AGM pack including notice and proposed resolutions;
5. King IV Application Register for the 2022/23FY;
6. Ethics Commitment Statement and Retirement of the Code of Ethics;
7. ICT Governance Framework;
8. Transnet Preferential Procurement Policy;
9. Whistle Blowing Policy;
10. Declaration of Interest and Related Party Disclosures Policy for Employees;
11. 2024/25FY Capital Investment, Funding Plans and Funding Mandate;
12. 2024/25FY Shareholders' Compact;
13. 2024/25FY Corporate plan;
14. Government Guarantee Framework and Conditions;
15. Transnet Rail Infrastructure Manager Establishment and Network Statement;
16. Annual Work Plans and Corporate Calendar; and
17. Insurance Renewal.

ANNEXURE A continued

BOARD COMMITTEES

The Board has established the following Board Committees:

1. AUDIT COMMITTEE

The Board has delegated the Committee to oversee the efficiency and effectiveness of the operational, accounting, financial, compliance, technology and other internal control and systems within the Company, thereby ensuring the reliability and integrity of information generated through these systems.

Audit

Chairperson

Mr CS Benjamin

Ms SRM Buthelezi

Mr MAW Debel

Mr BM Jiya

Mr DD Patel

Ms MP Zambane

The Committee held seven meetings during the year under review and some of the matters considered by the Committee are outlined below:

1. Internal Audit Charter
2. Internal Audit Plan
3. Combined assurance plan
4. Accounting policies
5. Balance sheet optimisation
6. Asset maintenance Policy
7. Audit Committee Report for the 2022/23FY
8. 2022/23FY Integrated Report, Annual Financial Statements (incl. Going Concern Assessment, press release, Management Representation Letters, and all supporting reports/statements)
9. JSE Annual Compliance Checklist
10. 2023 Q2 (Interim) Draft Financial Statements (incl. all supporting reports and statements)

2. REMUNERATION, SOCIAL AND ETHICS COMMITTEE

The Board has delegated the Committee to oversee the Social and Ethics functions, Safety, Security, People Management, Remuneration and ESG sustainable development.

Committee Composition as at 1 June 2024:

Remuneration, Social and Ethics

Chairperson

Prof FS Mufamadi

Mr BM Jiya

Ms LM Letsoalo

Ms BG Sedupane

Ms MP Zambane

The Committee held 10 meetings during the year under review and some of the matters considered by the Committee are outlined below:

1. Ethics Commitment Statement and Retirement of Code of Ethics
2. Policies: Remuneration Policy, Stakeholder Engagement Policy, Brand Compliance Policy, Management Remuneration Policy, Language Policy
3. Establishment of Transnet Rail Infrastructure Manager as an Operating Division in the Transnet organisation structure
4. 2023 Annual Reports (Stakeholder Engagement, Remuneration and Sustainability Report)
5. ESG Strategy
6. Incentive Scheme for Management
7. Bargaining Unit OD Productivity Incentive Scheme

3. CORPORATE GOVERNANCE AND NOMINATIONS COMMITTEE

The Board has delegated the Committee to oversee the Company's compliance with, and approach to, all applicable regulations and guidelines related to corporate governance matters as well as to recommend proposed appointments of members of directors to subsidiary boards. The Committee is also responsible for ensuring that succession plans for Executive Directors are developed and in place.

Committee Composition as at 1 June 2024:

Corporate Governance and Nominations
Chairperson
Mr AH Sangqu
Mr CS Benjamin
Pro FS Mufamadi
Mr DD Patel
Ms BG Sedupane
Ms MP Zambane

The Committee held nine meetings during the year under review and some of the matters considered by the Committee are outlined below:

1. Monitoring of the performance against the Shareholder's Compact targets;
2. Policy on Non-Executive Directorship and Trusteeship of Transnet employees;
3. Retirement of the Governance Policy Framework;
4. Compliance Strategy;
5. Succession Plans for Executive Directors (GCE and GCFO);
6. Board skills matrix;
7. Board Committee compositions;
8. Non-Executive Directors Training and Development Plan; and
9. Company's 33rd AGM pack including notice and proposed resolutions.

4. FINANCE AND INVESTMENT COMMITTEE

The Board has delegated the Committee to oversee the investment strategies, to achieve a high level of confidence from investors in the Group Companies' credit worthiness.

Committee Composition as at 1 June 2024:

Finance and Investment
Chairperson
Mr DD Patel
Mr CS Benjamin
Mr MAW Debel
Ms LM Letsoalo
Mr BM Jiya

ANNEXURE A continued

The Committee held 11 meetings during the year under review and some of the matters considered by the Committee are outlined below:

1. Transnet Procurement Policy;
2. Balance Sheet Optimisation project;
3. SCM Policy amendment;
4. Contract Management Policy;
5. Amendment of the DOA SCM Chapter; and
6. All key investment decisions within the ambit of the Committee in line with the Delegation of Authority Policy and Framework.

5. RISK COMMITTEE

The Board has delegated the Committee to oversee the quality, integrity and reliability of enterprise risk management strategies and practices.

Committee Composition as at 1 June 2024:

Risk
Chairperson
Ms MP Zambane
Ms SRM Buthelezi
Mr MAW Debel
Ms LM Letsoalo
Prof FS Mufamadi

The Committee held six meetings during the year under review and some of the matters considered by the Committee are outlined below:

1. Monitoring of risks and mitigation plans for Operating Divisions and business units;
2. Risk section of the Integrated Report;
3. Risk Management Report;
4. Information Classification Framework;
5. ICT Governance Framework;
6. Fraud Risk Management Framework and Methodology;
7. Compliance Operational Plan for the 2024/25FY; and
8. Insurance Renewal for the 2024/25FY.