INTEGRATED ANNUAL REPORT

HARMONY IN MOTION, LINKING COMMUNITIES AND STRENGTHENING TRUST

25 | 26



GAUTRAIN

FOR PEOPLE ON THE MOVE

GAUTRAIN MANAGEMENT AGENCY

THEME OF THE INTEGRATED REPORT

Linking communities and strengthening trust.

NAVIGATING THIS REPORT

For ease of understanding and navigating this report, visual icons have been included throughout the report to indicate where these capitals are addressed.

THE CAPITALS

The GMA's success in achieving its purpose, not only now but in the future, is dependent on effectively managing the six capitals available to it through value-adding business activities and outputs, and the shared-value outcomes the GMA delivers.

The six capitals, defined in relation to GMA's business context, are:



HUMAN CAPITAL

GMA's employees' skills, experience, collective knowledge and skills, to implement the Agency's strategy. It is critical to ensure resources are available to support the business model, and achieve outcomes and outputs.



SOCIAL AND RELATIONSHIP CAPITAL

GMA's stakeholder relationships and key partnerships, including the GMA communities, Gautrain users and the communities in which the Agency operates in. This also includes stakeholder relationships and engagement, corporate reputation and values.



FINANCIAL CAPITAL

The pool of funds made available to the GMA for provision of services. These include allocations from the Gauteng Provincial Treasury; and profits received from commercial activities. The financial capital generates the ability that enables the Agency's business and operating activities.



INTELLECTUAL CAPITAL

The knowledge across the business, systems, processes, trademarks, intellectual property, reputation, expertise, sound corporate governance practices the GMA and Gautrain brands. These create value for the Agency, improve efficiency and harness innovation capabilities.



NATURAL CAPITAL

The direct use and impact of natural capital in the GMA's operations and how it supports natural capital through its business activities, include Gautrain's reliance on a stable electricity supply, its contribution reducing carbon emission, and related environmental considerations.



MANUFACTURED CAPITAL

GMA's infrastructures, systems, rolling stock, buses, midibuses, and other physical assets supporting the day-to-day operations of Gautrain and GMA.

MATERIAL MATTERS

Business continuity at the end of the Concession period and beyond.



Static or slow growth of ridership which impacts the Patronage Guarantee.



Financial sustainability of commercial initiatives, and inability to meet the PG commitment in the long term



Technological advancements which include cyber security and information governance that might lead to financial and reputational risks.



Perceptions of the Gautrain that impact negatively on its reputation and brand value.



STRATEGIC OUTCOMES

OUTCOME NUMBER	OUTCOME
1.	Provision of a reliable, efficient, affordable and sustainable rail service.
2.	Assurance that the obligations of the Concessionaire are met as per the Concession Agreement and ensure that the interests of the Province are protected.
3.	To ensure sound financial management of all GMA revenue sources and safeguard the assets of the Project. To ensure the Concessionaire meets its obligations regarding the maintenance of the system.
4.	To enhance the management of the Concession Agreement through entrenching an environment of strong corporate governance and legal compliance.
5.	To promote a robust, co-operative and productive environment with all relevant stakeholders.
6.	To contribute to the economic growth and development of Gauteng through deliberate economic interventions, and target job creation and support B-BBEEs and SMMEs.
7.	To ensure that Gautrain is a catalyst and contributor to the total public transport solution in Gauteng through the development and implementation of integration strategies.

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ABBREVIATION AND ACRONYMS

ACSA	Airports Company of South Africa
AFC	Automatic Fare Collection
AFSA	Arbitration Foundation of Southern Africa
APP	Annual Performance Plan
APS	Airport Passenger Service
ARC	Audit and Risk Committee
ASB	Accounting Standards Board
ATS	Alexandra Transport Solutions
BBBEE	Broad-Based Black Economic Empowerment
BCJV	Bombela Civil Joint Venture
BCP	Business Continuity Plan
BEs	Black Entities
BCC	Bombela Concession Company
BMC	Bombela Maintenance Company
BOC	Bombela Operating Company
CA	Concession Agreement
CC	Competition Commission
CCTV	Closed Circuit Television
CDF	Concessionaire Demand Forecasted
CEO	Chief Executive Officer
CIPC	Companies and Intellectual Properties Commission
COCA	Close-out of the Concession Agreement
Concessionaire	Bombela Concession Company (Pty) Ltd
CPI	Consumer Price Index
CSCs	Contactless Smart Cards
DBSA	Development Bank of South Africa
DFDS	Dedicated Feeder and Distribution Services
DI	Discovery Insure
DRP	Dispute Resolution Procedure
DTLC	Driving License Testing Centres
DWS	Department of Water and Sanitation
EA	Enterprise Architecture
EAP	Environmental Assessment Practitioner
EDMS	Electronic Document Management System
EE	Employment Equity
EIA	Environmental Impact Assessment
EMEs	Emerging Micro Enterprises (EMEs)
EMP	Environmental Management Plan
EMU	Electric Multiple Unit
EMV	Europay Master Visa
EWRMS	Enterprise-Wide Risk Management System
FAC	Finance and Asset Committee
FEMP	Fare Evasion Management Plan
GDARD	Gauteng Department of Agriculture and Rural Development
GDID	Gauteng Department of Infrastructure Development

GDRT	Gauteng Department of Roads and Transport
GEGDS	Gauteng Employment, Growth and Development Strategy
GIBS	Gordon Institute of Business Science
GIS	Geographic Information System
GMA	Gautrain Management Agency
GMA Act	Gautrain Management Agency Act (Act 5 of 2006), as amended
GPG	Gauteng Provincial Government
GPS	General Passenger Service
GRAP	Generally Recognised Accounting Practice
GRRIN	Gauteng Rapid Rail Integrated Network
GTA	Gauteng Tourism Authority
GTIA	Gauteng Transport Infrastructure Act (Act 8 of 2001)
GTIP5	5-year Gauteng Transport Implementation Plan
HC	Human Capital
HDI	Historically Disadvantaged Individuals
HoA	Heads of Agreement
HCRC	Human Capital and Remuneration Committee
HR	Human Resources
I&AP	Interested and Affected Party
ICT	Information and Communications Technology
IEC	Independent Environmental Consultant
IIA	Institute of Internal Auditors
IIRC	International Integrated Reporting Council
IPC	Individual Performance Contract
IoDSA	Institute of Directors in Southern Africa
ISEM	Independent Socio-Economic Monitor
ITMP (Gauteng)	Integrated Transport Master Plan
JRA	Johannesburg Roads Agency
JWWF	Johannesburg Women Writers Festival
KM	Knowledge Management
KPI	Key Performance Indicator
LIR	Land Information Register
MAXIMO	Concessionaire's maintenance information management system
MEC	Member of the Executive Council (for Public Transport and Road Infrastructure, Gauteng)
MFDS	Midibus Feeder and Distribution Service
MOU	Memorandum of Understanding
MRTR	Minimum Required Total Revenue
MTEF	Medium-Term Expenditure Framework
MTSF	Medium-Term Strategic Framework
NARSA	National Archives and Records Service of South Africa
NIPMO	National Intellectual Property Management Office
NLTA	National Land Transport Act (Act 5 of 2009)
NMT	Non-Motorised Transport
NIPMO	National Intellectual Property Management Office
OCD	Operating Commencement Date
OEM	Original Equipment Manufacturer
O&M	Operations and Maintenance
ORTIA	OR Tambo International Airport

PFMA	Public Finance Management Act (Act 1 of 1999), as amended
PH	Public Holidays
PICC	Presidential Infrastructure Co-ordinating Commission
PMC	Performance Monitoring Committee
PMS	Performance Monitoring System
PoPIA	Protection of Personal Information Act (Act 4 of 2013)
PPP	Public Private Partnership
PRASA	Passenger Rail Agency of South Africa
Province	Gauteng Provincial Government
PST	Province's Support Team
PTKS	Public Transport Knowledge Seminar
QMS	Quality Management System
QSEs	Qualifying Small Enterprises
R&D	Research and Development
RFP	Request for Proposals
RoD	Record of Decision
RRE	Rail Reserve Events
RUF	Railway Usage Fee
RUL	Remaining Useful Life
SAHRC	South African Human Rights Commission
SAICE	South African Institute if Civil Engineers
SCADA	Supervisory Control and data Acquisition
SCUMP	Service Capacity Utilisation Management Plan
SEC	Social and Ethics Committee
SED	Socio-Economic Development
SEZs	Special Economic Zones
SHEQ	Safety, Health, Environment and Quality
SIP	Social Investment Programmes
SIP7	Strategic Integrated Project
SITA	State Information Technology Agency
SMMEs	Small, Medium and Micro Enterprises
SNOC	Security and Network Operations Centre
SPG	Strategic Partners Group
STR	Stored Travel Rights
SVAI	Shared Value Africa Initiative
TA1	Treasury Approval
TMC	Transport Management Centre
TOD	Transit Orientated Development
TOM	Ticket Office Machine
TRAC-SA	Technology and Research Activity Centre of South Africa
TTP	Targeted Threat Protection
TVM	Ticket Vending Machine
UATP	International Association of Public Transport
WUL	Water Use License



GAUTRAIN –
A KEY DRIVER OF ECONOMIC GROWTH AND A LASTING INFRASTRUCTURE LEGACY.



ABOUT THIS REPORT

The aim of our integrated report is to provide a holistic, comprehensive and accurate view of the performance, strategy and outlook of the GMA for the Financial Year ending 31 March 2026. This report is intended to provide relevant information to all our stakeholders.

The integrated report's theme is centred on the value we create for our stakeholders.



1. BOUNDARY AND SCOPE

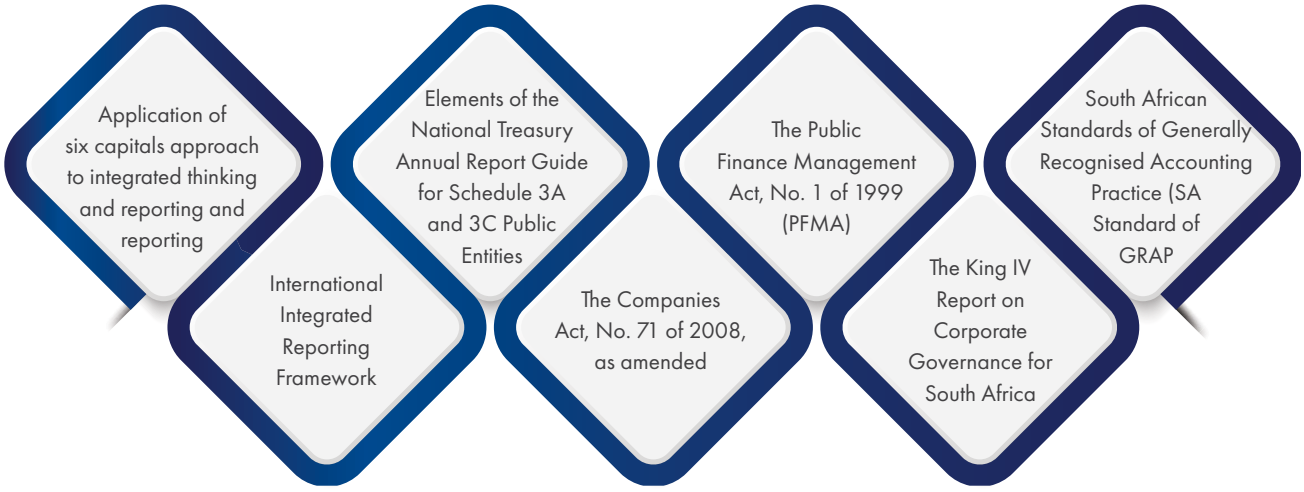
The scope of this report covers the GMA's process through which value is created, preserved over time, and considers the six capitals. The integrated report covers risks, opportunities and outcomes relating to the GMA's operating environment, operations, resources and engagement with key stakeholders that could influence the Agency's ability to create and sustain value. The reporting period is 1 April 2025 to 31 March 2026.

2. APPROACH TO CREATING VALUE

This report aims to offer a balanced and accurate reflection of our journey in navigating the GMA strategy, performance, risks, opportunities, and future outlook, all while addressing the material financial, economic, social, and governance issues that impact the Agency. The value creation approach is firmly embedded in the GMA's purpose.

3. REPORTING FRAMEWORK

This integrated report has been prepared in accordance with the following guiding principles and frameworks:



By adopting the principles-based framework of integrated reporting, we demonstrate commitment to our purpose. To provide a transparent, shared understanding of our business, through a clear and concise assessment of the opportunities, risks and relationships, is an essential part of fulfilling our purpose.

4. MATERIALITY

The GMA's PFMA-aligned Materiality and Significance Framework supports the identification and reporting of matters that may affect accountability, strategic outcomes, and value creation. The framework has been determined by careful analysis of the Impact Statement, Outcomes and Risks.

5. COMBINED ASSURANCES

The GMA's assurance approach relies on shared oversight and responsibility for the assurance process by drawing on risk management, management, Internal Audit and the Auditor-General of South Africa. Table x indicates the GMA's integrated reporting assurance framework, including the respective assurance providers and their outcomes. The Audit and Risk Committee, as well as the Board, relies on the assurance providers to assess the adequacy and effectiveness of the GMA's risk management and internal controls.

***Table 1:** Combined Assurance Model*

Reporting Element	Assurance Status	Provider
Annual Financial Statements	AGSA audited the annual financial statements and expressed unqualified opinion with material findings	• GMA Board • GMA Audit and Risk Committee • Auditor-General of South Africa (AGSA)
Integrated Annual Report (in full)	• Review and approval of the report	• GMA Audit and Risk Committee • GMA Board
Review of internal controls and risk management	• The Board reviewed and provided commentary • Assessed and addressed residual risks • Strengthened risk governance policies and protocols, and risk management approvals	• GMA Board • Board committees
Corporate governance	• Assessments of controls • Internal control environment	• Internal Audit Business Unit • Corporate Governance Business Unit • Ethics Management Business Unit
B-BBEE Status	• The GMA's broad-based economic empowerment (B-BBEE) status is verified with a BBBEE status at Level 5	• Honeycomb BEE Ratings ("Honeycomb")

6. OUTLOOK

Forward-looking statements were informed by the GMA strategic plan and are subject to risks and uncertainties. These and other factors could cause actual performance to be materially different from expected future results. More details on the strategic outlook can be found on page 116.

7. BOARD RESPONSIBILITY STATEMENT

The Board, assisted by its committees, is responsible for ensuring the integrity of the Integrated Annual Report. This Integrated Annual Report was approved by the Board and signed on its behalf by the Chairperson of the Board and the Chief Executive Officer of the Gautrain Management Agency.



Prof. Mfanelo Ntsobi
GMA: Board Chairperson
31 July 2026



Mr Tshepo Kgobe
GMA: Chief Executive Officer
31 July 2026

8. HIGHLIGHTS OF SUSTAINABLE VALUE CREATED



HUMAN CAPITAL

- **R5 791 038** spent on education, training and development.
- **R2 432 566** spent on employee well-being.
- **Graduates** from the Graduate Development Programme were employed permanently.
- Human capital is enhanced through embedded lessons learnt, **strengthened knowledge sharing,** and targeted World Intellectual Property Organisation (WIPO) and National Intellectual Property Management Office (NIPMO) partnerships that build institutional capability.
- **40 young people** across the new DLTC sites, providing job opportunities and skills development for local youth.



SOCIAL AND RELATIONSHIP CAPITAL

- GMA continued to strengthen long-term **strategic partnerships**, with value realised through shared knowledge platforms such as the Public Transport Knowledge Seminar, and other knowledge management initiatives.
- Gautrain Project continued to exceed the **Socio-Economic Development (SED)** targets as specified in the CA.
- The introduction of three MFDS routes led to additional employment opportunities through the Midibus partnership between taxi associations and the GMA.



FINANCIAL CAPITAL

- The fare evasion rate remained at **0,00%,** which is below the **4%** norm, ensuring less financial exposure.
- GMA **safeguarded its financial capital** by verifying the Concessionaire's monthly performance information and enforcing performance deductions for non-compliance with predefined norms and standards.
- Revenue generated from DLTCs and advisory services grew by **60%** in comparison to the previous year.



INTELLECTUAL CAPITAL

- GMA improved its risk maturity from 91% to **92%** with the roll-out of the EWRM system.
- Growth in the **knowledge assets** as well and a number of **IP elements** of the assets that have been registered.



NATURAL CAPITAL

- The paper shredding and recycling programme diverted **900 kg** of paper from landfill, while the migration of institutional knowledge to digital platforms improved **resource efficiency** and **reduced environmental impact**.
- With over 8,5 million train passenger trips and more than 3,1 bus passenger trips, Gautrain reduced CO_2 emissions, when compared with a scenario of travelling by private car.



MANUFACTURED CAPITAL

- Ongoing refurbishment of the bus fleet, which supports the local supply chain.
- The overhaul of the rolling stock subsystem and the renewal of parking facilities, CCTV, the Station Access Management System, and telecommunications infrastructure.



B

LEADERSHIP REFLECTIONS



CHAIRPERSON'S FOREWORD

PROF. MFANELO NTSOBI
GMA: BOARD CHAIRPERSON

It is an honour to present, on behalf of the Board of the Gautrain Management Agency, the Integrated Annual Report for the Financial Year ended 31 March 2026. This report tells a story that is larger than institutional performance. It speaks to a public mandate that must be carried with care, discipline and foresight: to connect people to opportunities, to support economic participation, and to strengthen confidence in public institutions. Our theme, "Linking communities and strengthening trust", is therefore both timely and instructive. It reminds us that infrastructure only fulfils its purpose when it improves lives, supports inclusion and earns the trust of the communities it serves.

The year under review called for steady leadership, sound judgement and an appreciation of the long view. As a Board, we remained focused on matters that are fundamental to the sustainability of the Gautrain Project and to the broader value the Agency creates for Gauteng. We applied ourselves to sustaining performance excellence on Gautrain I (one), supporting ridership growth, strengthening financial resilience, managing commercialisation opportunities, overseeing the close-out of the current Concession Agreement, and guiding preparations for a successor concessionaire. In doing so, we were mindful that the decisions taken in this period will shape the next chapter of rapid rail and integrated public transport in the province.

For me, governance is not a compliance exercise; it is the discipline through which public value is protected, and future value is made possible. During the year, the Board continued to discharge its responsibilities with a clear commitment to ethical leadership, accountability, transparency and effective control. In line with King IV principles and the obligations applicable to public entities, we considered and provided direction on the Agency's strategy, budget, quarterly performance, annual financial statements, risk management, internal controls, audit outcomes, ethics management and key procurement processes. While the audit outcome included findings, the Board will continue to provide focused oversight on the implementation of corrective actions and the continued strengthening of governance, internal controls and accountability mechanisms.

I am encouraged by the value created across the six capitals during the reporting period. The Agency continued to invest in its people, strengthen stakeholder relationships, protect financial resources, deepen institutional knowledge, support environmental responsibility and maintain the infrastructure that enables Gautrain operations. These achievements affirm a principle that is central to sustainable leadership: lasting value is created when people, systems, knowledge, technology and relationships are developed together, and when performance is matched by integrity.

The Post-2026 Gautrain Project has been one of the most important areas of Board attention. Transitions of this nature require more than technical preparation; they require institutional memory, strategic clarity and the courage to make decisions that serve the public interest beyond the immediate reporting cycle. As the current Concession Agreement approaches its conclusion, the Board has remained focused on continuity, value for money and the responsible management of transition risks and opportunities. This includes continued attention to the Gauteng Rapid Rail Integrated Network extensions, additional rolling stock, depot expansion, signalling upgrades and the broader integration of public transport services.

Looking ahead, the Board will continue to provide steady and purposeful leadership as the GMA enters the next phase of its mandate. Our priorities are clear: sustain operational excellence, grow ridership, strengthen financial sustainability, advance public transport integration and support initiatives that contribute to spatial transformation, economic inclusion and improved mobility choices. We must also continue to embrace innovation, data, technology and knowledge as enablers of better planning, stronger governance and more responsive public service. The future of mobility in Gauteng will depend on our ability to integrate systems, build partnerships and keep communities at the centre of decision-making.

I extend my sincere appreciation to the Executive Authority for continued guidance and support. I thank my fellow Board members and Board committees for their diligence, wisdom and commitment to principled stewardship. I also acknowledge the Chief Executive Officer, Executive Management and every employee of the GMA for their professionalism, resilience and dedication to the Agency's purpose. To our passengers, communities, the municipalities we operate within, public transport operators, partners and government stakeholders, thank you for your continued collaboration and trust. Public transport is, by its nature, a shared endeavour, and our progress depends on the strength of these relationships.

As Chairperson, I remain confident in the GMA's ability to navigate the next chapter with integrity, competence and imagination. Our task is not only to manage a rail system, but to help shape a province that is better connected, more inclusive and more confident in the capacity of public institutions to deliver. With ethical governance, purposeful leadership and a shared commitment to sustainable value creation, we will continue to support the transformation of spaces, people and the economy through mobility.



Prof. Mfanelo Ntsobi
GMA: BOARD CHAIRPERSON



CHIEF EXECUTIVE OFFICER'S REVIEW

TSHEPO KGOBE
GMA: CEO

The 2025/26 financial year marked a significant period of progress and transformation for the Gautrain Project, and the Gautrain Management Agency. Despite a challenging operating environment characterised by economic pressures, evolving mobility patterns and growing stakeholder expectations, we remained focused on delivering safe, reliable and integrated public transport solutions that create long-term value for the people and economy of Gauteng.

This year, we continued to strengthen the Gautrain's position as a critical component of the Gauteng City Region's transport network. Through enhanced customer-focused initiatives, strategic partnerships and targeted marketing campaigns, we worked to improve accessibility, affordability and the overall passenger experience. This was made possible through the introduction of the KlevaM product that is targeted at affordability and accessibility. These efforts contributed to growing public confidence in public transport and supported increased ridership across the network.

Our commitment to sustainable value creation remained central to our strategy. We advanced initiatives aimed at driving economic growth, reducing transport barriers and enhancing regional connectivity. At the same time, we continued to invest in operational resilience, innovation and digital transformation to ensure that our services remain responsive to the evolving needs of commuters and stakeholders.

Stakeholder engagement continued to play a pivotal role in our success. We strengthened relationships with government, business, communities, law enforcement agencies and industry partners, fostering collaboration that enabled us to address challenges and unlock new opportunities. These partnerships have been instrumental in advancing our strategic objectives and supporting integrated transport planning across Gauteng.

The year also saw significant progress in advancing the future of rail and integrated transport in the province. Through ongoing planning and collaboration with key stakeholders, we laid important foundations for the next phase of transportation development, aligned with Gauteng's long-term growth ambitions and the broader vision of a modern, connected and inclusive transport system.

The year under review marked a pivotal period in the evolution of the Gautrain Rapid Rail Link, with substantial progress made towards the transition from the current Concession Agreement to a new concession arrangement. The 19 ½ Concession Agreement came to a conclusion and the Agency has embarked on a critical holdover period that will ensure continuity of service while the new Concession Agreement is finalised with the preferred bidder. To ensure uninterrupted operations and service continuity, the Agency initiated a holdover period that bridges the closure of the existing concession and the conclusion of negotiations with the preferred bidder. As we prepare the organisation for the new concession, our focus remains on ensuring a seamless transition that protects service reliability, strengthens institutional readiness and gives commuters and stakeholders confidence in the continuity of the Gautrain experience. This carefully managed transition reflects our commitment to sound governance, risk management and long-term value creation, while laying the foundation for the future growth, resilience and sustainability of Gauteng's rapid rail network.

As the Gautrain marks 15 years of operation, the GMA reflects on a journey defined by a commitment to providing safe, reliable and integrated public transport while creating long-term value for Gauteng. The Agency takes pride in the positive impact Gautrain has had on commuters, communities and the economy. From the socio-economic development perspective, the Gautrain continued to achieve and exceed the targets set. Gautrain has enhanced regional connectivity, supported economic growth, fostered innovation and created meaningful employment opportunities.

Throughout this journey, the GMA has focused on creating sustainable value for stakeholders through sound governance, operational excellence, innovation and strategic partnerships. The Agency has also invested in developing internal capabilities and technical expertise, ensuring that it remains equipped to address evolving transport challenges and support the future expansion of integrated mobility solutions in Gauteng.

Recognising that people are central to sustainable value creation, the GMA invested in attracting highly qualified talent, including several PhD candidates in the year under review. Their expertise is enriching the Agency's knowledge base, strengthening technical and strategic capacity, and supporting the development of innovative transport solutions that will benefit Gauteng's residents and economy over the long term. Through the Driver Licence Testing Centres (DLTCs), the GMA has created meaningful employment opportunities while contributing to skills development. With a significant proportion of the workforce comprising young people, these centres have provided valuable work experience, technical training and professional development opportunities that enhance employability and support long-term career growth. In doing so, the GMA is not only improving service delivery but also investing in the next generation of transport and public service professionals.

The Agency achieved an unqualified audit opinion with findings during the year under review, reflecting continued compliance with financial reporting requirements. The audit findings provide valuable opportunities to further strengthen governance, financial management and internal controls. Management and the Board are implementing targeted corrective actions to enhance accountability, strengthen governance, and overall organisational effectiveness.

As the GMA enters the next phase of the journey, the Agency remains committed to enhancing its long-term financial sustainability by identifying opportunities to diversify revenue streams and reduce reliance on the state fiscus. This includes exploring innovative, commuter-centric initiatives that generate additional income while improving the customer experience and delivering greater value to the public. By leveraging the Gautrain ecosystem, strategic partnerships and new commercial opportunities, the Agency aims to strengthen its financial resilience while ensuring that revenue-generating initiatives support affordability, accessibility and service excellence for commuters.

Through continued collaboration, innovation and a shared commitment to progress, we can unlock greater economic opportunities, improve mobility for all residents and create lasting value for future generations. Together, we are not simply building a transport network - we are connecting people to opportunity, enabling growth and shaping the future of Gauteng. The journey ahead is filled with possibility, and by working together, we can create a legacy of mobility, prosperity and inclusive development that will benefit generations to come.

As we look ahead, we remain committed to operational excellence, responsible governance and sustainable growth. Our focus will continue to be on enhancing customer value, strengthening stakeholder trust, supporting environmental sustainability and contributing meaningfully to the socio-economic development of Gauteng.

I extend my sincere appreciation to the Board, our employees, government partners, customers and all stakeholders for their continued support, dedication and collaboration. Together, we are building a transport system that connects people to opportunities, drives economic development and improves the quality of life for current and future generations.



Tshepo Kgobe
GMA: CEO



GAUTRAIN CONTINUES TO DRIVE CONNECTIVITY, OPPORTUNITY AND SUSTAINABLE MOBILITY ACROSS THE GAUTENG CITY-REGION.



GMA AT A GLANCE

1. WHO WE ARE

The Gautrain Management Agency (GMA) is an entity of the Gauteng Provincial Government (GPG) mandated to manage the implementation of the Gautrain Project and the relationship with the Concessionaire, the Bombela Concession Company (Pty) Ltd, which operates the Gautrain System on behalf of the GMA.



PURPOSE

Transform spaces, people and the economy through mobility.

VISION

To provide an integrated, innovative, and efficient transport system that promotes sustainable, long-term socio-economic growth in Gauteng.

MISSION

GMA is committed to managing, coordinating, and overseeing the Gautrain Rapid Rail Link Project through the implementation of the Concession Agreement between the Gauteng Provincial Government and the Bombela Concession Company (Pty) Ltd.

BRAND PROMISE

For people on the move, that reflects smart, integrated mobility that supports the upwardly mobile aspirations of Gauteng residents. Focusing on offering more than just a train service, acting as a comprehensive, reliable, and safe transportation network that connects major economic hubs in Gauteng.

2. THE GMA VALUES



CARING:

GMA values being cared for and being seen as an important part of the organisation.

EXCELLENCE:

GMA values a high-performance culture to pursue Excellence.

LEADERSHIP:

GMA values leading and being led with transparency, honesty, and fairness.

LEARNING:

GMA values being given equal opportunities to learn and grow in a fruitful and meaningful way.

3. THE GMA IN RELATION TO THE GAUTRAIN PROJECT

The Gautrain Project aims to deliver an integrated, innovative public transport system that supports Gauteng's economic growth and smart mobility goals. The Gautrain Management Agency (GMA) oversees project implementation, operations, and future expansion, managing its relationship with the Bombela Concession Company (BCC) under a 19½-year Public-Private Partnership ending 27 March 2026. BCC is responsible for operating trains and buses, maintaining assets, ensuring safety, managing stations, collecting revenue, marketing, and passenger communication as outlined in the Concession Agreement.

4. LEGISLATIVE MANDATE AND OTHER MANDATES

The GMA was established through the GMA Act and is listed as a Provincial Public Entity, under Schedule 3C of the PFMA; and adheres to and complies with a range of legislation, regulations, and policies relevant to its operations and strategy in the broader transformation and development of the economy. The range of legislation, regulations, and policies relevant to its operations and its role is summarised in the table below:

Table 2: Legislation and Mandates Applicable to GMA

CATEGORY	LEGISLATION AND MANDATES
Statutory Mandates	• Constitution of the Republic of South Africa Act, No. 108 of 1996; • The Gautrain Management Agency Act, No. 5 of 2006 (GMA Act), as amended; • Public Finance Management Act, No. 1 of 1999 (PFMA), as amended; • The Gauteng Transport Infrastructure Act, No. 8 of 2001 (GTIA), as amended; • The Treasury Regulations, promulgated in terms of Section 76 of the PFMA; • The National Land Transport Act, No. 5 of 2009 (NLTA), as amended; and • The Gauteng Transport Authority Act, No. 2 of 2019 (GTA Act).
Other Relevant Legislation	• Consumer Protection Act, No. 68 of 2008 (CPA), as amended; • Preferential Procurement Policy Framework Act, No. 5 of 2000 (PPPFA), as amended; • Protection of Personal Information Act, No. 4 of 2013 (POPIA); • Employment Equity Act, No. 55 of 1998 (EEA), as amended; • Electronic Communication and Transactions Act, No. 25 of 2002 (ECTA), as amended.
Policy and Strategic Frameworks	• The Medium-Term Strategic Framework (MTSF); • The New Growth Path (NGP); • The National Development Plan (NDP); • Gauteng Employment, Growth and Development Strategy (GEGDS); • Gauteng 25-Year Integrated Transport Master Plan (GITMP); • Gauteng Transport Implementation Plan – 5 Year (GTIP5) ; • Presidential Infrastructure Co-ordinating Commission (PICC); • The Public Service Corporate Governance of Information and Communication; • Technology Policy Framework; • The Public Sector Integrity Management Framework; • Protocol on Corporate Governance in the Public Sector; • King IV™; • National Rail Policy – 2022; • White Paper on National Transport Policy – 2021; • The GPG's Global City Region Integrated Infrastructure Master Plan – 2030; • Green Transport Strategy for South Africa (2018–2050); • The South African Economic Reconstruction and Recovery Plan; • The National Transport Master Plan Synopsis Update 2017 (NATMAP); and • The Gauteng Provincial Government's Growth and Development Plan.

5. ORGANISATIONAL STRUCTURE

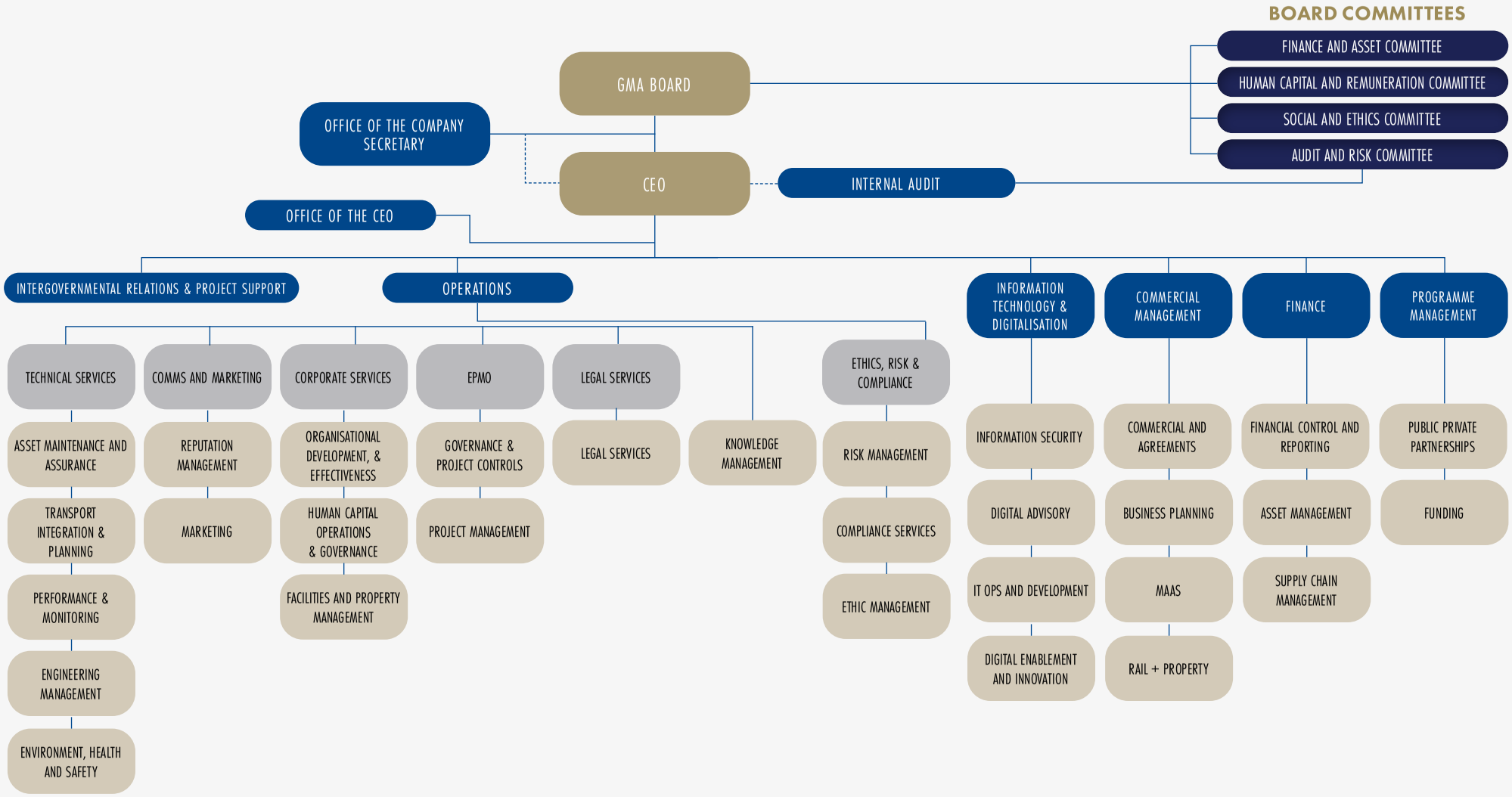


Figure 1: *GMA Organisational Structure*

6. GMA STAKEHOLDERS

Meeting stakeholder needs and acknowledging mutual impact helps the GMA achieve goals and fulfil its purpose. This approach builds support, adapts to change, addresses issues, reduces risk, and drives results. Stakeholder focus is central to the Agency's strategy, and strong relationships are a priority.

The GMA classifies stakeholders based on their influence and interest in Gautrain and GMA, with an evolving approach committed to ongoing measurement of relationship effectiveness.

To sustain stakeholder value, the Agency manages its actions and measures their impact to enhance outcomes and minimise negative effects. Effective engagement defines the Agency's societal role, fosters accountability, improves performance, and guides the GMA through changing conditions. Regular, substantive engagement strengthens relationships and ensures that the strategy responds to risks and opportunities.

The GMA's stakeholder universe is depicted in Figure 2.



Figure 2: **Stakeholder Universe**

6.1 The GMA has a structured stakeholder engagement process and an inclusive approach to creating value. It is integrated into every step of the value creation process. Below are some of the principles of engagement and platforms.

OUR PRINCIPLES OF ENGAGEMENT AND PLATFORMS

COLLABORATE WITH STAKEHOLDERS AND PARTNERS

- Thought leadership and engagements
- Strategic collaborative activities
- Digital engagements
- Skill development programmes
- Industry events and key conferences

CREATE AWARENESS

- Digital engagements – social media platforms
- Media engagements
- Outdoor advertising
- Industry events
- Exhibitions
- Websites and portal
- Community engagements

KNOWLEDGE SHARING

- GMA knowledge assets
- Workshops and consultations
- Conferences

COMMUNICATE EFFECTIVELY THROUGH VARIOUS PLATFORMS

- Employee townhalls and engagements
- Community engagement
- Community forums and platforms

FEEDBACK IS SOUGHT REGULARLY FROM STAKEHOLDERS, PARTNERS, COMMUTERS AND CUSTOMERS

- Updates on business activities, outcomes and achievements
- Customer satisfaction surveys
- Research conducted

REPORTING

- Formal and informal reporting on projects
- Presentations
- Quarterly and annual reports

6.2 To ensure alignment with the GMA's purpose, the Agency actively engages with stakeholders that have vested interests in the organisation's business and performance. Table 3 reflects how the GMA engages and creates value; and key stakeholder interests and the outcomes of these engagements that took place during the year under review.

Table 3: GMA Stakeholder profile

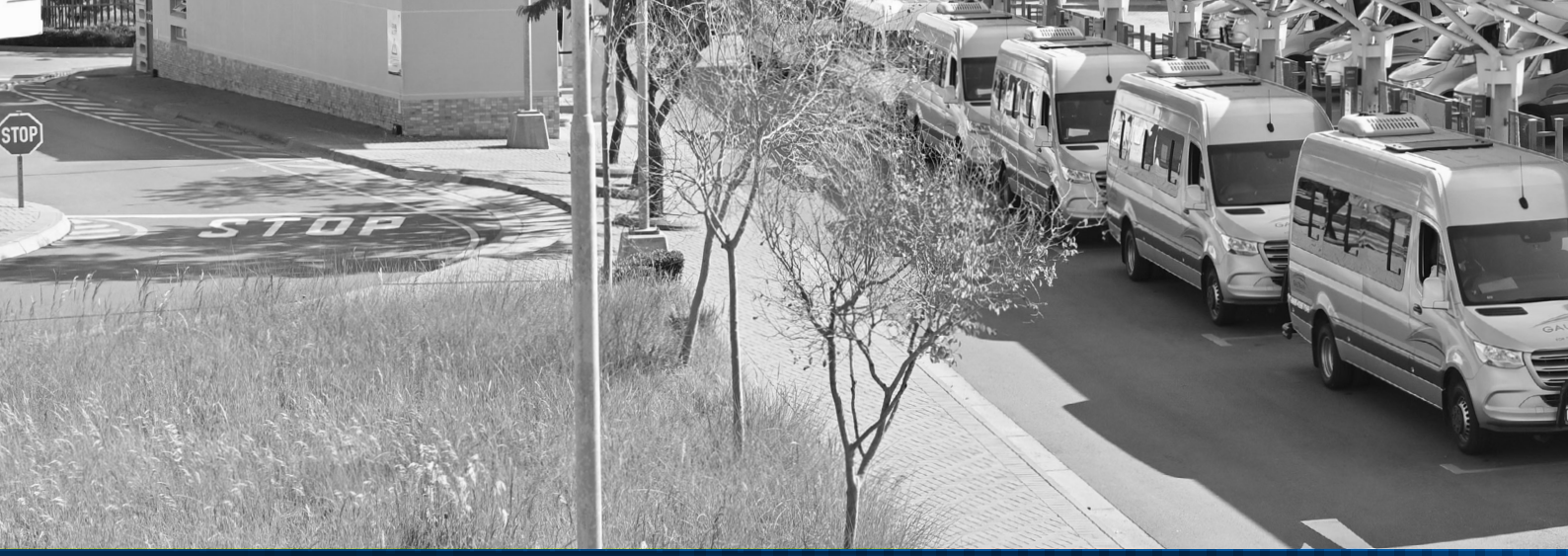
Stakeholder	Their needs/ expectations	Our response to their needs	Value created for both	Capital impacted
The Shareholder (Executive Authority (MEC)	• Expert, experienced management • Transparent and effective reporting and disclosure • Clear and concise strategic objectives • Strategic alignment with the socio-economic goals of GPG	• Shareholder compacts • Structured reporting • Transparency and governance • Accountability	• Economic value • Social and developmental value, such as job creation, • Socio-economic equity – expanding access to essential services for various communities • Public trust – demonstrating that state resources are managed ethically and that the state can deliver	
Board members	• Maintenance of sound financial health through prudent financial management, budgeting, and resource allocation • Implementation of robust risk management frameworks to mitigate potential risks affecting operations • Management to ensure that the GMA's activities and initiatives align with its vision and mission • Transparent reporting	• Agile execution of strategies • Internal audit and compliance • Combined assurance model – whereby there is coordination of internal audit, external audit and management oversight – to give the Board a single view of risk	• Effective risk management practices that help protect the organisation from potential disruptions, ensuring stability and continuity • Governance and integrity values, such as audit excellence • Structural values, such as business continuity, and systemic risk mitigation	
Employees	• Job security and fair remuneration • A healthy working environment • Employee development through structured learning programmes that create clear career progression paths • A benefits programme that supports employees' financial security	• A benefits programme that supports employees' financial security • Employee development through structured learning programmes that create clear career progression paths. • Financial wellness support, health education, and overall wellness	• Employee remuneration and benefits • Conducive working environment • Operational stability • Business growth	

Stakeholder	Their needs/ expectations	Our response to their needs	Value created for both	Capital impacted
Government and regulators	• Transformation i.e., broad-based black economic empowerment (B-BBEE) • Regulatory and statutory compliance • Public-private partnerships • Socio-economic development • Support the development of policies and regulations by providing technical input and ensuring that these regulations are based on sound standards	• A level 5 B-BBEE scorecard • Compliance with relevant legislation • Working with the Government through various forums	• Compliance • Enforcing safety standards for Gautrain services to protect passengers and the public from harm	
Society (suppliers, communities and civil society)	• Active participation in corporate social investment (CSI) opportunities • Transformation i.e., B-BBEE • Education and skills development • Job creation	• Added value of government services • Licenses services • Social Investment Programme • DLTC employees are recruited from the communities that are served by the branches	• Information provision • Systemic Efficiency, through streamlined operations	 
Concessionaire	• Management of the Concession Agreement. • Close-out of the CA and handover plan. • Gautrain operations and improvement of the system	• Management of the close-out of the CA and ensuring operational efficiency and continuation of operations post-2026	• Provision of a reliable transport system • Ensure the close-out of the concession is managed to ensure operational efficiency and business continuation of operations post the end of the CA	  
Business strategic partners	• Marketing to Gautrain users and collaborations	• Creating shared value initiatives for Gautrain commuters • Alignment in joint marketing initiatives for passengers. • Value-added initiatives for passengers • Knowledge sharing	• Shared value initiatives for Gautrain commuters. • Shared resources • Brand credibility	  

Stakeholder	Their needs/ expectations	Our response to their needs	Value created for both	Capital impacted
Municipalities, public transport operators and taxi associations	• Common public transport initiatives • Public transport integration and travel data sharing • Route alignment process of GRRIN (Soweto Extensions and Cosmo City Junction) • Engagements on the implementation of the MFDS partnerships with the industry	• Information sharing and collaboration • Understanding of the GRRIN Project	• Information provision, and collaboration • Seamless support for operations • Better urban planning • Enhanced customer experience, such as journey planning	
Passengers and potential passengers	• Effective communication • Delivery of an efficient Gautrain service • Fair competitive pricing • Flexible products	• Provide a reliable and accessible transport system • Information provision	• Social equity and mobility • Economic growth and savings • Public safety • Environmental sustainability	  
Media	• Information sharing on the Gautrain and GMA business • Sharing	• Information provision	• Positive reporting on GMA business • Public trust and transparency • Reputation management • Visibility that reaches audiences that might not be able to engage through marketing	



TRANSFORMING SPACES, PEOPLE, AND THE ECONOMY THROUGH MOBILITY.



