

Abbreviations and acronyms

AGM	Annual General Meeting
B-BBEE	Broad-Based Black Economic Empowerment
Capex	Capital expenditure
CEO	Chief Executive Officer
CIDB	Construction Industry Development Board
CIPC	Companies and Intellectual Property Commission
CMS	Condition Monitoring System
CPI	Consumer price index
CSI	Corporate social investment
CSIR	Council for Scientific and Industrial Research
DCT	Durban Container Terminal
DIFR	Disabling injury frequency rate
DPE	Department of Public Enterprises
EBITDA	Earnings before interest, taxation, depreciation and amortisation
ED	Enterprise Development
ERM	Enterprise risk management
ESD	Enterprise and supplier development
EVP	Employee Value Proposition
FEL	Front-end loading
FRMP	Fraud Risk Management Programme
GDP	Gross domestic product
GFB	General Freight Business
GLT	Group Leadership Team
GRI	Global Reporting Initiative
ICPAF	Integrated Capital Projects/Programme Assurance Framework
ICT	Information and communications technology
IFRS	International Financial Reporting Standards
IIA	Institute of Internal Auditors
IR	Integrated Report
IRIS	Intelligent Real-time Information Services (Advanced Data Analytics and Machine Learning platform)
iSCM	Integrated Supply Chain Management
ISO	International Standards Organisation
IT	Information technology
King III	King Report on Corporate Governance for South Africa, 2009
King IV	King Report on Corporate Governance for South Africa, 2016
KPI	Key performance indicator
LNG	Liquefied natural gas
LTI	Long-term incentive

MCLI	Maputo Corridor Logistics Initiatives
MDS	Market Demand Strategy
Mt/km	Million litres per kilometre
MOI	Memorandum of Incorporation
MOU	Memorandum of Understanding
mt	Million tons
mtpa	Million tons per annum
NEAP	National Economically Active Population
Nersa	National Energy Regulator of South Africa
NGO	Non-governmental organisation
NMPP	New Multi-Product Pipeline
NTK	Net ton kilometre
OEM	Original equipment manufacturer
PAIA	Prevention of Access to Information Act
PFMA	Public Finance Management Act
PPPFA	Preferential Procurement Policy Framework Act
Prasa	Passenger Rail Agency of South Africa
PSP	Private-sector partnerships
R&D	Research and Development
RAMS	Rail Addressable Market Share
RBCT	Richards Bay Coal Terminal
RFP	Request for Proposal
RMO	Results Management Office
ROCE	Return on capital employed
ROTA	Return on total average assets
S&P	Standard & Poor's
Satawu	South African Transport and Allied Workers Union
SCM	Supply Chain Management
SD	Supplier Development
SDOs	Sustainable Developmental Outcomes
SOC	State-owned company
STI	Short-term incentive
TAL	TransAfrica Locomotive
TEU	Twenty-foot equivalent unit
TIA	Transnet Internal Audit
TIH	Transnet International Holdings
TMPS	Total Measured Procurement Spend
TSDBF	Transnet Second Defined Benefit Fund
TTPF	Transnet Sub-fund of the Transport Pension Fund
TVCC	Transnet Value Chain Co-ordinator
UNTU	United National Transport Union

Glossary of terms

Asset turnover (times)

Revenue divided by total assets (total assets excluding capital work-in-progress).

Cash interest cover (times)

Cash generated from operations after working capital changes, divided by net finance costs (net finance costs include finance costs, finance income and capitalised borrowing costs from the cash flow statement).

Debt (for gearing calculation)

Long-term borrowings, short-term borrowings, employee benefits, derivative financial liabilities plus overdraft less other short-term investments, less derivative financial assets and less cash and cash equivalents.

EBITDA

Profit/(loss) from operations before depreciation, derecognition, amortisation, impairment of assets, dividend received, post-retirement benefit obligation (costs)/income, fair value adjustments, income/(loss) from associates and net finance costs.

EBITDA margin

EBITDA expressed as a percentage of revenue.

Equity

Issued capital and reserves.

Gearing

Debt expressed as a percentage of the sum of debt and Shareholder's equity.

Headline earnings

As defined in Circular 2/2013, issued by the South African Institute of Chartered Accountants, all items of a capital nature are separated from earnings (by headline earnings).

Operating profit

Profit/(loss) from operations after depreciation, derecognition and amortisation but before impairment of assets, dividends received, post-retirement benefit obligation (expense)/income, fair value adjustments, income/(loss) from associates and net finance costs.

Operating profit margin

Operating profit expressed as a percentage of revenue.

Return on total average assets

Operating profit expressed as a percentage of total average assets (total average assets exclude capital work-in-progress).

Total assets

Non-current and current assets.

Total average assets

Total assets, where 'average' is equal to the total assets at the beginning of the reporting year plus total assets at the end of the reporting year, divided by two.

Total debt

Non-current and current liabilities.