

# TRANSNET



## DECLARATION OF INTEREST AND RELATED PARTY DISCLOSURES POLICY



Policy Number:	
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Review Date:	As required
Compiled By:	Group Company Secretariat
Signature:	
Authorised By:	Transnet Executive Committee
Signature:	

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**Policy name:** Declaration of Interest and Related Party Disclosures Policy

**Effective Date:** X

**Review Date:** X

## 1. INTRODUCTION

- 1.1 Transnet is committed to ensuring effective governance and risk management throughout the organisation.
- 1.2 This policy, which supports the Transnet Code of Ethics and Fraud Risk Management Plan, provides a governance framework to regulate declarations of interest and provides for related party disclosures.

## 2. POLICY STATEMENT

- 2.1 Transnet is committed to complying with the relevant requirements of the Companies Act ("the Act") and the principles of corporate governance.
- 2.2 This policy is intended to highlight the duties of the employee towards Transnet and its stakeholders, and to specify guidelines for all employees to conduct themselves in a transparent, responsible, fair and ethical manner.

## 3. PURPOSE OF THE POLICY

- 3.1 The purpose of the policy is to:
  - 3.1.1 Create awareness of what constitutes a conflict of interest, including direct and indirect interests;
  - 3.1.2 Provide guidance to employees on the disclosure of interests and related party transactions; and
  - 3.1.3 Create an environment in which employees understand what the consequences are for non-compliance.

## 4. SCOPE

### 4.1 Declaration of interest in contracts

**Applicable to:** All employees who have an interest, either directly or indirectly, in any new or existing contract with an entity external to Transnet which may conduct, or does conduct business with Transnet.

**To be completed:** Annually by Management and as and when an interest in a contract is identified and all other employees as and when identified.

**To be submitted:** to the relevant Company Secretary/Governance Officer.

**The relevant forms for completion:** Annexure "A".

### 4.2 Related party disclosures / Annual declarations

**Applicable to:** All related party transactions of all employees, where knowledge of such related party transactions, outstanding balances and relationships may affect assessments of Transnet's operations by users of financial statements, including assessments of the risks and opportunities facing Transnet.

**To be completed:** Annually and as and when directorship or financial interest changes within the financial year.

**To be submitted:** to the relevant Company Secretary/Governance Officer.

**\*In respect of the Executive Committee and the extended Executive Committee:** to the Group Company Secretary

**The relevant forms for completion:** Annexure "B".

### 4.3 Declaration of Interest at meetings

**Applicable to:** All members of/attendees at key meetings (as defined in this policy).

**To be completed:** At each key meeting.

**To be submitted:** to the applicable Committee Secretary.

**The relevant forms for completion:** Annexure "C".

## 5. DEFINITIONS

5.1 **"Conflict of interest"** means a situation in which private interests or personal considerations (including affiliation / relationship, favouritism and nepotism as defined below) affect, may affect, or may be perceived to affect, an employee's judgement in acting in the best interests of Transnet, including using an employee's position, confidential information, corporate time, material or facilities, for:

- Private gain or advancement; or
- The expectation of private gain or advancement;

of the employee or any member of the employee's family, or friends or business associates of the employee."

### 5.1.1 Related definitions:

#### Affiliation / Relationship

Involvement with a vendor, or service provider, on the part of the employee, the employee's family, or friends or business associates of the employee, including serving as a board member, employee, consultant or advisor to a current or potential service provider.

#### Nepotism

The appointment, employment, promotion or advancement of a family member or relative in a position, or the advocacy of such actions by any employee, where that employee is able to influence, directly or indirectly, the decisions relating to these specified actions.

#### Favouritism

An inclination in attitude or behaviour to show preferential treatment towards a certain person, group or entity.

#### Involvement

Business, social or family connection which may contribute to any undue influence in favour of the third party.

5.2. **"Declaration of interest"** as provided for in the Companies Act No. 61 of 1973, places a duty on all directors or officers of a company to disclose their interest in contracts. The Act requires a director or officer of a company:

- who is directly or indirectly interested in a contract or proposed contract, which has been or will be entered into by the company OR
- who becomes interested in a contract after it has been entered into to declare his interest and full particulars of the interest.

This duty relates to contracts or proposed contracts which is of significance in relation to a company's business and which is entered into or will be entered into:

- (a) In pursuance of a resolution taken or to be taken at a meeting of directors of a company; or
- (b) By a director or officer of the company who alone or together with others has been authorized by the directors of the company to enter into the contract or a similar contract.

5.2.1 For purposes of this policy the above requirement to disclose interests in contracts is expanded to include all employees.

5.3 **"Material"** means information, which if omitted or misstated, could influence the economic decisions of users and includes a change in or constituent of a particular factor which may be regarded in the circumstances as being material.