D

GOVERNANCE, LEADERSHIP AND ETHICS



1. PROTECTING VALUE THROUGH SOUND GOVERNANCE

Effective corporate governance is integral to the sustained success and value generation of an organisation. For the GMA, rigorous governance practices are vital, not only for fulfilling regulatory obligations, but also for protecting the Agency's assets, consolidating stakeholder confidence, and supporting strategic objectives. Oversight of governance for a public entity within the Province is conferred upon the Provincial Legislature, the Executive Authority, and the Board of the public entity.

1.1 GAUTENG PROVINCIAL LEGISLATURE

The Gauteng Provincial Legislature discharges its oversight mandate through a range of Portfolio and Standing Committees. During the year under review, the Gautrain Management Agency (GMA) engaged with these committees as required, providing information and responding to matters raised within their respective oversight areas.

Oversight of the GMA is primarily exercised through the following committees:

- **Standing Committee on Public Accounts (SCOPA)** – responsible for examining the GMA's Annual Financial Statements, together with the Auditor-General of South Africa's audit outcomes, with a focus on accountability, compliance, and the prudent use of public funds.
- **Portfolio Committee on Roads and Transport** – considers the non-financial components of the GMA's Integrated Annual Report, placing particular emphasis on service delivery performance, sector outcomes, and contribution to economic development.
- **Portfolio Committee on Finance** – oversees the Gauteng Provincial Appropriation Bill and monitors the allocation and utilisation of financial resources across departments and public entities, including the GMA.
- **Standing Committee on Gender, Youth and People with Disabilities (GEYODI)** – exercises oversight over policies and programmes relating to gender, youth, women and persons with disabilities, ensuring that inclusivity and equitable access are embedded in service delivery and institutional practices.

1.2 EXECUTIVE AUTHORITY

The Member of the Executive Council (MEC) for Roads and Transport serves as the Executive Authority of the GMA. In terms of the Public Finance Management Act (PFMA) and the Gautrain Management Agency Act (GMA Act), the Executive Authority is vested with oversight responsibility over, among others, the Strategic Plan, Annual Performance Plan, Budget, Service Level Agreement, and the Agency's Annual and Quarterly Reports.

The governance relationship between the MEC and the Board is formalised through a Service Level Agreement (SLA), which provides a structured framework to support transparency, accountability, and effective oversight. The SLA governs the execution of responsibilities arising from the PFMA and the GMA Act, and aligns the Agency's strategic direction with the priorities of the Gauteng Department of Roads and Transport, the Gauteng Provincial Government, and National Government objectives.

During the 2025/26 Financial Year, the prescribed statutory and governance documents were submitted (see table x below) to the Executive Authority in compliance with the requirements of the GMA Act and the PFMA.

Table 4: Documents submitted to the Executive Authority

DOCUMENTS	DATE OF SUBMISSION
GMA Quarterly Performance and Performance Information Reports for the 2025/26 Financial Year	29 April 2025, 31 July 2025, 31 October 2025, and 30 January 2026
GMA Integrated Annual Report for the 2025/26 Financial Year	31 August 2025
GMA Strategic Plan for the 2026/27 to 2028/29 Financial Years	30 September 2025
GMA Annual Performance Plan for the 2025/26 Financial Year	28 February September 2025
Revised GMA Annual Performance Plan for the 2025/26 Financial Year	30 September 2025

1.3. THE BOARD

The GMA Board is established and constituted in terms of the GMA Act, read together with Schedule 3(C) of the PFMA. The GMA Board comprises of a diverse skill set and experience to oversee strategic decisions and offer independent judgment. It endorses the governance standards of King IV, advocating regular board evaluations and stakeholder feedback for alignment with best practice. A detailed Report on the GMA's Application of King IV is provided in Annexure A.

The GMA Board meets regularly which promotes ethical, cohesive strategic leadership, performance, control, and legitimacy. It promotes fair and transparent operations through clearly defined roles, policies, laws, and shareholder oversight aligned with good governance principles, which cascade throughout the organisation. The Board's main governance responsibilities and governance outcomes are highlighted in Figure 3 below.



Figure 3: **Board's Governance Responsibilities and Governance Outcomes**

The GMA's Corporate Governance Practices and Processes establish role clarity by explicitly defining the roles and areas of accountability necessary for effective governance of the GMA. The GMA Board has continued to create meaningful value through the following key areas:

- Maintaining a Board composition and structure that is fit for purpose and enables the effective discharge of its mandate, in line with the GMA's strategic objectives.
- Upholding applicable legal, regulatory and financial reporting requirements, while fostering a culture of accountability and discipline aimed at preventing fraud and corruption.
- Leading by example through the promotion of ethical leadership and the embedding of an ethical organisational culture across the Agency.
- Strengthening organisational resilience and performance. In response to an evolving operating environment, the GMA continuously reviewed and enhanced its corporate governance practices to address emerging challenges and leverage new opportunities.
- Enhancing the value of intangible assets. Open engagement with stakeholders and responsible organisational conduct contributed to strengthening the GMA's reputation, public trust, credibility and goodwill.

The Board's roles, responsibilities, membership criteria and operating procedures are set out in the Board Charter.

The Board establishes materiality thresholds to guide the delegation of authority while retaining oversight of key matters. To support effective oversight and independent decision-making, the Board has constituted committees with clearly defined mandates. Operational and executive responsibilities are delegated to the Chief Executive Officer, who is supported by the GMA Management Committee in implementing strategy, executing policies and managing day-to-day operations.

The GMA Corporate Governance Structure is detailed in Figure 4.

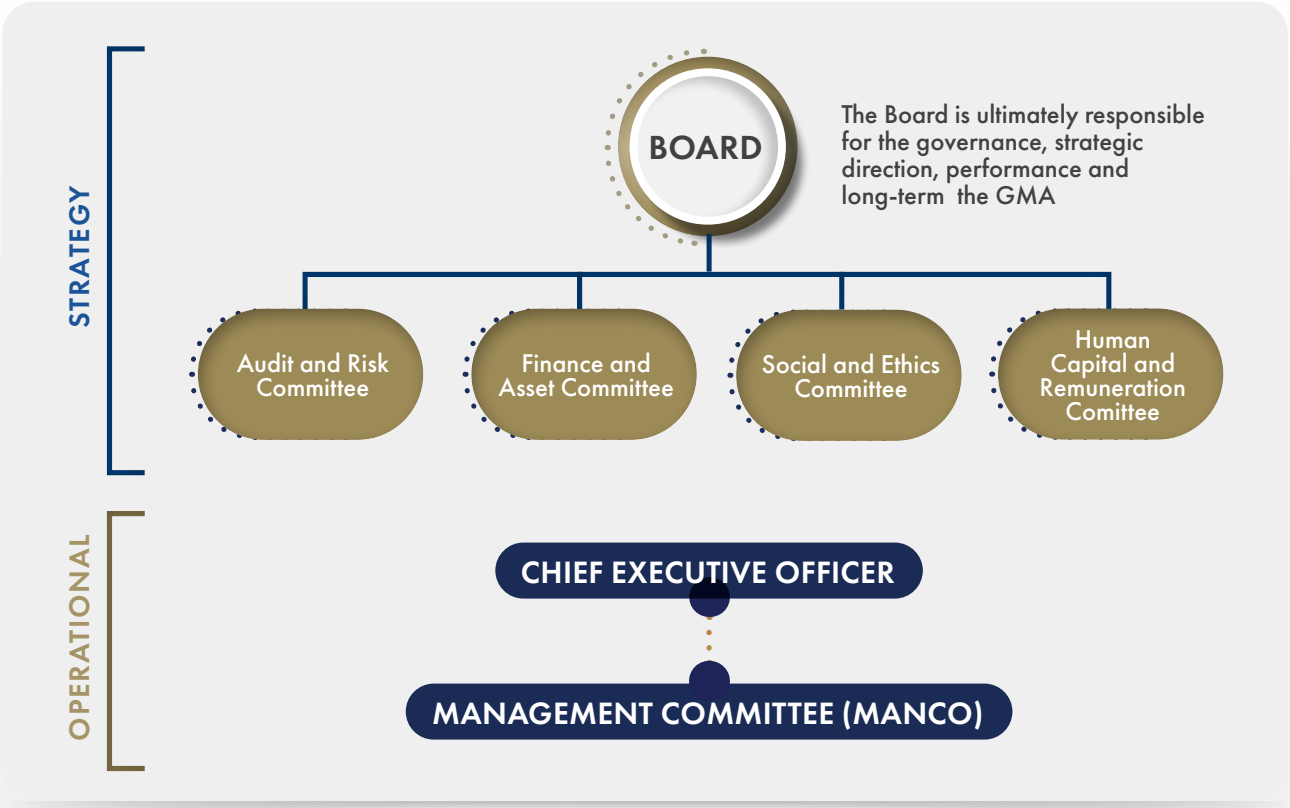


Figure 4: **GMA Corporate Governance Structure**

1.4. BOARD COMPOSITION

Section 9(2)(b) of the Gautrain Management Agency Act (GMA Act) requires that the Board comprise up to nine non-executive members appointed on the basis of appropriate skills, experience and diversity.

During the 2025/26 Financial Year, the Board experienced a change in its composition with the appointment of the ninth Board member to replace a member who resigned during the 2024/25 Financial Year. To ensure continuity and the maintenance of the requisite skills mix, a new non-executive Board member was appointed in August 2025. As a result, the Board comprised nine (9) non-executive members at year-end, drawn from diverse professional backgrounds and industries, collectively contributing a broad range of expertise to the oversight and strategic direction of the GMA. The Chief Executive Officer (CEO) serves as an ex officio member of the Board.

The Board demonstrates diversity in terms of gender, skills, experience and professional background, supporting balanced decision-making and effective governance in line with legislative and good governance requirements.

The roles and responsibilities of the Board Chairperson and the CEO are clearly defined, formally separated, and documented in the Board Charter. The Board delegates certain responsibilities to the CEO, who is supported by the Management Team (MANCO). The CEO is tasked with leading the implementation and execution of the approved strategies and policies, as well as managing the daily operations of the GMA.

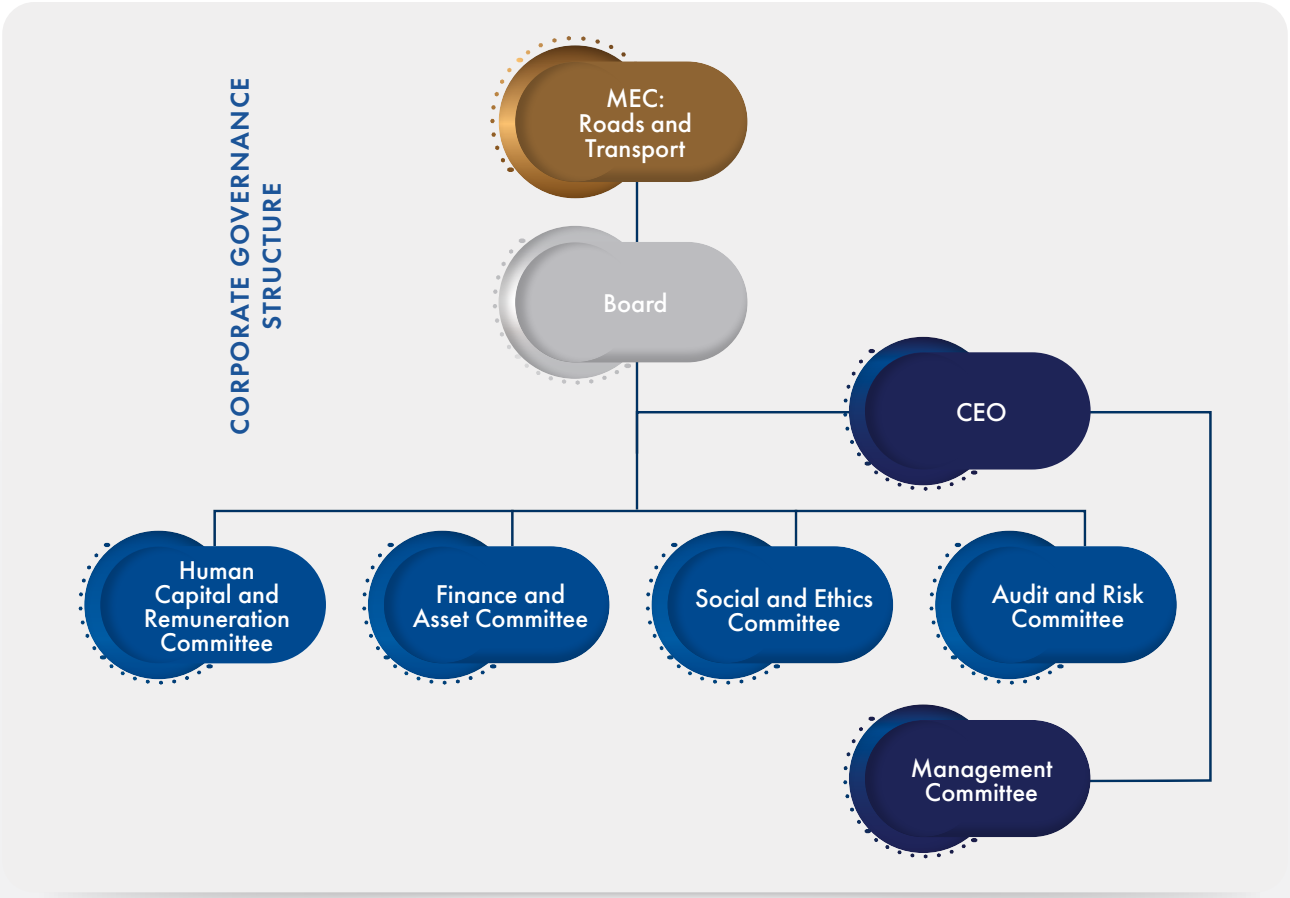


Figure 5: **Governance Structure of the GMA**

The Board is supported by Board Advisors who are nominated by their respective organisations and appointed by the MEC. Board Advisors provide strategic guidance informed by their organisations' policies but do not have voting rights at Board meetings. The term of office of Board Advisors is aligned with that of the Board.

During the reporting period, the appointments of the Board Advisors remained unchanged, except for one resignation. Ms Ulrike Britton from National Treasury resigned as a Board Advisor during the financial year. The remaining Board Advisors continued to serve in accordance with the provisions of the GMA Act.

1.4.1 Board diversity

The composition of the Board supports the promotion of the diversity of its membership for effective governance and good decision-making. Board diversity is shown in the figures that follow.

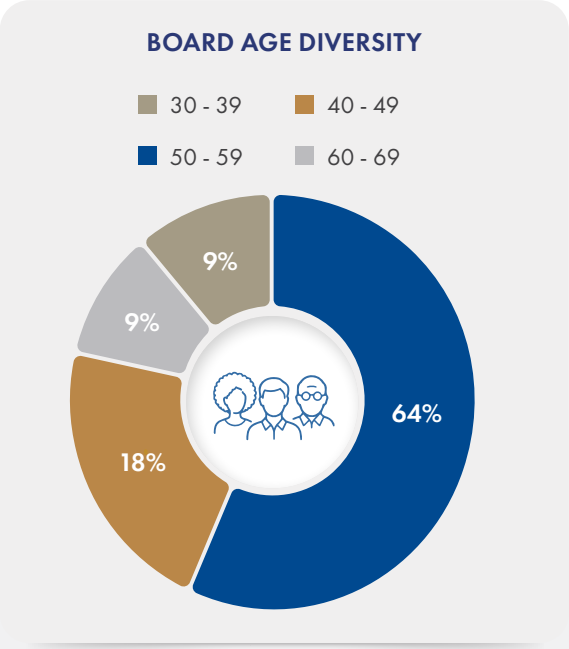


Figure 6: Board Age Diversity

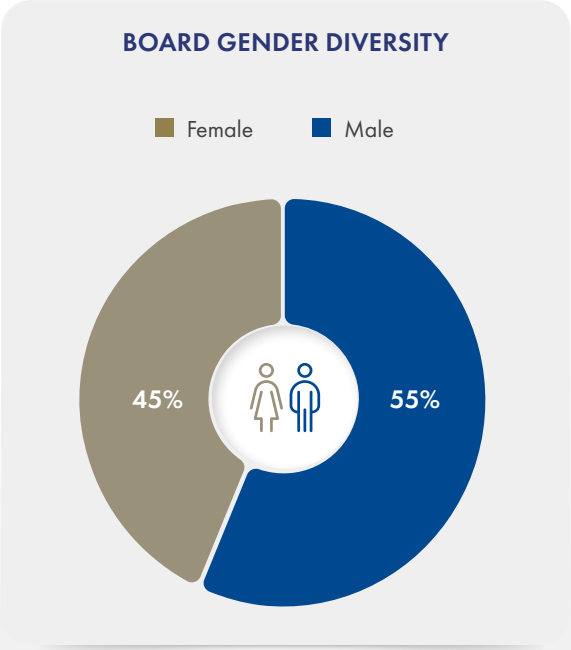


Figure 7: Gender Diversity

BRILLIANT DIVERSITY SPREAD LIKE STARS, WHILE GOOD GOVERNANCE IS KEY TO SUCCESS.

1.4.2. Brief Profiles of Members of the Board



Finance and Asset Committee | Social and Ethics Committee | Human Capital and Remuneration Committee | Audit and Risk Committee

The corresponding icon denotes the chairperson of the Board committee.



PROFESSOR MFANELO NTSOBI (56)
Chairperson and Independent Non-Executive Member
(Appointed: 1 January 2024 to 31 December 2026)

Qualifications: Bachelor of Military Science, BPA Honours, MA, PhD in the Management of Technology and Innovation.

GMA Board committee memberships: None.

Other Directorships: CEO and Executive Director at Sci-Bono Discovery Centre; Council Chairperson of Ekurhuleni East TVET College; Council and Senate Member at Wits University; Council Member of the Southern African Association of Science and Technology Centres (SAASTEC); and Board member at Armscor.

Skills, expertise and experience: Management of technology and innovation, built environment and ICT, security and political risk analysis, visiting Professor at Walter Sisulu University Faculty of Engineering, transport management in aviation, research management, research Professor at the Global Centre for Academic Research, Associate Research Professor at South Valley University (Zambia), education and policy research, extensive knowledge of the public sector having served as a Senior Manager in government and non-executive director in state owned entities, corporate governance, planning and development, strategy, communication strategy, labour relations, mediation and arbitration, and operations management.



MS MALEBO MATOLONG (50)
Deputy Chairperson and Independent Non-Executive Member
(Appointed: 1 January 2024 to 31 December 2026)

Qualifications: Pr Eng, Certified Director, BSc (Civil Engineering), BEng Honours (Transportation Engineering), MPM (Leadership), MBA.

GMA Board committee memberships: Member of Finance and Asset Committee; and Member of Human Capital and Remuneration Committee.

Other directorships: Deputy Chairperson of the Magalies Water Board; and Member of the Council for Sefako Makgatho Health Sciences University
Independent committee roles: Driver's Licence Card Account Trading Entity Interim Audit Committee Member.

Skills, expertise and experience: Transportation engineering and implementation, programme and project management, business process re-engineering, and corporate governance.



MS MAMELA LUTHULI (49)
Independent Nonexecutive Member
(Appointed: 1 January 2024 to 31 December 2026)

Qualifications: NDip Public Management, Management Development Programme Mastering Strategy, MBA, VPAL Cybersecurity: Managing Risk in the Information Age.

GMA Board committee memberships:

Chairperson of Social and Ethics Committee; and Member of Audit and Risk Committee, and Member of Human Capital and Remuneration Committee.

Other directorships: Member of the Tap Sosa Board; Member of the Board for the Female Founders Initiative Middle East and Africa; Advisory Member of the Board of the CSIR Defence and Security; and Member of the interim Gauteng Transport Authority Board.

Skills, expertise and experience: Cybersecurity, innovative IT solutions and Internet of Things (IOT), and Research and Development.



MR BAFANA SIBISI (64)
Independent Non-executive Member
(Appointed: 1 January 2024 - 31 December 2026)

Qualifications: MBA, BTech (Architectural Technology), Strategic Leadership in Development Management, Civil Engineering, Water Resources Management, (managing dam designs and hydraulic structures), Certificate in Rough Diamonds Evaluation, Computer Aided Designs (CAD), Municipal Performance Management Training Programme, Certificate in Human Settlements (SAHF).

GMA Board committee memberships: Member of Audit nd Risk Committee; Member of the Human Capital and Remuneration Committee; and Member of the Social and Ethics Committee.

Other directorships: Member of the interim Gauteng Transport Authority Board; Managing Director of DGSD Consulting Engineers; Group CEO of Africawise Developments (Pty) Ltd; Member of the Atteridgeville Senior Citizens Care for the Aged (ASCCA) Board; Executive Chairperson of TUT School of Business and Society (TSB) Alumni Chapter.

Skills, expertise and experience: Architecture, civil engineering, housing and human settlements, programme and project management, executive leadership development management, business administration and statistics, economics, change management, strategic management, human resource management, financial management, managerial finance, management of technology and research, international management, operational management, and marketing management.



MS LUNGILE MTIYA (51)
Independent Non-executive member
(Re-appointed: 1 January 2024 to 31 December 2026)

Qualifications: NDip in Human Resources, BTech (Human Resources), BCom Honours (Employment Relations and Labour Law), MPhil (Employment Relations and Labour Law).

GMA Board committee memberships: Member of Human Capital and Remuneration Committee; Member of the Social and Ethics Committee; and Member of the Finance and Asset Committee.

Other directorships: Non-Executive Director at Hero Serv (Pty) Ltd, Toka and Associates (Pty) Ltd Executive Director and a Shareholder and Three Sisters Productions (Pty) Ltd.

Skills, expertise and experience: Human resources, labour relations, mediation, conciliation, arbitration, and facilitation.



Dr. DESMOND GOLDING (55)
Independent Non-Executive Member
(Appointed: 1 January 2024 to 31 December 2026)

Qualifications: PhD Corporate Governance (GRU), LLM - Banking and Finance (London), MA - Global Economy (Wits), Finance for Senior Executives (Harvard), Advanced Management, and Leadership Programme (Oxford), and Project Finance (London).

GMA Board committee memberships: Chairperson of Finance and Asset Committee, Member of the Audit and Risk Committee; and Member of the Social and Ethics Committee.

Other directorships: Board Chairperson of the National Housing Finance Corporation, Chairperson of the Panel of Experts on Mega Infrastructure Projects in the North-West Province, Member of the interim Gauteng Transport Authority Board andManaging Director of Khabran Investments.

Skills, expertise and experience: Finance, transaction advisory, project preparation, financial modelling, investment banking, financial law, project finance, deal structuring, business strategy, corporate governance, capital raising, economics, risk management, and economic research.



MR BONGISIZWE MPONDO (50)
Independent Non-Executive Member
(Appointed: 1 January 2024 to 31 December 2026)

Qualifications: BSc Honours (Town and Regional Planning).

GMA Board committee memberships: Chairperson of the Audit and Risk Committee; Member of the Finance and Asset Committee; Member of the Social and Ethics Committee; Member of the Human Capital and Remuneration Committee; and Chairperson of the Adhoc Committee on Transition & Business Performance.

Other directorships: Board Member of the Mineworkers Investment Company (Private Equity Fund). Founder and Managing Director of SAFIRI (Built Environment & Transportation Consultants). Founder and Director of InnateSafiri (Property Development Consultants). Founder and Partner of SAFIRI Infrastructure Fund.

Skills, expertise and experience: Transportation Planning, Infrastructure, Property Development, Land Use Management, Project Management, Business Strategy Development and Execution, Corporate Governance, Business Turnaround and Growth Strategies. Public Private Partnership (PPP) Advisory.



MR KRISHNA GOVENDER (52)
Independent member
(Appointed 1 April 2025 to 31 December 2026)

Qualification: Chartered Accountant (SA), Bachelor of Commerce Honours.

GMA Board committee memberships: Member of the Audit and Risk Committee.

Membership: SAICA.

Other directorships: Non-executive Director uMsunduzi Museum; member of Artscape and Audit and Risk Committee; Chairperson for the Council for Higher Education.

Skills, expertise and experience: Financial management, strategic planning, business process improvement and business advisory services.



ADVOCATE KGOTSO MAJA (36)
Independent Non-Executive Member
(Appointed: 1 January 2024 to 31 December 2026)

Qualifications: LLB, MBA.

GMA Board committee memberships: Chairperson of the Human Capital and Remuneration Committee; Member of the Audit and Risk Committee; and Member of the Social and Ethics Committee.

Other directorships: Non-executive director of Gauteng Growth and Development Agency and Chairperson of its HR & REMCO, Board Deputy Chairperson of Legal Aid South Africa and Chairperson of its Legal Services Committee; Member of the Gauteng Liquor Board and Member of the Legal Committee, Board Chairperson of the Innovation Hub Management Company, Member of City of Joburg's Group Audit Committee and Council member of WESTCOL TVET College.

Skills, expertise and experience: Human capital and labour relations, B-BBEE and transformation, socio-economic development and sustainability, public-private partnerships, corporate governance, audit and risk management, legal and compliance, marketing and branding, strategic partnerships, and social facilitation.



MS MASACCHA MBONAMBI (50)
Independent member
(Appointed 1 April 2025 to 31 December 2026

Qualification: Chartered Accountant (SA), Bachelor of Accounting, B.Com Honors Accounting (CTA), Chartered Director –CD (SA).

GMA Board committee memberships: Member of the Audit and Risk Committee.

Memberships: SAICA, IoDSA and IRMSA.

Other directorships: Transnet Group – Non-executive Director and Chairperson of the Audit Committee; SANEDI – Independent Chairperson of the Audit and Risk Committee; POLMED – independent member of the Audit and Risk Committee.

Skills, expertise and experience: Financial reporting in terms of IFRS and GRAP standards, financial management, risk management and internal controls, corporate governance, compliance with laws and regulations, supply chain management, people management, strategy and performance management.



MS MPHO MOOKAPELE (41)
Independent Non-executive member
(Appointed 29 August 2025 to 31 December 2026)

Qualification: Chartered Accountant (SA), Bcompt Honours (CTA), Bcom Accounting, Global Executive Leadership Programme, Diploma in Theology.

GMA Board committee memberships: Member of the Finance and Asset Committee; Member of the Audit and Risk Committee; and Member of the Human Capital and Remuneration Committee.

Membership: South African Institute for Chartered Accounts (SAICA), African Women Chartered Accountants, Chartered Accountants Worldwide Global Network, member of the Institute of Directors in Southern Africa (IoDSA).

Other directorships: Chairperson of the Audit Committee and Chairperson of the Remuneration Committee: Meago (Pty) Ltd; Chair of the Audit and Risk Committee: Novo Energy Pty (Ltd).

Skills, expertise and xperience: Risk Management, Governance, Policy Development, Strategy Development and Execution, Suistanability (ESG), Energy Transitions Energy and Water Skills Development, Supply Chain Management, External and Internal Audit, PFMA, MFMA and related National Treeasury Regulations and IFR.



MR TSHEPO KGOBE (50)
Chief Executive Officer
(Appointed: 1 February 2024 to 31 January 2027)

Qualifications: BSc (Civil Engineering); Postgraduate Diploma in Business Management (UoR), Diploma in Business Management (UKZN).

Other directorships: None.

Skills, expertise and experience: Project management, business development, broad-based black economic empowerment (B-BBEE), transformation, project management, corporate social investment, and supplier development.



MR NHLAMULO MAJOKO FCG (36)
Company Secretary
(Appointed 1 August 2025 to present)

Qualifications: BCom Accounting, CIS Professional Post-Graduate Qualification: Company Secretariat and Governance, Fellow of the Chartered Governance Institute.

Other directorships: None.

Skills, expertise and experience: Corporate governance, company secretariat practice, King IV® and governance legislations, minute-taking, training facilitation, corporate administration, risk management, project management, strategic planning, and financial compliance.

1.5. KEY POLICIES GOVERNING THE ACTIVITIES OF THE BOARD

Highlights of key policies governing the activities of the Board are summarised in Table 5 below.

Table 5: Board Policies

Appointment of the Board	The GMA Board is appointed solely by the MEC in accordance with Section 10 of the GMA Act.
Business Code of Conduct and Ethics	The Code establishes a forward-thinking framework aimed at enhancing governance practices and promoting accountability and responsibility among Board members. It is divided into two key sections: Ethical Principles and Conduct Principles. The Ethical Principles outline the duties and commitments expected of Board members helping them make decisions and act in ways that reflect the GMA's core values. These principles serve as a benchmark for ethical behaviour and effective performance in their roles. The Conduct Principles outline the duties and commitments expected of Board members. The Code provides directives on various matters, including conflicts of interest, external directorships, employment and other engagements, the acceptance of gifts, political affiliations, and the management of confidential information. Annually, Board members are required to declare their interests and affirm their commitment to adhering to the principles and standards of conduct specified in the Code.
Board Induction	On 5 December 2025, a workshop was conducted for the Board to provide in-depth training on the Gauteng Rapid Rail Integrated Network Extension Programme (GRRIN). The Board has continued to monitor the Post-2026 Gautrain Project and maintains oversight of the project's progress.
Remuneration of the Board	In terms of the GMA Act, the remuneration of Board members is determined by the Executive Authority in consultation with the Gauteng MEC for Finance. The remuneration structure is based on the following: • Preparation for and attendance at meetings, workshops, and other events, remunerated in accordance with the National Treasury Guidelines. • A monthly retainer, paid in recognition of the nature and complexity of the Gautrain Project and its associated activities. • Travel and other expenses associated with attending meetings, workshops, and events, reimbursed in line with GMA policies. The remuneration of the Board for the 2025/26 Financial Year is disclosed in the Annual Financial Statements.

1.6. BOARD'S FOCUS AREAS DURING THE 2025/26 FINANCIAL YEAR

The focus areas for the Board during the reporting year were:

- Maintain performance excellence on Gautrain I.
- Maintain and grow ridership on Gautrain I.
- Manage the PG and create financial sustainability through commercialisation opportunities.
- Support TAG's role as an integrated planner and co-coordinator of public transport.
- Close out the current concession agreement.
- Appoint a successor concessionaire and ensure a smooth transition from the current to the new concession agreement.
- Continuously improve governance structures, processes, and systems, and monitor compliance.
- Continuously develop and review corporate governance documents, as well as monitor their implementation.
- Implement the Ethics Management Strategy, which is aligned with the pillars of the Gauteng Anti-Corruption Strategy. The Ethics Management Strategy contributes to building and maintaining an ethical culture.

The Board considered and/or approved the following key matters, many of which were considered and recommended to the Board by its committees, amongst others:

- The audited GMA Annual Financial Statements;
- GMA Quarterly Reports;
- The GMA Integrated Annual Report 2024/25;
- The audited Annual Performance Information Report;
- The Audit Report and Final Management Report issued by the Auditor-General;
- The GMA Strategic Plan;
- The GMA Budget for the financial year;
- The outcomes of the Bid Adjudication Committee's tender process; and
- The Audit Strategy.

1.7. FUTURE FOCUS AREAS

Under the strategic guidance of the GMA Board, the Agency will focus over the medium term on sustaining operational performance and ridership growth on Gautrain I, while advancing GRRIN expansion and preparing for a seamless post-2026 transition. Financial sustainability will remain a strategic priority, supported by effective public asset management and the pursuit of commercial opportunities.

The GMA will further strengthen organisational resilience through an agile long-term strategy that supports business continuity and contributes to the Gauteng Provincial Government's Growth and Development Plan, particularly the "Growing Gauteng Together through Smart Mobility" agenda. The Agency will continue to build political support, deepen stakeholder and intergovernmental collaboration, and maintain alignment with the National Department of Transport.

In delivering on its mandate, the GMA remains committed to sound governance, ethical leadership, socio-economic transformation and B-BBEE objectives. Key delivery priorities include additional EMU procurement, depot expansion, signalling upgrades and integrated transport services, while responding to the evolving rail devolution landscape.



1.8. BOARD PROCESSES

Table 6: Board Processes

Delegation of Authority Framework	The Delegation of Authority Framework has been developed in line with the GMA's legal and regulatory requirements to support structured and effective decision-making across all levels of the organisation. It recognises that, while authority may be delegated to Board committees and Management, the Board remains ultimately responsible for fulfilling its statutory and fiduciary duties. The Framework is reviewed annually to ensure alignment with the GMA Board Charter, the Terms of Reference of Board committees, and other key governance documents and policies. The Framework for the 2025/26 Financial Year was reviewed and approved by the Board on 30 May 2025.
Conflict of Interest	Board members are required to declare any conflicts of interest and sign confidentiality undertakings prior to their appointment, on an annual basis, and whenever significant changes arise. These declarations are made available to the MEC. At the start of all Board and Board committee meetings, members are required to declare any actual or potential conflicts of interest relating to items on the agenda. These declarations are duly reviewed, and where a conflict is identified, the affected member is recused from deliberations on the relevant item. A register of annual declarations, as well as all declarations made during Board and Board committee meetings, is maintained, and a copy is submitted to the MEC.
Board Training and Development	Ongoing training and skills enhancement are essential for effective governance and the successful performance of the Board. The Board evaluation was concluded during the first quarter of the 2025/26 Financial Year. The training initiatives undertaken during the 2025/26 Financial Year were informed by the results of the Board evaluation. Board members receive regular updates on legislative developments, key risks, governance matters, and changes in the external environment, including issues relating to the GMA, public transport, and the rail sector. In addition, members benefit from a structured Board Training and Development Plan designed to enhance their knowledge, skills, and overall effectiveness.
Board and Board committees' meetings and events	The Board and its committees developed an annual Board Plan and corresponding Committee Work Plans to ensure effective meeting management and alignment with the Board Charter. The 2025/26 Board Plan and Committee Work Plans were reviewed and updated on a quarterly basis. Certain Members of Senior and Executive Management have standing invitations to the Board and Board Committee meetings to provide information and give updates and highlights in their areas of responsibility.

1.9. BOARD MEETINGS AND ATTENDANCE

During the period under review, the Board held four (4) scheduled Board meetings, nineteen (19) special meetings, and three (3) strategy sessions.

Table 7: Board, Board Committees and Board Advisors' Membership and Attendance

BOARD MEMBERS		BOARD COMMITTEES' MEMBERSHIP					
	Board	Audit and Risk Committee	Finance and Asset Committee	Human Capital and Remuneration Committee	Social and Ethics Committee	Special Meetings	Strategy Sessions
Prof Mfanelo Ntsobi Chairperson	4	x	x	x	x	5	3
Ms Malebo Matolong Deputy Chairperson	4	x	4	3	x	17	3
Mr Tshepo Kgobe CEO	2	3	2	2	3	10	x
Ms Mamela Luthuli	4	4	x	4	4	12	3
Dr Desmond Golding	3	3	4	x	3	11	3
Ms Lungile Mtiya	4	x	4	4	4	19	3
Adv Kgotso Maja	4	4	x	4	4	14	3
Mr Bafana Sibisi	4	4	x	4	1	13	3
Mr Bongisizwe Mpondo	2	4	4	4	4	18	3
Ms Mpho Mookapele	2	2	1	x	x	10	
Advisors							
Mr Riaz Shaik	x	2	1	x	x	1	x
Mr Ratshilumela Mashamba	x	1	1	x	x	2	x
Mr Jan De Villiers	x	x	x	x	x	x	x

1.10. BOARD COMMITTEES

To improve efficiency, independence, and sound judgment in governance, the Board assigns responsibilities to committees with defined Terms of Reference and, where relevant, Board resolutions.

Non-executive Board members chair all Board committees. The Chairpersons of these committees are part of the Social and Ethics Committee to ensure effective collaboration and co-ordination. During the year under review, the Board was supported by four Board committees, namely:

- Audit and Risk Committee;
- Social and Ethics Committee;
- Finance and Asset Committee; and
- Human Capital and Remuneration Committee.



1.10.1. Social and Ethics Committee Report

The Social and Ethics Committee (SEC) is a statutory committee established in terms of Section 72 of the Companies Act, No. 71 of 2008, read together with Section 19 of the GMA Act, the principles of King IV™, and the GMA Board Charter.

The SEC assists the Board in overseeing ethics, stakeholder governance, social responsibility, sustainability, and corporate citizenship. Senior executives regularly attend SEC meetings to provide inputs relating to their respective areas of responsibility and expertise. In 2025/26, the SEC addressed customer relations, stakeholder engagement, communications, marketing, social investment, ethics, transformation, socio-economic development, health and safety, environmental management, and governance.

The Committee focused on managing the Post-2026 transition and holdover period, including reputation management and initiatives to maintain stakeholder confidence. It reviewed quarterly reports on customer engagement and ridership-support efforts and worked on boosting ridership, stakeholder engagement, and brand accessibility.

Oversight extended to health, safety, environmental matters, concessionaire incidents, and employee well-being. Governance and operational risks relating to the Post-2026 transition were also monitored. The SEC supported the Board in maintaining ethical, transparent, and sustainable operations aligned with legislation and GMA objectives.

The Committee is confident that it fulfilled its responsibilities in accordance with the approved Terms of Reference for the Financial Year under review.

Mamela Luthuli

MS M. LUTHULI
SEC Chairperson



1.10.2. Human Capital and Remuneration Committee Report

The Human Capital and Remuneration Committee (HCRC) is a Board committee established in terms of Section 19 of the GMA Act and comprises seven members. The Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Chief Audit Executive, and the Senior Executive Manager responsible for Corporate Services are standing invitees to Committee meetings.

Key matters considered during the 2025/26 Financial Year included human capital governance priorities supporting organisational performance, sustainability and strategic readiness; GMA organisational positioning and capability; and the temporary transfer of BCC employees during the holdover period.

The Committee also reviewed remuneration proposals, salary scales, and related governance matters, including the Reward and Remuneration Policy and Employee Benefits Policy. In addition, it oversaw performance management, alignment of organisational and individual performance measures, employee value proposition and retention initiatives, succession planning, talent pipeline development, and employee wellness and support programmes.

The HCRC is satisfied that it fulfilled its responsibilities in accordance with its approved Terms of Reference during the 2025/26 Financial Year.

ADV. KGOTSO MAJA
HCRC Chairperson



1.10.3. Finance and Asset Committee Report

The Finance and Asset Committee (FAC) is a Board committee established in terms of Section 19 of the GMA Act. The Committee comprises six members, including the Chief Executive Officer, and is supported by two Board Advisors.

The Chief Operating Officer, Chief Financial Officer, Chief Audit Executive, and senior executives responsible for Technical Services and Communications and Marketing are standing invitees to FAC meetings.

During the year, the FAC reviewed and recommended strategic, operational and governance matters to the Board. These included policies and governance documents, the Post-2026 Gautrain Project, GRRIN Extensions, close-out activities under the current Concession Agreement, commercial initiatives, financial management of the Gautrain Project, the adequacy of Concessionaire financial securities, and the annual review of GMA Operations and Systems Assets Insurance. The Committee also oversaw the post-2026 tender evaluation process, with emphasis on compliance, fairness, transparency, responsiveness, functionality, compatibility and competitiveness, while monitoring initiatives to strengthen financial sustainability, resilience and governance. In addition, the FAC reviewed GMA support services, office infrastructure projects, the approved 2026/27 budget, quarterly performance reports, incident-related matters, implementation of the GMA Integrated Security Strategy, and initiatives to advance integration of the Gautrain System with other public transport systems.

The FAC reviewed and approved quarterly reports relating to the Concessionaire's Performance Monitoring System, patronage trends, consolidated financial statements, asset management, supply chain management, security strategy implementation, portfolio management, asset and maintenance systems, facilities management, personnel expertise, and resource capacity within the Finance Business Unit, and the management of finances and securities associated with the Gautrain Project.

Overall, the FAC is satisfied that it has executed its responsibilities in line with its approved Terms of Reference for the 2025/26 Financial Year.



Dr. D. Golding
FAC Chairperson



1.10.4. Audit and Risk Committee Report

Please refer to the full report on pages 123 to 126 for more details on the key activities, summary of work, meetings and members of the ARC.

1.11. COMPANY SECRETARY

The Company Secretary plays a key role in guiding the Board members to execute their duties, keeping the Board aware of relevant changes in legislation, and corporate governance best practice. The Company Secretary is also secretary to the Board committees, and the Board members have unrestricted access to the Company Secretary.

In August 2025, the Board appointed Mr Nhlamulo Majoko as the permanent Company Secretary of the GMA.

1.12. INTERNAL AUDIT

Internal Audit's mandate supports the overall GMA strategy and ensures the achievement of strategic objectives by providing high-quality assurance, advisory services, and relevant business insight and foresight as an integral part of its activities.

Through execution and completion of the approved Internal Audit Plan, Internal Audit:

- Offers an independent evaluation of governance, risk management, and control processes implemented by Management and the Board to achieve the GMA's purpose of transforming spaces, people, and the economy through mobility.
- Ensures that the GMA's strategic objective of providing assurance regarding compliance with internal controls is achieved.

Internal Audit performed quarterly evaluations of GMA Management's Assessments of Key Internal Controls (Dashboard Report), emphasising adherence to PFMA requirements across Leadership, Financial and Performance, and Governance domains.

Internal Audit submitted the Quarterly Consolidated Internal Audit Report to the Audit and Risk Committee, highlighting progress and major changes to the Annual Internal Audit Plan. All 39 audit projects were completed as per the 2025/26 Internal Audit Operational Plan, covering all GMA business units. Additionally, Internal Audit completed all whistleblowing investigations and reviews requested by the Board and Management.

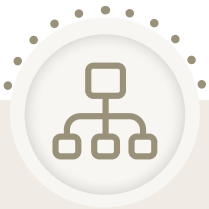
Through diligent execution of its responsibilities, Internal Audit helps to safeguard the GMA assets, enhances the reliability of financial and performance information reporting, and supports the Agency in achieving its strategic goals.



The overall Internal Audit outcome is that the system of internal controls, governance and risk management within the GMA is working as intended.



Internal Audit adheres to the International Standards for Professional Practice of Internal Auditing (Global Internal Audit Standards), as established by the Institute of Internal Auditors (IIA). This compliance was affirmed through a "Generally Conforms" rating achieved in both the Internal Quality Assessment Review with External Validation and mandatory External Quality Assessment Review carried out during the year.



Auditor-General of South Africa considers and places reliance on the work of Internal Audit for External Audit purpose.

2. PROMOTING AN ETHICAL CULTURE

GMA's Governance of Ethics Framework is built on and aligned with the Framework developed by The Ethics Institute and has four main dimensions, namely leadership commitment, governance structures, ethics management and independent assessment as well as external reporting. Building an ethical culture is the ultimate outcome of the Framework.

