

# Managing sustainability at Transnet

Sustainability issues are cross-cutting and pervasive in the business. For this reason, the Company has not established a separate sustainability division. The approach adopted has been one of co-ordination, seeking constantly to highlight aspects of stakeholder value creation within the Quantum Leap strategy and NGP commitments. The Company is currently assessing whether the Quantum Leap strategy, together with NGP commitments, provide an adequate sustainability framework to work within or whether a separate framework for sustainability would be preferable.

Either way, Transnet is committed to consolidating its plan of action around sustainability. Accordingly, the Company will undertake further sustainability processes in the year ahead, both internally and with a range of external stakeholders. Finalisation of the sustainability strategy is the responsibility of Transnet's newly established Board Social and Ethics Committee, which has executive oversight of the Company's sustainability performance.

## KEY SUSTAINABILITY ACTIONS FOR 2012

- Finalise the sustainability framework and clarify its relationship to the NGP and Quantum Leap strategy.
- Develop a sustainability dashboard, based on the framework, to track priority sustainability-related initiatives and competencies across the Company.
- Finalise the development of sustainability indicators and targets.
- Develop a management system for sustainability-related data to facilitate tracking and reporting of sustainability indicators.
- Clarify the sustainability reporting structure as a cross-functional, inter-departmental driver within Transnet.
- Use the Integrated Annual Reporting process (as required by King III) to develop an understanding of sustainability across the Operating divisions.
- Use creative communications to deepen the understanding of what sustainability means for Transnet and inspire commitment of staff to a sustainable future.
- Engage with both internal and external stakeholders on the Company's sustainability challenges and opportunities as well as the priority issues that should be addressed.
- Review the enterprise risk analysis from a sustainability perspective and explore the opportunities arising from sustainability trends.
- Develop the capacity of internal audit teams to integrate sustainability elements within their audit protocols.
- Stay abreast of emerging debates and thinking around sustainability in general, and those pertaining to the freight industry in particular.



Water quality testing, Durban.