5.4 **"Key meeting"** includes any meeting where decisions regarding contracts or any other significant financial transactions are made. This may include, but is not limited to; awarding of tenders, negotiation of tariff structures, any third party transactions where the decision makers may hold any direct or indirect financial interest or where any Transnet employee may benefit in any way from the transaction (including any indirect benefit to a related third party). These meetings may include, but are not limited to; Group Executive Committee and related sub committees, e.g. Group Finance Committee, Group Operations Committee, etc.

5.5 **"Related party"** means a party is related to an entity if:

- (a) directly, or indirectly through one or more intermediaries, the party:
  - (i) controls, is controlled by, or is under common control with, the entity (this includes parents, subsidiaries and fellow subsidiaries);
  - (ii) has an interest in the entity that gives it significant influence over the entity; or
  - (iii) has joint control over the entity;
- (b) the party is an associate of the entity;
- (c) the party is a joint venture in which the entity is a venturer;
- (d) the party is a member of the key management personnel of the entity or its parent;
- (e) the party is a close member of the family of any individual referred to in (a) or (d);
- (f) the party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (d) or (e); or
- (g) the party is a post-employment benefit plan for the benefit of employees of the entity, or of any entity that is a related party of the entity.

### 5.5.1 **Related definitions:**

**A related party transaction:** is a transfer of resources, services or obligations between related parties, regardless of whether a price is charged.

**Close family members:** includes your spouse or domestic partner (if not married), your children or your domestic partner's children, and your dependants or dependants of your spouse or domestic partner.

**Control:** is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

**Joint Control:** is the contractually agreed sharing of control over an economic activity.

**Key Management personnel:** are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

**Significant influence:** is the power to participate in the financial and operating policy decisions of an entity, but is not control over those policies. Significant influence may be gained by share ownership, statute or agreement.

## 6. ROLES AND RESPONSIBILITIES

Members of the Group Executive Committee are responsible and accountable for the implementation of this policy.

The relevant Company Secretary / Governance Officer is responsible for ensuring that the declarations referred to in this policy are distributed and received timeously.

It is the responsibility of each employee to declare their interest as referred to in this policy, as and when it arises.

## 7. RELATED INFORMATION

The policy must be read in conjunction with the following related internal and external documents.

### **Internal Documents:**

- Transnet Code of Ethics, Disciplinary Code and relevant employment contracts.
- Policy on Non-Executive Directorship and Trusteeship of Transnet employees.

### **External Documents:**

- The Companies Act No.61 of 1973;
- The provisions of sections 234 to 241 of the Companies Act, Act No.61 of 1973, relating to the duty of a director or officer to disclose interests in contracts and the procedure for making declarations of interest;
- The King Code on Corporate Governance;
- International Accounting Standard 24 Related Party Disclosures.

**8. SPONSOR / OWNER OF POLICY AND APPROVAL****Policy sponsor:**

Group Executive: Office of the Group Chief Executive

**Policy owner:**

Group Company Secretary

**Approved by:**

Group Executive Committee

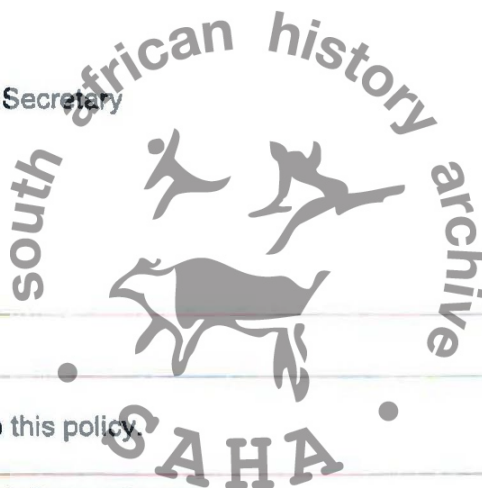
**Contact Person:**

Position: Group Company Secretary

Contact Details:

Telephone: 011-308 2424

Fax: 011- 308 2430

**9. EXCLUSIONS**

There are no exclusions to this policy.

**10. CONTRAVENTION OF THE POLICY**

Non-compliance with this policy and the procedures is considered to be misconduct and employees will be subjected to disciplinary action that could lead to dismissal as well as criminal/civil action.

All suspected incidents of contraventions of this policy should be reported to senior management, Transnet Tip-offs Anonymous Hotline/or Transnet Internal Audit for investigations.

**11. ACKNOWLEDGEMENT BY POLICY OWNER**

A search was conducted and there is no conflict or duplication between the current policy and any existing policies.