2.1. LEADERSHIP COMMITMENT

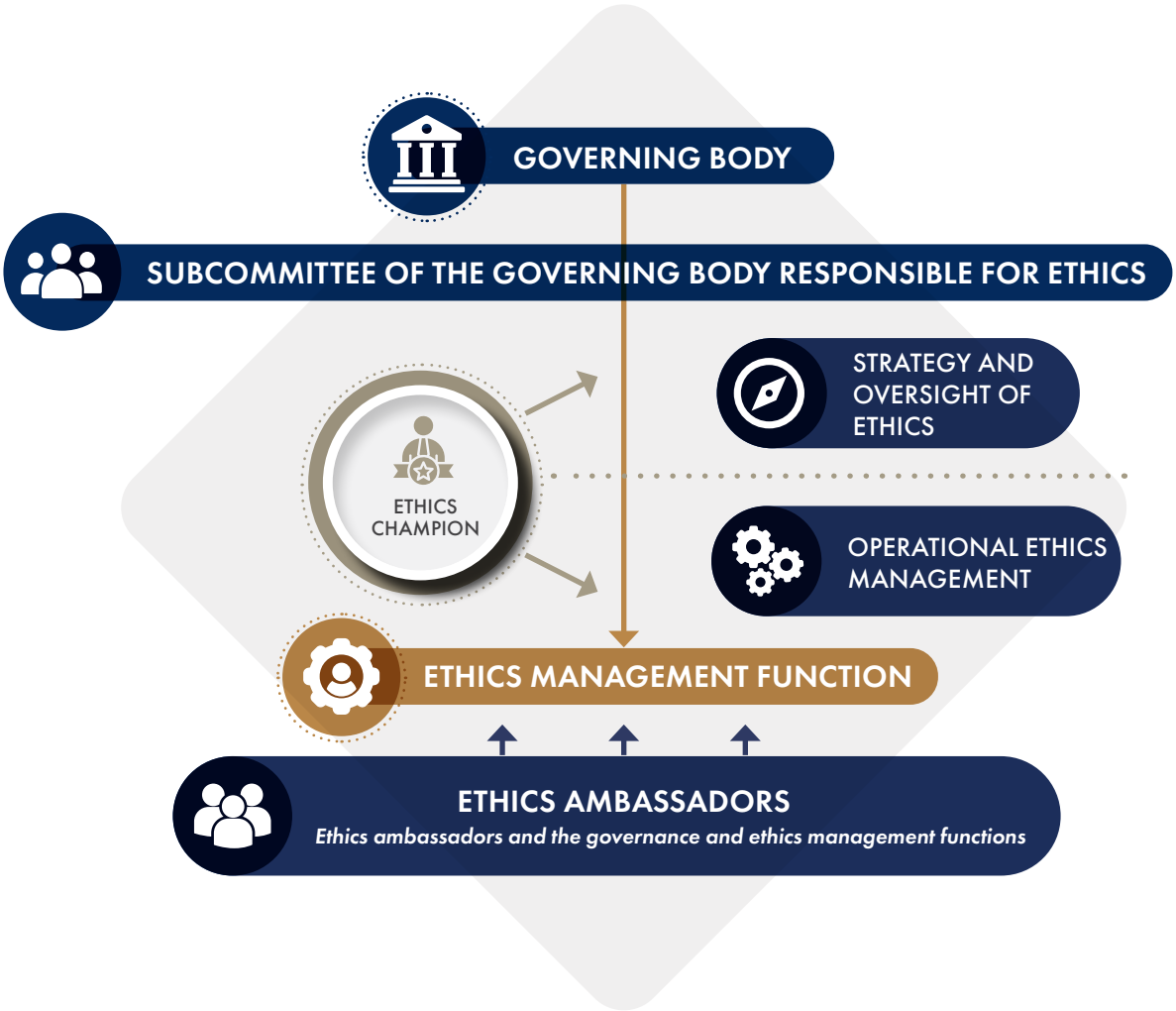
Leadership Commitment is the cornerstone of the Governance of Ethics Framework, and without this cornerstone, ethics management interventions aimed at building an ethical culture are likely to fail.

Ethical leadership is not about a person or a position but is about fulfilling specific roles and responsibilities at various levels of the organisation. Building an ethical organisational culture requires the collaboration of ethical leaders at all levels of an organisation. Ethics is therefore the responsibility of everyone at GMA.

2.2. GMA'S ETHICS GOVERNANCE AND MANAGEMENT STRUCTURE

The GMA Board assumes the ultimate responsibility for ethical governance. The governance responsibilities and outcomes described in King IV are also applied to the governance of ethics within the organisation. This implies that the Board is responsible for approving the ethics management strategy, setting and approving ethical standards, overseeing the management of ethics through the review of integrated ethics management reports, and reporting on and disclosing the organisation's ethical performance to all stakeholders.

The structure below, developed by The Ethics Institute, highlights the ethics governance and management functions:



The GMA Board has entrusted the Social and Ethics Committee with the responsibility for ethical governance. The Board, through the Social and Ethics Committee, oversees and monitors the implementation and execution of ethics and ensures that it is embedded in the operations and culture of the GMA.

Ethics is comprehensively managed and embedded in the GMA through the following key role players at the operational level:

- Ethics Champion – the CEO is the link between the governance of ethics and the management of ethics;
- Management Committee – oversees the execution of the ethics management strategy;
- Ethics Office – executes the ethics management programme; and
- Ethics Ambassadors – promote ethics talks and carry the ethics flag in their business units.

The GMA Ethics Office is supported by two Certified Ethics Officers. As of 31 March 2026, thirteen Certified Ethics Ambassadors completed their Ethics Ambassador Programme facilitated by The Ethics Institute.

During the period under review, the Ethics Ambassadors held three sessions to consider and approve the following:

- Ethics Ambassador Charter;
- Annual Work Plan;
- Criteria for the nomination of Ethics Ambassadors; and
- Amendments to the GMA Business Code of Conduct and Ethics for Employees and the Gift and Hospitality Policy.

The above structures and role players have important responsibilities in terms of governing and managing ethics in the GMA. Collaboration and coordination between the various role players and structures are essential to ensure organisation-wide commitment to ethical standards.

2.3. GMA'S APPROACH TO THE MANAGEMENT OF ETHICS

The Ethics Office is housed in the Ethics, Risk and Compliance Business Units and is the custodian of ethics management in the GMA. Ethics Management includes the planning, organising, directing and controlling of all ethics-related activities.

The management of ethics at the GMA supports the delivery of an ethical culture by:

- Conducting the risk and opportunity assessments;
- Compiling the ethics management strategy and plan;
- Developing and reviewing ethics-related policies and processes;
- Maintaining registers for gifts and hospitality;
- Managing declaration of Conflict of Interest;
- Managing declaration of Interest from the Procurement Processes;
- Managing declaration of Interest from the Interview Processes;
- Providing awareness training and advice to employees;
- Supporting whistleblowers through the GMA Fraud Hotline; and
- Managing applications to undertake external activities.

To ensure that employees conduct themselves in line with the Ethics-related Codes, Policies and Frameworks, employees are inducted and are also required to complete their declarations of conflict of interest within five days of assuming duties at the GMA.

Declarations of conflict of interest for the 2025/26 Financial Year were completed by all employees, including those at the DLTC's and no areas of concern were identified. An analysis of declarations related to procurement and interview processes revealed that conflicts of interest were effectively managed. Applications by fourteen employees to undertake external activities were approved by the CEO.

During the reporting period, ethics and fraud awareness sessions organised for employees to enhance ethical standards, included:

- **GMA Induction Programme for new employees** (June and October 2025, and March 2026).
- **Whistleblower Day** (June 2025) - GMA commemorated the day with a webinar organised by the Ethics Institute and the Whistleblower House.
- **Global Ethics Day** (October 2025) - GMA commemorated the day by issuing a poster on "GMA Values - Our Moral Compass" and a webinar on Ethics Reenvisioned, facilitated by The Ethics Institute.
- **International Fraud Awareness Week** (November 2025) - GMA commemorated the day with various interventions to empower employees with tools to detect, prevent and report unethical behaviour and fraud. The interventions included a 5-part video series campaign on Fraud Awareness and a poster on the Iceberg Theory of Corruption.
- Webinar on the **impact of King V on the governance of ethics** (November 2025) - Focused on the revised Principle 2, which positions corporate citizenship as a core element in fostering an ethical organisational culture.

One incident of corruption and fraud was reported during the period under review through the internal platform. The CEO was notified by the Commercial Business Unit about the loss of Face Value Documents (FVDs) at the DLTC Pilot Centre and subsequently authorised the Internal Audit Business Unit to investigate the alleged theft. The investigation revealed that the 2000 FVDs could not be traced, either physically or electronically, within the Pilot Centre beyond confirmation that they had been received at the DLTC. The investigation further identified significant internal control weaknesses in the safeguarding of FVDs.

According to the GMA Gift and Hospitality Policy, employees in the Supply Chain Management Business Unit and at the Driving Licence Testing Centres (DLTC) are prohibited from accepting gifts of any kind from suppliers, clients, consultants, or service providers, due to the nature of their work. During the Ethics and Fraud Awareness Session conducted for DLTC employees in June 2025, a potential risk relating to the receipt and acceptance of gifts by employees at service delivery points was identified.

The Ethics Management Team discussed the ethics risk associated with the acceptance of gifts by DLTC employees with the Commercial Management Business Unit. These discussions resulted in the procurement of banners designed to inform the public about the GMA Gift and Hospitality Policy and to clarify what is not permitted under the Policy in order to prevent perceptions of corrupt activities.

2.4. INDEPENDENT ASSESSMENT AND EXTERNAL REPORTING

The Ethics Office compiles quarterly integrated ethics management reports and submits to the Social and Ethics Committee for approval through the Management Committee. The reports focus on the following:

- Progress on the implementation of the ethics management programme;
- Ethical trends include annual declarations, corruption and fraud incidents, disclosure of gifts, and declarations related to procurement and interview processes; and
- Ethics risk and critical incidents.

GMA Internal Audit reviews the ethics management processes on an annual basis and the scope of audit for the 2025/26 Financial Year includes:

- Adequacy of ethics management policies and procedures;
- Processes to ensure effective ethics management and enhancement of ethical culture within GMA;
- Evaluating the effectiveness of ethics training and awareness programmes; and
- Integrity and effectiveness of whistleblower channels and processes.

The Internal Audit Function communicates the results of the ethics audit to the Audit and Risk Committee and Board. The Internal Audit Finding stated that the GMA Ethics Management processes are effective and adequate.

The Auditor-General provides external assurance of GMA's organisational ethics. Ethics reporting and auditing form an integral part of the ethics management framework and the benefits are as follows:

- Places ethics on the agenda of the Board and Board Committees;
- Gives credibility to the ethics management interventions;
- Contributes to continuous improvement;
- Reduces the risk of ethics failures; and
- Builds trust with internal and external stakeholders.

3. B-BBEE COMPLIANCE PERFORMANCE

The following table has been completed in accordance with the B-BBEE requirements of the B-BBEE Act of 2013, and as determined by the Department of Trade, Industry and Competition.

Has the Public Entity applied any relevant Code of Good Practice (B-BBEE Certificate Levels 1–8) with regard to the following:		
Criteria	**Response Yes/No**	**Discussion** (include a discussion on your response and indicate what measures have been taken to comply)
Determining qualification criteria for the issuing of licences, concessions or other authorisations in respect of economic activity in terms of any law	**Yes**	GMA utilises the BBBEE status level of contributor of the BBBEE Codes of Good Practice as a preference for specific goals as envisaged in sections 2(1)(d) and (e) of the PPPFA.
Developing and implementing a preferential procurement policy	**Yes**	TAG, utilises the BBBEE status level of contributor of the BBBEE Codes of Good Practice as a preference for specific goals as envisaged in sections 2(1)(d) and (e) of the PPPFA.
Determining qualification criteria for the sale of state-owned enterprises	**No**	
Developing criteria for entering into partnerships with the private sector	**Yes**	GMA would utilise the BBBEE status level of contributor of the BBBEE Codes of Good Practice as a preference for specific goals as envisaged in sections 2(1)(d) and (e) of the PPPFA.
Determining criteria for the awarding of incentives, grants and investment schemes in support of Broad-Based Black Economic Empowerment	**No**	

4. SUPPLY CHAIN MANAGEMENT REPORT

4.1. PROCUREMENT BY OTHER MEANS

Project Description	Name of Supplier	Type of Procurement by Other Means	Contract Number	Value of Contract R'000
Gautrain System Insurance and Cyber Insurance Covers for six months (Concession Agreement holdover period)	Aon South Africa	Closed tender	GMASGPO1612020	R23 475 935,90
Independent assessment of the remaining useful life of selected Gautrain System assets	Riskonet Africa	Single source	GMASGPO1612018	R1 955 000,00
Provision of advertising space on eTV and ENCA television platform	eTV (eMedia Investments (Pty) Ltd	Single source	GMASGPO160702	R1 725 378,80
Total				**R27 156 314,70**

4.2. CONTRACT VARIATIONS AND EXPANSIONS

The GMA did not incur contract variations or expansions above the 15% or 20% threshold.



THE GMA IS CONSISTENTLY WORKING TOWARDS THE HIGHEST POSSIBLE LEVEL OF COMPLIANCE.



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HOW THE GMA CREATES VALUE (STRATEGY)



1. AUDITOR-GENERAL'S REPORT: PREDETERMINED OBJECTIVES

The Auditor-General currently performs certain audit procedures on the performance information to provide reasonable assurance in the form of an audit conclusion. The audit conclusion on the performance against predetermined objectives is included in the report to management, with material findings being reported under the Predetermined Objectives. Please refer to page 128 in the Auditor-General's report published in the Financial Information section of this report.

2. SITUATIONAL ANALYSIS

2.1. GMA'S EXTERNAL ENVIRONMENT

The Gautrain is a strategic passenger rail asset operating within the Gauteng City Region. During the year under review, the GMA continued to execute its mandate within the applicable planning and regulatory frameworks. With the Gautrain concession agreement expiring on 27 March 2026, the GMA remains well positioned to support provincial priorities through infrastructure delivery, service excellence, economic development, spatial transformation and industrialisation, thereby contributing to sustainable value creation.

The Gautrain concession agreement expired on 27 March 2026 and entered into a transition period of six (6) months to allow for the finalisation of the transaction for the new concession. The expiry of the concession agreement and the re-concessioning of the Gautrain project to the private sector present an opportunity to strengthen the long-term sustainability and resilience of the system through the adoption of new technologies, access to private sector capital, and improved operational and cost efficiencies. This transition is expected to support enhanced performance, financial sustainability, and continued value creation over time.

2.2. SERVICE DELIVERY ENVIRONMENT

Gautrain's service delivery is measured in terms of the agreed performance norms for punctuality and availability and customer satisfaction. During the year under review the Net Promoter Score for customer satisfaction was 96%, exceeding the benchmark of 86%; whilst the availability and punctuality of the train system were 99,67% and 97,61% respectively, which is above the agreed performance norms.

In the year under review, the passenger trip numbers increased by 8,74% when compared to a decrease of 0,50% in the previous financial year. During the financial year, various initiatives were implemented to increase Gautrain ridership and revenue.

The following initiatives were implemented:

- Marketing initiatives that targeted diverse groups.
- Partnerships that supported increased ridership and passenger retention.
- Efforts focused on a customer-centric approach.
- The introduction of the KlevaM and other products, which assisted in making the system more accessible.

2.3. ORGANISATIONAL ENVIRONMENT

Key external and institutional factors that may affect the Agency's ability to deliver on its mandate and create sustainable value include:

- Limited or stagnant employment growth in Gauteng, which may constrain ridership growth and reduce demand for Gautrain services;
- Shifting mobility patterns arising from the COVID-19 pandemic, which continue to influence travel behaviour and ridership recovery;
- An unsustainable funding model characterised by over-reliance on MTEF allocations and increasing patronage guarantee obligations, which may affect long-term financial sustainability;
- Reduced provincial funding resulting from lower equitable share transfers from national government, which may constrain delivery capacity and strategic priorities;
- The complexity of strategic projects, including the Post-2026 transition and the close-out of the Concession Agreement with BCC, requires sustained institutional focus and execution discipline.

To deliver on its mandate, the GMA must remain agile, innovative, and capable of overseeing the Gautrain Project while enabling integrated public transport in the region. This supports Smart Mobility, sustainable value creation, and long-term resilience grounded in good governance.

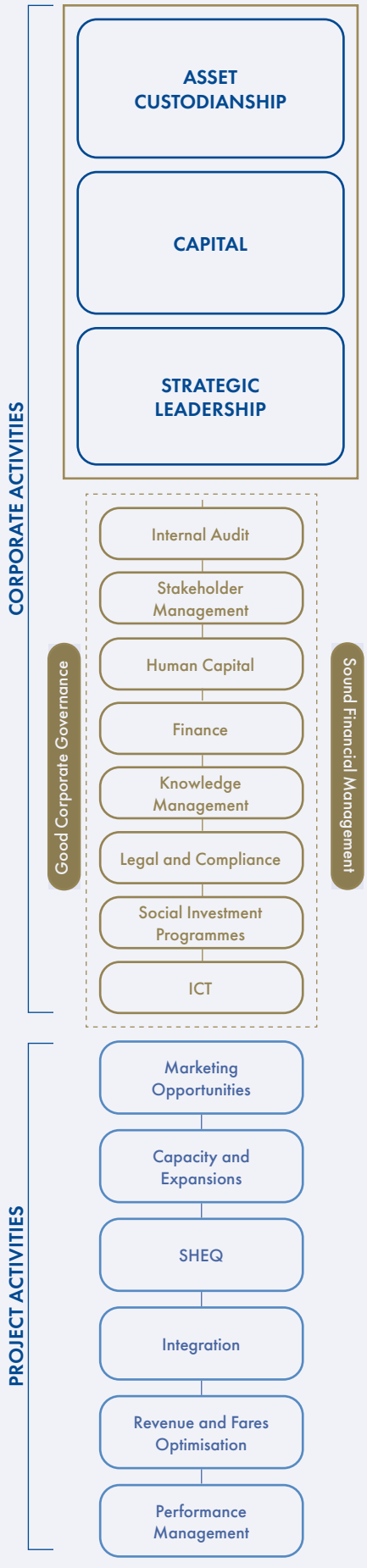
3. DELIVERING VALUE THROUGH THE BUSINESS MODEL

The GMA drives integrated value creation through a business model focused on operational excellence, resilience, and sustainable shared value. Using six capitals, it allocates resources based on regulatory requirements and value drivers, with stakeholder relationships key to producing value-added outcomes. Regular reviews of material factors and the operating environment help the Agency manage risks and optimise value. Strong partnerships, risk management, and corporate governance further support effective value creation.





	Inputs	Business Model
FINANCIAL CAPITAL	• Annual GPG MTEF allocation = R 2 669 412 000,00 • Funds from ticket fares = R 738 454 575,28 • Profit from the DLTCs (licensing fees and Agency Services) = R 6 899 000,00 • Investment income = R 10 966 097,00	
MANUFACTURED CAPITAL	• System assets including trains, buses and midibuses	
INTELLECTUAL CAPITAL	• Employees • Software • Procedures and protocols • Organisational systems • Knowledge Management (KM)	
HUMAN CAPITAL	• Employees' skills and experience • Employee capacity to innovate	
SOCIAL AND RELATIONSHIP CAPITAL	• Partners • Gauteng MEC for Transport and Logistics • Concessionaire • Stakeholders	
NATURAL CAPITAL	• Land • Electricity	



Outputs	Outcomes	Capitals impacted
Reliable and secure public transport services that are attractive to Gautrain users. Development nodes around stations with land use that takes advantage of the proximity to the Gautrain. Value added services to passengers.	• Growth in revenue • Economic benefits • More efficient land use	Social and Relationship Capital Natural Capital
Assurance that the Gautrain assets are well maintained and remain fit-for-service with an appropriate remaining useful life. Continued investment in planning and implementing asset improvement projects.	• Increase in size of System • Growth in asset value	Manufactured Capital
GMA and Gautrain intellectual property, copyrights, software and organisational systems. Policies and procedures related to System expansion and extension planning, asset assurance, performance management, marketing and supply chain management. A KM system based on knowledge generation and sharing.	• Development of industry knowledge • A competitive advantage in delivering on financial and manufactured capitals • An iconic Gautrain brand • Favourable reputation amongst stakeholders	Intellectual Capital Social and Relationship Capital
Efficient communication and relationship development with stakeholders. Human capital development initiatives. A healthy remuneration philosophy. An efficient performance management system. An ethics-based governance system.	• Growth in brand value • Staff talent growth • Efficient performance management • A culture of ethics	Human Capital Social and Relationship Capital Intellectual Capital
Increased revenue to local businesses. Boosted supply chains in the local rail industry. Increased employment.	• High SED benefits • Improved stakeholder relationships • Collective wellbeing, through common values and behaviours, key relationships and the trust and loyalty of its stakeholders	Social and Relationship Capital
A safe operating environment. Reduced carbon emissions compared to private car usage. Reduced road congestion.	• Improved environmental outcomes	Natural Capital

4. GMA'S MATERIAL MATTERS RELATING TO RESOURCE ALLOCATION

The GMA continued to commit significant resources to planning and implementation of various initiatives and projects aimed at increasing capacity, improving operational efficiencies in key areas of passenger demand, ensuring the safety of the Gautrain, and continuing services beyond the end of the Concession Agreement.

Resources were also committed to the planning and finalisation of the GRRIN extensions (Soweto Extensions and Cosmo City Junction) as part of enabling their implementation. Addressing issues raised by key stakeholders regarding the extensions remains an ongoing activity.

4.1. FINANCIAL ARRANGEMENTS OF THE GAUTRAIN

The Gautrain Project's expenditure is funded through Provincial transfers. The Patronage Guarantee (PG) payment is set out over the MTEF period based on current estimates of ridership and fare increases. The PG covers the initial capital contribution by the Concessionaire, planned maintenance costs for the System assets, and planned capital replacement costs. These costs are defined in the CA and formed the basis of budget projections at the time.

As the revenue accruing to the private party during the Operating Period of the Gautrain PPP was regarded as highly uncertain, the CA includes a financial metric known as the Minimum Required Total Revenue (MRTR). If the revenue received by the Concessionaire from operating the Gautrain is less than the MRTR, the Concessionaire is considered to require revenue support in the form of a PG.

Payment of the PG is performance-based, and the Concessionaire is exposed to significant reductions if train or bus performance drops below specified levels. This financial structure creates strong incentives for the Concessionaire to deliver and operate the Gautrain at high performance levels during the Concession Period, while minimising operating costs. However, it also results in limited incentives for the Concessionaire to maximise revenue generated from operating the System.

This impacts the GMA's business model, which seeks to counteract the lack of financial incentives by ensuring adequate operating and maintenance standards, maximising revenue through ridership growth, and expanding the Gautrain System on a sound business basis.

5. KEY POLICY DEVELOPMENTS AND LEGISLATIVE CHANGES

Key policy or legislative changes affecting the GMA include National Treasury Instruction No. 03 of 2025/26 (Government Gazette 53165, 23 August 2025), which became effective on 25 August 2025 and tightened the requirements for Schedule 3A and 3C entities to lodge surplus/retention requests or deficit declarations within 30 days of audit finalisation.

The GMA further reviewed the Railway Safety Regulator's (RSR) published Determination of Safety Permit Fees for 2025/26 in Government Gazette 52566 (24 April 2025). These fees now apply under the new Railway Safety Act, 2024 (Act No. 30 of 2024) framework, effective from 1 August 2025.

The King V Report on Corporate Governance for South Africa is the latest update to the King Code, replacing King IV to reflect modern governance developments, including sustainability reporting reforms, technological advancements, and strengthened oversight requirements. It was officially published in October 2025 by the King Committee on Corporate Governance and the Institute of Directors in South Africa, and became operational from 1 January 2026, allowing organisations time to transition their governance structures, policies and disclosure practices in line with the new King V principles and the dedicated Disclosure Framework.

The Economic Regulation of Transport Amendment Act, 2025 (Act No. 10 of 2025) was enacted in February 2026 to correct technical references in the principal Act, while further provisions of the Economic Regulation of Transport Act, 2024 (Act No. 6 of 2024) came into operation on 1 April 2026. These developments form part of the continued establishment of a unified national economic regulatory framework for the transport sector, including the operationalisation of the Transport Economic Regulator and Council. The GMA continues to monitor the phased implementation of the Act and to assess its potential impact on concession structuring, regulatory compliance, and stakeholder engagement.

On 4 September 2025, a revised Code of Good Practice on Dismissal came into force, replacing the earlier Schedule 8 and associated codes. The new Code refines guidance on fair dismissal procedures, including clearer standards for dismissals on grounds of misconduct, incapacity (poor performance or ill-health), or operational requirements (retrenchment), and revised treatment of probationary dismissals and performance-based dismissals. Importantly, the Code recognises the resource constraints faced by smaller employers and allows more flexibility through less formal procedures, acknowledging that such entities may not have dedicated Human Capital departments.

The National Public Transport Regulator (NPTR) announced revised application, renewal, and accreditation fees, effective 1 August 2025, thereby increasing the cost of compliance for operators requiring NPTR licensing.

The Preferential Procurement Regulations, issued through Government Notice 6398 (Government Gazette 52957, 8 July 2025), prescribe an updated SBD 6.1 Preference Points Claim Form for use in all procurement processes governed by the Preferential Procurement Policy Framework Act, 2000 (Act No. 5 of 2000).

In terms of the Administrative Adjudication of Road Traffic Offences Act, 1998 (Act No. 46 of 1998) (AARTO) Proclamations 272–274 of 2025 (Government Gazette 53025, 1 August 2025) confirmed the phased national rollout of AARTO, on 10 November 2025, the Department of Transport (DoT) formally announced that the nationwide implementation date would be deferred to 1 July 2026. The original implementation date had been set for 1 December 2025.

Under the Railway Safety Act, 2024 (Act No. 30 of 2024), Proclamation 269 of 2025 (Government Gazette 53024, 31 July 2025) has brought most provisions of the Act into force with effect from 1 August 2025, replacing the 2002 National Railway Safety Regulator Act. It introduces a new multi-year permit regime, updated fee structures, and expanded enforcement powers.

The GMA continues to collaborate with the Gauteng Department of Roads and Transport in reviewing and processing the Gauteng Transport Infrastructure Amendment Bill ("GTI Bill"), which is intended to overhaul the current Gauteng Transport Infrastructure Act, 2001 (Act No. 8 of 2001). It is envisaged that, once the GTI Bill is promulgated, the Province will be able to use it to, among others, diversify its service offerings by commercialising some of its activities.

6. MANAGING GMA RISKS AND OPPORTUNITIES

The GMA follows a robust risk management approach that upholds good corporate governance principles in accordance with the PFMA and Public Sector Risk Management Framework (PSRMF).

The GMA continued to embed an Enterprise-Wide Risk Management System within the Agency. This marked a continuous improvement in the maturity of the risk management system, with clear allocation of responsibilities across the GMA Board, Board Committees, Management, and employees. A risk maturity assessment is performed annually. The current status of the entity's risk maturity is reflected in Figure 8 below.



Figure 8: **Risk Maturity Transition**

The risk maturity transition was achieved by various initiatives driven by the GMA Board, including:

- Progress towards the development of a Sustainability Framework;
- Development of a Risk Case Study: Evolution of Risk Maturity at the GMA;
- Conducting an IMS Surveillance Audit, which included risk management;
- Procurement of a quantitative risk software solution;
- Launch of the Risk Champions Programme;
- Completion of a case study for an Opportunity Management Hub to maximise opportunities at the GMA;
- Opportunity management through ongoing review of the opportunity risk register;
- Ongoing analysis of risks in terms of the Six Capitals of King IV;
- Risk awareness initiatives; and
- Consideration of risks related to the close-out of the Concession Agreement (COCA) and Post-2026 strategy.

The GMA continued to build on the foundation laid during the Operating Period, which included:

- Review of opportunities for the organisation through the opportunity management register;
- Strengthening the risk maturity across the entity at all levels, by embedding the Agency's risk management culture, including frequent risk awareness initiatives;
- Continuous monitoring of the Enterprise-Wide Risk Appetite and Tolerance Framework, Strategic and Operational Tolerance Dashboards as well as the Strategic Control Register;
- Rigorous implementation and monitoring of defined risk management plans;
- Ongoing assessment of risks associated with Post-2026 planning;
- Alignment of risk management processes with ISO standards, including development and revision of risk process maps;
- Support of the Governance, Compliance and Ethics function, including an annual review of alignment to King IV principles;
- Implementation of the Sustainability Policy;
- Development of a Project Close-Out Risk Register; and
- Development of a Holdover Project Risk Register.

6.1. ENTERPRISE-WIDE RISK MANAGEMENT FRAMEWORK

The GMA developed an Enterprise-Wide Risk Management Framework that is applied across the entire organisation, from a strategic level to operational and project management process levels. The framework supports the GMA in improving and sustaining its performance by enhancing its risk management systems to protect against adverse outcomes and optimise opportunities. It further outlines the authority and responsibilities of all stakeholders responsible for risk management and was developed in terms of the prescripts indicated in Figure 9 below:

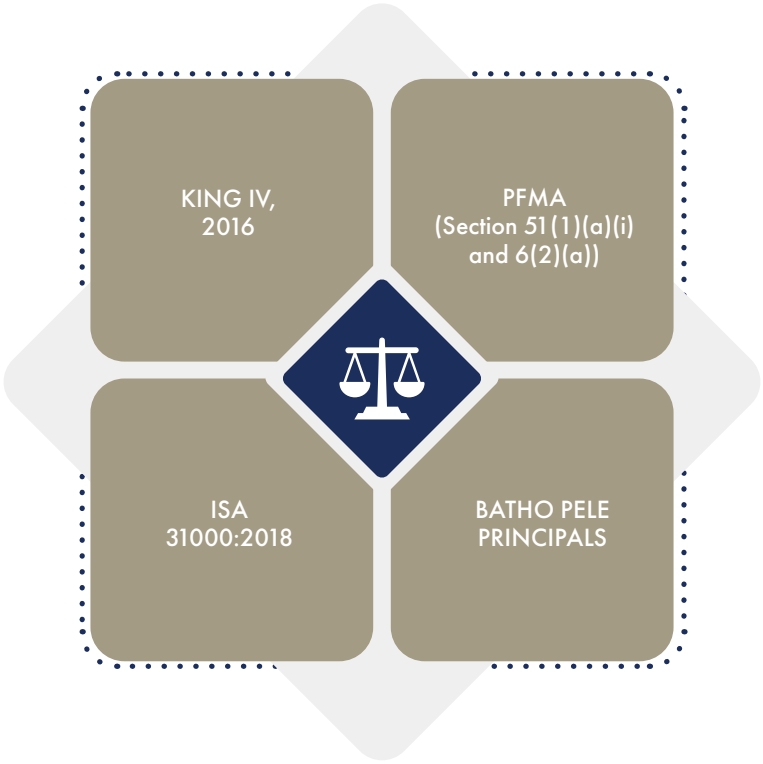


Figure 9: **Enterprise-Wide Risk Management Framework**



Figure 10: **Classification of Risks**

6.2. SUMMARY OF MAJOR RISKS AS PER THE RISK REGISTER

The GMA Board and Management have considered the environment in which the Agency operates, as well as potential future events, including the following:

- Proposed extensions to the GRRIN network;
- A new Concession Agreement and related risk transfer strategies;
- Implementation of the Commercial Strategy, which includes alternative revenue strategies;
- The need to reduce GMA's carbon footprint;
- Possible devolution of commuter rail services to the Gauteng Province;
- A struggling post-COVID-19 economy and the high unemployment rates; and
- Ongoing digital transformation (disruptive technologies).

The GMA's areas of focus will continue to expand, together with ongoing monitoring of its operating environment, to ensure agility in formulating appropriate responses. Available resources will be directed towards addressing identified risks to achieve the best possible outcomes.

Where constraints are identified, these will be monitored, while identified risks will be mitigated and incorporated into the Enterprise-Wide Risk Management System accordingly.

Within the context of shared value creation and outcomes across multiple capitals, the management of the top five strategic risks can be summarised in Table 8 below. Certain elements of these risks are not under the direct control of the GMA and, to the extent that they impose constraints on the GMA, will be reported as such to the Board and stakeholders. Risks within the influence or control of the GMA form part of the Enterprise-Wide Risk Management Framework (EWRM), and appropriate mitigation measures and controls will be developed and implemented.

Table 8: Top Five Strategic Risks

Risk No.	Risk Description	Mitigation	Outputs (strategic objectives)	Six Capitals	Inputs	Outcomes desired/ achieved
1	**Business continuity at the end of the holdover period in 2026 and beyond**	• Asset handover project • GRRIN Extensions • Post-2026 Gautrain Project • Holdover Project (HOP)	Optimal performance delivery by the Concessionaire	• Financial • Natural • Manufactured • Social • Intellectual **Material theme:** • Operational efficiency, sustainability and resilience • Socio-economic development	• Concession Agreement; old and new • Portfolio Management • Innovation • Land acquisition • Renewals and rectification works	• Business continuity • Assets with desired RUL per CA • Growth in revenue • Growth in asset value • Economic benefits • SED benefits • Increase in the size of the system
2	**Cyber security and information governance (unauthorised disclosure or access to GMA information – internal and external cyber-attacks) resulting in financial and reputational loss**	• Intelligence-based and AI-driven threat monitoring and detection • Security Operation Centre (SOC) • User awareness and training • Data privacy and governance tools • Advanced security tools • Advanced security tools • Enhanced endpoint security and protection • Data protection	A secure and reliable information technology environment	• Financial • Social • Human • Intellectual **Material theme:** • Operational efficiency, sustainability and resilience • Innovative approaches to integration and knowledge management	• Cash reserves • Licences • Agreements • Policies, Procedures and Protocols • Training	• Strong governance structures • Technically skilled employees • Data is well managed, secured and enabled to be shared
3	**Low or static growth for both train and bus passengers impacting the Patronage Guarantee payment and resulting in reputational loss Operating in a post-COVID-19 economy and a hybrid working environment, train passenger numbers are not at pre-COVID levels yet. The consequences are as stated above**	• Monthly monitoring of passengers • Marketing mitigation measures • Penalty regime • Increased security at stations • Post-2026: Handover to new Concessionaire	Increased ridership of the Gautrain System	• Financial • Social • Manufactured **Material theme:** • Operational efficiency, sustainability and resilience • Responsible financial and contract management	• Concession Agreement • Customer survey • Reputation audit • Additional trains • Management of Revenue and Marketing as a new function	• Growth in revenue • High customer satisfaction • Growth in brand value • Growth in usage • Growth in asset value

Risk No.	Risk Description	Mitigation	Outputs (strategic objectives)	Six Capitals	Inputs	Outcomes desired/ achieved
4	**Inability to meet Patronage Guarantee commitments in the long term**	• The GMA funding plan, which includes: • *A reprioritisation of GDRT and the GMA budget • *Additional budget requests to Treasury • *Implementation of Commercial strategy	Increased ridership of the Gautrain System	• Financial • Social • Manufactured **Material theme:** • Operational efficiency, sustainability and resilience • Responsible financial and contract management	• GMA funding plan initiatives	• Business continuity
5	**Perceptions about the Gautrain that impact negatively on its reputation and brand value**	• Perception audits • Various brand value opportunities identified as part of the brand value strategy • Integrated Communication and Marketing Strategy Procurement Plan, Brand Management Policy, Media Management Policy, Spokesperson and Social Media Management Policy, Constant media analysis	Reputational management strategy implemented	• Financial • Social • Manufactured **Material theme:** • Operational efficiency, sustainability and resilience • Responsible financial and contract management	• Customer satisfaction survey • Reputation audit • Brand valuation	• Growth in revenue • High customer satisfaction • Growth in brand value • Growth in usage • Growth in asset value

6.3. CONSTRAINTS

The GMA operates under the constraints indicated in Figure 11 below.

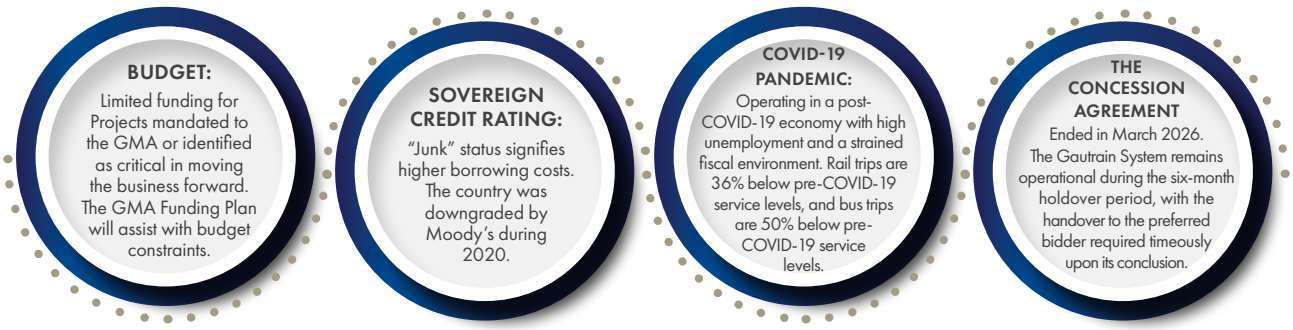


Figure 11: **Constraints**

Table 9 below summarises the GMA's risks.

Table 9: GMA Combined Heat Map as of 31 March 2026

GMA COMBINED HEAT MAP AS OF 31 MARCH 2026						
IMPACT	Major		CEO10	P28	F2 CEO9 CEO12 CEO13	
	Significant		CM2 TE5 IT5	T6 T7 C6 C7 CEO2 CEO Em 5 CL3 CM1 CM3 IT1 IT2 IT3 KM1 P17 P27 P30 ERC 4		
	Some/Moderate		F3 CEO8 P4	T3 T5 CS01 CM4 CEO1 CM5 CM6 IA2 CL1 ERC 1 ERC 3 C1 C2 C3 P1 P5 P7 P8 P11 P16 P31	T1 T4 CEO Em 1	
	Insignificant		IA1 HC1 IA4 ERC			
	None					
		Occurs Rarely	Improbable/Low	Medium	Real Chance	Almost Certain
	PROBABILITY					

LEGEND	
T	Technical Services
TE	Technical Emerging
CS	Office of the Company Secretary
CL	Legal Services
F	Finance
CM	Comms & Marketing
IA	Internal Audit

LEGEND	
HC	Human Capital
CEO	Office of the CEO
IT	Information Technology
ERC	Ethics, Risk & Compliance
C	Commercial Unit
P	Post-2026 Gautrain Project
KM	Knowledge Management

RISK NUMBERS IN GOLD – TOP 5 STRATEGIC RISKS FACING THE GMA IN 2025/26 AS SEEN IN THE ANNUAL REPORT	
CEO 9	Business Continuity 2026 and beyond
T1/F2	Ridership and PG
IT2	Cybersecurity and information governance
CM1/CM2	Negative perceptions about Gautrain

The GMA's risks (57 in total, of which three are emerging risks) are well mitigated with most risks falling within the low to medium probability and impact zones. Management actions are in place to address risks within the red zone. The top five strategic risks are highlighted on the heat map and referenced below:

- **CEO 9:** Business continuity Post-2026 – see point 1 in Table 2;
- **IT2/IT3:** Cyber security, information governance and service continuity – see point 2 in Table 2;
- **T1:** Low or static growth in ridership – see point 3 in Table 2;
- **F2:** Inability to meet PG commitments in the long term – see point 4 in Table 2; and
- **CM1/CM2:** Perceptions about the Gautrain that impact negatively on its reputation and brand value – see point 5 in Table 2.

6.4 OPPORTUNITIES

The GMA identified a range of opportunities related to achieving its desired outcomes of revenue growth, increased user numbers, and expansion of the System. These opportunities can be divided into six categories, as outlined in Table 10 below:

Table 10: Opportunity Categories

1	Expansion of the System through the acquisition of capital assets such as additional parking, modernised fare collection systems, and other enhancements. The expansion of additional parking, as well as the deployment of modern fare collection systems and next-generation fare gates, is currently underway.
2	Extension of the System. The GMA previously completed a Feasibility Study for the Gauteng Rapid Rail Integrated Network (GRRIN) extensions, which will be developed in accordance with the GTIA and PFMA, following National Treasury approval. These extensions support the implementation of ITMP25, as well as the Gauteng Provincial Government's broader strategic development plans, and are expected to contribute significantly to economic growth in the Gauteng Province, alongside numerous other benefits. In the upcoming periods, GMA will focus on updating the Feasibility Study to account for changes that have arisen since 2017.
3	The Post-2026 Project provides an opportunity to assess the effectiveness of risk transfer, which allows for the determination of value for money for the Gautrain System as a PPP project. It also supports the development of a local supply value chain for the railway industry and rail infrastructure throughout the life cycle of the railway infrastructure. In addition, the Project presents opportunities to position transport as a lifestyle choice through the refurbishment of Gautrain stations, including the addition of coffee shops, retail outlets, and recreational services.
4	Revenue enhancement measures aimed at leveraging the commercial opportunities inherent in the Gautrain System. The System, together with the foot traffic it generates, enables the implementation of various alternative revenue streams, such as fixed advertising boards, digital advertising media, activations, and vehicle wraps on DFDS buses.
5	Development of partnerships with key public and private entities for mutual benefit. The GMA entered and renewed 16 partnerships during the financial year.
6	To attract and retain talent by maintaining the GMA's certification as a Top Employer in South Africa and its position as a globally recognised leader in Africa through various human capital initiatives such as the new onboarding programme, revised performance management system, digital learning, employer branding, wellness programme, and the leadership academy.

6.5 ACHIEVEMENT OF IMPACTS AND OUTCOMES

6.5.1 Strategic Performance Overview

The GMA's strategy is aligned with several key provincial and national strategic frameworks focused on modernisation, transportation and economic development. It is primarily aligned with the GPG objectives, the NDP 2030, ITMP25, and Growing Gauteng through Smart Mobility Strategy. The strategy focuses on utilising the Gautrain as a catalyst for economic growth and ensuring integration with other public transport modes to enhance efficiency and sustainability.

The GMA also continued to move towards an outcome-based approach in terms of the application of King IV principles.

The GMA made good progress across several areas in the 2025/26 Financial Year, particularly in terms of oversight of the Concessionaire, where the Gautrain strived to achieve operational efficiency. The train service operations achieved an average availability of 99,67% and punctuality of 97,61% over the review period. Service quality remained consistent despite a marginal rise in service-affecting incidents during the latter part of the financial year.

Since the start of the financial year, the total passenger trips recorded were 8 547 328,00, resulting in a 8,74% increase in passenger trips when compared to a decrease of 0,50% during the previous year. Since the start of the financial year, 8 547 328 passenger trips were recorded, excluding unmatched trips, special events and school excursions. Including these categories, the total passenger trips amounted to 8 589 456, as reported in the performance report.

Table 11: Passenger Trips per Financial Year

Service Type	Airport Passenger	General Passenger	Total
FY 24/25	710 214	7 149 854	7 860 068
FY 25/26	728 830	7 818 498	8 547 328
% Change	2,62%	9,35%	8,74%

The numbers above excludes unmatched trips, special events and school excursions.

The performance of the Midibus Feeder and Distribution Service (MFDS) routes continued to exceed projected demand expectations. The number of passengers transported in the financial year under review rose by 150 676 to over 976 000 whilst the bus passenger trips decreased by -0.06% from the previous year.

The fare evasion rate applicable throughout the year remained below the 4% norm, resulting in an average fare evasion rate of 0,00% in 2025/26, which is in line with the fare evasion rate recorded in the previous financial year. Revenue increased by 3,7% compared to 2024/25 despite it being diluted by discounted products. March 2026 recorded the highest revenue in the Financial Year 2025/26, which was also the highest post-COVID.

Socio-Economic Development (SED) targets were met and exceeded as the Gautrain continued to contribute positively to the Gauteng economy. SED deliverables directly demonstrate the benefits of the Gautrain in terms of shareholding by black persons and black women, procurement, sub-contracting, and employment equity elements.

The planning for the GRRIN extensions proceeded with the completion of the preliminary route alignment study to enable the determination of the route for the Soweto Extension and Cosmo City Junction project. In accordance with the GTIA, the route for the Soweto Extension and Cosmo City Junction of the GRRIN was determined in the fourth quarter of the 2025/26 Financial Year.

The GMA continued to embed an EWRM System within the Agency. This has contributed to continuous improvement in the maturity of the risk management system, with a clear allocation of responsibilities across the GMA Board, Board committees, Management and employees. The risk maturity of the Agency has improved from 91% to 92%.

6.5.2 Impact Overview

The GMA's impact statement aims at economic growth, transformation, job creation, spatial integration, and better mobility in Gauteng Province. Progress is shown through SED performance reports and improved integration of the Gautrain System with other public transport.

6.5.3 Areas of Recognition and Certification

The GMA is consistently recognised and benchmarked by industry authorities. During the year under review, various local and international industry authorities recognised the following achievements.





VALUE CREATION IS AN ONGOING PROCESS, WITH THE GMA CONTINUOUSLY WORKING TO ENHANCE VALUE FOR GAUTRAIN COMMUTERS.



F

PERFORMANCE INFORMATION



COMMUNICATING ABOUT THE PERFORMANCE OF THE GMA AND THE GAUTRAIN SYSTEM IS PART OF THE GMA'S GOVERNANCE PRACTICES.

1. OUTCOMES, OUTPUTS, OUTPUT INDICATORS, TARGETS AND ACTUAL ACHIEVEMENTS

GAUTRAIN MANAGEMENT AGENCY ANNUAL PERFORMANCE INFORMATION REPORT – 2025-2026 FINANCIAL YEAR					
Outcome 1: Provision of a reliable, efficient, affordable and sustainable rail service					
Outputs	**No.**	**Output indicator**	**Audited 2020/21**	**Audited 2021/22**	**Audited 2022/23**
Increased ridership of the Gautrain System	1	Average number of quarterly rail passengers (annualised)	2653160	4366451	7132622
	2	Number of activities undertaken in accordance with the Marketing Plan	20	20	20
	3	Average number of quarterly feeder service passengers (annualised)	861706	1332671	2326389
	4	Number of active capacity system improvements and/or interventions on the existing Gautrain network	4	4	4
Outcome 2: Assurance that the obligations of the concessionaire are met per the Concession Agreement					
Outputs	**No.**	**Output indicator**	**Audited 2020/21**	**Audited 2021/22**	**Audited 2022/23**
Consistent and accurate application of the penalty regime in accordance with the CA	5	Number of reviews of Penalty Verifications performed	11	11	11
Optimal performance delivery by the Concessionaire	6	Monthly review of Revenue and Patronage Reports for compliance with CA	11	11	11
	7	Number of Customer Satisfaction Surveys reviewed	2	2	2
Compliance by the Concessionaire and GMA with the applicable prescripts	8	Summary of reviews on compliance conducted on Environmental Performance and Legislative compliance dependent on risk areas	1	1	1
	9	Number of reviews on compliance conducted on the Concessionaire's Safety and/or Health dependent on risk areas	New indicator	New indicator	New indicator

	Audited 2023/24	Audited 2024/25	Planned Annual Target 2025/26	Actual Performance 2025/26	Deviation from planned target to actual achievements 2025/26	Reasons for deviation	Repeat Frequency
	7902488	7860068	7864899	8589456	724,557	Achieved - 9.2% above target for 2025/26 FY due to targeted ridership and marketing activities	Quarterly
	20	20	20	20	-	Achieved	Quarterly
	2581465	2381914	3091010	3187992	98,982	Achieved - 3.1% above target for the 2025/26 FY due to targeted ridership and marketing activities	Quarterly
	4	4	4 progress reports	4 progress reports	-	Achieved	Quarterly

	Audited 2023/24	Audited 2024/25	Planned Annual Target 2025/26	Actual Performance 2025/26	Deviation from planned target to actual achievements 2025/26	Reasons for deviation	Repeat Frequency
	11	11	11	11	-	Achieved	Quarterly
	11	11	11	11	-	Achieved	Quarterly
	2	2	2	2	-	Achieved	Quarterly
	1	1	1	1	-	Achieved	Annual
	New indicator	New indicator	4	4	-	Achieved	Quarterly

Outcome 3: Sound financial management of all GMA revenue sources						
Outputs	**No.**	**Output indicator**	**Audited 2020/21**	**Audited 2021/22**	**Audited 2022/23**	
Realisation of alternative revenue as part of GMA's financial sustainability	10	Gross revenue realised from alternate funding sources (R millions)	New indicator	New indicator	New indicator	
Partnership strategy implemented as part of GMA's financial sustainability	11	Collaboration with partners: New partnerships or the renewal of existing partnerships that support and drive the increase of ridership or increase brand reputation	16 signed MOUs	16 signed MOUs	16 signed MOUs	
Approved financial policies for quality of overall financial management	12	Nature of audit opinion for 2025/26 FY	Un-qualified audit report	Un-qualified audit report	Un-qualified audit report	
Safeguarding, verification and accountability over GMA assets for completeness and accuracy	13	Quarterly Report detailing the management of the GMA Assets in compliance with GMA Asset Management policies and procedures	4	4	4	
Obligations regarding the maintenance of the assets are met by the Concessionaire	14	Monthly oversight of Concessionaire asset maintenance regime	12	12	12	
	15	Number of station and system assets condition inspection reports	4 System and 40 Stations Condition/ Cleanliness inspections	4 System and 40 Stations Condition/ Cleanliness inspections	4 System and 40 Stations Condition/ Cleanliness inspections	

	Audited 2023/24	Audited 2024/25	Planned Annual Target 2025/26	Actual Performance 2025/26	Deviation from planned target to actual achievements 2025/26	Reasons for deviation	Repeat Frequency
	New indicator	New indicator	R60m	R122,2m	R62,2m	Achieved - Higher revenue achieved through increased (MVL - motor vehicle licencing) uptake at the GMA's licensing facilities and additional site at Protea Glen being activated.	Quarterly
	16 signed MOUs	16 signed MOUs	16 signed MOUs	17 signed MOUs	1 signed MOU	Achieved - Higher revenue achieved through increased (MVL - motor vehicle licencing) uptake at the GMA's licensing facilities and additional site at Protea Glen being activated.	Quarterly
	Un-qualified audit report	Un-qualified audit report	Un-qualified audit report	Un-qualified audit report	-	Achieved	Annual
	4	4	4	4	-	Achieved	Quarterly
	12	12	12	12	-	Achieved	Quarterly
	4 System and 40 Stations Condition/ Cleanliness inspections	4 System and 40 Stations Condition/ Cleanliness inspections	4 System and 40 Stations Condition/ Cleanliness inspections	4 System and 40 Stations Condition/ Cleanliness inspections	-	Achieved	Quarterly

Outcome 4: Entrenchment of an environment of strong Corporate Governance and Legal Compliance						
Outputs	**No.**	**Output indicator**	**Audited 2020/21**	**Audited 2021/22**	**Audited 2022/23**	
Effective corporate governance within the GMA	16	Evaluation of the effectiveness of the Board and Board Committees	100% implementation of the Action Plan emanating from the Performance Evaluation of the Board and Board Committees.	Performance Evaluation Report of the Board and Board Committees.	50% implementation of the Action Plan emanating from the Performance evaluation of Board and Board Committees.	
	17	Delegation of Authority reviewed and approved by Board	Approval of the Revised DoA by the Board	Approval of the Revised DoA by the Board	Approval of the Revised DoA by the Board	
GMA positioned as an employer of choice	18	Maintain the Top Employer certification of the GMA	New indicator	New indicator	New indicator	
Assurance on compliance with internal controls	19	Quarterly Key Control Dashboard which highlights the state of control in the area of Leadership, Financial and Performance Management and Governance in compliance with PFMA	4	4	4	
	20	Quarterly Consolidated Internal Reports issued to the ARC highlighting the progress against the approved Internal Audit Plan	4	4	4	

	Audited 2023/24	Audited 2024/25	Planned Annual Target 2025/26	Actual Performance 2025/26	Deviation from planned target to actual achievements 2025/26	Reasons for deviation	Repeat Frequency
	100% implementation of the Action Plan emanating from the Performance Evaluation of the Board and Board	Performance Evaluation of the Board and Board Committees.	50% implementation of the Action Plan emanating from the Performance Evaluation of the Board and Board	86.66% implementation of the Action Plan emanating from the Performance Evaluation of the Board and Board	36.66% implementation of the Action Plan emanating from the Performance Evaluation of the Board and Board	Achieved - The execution of the actions required were achieved earlier than the target date as a result of the Commitment by the Board to ensure that the recommendations of the Report are implemented expeditiously. Furthermore, the additional resources added to the Office of the Company Secretary assisted in addressing the Action Plan.	Annual
	Approval of the Revised DoA by the Board	Approval of the Revised DoA by the Board	Approval of the Revised DoA by the Board	Approval of the Revised DoA by the Board	-	Achieved	Annual
	2	1	Percentage score of greater than 73% achieved on Top Employer Audit Survey	Percentage score of greater than 90.17% achieved on Top Employer Audit Survey	Percentage score of greater than 17.17% achieved on Top Employer Audit Survey	Achieved - Effective implementation of HR policies and best practices aligned with audit requirements.	Annual
	4	4	4		-	Achieved	Quarterly
	4	4	4	4	-	Achieved	Quarterly

Outcome 4: Entrenchment of an environment of strong Corporate Governance and Legal Compliance						
Outputs	**No.**	**Output indicator**	**Audited 2020/21**	**Audited 2021/22**	**Audited 2022/23**	
A secure and reliable information technology environment	21	Availability of Critical ICT Systems	New indicator	New indicator	New indicator	
Strategic risks and opportunities across all functions within the organisation are identified and mitigated	22	Strategic Risk & Opportunity Registers compiled quarterly	4	4	4	
Assurance on compliance with applicable legislation within the GMA	23	Quarterly Compliance Status Dashboard, highlighting the extent of compliance, with applicable legislation.	4	4	4	
Outcome 5: Robust, co-operative and productive environment with all relevant stakeholder						
Outputs	**No.**	**Output indicator**	**Audited 2020/21**	**Audited 2021/22**	**Audited 2022/23**	
Reputational management strategy implemented	24	Number of activities undertaken in accordance with Communication Plan to increase positive brand reputation for the Gautrain brand and GMA projects to relevant stakeholders	16	16	16	
Outcome 6 : Economic growth and development of Gauteng through B-BBEE's and SMME's interventions.						
Outputs	**No.**	**Output indicator**	**Audited 2020/21**	**Audited 2021/22**	**Audited 2022/23**	
Concessionaire's socio-economic obligations monitored and verified in accordance with the CA	25	Number of ISEM reports with verified performance on obligations and variations	12	12	12	
Implementation of the GMA's Social Investment Programme	26	Number of beneficiaries that were supported through the GMA SIP programme via the Employee Volunteering Programme or SIP initiatives	New indicator	New indicator	New indicator	

	Audited 2023/24	Audited 2024/25	Planned Annual Target 2025/26	Actual Performance 2025/26	Deviation from planned target to actual achievements 2025/26	Reasons for deviation	Repeat Frequency
	New indicator	New indicator	99.00% of systems availability	99,41% of systems availability	0,41 of systems availability	Achieved - System availability exceeded the target due to continuous and proactive system monitoring.	Quarterly
	4	4	4	4	-	Achieved	Quarterly
	4	4	4	4	-	Achieved	Quarterly

	Audited 2023/24	Audited 2024/25	Planned Annual Target 2025/26	Actual Performance 2025/26	Deviation from planned target to actual achievements 2025/26	Reasons for deviation	Repeat Frequency
	16	16	16	16	-	Achieved	Quarterly

	Audited 2023/24	Audited 2024/25	Planned Annual Target 2025/26	Actual Performance 2025/26	Deviation from planned target to actual achievements 2025/26	Reasons for deviation	Repeat Frequency
	12	12	12	12	-	Achieved	Quarterly
	New indicator	New indicator	8	8	-	Achieved	Quarterly

Outcome 7: Development and implementation of integration strategies.						
Outputs	**No.**	**Output indicator**	**Audited 2020/21**	**Audited 2021/22**	**Audited 2022/23**	
Integration related engagements with the Province and the three metropolitan municipalities	27	Number of engagements for integrated planning of public transport and infrastructure in the Province	4 Quarterly Reports on progress regarding joint development	4 Quarterly Reports on progress regarding joint development	4 Quarterly Reports on progress regarding joint development	
Integration of Gautrain trains and buses with other modes of transport at Gautrain stations	28	Number of initiatives implemented by GMA that support integration of modes	3	3	3	
Implementation of the GRRIN Extensions Project	29	Conduct Route Determination for the proposed Gauteng Rapid Rail Extensions	4	4	4	

2. LINKING PERFORMANCE WITH BUDGET

The GMA has achieved 100% of the outcome indicators in the 2025/26 Financial Year. This achievement was made with an 98% actual expenditure versus the approved budget for the 2024/25 Financial Year.

Programme/ activity/ objective	Total Expenditure for the Entity (R'000)	Personnel Expenditure (R'000)	Personnel Expenditure as a % of Total Expenditure (R'000)	Number of Employees	Average Personnel Cost per Employee (R'000)
Project expenditure	R 3 507 002				
GMA expenditure	R 614 288		53%	246	R 1 324
Total	R 4 121 290	R 325 658	8%	246	R 1 324

3. CAPITAL INVESTMENT

Gautrain assets are managed through a disciplined lifecycle and maintenance approach that supports sustained operational performance and service reliability. Consistent compliance with the Asset Management and Maintenance Plan (AMMP), as required by the CA, has enabled the system to exceed availability and punctuality targets since the start of operations. Key interventions during the year included the overhaul of the rolling stock subsystem and the renewal of parking facilities, CCTV, the Station Access Management System, and telecommunications infrastructure.

Major renewal works, including the Station and Tunnel Management System, Automatic Train Protection Man-Machine Interface, EbiScreen server and workstation upgrades, the Passenger Conveyance system, and the replacement of end-of-life and obsolete assets, are progressing and are expected to be completed before the end of the cooperation period, supporting the long-term reliability and sustainability of the Gautrain System.

	Audited 2023/24	Audited 2024/25	Planned Annual Target 2025/26	Actual Performance 2025/26	Deviation from planned target to actual achievements 2025/26	Reasons for deviation	Repeat Frequency
	4 Quarterly Reports on progress regarding joint development	4 Quarterly Reports on progress regarding joint development	4	12	8	Achieved - Additional engagements were undertaken due to operational needs and project requirements.	Quarterly
	3	3	3	3	-	Achieved	Quarterly
	4	4	Route Determined for the Soweto Extension and Cosmo City Junction	Route Determined for the Soweto Extension and Cosmo City Junction	-	Achieved	Annual





PERFORMANCE REVIEW



1. GMA PERFORMANCE

1.1 COMMERCIAL IMPACT THROUGH VALUE CREATION

The Commercialisation function seeks to maximise Gautrain assets and partnerships to create sustainable revenue sources, reduce reliance on the Patronage Guarantee, and enhance the GMA's financial stability. Commercial operations are designed to align with provincial development objectives, maximise the use of available assets, and generate shared economic and social value in addition to financial returns.

1.1.1. Licensing Services

Licensing services remained the primary revenue contributor within the commercial portfolio. The GMA continued to operate Driver Licence Testing Centres (DLTCs) and related licensing services at Gautrain stations, complemented by the progressive rollout of Smart Licensing Centres in communities previously underserved by traditional licensing infrastructure.

During the reporting period, the GMA began licensing operations at three additional township locations – Protea Glen, Mamelodi, and Mohlakeng – as part of the Townships, Informal Settlements and Hostels (TISH) programme.

In addition, the Sandton Gautrain Station Licensing Centre commenced operations, further strengthening the integration of licensing services within highfootfall Gautrain precincts and enhancing the convenience for commuters and surrounding business districts.

Value Creation: Socio-Economic Impact

The rollout of these centres generated tangible value in multiple ways:

Youth Employment: Engaged 40 young people across the new sites, providing job opportunities and skills development for local youth.

Economic Empowerment: Enhanced local economies by increasing employment and supporting commercial activity within township communities.

Alignment with Socio-Economic Objectives: Directly supported provincial development goals by linking commercial delivery with broader socio-economic outcomes, such as job creation and community upliftment. This approach demonstrates how commercial operations not only generate financial returns but also drive inclusive growth and contribute to shared value within the communities served.

1.1.2. Agency Services

Agency and advisory services contributed to revenue diversification. The GMA provided commercial advice, managed programmes, and supported provincial transport organisations such as the Gauteng Transport Authority and g-Fleet Management. Its responsibilities included business case development, organisational design support, and assistance with the implementation of new transport mandates.

Beyond direct revenue generation, these services reinforced the GMA's position as a centre of transport, infrastructure and mobility expertise within the Province.

An increase in revenue - Agency's financial sustainability

Table 12: Agency services Profit for the 2025/26 Financial Year

	FY 2025/26	FY 2024/25	Change YoY	% Change YoY
Revenue	37 299 000,00	30 076 000,00	7 223 000,00	24,02%
Expenditure	30 400 000,00	15 290 000,00	15 100 000,00	98%
Net Profit	6 899 000,00	14 786 000,00	(7 887 000,00)	-53,34%

Revenue grew by 24.02% from R30,076 million to R37,29 million, driven by expanded licensing services, increased Motor Vehicle Licensing activity, and new TISH Smart Licensing Centres.

Revenue grew mainly due to expanding and optimising licensing services, including scaling Motor Vehicle Licensing (MVL) at current facilities, opening new TISH Smart Licensing Centres in Protea Glen, Mamelodi, and Mohlakeng, and adding high-footfall sites. These actions boosted transaction volumes and extended commercial services' reach. Although operating costs increased with expansion, the commercial division stayed profitable.

1.1.3. Strategic Outlook

The goal is to scale revenue platforms, expand licensing in key areas, and form partnerships aligned with provincial transport goals. Efforts will prioritise recurring income, socio-economic impact, and compatibility with Gautrain operations post-2026.

1.2 COMMUNICATION AND MARKETING

The GMA aims to grow and retain ridership by offering products and services tailored to different market segments, delivering acquisition and retention campaigns, and managing Gautrain's reputation. It advances the GMA's objectives through strategic partnerships and focused communication that strengthen stakeholder relationships.

1.2.1. Marketing Overview

During the financial year, targeted marketing interventions were implemented to sustain and grow ridership, improve accessibility across market segments, and stimulate weekend travel demand. These interventions supported revenue resilience, broadened market participation, and reinforced Gautrain's position as an accessible, customer-focused public transport service.

Key outcomes included the following:

- The introduction of Gautrain's KlevaMova affordability product that offers a 50% discount on train fares to qualifying passengers, including individuals from households earning under R350 000 annually, scholars, pensioners, and SASSA disability grant recipients. Over 5 000 approved users are using the KlevaMova product, contributing to increased Gautrain ridership, with KlevaMova accounting for 10,63% of total ridership.
- The Gautrain Student Product discount was increased from 25% to 50%, enhancing affordability and improving access for this strategic market segment. This resulted in a 33% increase in product sales compared with the previous financial year.
- The Gautrain Scholar Excursion Programme provided 44 563 scholars with the opportunity to experience the Gautrain during the financial year. In doing so, the programme strengthened early brand engagement, promoted awareness of public transport, and contributed to long-term market cultivation among future passengers.
- In April 2025, Gautrain introduced the R1,00-Per-Day Parking Promotion as a targeted initiative to support ridership. The campaign increased parking utilisation by 14,1% compared with the corresponding period in the previous year and contributed to retaining ridership during the winter and holiday travel periods.

1.2.2. Partnerships

During the year under review, the GMA concluded 17 partnerships that advanced strategic objectives, supported ridership growth, and strengthened Gautrain's social and relationship capital. These collaborations enhanced stakeholder connectivity, expanded market reach, improved mobility integration, and reinforced relationships that contribute to sustained value creation over the short, medium, and long term.

Key partnerships included a three-year collaboration with Delicious Festival SA, through which Gautrain supported event transport and SMME development; a partnership with the Black Coffee Foundation, which combined concert transport support with school uniform donations; a collaboration with the CSIR to strengthen data and knowledge sharing; and an integrated transport partnership with PRASA, which improved passenger access to major events at Loftus Versfeld and Ellis Park Stadium.

Collectively, these partnerships enhanced stakeholder value, deepened cross-sector collaboration, and strengthened Gautrain's social and relationship capital through inclusive access, shared socio-economic benefit, and mutually beneficial outcomes.

These partnerships supported weekend ridership growth by encouraging travel to sporting events, festivals, and concerts. Ongoing collaborations with Discovery Insure, the Gauteng Tourism Authority, and Varsity Vibe continued to strengthen the passenger value proposition, enhance stakeholder trust and brand relevance, and contribute to the ongoing development of Gautrain's social and relationship capital through sustained engagement and shared value creation.

1.2.3. Brand Management

The GMA continued to reposition the Gautrain brand as a modern, accessible, and integrated public transport system that advances Gauteng's long-term mobility objectives and contributes to socio-economic value creation.

Strategic communication initiatives supported stakeholder confidence, improved accessibility, and reinforced Gautrain's contribution to sustainable mobility and inclusive economic participation.

To strengthen market responsiveness and communication effectiveness, the GMA undertook a market segmentation study among Gautrain users and non-users. The resulting insights informed service positioning and communication strategies, enhancing alignment between Gautrain's offering and evolving commuter needs.

A key focus during the year was stakeholder communication on the conclusion of the BCC agreement and the transition to a new operating partner. Through targeted engagement, the GMA reinforced confidence in operational continuity and the long-term sustainability of the Gautrain System under the Public-Private Partnership (PPP) model.

Key campaigns during the year included the Post-2026 Procurement Journey campaign, the "Journey Continues" service continuity campaign, and the ***#15YearsOnTrack*** anniversary campaign marking 15 years of Gautrain operations. These initiatives reinforced Gautrain's operational excellence, customer value proposition, and long-term strategic relevance.

The GMA further strengthened brand relevance through strategic partnerships and activations that promoted integrated, sustainable mobility, including collaborations with Rea Vaya, A Re Yeng, and the Market Theatre Foundation through the Art in Transit initiative. National commemorative and awareness campaigns also enhanced social relevance, inclusivity, and public engagement, while promotion of the KlevaMova discounted fare product improved accessibility for qualifying passengers.

Collectively, these initiatives strengthened stakeholder trust, enhanced brand equity, and supported the Gautrain System's long-term sustainability and social value proposition.

1.2.4. Media Management

During the reporting period, Gautrain generated 2 360 media reports, with an Advertising Value Equivalency (AVE) of R115,7 million. Media sentiment remained predominantly positive, with 52% of coverage positive, 42% neutral, and 6% negative, indicating continued stakeholder confidence and reputational resilience.

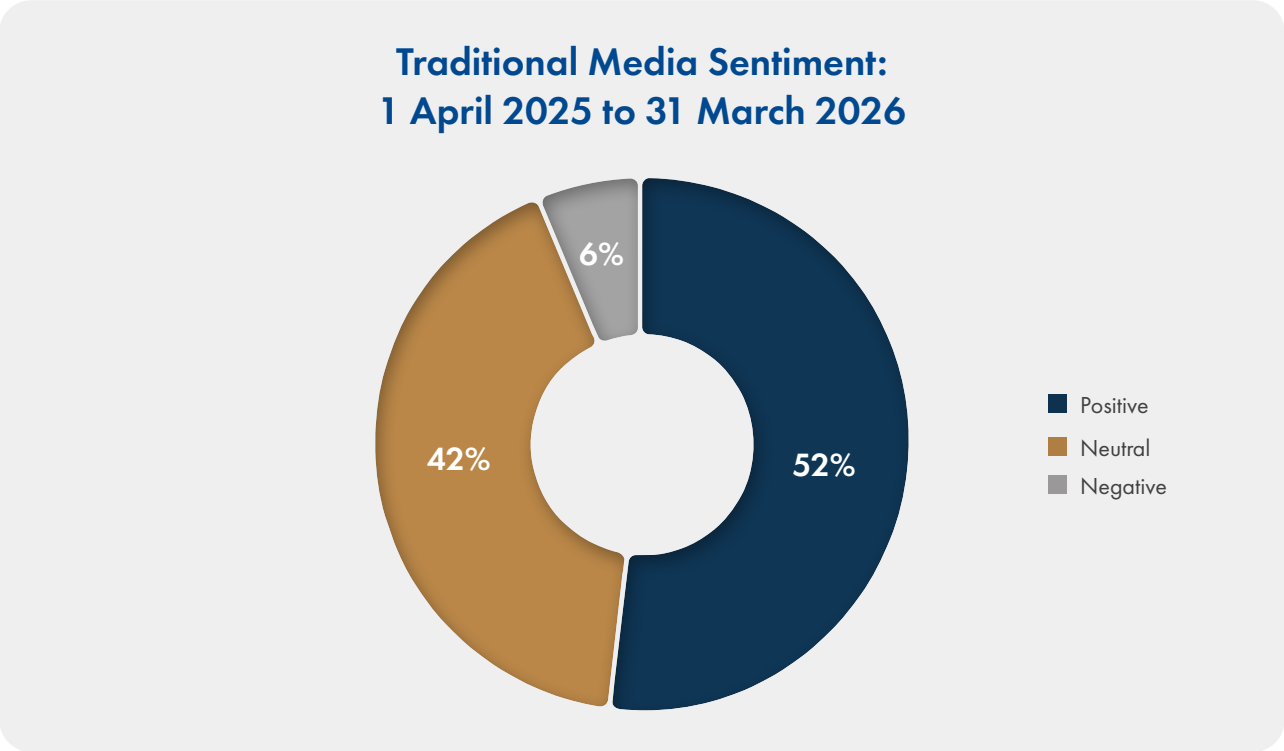


Figure 12: **Media Sentiments**

The GMA's proactive media engagement and reputation management approach strengthened stakeholder confidence, protected brand value, and supported organisational stability during a period of operational transition and strategic repositioning.

Media coverage during the year reinforced Gautrain's positioning as a reliable, safe, and integrated mobility solution, while also highlighting progress in appointing a new delivery partner and advancing the proposed Gauteng Rapid Rail Integrated Network (GRRIN) extensions. Coverage further reflected Gautrain's broader value contribution through support for major events, social investment initiatives, and governance achievements, including a 13th consecutive clean audit and recognition for integrated reporting excellence.

The organisation also managed reputational risks linked to public commentary on affordability, inclusivity, service sustainability, post-2026 procurement timelines, and the proposed GRRIN extensions. Additional coverage of temporary service disruptions and labour-related matters required responsive communication to protect trust and sustain confidence in the Gautrain System.

Through transparent communication, responsive stakeholder engagement, and proactive media relations, the GMA sustained public trust, reinforced organisational credibility and affirmed Gautrain's long-term strategic value within Gauteng's integrated transport network.

1.2.5. Strategic Outlook

In the next financial year, the Unit will focus on supporting the transition from the current Concessionaire to a newly appointed entity, with emphasis on maintaining service continuity, protecting customer experience, and sustaining Gautrain's reputation for high-quality service.

The GMA's assumption of responsibility for marketing and system advertising functions will create opportunities for more direct customer engagement, stronger insight-led communication, and improved alignment between stakeholder needs and service positioning. Partnership development will prioritise integrated transport solutions, revenue and non-revenue opportunities, and inclusion in third-party loyalty programmes to strengthen resilience and support long-term value creation.

Value created:

Supporting ridership retention and growth through targeted campaigns, strengthening revenue generation, support the long-term **Financial sustainability** – Financial capital. By indirectly promoting public transport usage and supporting a greater **modal shift** from private vehicles to rail. This supports interventions of **reducing road congestion** and contributes to wider environmental sustainability objectives.

1.3. COMPLIANCE AND LEGAL SERVICES

The GMA Act, read in conjunction with the PFMA, requires the GMA to, among others, monitor the policy and legislative environment of the Gautrain System and to carry out its functions in terms of the GMA Act and any other applicable law.

1.3.1. Performance Overview

In line with the provisions of the GMA Act, the Agency continuously oversaw, managed and monitored the Concessionaire's performance and compliance with the Concession Agreement (CA). Where the Concessionaire failed to fulfil its obligations under the CA, appropriate penalties were imposed. As part of the settlement of the Operational Period Disputes, the Concessionaire and the Province agreed to adopt a bespoke adjudication process for Project Events disputes to ensure their expeditious and cost-effective resolution.

The Province received a total of eleven Project Events, which occurred between April 2025 and March 2026. Following a thorough and evidence-based assessment and confirmation of compliance with contractual requirements, the Province either:

- Granted relief to the Concessionaire where the requirements were met;
- Referred the adjudication to the adjudicator in accordance with the contractual process; or
- The Concessionaire elected to withdraw some of the notified Project Events.

Overall, Project Events have been actively managed, with appropriate scrutiny applied to all claims. The outcomes achieved to date demonstrate a consistent and disciplined approach to contract management.

In respect of the Province's Construction All Risks claim against Zurich, the Province, through an amicable settlement agreement with the Concessionaire concluded in April 2025, recovered a sizeable portion of the capital amount claimed, together with its legal costs incurred in the High Court and the Supreme Court of Appeal in pursuing the matter.

The GMA continued to monitor the policy and legislative environment in which it operates through subscriptions to relevant Parliamentary Monitoring Group committees and professional bodies, including the Compliance Institute of Southern Africa. This supported a proactive compliance approach focused on legislative awareness, implementation monitoring, and the institutionalisation of compliance across the Agency. The GMA also maintained engagement with regulatory authorities on pending legislation that may affect its operations, supporting informed decision-making and constructive participation in the regulatory environment. These efforts strengthened the effectiveness of the Compliance Sub-Unit, reinforced a culture of compliance, and contributed to sound governance, risk management and sustainable value creation.

In preparation for the procurement of the new Concessionaire, the current Concession Agreement was reviewed and unpacked, which culminated in the proposed post-2026 Concession Agreement being finalised and included in the pack that forms part of the RFP documents issued to the market. Considering the delay in appointing the Successor Concessionaire, the GMA activated the Operator Collateral Agreement, in terms of which the Holdover Period was triggered, thereby requiring Bombela Operating Company to continue operating and maintaining the Gautrain System for a period of six months, effective from 28 March 2026.

An urgent court application launched by the former Concessionaire to scupper the implementation of the Operator Collateral Agreement referred to above, was successfully opposed as the court ruled in favour of the Province. In addition, the requisite agreements required by section 197 of the Labour Relations Act, 1995 (Act No. 66 of 1995), were duly drafted, reviewed and concluded, including the Holdover Framework Agreement, which was concluded with Bombela Operating Company.

1.3.2. Strategic outlook

In the new financial year, more focus will be on assisting in the procuring the Successor Concessionaire as well as reviewing and addressing any concerns relating to the Holdover Period. Other ancillary activities will include unpacking agreements related to the erstwhile Concession Agreement that could have an impact on the transition to the new concession and continuity of the Gautrain System operations. The rationale behind these activities is to, among others, ensure a seamless transition to the new one.

In anticipation of the GMA's expanded mandate, progress was made in reviewing and amending the GMA Act. The Socio-Economic Impact Assessment System Report approved, and the draft GMA Amendment Bill submitted for legislative processing. Ongoing monitoring of legislative developments will remain essential to ensuring continued statutory compliance.

The draft GTI Amendment Bill will be progressed in partnership with the Gauteng Department of Roads and Transport and the State Law Advisors to strengthen the long-term viability and sustainability of the Gautrain System by unlocking commercial opportunities in and around stations and along the route.

The GMA will continue to support the resolution of Gautrain System Handover-related disputes involving the former Concessionaire, as well as disputes between the Operator and the Province during the Holdover Period. The adjudication process will also be sustained to enable the more efficient resolution of Project Event disputes.

1.4. COMMUNITY PARTNERSHIPS

The GMA midibus partnership links the minibus taxi industry to the Gautrain System by offering scheduled, safe, and reliable midibus services for first-and-last-mile transport. This model supports formalising operators into sustainable businesses, improves accessibility in areas unsuitable for other transport modes, and creates jobs.

In the year under review, the GMA worked with public transport stakeholders to roll out the MFDS partnership model and build stronger relationships. Their goal was to add new routes according to passenger demand and to grow the current ones.

The GMA improved midibus operations with early departures on the Greenstone route, added wheelchair-accessible vehicles, and introduced cashless payments for MFDS. New routes were launched from several stations to expand connectivity and enhance user experience. Two new weekend services also began: Sandton to Montecasino and Rosebank to Parkhurst. In the year under review, passenger numbers rose by 150 676 to over 976 000.

The midibus partnership between the GMA and the taxi industry created jobs for the youth and women, which fostered trust with the communities around the Gautrain System.

This partnership has had a positive impact by boosting **connectivity, formalising and strengthening** the minibus sector, **creating jobs** and **improving accessibility**, thus building **trust** within the communities it serves.

1.4.1. Strategic Outlook

The GMA intends to broaden MFDS operations in proximity to the Gautrain System by launching additional midibus routes, collaborating with public transport stakeholders, and implementing electronic ticketing solutions for increased convenience. Furthermore, marketing initiatives are slated for enhancement.

1.5. INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

ICT plays a central role in enabling operational efficiency, supporting digital transformation, and strengthening the reliability and security of organisational systems. It provides digital tools that enhance flexibility, optimise workflows, and support collaboration, while ensuring business continuity. In addition, ICT is exploring the use of Artificial Intelligence (AI) to enhance decision-making, automate processes, and improve service delivery, while advancing organisational risk maturity through governance aligned to the Enterprise Risk Framework.

Effective governance and continuous risk assessment are essential to ensuring secure, transparent, and efficient service delivery. Accordingly, ICT initiatives are aligned to strategic priorities, with a focus on strengthening system capabilities, supporting innovation, and enhancing data management and cybersecurity practices across the organisation.

During the period under review, the following ICT initiatives were delivered:

- **Development:** The development and deployment of key digital solutions, including the **Tender Management System (TendaSwift) Module 1**, which automated the tender process for the Gauteng Provincial Departments, improving procurement efficiency, compliance, and governance.
- **Operations:** The ICT environment remained stable, with system availability consistently above the defined performance threshold and no major service disruptions recorded. System reliability and service continuity were supported through proactive infrastructure monitoring, structured incident management, and regular testing of business continuity and disaster recovery capabilities.
- **Data and Enterprise Architecture/Innovation**: Progress was made in strengthening data management and enterprise architecture, including the initiation of a **data platform** to support scalability and system integration. This provided a foundation for future.

- **Cybersecurity**: Cybersecurity maturity was enhanced through the implementation of vulnerability assessments, system hardening initiatives, and user awareness programmes. Planned security controls were implemented, strengthening the protection of organisational systems and data, including preparedness for emerging risks associated with AI-enabled environments.

1.6. CREATING VALUE THROUGH KNOWLEDGE MANAGEMENT

The GMA Knowledge Management (KM) programme is anchored in five pillars that support knowledge flow across the organisation, enhancing productivity, innovation, collective intelligence, and decision-making.

The Agency's APQC Level 3 maturity, MIKE Award, and recognition by KMSA reflect important progress in its knowledge transformation journey. GMA continues to position knowledge as a strategic asset that supports learning, innovation, productivity, and operational efficiency.

The following is the GMA's Golden Knowledge Assets:

Knowledge Asset	Description	Respective Link	QR Codes
Knowledge Publications	Case studies as well as lessons learnt fact sheets, technical papers etc., are of critical importance in ensuring that the knowledge that has been and continues to be accumulated over the years about the Gautrain Project is captured, shared, disseminated and preserved as part KM strategy pillars.	Home - Gautrain Learnings	
PPP Strategic Support (Engineering DMS)	PPP Strategic Support is provided through the Document Control and Holistic Records Management function with utilisation of ProjectWise as an Engineering Document Management System for exchange and management of correspondence between the Concessionaire and Province (GMA) as well as compliance to legislative requirements in terms of records handling, off-site storage and shredding services.	Office of the Company Secretary - GMA Policies & Procedures	
Gautrain Talks	The podcasts form part of tacit knowledge using a digital mode of dissemination in line with the KM strategy pillars.	Stream Gautrain Talks | Listen to podcast episodes online for free on SoundCloud	
e-Lounge	The GMA e-Lounge book club seek to create a space for colleagues to engage and collaborate in a relaxed manner outside the usual mainstream work topics. The book club is also used as a mechanism for inculcating GMA values, which are Caring, Excellence, Learning and Leadership.	Gautrain Management Agency e-lounge book reviews - Playlist - YouTube	
Innovation GoldX Knowledge Share	Innovation GoldX Knowledge Share sessions and workshops are aimed at empowering GMA staff through learning from subject matter experts who share their knowledge and insights in their areas of expertise on the knowledge share platform.	Innov GoldX	

Digi-Savvy	Digi-Savvy sessions are workshops with the goal of empowering all GMA staff to make efficient and intelligent use of GMS's online platform, such as MS 365 products like MS Teams etc.	Digi-Savvy.docx	
Public Transport Knowledge Seminar	The Annual Public Transport Knowledge Seminar (PTKS) is an initiative that forms part of the Thought Leadership platforms for discussing technical transport matters and problem-solving within the knowledge management strategic pillars.	Action Learning for Innovation in Public Transport	
GoldX Portal	The Knowledge Management Portal (GoldX Portal) – a platform aimed at assisting GMA's knowledge preservation and sharing efforts, serving internal as well as external stakeholders locally or abroad.	Knowledge Management - Home	
KM Stories	Storytelling is the number one way to get people to participate in KM initiatives and apply knowledge in their respective areas of work. KM stories are part of KM initiatives that demonstrate and show how and why it matters locally and abroad.	https://gautraincoza.sharepoint.com/sites/KnowledgeManagement83/SitePages/e-Library.aspx#km-stories	
e-Library	The GMA e-Library provides seamless access to information to enable the workforce to perform their duties and functions in an efficient manner and promote a culture of learning.	Helping Organisations Work Smarter, Faster, and with Greater Confidence | APQC	
KM Incentives	The Knowledge Management incentives aim to improve employee engagement and promote the collaborative effort on the KM initiatives within the GMA. Research has shown that the desired KM value and outcomes cannot be realised from just the implementation of KM strategy initiatives; employee recognition and incentives are crucial for a successful knowledge management programme.	https://gautraincoza.sharepoint.com/sites/KnowledgeManagement83/SitePages/Innovation%20GoldX.aspx#goldx-rewards	
Strategic Partnerships and Innovation	The GMA, through innovative strategic partnerships has collaborated with top ranking international and local business schools including provincial entities to promote GMA as a thought leader in the transport and rail landscape by way of creating and sharing our knowledge assets and leveraging on the expertise of our partners to increase capacity.	Partnership	

1.6.1. Performance Review

To sum up, the main achievements during the 2025/26 Financial Year, aligned with the authorised KM strategy, are outlined below:

- **Building and maintaining strategic partnerships** through strategic local and international partnerships such as the Union Internationale des Transports Publics (UITP), Bentley University, Harvard Business Review & Publishing, Emerald Publishing, World Intellectual Property Organisation (WIPO), and local business schools such as Wits Business School and the University of Pretoria's Gordon Institute of Business Science (GIBS).
- **Increased benchmarking interest**, reinforcing GMA's position as a knowledge management and integrated rapid rail thought leader.
- **Supported postgraduate research** through access to GMA data, expertise, and networks.
- **Expanded educational immersions**, further positioning GMA as a contributor to public transport development in Gauteng and across Africa through immersions such as GIBS-TETA, Wits Tshimologong Fakugesi African Innovation, Kenya Airways among others.
- **Maintained compliance** through effective document control and holistic records management aligned with PPP, POPIA, and NARSSA requirements.

1.6.2. Strategic Outlook

Knowledge Management will continue to support the GMA strategy by strengthening organisational maturity, embedding knowledge practices across core processes, and unlocking greater value from intellectual property. In the 2026/27 Financial Year, the Agency will advance this work through a structured approach that strengthens knowledge capture, reuse, and continuous improvement.

Through this approach, Knowledge Management contributes to value creation across the capitals by improving resource efficiency, growing intellectual capital, strengthening skills and knowledge-sharing, deepening strategic partnerships, and supporting environmental sustainability through digital migration and responsible recycling practices.

1.7. MANAGING SAFETY, HEALTH, ENVIRONMENT AND QUALITY

The GMA promotes safety by running awareness programmes, offering strong leadership, and maintaining thorough oversight. These measures help prevent injuries and illnesses and ensure safe rail operations. During the reporting period, the GMA monitored the Concessionaire's health and safety compliance.

1.7.1. Health and Safety

No fatalities occurred on the passenger rail network during the review period. The GMA created a task team to address railway trespassing and unauthorised access on the Gautrain System, resulting in recommendations such as stronger security and improved staff training. Three reportable incidents took place, but there were no injuries or significant damage. Table 13 outlines safety hazards and incidents.

Table 13: Safety Hazards/Incidents

Operational Dashboard	FY 25/26
Signal is Passed at Danger (SPADS)	11
Collisions	1
Mainline derailments	2
Platform overrun	13
Passenger injuries	29
Total passenger incidents	176

1.7.2. Environmental Compliance

During the review year, GMA achieved 96% compliance with environmental laws and its Environmental Management Plan. Areas needing improvement include spillage and depot/workshop management. Water Use License compliance was 98.02%. One fire incident occurred during the period, but it did not result in a major environmental emergency. Significant events are detailed in Table 14.

Table 14: Significant Environmental Emergency Events

Operational Dashboard	FY 25/26
Environmental incidents	105
Environmental complaints	0
Fire incidents	1
Carbon emissions (annual average)	4 875,9
Environmental compliance notices	0

1.7.3. Quality Management

The GMA completed an IMS surveillance audit for ISO 90001:2015, ISO 45001:2018, and ISO 14001:2015 to confirm the ISO system's maintenance. The audit found that the GMA upheld its management system, highlighting an ongoing commitment to operational excellence.

1.8. SOCIO-ECONOMIC DEVELOPMENT

An Independent Socio-Economic Monitor (ISEM) has been appointed since the beginning of the concession for the purpose of verifying Socio-Economic Development (SED) achievements attained on the Project by the Concessionaire. The SED achievements reported below are based on the verified achievements reported every quarter by the ISEM.



1.8.1 SED Performance for the Financial Year 2025-26

The ISEM has completed its verification for the period April 2025 to March 2026 and Table 15 below summarises the achievements:

Table 15: Summary of the SED achievements for April 2025 – March 2026

SED PERFORMANCE: SED ELEMENT (No. and Description)	UNIT	April 2025 to March 2026:		
		Obligation	Verified Achievement	% Achievement
Black equity participation				
SED01: Shares held by BEs/Black Persons in BCC	%	25,00%	86,32%	345%
SED01: Shares held by BEs/Black Persons in BOC	%	25,10%	36,58%	146%
SED02: Shares held by Black Women in BCC	%	3,75%	14,22%	379%
SED02: Shares held by Black Women in BOC	%	3,75%	9,10%	243%
Procurement and sub-contracting				
SED03: Procurement from BEs/Black Persons	R'000	58 895,83	519 371,51	882%
SED04: Sub-contracting to BE	R'000	381 349 720	1 220 854 905	320%
SED05: Procurement and sub-contracting to new BE	R'000	384 401 910	1 155 326 098	301%
SED06: Procurement and sub-contracting expenditure to SMMEs	R'000	61 802 046	176 272 500	285%
Local content				
SED08: Employment of local people	per months	15 911	19 415	122%
SED09: Procurement of South African materials	R'000	192 166 626	1 494 696 489	778%
SED10: Procurement of South African plant and equipment	R'000	0,00	0,00	100%
Participation in SPG				
SED11: HDI staff seconded by SPG	per months	0,00	0,00	100%
SED12: Expenditure by SPG on plant and equipment	R'000	0,00	0,00	100%
SED13: Procurement from, or sub-contracting to SPG	R'000	0,00	0,00	100%
Participation in management				
EEP01: HDIs in management positions	per months	348	618	178%
EEP02: Women in management positions	per months	180	307	171%
EEP07: HDIs in Occupational Level C	per months	612	2 589	423%
Direct employment				
EEP03: HDIs employed	per months	11 522	18 725	163%
EEP04: Women employed	per months	4 119	5 988	145%
EEP05: People with disabilities employed	per months	240	297	124%
Training				
EEP06: Expenditure on Human Resource Development	R'000	6 347 689	13 763 056	217%
EEP08a: Women participating in the Learnership & Mentorship Programme	per months	0,00	0,00	100%
EEP08b: Employment and mentorship of women learners	per months	0,00	0,00	100%

1.8.2 SED Performance since the commencement of the operating period until the end of March 2026

Based on ISEM verification concluded to date, the Concessionaire has cumulatively achieved all its obligations since the commencement of the operating period until the end of March 2026. Table 16 below summarises the achievements:

Table 16: Achievements for the operating period until the end of March 2026

SED PERFORMANCE: SED ELEMENT (No. and Description)	UNIT	Operating Period to March 2026		
		Obligation	Verified Achievement	% Achievement
Black equity participation				
SED01: Shares held by BEs/Black Persons in BCC	%	25,00%	57,06%	226%
SED01: Shares held by BEs/Black Persons in BOC	%	25,10%	31,54%	126%
SED02: Shares held by Black Women in BCC	%	3,75%	14,78%	394%
SED02: Shares held by Black Women in BOC	%	3,75%	8,18%	218%
Procurement and sub-contracting				
SED03: Procurement from BEs/Black Persons	R'000	881 691 179	2 302 900 098	261%
SED04: Sub-contracting to BE	R'000	3 139 501 270	9 104 520 776	290%
SED05: Procurement and sub-contracting to new BE	R'000	3 506 304 807	8 361 189 051	238%
SED06: Procurement and sub-contracting expenditure to SMMEs	R'000	601 280 470	1 175 573 257	196%
Local content				
SED08: Employment of local people	per months	218 223	271 113	124%
SED09: Procurement of South African materials	R'000	1 841 003 890	10 325 682 491	561%
SED10: Procurement of South African plant and equipment	R'000	299 468 470	360 928 224	121%
Participation in SPG				
SED11: HDI staff seconded by SPG	per months	0,00	0,00	100%
SED12: Expenditure by SPG on plant and equipment	R'000	0,00	0,00	100%
SED13: Procurement from, or sub-contracting to SPG	R'000	0,00	0,00	100%
Participation in management				
EEP01: HDIs in management positions	per months	4 677	8 950	191%
EEP02: Women in management positions	per months	2 278	4 878	214%
EEP07: HDIs in Occupational Level C	per months	8 126	41 550	511%
Direct employment				
EEP03: HDIs employed	per months	156 546	8 950	163%
EEP04: Women employed	per months	56 341	80 848	143%
EEP05: People with disabilities employed	per months	3 294	3 800	115%
Training				
EEP06: Expenditure on Human Resource Development	R'000	62 040 772	96 836 350	156%
EEP08a: Women participating in the Learnership & Mentorship Programme	per months	0,00	0,00	100%
EEP08b: Employment and mentorship of women learners	per months	0,00	0,00	100%

1.9. SOCIAL INVESTMENT PROGRAMME

The GMA's Social Investment Programme (SIP) advances sustainable community development through targeted interventions that deliver measurable social value. During the year, the programme prioritised education, skills development, and community empowerment to strengthen resilience, improve access to opportunities, and support inclusive growth.