**NAME:**

**DESIGNATION:**

**SIGNATURE:**





Annexure A

**DECLARATION OF INTERESTS IN CONTRACTS**

<b>Surname</b>		<b>Residential Address</b>	
<b>First Names</b>			
<b>Nationality</b>			
<b>Identity No</b>		<b>Business Address</b>	
<b>Date of Birth</b>			
<b>Occupation/Position</b>		<b>Postal Address</b>	
<b>Employer/Division</b>			

1. Please identify all existing or potential contracts or third party transactions, in so far as they relate to Transnet, in which you may have a direct/indirect interest, or where you may have significant participation or involvement.

<b>Name of contract/ transaction</b>	<b>Details</b>	<b>Name of third party</b>	<b>Registered address</b>	<b>Registration Number</b>	<b>Nature of interest/ participation</b>

Employee Signature \_\_\_\_\_ Employee Number \_\_\_\_\_

Date \_\_\_\_\_



**TRANSNET LIMITED**  
**ANNUAL DECLARATION OF INTERESTS**

<b>Surname</b>		<b>Residential Address</b>	
<b>First Names</b>			
<b>Nationality</b>			
<b>Identity No</b>		<b>Business Address</b>	
<b>Date of Birth</b>			
<b>Occupation/Position</b>		<b>Postal Address</b>	
<b>Employer/Division</b>			

1. Directorships and other financial interests (Please indicate all entities of which you are a director, and all entities that are controlled/jointly controlled/significantly influenced by you, or in which you have a shareholding or similar interest.)

<b>Name of entity</b> <i>(e.g. Autopax Passenger Services (Pty) Limited)</i>	<b>Registered address</b> <i>(e.g. Transnet Limited, 47<sup>th</sup> Floor, Carlton Centre, 150 Commissioner Street, Johannesburg)</i>	<b>Registration number</b> <i>(e.g. 1995/000861/07)</i>	<b>Nature of Interest</b> <i>(e.g. Non-Executive Director/Shareholder)</i>	<b>Date of Appointment or Acquisition of Interest</b> <i>(e.g. 13 July 1999)</i>	<b>% held</b> <i>(e.g. NIL)</i>

Employee Signature \_\_\_\_\_ Employee Number \_\_\_\_\_

Date \_\_\_\_\_



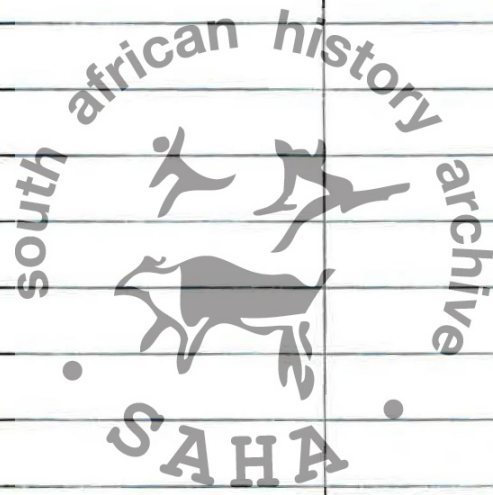
**TRANSNET LIMITED**

**RELATED PARTY DISCLOSURES**

**2. Family members (Please identify all your close family members)**

Close family members include your spouse or domestic partner (if not married), your children or your domestic partner's children, and your dependants or dependants of your spouse or domestic partner

Full names and Surname	Relationship with Employee



Employee Signature \_\_\_\_\_ Employee Number \_\_\_\_\_

Date \_\_\_\_\_

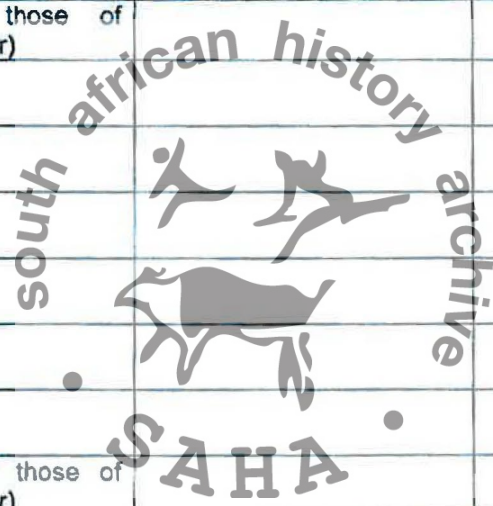


**TRANSNET LIMITED**

**RELATED PARTY DISCLOSURES**

3. Directorships and other financial interests of the family members as identified on page 2 (Please identify every entity of which any close family member of yours is a director or manager, or which is controlled/jointly controlled/significantly influenced by any such close family member, or in which any such close family member has a shareholding or other similar interest)

Full names and Surname of close family relative	Entity where financial interest held	Nature of financial interest	% held
a) Spouse/Domestic partner			
1.			
b) Children (Own, or those of spouse/domestic partner)			
1.			
2.			
3.			
4.			
5.			
6.			
c) Dependants (Own, or those of spouse/domestic partner)			
1.			
2.			
3.			
4.			
5.			
6.			