1.9.1. SIP initiatives implemented (performance overview)

During the reporting period, the SIP created shared value by strengthening social and relationship capital, and advancing inclusive socio-economic outcomes in communities served by Gautrain. Through targeted partnerships and community-based interventions, the programme improved access to essential services, supported learning and development, and deepened stakeholder inclusion in the public transport ecosystem.

In Alexandra, Gautrain partnered with the African Eye Institute and optometry students from the University of Johannesburg to expand access to basic eye care services through a month-long weekend intervention hosted at Marlboro Station. More than 1 200 residents benefited from free eye tests, with 84% receiving prescribed spectacles. This intervention enhanced access to primary healthcare support, improved individual well-being and daily functioning, and demonstrated the developmental value of strategic partnerships in addressing community needs.

Through the My Maths Buddy initiative at Seotloana Primary School in Tembisa, the SIP supported the development of foundational numeracy skills, thereby contributing to stronger educational outcomes and long-term human capital formation. By investing in early learning capabilities, the initiative helped to build the competencies required for future academic progression, skills development, and broader socio-economic participation.

In February, Gautrain launched the Klipspruit Early Childhood Development Centre in honour of its late founder, Ms. *"Mma Pretty"* Joyce Barrenton, expanding access to early childhood development support within the community. Staff book donations further strengthened the centre's learning resources and contributed to a more enabling environment for childhood development. This intervention reinforced the importance of early-stage human capital investment in supporting learning readiness and developmental outcomes.

During the financial year, Gautrain also facilitated rail experiences for stakeholder groups from underserved communities, including learners, older persons and students. These engagements strengthened social inclusion, broadened awareness of mobility opportunities, and deepened stakeholder connection with the rail system. In doing so, they contributed to developmental impact by promoting access, participation and inclusion across diverse beneficiary groups.

1.9.2. Employee Corporate Social Investment Programme (ECSIP)

During the reporting period, the ECSIP strengthened **social and relationship capital** by mobilising employees and passengers to participate in initiatives that responded to identified community needs, while also contributing through skills-based volunteering and learner engagement. These interventions supported inclusive developmental outcomes by strengthening social cohesion, promoting knowledge transfer, and expanding awareness of future career opportunities.

Through three Bucket of Hope activations aligned to Mandela Day, the festive season and Easter, Gautrain staff and passengers contributed to the distribution of 1 500 buckets containing non-perishable food items to vulnerable communities. This initiative demonstrated the value of collective action in addressing immediate community needs and reinforced stakeholder participation in shared social impact.

GMA staff also contributed their time and expertise through development-focused initiatives that supported learner exposure, mentorship and career awareness. Through the Virtual Career Conversation with Tomorrow Trust, four staff members engaged learners on engineering career pathways, helping to broaden awareness of opportunities in the sector and contributing to informed future skills development.

Value created: Through partnerships with non-profit organisations and initiatives such as KlevaMova, R1 Parking Per Day, school excursions and the student product, the SIP strengthens relationships with communities and contributes to inclusive social development. Employee volunteering further supports stakeholder trust, learner development and the cultivation of future talent, thereby enhancing long-term social value. **– Social and Relationship Capital.**

In addition, eight GMA staff members participated in the Future of Rail is Women Fair, where they mentored Grade 9 learners in problem-solving through a rail-related case study. The Gautrain team achieved the overall winning outcome, reflecting the value of targeted mentorship in building learner confidence, strengthening problem-solving capability, and encouraging interest in rail and related career fields.

1.9.3. Strategic Outlook

In the next financial year, the SIP will prioritise strategic partnerships that can expand impact across education, community care and environmental action, with a continued focus on relevance, sustainability and shared value creation.

2. GAUTRAIN OPERATIONS PERFORMANCE

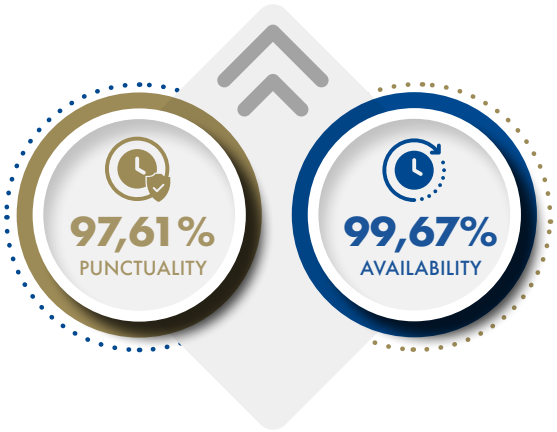
2.1. TRAIN OPERATIONS

The purpose of the train operational system is to ensure that trains run in accordance with an established operating plan, which aligns passenger demand with rail service parameters such as service frequency and train configuration.
Three distinct train services are currently offered:

- General Passenger Service (GPS) on the North/South (N/S) line, connecting Hatfield Station and Park Station;
- General Passenger Service (GPS) on the East/West (E/W) line, serving Rhodesfield Station and Sandton Station; and
- Airport Passenger Service (APS) on the East/West (E/W) line, operating between OR Tambo International Airport Station and Sandton Station.

2.1.1. Train Availability and Punctuality

The agreed performance norms for train availability and punctuality are 98% and 94%, respectively. During the review period, train services achieved an average availability of 99,67% and punctuality of 97,61%. Service quality remained stable, facilitated by fewer serviceaffecting incidents.



2.1.2. Growth in Usage

In the 2025/26 Financial Year, the total passenger trips recorded were 8 547 328, resulting in an 8,74% increase in passenger trips when compared to a decrease of 0.50% during the previous year. The total passenger trips excludes the unmatched trips, school excursions and special events, which equates to 8 589 456.

Table 17: Passenger Trips per Financial Year

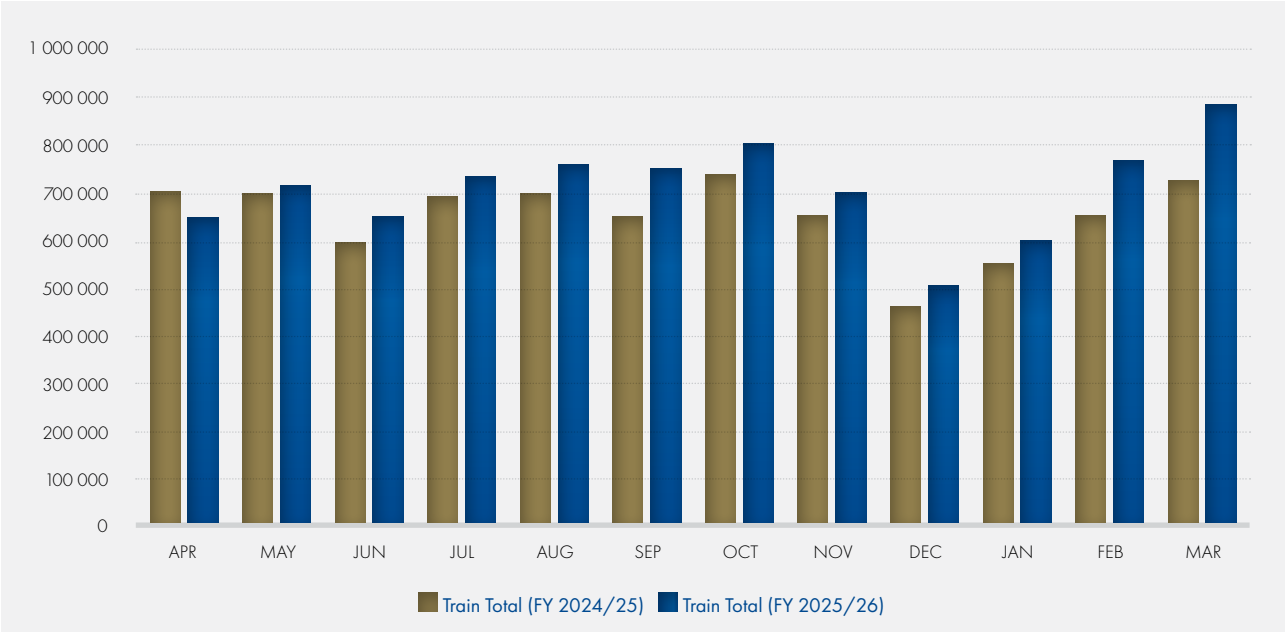
Service Type	Airport Passenger	General Passenger	Total
FY 24/25	710 214	7 149 854	7 860 068
FY25/26	728 830	7 818 498	8 547 328
% Change	2,62%	9,35%	8,74%

The total trips excludes the unmatched trips, school excursions and special events.

2.1.3. The increase in passenger trips during the 2025/26 Financial Year was likely driven by a combination of modest economic recovery, improved service reliability due to fewer service-affecting incidents, and targeted marketing initiatives. This trend is further supported by the continued normalisation of travel behaviour following COVID-19 disruptions.

2.1.4 Train Passenger Demand

The comparable train passenger numbers or matched trips** for two financial years are summarised in the graph below.
*(**A 'matched trip' is where the Automatic Fare Collection System matched all rail entries and exits by ticket, sequential number, and time.)*



Graph 1: Total train passenger trips for all rail services by month

2.1.5. Train Service Timetable Changes

Train service frequencies on weekdays for the North-South and East-West lines were consistently scheduled at 10-minute intervals during peak periods and 20-minute intervals during off-peak periods. On weekends, service frequencies remained at 20- to 30-minute intervals, with trains operating at regular intervals throughout the day.

2.2. FEEDER AND DISTRIBUTION SERVICES

The Gautrain Feeder and Distribution Services (FDS), which include bus and midibus options, complement the rail system by providing dedicated feeder and distribution routes, thereby improving access to stations. The FDS operates primarily on weekdays with 26 bus and 17 midibus routes. On weekends and public holidays, two bus routes and two midibus routes are available. Weekend bus services operate between Pretoria Station and Pretoria Zoo, from Midrand Station to the Mall of Africa, and for special events. Weekend midibus routes serve Parkhurst and MonteCasino.

Additionally, these services support rail operations by providing alternative transportation options during periods when end-to-end rail service is interrupted.

2.2.1 Performance During the Period under Review

Bus service availability and punctuality are monitored according to an agreed timetable, which provides the parameters for the Performance Monitoring System. The standard for availability is set at 99%, while the standard for punctuality is set at 95%.

Overall, the bus service achieved an aggregated availability of 97,33% and punctuality of 95,97%. The underperformance of the Gautrain bus service can be attributed to reliability issues with the current bus fleet.



The GMA is implementing measures to address these challenges and establish sustainable solutions aimed at enhancing bus service performance. These efforts are intended to restore the quality of bus service and promote overall Gautrain ridership by improving first- and last-mile connectivity.

2.2.2. Outcomes

During the reporting year, the total number of feeder and distribution passenger trips reached 3 187 992, representing a 0,06% decrease compared to 2024/25 (see Table 18). This slight decline was mainly due to ongoing reliability problems with the current bus fleet. Throughout the year, weekday FDS consistently supported between 28% and 31% of the weekday rail trips. DFDS and MFDS headways were maintained in line with train services.

Table 18: Bus Service Passengers per Financial Year

	FDS TOTAL
FY 24/25	3 207 137
FY 25/26	3 187 992
% Change	-0,06%

2.3. PERFORMANCE MANAGEMENT

The performance regime aims to ensure a set level of quality and service that meets the expectations of Gautrain's target markets.

The Concession Agreement (CA) sets performance standards for the Gautrain System, making the Concessionaire responsible for meeting them. Non-compliance can lead to penalties based on daily or monthly metrics. The CA allows relief for external causes if justified with evidence of no negligence and proper incident management. Such relief is contingent on the submission of a valid justification supported by evidence demonstrating an absence of negligence and the implementation of appropriate incident management practices.

2.3.1. System Performance Review

The Performance Monitoring Committee (PMC), which comprises the GMA, BCC and its subsidiaries, reviewed the Concessionaire's monthly performance against the prescribed norms to validate the applicable penalty percentage for, among others, calculating the monthly operating fee deduction. Table 19 below indicates the penalty percentage summary.

Table 19: Penalty Percentage Summary by Measurement Group

PENALTY PERCENTAGE SUMMARY PER MEASUREMENT GROUP - OCD2													
Major Performance Measurement Groups	**Penalty Percentage Weight**	**Apr'25**	**May'25**	**Jun'25**	**Jul'25**	**Aug'25**	**Sep'25**	**Oct'25**	**Nov'25**	**Dec'25**	**Jan'26**	**Feb'26**	**Mar'26**
		Q1			**Q2**			**Q3**			**Q4**		
PP1 Train Operational Service Group	60%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
PP2 Feeder & Distribution Group	10%	4,00%	4,00%	4,00%	4,00%	4,00%	4,00%	4,00%	4,00%	4,00%	4,00%	7,00%	7,00%
PP3 Customer Feedback Group	3%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
PP4 Security Group	20%	0,00%	0,00%	0,50%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%
PP5 Cleanliness and Damage Repair Group	7%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,00%	0,50%	0,50%	0,50%
Total Penalty Percentage (PP)	100%	4,00%	4,00%	4,00%	4,00%	4,00%	4,00%	4,00%	4,00%	4,00%	4,50%	7,00%	7,50%

During the year under review, the system recorded several underperformance incidents, leading to penalties in the Feeder & Distribution and Cleanliness and Damage Repair Groups. These included twelve (12) penalties for bus service availability, two (2) for punctuality, one (1) for access control availability, and one (1) for lift availability.

Throughout the year, the GMA ensured that all service components, as defined by the major performance groups, provided a consistently high-quality service to users of the Gautrain System.

2.4. SYSTEM CAPACITY AND EXPANSION

System capacity is divided into rail, bus, and park-and-ride. The aim is to optimise short- to medium-term demand through targeted interventions.

The GMA uses an internal tool for capacity planning, evaluating system performance annually, forecasting demand, and identifying constraints. Constraints are monitored monthly and updated with new data. Initiated projects from these assessments are detailed in the Progress Report from the GMA Project Management Office. Together with the Concessionaire, the GMA monitors demand on the system via the Quarterly Capacity Committee meetings to implement capacity interventions when required.

Passenger trips increased compared to the previous financial year, a trend attributable to evolving return-to-work patterns, heightened economic activity, and greater road congestion.

During the year under review, one incident of train overcrowding was documented, which was associated with a service disruption. There were no recorded DFDS overcrowding events during this timeframe. While short-term Gautrain System capacity constraints are not anticipated, ongoing monitoring of capacity utilisation remains essential. Initiatives to expand parking availability and improve traffic flow to and from stations are also being pursued.

2.5. REVENUE MANAGEMENT AND FARE EVASION MANAGEMENT

Revenue management consists of the revenue collected by the Concessionaire, which is influenced by the annual fare adjustment, ridership, and income protection or fare evasion management.

The fare evasion management objective is primarily to secure all fare revenue for services rendered and to minimise the monthly patronage guarantee payable. The secondary objective is to maintain a safe and secure environment for paying passengers.

2.5.1. Revenue Management

During the year under review, there was a modest growth in both system utilisation and associated revenue.

The annual fare adjustment continued to be used as a lever to influence customer behaviour, improve customer satisfaction and to encourage usage of the System. This was evident as the broad fare adjustment based on a general CPI of 4,23% was agreed and implemented on 1 June 2025.

The highlights of the fare adjustment are summarised below:

- CPI-related increase on all rail fares;
- R2 increase on boarding fare;
- Increase on penalty fares to align with the cheapest APS fare;
- R1 increase on Gautrain cards; and
- No increase in bus fare for rail users and non-rail users.

The structure of discounted products available for regular users on the General Passenger Service (GPS), including students, was enhanced by the introduction of KlevaM product and an increased discount for students as detailed below:

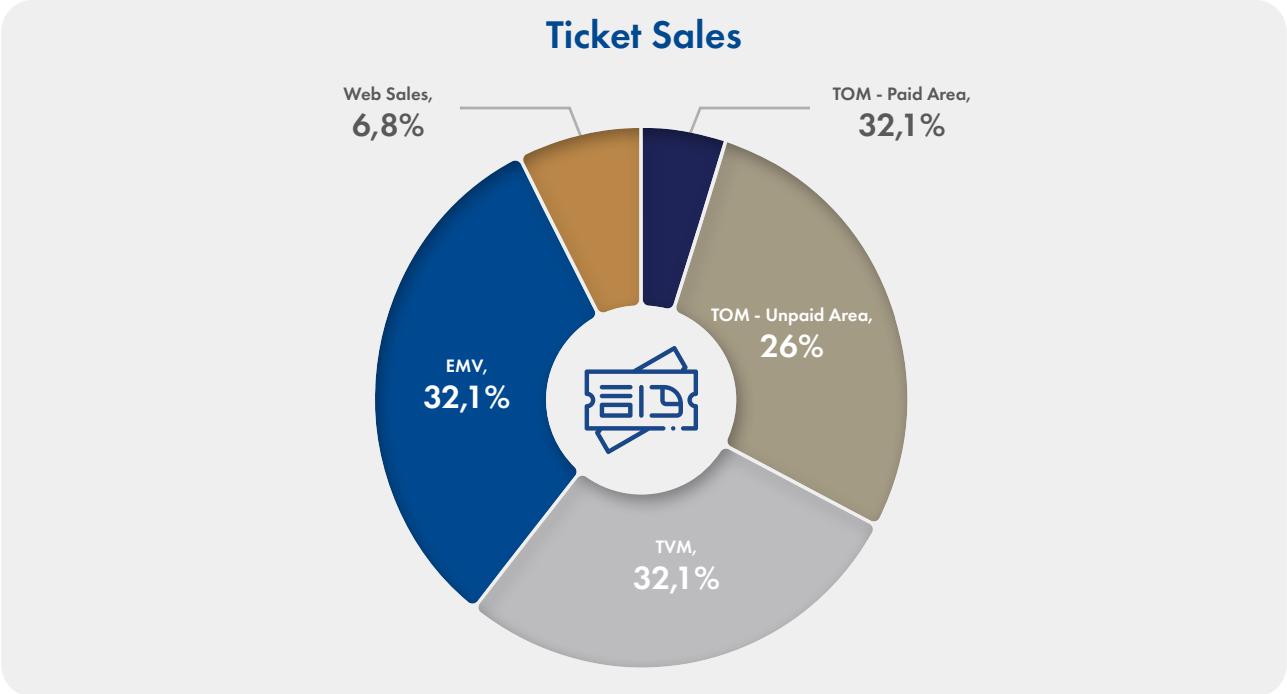
- Students' 10-trip ticket saving at 50%, based on a single train trip standard fare valid for 10 days; and
- Students' 44-trip ticket saving at 50% based on a single train trip standard fare valid for 44 days.
- KlevaM 10-trip ticket saving at 50%, based on a single train trip standard fare valid for 10 days; and
- KlevaM 44-trip ticket saving at 50% based on a single train trip standard fare valid for 44 days.
- The 10-trip ticket saving is 7.5%, based on a single train trip standard fare valid for 10 days; and
- The 44-trip ticket saving is 15% based on a single train trip standard fare valid for 44 days.

GPS Rail Ticket Product Preference is made up of Pay-As-You-Go/Stored Travel Rights (STR), Europay Mastercard Visa (EMV), Period Products, Single and Return Products. The table below outlines the preference and usage change for each product.

Table 20: Preference and Usage Change

Ticket Type	Average FY 2025/26	% Difference compared to 2024/25	
Pay-As-You-Go or STR	47,20%	-14,13%	⌄⌄
EMV	20,11%	2,74%	^^
Single & Return Product	5,64%	17,39%	^^
Period Product	27,05%	30,97%	^^

Passenger convenience was maintained by allowing users to top up their Gautrain cards via the website and mobile application. In addition, passengers could use Europay Mastercard Visa (EMV) compatible cards instead of Gautrain cards. Below is the graph of ticket sales from various sales points.



Graph 2: Ticket Sales from various Points of Sale

EMV and web sales show an increase of 15,4% in EMV usage, and 2,4% in web sales, compared to 2024/25.

Student Products usage improved slightly; this is evident as related revenue makes up 4,0% of GPS revenue, up from 3,1%, compared to 2024/25.

Revenue increased by 3,7%, compared to 2024/25, despite it being diluted by discounted products. March 2026 recorded the highest revenue in the 2025/26 Financial Year, which was also the highest post-COVID.

2.5.2. Fare Evasion Management

The fare evasion rate applicable throughout the year remained at 0,00%, which is below the 4% norm and in line with the fare evasion rate recorded in the previous financial year. Blocked Contactless Smart Cards (CSCs) due to tailgating decreased significantly from 28,17 to 13,01 per million passengers in 2025/26.

2.6. STATION OPERATIONS

The performance, condition, and level of service at train stations are critical factors in increasing ridership on the Gautrain System. Station personnel and security staff serve as the primary point of contact with passengers, effectively representing the Gautrain brand.

The GMA evaluates how well the Concessionaire meets established targets for hygiene, equipment availability, and service quality. If these standards are not met, penalties may be imposed. Performance monitoring covers both qualitative and quantitative measures outlined in the CA.

Capacity Committee meetings between the GMA and the Concessionaire provide ongoing opportunities for communication and engagement regarding unresolved issues and initiatives for improvement. All official communications and meeting minutes are recorded and archived to maintain accountability.

Monthly achievements are evaluated against established CA performance benchmarks, with the Performance Management System implemented in cases where targets are not reached. The Performance Committee convenes each month to review Concessionaire performance relative to these targets, and penalties are imposed for any instances of underperformance.

During the review period, the Concessionaire achieved 100% for station cleaning, station condition, and system infrastructure KPIs, exceeding the 95% requirement. Lifts, escalators, fare gates, and ticketing machines also performed above their targets with high compliance.

2.7. SYSTEM SECURITY

During the financial year under review, the GMA continued to ensure that the Gautrain System remains a safe, secure, and reliable public transport service through continuous monitoring of compliance with security standards outlined in the CA. The GMA maintained oversight of the Concessionaire's operations to ensure passenger safety and safeguard the integrity of the System's infrastructure.

The GMA conducted monthly assessments of security performance relating to the Physical Security of Passengers (PC4 S1) and the Safety of Passenger Property (PC4 S2). The threshold was exceeded only once in August 2024, when two PC4 S2 incidents were recorded. In response, the Concessionaire proposed additional measures aimed at reducing future incidents. Rail reserve incidents remained stable at an average of eight (8) incidents during the year due to enhanced security deployments in hotspot areas.

Safety and security were enhanced around the Rhodesfield Station precinct through cleanup operations and the deployment of patrol security staff as part of broader security and landscaping improvements. These actions made the area around the station much safer and more secure.

No cable thefts occurred during the financial year, resulting in uninterrupted service, increased passenger trust, and high customer satisfaction. The GMA inspected rail reserves for security threats and implemented appropriate corrective measures. Security stakeholder relationships were maintained to ensure effective management and positive outcomes.

Looking ahead, the GMA will continue to monitor security performance closely by enhancing inspection processes through the incorporation of drone technology. Further security improvements are planned for other Gautrain stations, and existing mitigation strategies addressing rail reserve incidents will remain in place.

2.8. LAND ACQUISITION AND WAYLEAVE MANAGEMENT

The GMA is responsible for safeguarding the rail reserve and public transport infrastructure in accordance with the Gauteng Transport Infrastructure Act (GTIA). During the financial year, the GMA diligently carried out its oversight duties by assessing GTIA applications alongside the Concessionaire, thereby ensuring the protection of the Gautrain rail reserve and support for nearby development projects. Additionally, the GMA implemented dashboards at different levels to present various data, including the current statuses of GTIA applications.

The GMA reviewed numerous GTIA applications and conducted site inspections to ensure compliance with approval conditions. The GMA also collaborated with the City of Johannesburg Metropolitan Municipality to protect the Gautrain tunnel from potential adverse impacts associated with third-party activities.

The use of drone technology to improve rail reserve management and site inspection processes was introduced. Furthermore, the GIS platform was deployed on a cloud-based infrastructure, and the adoption of Site Scan technology enhanced the storage, processing, and utilisation of drone-generated data. The GMA also maintained its commitment to sharing GIS information with external stakeholders to support the protection of the Gautrain System.

Looking ahead, the GMA will maintain its commitment to safeguarding the rail reserve and associated infrastructure as outlined in the GTIA. Ongoing enhancements to GIS systems will help optimise how GTIA applications, site inspections, and rail reserve data are managed. Stakeholder engagement and GIS data-sharing efforts will further promote collaborative planning and development among major stakeholders.

2.9. ASSET MAINTENANCE, MANAGEMENT AND ASSURANCE

The GMA oversees implementation of the Concessionaire's Asset Maintenance and Management Plan (AMMP) in line with the CA and good industry practice. This is supported by a long-term combined assurance framework to ensure that assets are maintained in a state of good repair, support reliable passenger service, and enable timely renewals, replacements, and additions of new assets as required for system expansion. Gautrain assets are classified as core and non-core, with Bombela Maintenance Company responsible for the core railway system, Bombela Operating Company for the non-core railway system, and Mega Express for bus operations and maintenance.

During the period under review, the GMA provided assurance over the maintenance management and performance of system assets in accordance with the CA and best industry practice, supporting the reliability, availability and longevity of manufactured capital.

Key highlights included:

- Completion of all preventive maintenance activities in line with the AMMP;
- Execution of corrective maintenance within mean-time-to-repair targets to minimise downtime;
- Implementation of renewal and replacement works, including rolling stock overhauls and equipment upgrades;
- Technological advancement of the Automatic Fare Collection system through an Account-Based Ticketing proof of concept for rollout in the next financial year;
- Completion of the physical condition inspection of assets as a partial contractual fulfilment of the former Concessionaire of the Transfer of System at the Concession Expiry Date; and
- Completion of the feasibility study for water back-up at stations and depot facilities to strengthen system resilience and improve passenger experience.

Overall, the Gautrain System sustained performance above availability and punctuality targets, reflecting effective asset lifecycle management and supporting reliable service delivery. The nature and timing of service orders continued to align with operational demand, particularly train frequency and passenger volumes.

2.10. INTEGRATION MANAGEMENT OF THE GAUTRAIN WITH GOVERNMENT TRANSPORT SYSTEMS

Integrating the Gautrain System with other transport services and public transport plans is one of the GMA's strategic goals. To achieve this, the GMA works closely with major public transport stakeholders by participating in discussions on integration projects and coordinating transport planning across Gauteng Province. The Agency pursues these efforts by:

- Participating in the planning structures and engaging relevant public transport stakeholders to ensure that integration projects or initiatives are implemented effectively.
- Supporting improvements to the public transport network through the provision of scheduled, safe, and reliable mobility services and the implementation of infrastructure improvement projects.
- Providing inputs to the Comprehensive Integrated Transport Plans (CITPs) currently under review by municipalities.

During the year under review, the GMA introduced three new MFDS routes to improve access to the Gautrain System. Approval for these routes was secured from both the City of Johannesburg and the City of Ekurhuleni. Additionally, the GMA revised existing MFDS routes to broaden feeder service coverage and improve access to newly developed areas.

The GMA also participated in provincial and municipal structures to co-ordinate transport planning and integrate public transport services, including Intermodal Planning Committee meetings as mandated by the National Land Transport Act (NLTA). The introduction of seven new MFDS routes created additional job opportunities.

2.11. PLANNING FOR THE FUTURE

2.11.1. Post-2026 Project

Over the past five years, the GMA has made significant progress in the implementation of the Post-2026 Gautrain Project. In the year under review, the GMA completed the procurement process with the Preferred Bidder having been appointed to take over the operations of the Gautrain under a new contract. The negotiations with the Preferred Bidder are complete and are currently undergoing the necessary approval processes, at both provincial and national levels, to reach a successful financial close by the end of July 2026. This aims to ensure a smooth transition from the current Operator to the Successor Concessionaire, which will commence operations at the end of September 2026.

To ensure that the Gautrain remains responsive to current and future passenger service expectations, the province will be partnering with a well-experienced operator who will assume the responsibilities to operate, maintain, modernise and invest in new infrastructure over a 15-year period. This will, however, be done in a manner that ensures long-term financial sustainability, sustains value for money and optimal risk transfer. The Gautrain continues to align with provincial and national transport and economic goals, providing a world-class rail service and stimulating business activities for small and medium enterprises, and significantly contributing to job creation in the province.

2.11.2. Gauteng Rapid Rail Integrated Network Extensions

The 25-Year Integrated Transport Master Plan for Gauteng ("ITMP25"), adopted by the GPG Cabinet in 2013, affirmed that a passenger rail network should form the backbone of a modernised and integrated transport system for the Province. To implement ITMP25, the GMA developed a strategy to expand rail coverage under its mandate from the Gauteng Transport Infrastructure Act (GTIA). A feasibility study completed in 2016, based on the PPP framework and PFMA regulations, found that expanding the GRRIN would increase mobility to key economic hubs, delivering substantial economic and transport benefits for Gauteng and South Africa, while ensuring value for money and effective risk management through PPP procurement.

The proposed GRRIN extensions will add 148 km to the rapid rail network and introduce nineteen new stations. Due to the complexity and significant funding requirements, these expansions will be implemented in phases. The plan includes five distinct phases, with Phase 1 focusing on the extension from Sandton to Little Falls, incorporating new stations at Randburg, Cosmo City, and Little Falls. This phase will be further extended to Jabulani through Roodepoort. The accompanying figure below illustrates the current Gautrain System, the proposed GRRIN extensions, the Passenger Rail Agency of South Africa (PRASA) network, and the integration points across these networks.

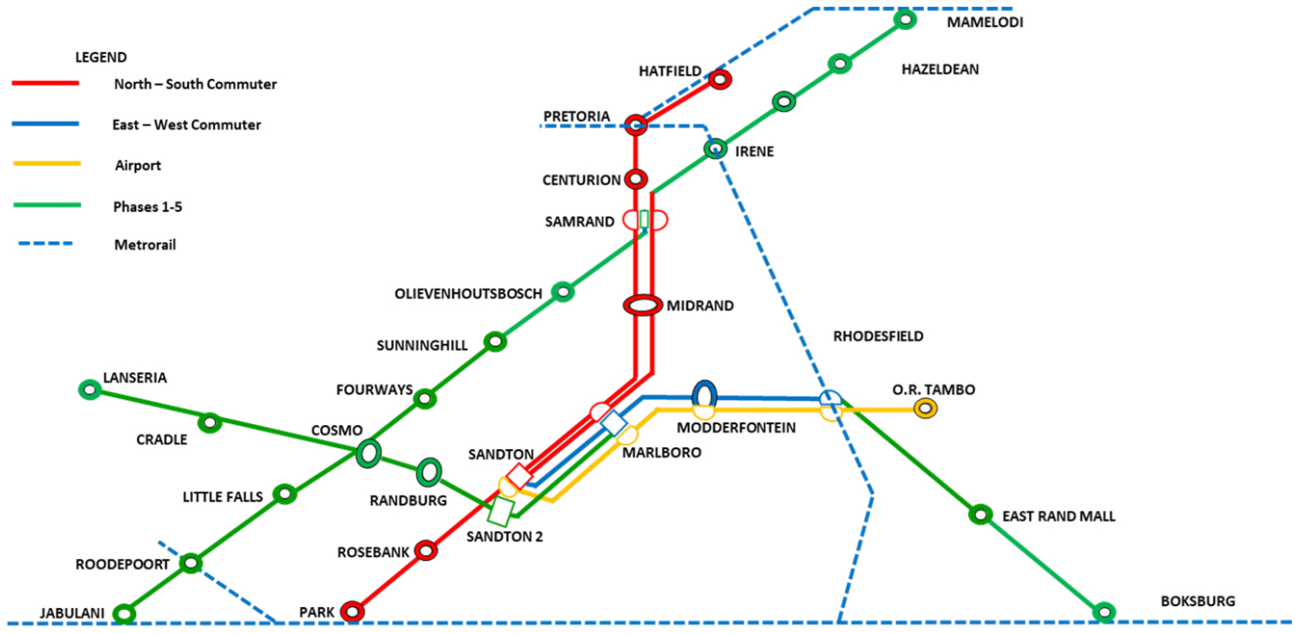


Figure 13: **Current Gautrain System and the proposed GRRIN Extensions**

Planning for the implementation of the proposed extensions remains ongoing, while Phase 1 awaits the finalisation of the applicable approval processes in accordance with Treasury Regulation 16 of the PFMA. The route for the Soweto Extension and Cosmo City Junction of the GRRIN was determined in the fourth quarter of the 2025/26 Financial Year. The Gauteng Department of Roads and Transport (GDRT), therefore, facilitates and supports the efforts of the Passenger Rail Agency of South Africa (PRASA) and the Gautrain Management Agency (GMA) to develop and extend to meet the passenger mobility needs of Gauteng.

2.12. VARIATIONS

The GMA is tasked with managing the variation process in accordance with the requirements of the Concession Agreement (CA), ensuring that any variations serve the best interests of the Province. This oversight includes:

- Investigating and implementing commercial opportunities within the System to optimise passenger growth and revenue.
- Issuing commercial variations in line with the CA to initiate System improvements and enhancements.
- Providing technical and commercial input in litigation and matters related to dispute resolution.
- Developing plans for capital expenditure (CAPEX) delivery in the financial year.
- Managing the Concessionaire in compliance with the contractual obligations of the CA.

During the year under review (April 2025 to March 2026), no new variations were introduced. In accordance with the CA, no new changes may be initiated within 18 months of the Agreement's conclusion, and the GMA remained focused on managing and closing off existing variations before the expiry of the Concession Agreement on 28 March 2026.

The GMA continued to manage existing variations in compliance with the CA and the COCA, with the primary objective of ensuring that all outstanding variations were resolved and formally closed before the end of the concession period. The majority of variations have been successfully closed, and the GMA and the Concessionaire worked collaboratively to finalise any remaining matters ahead of the 28 March 2026 expiry date.

During the year, the GMA focused on the following strategic initiatives that had been introduced in prior periods:

- Marketing initiatives aimed at ridership growth:
  - KLEVA MOVA product variation;
  - R1 Parking Promotion; and
  - Student Product variation.

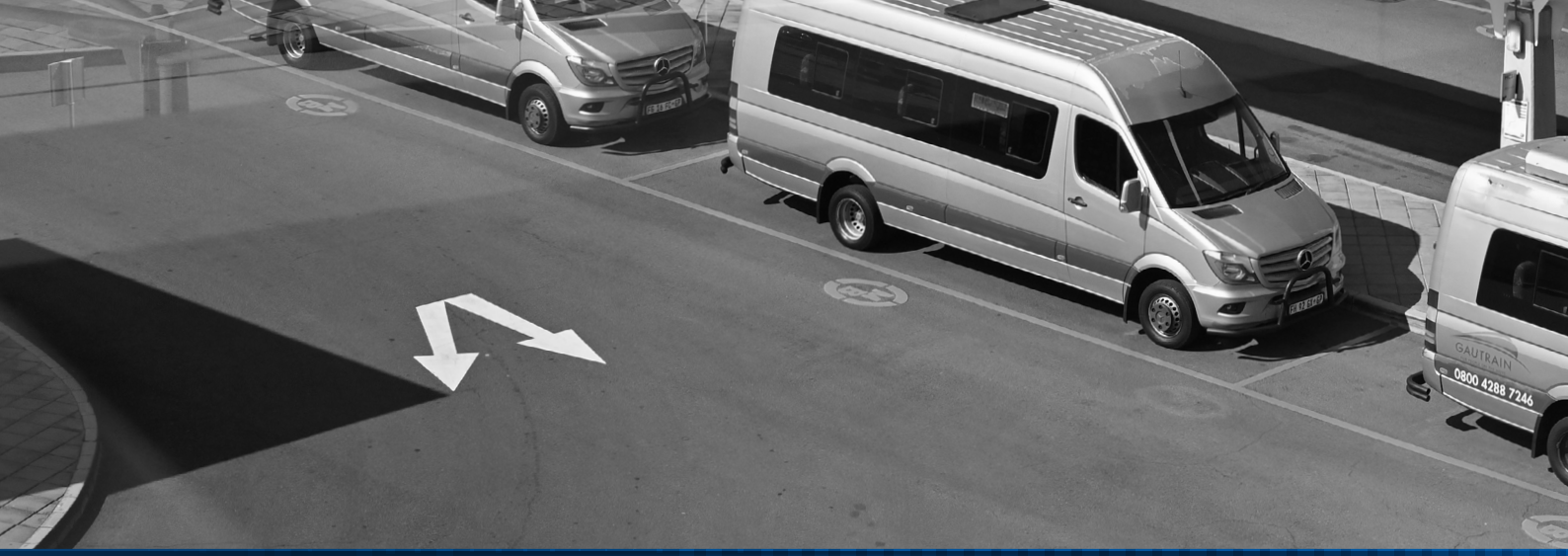
- Commercialisation initiatives and mandates for additional testing centres:
  - Driver's Licence Testing Centres (DLTCs); and
  - Retail Commercial Initiatives.

- Improving customer experiences with:
  - Security upgrades at targeted station precincts;
  - Midibus strategy continuation; and
  - Special event partnerships for branding and marketing.

With the conclusion of the Concession Agreement on 28 March 2026, the variation process has been formally brought to a close, marking the end of a significant chapter in the GMA's oversight of the Gautrain System.




GAUTRAIN
FOR PEOPLE ON THE MOVE
GAUTRAIN
GAUTRAIN
FOR PEOPLE ON THE MOVE
Tickets
WALK IN THIS DIRECTION ONLY
Linear Route Map
Hatfield
Pretoria
Centurion
Midrand
Marlboro
Rhodesfield
O.R.Tambo
Rosebank
Sandton
Park
Security Alert
Criminals may target passengers with visible electronic devices, such as, cell phones. For your own safety, avoid using electronic devices in areas where criminals can make a quick getaway e.g. in the parking area or pick-up and drop-off zones.
Any suspicious activity in the Gautrain station/ parking facility may be reported to Gautrain Staff. Report any suspicious activity outside of the Gautrain station to SAPS on 10111 or 08600 10111.
Wheelchair Access
Tickets
Platforms



H

MANAGING HUMAN CAPITAL



INTRODUCTION

Human Capital remains an important factor in the growth of the GMA, and places emphasis on attracting, growing, nurturing, and retaining high-performing talent. The Agency has retained its reputation as a desirable employer, a status confirmed through our talent acquisition channels and certification as a Top Employer. By investing in employee development and creating a supporting culture that enhances value, the GMA contributes to achieving long-term organisational success.

Human Capital Governance and Oversight in Support of Value Creation

Human capital governance is overseen by the Human Capital and Remuneration Committee (HCRC) under delegated Board authority and in line with the Board Charter. The Committee oversees human capital strategy, policy and implementation, while regular reporting strengthens accountability, transparency and continuous improvement. The Human Capital function supports organisational effectiveness and the delivery of strategic objectives through organisational design, change management, employee experience, inclusion and culture.

HUMAN CAPITAL INSIGHTS

- A total of **246** employees
- 143 female employees translate to 58% of the overall employee headcount
- **4 employees living with disability**
- **96** translates to **39%** of **young people**
- **R5 791 038** spent on education, training and development
- **R2 432 566** spent on employee well-being
- GMA achieved a top employer certification score of **83,76%** for 2025

VALUE CREATED

- Job creation
- Knowledge exchange
- Training and development
- Well-being

Key Human Capital matters influencing the GMA's capacity to create value

Associated Key Risks	The Strategic Response
Talent shortage and difficulty attracting skilled talent	○ Implement robust talent acquisition and retention strategies ○ Competitive compensation packages and career development opportunities
High employee turnover	○ Foster a positive work environment ○ Employee engagement programmes to improve job satisfaction and reduce turnover ○ Total reward strategy that focuses on the retention of high-calibre employees
Misalignment of employee skills and organisational needs (Skills mismatches)	○ Conduct regular talent audits and develop a talent management approach to address gaps
Internal pay disparities	○ Conduct regular salary benchmarking to ensure competitive salary packages ○ Regularly reviews, evaluates, and grades to ensure alignment of remuneration and jobs
Leadership gaps (poor succession planning or inexperienced management resulting in a lack of strategic direction and low employee morale).	○ Offer leadership training programmes and mentorship opportunities to build a pipeline of future leaders ○ Regularly review and update succession plans and provide training and development opportunities for internal candidates

1. GMA EMPLOYEE PROFILE

At the end of the 2025/26 Financial Year, the GMA workforce composition was diverse, as indicated in the statistics below:

EMPLOYEES	MOVEMENT	MALES	FEMALES	EMPLOYEES BY RACE
246 Total Headcount	**51** Appointments	**103** Males	**143** Females	**223** Africans
165 Perm Employees	**9** Terminations	**55,80%** Target	**44,20%** Target	**6** Coloureds
	0,33% Turnover	**41,87%** % Males	**58,13%** % Females	**8** Indians
		Trend ▲	Trend ▲	**9** Whites

Active Employees by Occupational Level

Semi-Skilled	85
Professional	64
Skilled	58
Senior Management	30
Unskilled	7
Top Management	2

Active Employees by Years of Service

1 Year	47
2 - 3 Years	50
4 - 5 Years	67
6 - 9 Years	36
10+ Years	46

Active Employees by Occupational Level and Gender

	FEMALES	MALES	TOTAL
F-Band	0	2	2
E-Band	11	21	32
D-Band	37	27	64
C-Band	34	22	56
B-Band	55	30	85
A-Band	7	0	7

Active Employees by Business Unit and Gender

	FEMALES	MALES	TOTAL
COM	59	35	94
TS	13	14	27
CS	15	8	23
FIN	7	11	18
ICT	8	10	18
CM	9	4	13
INT - AUDIT	6	4	10
KM	7	3	10
PMO	4	5	9
O_CEO	4	3	7
COMP_LEG	3	2	5
ERC	3	2	5
O_CS	4	1	5
O_COO	2	0	2

Appointments vs Terminations



51
85%



9
15%

Active Employees by Age Group



18 - 25 **2**



25 - 39 **153**



40 - 54 **75**



55 - 65 **16**

The employee composition of the GMA's employment equity profile is in line with the economically active population in the province. This highlights the Agency's efforts to create opportunities for a diverse talent pool. Female representation remains at 58%, with women executives at 37% at the end of 2025/26. As the GMA fills vacancies, it is cognisant of the need to retain representation in line with the employment equity plan. Moreover, the increase of 51 new employees and the termination of 10 others, indicates a dynamic and evolving workforce.

The percentage of people with disabilities sits at 2% of the total employee complement. The increase of 51 employees indicates a dynamic and evolving workforce. The permanent appointment of all graduates from the Graduate Development Programme reflects the GMA's commitment to strengthening its human capital pipeline and supporting succession depth, while advancing the implementation of the Employment Equity Plan (2025–2030).

2. PERFORMANCE OVERVIEW

2.1. EMPLOYEE WELLNESS

Implemented employee wellness initiatives to support workforce wellbeing, strengthen health awareness and promote a healthy, resilient and productive work environment, including mental health, men's health, health screening and epilepsy awareness programmes.

2.2. LEARNING AND DEVELOPMENT

Implemented targeted learning and development initiatives to strengthen organisational capability, support ethical and effective decision-making, and enhance institutional resilience across key areas, including ESG, data governance, SHEQ, ethics, strategic planning, and cybersecurity.

2.3. EXECUTIVE LEADERSHIP DEVELOPMENT PROGRAMME (ELDP)

Completed the second cohort of the Executive Leadership Development Programme (ELDP), strengthening leadership capability across executive and senior management levels while minimising operational disruption through phased implementation. The programme was attended by 27 GMA specialists, senior managers, and executive managers, alongside delegates from other organisations.

2.4. TOP EMPLOYER

Achieved and retained Top Employer certification, supported by workshops, evaluations and a certification score of 83,76%. Awarded by the internationally recognised Top Employers Institute, the certification reflects the GMA's commitment to strengthening its people practices and enhancing its ability to attract and retain talent.

2.5. PERFORMANCE MANAGEMENT

Completed performance contracting for the 2025/26 Financial Year and concluded the mid-year and annual performance review processes, strengthening performance accountability, alignment, and effective performance management across the organisation.

2.6. HUMAN CAPITAL INFORMATION MANAGEMENT SYSTEM

Advanced the implementation of the new ERP to integrate the Human Capital system, reaching 90% completion and strengthening the digital enablement of human capital management.

2.7. ORGANISATIONAL DESIGN

Advanced the GMA's organisational design through the development and implementation of the macro-structure for Board consideration, with the Board resolving that Management proceed with the development of the micro-structures in consultation with business units and employees.

2.8. TALENT MANAGEMENT AND DEVELOPMENT

Focused on talent acquisition, performance management, succession planning, and the need for a competitive framework.

2.9. EMPLOYEE ENGAGEMENT

Implemented employee engagement initiatives to strengthen organisational culture, support employee well-being, and advance diversity and inclusion across the organisation.

2.10. ONBOARDING

Implemented onboarding initiatives to support the effective integration of new employees and strengthen workforce readiness.

2.11. RECOGNITION

Implemented employee recognition initiatives to reinforce performance, strengthen motivation, and support a high-performance culture.



3. HUMAN CAPITAL STATISTICS

Table 21: Personnel Cost by Programme/ Activity/ Objective

Programme/ activity/ objective	Total Expenditure for the entity (R'000)	Personnel Expenditure (R'000)	Personnel Exp. as a % of total Exp. (R'000)	No. of employees	Average personnel cost per employee (R'000)
Project Expenditure	R 3 507 002,00				
GMA Expenditure	R 614 288,00	R 325 658	8%	246	R 1 324
TOTAL	**R 4 121 290,00**	**R 325 658**	**8,4%**	**246**	**R 1 324**

Table 22: Equity Target and Employment Equity Status

LEVELS	MALE							
	African		Coloured		Indian		White	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	2	1	0	0	0	1	0	1
Senior Management	15	2	1	1	1	1	2	1
Professional qualified	25	43	2	1	2	1	0	5
Skilled	20	25	0	1	2	1	0	5
Semi-skilled	28	1	1	1	1	1	0	0
Unskilled	1	1	0	1	0	0	0	0
TOTAL	**91**	**73**	**4**	**5**	**6**	**5**	**2**	**12**

Levels	FEMALE							
	AFRICAN		COLOURED		INDIAN		WHITE	
	Current	Target	Current	Target	Current	Target	Current	Target
Top Management	0	1	0	0	0	0	0	0
Senior Management	10	3	0	1	0	1	1	1
Professional qualified	31	34	0	1	2	1	2	4
Skilled	30	17	2	1	0	1	4	4
Semi-skilled	55	1	0	1	0	0	0	1
Unskilled	6	1	0	1	0	0	0	1
TOTAL	**132**	**57**	**2**	**5**	**2**	**3**	**7**	**11**

Levels	Disabled Staff			
	Male		Female	
	Current	Target	Current	Target
Top Management	0	1	0	0
Senior Management	1	0	1	0
Professional qualified	0	0	0	1
Skilled	1	1	0	1
Semi-skilled	0	0	0	0
Unskilled	0	0	2	0
TOTAL	**2**	**2**	**3**	**2**

Table 23 : Employment and vacancies per employment categories as at 31 March 2026

Programme/activity/objective	2025/2026 No. of Employees (31 March 2025)	2026/2027 Approved Posts (1 April 2026)	2025/2026 No. of Employees (31 March 2026)	2024/2025 Vacancies	% of vacancies
Top Management	2	3	2	1	0%
Senior Management	22	33	30	3	1%
Professional qualified	58	91	64	27	9%
Skilled	43	64	58	6	2%
Semi-skilled	73	96	85	11	4%
Unskilled	7	7	7	0	0%
TOTAL	**205**	**294**	**246**	**48**	**16,3%**

Table 24: Employment and vacancies per business unit as at 31 March 2026

Programme/activity/objective	2025/2026 No. of Employees (1 April 2025)	2025/2026 Approved Posts	2025/2026 No. of Employees (31 March 2026)	2026/2027 Vacancies	% of vacancies
CEO's Office	2	2	2	0	0%
Stakeholder Engagement and Intergovernmental Relations	0	6	2	4	67%
Commercial Management	67	103	94	9	9%
Communication and Marketing	14	15	13	2	13%
Compliance and Legal	4	9	4	5	56%
COO's Office	3	3	2	1	33%
Office of the Company Secretary	2	7	5	2	29%
Corporate Services	22	26	23	3	12%
Finance	16	18	18	0	0%
Information and Communication Technology	17	22	18	4	18%
Internal Audit	9	13	10	3	23%
Knowledge Management	8	13	10	3	23%
Enterprise Portfolio Management (ePMO)	5	10	9	1	10%
Programme Management (CEO)	2	2	2	0	0%
Ethics, Risk and Compliance	5	7	5	2	29%
Technical Services	29	38	29	9	31%
TOTAL	**205**	**294**	**246**	**48**	**16,3%**

Table 25: Reason for leaving

Reason	Number	% of total no. of staff leaving
Death	1	0,5%
Resignation	9	4,4%
Dismissal	0	0,0%
Retirement	1	0,5%
Ill health	1	0,5%
Expiry of contract	0	0,0%
Other	0	0,0%
TOTAL	**12**	**5,9%**

Table 26: Labour Relations: Misconduct and Disciplinary Action

Nature of Disciplinary Action	Number
Verbal Warning	0
Written Warning	2
Final Written Warning	1
Dismissal	0





STRATEGIC OUTLOOK



STRATEGIC OUTLOOK

The GMA's strategy is informed by a clear assessment of its operating context, material matters and stakeholder expectations. Through responsive planning and disciplined execution, the Agency seeks to create, preserve and sustain value over the short, medium and long term, while advancing outcomes that support its purpose and contribute to broader stakeholder value.

SHORT-TERM PRIORITIES

1.	Maintain operational excellence and service quality across the existing Gautrain system.
2.	Increase and retain ridership through targeted initiatives and service improvements.
3.	Manage the Holdover Period and Close-Out of the Concession Agreement effectively.
4.	Enable a smooth transition to the Post-2026 Gautrain operating model.
5.	Diversify revenue streams through partnerships and commercialisation opportunities that strengthen financial sustainability.
6.	Maintain strong governance, risk management, ethics, financial management and asset management.
7.	Support integrated transport planning and coordination with other stakeholders.

MEDIUM-TERM PRIORITIES

1.	Plan and advance the Gauteng Rapid Rail Integrated Network (GRRIN) extensions.
2.	Secure new investment into the Gautrain system through the Post-2026 concession model.
3.	Expand rail capacity through additional rolling stock, depot expansion and signalling upgrades.
4.	Strengthen integration between rail, bus, taxi and other public transport modes.
5.	Develop alternative funding models to reduce dependence on provincial subsidies.
6.	Support TAG's mandate to create a more integrated and coordinated transport system across Gauteng.
7.	Expand the GMA's role in broader rail and public transport mandates delegated by the MEC.

LONG-TERM PRIORITIES

1.	Expand the Gautrain and implement the full GRRIN as the backbone of an integrated provincial transport system.
2.	Support Gauteng's "Growing Gauteng Together Through Smart Mobility 2030" strategy.
3.	Position transport infrastructure as a catalyst for economic growth, job creation and spatial transformation.
4.	Develop Gauteng into a smart province through data-driven mobility and integrated transport systems.
5.	Promote sustainable, technologically advanced and environmentally responsible mobility solutions.
6.	Support rail devolution and increased provincial responsibility for rail planning and operations.
7.	Reduce long-term reliance on government funding through sustainable commercial revenue streams and partnerships.



J

MANAGING FINANCIAL CAPITAL



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ABBREVIATIONS

CA	Concession Agreement
DRT	Gauteng Department of Roads and Transport
DLTC	Grade F Driving Licence Testing Centre
IFM	Integrated Fare Management
GMA	Gautrain Management Agency
GRAP	Generally Recognised Accounting Practice
MEC	Member of the Executive Council
MTEF	Medium Term Expenditure Framework
MVL	Motor Vehicle Licence
OCD I	Operational Commencement Date Phase 1
OCD 2	Operational Commencement Date Phase 2
PAYE	Pay As You Earn Tax
PDP	Professional Drivers licence
PFMA	Public Finance Management Act (Act 1 of 1999), as amended
PPPFA	Preferential Procurement Policy Framework Act (Act 5 of 2000)
PRA	Performance Reserve Account
Project	Gautrain Rapid Rail Link Project
PST	Provincial Support Team (Transaction Advisors to the Gautrain Project)
SED	Socio-Economic Development
SIP	Social Investment Programme
System	Gautrain Rapid Rail Link System
TRAC-SA	Technology Research Activity Centre of South Africa
TISH	Townships, Informal Settlements and Hostels

ADMINISTRATIVE INFORMATION

Domicile	Republic of South Africa	
Nature of Principal Activities	The Gautrain Management Agency (GMA) is a Schedule 3C Provincial Public Entity, in terms of the Public Finance Management Act (Act 1 of 1999), as amended (PFMA), reporting to the Member of the Executive Council (MEC) of the Gauteng Department of Roads and Transport. The mandate of the GMA is to manage, co-ordinate and oversee the Gautrain Rapid Rail Link Project through the implementation of the Concession Agreement (CA) between the Gauteng Provincial Government and Bombela Concession Company (Pty) Ltd (The Concessionaire). The concession agreement expired on the 27 March 2026. The vision of the GMA is a world- class integrated mobility solution	
Board Members	Prof M Ntsobi	Appointed as Chairperson from 01 January 2024 to 31 December 2026
	Ms M Matolong	Appointed as Deputy Chairperson from 01 January 2024 to 31 December 2026
	Mr D Golding	Appointed from 01 January 2024 to 31 December 2026
	Ms M Luthuli	Appointed on 01 January 2024 to 31 December 2026
	Mr B Mpondo	Appointed on 01 January 2024 to 31 December 2026
	Adv K Maja	Appointed from 01 January 2024 to 31 December 2026
	Mr B Sibisi	Appointed from 01 January 2024 to 31 December 2026
	Ms L Mtiya	Appointed from 01 January 2021 and as Deputy Chairperson from 01 June 2021 to 31 December 2023 and reappointed from 01 January 2024 to 31 December 2026
	Ms M Mokapele	Appointed from 01 August 2025 to 31 December 2026
	Mr T Kgobe	Chief Executive Officer - Appointed from 01 February 2024 to 31 January 2027
Postal Address	P O Box 1266 Kelvin 2054 South Africa	
Physical Address	44 Grand Central Boulevard Grand Central ext. 1 Midrand 1685 South Africa	
Chairperson	Prof M Ntsobi	01 January 2024 to 31 December 2026
Chief Executive Officer	Mr T Kgobe	01 February 2024 to 31 January 2027
Chief Financial Officer	Mr. P Mabena	
Company Secretary	Mr.N Majoko (FCG)	
Banker	Absa Bank Limited	
Auditor	Auditor-General of South Africa	
Contact Information	Telephone No.	+27 11 086 3500
	Website:	www.gautrain.co.za
	E-mail:	info@gautrain.co.za

STATEMENT OF RESPONSIBILITY BY THE MEMBERS OF THE BOARD
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

The GMA Board is responsible for the preparation of the annual financial statements.

The annual financial statements conform with Generally Recognised Accounting Practices (GRAP) and the reporting requirements of the Public Finance Management Act (Act 1 of 1999), as amended (PFMA) and fairly present the state of affairs of the GMA as at the end of the financial year and the results of its operations and cash flows for the period under review.

It is the responsibility of the independent auditors to report on the fair presentation of the annual financial statements.

INTERNAL AND ACCOUNTING CONTROLS

The GMA Board is ultimately responsible for the internal controls of the GMA. Management enables the Board Members to meet these responsibilities.

In order for the GMA Board to discharge its responsibilities, management has developed and maintained a risk management policy and adequate, effective and efficient internal controls.

The internal controls are designed to provide reasonable assurance on the integrity and reliability of the annual financial statements of the GMA and to adequately safeguard, verify and maintain accountability for funds and assets.

Management and the Audit and Risk Committee of the Board have implemented a risk management policy and regularly review the risk register and mitigating internal controls. These are monitored and improved or amended as the GMA's operating conditions change.

Internal controls include a comprehensive budgeting and reporting system operating within strict deadlines, the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties.

As part of strengthening the internal controls, the GMA has an Internal Audit function which comprises ten personnel. Under the direction of the Chief Audit Executive, the Internal Audit team conducted the audit reviews in accordance with the plan as approved by the Audit and Risk Committee. The Internal Audit plan was prepared in consultation with management and, Audit and Risk Committee. The plan was shared with the Auditor-General.

Based on the information and explanations provided by management and the internal auditors, the GMA Board is of the opinion that the internal financial controls are adequate, effective and efficient and that the financial records may be relied upon for preparing the annual financial statements in accordance with GRAP and to maintain sound accountability for the GMA's assets and liabilities. Nothing has come to the attention of the GMA Board to indicate that a breakdown in the functioning of these controls, resulting in material loss to the GMA, has occurred during the year and up to the date of this report.

GOING CONCERN

The use of the going concern basis of accounting is appropriate because at the date of approval of the annual financial statements, the GMA Board do not believe that there are any material uncertainties related to events or conditions that may cast significant doubt about the ability of the GMA to continue to operate as a going concern.

STATEMENT OF RESPONSIBLITY BY THE MEMBERS OF THE BOARD (CONTINUED)

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee of the Board consists of 6 (six) non-executive members and two (2) independent members. The committee meets at least four times per annum. The committee ensures effective communication between the Board, internal audit and the Auditor-General. The Auditor-General and the internal audit have independent access to the Audit and Risk Committee.

The Audit and Risk Committee operates within an approved terms of reference and has discharged its responsibilities for the year, in compliance with its terms of reference.

ANNUAL FINANCIAL STATEMENTS

The annual financial statements are prepared in accordance with accounting policies as set out in the Notes to the Annual Financial Statements and are supported by judgements, estimates and assumptions in compliance with GRAP.

The annual financial statements for the year ending 31 March 2026 set out on pages 134 to 185 were approved on 31 May 2026 by the Board and signed on its behalf by the Chairperson of the Board and the Chief Executive Officer of the Gautrain Management Agency.



PROF M NTSOBI
GMA: BOARD CHAIRPERSON
31 July 2026



MR T KGOBE
GMA: CHIEF EXECUTIVE OFFICER
31 July 2026

REPORT OF THE AUDIT AND RISK COMMITTEE
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

1. INTRODUCTION

1.1 The Audit and Risk Committee ("the Committee") is a statutory committee of the Board established in terms of the Gautrain Management Agency Act, the Public Finance Management Act, 1999 (PFMA), Treasury Regulation 27.1 and the principles of King IV on Corporate Governance.

1.2 The Committee assists the Board by providing independent oversight on financial reporting, enterprise risk management, internal control, compliance, combined assurance, information and technology governance, business continuity, and the effectiveness of the internal and external audit functions.

1.3 The 2025/26 financial year marked the final year of the 19½-year Gautrain Concession Agreement that was entered into with and between Bombela Concession Company (BCC) and the Gautrain Provincial Government ("the Province"), which expired on 27 March 2026. This significant milestone required heightened attention to governance, financial reporting, enterprise risk management and organisational readiness in support of the close-out of the Concession Agreement, the commencement of the Holdover Period and the transition to the Successor Concessionaire.

2. COMPOSITION OF THE COMMITTEE

2.1 The Committee was appointed for a three-year term, effective 1 January 2024. It comprises six Independent Non-Executive Members and is supported by two Independent Audit and Risk Members, together with Board Advisors from National Treasury, Gauteng Provincial Treasury, National Department of Transport and Gauteng Department of Roads and Transport.

2.2 The Chief Executive Officer, Chief Financial Officer, Chief Operating Officer, Chief Audit Executive, Chief Information and Digital Officer, select Senior Executive Managers and the Auditor-General South Africa (AGSA) are standing invitees to Committee meetings.

2.3 Details of the Committee's composition and attendance are reflected in the table below.

MEMBER	POSITION	MEETINGS ATTENDED
Mr Bongisizwe Mpondo	Chairperson and Independent Non-Executive	6/6
Ms Mamela Luthuli	Independent Non-Executive	5/6
Mr Desmond Golding	Committee Member	5/6
Adv. Kgotso Maja	Independent Non-Executive Committee Member	6/6
Mr Bafana Sibisi	Independent Non-Executive Committee Member	5/6
Ms. Mpho Mookapele	Independent Non-Executive Committee Member	2/6
Ms. Masaccha Mbonambi	Independent Non-Executive Committee Member (New Member)	6/6
Mr. Krishna Govender	Independent Audit and Risk Committee Member	4/6
BOARD ADVISORS	**POSITION**	**MEETINGS ATTENDED**
Mr Ratshilumela Mashamba*	Board Advisor (Gauteng Department of Roads and Transport)	1/4
Mr Riaz Sheik*	Board Advisor (Gauteng Provincial Treasury)	2/4
Ms Ulrike Britton**	Board Advisor (National Treasury)	1/1
Mr Jan de Villiers**	Board Advisor (National Department of Transport)	0/4

* Certain ARC meetings were held in-committee and, accordingly, Board Advisors did not attend those meetings.
** Ms. Ulrike Britton resigned as a Board Advisor on 18 June 2025.

3. ROLES AND RESPONSIBILITIES OF THE COMMITTEE

3.1 The Committee continued to discharge its responsibilities in accordance with its approved Terms of Reference. During the year, its work was undertaken against the backdrop of the impending expiry of the Gautrain Concession Agreement, which required enhanced focus on financial stewardship, governance, enterprise risk management and organisational readiness.

3.2 The Committee's responsibilities include providing oversight over:

3.2.1 The integrity of financial and performance reporting including the Annual Financial Statements and Annual Performance Report;

3.2.2 Enterprise-wide risk management and risk governance;

3.2.3 Internal control systems and governance processes;

3.2.4 Compliance with applicable legislation and regulatory requirements;

3.2.5 Information and technology governance;

3.2.6 Business continuity and organisational resilience;

3.2.7 Combined assurance arrangements;

3.2.8 The effectiveness and independence of the Internal Audit Function;

3.2.9 The External Audit process; and

3.2.10 The adequacy of the Finance Function.

3.3 ANNUAL FINANCIAL STATEMENTS

3.3.1 The Committee exercised oversight over the integrity of the GMA's financial reporting process throughout the reporting period.

3.3.2 As part of its oversight responsibilities, the Committee considered the Annual Financial Statements of the organisation and compliance with the financial reporting requirements of the PFMA, applicable Treasury Regulations, applicable auditing and accounting standards and other relevant legislative requirements.

3.3.3 The Committee also considered financial and statutory reporting matters arising from the close-out of the Concession Agreement, the Holdover Period and other significant strategic and commercial initiatives undertaken by the organisation.

3.4 INTERNAL CONTROL, COMPLIANCE, AND COMBINED ASSURANCE

3.4.1 Preparations for the close-out of the Concession Agreement significantly influenced the Committee's work during the year. As the organisation prepared for the transition to the Successor Concessionaire, particular focus was placed on maintaining a strong governance, internal control and compliance environment capable of supporting an orderly transition.

3.4.2 The Committee's work included transition readiness, concession close-out activities, legal and regulatory compliance, contractual obligations, business continuity and the implementation of audit recommendations and assurance outcomes aimed at strengthening governance and organisational resilience.

3.4.3 Consistent with the principles of King IV, the Committee continued to reinforce the application of the combined assurance model to promote a coordinated approach to assurance across the organisation and strengthen governance, risk management and internal control.

3.5 INFORMATION AND TECHNOLOGY GOVERNANCE

3.5.1 Technology governance remained a strategic area of focus for the Committee throughout the year.

3.5.2 The Committee engaged on matters relating to cyber security, information governance, digital transformation initiatives, ICT strategy implementation and business continuity.

3.5.3 Attention also extended to emerging technologies and their potential impact on organisational capability, operational efficiency and informed decision-making within an appropriate governance framework.

3.5.4 The Committee further maintained oversight of initiatives aimed at enhancing the GMA's digital capabilities and the use of technology to strengthen organisational effectiveness, support informed decision-making and enable broader public-sector service delivery.

3.6 ENTERPRISE-WIDE RISK MANAGEMENT

3.6.1 The GMA operated within a significantly evolving risk environment during the year, shaped primarily by preparations for the close-out of the Concession Agreement and the transition to the Successor Concessionaire. These developments required the Committee to consider whether the organisation's enterprise-wide risk management framework remained responsive to the changing risk landscape and aligned with the GMA's strategic priorities.

3.6.2 The Committee focused on the adequacy of the organisation's response to transition-related risks, contractual obligations, financial sustainability, organisational resilience and the successful delivery of key strategic initiatives.

3.6.3 Attention was also given to the increasing importance of technology, business continuity and emerging risks in strengthening the GMA's long-term resilience and supporting the achievement of its strategic objectives.

3.7 INTERNAL AUDIT FUNCTION

3.7.1 The Internal Audit Services continued to provide independent and objective assurance on the adequacy and effectiveness of the GMA's governance, risk management and internal control processes.

3.7.2 Throughout the year, the Committee engaged with Internal Audit on audit outcomes, emerging risk areas and the implementation of agreed corrective management actions. In support of a risk-based assurance approach, the Committee approved the Internal Audit Charter and the risk-based Internal Audit Plan, while also considering the capacity and effectiveness of the Internal Audit Services in delivering its mandate.

3.7.3 The Committee further reinforced continued coordination between the internal and external assurance providers to support the GMA's combined assurance model and optimise assurance coverage across the organisation.

3.8 EXTERNAL AUDIT FUNCTION

3.8.1 The Auditor-General South Africa (AGSA) serves as the external auditor of the GMA.

3.8.2 The Committee maintained regular engagement with AGSA throughout the audit cycle, with discussions focusing on the audit strategy, significant audit matters and the progress of the annual audit. The Committee reviewed the findings and recommendations arising from the audit and tracked progress on the implementation of the agreed corrective management actions.

3.8.3 The external audit process continued to provide an important source of independent assurance in support of sound governance, accountability and financial stewardship.

3.9 AUDITOR-GENERAL OF SOUTH AFRICA (AGSA) REPORT

3.9.1 The AGSA issued an unqualified audit opinion on the GMA's Annual Financial Statements for the year ended 31 March 2026.

3.9.2 The Committee considered the AGSA's audit report and concurs with the conclusions contained therein.

3.9.3 The Committee will continue to exercise oversight over the implementation of the agreed management actions arising from the audit to address any findings identified and strengthen the GMA's governance and control environment.

3.10 FINANCE FUNCTION

3.10.1 The Committee considered the appropriateness of the capacity, expertise and resources of the Finance Business Unit in supporting the GMA's financial management and reporting responsibilities.

3.10.2 Throughout the year, the Finance Unit continued to support the organisation's financial stewardship, particularly in navigating the financial reporting implications associated with the close-out of the Concession Agreement, the Holdover Period and other key strategic initiatives.

3.10.3 The Committee confirms that it has fulfilled its statutory obligations as stipulated in the PFMA, the GMA Act, the principles of King IV, and the Committee's Terms of Reference for the 2025/26 financial year.

4. FUTURE FOCUS AREAS

During the 2026/27 financial year, the Committee will continue to focus on the following key areas:

4.1 Oversight of the governance, risk and financial reporting implications of the Successor Concession Agreement and the post-concession transition.

4.2 Strengthening enterprise-wide risk management, organisational resilience and business continuity.

4.3 Monitoring the GMA's long-term financial sustainability, including revenue diversification and commercial initiatives.

4.4 Oversight of the governance and assurance arrangements supporting strategic programmes, including the Gautrain Rapid Rail Integrated Network (GRRIN) and other transport integration initiatives.

4.5 Advancing technology and information governance, including cyber resilience, digital transformation and the responsible adoption of artificial intelligence.

4.6 Reinforcing the combined assurance model to enhance assurance coordination and governance effectiveness.

4.7 Monitoring the implementation of audit recommendations and governance improvement initiatives.

4.8 Maintaining oversight of key innovation, knowledge management and digital capability initiatives that may have a material impact on the GMA's risk profile, governance arrangements and organisational resilience.

5. CONCLUSION

5.1 The Committee remained committed to promoting sound governance, effective risk management and financial stewardship throughout the 2025/26 financial year.

5.2 The Committee welcomes the unqualified audit opinion issued by the Auditor-General South Africa on the GMA's Annual Financial Statements for the 2025/26 financial year. The Committee will continue to exercise oversight over the implementation of agreed management actions arising from the audit.

5.3 Against the backdrop of the close-out of the Gautrain Concession Agreement, the Committee adapted its areas of focus to support one of the most significant transitions in the GMA's history, while continuing to discharge its responsibilities in accordance with the GMA Act, the PFMA, King IV and its approved Terms of Reference.

5.4 The Committee is of the view that its work during the year contributed to strengthening governance, enhancing organisational resilience and supporting the GMA's preparedness for the next phase of the Gautrain Project.



Mr BONGISIZWE MPONDO:
CHAIRPERSON: GMA AUDIT AND RISK COMMITTEE
31 July 2026

REPORT OF THE BOARD
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

The Members of the Board have pleasure in presenting their report for the year ended 31 March 2026.

GENERAL REVIEW

The GMA has been established in terms of the GMA Act, (Act 5 of 2006), as amended and listed under Schedule 3C of the Public Finance Management Act (Act 1 of 1999), as amended (PFMA), as a Provincial Public Entity and has been operational since 1 January 2009. The overall objective of the GMA is to manage, co-ordinate and oversee the Gautrain Rapid Rail Link Project through the implementation of the Concession Agreement (CA) between the Gauteng Provincial Government and Bombela Concession Company (Pty) Ltd (The Concessionaire).

FINANCIAL OVERVIEW

The financial overview of the GMA is comprehensively disclosed in the annual financial statements.

FINANCIAL RESULTS

The summary of the financial results of the GMA for the year ended 31 March 2026 is detailed in the table below.

SUMMARY OF FINANCIAL RESULTS (R'000)	2026	2025
Total income	537 974	532 624
Total expenditure excluding depreciation and amortisation	537 984	537 505
Total expenditure	1 467 515	1 528 042
Net surplus/ (loss) for the year	(929 541)	(995 418)
Net surplus/ (loss) for the year excluding depreciation and amortisation	(10)	(4 881)
Total assets	21 735 896	23 765 004
Total liabilities	651 342	1 750 907

GOING CONCERN

The Board has considered all the facts and has reason to believe that the GMA will continue to operate as a going concern in the year ahead.

APPRECIATION

The Board wishes to express its appreciation to all parties who participated and assisted during the year under review, and especially the following:

i. The Gauteng Provincial Government, MEC Ms Kedibone Diale-Tlabela and the Gauteng Department of Roads and Transport;
ii. The GMA staff and the Board members for their dedication and commitment;
iii. Professional Bodies who rendered services to the Board and GMA;
iv. The media fraternity;
v. The public in general; and
vi. The African Union of Public Transport (UATP).

REPORT OF THE AUDITOR-GENERAL
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

1. I have audited the financial statements of the Gautrain Management Agency (the public entity) set out on pages 134 to 185, which comprise the statement offinancial position as at 31 March 2026, statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget information with actual information for the year then ended, as well as notes to the financial statements, including a summary of significant accounting policies.

2. In my opinion, the financial statements present fairly, in all material respects, financial position of the Gautrain Management Agency as at 31 March 2026 and its financial performance and cash flows for the year then ended in accordance with the Standards of Generally Recognised Accounting Practice (GRAP) as issued by the Accounting Standards Board of South Africa and the requirements of the Public Finance Management Act 1 of 1999 (PFMA).

BASIS FOR OPINION

3. I conducted my audit in accordance with the International Standards on Auditing (ISAs). My responsibilities under those standards are further described in the responsibilities of the auditor-general for the audit of the financial statements section of my report.

4. I am independent of the public entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA code) as well as other ethical requirements that are relevant to my audit in South Africa. I have fulfilled my other ethical responsibilities in accordance with these requirements and the IESBA code.

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

EMPHASIS OF MATTER - PATRONAGE GUARANTEE

6. With reference to notes 10.2, the public entity, in terms of the concession agreement, pays the concessionaire, a patronage guarantee should actual revenue collected be below the minimum required total revenue as specified in the concession agreement. During the 2025-26 financial year, the public entity paid the concessionaire an amount of R2 961 401 000 (2024-25: R3 051 626 000) as a patronage guarantee due to actual revenue and ridership being significantly below the minimum required total revenue projections.

7. My opinion is not modified in respect of this matter.

RESPONSIBILITIES OF THE ACCOUNTING AUTHORITY FOR THE FINANCIAL STATEMENTS

8. The accounting authority is responsible for the preparation and fair presentation of the financial statements in accordance with GRAP and the requirements of the PFMA and for such internal control as the accounting authority determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, the accounting authority is responsible for assessing the public entity's ability to continue as a going concern; disclosing, as applicable, matters relating to going concern; and using the going concern basis of accounting unless the appropriate governance structure either intends to liquidate the public entity or to cease operations or has no realistic alternative but to do so.

RESPONSIBILITIES OF THE AUDITOR-GENERAL FOR THE AUDIT OF THE FINANCIAL STATEMENTS

10. My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error; and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

11. A further description of my responsibilities for the audit of the financial statements is included in the annexure to this auditor's report. This description, which is located on page 7, forms part of my auditor's report.

REPORT ON THE ANNUAL PERFORMANCE REPORT

12. In accordance with the Public Audit Act 25 of 2004 (PAA) and the general notice issued in terms thereof, I must audit and report on the usefulness and reliability of the reported performa_nce information against predetermined objectives for the selected material performance indicators presented in the annual performance report. The accounting authority is responsible for the preparation of the annual performance report.

13. I selected the following material performance indicators presented in the annual performance report for the year ended 31 March 2026. I selected those indicators that measure the public entity's performance on its primary mandated functions and that are of significant national, community or public interest.

- Average number of quarterly rail passengers (annualised)
- Number of activities undertaken in accordance with the marketing plan
- Average number of quarterly feeder service passengers (annualised)
- Number of active capacity system improvements and/or interventions on the existing Gautrain network

14. I evaluated the reported performance information for the selected material performance indicators against the criteria developed from the performance management and reporting framework, as defined in the general notice. When an annual performance report is prepared using these criteria, it provides useful and reliable information and insights to users on the accounting authority's planning and delivery on its mandate and objectives.

15. I performed procedures to test whether:

- the indicators used for planning and reporting on performance can be linked directly to the public entity's mandate and the achievement of its planned objectives
- all the indicators relevant for measuring the public entity's performance against its primary mandated and prioritised functions and planned objectives are included
- the indicators are well defined to ensure that they are easy to understand and can be applied consistently, as well as verifiable so that I can confirm the methods and processes to be used for measuring achievements
- the targets can be linked directly to the achievement of the indicators and are specific, time bound and measurable to ensure that it is easy to understand what should be delivered and by when, the required level of performance as well as how performance will be evaluated
- the indicators and targets reported on in the annual performance report are the same as those committed to in the approved initial or revised planning documents
- the reported performance information is presented in the annual performance report in the prescribed manner
- there is adequate supporting evidence for the achievements reported and for the reasons provided for any over- or underachievement of targets

16. I performed the procedures to report material findings only; and not to express an assurance opinion or conclusion.

17. I did not identify material findings on the reported performance information for the selected indicators:

- Average number of quarterly rail passengers (annualised)
- Number of activities undertaken in accordance with the marketing plan
- Average number of quarterly feeder service passengers (annualised)

18. The material finding on the annual performance information for the selected material indicator is as follows:

Number of active capacity system improvements and/or interventions on the existing Gautrain network

19. The indicator was not clearly defined during the planning process. The Annual Performance Plan (APP) describes the indicator as the "number of active capacity system improvements and/or interventions on the existing Gautrain network". A review of the technical indicator description, supported by discussions with management, confirmed that the indicator is intended to track progress on initiatives aimed at improving the capacity of the existing Gautrain network. Active projects are classified as those that are within any of the five project lifecycle phases: initiation, planning, execution, monitoring and closure. The prescribed means of verification is a quarterly report outlining active capacity system improvements and/or interventions on the existing Gautrain network, while the method of calculation is based on a simple count of number of initiatives and the desired outcome is four improvements / interventions for the existing network. Consequently, the indicator is not useful for measuring and reporting on progress against planned objectives.

OTHER MATTER

20. I draw attention to the matter below.

ACHIEVEMENT OF PLANNED TARGETS

21. The annual performance report includes information on reported achievements against planned targets and provides explanations for over- or underachievement.

MATERIAL MISSTATEMENTS

22. I identified preventable material misstatements in the annual performance report submitted for auditing. These material misstatements were in the reported performance information for Average number of quarterly feeder service passengers (annualised) and the number of active capacity system improvements and/or interventions on the existing Gautrain network. Management did not correct all of the misstatements and I reported material findings in this regard.

REPORT ON COMPLIANCE WITH LEGISLATION

23. In accordance with the PAA and the general notice issued in term_s thereof, I must audit and report on compliance with applicable legislation relating to financial matters, financial management and other related matters. The accounting authority is responsible for the public entity's compliance with legislation.
24. I performed procedures to test compliance with selected requirements in key legislation in accordance with the findings engagement methodology of the Auditor-General of South Africa (AGSA). This engagement is not an assurance engagement. Accordingly, I do not express an assurance opinion or conclusion.

25. Through an established AGSA process, I selected requirements in key legislation for compliance testing that are relevant to the financial and performance management of the public entity, clear to allow consistent measurement and evaluation, while also sufficiently detailed and readily available to report in an understandable manner. The selected legislative requirements are included in the annexure to this auditor's report.

26. The material findings on compliance with the selected legislative requirements, presented per compliance theme, are as follows:

PROCUREMENT AND CONTRACT MANAGEMENT

27. Some of the goods and services were procured without obtaining at least three written price quotations in accordance with Treasury Regulation 16A6.1 and paragraph 3.2.1 of Supply Chain Management (SCM) Instruction Note 2 of 2021/22.

OTHER INFORMATION IN THE ANNUAL REPORT

28. The accounting authority is responsible for the other information included in the annual report. The other information referred to does not include the financial statements, the auditor's report and those selected material indicators scoped-in presented in the annual performance report that have been specifically reported on in this auditor's report.

29. My opinion on the financial statements and my reports on the audit of the annual performance report and compliance with legislation do not cover the other information included in the annual report and I do not express an audit opinion or any form of assurance conclusion on it.

30. My responsibility is to read this other information and, in doing so, consider whether it is materially inconsistent with the financial statements and the selected material indicators scoped-in presented in the annual performance report or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

31. The other information I obtained prior to the date of the auditor's report is a draft of the 2025-26 annual report. The final 2025-26 annual report is expected to be made available to me after 13 August 2026.

32. If, based on the work I have performed on the other information received prior to the date of this auditor's report, I conclude that there is a material misstatement in this other information, I am required to report that fact. I have nothing to report in this regard.

33. When I do receive and read the final 2025-26 annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the other information be corrected. If the other information is not corrected, I may have to retract the auditor's report and re-issue an amended report as appropriate. However, if it is corrected this will not be necessary.

INTERNAL CONTROL DEFICIENCIES

34. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with applicable legislation; however, my objective was not to express any form of assurance on it.

35. The accounting authority did not adequately exercise oversight responsibility regarding compliance and related internal controls, which resulted in instances of non-compliance and performance information reporting findings being identified.

36. Senior management did not adequately review and monitor compliance with applicable laws and regulations, which resulted in instances of non-compliance being identified.

37. Senior management did not adequately review and monitor performance reporting processes, which resulted in instances of material findings being identified.

Auditor-General

Johannesburg

13 August 2026

AUDITOR-GENERAL
SOUTH AFRICA

Auditing to build public confidence

ANNEXURE TO THE AUDITOR'S REPORT

The annexure includes the following:

- The auditor-general's responsibility for the audit
- The selected legislative requirements for compliance testing

AUDITOR-GENERAL'S RESPONSIBILITY FOR THE AUDIT

PROFESSIONAL JUDGEMENT AND PROFESSIONAL SCEPTICISM

As part of an audit in accordance with the International Standards on Auditing, I exercise professional judgement and maintain professional scepticism throughout my audit of the financial statements and the procedures performed on reported performance information for selected material performance indicators and on the public entity's compliance with selected requirements in key legislation.

FINANCIAL STATEMENTS

In addition to my responsibility for the audit of the financial statements as described in this auditor's report, I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the public entity's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made
- conclude on the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements. I also conclude, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the ability of the public entity to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements about the material uncertainty or, if such disclosures are inadequate, to modify my opinion on the financial statements. My conclusions are based on the information available to me at the date of this auditor's report. However, future events or conditions may cause the public entity to cease operating as a going concern
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

COMMUNICATION WITH THOSE CHARGED WITH GOVERNANCE

I communicate with the accounting authority regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the accounting authority with a statement that I have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on my independence and, where applicable, actions taken to eliminate threats or safeguards applied.

COMPLIANCE WITH LEGISLATION - SELECTED LEGISLATIVE REQUIREMENTS

The selected legislative requirements are as follows:

Legislation	Sections or regulations
Public Finance Management Act 1 of 1999	Sections 51(1)(b)(i); 51(1)(b)(ii); 51(1)(e)(iii); 53(4); 54(2)(c); 54(2)(d); 55(1)(a); 55(1)(b); 55(1)(c)(i); 56; 57(b); 66(4)
Treasury Regulations, 2005	Regulations 16A3.2; 16A3.2(a); 16A6.1; 16A6.2(a) 16A6.2(b); 16A6.3(a); 16A6.3(b); 16A6.3(c); 16A6.3(e); 16A6.4; 16A6.5; 16A6.6; 16A7.1; 16A7.3; 16A8.3; 16A8.4; 16A9.1(b)(ii); 16A9.1(d); 16A9.1(e); 16A9.1(f); 16A9.2; 16A9.2(a)(ii); 30.1.1; 30.1.3(a); 30.1.3(b); 30.1.3(d); 30.2.1; 31.1.2(c); 31.2.1; 31.2.5; 31.2.7(a); 31.3.3; 33.1.1; 33.1.3
Companies Act 71 of 2008	Sections 45(2); 45(3)(a)(ii); 45(3)(b)(i); 45(3)(b)(ii); 45(4); 46(1)(a); 46(1)(b); 46(1)(c); 112(2)(a); 129(7)
Construction Industry Development Board Regulations, 2004	Regulations 17; 25(7A); 25(9)(a); 25(10)
National Treasury SCM Paragraph 6 Instruction No. 4A of 2016/17	Paragraph 6
National Treasury SCM Instruction No. 03 of 2021/22	Paragraph 4.1; 4.2 (b); 4.3; 4.4(a); 4.17; 7.2; 7.6
National Treasury SCM Instruction No. 2 of 2021/22	Paragraph 3.2.1; 3.2.4; 3.2.4(a); 3.3.1
National Treasury Practice Note 5 of 2009/10	Paragraph 3.3
National Treasury Practice Note 7 of 2009/10	Paragraph 4.1.2
Preferential Procurement Policy Framework Act 5 of 2000	Sections 1; 2(1)(a); 2(1)(b); 2(1)(f)
Preferential Procurement Regulations, 2022	Regulations 4.1; 4.2; 4.3; 4.4; 5.1; 5.2; 5.3; 5.4
Prevention and Combating of Corrupt Activities Act 12 of 2004	Section 34(1)

STATEMENT OF FINANCIAL POSITION
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Notes	2026 R '000	2025 R '000
ASSETS			
Current assets		**237 633**	**1 368 419**
Cash and cash equivalents	**2**	171 140	155 982
Receivables (Exchange transactions)	**3.1**	66 493	1 212 437
Non-current assets		**21 498 262**	**22 396 585**
Property, plant and equipment	**4**	21 494 966	22 390 125
Heritage assets	**5**	3 295	3 295
Intangible assets	**6**	1	1
Receivables (Exchange transactions)	**3.2**	-	3 164
TOTAL ASSETS		**21 735 896**	**23 765 004**
LIABILITIES			
Current liabilities		**650 658**	**1 658 873**
Payables (Exchange transactions)	**7**	337 490	569 140
Finance lease liability	**8**	1 522	1 325
Obligations arising from restricted SIP funds	**9**	20 541	21 295
Obligations arising from restricted Project funds	**10**	122 732	967 695
Obligations arising from restricted Concessionaire funds	**12**	15 931	-
Other liabilities (Exchange transactions)	**13**	147 008	93 987
Provisions	**11**	5 433	5 433
Non-Current Liabilities		**684**	**92 034**
Finance lease liability	**8**	684	253
Obligations arising from restricted Concessionaire funds	**12**	-	91 781
TOTAL LIABILITIES		**651 342**	**1 750 907**
Accumulated surplus/(Deficit)		21 084 554	22 014 096
TOTAL NET ASSETS AND LIABILITIES		**21 735 896**	**23 765 003**

STATEMENT OF FINANCIAL PERFORMANCE
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Notes	2026 R '000	2025 R '000
REVENUE			
Revenue from non-exchange transactions	**14**	**481 466**	**486 290**
Government grants		481 466	486 290
Revenue from exchange transactions	**15**	**56 508**	**46 335**
Finance income		10 966	14 559
Licences and Permits		37 299	30 076
Other income		1 760	1 699
System Revenue		6 483	0
TOTAL REVENUE		**537 974**	**532 624**
EXPENDITURE		**1 467 515**	**1 528 042**
Board and committee member remuneration	**16**	14 091	6 636
Employee costs	**17 & 18**	325 658	273 852
Depreciation	**19**	929 531	990 537
Finance costs	**25**	153	166
GMA Operational expenditure	**20**	138 497	241 561
DLTC Expenses	**20.1**	30 400	15 290
System Operating expenditure	**20.2**	29 186	-
NET SURPLUS/ (DEFICIT) FOR THE YEAR		**(929 541)**	**(995 418)**

STATEMENT OF CHANGES IN NET ASSETS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Accumulated Surplus/ (Deficit) R '000	Total Amount R '000
Balance as at 31 March 2024	**23 009 513**	**23 009 513**
Net surplus/ (loss) for the year	(995 418)	(995 418)
Balance as at 31 March 2025	**22 014 095**	**22 014 095**
Net surplus/ (loss) for the year	(929 541)	(929 541)
Balance as at 31 March 2026	**21 084 554**	**21 084 554**

CASH FLOW STATEMENT
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

	Notes	2026 R '000	2025 R '000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts		**4 120 097**	**2 652 549**
Grant income		2 669 412	2 508 611
Interest received		52 194	44 256
Operating period penalty income		10 770	5 858
Net Performance Reserve account receipts		10 709	4 533
Other income		175 881	89 164
Insurance claim Settlement		1 200 093	127
System revenue		1 038	-
Payments		**(4 075 082)**	**(3 359 287)**
Project expenditure		(3 540 533)	(2 723 408)
DRT Payments		-	(144 736)
Board and committee member remuneration		(13 439)	(6 653)
Employee and related costs		(306 710)	(258 083)
External audit fees		(4 715)	(3 996)
SIP expenditure		(2 032)	(962)
Operating expenditure		(207 653)	(221 450)
Net cash from operating activities	**21**	**45 015**	**(706 738)**
CASH FLOWS FROM INVESTING ACTIVITIES		**(28 236)**	**(26 856)**
Acquisition of property, plant and equipment		(28 411)	(26 856)
Proceeds from sale of assets		175	-
CASH FLOWS FROM FINANCING ACTIVITIES		**(1 620)**	**(4 089)**
Finance lease payments		(1 620)	(4 089)
Net increase(Decrease) in cash and cash equivalents		**15 159**	**(737 683)**
Cash and cash equivalents at beginning of the year		**155 981**	**893 665**
Cash and cash equivalents at end of the year		**171 140**	**155 981**

Included in the Cash Flow Statement is the GMA operational revenue and expenditure per Statement of Financial Performance and restricted revenue and expenditure per note 9, 10 & 12 on a cash basis.