Employee Signature \_\_\_\_\_ Employee Number \_\_\_\_\_

Date \_\_\_\_\_

**TRANSNET LIMITED**

**RELATED PARTY DISCLOSURES**

**Declaration by Employee**

I \_\_\_\_\_  
(Full names and surname printed)

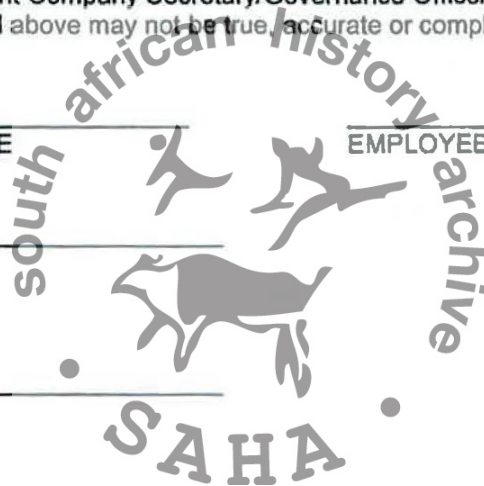
declare that the information provided above (on pages 1-3 of this document) is to the best of my knowledge true, and, that I fully understand the contents of this declaration. I also undertake that I will immediately notify the relevant Company Secretary/Governance Officer should it come to my attention that any information provided above may not be true, accurate or complete.

SIGNATURE OF EMPLOYEE \_\_\_\_\_

EMPLOYEE NUMBER \_\_\_\_\_

DATE : \_\_\_\_\_

PLACE : \_\_\_\_\_





**TRANSNET LIMITED**

**DECLARATION OF INTERESTS AND REGISTER OF DIRECTORS AND EXECUTIVE  
MANAGEMENT FORM**

**Certification by a Transnet Ltd representative - Group Company Secretary**

I certify that the deponent has acknowledged that she/he knows and understands the contents of this declaration.

*(Signed : For and on behalf of TRANSNET LIMITED) by Divisional CEO/Group Company Secretary*

Full first names and surname :

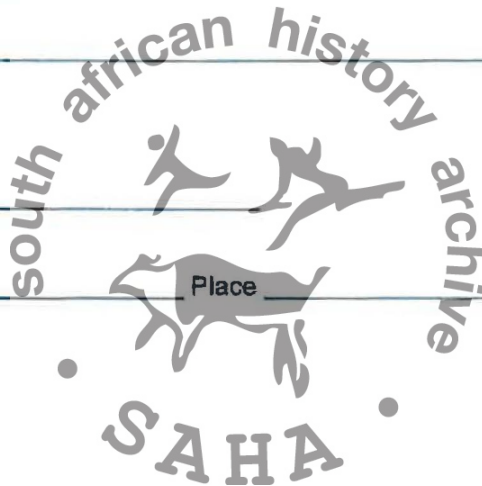
*(Block letters)*

Designation

Employee Number

Date

Place



**NOTE :**

Remember that a copy of the completed form must be submitted by the employee to the company secretary for purposes of recording it in the Register of Designated Employee's Interests.



**DECLARATION OF INTEREST (MEETINGS)**

Reference : Pack for the \_\_\_\_\_, meeting number \_\_\_\_\_ to be held/held on \_\_\_\_\_ 20\_\_.

I, the undersigned, \_\_\_\_\_ declare that :

- (a) I am not in any way, whether directly or indirectly, save in my capacity as an employee of Transnet/representative of \_\_\_\_\_, interested in any contract or proposed contract, which has been or is to be entered into by the Company, and which is to be discussed at the abovementioned meeting;
- (b) I am not in any way, whether directly or indirectly, save in my capacity as an employee of Transnet/representative of \_\_\_\_\_, interested in any other matter which is to be discussed at the abovementioned meeting;
- (c) I do not have any relationship, whether of a family, business, social or other nature, with any person who has any interest, whether direct or indirect, in any contract or other matter to be discussed at the abovementioned meeting;
- (d) Should I at any stage before, during or after the abovementioned meeting become aware of the existence of an interest or relationship of the nature described above, I will immediately disclose such interest or relationship to Transnet.

SIGNED AT \_\_\_\_\_ ON THE \_\_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_.

\_\_\_\_\_  
COMMITTEE MEMBER/ATTENDEE

\_\_\_\_\_  
EMPLOYEE NUMBER

**TO BE COMPLETED BY THE COMMITTEE/SECRETARY**

Name : \_\_\_\_\_

OD/Specialist Unit/Subsidiary: \_\_\_\_\_

\_\_\_\_\_  
COMMITTEE SECRETARY