STATEMENT OF COMPARISON OF BUDGET AND ACTUAL AMOUNTS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

Note: The GMA adopted a cash basis of accounting for the preparation of the approved budget, whilst the financial statements are prepared on an accrual basis of accounting.

	Notes	APPROVED BUDGET 2025/26 R '000	PRIOR PERIOD FUNDS AND OTHER INCOME 2025/26 R '000	TOTAL BUDGET, PRIOR PERIOD FUNDS AND OTHER INCOME 2025/26 R '000	ACTUAL AMOUNTS ON A COMPARABLE BASIS 2025/26 R '000	DIFFERENCE BETWEEN TOTAL BUDGET, PRIOR PERIOD FUNDS AND OTHER INCOME VS ACTUAL 2025/26 R '000
Final budget appropriation		**2 669 412**	**1 791 350**	**4 460 762**	**4 460 762**	**-**
Approved budget		2 669 412	-	2 669 412	2 669 412	-
Funds from previous year		-	34 116	34 116	34 116	-
Other income - RUF & Other		-	329 185	329 185	329 185	-
Other income - DLTC &TISH		-	126 431	126 431	126 431	-
Other Income (Insurance)		-	1 200 000	1 200 000	1 200 000	-
Other Income -(Interest income,PLTC,Sales & rental)		-	101 619	101 619	101 619	-
Payments		**2 669 412**	**1 736 768**	**4 406 180**	**4 339 690**	**66 490**
Project expenditure		**2 187 960**	**1 609 062**	**3 797 022**	**3 725 402**	**71 620**
Bridging Finance paid to Treasury		-	218 400	218 400	218 400	-
Operating payment/ Patronage guarantee		2 082 460	1 390 662	3 473 122	3 239 470	233 651
Operating period variations		76 500	-	76 500	230 831	(154 331)
System improvements		29 000	-	29 000	36 700	-7 700
Operating and support costs		**481 452**	**127 706**	**609 158**	**614 287**	**(5 129)**
DLTC - Expenditure		-	126 430	126 430	110 121	16 309
Operating expenditure		384 424	1 276	385 700	439 181	(53 482)
GMA capex costs		2 500	-	2 500	10 747	(8 247)
Specialised technical services		77 984	-	77 984	41 008	36 976
Legal and additional commercial costs		13 260	-	13 260	10 089	3 171
Independent monitor costs		3 284	-	3 284	3 141	143
Net receipts/ Budget surplus	22					**66 490**

Notes

- Alternative sources of revenue totalled R1,736 billion, which is utilised towards the Gautrain Operations and Contractual Obligations.
- DLTC expenses is funded from the DLTC and TISH Income.
- Railway Usage Fee (RUF), Insurance settlement and other income has been utilised to cover for the Patronage Guarantee Obligation.
- R218,4 million was a bridging Finance from Provincial Treasury for the 2024/25 Financial year which was paid back in the current financial year.

ACCOUNTING POLICIES
FOR THE YEAR END ENDED 31 MARCH 2026

1.1 PRESENTATION OF THE ANNUAL FINANCIAL STATEMENTS

GENERAL INFORMATION

The GMA has been established in terms of the GMA Act, (Act 5 of 2006), as amended and listed under Schedule 3C of the Public Finance Management Act (Act 1 of 1999), as amended (PFMA), as a Provincial Public Entity and has been operational since 1 January 2009. The overall objective of the GMA is to manage, co-ordinate and oversee the Gautrain Rapid Rail Link Project through the implementation of the Concession Agreement (CA) between the Gauteng Provincial Government and Bombela Concession Company (Pty) Ltd (The Concessionaire).

BASIS OF PREPARATION

The annual financial statements have been prepared in accordance with the prescribed standards of Generally Recognised Accounting Practice (GRAP), including any directives, interpretations and guidelines issued by the Accounting Standards Board (ASB), and in accordance with the PFMA. The annual financial statements have been prepared on an accrual basis of accounting and are in accordance with the historical cost convention unless specified otherwise.

The principal accounting policies adopted in the preparation of these annual financial statements are set out below. Assets, liabilities, revenues and expenses have not been off-set except where off-setting is required or permitted by a Standard of GRAP. The accounting policies have been applied consistently in all material aspects, unless otherwise indicated. The details of any changes are explained in the relevant policy notes.

Additional information has been disclosed to enhance the usefulness of the annual financial statements and to comply with the relevant legislative requirements of the PFMA.

The Cash Flow Statement is prepared on the direct cost method.

USE OF ESTIMATES AND SIGNIFICANT JUDGEMENTS

The preparation of the annual financial statements in conformity with GRAP requires management to make judgements, estimates and assumptions in the process of applying the accounting policies and in reporting assets, liabilities, income and expenses. These judgements, estimates and assumptions affect the amounts represented in the annual financial statements and related disclosures. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future financial periods affected.

Significant areas of estimation, complexity and critical judgements in applying accounting policies that have a material effect on the amounts recognised or disclosed in the annual financial statements are:

Capitalisation of the Gautrain System assets (GRAP 17, 31 & 103)
The Concession Agreement is entered between the Gauteng Provincial Government and Bombela Concession Company (Pty) Ltd and establishes a Public-Private Partnership. Bombela Concession Company (Pty) Ltd has a mandate to operate and maintain the Gautrain System during the operational phase of the Concession Agreement using the Gautrain System assets. These assets must be returned to the GMA in a predetermined condition at the end of the Concession Agreement. Complexity and critical accounting judgement is used in applying the recognition criteria of an asset, when capitalising and componentising the Gautrain System assets.

Infrastructure assets (GRAP 17, 31 & 103)
The infrastructure components' fair value was determined by allocating the total cost to the components using bench mark engineering principles to ensure a fair and accurate cost distribution based on a depreciable replacement value. The total cost of infrastructure assets was determined using actual payments made during the construction of the Gautrain System assets. The cost was adjusted by construction indices until the take-on date of receiving the assets.

The condition of the asset components was assessed upon transfer to determine if an impairment event existed which may affect the transfer value. The evaluation is of a subjective nature and thus it was performed by an expert in the rail industry.

The estimated useful lives and residual values are reviewed, taking cognisance of the forecasted commercial and economic realities and benchmarking of accounting treatments in the specific industries where these assets are used.

Land and servitudes (GRAP 17, 31 & 103)
GMA only has the right of use of the land acquired to enable construction and to operate the system. The ownership of the land resides with the Gauteng Provincial Government. Management applied significant judgement and estimation to measure the right of use. Land acquired to enable construction of the infrastructure assets is carried at a nominal value.

Management applied significant judgement and estimation to measure servitudes. Servitudes are recognised by the GMA at a nominal value of R1 per servitude.

Useful lives and residual values (GRAP 17, 31 & 103)
Significant judgement is used in estimating the period over which an asset is expected to be available for use by the GMA and its residual value. The useful lives and residual values of assets are based on management's estimation of the asset's condition, expected condition at the end of the period of use, its current use, expected future use and the entity's expectations about the availability of finance to replace the asset at the end of its useful life. In evaluating how the condition and use of the asset informs the useful life and residual value management considers the impact of technology and minimum service requirements of the assets.

Residual values for Busses are estimated at 10% of their total cost.

Provisions (GRAP 19)
The amount recognised as a provision is the present value of the best estimate of the expenditure required to settle the present obligation at balance sheet date.

Impairment of receivables (GRAP 104)
Significant judgement is used in estimating the impairment of receivables based on past payment history, risk profile, credit reputation and market information.

Segment reporting (GRAP 18)
Significant judgement is used in identifying service and geographical segments of the GMA.

PRESENTATION CURRENCY

The annual financial statements are presented in South African Rand (ZAR), which is the GMA's functional currency. All financial information presented in South African Rand has been rounded to the nearest thousand, (R'000).

Transactions in currencies other than the GMA's reporting currency are initially recorded at the exchange rate applicable on the date of the transactions. Gains and losses arising from the settlement of such transactions are recognised in the Statement of Financial Performance, or disclosed in the disclosure notes to the annual financial statements if they relate to ring-fenced Project activities.

Monetary assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling on the date of the Statement of Financial Position. Unrealised differences on monetary assets and liabilities are recognised in the Statement of Financial Performance in the period occurred.

Any foreign exchange variance incurred during the year relating exclusively to Schedule 12 Milestones (Schedule of General Milestones and Key Milestones), as defined in the Concession Agreement, certified for payment are recognised in the Statement of Financial Position at year end as an asset or liability, and are disclosed in the disclosure notes to the annual financial statements.

COMPARATIVE INFORMATION

Current year comparatives (Budget)
Budget information in accordance with GRAP 1 and 24, has been provided in these annual financial statements.

Prior year comparatives
Where necessary comparative figures have been adjusted to conform to the changes in presentation in the current year.

GOING CONCERN ASSUMPTION

These annual financial statements were prepared based on the expectation that the GMA will continue to operate as a going concern for at least the next 12 months.

1.2 PROPERTY, PLANT AND EQUIPMENT

RECOGNITION & MEASUREMENT

The policies for property, plant and equipment is applicable to property, plant and equipment managed by the Concessionaire under the Concession Agreement.

The cost of an item of property, plant and equipment is recognised as an asset when:
- It is probable that future economic benefits associated with the item will flow to the GMA; and
- The cost of the item can be reliably measured.

All items of property, plant and equipment that qualify for recognition as assets are measured at cost. Where an asset is acquired through a non-exchange transaction, its cost shall be measured at its fair value as at the date of acquisition.

Costs for acquired assets include:
- The items purchase price, including import duties and non-refundable taxes, after deducting any trade discounts and rebates;
- Any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner as intended by management;
- The initial estimates of the costs of dismantling and removing the item and restoring the site on which it is located, for which the GMA incurs this obligation either when the item is acquired or as a consequence of having used the item during a particular period.

The cost of self-constructed assets is determined using the same principles as those applied for an acquired asset and includes the cost of materials, direct labour and other resources incurred in constructing the asset, any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, and an initial estimate, where relevant, of the costs of dismantling and removing the items and restoring the site on which they are located.

Purchased software that is integral to the functionality of related equipment is included in the cost of the related equipment.

Property, plant and equipment is carried at cost less accumulated depreciation and any impairment losses. Land is not depreciated as it is deemed to have an indefinite useful life. Property, plant and equipment is depreciated on the straight line basis over their expected useful lives to their estimated residual value.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment and depreciated separately.

Items of capital work-in-progress are measured at cost less impairment losses. The cost of capital work-in-progress assets includes costs of material, direct labour and any other costs directly attributable to bringing the asset to a condition where it is ready for its intended use. Capital work-in-progress is ready for its intended use once a hand over certificate is issued, and at this point capital work-in-progress is recognised as an item of property, plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, only when it is probable that future economic benefits associated with the item will flow to the GMA and the cost of the item can be reliably measured.

All other costs such as day-to-day servicing and small parts are treated as repairs and maintenance and are expensed to the Statement of Financial Performance during the financial period in which they are incurred.

The depreciation charge for each period is recognised in the Statement of Financial Performance unless it is included in the carrying amount of another asset.

The initial assessments of the useful lives of items of property, plant and equipment have been assessed as follows:

Item	Average useful life
Gautrain System assets	
Land	Infinite
Infrastructure assets	5-100 years
Plant and equipment	10-35 years
Rolling stock	35 years
Buses	15 years
Commercial Assets	30 years
GMA Assets	
Motor vehicles	5-8 years
Office equipment	5-12 years
Computer equipment	3-9 years
Furniture & fittings	5-12 years
Lease improvements	Over the period of the lease
Lease assets	Over the period of the lease
Drone	Hourly Usage

Leasehold improvements on premises occupied under operating leases are written off over their expected useful lives or, where shorter, the term of the lease.

The residual value, useful life and depreciation method of each asset is reviewed at the end of each reporting period. If the expectations differ from previous estimates, the change is accounted for as a change in accounting estimate. The useful lives of assets are based on management's estimation.

The gain or loss arising from the derecognition of an item of property, plant and equipment is included in the Statement of Financial Performance when the item is derecognised.

IMPAIRMENT

The GMA assesses at each reporting date whether there is indication that any item of property, plant and equipment may be impaired. If such an indication exists, the GMA estimates the recoverable service amount of the asset. In assessing whether there is any indication that an asset may be impaired, the GMA considers both external and internal sources of information.

The recoverable service amount is the higher of the asset's fair value less costs to sell, and its value in use. Value in use is the present value of the asset's remaining service potential. If either of these amounts exceeds the asset's carrying value, the asset is not impaired, and it is not necessary to determine the other amount.

If the asset's carrying value exceeds its recoverable service amount, the asset is impaired. The carrying amount of the asset is then reduced to its recoverable service amount and this reduction is the impairment loss which is charged as an expense to the Statement of Financial Performance.

REVERSAL OF IMPAIRMENT

The GMA assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for an asset may no longer exist or may have decreased. If any such indication exists, the GMA estimates the recoverable service amount of that asset.

The increased carrying amount of an asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for an asset is recognised immediately in the Statement of Financial Performance.

If a reversal of an impairment loss is recognised, the depreciation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

DERECOGNITION

The carrying amount of an item of property, plant and equipment shall be derecognised on disposal or when no future economic benefits or service potential are expected from its use or disposal.

The gain or loss arising from the derecognition of an item of property, plant and equipment is determined by comparing the proceeds from disposal with the carrying amount of the property, plant and equipment, and is recognised in the Statement of Financial Performance when the item is derecognised.

1.3 HERITAGE ASSETS

Heritage assets are culturally significant resources. Heritage assets are measured at cost. Where a heritage asset is acquired through a non-exchange transaction, its cost shall be measured at its fair value as at the date of acquisition.

After recognition as an asset, a class of heritage assets shall be carried at its cost less any accumulated impairment losses.

A heritage asset shall not be depreciated but GMA shall assess at each reporting date whether there is an indication that it may be impaired. If any such indication exists, GMA shall estimate the recoverable amount or the recoverable service amount of the heritage asset.

1.4 INTANGIBLE ASSETS

INITIAL RECOGNITION & MEASUREMENT

Intangible assets are classified as non-monetary assets without physical substance and are only recognised when:
- It is probable that future economic benefits or service potential associated with the asset will flow to the GMA; and
- The cost or fair value of the asset can be reliably measured.

For those intangible assets with a definite useful life:
- Amortisation is recognised in the Statement of Financial Performance and is calculated on a straight line basis over the estimated useful life of each part of the intangible asset;
- Amortisation is determined from the date the intangible asset is available for use.

Intangible assets are initially recognised at cost.

Where an intangible asset is acquired by GMA for no or nominal consideration (i.e. a non-exchange transaction), the cost is deemed to be equal to the fair value of that asset on the date acquired.

Initial expenditure incurred is recognised and capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

All other expenditure is recognised in the Statement of Financial Performance as an expense when it is incurred.

All intangible assets of the GMA have been capitalised on the basis of the costs incurred in order to acquire and bring the assets into use.

SUBSEQUENT EXPENDITURE

Subsequent expenditure on capitalised intangible assets is recognised and capitalised only when the costs incurred increase the future economic benefits embodied in the specific asset to which it relates.

All other subsequent expenditure is recognised in the Statement of Financial Performance as an expense when it is incurred.

AMORTISATION

All items of intangible assets are measured at historic cost less accumulated amortisation and accumulated impairment losses.

The range of estimated useful lives are as follows:

Gautrain System assets
- Servitudes: Infinite

GMA assets
- Computer software: 2-8 years
- Computer licenses: Over the period of the license

Amortisation methods and useful lives are reassessed annually and adjusted if necessary at the end of each reporting period.

Amortisation is recognised in the Statement of Financial Performance on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life are systematically tested for impairment at each reporting date. Other intangible assets are amortised from the date they are available for use.

IMPAIRMENT

Intangible assets are tested annually for impairment by comparing the carrying amount with the recoverable service amount of the intangible asset.

If the intangible asset's carrying value exceeds its recoverable service amount, the intangible asset is impaired. The carrying amount of the asset must be reduced to its recoverable service amount, and this reduction is the impairment loss which is charged as an expense to the Statement of Financial Performance.

REVERSAL OF IMPAIRMENT

The GMA assesses at each reporting date whether there is any indication that an impairment loss recognised in prior periods for an asset may no longer exist or may have decreased. If any such indication exists, the GMA estimates the recoverable service amount of that asset.

The increased carrying amount of an asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined, net of amortisation, had no impairment loss been recognised for the asset in prior periods.

A reversal of an impairment loss for an asset is recognised immediately in the Statement of Financial Performance.

After a reversal of an impairment loss is recognised, the amortisation charge for the asset is adjusted in future periods to allocate the asset's revised carrying amount, less its residual value (if any), on a systematic basis over its remaining useful life.

DERECOGNITION

The carrying amount of an intangible asset is derecognised on disposal or when no future economic benefits are expected from its use.

The gain or loss arising from the derecognition of an intangible asset is determined by comparing the proceeds from disposal with the carrying amount of the intangible asset, and is recognised in the Statement of Financial Performance when the item is derecognised.

1.5 PROVISIONS AND OTHER LIABILITIES

A provision is a liability of uncertain timing or amount.

Provisions are recognised as liabilities when the GMA has a present legal or constructive obligation as a result of a past event, for which it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision shall be the best estimate of the expenditure required to settle the present obligation at the reporting date. The best estimate is determined by management's judgement, supplemented by experience of similar transactions and in some instances reports from independent experts.

1.6 OBLIGATIONS ARISING FROM RESTRICTED FUNDS

Liabilities are present obligations of the GMA arising from past events, the settlement of which is expected to result in an outflow of resources embodying economic benefits or service potential.

OBLIGATIONS ARISING FROM RESTRICTED PROJECT FUNDS

Financial transactions relating directly to the Project do not impact on the Statement of Financial Performance. Government funding received for the project is ring-fenced and applied solely to Project expenditure incurred. This is due to the fact that the GMA cannot benefit from these funds in pursuit of its objectives. Financial transactions relating to the project are disclosed in the notes to the annual financial statements under 'Obligations arising from restricted project funds'.

All government funding received for the project is requested from Gauteng Provincial Treasury based on management's best estimate of Project disbursements to be incurred for the period. To the extent that funding received is in excess of project expenditure actually incurred for the year under review, it is classified as income received in advance of obligations yet to be incurred and recognised in the Statement of Financial Position as a liability.

OBLIGATIONS ARISING FROM RESTRICTED SIP FUNDS

Over the duration of the Development Period, until the contractual Anticipated Completion Date of Phase 2 (March 2011), the Concessionaire made a series of Social Investment Programme (SIP) contributions to the SIP Fund Account held by the GMA, thereby fulfilling its SIP obligations in terms of amended SED 07, Schedule 22 of the Concession Agreement. These funds have been earmarked for social investment spend by the GMA on projects approved by the Gautrain Political Committee, with an additional focus on funds for education in the science and engineering fields.

OBLIGATIONS ARISING FROM RESTRICTED PERFORMANCE RESERVE ACCOUNT (PRA) FUNDS

The Performance Reserve account (PRA) is funded by the Concessionaire. This account has become fully operational after OCD 2. The purpose of this account is to provide a funding mechanism for performance deductions (penalties) imposed on the Concessionaire for performance below the pre-defined performance measures specified in the Concession Agreement.

After OCD 2, the Concessionaire has paid all actual total revenue earned into the account until the prescribed balance was reached. All funds in excess of the prescribed balance are withdrawn by the Concessionaire, through the issue of an invoice to the GMA for payment of the excess amount. Only the prescribed balance is maintained in the PRA for the monthly withdrawal by the GMA of performance deductions imposed on the Concessionaire after OCD 2. The funds in this account are ring-fenced, as no other payments from or to the PRA are allowed, except as permitted by and in accordance with the Concession Agreement and as summarised above.

OBLIGATIONS ARISING FROM RESTRICTED INSURANCE PROCEEDS ACCOUNT

The Insurance Proceeds account is used for the receipt of insurance proceeds to the Concessionaire as a result of successful insurance claims for damages to the Gautrain System assets pursuant to Schedule 18 of the Concession Agreement. The insurance claims are then paid to the Concessionaire from this account after deducting GMA's share of the insurance claim. These funds are restricted, as no other payments from or to the Insurance Proceeds account are allowed, except as permitted by and in accordance with the Concession Agreement.

1.7 FINANCE LEASES

RECOGNITION

Leases are classified as finance leases where substantially all the risks and rewards associated with ownership of an asset are transferred to the GMA through the lease agreement. Assets subject to finance leases are recognised in the Statement of Financial Position at the inception of the lease, as is the corresponding finance lease liability.

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date; namely whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

MEASUREMENT

Assets subject to a finance lease, as recognised in the Statement of Financial Position, are measured at initial recognition at the lower of the fair value of the assets and the present value of the future minimum lease payments. Subsequent to initial recognition these capitalised assets are depreciated over the contract term.

The finance lease liability recognised at initial recognition is measured at the present value of the future minimum lease payments. Subsequent to initial recognition this liability is carried at amortised cost, with the lease payments being set off against the capital and accrued interest. The allocation of the lease payments between the capital and interest portion of the liability is effected through the application of the effective interest method.

The finance charges resulting from the finance lease are expensed, through the Statement of Financial Performance, as they accrue. The finance cost accrual is determined using the effective interest method.

DERECOGNITION

The finance lease liabilities are derecognised when the GMA's obligation to settle the liability has ceased. The assets capitalised under the finance lease are derecognised when the GMA no longer expects any economic benefits or service potential to flow from the asset.

1.8 COLLABORATION PROJECT FUNDS

The GMA approached the Development Bank of Southern Africa to render support to the GMA to strengthen its expertise in financial structuring, transport economics and planning as well as demand and financial model review.

The Development Bank of Southern Africa has opened a dedicated interest bearing bank account in this regard. The bank account is funded by both parties in terms of the agreement and the funds are utilised to procure expert service providers. Unutilised funds at year end are recognised in the Statement of Financial Position.

1.9 CONTINGENCIES AND COMMITMENTS

The GMA does not recognise a contingent liability. A contingent liability is disclosed in the notes to the annual financial statements unless the possibility of an outflow of resources embodying economic benefits or service potential is remote.

A contingent liability is:

- A possible obligation that arises from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the GMA; or
- A present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits; or service potential will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Transactions are classified as commitments where the GMA commits itself to future transactions.

1.10 REVENUE: NON-EXCHANGE TRANSACTIONS

GOVERNMENT GRANTS

Government grants comprise gross inflows of economic benefits, and are recognised as revenue when it is probable that future economic benefits will flow to the GMA and the fair value of those benefits can be reliably measured. Grants are recognised when there is reasonable assurance that they will be received, or when there is legal obligation for the grant to be paid and only to the extent that the GMA has complied with any of the stipulations or conditions, if any, attached to the grant. The GMA receives its grant from the Provincial Revenue Fund.

The portion of grant funding received, over which the GMA exercises control and discretion, or from which the GMA benefits in the pursuit of its objectives in managing the Concession Agreement and overseeing its operations, is recognised as revenue in the Statement of Financial Performance in the same period in which the GMA qualifies to receive the grant.

1.11 REVENUE: EXCHANGE TRANSACTIONS

Revenue from exchange transactions is recognised on the accrual basis of accounting when it is probable that future economic benefits will flow to the GMA and those benefits can be reliably measured.

FINANCE INCOME

Finance income is recognised as it accrues, in the Statement of Financial Performance on a time proportionate basis using the effective interest rate method. Finance income comprises of interest income on funds invested.

OTHER INCOME

Other income is recognised on the accrual basis when it is probable that future economic benefits will flow to the GMA and these benefits can be reliably measured.

SYSTEM REVENUE

System revenue is accounted for as exchange revenue in terms of GRAP 9 (Revenue from Exchange Transactions). Revenue is recognised when the performance obligation has been fulfilled; that is, when a passenger travels via train and or bus, a parking bay is occupied, an advertising service is rendered, a card license fee is purchased or the store travel rights (pay as you go product) is expired.

1.12 FINANCE EXPENSES

All finance costs are recognised in the Statement of Financial Performance using the effective interest rate method.

1.13 EMPLOYEE BENEFITS

SHORT-TERM EMPLOYEE BENEFITS

Short-term employee benefits are benefits that are to be paid by the GMA within 12 months after the reporting date and are presented on an undiscounted basis. Short-term employee benefits in the GMA include salaries, pension contributions, bonuses and short-term compensated absences such as paid annual leave and paid sick leave.

RECOGNITION AND MEASUREMENT

When an employee has rendered services to the GMA during the reporting period, the GMA recognises the undiscounted amount of short-term employee benefits expected to be paid in exchange for that service as:

- A liability (accrued expense), after deducting any amount already paid. If the amount already paid exceeds the undiscounted amount of the benefits, the GMA recognises the excess as an asset (prepaid expense) to the extent that the prepayment will lead to a reduction in future payments or a cash refund to the GMA; and
- As an expense in the Statement of Financial Performance.

SHORT-TERM COMPENSATED ABSENCES

Accumulating compensated absences e.g. annual leave, are those that are carried forward and can be used in future periods if the current period's entitlement is not used in full. The GMA recognises the expected cost of such absences when employees render services that increases their entitlement to future compensated absences. Accumulated compensated absences are vesting, in that employees are entitled to a cash payment for unused leave entitlement on leaving the GMA.

The GMA measures the expected cost of accumulating compensated absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Non-accumulating compensated absences e.g. sick leave, do not carry forward, they lapse if the current reporting period's entitlement is not used in full and do not entitle employees to a cash payment for unused entitlement on leaving the GMA. The GMA recognises no liability or expense until the time of the absence, because employee service does not increase the amount of the benefit.

BONUS, INCENTIVE AND PERFORMANCE RELATED PAYMENTS

The GMA recognises a liability and an expense for the expected cost of bonus, incentive and performance related payments when it has a present legal or constructive obligation to make such payments as a result of past events; and a reliable estimate of the obligation can be made.

POST EMPLOYMENT BENEFITS: DEFINED CONTRIBUTION PLAN

RECOGNITION AND MEASUREMENT

When an employee has rendered services to the GMA during a reporting period, the GMA shall recognise the contribution payable to a defined contribution plan in exchange for that service:

- As a liability (accrued expense), after deducting any contribution already paid. If the contribution already paid exceeds the contribution due for service before the reporting date, the GMA shall recognise that excess as an asset (prepaid expense) to the extent that the prepayment will lead to, for example, a reduction in future payments or a cash refund; and
- As an expense in the Statement of Financial Performance.

1.14 OPERATING LEASES

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Lease payments under an operating lease shall be recognised as an expense in the Statement of Financial Performance on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern of the user's benefit.

The difference between the straight-lined lease payments and the contractual lease payments are recognised as either an operating lease asset or operating lease liability. An operating lease liability is raised to the extent that lease payments are received in advance (i.e. the straight-line lease payments are more than the contractual lease payments). The operating lease asset and / or operating lease liability are measured as the undiscounted difference between the straight-line lease receipts and the contractual lease payments.

Operating lease liabilities are derecognised when the entity's obligation to provide economic benefits or service potential under the lease agreement expires. Operating lease assets are derecognised when the entity's right to the underlying cash flows expire or the entity no longer expects economic benefits to flow from the operating lease asset.

1.15 IRREGULAR EXPENDITURE

Irregular expenditure comprises expenditure, other than unauthorised expenditure, incurred in contravention of, or not in accordance with the GMA Supply Chain Management Policy, the PFMA, the National Treasury Regulations, the PPPFA, State Tender Board Act or any other applicable legislation providing for procurement procedures. Such expenditure is accounted for in the Statement of Financial Performance. Where recoverable and not condoned by the relevant authority, it is treated as an asset until it is recovered or written off as irrecoverable.

1.16 FRUITLESS AND WASTEFUL EXPENDITURE

Fruitless and wasteful expenditure is defined as expenditure that was made in vain and would have been avoided had reasonable care been exercised. Such expenditure is accounted for as expenditure in the Statement of Financial Performance and where recoverable treated as a current asset in the Statement of Financial Position until such expenditure is recovered from the responsible official or written off as irrecoverable.

1.17 TAXES AND LEVIES

The GMA accounts for PAYE tax, deducted from employee salaries and paid over to SARS. If any other taxes or levies are required by law, then these will be collected on behalf of the government or other party in an agency capacity and would not be accounted for as revenue in the annual financial statements of the GMA.

1.18 TAXATION

The GMA's income is exempt from taxation in terms of Section 10 (1)(cA) of the Income Tax Act.

1.19 RELATED PARTIES

A related party to the GMA is a person or entity with the ability to control or jointly control the GMA, or exercise significant influence over the GMA and vice versa, or an entity that is subject to common control, or joint control. Significant influence is the power to participate in the financial and operating policy decisions of the GMA, but is not in control over those policies. A related party transaction is a transfer of resources, services or obligations between the reporting entity and a related party, regardless of whether a price is charged.

An entity that is a member of the Gauteng Provincial Government and is under common control of the Gauteng Provincial Legislature is related to the GMA. However, only transactions and balances of the same GMA will be disclosed.

In respect of entities, other government entities or appointed members of the government, only transactions and balances under the Executive Authority of the MEC of Gauteng Department of Roads and Transport are disclosed. The Gauteng Department of Roads and Transport, and its entities have been identified as entities of the same GMA.

In respect of persons, a member of management of the GMA, is regarded as a related party of the GMA. Management includes all persons having the authority and responsibility for planning, directing and controlling the activities of the GMA, including all members of the governing body of the GMA, key advisors of the governing body with the authority and responsibility for planning, directing and controlling the activities of the GMA, and the senior management team of the GMA, including the Chief Executive Officer.

If the GMA has been party to any related party transactions during the reporting period covered by the annual financial statements, it shall disclose the nature of the related party relationship as well as information about those transactions and outstanding balances, including commitments, in order to enable users to understand the potential effect of the relationship on the financial statements. Only transactions not at arm's length are disclosed and materiality is considered in terms of the disclosure of these transactions.

1.20 SUBSEQUENT EVENTS

Events after the reporting date are those events both favourable and unfavourable that occur between the reporting date and the date when the annual financial statements are authorised for issue, and are treated as follows:

- The GMA shall adjust the amounts recognised in its annual financial statements to reflect adjusting events after the reporting date for those events that provide evidence of conditions that existed at the reporting date, and
- The GMA shall not adjust the amounts recognised in its annual financial statements to reflect non-adjusting events after the reporting date for those events that are indicative of conditions that arose after the reporting date.

1.21 BUDGET INFORMATION

The GMA includes an additional financial statement on comparison of budget amounts and actual amounts arising from the execution of the Budget in its annual financial statements, together with disclosure of the reasons for material differences between the approved budget, final budget and actual amounts. This reporting disclosure assists the GMA to discharge its accountability obligations and enhances the transparency of the annual financial statements, by demonstrating compliance with the approved budget for the financial year, for which the GMA is held publicly accountable.

The Statement of Comparison of Budget and Actual Amounts presents separately, for each level of governance oversight, the approved and final budget amounts and the actual amounts on a comparable basis to the budget. The budget adopts a cash basis of accounting, whilst the annual financial statements are prepared on the accrual basis of accounting. In order to assist users in understanding the application of the budget, the GMA includes a separate reconciliation of actual amounts on a comparable basis to the budget, to the actual amounts in the annual financial statements (net surplus in the Statement of Financial Performance). The GMA is committed to expend funds and operate within the limits of its approved budget allocation.

1.22 SEGMENT REPORTING

A segment is an activity of the GMA that generates economic benefits or service potential (including economic benefits or service potential relating to transactions between activities of the same entity) whose results are regularly reviewed by management to make decisions about resources to be allocated to that activity as well as in assessing its performance and for which separate financial information is available.

The GMA shall report separately information about each segment that has been identified.

1.23 FINANCIAL INSTRUMENTS

Financial instruments comprise cash and cash equivalents, other receivables, liabilities (accruals) and other payables.

INITIAL RECOGNITION

The GMA recognises a financial asset or a financial liability in its Statement of Financial Position when, and only when, the GMA becomes a party to the contractual provisions of the instrument. This is achieved through the application of trade date accounting.

GMA classifies a financial instrument, or its component parts, on initial recognition as a financial liability, a financial asset or residual interest in accordance with the substance of the contractual arrangement and to the extent that the instrument satisfies the definitions of a financial liability, a financial asset and a residual interest.

Financial instruments are evaluated, based on their terms, to determine if those instruments contain both liability and residual interest components (i.e. to assess if the instruments are compound financial instruments). To the extent that an instrument is in fact a compound instrument, the components are classified separately as financial liabilities and residual interests as the case may be.

INITIAL MEASUREMENT

When a financial instrument is recognised, the GMA measures it initially at its fair value plus, in the case of a financial asset or a financial liability not subsequently measured at fair value, transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

SUBSEQUENT MEASUREMENT

Subsequent to initial recognition, financial assets and financial liabilities are measured at fair value, amortised cost or cost.

All financial assets and financial liabilities are measured after initial recognition using the following categories:
- Financial instruments at fair value;
- Financial instruments at amortised cost; and
- Financial instruments at cost.

DERECOGNITION

A financial asset is derecognised at trade date, when:

The cash flows from the asset expire, are settled or waived;
a) Significant risks and rewards are transferred to another party; or
b) Despite having retained significant risks and rewards, the GMA has transferred control of the asset to another entity.

A financial liability is derecognised when the obligation has ceased. Exchanges of debt instruments between a borrower and a lender are treated as the extinguishment of an existing liability and the recognition of a new financial liability. Where the terms of an existing financial liability are modified, it is also treated as the extinguishment of an existing liability and the recognition of a new liability.

GAINS AND LOSSES

A gain or loss arising from a change in the fair value of a financial asset or financial liability measured at fair value is recognised in Statement of Financial Performance.

OFFSETTING

The GMA does not offset financial assets and financial liabilities in the Statement of Financial Position unless a legal right of set-off exists and the parties intend to settle on a net basis.

IMPAIRMENT

All financial assets measured at amortised cost, fair value or cost, are subject to an impairment review. The GMA assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired.

FINANCIAL ASSETS HELD AT AMORTISED COST

The GMA first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant and individually or collectively for financial assets that are not individually significant. If the GMA determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in the collective assessment of impairment.

If there is objective evidence that an impairment loss on financial assets measured at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, excluding future credit losses that have not been incurred, discounted at the financial asset's original effective interest rate i.e. the effective interest rate computed at initial recognition. The carrying amount of the asset is reduced through the use of an allowance account. The amount of the loss is recognised as an expense in the Statement of Financial Performance.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the previously recognised impairment loss shall be reversed either directly or by adjusting an allowance account. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in the Statement of Financial Performance.

FINANCIAL ASSETS HELD AT COST

If there is objective evidence that an impairment loss has been incurred on an investment in a residual interest that is not measured at fair value because its fair value cannot be measured reliably, the amount of the impairment loss is measured as the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment losses are not reversed.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents are recognised at fair value.

Cash and cash equivalents comprise cash at the bank including deposits held at call with banks. These are short-term, highly liquid investments, readily convertible into known amounts of cash, held with registered banking institutions, and are subject to an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents comprise cash at the bank including deposits held on call with banks.

RECEIVABLES

Receivables are recognised initially at fair value and are subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment.

A provision for impairment of receivables is made when there is objective evidence that the GMA will not be able to collect all amounts due according to the original terms of the receivables.

Significant financial difficulties of any debtor, probability that the debtor will be bankrupt or under financial administration, and default or delinquency in payments, are considered indicators that the receivable is impaired, and that a provision should be raised.

The provision is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted using the effective interest rate and is recognised in the Statement of Financial Performance. Uncollectable debts are written off against the provision. Subsequent recoveries of amounts previously written off are recognised in the Statement of Financial Performance.

PAYABLES

Payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method.

1.24 FINANCIAL RISK MANAGEMENT

The entities activities expose it to the following risks:

- Credit risk;
- Liquidity risk; and
- Market risk.

The GMA Board has overall responsibility for the establishment and oversight of the GMA's Risk Management framework. The Board has established the Audit and Risk Committee, which is responsible for developing and monitoring the GMA's risk management policies. The Committee reports regularly to the Board on its activities. The GMA's risk management policies and systems are established to identify and analyse the risks faced by the GMA, to set appropriate risk limits and controls, and to monitor risks and adherence to limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the GMA's activities. The GMA has a fundamental objective in maintaining a disciplined and constructive control environment in which all appointed officials understand their roles and obligations in relation to the GMA's overall risk management framework, policy, systems and processes.

This policy presents information about the GMA's exposure to each of the above risks, the GMA's objectives, policies and processes for measuring and managing risk and the GMA's management of capital, assets and liabilities. Further quantitative disclosures are included in the Notes to the annual financial statements.

(A) CREDIT RISK

Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks and financial institutions, as well as committed transactions. Banks and financial institutions with an acceptable independent rating are accepted.

(i) Deposits

The GMA limits its exposure to credit risk by only investing in liquid securities and only with counterparties that have an acceptable independent credit rating. Management does not expect any counterparty to fail to meet its obligations with regards to the GMA deposits.

(B) LIQUIDITY RISK

Cash flow forecasting is performed on a monthly basis. This rolling forecast is monitored for liquidity requirements to ensure the GMA has sufficient cash to meet the Project's monthly financial obligations as they fall due. Surplus cash held is invested in an interest bearing current account.

(C) MARKET RISK

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The GMA ensures that it reviews its cash management strategies to ensure finance income is maximised.

(i) Foreign Exchange Risks

In terms of the Schedule 12 Milestone payments, the GMA is not exposed to any foreign exchange risk, as National Treasury has accepted full responsibility for foreign exchange variances that the Gautrain Project is exposed to on the translation effect of the foreign denominated components, Euro and Pound, of payments certified.

(ii) Price Risks

The GMA does not hold equity security and is therefore not exposed to equity security price risk. The GMA is also not exposed to any commodity price risk.

(iii) Interest Rate Risks

As the GMA has no significant interest-bearing assets, the GMA's income and operating cash flows are substantially independent of changes in market interest rates.

1.25 ACCOUNTING BY PRINCIPALS AND AGENTS (GRAP 109)

(a) Identification whether an entity is a principal or an agent

Agent is an entity that has been directed by another entity (a principal), through a binding arrangement, to undertake transactions with third parties on behalf of the principal and for the benefit of the principal. A principal is an entity that directs another entity (an agent), through a binding arrangement, to undertake transactions with third parties on its behalf and for its own benefit. A principal-agent arrangement results from a binding arrangement in which one entity (an agent), undertakes transactions with third parties on behalf, and for the benefit of, another entity (the principal).

When the GMA is party to a principal-agent arrangement, it assesses whether it is the principal or the agent in accounting for revenue, expenses, assets and/or liabilities that result from transactions with third parties undertaken in terms of the arrangement. The assessment of whether a GMA is a principal or an agent requires the GMA to assess whether the transactions it undertakes with third parties are for the benefit of another entity or for its own benefit.

(b) Binding arrangement

The GMA assesses whether it is an agent or a principal by assessing the rights and obligations of the various parties established in the binding arrangement. Where the terms of a binding arrangement are modified, the parties to the arrangement re-assess whether they act as a principal or an agent.

(c) Assessing which entity benefits from the transactions with third parties

When the GMA in a principal-agent arrangement concludes that it undertakes transactions with third parties for the benefit of another entity, then it is the agent. If the GMA concludes that it is not the agent, then it is the principal in the transactions. The GMA is an agent when, in relation to transactions with third parties, all three of the following criteria are present:

(1) It does not have the power to determine the significant terms and conditions of the transaction.
(2) It does not have the ability to use all, or substantially all, of the resources that result from the transaction for its own benefit.
(3) It is not exposed to variability in the results of the transaction. Where the GMA has been granted specific powers in terms of legislation to direct the terms and conditions of particular transactions, it is not required to consider the criteria of whether it does not have the power to determine the significant terms and conditions of the transaction, to conclude that is an agent. The GMA applies judgement in determining whether such powers exist and whether they are relevant in assessing whether the GMA is an agent.

(d) Recognition

The GMA, as a principal, recognises revenue and expenses that arise from transactions with third parties in a principal agent arrangement in accordance with the requirements of the relevant Standards of GRAP. The GMA, as an agent, recognises only that portion of the revenue and expenses it receives or incurs in executing the transactions on behalf of the principal in accordance with the requirements of the relevant Standards of GRAP. The GMA recognises assets and liabilities arising from principal-agent arrangements in accordance with the requirements of the relevant Standards of GRAP.

1.26 NEW STANDARDS AND INTERPRETATIONS

(A) Early adoption of Standards and Interpretations: Approved but not effective in the current year
None

(B) New Standards and Interpretations: Approved but not effective in the current year
The impact of this is currently being assessed by management.

Standards of GRAP	Details of the amendment to the Standards and the anticipated impact thereof	Financial Period
GRAP 1: Presentation on Financial Statements	The new standard amendments prescribe what events or conditions may management consider when assessing going concern and material uncertainties. The impact of this is currently being assessed by management.	No effective date
GRAP 103: Heritage Assets	The new standard amendments prescribe the principles for recognising, measuring,presenting and disclosing Heritage Assets.	No effective date
GRAP 105: Transfer of Functions Between Entities Under Common Control	The new standard amendments prescribe the principles for recognising, measuring,presenting and disclosing Transfer of Functions Between Entities Under Common Control.	No effective date
GRAP 106: Transfer of Functions Between Entities Not Under Common Control	The new standard amendments prescribe the principles for recognising, measuring, presenting and disclosing Transfer of Functions Between Entities Not Under Common Control.	No effective date
GRAP 107: Mergers	The new standard amendments prescribe the principles for recognising, measuring, presenting and disclosing Mergers.	No effective date
Amendments	Improvements to Standards of GRAP prescribe the principles for recognising, measuring,presenting and disclosing standards of GRAP.	No effective date

NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE YEAR END ENDED 31 MARCH 2026

2. CASH AND CASH EQUIVALENTS

	2026 R '000	2025 R '000
Bank - Current account	134 531	43 464
Social Investment Programme funds	20 512	21 368
Performance Reserve Account funds	15 604	90 687
Insurance Proceeds account	493	462
TOTAL	**171 140**	**155 982**

Cash and cash equivalents consists of all cash balances of the GMA's various bank accounts held with Absa Bank Limited.

There are restrictions on the SIP Funds Account, Performance Reserve Account Funds and the Insurance Proceeds Account Funds. Please refer to 1.6 in the accounting policy for more detail.

3. RECEIVABLES (EXCHANGE TRANSACTIONS)

	2026 R '000	2025 R '000
3.1 Receivables (Exchange Transactions) - Current assets		
Accrued income	**1 839**	**1 462**
Accrued interest income	926	886
Accrued interest income - SIP funds	1	12
Accrued bus savings	912	558
Accrued interest on bus savings	-	6
Other receivables	**60 728**	**1 208 949**
TAG receivable	12 052	8 493
System Receivable (Fare Revenue)	47 621	-
DLTC Receivable	740	373
Zurich Insurance claim	-	1 200 000
Collaboration project funds - DBSA	315	83
Prepayments	**641**	**1 277**
Operating expenditure	641	1 277
Opearating lease		
Opearating lease	-	749
TOTAL	**63 208**	**1 212 437**
Operating lease		
Reconciliation - Movement during the year:		
Opening balance	749	1 982
Movement	(749)	(1 233)
Closing Balance	**0**	**749**
Refer to note 23 on details of the operating lease.		
Receivables (Exchange Transactions) - Current assets		
Deposit	**3 285**	**-**
Rental deposit	2 173	-
Interest accrued on rental deposit	1 112	-
TOTAL Receivables (Exchange Transactions) - Current assets	**66 493**	**1 212 437**
3.2 Receivables (Exchange Transactions) - Non -Current assets		
Deposit	-	3 164
Rental deposit	-	2 173
Interest accrued on rental deposit	-	991
	-	
TOTAL	**-**	**3 164**

4. PROPERTY, PLANT AND EQUIPMENT

	2026	2025
	R '000	R '000
Gautrain system assets	21 474 834	22 368 186
GMA assets	20 133	21 939
	21 494 966	**22 390 125**

4.1 Gautrain System assets

	2026			2025		
	R'000	R'000	R'000	R'000	R'000	R'000
	Cost/ Valuation	Accumulated depreciation	Carrying value	Cost/ Valuation	Accumulated depreciation	Carrying value
Land	4 379	-	4 379	4 379	-	4 379
Infrastructure assets	30 430 881	11 921 161	18 509 720	30 438 700	11 176 964	19 261 736
Plant and equipment	434 025	250 895	183 130	434 025	231 816	202 209
Rolling stock	4 017 464	1 521 558	2 495 906	4 017 464	1 403 755	2 613 709
Buses	461 020	202 505	258 515	441 366	162 272	279 094
Commercial Assets	24 185	1 001	23 184	7 742	676	7 066
	35 371 954	**13 897 120**	**21 474 834**	**35 343 676**	**12 975 483**	**22 368 186**
Work in Progress included in the Above Assets						
*Infrastructure assets- WIP:	-0	-	-0	8 896	-	8 896
*Commercial assets- WIP:	6 308	-	6 308	7 855	-	7 855
Total	6 308	-	6 308	16 752	-	16 752

Reconciliation - 2026	Opening balance	Additions	Capitalisation	Write-off	Depreciation	Closing balance
Land	4 379	-	-	-		4 379
Infrastructure assets	19 253 874		6	-	744 197	18 509 683
Plant and equipment	202 209			-	19 080	183 129
Rolling stock	2 613 710			-	117 803	2 495 907
Buses	279 092	19 654	-		40 233	258 514
Commercial Assets	14 921	8 626		-	325	23 222
Carrying value - 2026	**22 368 185**	**28 281**	**6**	**-**	**921 638**	**21 474 834**
Work in Progress included in the Above amount/Assets						
*Infrastructure assets- WIP:	8 896	-	-8 897		-	-0
*Commercial assets- WIP:	7 855	8 626	-10 173		-	6 308
Total	**16 752**	**8 626**	**(19 070)**	**-**	**-**	**6 308**

Reconciliation - 2025	Opening balance	Additions	Capitalisation	Write-off	Depreciation	Closing balance
Land	4 379	-	-	-	-	4 379
Infrastructure assets	20 037 309	24 994	-	-	808 429	19 253 874
Plant and equipment	221 289	-	-	-	19 080	202 209
Rolling stock	2 731 513	-	-	-	117 803	2 613 710
Busses	317 407	-	-	-	38 315	279 092
Commercial Assets	7 307	7 855	-	-	241	14 921
Carrying value - 2025	**23 412 087**	**32 849**		**-**	**983 868**	**22 368 185**

Work in Progress included in the Above Assets						
Reconciliation - 2025						
*Included in Infrastructure assets is WIP:	92 883	24 994	(108 981)	-	-	8 896
*Commercial assets - WIP:	-	7 855				7 855
Total	**92 883**	**32 849**	**-108 981**	**-**	**-**	**16 752**

The GMA has received the approval of the Executive Authority: MEC for the Gauteng Department of Roads and Transport, for the transfer of the Gautrain System assets to the GMA, effective 1 July 2013, in accordance with the Public Finance Management Act, Section 42 and the Gautrain Management Agency Act, Section 31.

GMA only has the right to use the land acquired to enable construction and operate the Gautrain System. GMA cannot dispose of the land nor can it use the land for any other purpose other than operating the Gautrain System. The ownership of the land resides with the Gauteng Provincial Government. Land is thus recognised at a nominal value of R1 per square meter.

*Bus additions constitutes seven (7) - 18 meter busses that were refurbished by the Concessionaire. These busses have estimated remaiing useful lives of five (5) years as prescribed by the refurbishing company.

4.2 GMA assets

	2026			2025		
	R'000	R'000	R'000	R'000	R'000	R'000
SUMMARY	Cost/ Valuation	Accumulated depreciation	Carrying value	Cost/ Valuation	Accumulated depreciation	Carrying value
Motor vehicles	3 145	1 790	1 355	3 145	1 350	1 795
Office equipment	5 302	4 086	1 216	5 028	3 795	1 233
Computer equipment	30 926	20 341	10 585	32 706	20 956	11 750
Furniture & fittings	9 134	7 157	1 977	9 134	5 667	3 467
Leasehold improvements	18 798	15 968	2 830	17 760	15 717	2 043
Leased office equipment	3 883	2 026	1 857	3 258	1 920	1 338
Drone	311	-	311	311	-	311
TOTAL	**71 499**	**51 368**	**20 134**	**68 197**	**48 055**	**21 939**

Reconciliation - 2026	Opening balance	Additions	Capitalisation	Write-off	Depreciation	Closing balance
Motor vehicles	1 795			-	440	1 355
Office equipment	1 249	273	(15)	-	291	1 216
Computer equipment	11 735	5 616	15	2 948	3 832	10 585
Furniture & fittings	3 467			-	1 490	1 977
Leasehold improvements	2 035	1 038	8	-	251	2 830
Leased office equipment	1 346	2 126	(7)	24	1 584	1 857
Drone	311					311
Carrying value - 2026	**21 937**	**9 053**	**1**	**2 972**	**7 887**	**20 133**
Reconciliation - 2025						
Motor vehicles	-	2 198		-	403	1 795
Office equipment	1 209	312	-	-	273	1 249
Computer equipment	9 288	5 687	-	349	2 891	11 735
Furniture & fittings	4 966	-		3	1 496	3 467
Leasehold improvements	180	1 993	-	-	138	2 035
Leased office equipment	1 400	1 518	-	109	1 464	1 346
Drone	311					311
Carrying value - 2025	**17 354**	**11 708**	**-**	**461**	**6 664**	**21 937**

The terms of the leased office equipment is disclosed in note 8. All other GMA assets are owned by the GMA and are not secured.

5. HERITAGE ASSETS

5.1 Gautrain system assets

	2026			2025		
	R'000	R'000	R'000	R'000	R'000	R'000
	Cost/ Valuation	Accumulated depreciation	Carrying value	Cost/ Valuation	Accumulated depreciation	Carrying value
Infrastructure heritage asset	3 295	-	3 295	3295	-	3 295
	3 295	**-**	**3 295**	3295	**-**	**3 295**

Reconciliation - 2026	Opening balance	Transfers	Disposals	Write-off	Depreciation	Closing balance
Infrastructure heritage asset	3 295	-	-	-	-	3 295
Carrying value - 2026	**3 295**	**-**	**-**	**-**	**-**	**3 295**
Reconciliation - 2025						
Infrastructure Heritage Asset	3 295	-	-	-	-	3 295
Carrying value - 2025	**3 295**	**-**	**-**	**-**	**-**	**3 295**

The fair value of the heritage asset approximates the carrying value of the heritage asset. The heritage asset comprises of an old shed at the Pretoria Station which is in a good condition. The shed has been painted and converted to a bus terminal for the station.

6. INTANGIBLE ASSETS

	2026	2025
	R '000	R '000
Gautrain system assets	1	1
	1	**1**

6.1 Gautrain System assets

	2026			2025		
	R'000	R'000	R'000	R'000	R'000	R'000
SUMMARY	Cost/ Valuation	Accumulated depreciation	Carrying value	Cost/ Valuation	Accumulated depreciation	Carrying value
Servitudes	1	-	1	1	-	1
TOTAL	**1**	**-**	**1**	**-**	**-**	**1**

Reconciliation - 2026	Opening balance	Additions/ Transfers	Disposals	Write-off	Depreciation	Closing balance
Servitudes	1	-	-	-	-	1
Carrying value - 2026	**1**	**-**	**-**	**-**	**-**	**1**
Reconciliation - 2025						
Servitudes	1	-	-	-	-	1
Carrying value - 2025	**1**	**-**	**-**	**-**	**-**	**1**

Gauteng Department of Roads and Transport has transferred the use of 795 servitudes to the GMA which are recognised at a nominal value of R 1 per servitude. These servitudes will not be depreciated as they have an indefinite useful life.

7. PAYABLES (EXCHANGE TRANSACTIONS)

7.1 Payables (Exchange Transactions) - Current liabilities

	2026	2025
	R '000	R '000
Accrued payables	**246 289**	**499 119**
Accrued project expenditure	224 234	425 970
Accrued operational expenditure	22 055	73 149
Other payables	**91 201**	**70 021**
Accrued leave,Pension and bonus expenditure	90 414	69 519
DLTC Accrued leave	787	502
TOTAL	**337 490**	**569 140**

8. FINANCE LEASE LIABILITY

	2026		
	R'000	R'000	R'000
	Minimum lease payment	Future finance charges	Present value of minimum lease payments
Amounts payable under finance leases - 2026			
Within one year	1 378	143	1 522
Within two to five years	652	32	684
TOTAL FINANCE LEASE LIABILITY	**2 030**	**176**	**2 206**
Less: Amount due for settlement within 12 months (current portion)	(1 378)	(143)	(1 522)
TOTAL NON-CURRENT LEASE LIABILITY	**652**	**32**	**684**

The lease term varied between 1 and 2 years and the average effective borrowing rate applied is 11,75%. Interest rates are not fixed. All leases have fixed repayment terms.

	2025		
	R'000	R'000	R'000
	Minimum lease payment	Future finance charges	Present value of minimum lease payments
Amounts payable under finance leases - 2025			
Within one year	1 116	209	1 325
Within two to five years	244	9	253
TOTAL FINANCE LEASE LIABILITY	1 359	**218**	**1 577**
Less: Amount due for settlement within 12 months (current portion)	**(1 116)**	(209)	(1 325)
TOTAL NON-CURRENT LEASE LIABILITY	244	**9**	**253**

The average lease term is 2 years and the average effective borrowing rate is 11.25% (linked to prime interest rate). All leases have fixed repayment terms.

9. OBLIGATIONS ARISING FROM RESTRICTED SIP FUNDS

	2026	2025
	R '000	R '000
Social Investment Programme Fund (SIP)	20 541	21 295
TOTAL	**20 541**	**21 295**
Reconciliation - Movement during the year:		
(Includes all accrued income and expenditure)		
Obligation at the beginning of the year	21 295	20 735
Add: Interest income	1 176	1 521
Less: Expenditure	(1 931)	(960)
Obligation at the end of the year	**20 541**	**21 295**

10. OBLIGATIONS ARISING FROM RESTRICTED PROJECT FUNDS

	2026 R '000	2025 R '000
Reconciliation of movement during the year:		
Obligation at the beginning of the year	967 695	553 338
Add: Project Funds received during the year - capital	2 573 116	3 618 892
Less: Project Expenditure paid during the year - capital	(3 418 079)	(3 204 536)
Less: Projects Funds From Previous Periods	-	
Obligation at the end of the year	**122 732**	**967 695**
10.1 PROJECT FUNDS RECEIVED DURING THE YEAR		
Project income earned (includes all accrued income)		
Public Sector	**2 187 960**	**2 022 322**
MTEF Equitable Shares	2 187 960	2 022 322
Private sector	**385 156**	**1 596 571**
Performance deductions	10 784	5 858
Rental income	882	1 562
Interest on bus savings	192	10 148
Bus savings	9 306	8 977
Interest on RUF	-	7 563
RUF Revenue	329 185	362 463
Interest on Insurance proceeds	34 807	-
Insurance Claim	-	1 200 000
Total	**2 573 116**	**3 618 892**
10.2 PROJECT EXPENDITURE INCURRED DURING THE YEAR		
Project expenditure incurred (includes all accrued expenditure)		
Operating period variation costs	74 795	70 021
System improvements & repairs	163 482	82 889
Patronage guarantee cost	2 961 401	3 051 626
Insurance Claim: paid to Prov. Treasury	218 400	-
Total	**3 418 078**	**3 204 536**

11. PROVISIONS

	2026 R '000	2025 R '000
Land provision	5 433	5 433
TOTAL	**5 433**	**5 433**

Provisions are raised due to the degree of estimation used to measure the obligations. The outflow of resources are expected to be within 12 months.

Land provision		
Reconciliation - Movement during the year:		
Opening balance	-	-
Less: Provision utilised	-	
Closing balance	**-**	**-**

12. OBLIGATIONS ARISING FROM RESTRICTED CONCESSIONAIRE FUNDS

	2026 R '000	2025 R '000
CURRENT LIABILITIES		
Obligations arising from:		
- Restricted Performance Reserve Account funds	15 435	-
- Restricted Insurance Proceeds funds	496	-
TOTAL	**15 931**	**-**
Obligations arising from restricted Performance Reserve Account funds		
(Includes all accrued income and expenditure)		
Restricted Performance Reserve account	15 435	-
TOTAL	**15 435**	**-**

The Performance Reserve account is funded by the Concessionaire. The balance to be maintained in the account is calculated in terms of the Concession Agreement. These funds are ring-fenced and restricted, as no other payments from or to the Performance Reserve account are allowed, except as permitted by and in accordance with the Concession Agreement. The purpose of this account is to provide a funding mechanism for performance deductions (penalties) imposed on the Concessionaire for performance below performance measures specified in the Concession Agreement.

Obligations arising from Restricted Insurance Proceeds funds		
Restricted Insurance Proceeds account	496	464
TOTAL	**496**	**464**

	2026 R '000	2025 R '000
Reconciliation - Movement during the year:		
(Includes all accrued income and expenditure)		
Obligation at the beginning of the year	464	432
Add: Interest income	3	33
Obligation at the end of the year	**468**	**464**

The Insurance Proceeds account is used for the receipt of insurance proceeds to the Concessionaire as a result of successful insurance claims from the Gautrain System assets pursuant to Schedule 18 of the Concession Agreement. These funds are restricted.

NON CURRENT LIABILITIES

Obligations arising from:		
- Restricted Performance Reserve Account funds	-	91 317
- Restricted Insurance Proceeds funds	-	464
TOTAL	**-**	**91 781**

Obligations arising from restricted Performance Reserve Account funds		
(Includes all accrued income and expenditure)		
Restricted Performance Reserve account	-	91 317
TOTAL	**-**	**91 317**

The Performance Reserve account is funded by the Concessionaire. The balance to be maintained in the account is calculated in terms of the Concession Agreement. These funds are ring-fenced and restricted, as no other payments from or to the Performance Reserve account are allowed, except as permitted by and in accordance with the Concession Agreement. The purpose of this account is to provide a funding mechanism for performance deductions (penalties) imposed on the Concessionaire for performance below performance measures specified in the Concession Agreement.

Obligations arising from Restricted Insurance Proceeds funds		
Restricted Insurance Proceeds account	-	464
TOTAL	**-**	**464**

Reconciliation - Movement during the year:		
(Includes all accrued income and expenditure)		
Obligation at the beginning of the year	-	432
Add: Interest income	-	33
Obligation at the end of the year	**-**	**464**

The Insurance Proceeds account is used for the receipt of insurance proceeds to the Concessionaire as a result of successful insurance claims from the Gautrain System assets pursuant to Schedule 18 of the Concession Agreement. These funds are restricted.

13. OTHER LIABILITIES (EXCHANGE TRANSACTIONS)

	2026 R '000	2025 R '000
Other liabilities (Exchange Transactions) - Current liability		
Rental deposit payable	130	130
IFM Project Funds	82 466	83 911
DLTC Payables/AARTO	11 452	407
DLTC Payables/Dept	10 493	9 201
DRT Payables	-	-
System Payables	42 176	-
Other liabilities (Exchange Transactions) - Current liability	**146 716**	**93 648**
Other liabilities (Exchange Transactions) - Current liability		
Gym Operating lease liability	278	**317**
DLTC Operating lease liability	14	**22**
Total	**292**	**338**
Rental deposit payable		
Reconciliation - Movement during the year:		
Opening balance	130	130
Closing balance	**130**	**130**

14. REVENUE FROM NON-EXCHANGE TRANSACTIONS

	2026 R '000	2025 R '000
MTEF funding	481 466	486 290
TOTAL	**481 466**	**486 290**

15. REVENUE FROM EXCHANGE TRANSACTIONS

	2026 R '000	2025 R '000
Finance income	**10 966**	**14 559**
Other income	**1 760**	**1 699**
Insurance claim GMA	279	127
Management support & Other Income	1 299	1 570
Proceeds on sale of Assets	182	2
DLTC Licences and Permits	**37 299**	**30 076**
Drivers Licences	17 544	15 207
Drivers Licences Permit	5 791	4 624
Magement fee/Traffic fines	761	492
PDP Permits & other income	3 544	5 459
PDP MVL	8 254	3 463
Learners licenses	1 405	831
GMA System revenue	**6 483**	**-**
Rail revenue	5 741	-
Feeder and Distribution	308	-
Parking	56	-
Other System Income	378	-
TOTAL	**56 508**	**46 335**

System revenue reflects operations for the period 28 to 31 March 2026. The Concession Agreement with Bombela Concession Company (Pty) Ltd ended on 27 March 2026. On 28 March 2026, GMA assumed direct operational responsibility for the Gautrain system and entered a holdover arrangement with the operator for transitional operational services. The revenue streams shown above represent fare revenue (Rail, Feeder and Distribution), parking income, and other system-related income earned during the 4-day period.

GMA entered into Principal agent agreement with Department of Roads and Transport to assist in clearing the backlog of Driving licence renewal and Professional driving permits for a period of (five) 5 years with an option to renew for further 5 (five) years on same terms and conditions ,unless otherwise terminated or extended in accordance of this Agreement. The GMA has been appointed as agent to render the above- mentioned Grade F Driving Testing Centre for Smart Licencing services Expansion programme and Townships,Informal Settlement and Hostels (TISH) services.

16. BOARD MEMBERS AND OTHER COMMITTEE MEMBERS' REMUNERATION

Board member remuneration - 2026

	2026			
	Retention fees	Board fees	Other expenses	Total remuneration
Names of Board members	R '000	R '000	R '000	R '000
Prof. MP Ntsobi	329	1 459	12	1 800
Mrs YM Matolong	247	1 190	8	1 444
Adv KG Maja	247	1 478	20	1 745
Mr IB Sibisi	247	1 013	8	1 268
Mr B Mpondo	247	1 395	24	1 666
Mr DK Golding	226	844	38	1 108
Ms M Luthuli	247	989	12	1 248
Ms L Mtiya	247	1 206	4	1 456
Mr Krishna Govender	247	193	4	444
Ms Masaccha Mbonambi	247	149	27	423
Ms M Mookapele	123	638	3	764
Mr MW Ratshilumela	-	-	8	8
TOTAL	**2 650**	**10 554**	**168**	**13 372**

Audit & Risk Committee remuneration - 2026

	2026		
	Attendance fees	Other expenses	Total remuneration
Names of Audit & Risk Committee members	R '000	R '000	R '000
Adv KG Maja	118	-	118
Mr IB Sibisi	88	-	88
Mr B Mpondo	98	-	98
Mr DK Golding	88	-	88
Ms M Luthuli	123	-	123
Mr Krishna Govender	79	-	79
Ms Masaccha Mbonambi	96	-	96
Ms M Mookapele	28	-	28
TOTAL	**719**	**-**	**719**

TOTAL BOARD MEMBERS' AND OTHER COMMITTEE MEMBERS' REMUNERATION - 2026	**14 091**

Board member remuneration - 2025

	2025			
	Retention fees	Board fees	Other expenses	Total remuneration
Names of Board members	R '000	R '000	R '000	R '000
Prof. MP Ntsobi	296	346	39	681
Mrs YM Matolong	222	482	6	710
Adv KG Maja	222	556	6	785
Mr IB Sibisi	222	426	7	655
Mr B Mpondo	222	595	4	821
Mr DK Golding	222	490	6	718
Ms M Luthuli	222	569	2	792
Ms L. Mtiya	222	510	3	736
TOTAL	**1 851**	**3 974**	**73**	**5 899**

Audit & Risk Committee remuneration - 2025

	2026		
	Attendance fees	Other expenses	Total remuneration
Names of Audit & Risk Committee members	R '000	R '000	R '000
Mr B Mpondo	101	-	**101**
Mrs YM Matolong	119	-	**119**
Adv KG Maja	119	-	119
Mr IB Sibisi	122	-	122
Mr DK Golding	121	-	121
Ms L Mtiya	67		67
Ms M Luthuli	87		87
TOTAL	**737**	**-**	**737**

TOTAL BOARD MEMBERS' AND OTHER COMMITTEE MEMBERS' REMUNERATION - 2025	**6 636**

17. EXECUTIVE MANAGEMENT REMUNERATION

	2026					
	Basic salary	Company contributions	Bonus	Acting Allowances	Lump sums	Total remuneration
	R '000	R '000	R '000	R '000	R '000	R '000
Mr T Kgobe *GMA CEO*	7 265	907	4 337	-	-	12 509
Mr.S.Mabaso *SEM:Technial Services & Acting COO*	3 713	506	1 549	851	-	6 619
Mr R.Pillay *Chief Commercial Officer*	3 809	517	1 419	-	-	5 745
Mr P Mabena *GMA CFO*	4 685	616	2 724	-	-	8 025
Mr N Magoai *SEM: Legal*	3 564	489	1 447	-	-	5 500
Ms P Yende *SEM: Corporate Services*	3 399	447	1 237	-	-	5 083
Miss NF Lugisani *Chief Information & Digital Officer*	3 812	508	1 447	-	-	5 767
Mr.L W Zondi *Acting SEM: Technical Services*	2 323	349	964	436	-	4 072
Mr RA Modise *SEM: Communications & Marketing*	3 335	463	1 133	-		4 931
Mr V Shange *EM: Project Management & Acting CPO*	2 223	321	997	509	-	4 050
TOTAL	**38 128**	**5 123**	**17 254**	**1 796**	**-**	**62 301**

Bonuses are paid in arrears, thus the amounts disclosed above related to bonuses paid for the prior financial period.

	2025					
	Basic salary	Company contributions	Bonus	Allowances	Lump sums	Total remuneration
	R '000	R '000	R '000	R '000	R '000	R '000
Mr T Kgobe						
CEO	6 811	868	1 938	1 419	-	11 037
Mr V Shange						
Acting COO	2 087	326	707	522	-	3 642
Mr R.Pillay						
CCO	3 353	471	978			4 802
Mr P Mabena						
CFO	4 386	588	1 650	914		7 538
Mr N Magoai						
SEM: Legal	3 342	470	1 028	-	-	4 839
Ms P Yende						
SEM: Corporate Services	3 196	422	1 040	-	-	4 657
Miss NF Lugisani						
Chief Information & Digital Officer	3 574	484	1 126		-	5 183
Mr.S.Mabaso						
SEM: Technical Services	3 496	485	1 024			5 005
Mr RA Modise						
SEM: Communications & Marketing	3 149	443	638			4 229
TOTAL	**33 393**	**4 557**	**10 129**	**2 854**	**-**	**50 933**

Bonuses are paid in arrears, thus the amounts disclosed above related to bonuses paid for the prior financial period.

18. EMPLOYEE COSTS

	2026	2025
	R '000	R '000
Salaries, bonuses and allowances	284 819	237 122
Increase/(Decrease) in leave accrual	2 327	2 481
Increase/(Decrease) in Bonus accrual	15 039	14 089
Leave paid	531	524
Provident fund contributions & Subsidy	20 373	17 168
Employer contributions	2 569	2 468
TOTAL	**325 658**	**273 852**

19. DEPRECIATION AND AMORTISATION COSTS

	2026 R '000	2025 R '000
Depreciation	**929 531**	**990 537**
Gautrain system assets	921 644	983 873
GMA assets	7 887	6 664
TOTAL	**929 531**	**990 537**

20. GMA OPERATIONAL EXPENDITURE

	2026 R '000	2025 R '000
Project support consultants - Transaction advisors	**10 951**	**19 567**
Technical costs, communication & public relations & land procurement	5 960	2 982
Commercial costs	4 990	16 585
Independent monitor costs	**3 163**	**3 122**
Independent socio-economic monitor costs	3 163	3 122
Travel, accommodation, entertainment & subsistence	1 994	4 251
Recruitment costs	805	776
Employee wellness	557	889
Loss of assets due to write-offs, donations & theft	2 972	461
Training & membership fees	5 753	27 134
Maintenance costs	85	112
Audit fees	4 324	3 839
Marketing and communication initiatives	29 700	31 123
Consultant costs	16 790	89 284
Building rent and utilities	20 620	19 507
Office running costs	5 794	5 112
Insurance costs	1 845	3 126
IT related costs	29 899	28 318
Corporate affairs	492	292
GYM Expenses	1 395	1 595
Knowledge Management	1 356	3 053
TOTAL	**138 497**	**241 561**

	2026 R '000	2025 R '000
20.1 DLTC EXPENDITURE		
DLTC Expenses		
Bank Charges	2 806	1 129
Licences Card orders	-	-
AARTO /Traffic fines	-	-
Paycost - Emp - Salaries	14 135	9 014
Employee- Training	509	15
Stationery	728	869
Comms - Exhibitions	-	-
Recruitment cost	-	201
Utilities	5 440	1 930
Paycost - Emp - Overtime	1 273	854
Paycost - General rembursement	477	183
Paycost - Leave pay	309	330
Paycost - Emp - CC UIF	135	89
Storage Fees	251	75
Cleaning	307	202
Consultants	658	-
GMA DLTC - Paycost - Emp - Bon	1 782	399
GMA DLTC - Other IT support	1 589	-
	30 400	**15 290**
20.2 SYSTEM OPERATING EXPENDITURE		
System Operating expenditure	**29 186**	**-**
System Operator Fee	27 613	-
System Operating Period Variation	1 573	-

21. RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES TO SURPLUS

	2026 R '000	2025 R '000
Net Deficit per the Statement of Financial Performance	**(929 541)**	**(995 418)**
Adjusted for:		
Amortisation	-	-
Depreciation	**929 531**	**990 537**
Increase in provisions relating to employee cost(leave accrual)	**2 327**	**2 481**
Increase in provisions relating to employee cost (Bonus accrual)	**15 039**	**14 089**
Project income not included in Statement of Financial Performance	**2 377 326**	**3 334 486**
Grant income	2 187 946	2 022 321
Interest received	40 306	42 686
Operating period penalty income	10 770	5 858
Net Performance Reserve account receipts	10 709	4 533
Other income	138 582	59 088
Other project income	(10 987)	-
Insurance claim Settlement	-	1 200 000
Other non-cash items related to assets:	**2 943**	**- 222 854**
Write-off of assets, donations, profit/loss on sale of assets	2 972	461
Finance costs	153	166
Proceeds from sale of assets	(182)	(2)
Lease and other movement/Assets addition	-	(223 479)
Projects expenditure not included Statement of Financial Performance	**(3 322 533)**	**(2 723 408)**
Project Expenditure	**(3 322 533)**	**(2 723 408)**
Increase/(Decrease) in current liabilities	**(179 185)**	**85 042**
Increase/(Decrease) in non-current liabilities	**-**	**-**
(Increase)/Decrease in receivables	**1 149 108**	**(1 191 694)**
Net cash inflows from operating activities	**45 015**	**(706 738)**

Included in the Cash Flow Statement is the GMA operational revenue and expenditure per Statement of Financial Performance and restricted revenue and expenditure per note 9, 10 & 12 on a cash basis.

22. RECONCILIATION OF THE BUDGET TO ACTUAL AMOUNTS IN THE STATEMENT OF FINANCIAL PERFORMANCE

	2026 R '000
Net Deficit per the Statement of Financial Performance	(929 541)
Base adjusted for:	
Amortisation	-
Depreciation	929 531
Other non-cash items related to assets:	(924 898)
Write-off of assets, donations, profit/loss on sale of assets	2 972
Lease and other movement/Assets addition	(927 870)
Increase/(decrease) in current liabilities	(179 185)
Increase in non-current liabilities	-
(Increase)/Decrease in receivables	1 149 108
Cash flows from operating activities	**45 015**
Net cash from investing activities	**(28 236)**
Acquisition of property, plant and equipment	(28 236)
Acquisition of intangible assets	-
Net cash from financing activities	**(1 620)**
Finance lease payments	(1 620)
Net increase in cash and cash equivalents	**15 159**
Other items not included in the budget:	**1 167 625**
Interest income	53 861
GMA RUF income	(329 187)
Bus savings received	47 929
Net SIP fund expenditure	(2 030)
Net Performance Reserve account receipts	19 691
Fair revenue	1 038
Other Income	176 056
Insurance income & Proceeds on sale of Assets	1 200 267
Net Surplus/ (deficit) before Project Funds from previous period	**1 167 625**
Less: Funds from previous period	**1 234 116**
Net Receipts	**66 491**

The period covered by the approved budget is the same as the period covered by the financial statements. The GMA adopted a cash basis of accounting for the preparation of the approved budget, whilst the financial statements are prepared on an accrual basis of accounting.

23. CONTINGENCIES AND COMMITMENTS

23.1 COMMITMENTS

At year end the commitments relating to development expenditure were mainly due to land expenditure for land proclaimed and expropriated for the railway reserve, and variations and note 11 - provisions.

OPERATING FEE

The concession Agreement expires by the 27 March 2026. On the 20 January 2026,in line with the provisions of Collateral Agreement of the Province gave a formal notice to the Operator requiring the Operator to continue providing the requiring services during a six month holdover period.

The Agreement is promised on the same forms and conditions set out in the Concession agreement and operating contract, takes off on the 27 March 2026 and that shall continue for the holdover period . The Province shall pay the Operator the holdover fee estimated at a R1,3 Billion excluding VAT.

	Contract end date	2026 R '000	2025 R '000
Contractual commitments			
Information technology goods & services	2026	8 615	13 399
General consultants	2026	79 210	89 181
Technical consultants	Time Driven	3 983	37 607
Communication & marketing initiatives	2026	9 288	24 414
Capital commitments			
Capital Variations Commitments		36 910	25 221
		138 007	**189 822**

23.2 OPERATING LEASE COMMITMENTS

	2026 R '000	2025 R '000
Total future minimum lease payments due:	**-**	**6 303**
- within one year	-	6 303
- within two to five years		
	-	**6 303**

The GMA entered into a seven-year office lease agreement which commenced on 1 April 2013 and terminated on 31 March 2021, with an annual escalation of 8.5%. Additional office space was acquired from 1 December 2018, terminating on 30 November 2022, with an annual escalation of 8% over the period of the lease. The lease was amended from 1 August 2020, terminating on 31 July 2023, with annual escalations between 8% and 9% over the period of the lease. The lease was subsequently extended for a period of three years, commencing 1 December 2022 and ending 30 November 2025, with an annual escalation of 7.5% over the period. Following the expiry of the three-year extension, the lease has been extended for a further period of four months, commencing 1 December 2025 and terminating 31 March 2026. Historical lease costs were straight-lined over the applicable lease periods in accordance with GRAP 13. Rental payments are disclosed in Note 20.

23.3 OPERATING LEASE COMMITMENTS

	2026 R '000	2025 R '000
Total future minimum lease payments due:	**2 356**	**3 298**
- within one year	942	942
- within two to five years	1 413	2 356

The GMA entered into a five year Gym lease agreement, which commenced in November 2018 , is subject to annual review and provides no escalation .The lease was extended in 2024 for another five (5) years with CPIX escalation.

23.4 OPERATING LEASE COMMITMENTS

	2026 R '000	2025 R '000
Total future minimum lease payments due:	**909**	**2 726**
- within one year	909	1 817
- within two to five years		909

The GMA entered into a period of 3 (Three) years lease agreement with option to renew for a 2 (two) years with Department of Roads and Transport (GDRT) and Safari Investments (RSA) LTD , which commenced in 01 October 2023. The lease is entered with CPIX escalation and GMA will use the premises (i.e. Atteridgeville,Mnandi Shopping Centre and Denlyn Shopping centre ,Mamelodi) for purpose of operating and providing of Driver's Licence Testing Centre.

23.5 LITIGATION AND CONTINGENCIES

Litigation

Pursuant to the expiry of the Concessiuon Agreement,the Gautrain Management Agency (GMA) is actively managing several high-value, material legal matters arising from contractual disputes and procurement challenges:

Primary Technical Disputes (Arbitration)

A total high-level litigated risk of R855.0 Million has been notified to the Board regarding three primary infrastructure-related disputes, against Bombela Concession Company ("BCC"), which currently are the subject of formal dispute resolution process:

Track Geometry Dispute (R387.0 Million): Relates to the physical alignment and safety conditions of the rail tracks. Following a prescribed CEO-level settlement process, an impasse was reached, and the matter is proceeding to formal arbitration, where parties will exchange pleadings in line with the applicable Dispute Resolution Procedure.

Station Roof Maintenance Dispute (R228.0 Million): Pertains to the BCC's failure to maintain station roofs, resulting in significant structural deterioration. The prescribed CEO-level process failed to amicably resolve the dispute, which is now being referred to arbitration.

U-Shapes Structure Dispute (R240.0 Million): Involves structural design defects in the U-Shape viaducts. Subsequent to the CEO-level process, which also failed to resolve the dispute, it is now being referred to arbitration.

Following a prescribed CEO-level settlement process, an impasse was reached, and the matter is proceeding to formal arbitration, where parties will exchange pleadings in line with the applicable Dispute Resolution Procedure.

In respect of these 3 disputes, the GMA is maintaining a dual-track strategy, by engaging in strictly voluntary, "without prejudice", settlement negotiations while simultaneously preparing formal arbitration proceedings, should settlement negotiations fail to progress meaningfully.

Procurement Review Application (Tender GMA/004/23):BCC, acting on behalf of Jubane Consortium, is legally challenging the outcome of the post-2026 procurement tender, which is intended to appoint the Successor Concessionaire. Whilst BCC has requested the GMA to undertake not to proceed with the appointment, and has also expressed its eagerness to interdict the GMA from proceeding with the envisaged appointment of the Successor Concessionaire, the GMA has formally rejected such request. Upon assessment, BCC's prospects of succeeeding with its interdict are considered to be low due to, amongst others, unreasonable delay in seeking relief, having waited from November 2025 until April 2026. The Rule 53 Record of Decision is currently being compiled, taking into account confidential and privileged information, as prescribed by the Protection of Personal Information Act and Promotion of Access to Information Act.

Land Cost Disputes

This relates to land disputes raised by the property owners on the valuation of their expropriated properties. Whilst all the land owners had been duly compensated, in line with applicable precripts, some raised additional claims on the basis of extra financial consequential losses which are disputed by the Province. (The Province has since settled, out of court, the last outstanding claim with Clicks Group Limited).

23.6 CONTINGENT ASSETS - DISPUTES WITH THE CONCESSIONAIRE

The GMA has declared several disputes with BCC due to its breach of certain clauses of the Concession Agreement. One of BCC's breaches is the obligation to appoint an independent engineer to conduct a full inspection of the Gautrain System and produce a Handover Report, outlining, amongst others, the condition of the Gautrain System Assets. In the Handover Report, the independent engineer must determine any Rectification Works required and also provide costs estimates of such Remedial Works. Based on such costs estimates, BCC must issue in favour of the GMA a Handover Condition Bond equal to the valued the Remedial Works identified by the independant engineer.

Despite BCC's breach as aforesaid, as a contingency measure, GMA proactively appointed an independent service provider who determined an amount of R3, 386,008,260.72 as costs estimates for remediating identified Rectificiation Works. It is on this basis that the GMA is now taking BCC through the prescribed Dispute Resolution Procedure, to claim this amount, as a proxy for the contracted Holdover Condition Bond.

24. RELATED PARTY TRANSACTIONS

NON-EXECUTIVE BOARD MEMBERS AND BOARD COMMITTEE MEMBERS

The total value of remuneration of the Non-Executive Board Members including the Audit and Risk Committee Members are disclosed in note 16. The GMA did not enter into any other transactions with Non-Executive Board Members including the Audit and Risk Committee Members.

EXECUTIVE MANAGEMENT

The total value of remuneration of executive management is disclosed in note 17. The GMA did not enter into any other transactions with executive management.

GAUTENG PROVINCIAL GOVERNMENT

An entity is a member of the Gauteng Provincial Government and is under common control of the Gauteng Provincial Legislature is related to the GMA. However, only transactions and balances of the same economic entity will be disclosed.

In respect of entities, other government entities or appointed members of the government, only transactions and balances under the Executive Authority of the MEC of Gauteng Department of Roads and Transport are disclosed. The Gauteng Department of Roads and Transport, and its entities have been identified as entities of the same economic entity.

ENTITIES UNDER THE EXECUTIVE AUTHORITY: MEC OF THE GAUTENG DEPARTMENT OF ROADS AND TRANSPORT

During the financial year under review, the GMA entered into financial transactions with newly created Transport Authority of Gauteng(TAG) and G-fleet under the Executive Authority of the MEC of the Gauteng Department of Roads and Transport .The detail transaction is disclosed under note 3.1 'other recievables'.

The GMA entered into Principal Agent agreement with Gauteng Department of Roads and Transport to assist in clearing backlog of Driving Licence renewal and Proffessional driving permits. The detail transaction is disclosed under note number 15.

GAUTENG DEPARTMENT OF ROADS AND TRANSPORT

The GMA provided project management capacity to assist the Department with its capital expenditure programme in the prior year. These transactions were at arm's length.

25. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The GMA's financial instruments consist mainly of cash and cash equivalents, other receivables and other payables. The bank deposits and bank balances, receivables and payables approximate their fair value due to the short term nature of these instruments.

The fair values together with the carrying amounts have been determined by using available market information and are presented in the Statement of Financial Position as detailed below.

	2026 R '000	2025 R '000
Financial assets - at carrying value		
Cash and cash equivalents	171 140	155 982
Accrued income	1 839	1 462
Other receivables	60 728	1 208 949
Rental Deposit	3 285	3 164
TOTAL	**236 993**	**1 369 557**
Financial liabilities - at carrying value		
Payables	246 289	499 119
Finance lease liability	2 206	1 577
Other liabilities	147 008	93 987
Obligations arising from restricted SIP funds	20 541	21 295
Obligations arising from restricted Project funds	122 732	967 695
Obligations arising from restricted Concessionaire funds	15 931	91 781
TOTAL	**554 708**	**1 675 454**
Fair value of financial instruments:		
Financial assets at fair value:		
Cash and cash equivalents	171 140	155 982
Accrued income	1 839	1 462
Other receivables	60 728	1 208 949
Rental Deposit	3 285	3 164
TOTAL	**236 993**	**1 369 557**
Financial liabilities held at fair value:		
Payables	246 289	499 119
Finance lease liability	2 206	1 577
Other liabilities	147 008	93 987
Obligations arising from restricted SIP funds	20 541	21 295
Obligations arising from restricted Project funds	122 732	967 695
Obligations arising from restricted Concessionaire funds	15 931	91 781
TOTAL	**554 708**	**1 675 454**

	2026 R '000	2025 R '000
The revenue and expenses that are included the Statement of Financial Performance are detailed below per category of financial instrument:		
Income from Cash and Cash Equivalents		
Finance Income	10 966	14 559
Expenses from Finance Lease Liability		
Finance Costs	153	166
TOTAL	**11 119**	**14 725**

FINANCIAL INSTRUMENTS

Potential concentrations of credit risk consist mainly of cash and cash equivalents, trade receivables and other receivables. Banks and financial institutions with an acceptable independent rating are accepted. Other receivables consist of accrued interest and prepayments, upon which credit risk is limited as interest is receivable from banks with an acceptable independent rating and prepayments are minimal.

At 31 MARCH 2026, the GMA did not consider there to be any significant concentration of credit risk which had not been insured or adequately provided for.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of the following financial instruments, approximate their fair value due to the fact that these instruments are predominantly short term nature.

- Cash and cash equivalent bank balances with commercial interest rates.
- Short term receivables - due to the short term nature of GMA's receivables, amortised cost approximates its fair value.
- Long term receivables bear interest at a rate that approximates market rates.
- Other payables - are subject to normal trade credit terms and short payment cycles. The cost of other payables approximates its fair value.

No financial instrument is carried at an amount in excess of its fair value.

RISK MANAGEMENT

Interest rate risk management

The GMA does not have significant interest-bearing assets, and therefore the GMA's income and operating cash flows are substantially independent of changes in market interest rates.

Foreign exchange risk management

The GMA is not exposed to any foreign exchange risk relating to the certified Schedule 12 Milestones, as National Treasury has accepted responsibility for the foreign exchange risk relating to foreign component of milestone payments.

The Gautrain Project has limited its exposure to any foreign exchange risk relating to the payment of Variation Milestones, as predetermined fixed hedge rates have been agreed by both the Province and the Concessionaire .

During the period under review no foreign exchange variances for Variation Milestones were reported.

Liquidity risk management

The GMA manages liquidity risk through the compilation and monitoring of cash flow forecasts as well as ensuring that there are adequate banking facilities. The maturity profiles of the financial instruments are summarised as follows:

	2026		
	0 - 12 Months	1 - 5 Years	>5 Years
	R '000	R '000	R '000
MATURITY PERIOD			
Financial Assets			
Accrued income	1 839	-	-
Other receivables	60 728	-	-
Rental Deposit	3 285	-	-
MATURITY PERIOD			
Financial Liabilities			
Payables	246 289	-	-
Finance lease liability	1 522	684	-
Other liabilities	147 008	-	-
Obligations arising from restricted SIP funds	20 541	-	-
Obligations arising from restricted Project funds	122 732	-	-
Obligations arising from restricted Concessionaire funds	15 931	-	-

Market risk sensitivity analysis

The sensitivity of the finance income to changes in interest rates are illustrated below. Management has estimated that a 200 basis points increase/ decrease represents a reasonable possible change in the risk variable.

	2026	
	Accumulated Surplus	Net Assets
	R'000	R'000
Interest rate increase of 200 basis points	4 092	4 092
Interest rate decrease of 200 basis points	-4 092	(4 092)

Qualification

The sensitivity analysis is based on market conditions at reporting date and may vary at the time that any actual market movement occurs.

26. B-BBEE PERFORMANCE

Information on compliance with the B-BBEE Act is included in the Annual Report under the section titled B-BBEE Compliance Performance Information.

27. SUBSEQUENT EVENTS

None.

28. GOING CONCERN

On 31 MARCH 2026 the GMA Board has every reason to believe that the GMA has adequate resources in place to continue in operation for the foreseeable future. GMA is a Provincial Schedule 3C entity and its funded by the budget allocations from the Gauteng Province. The entity has been allocated a budget of R2,6 billion for the 2026/27 financial year. The budget is sufficient to ensure that GMA is able to meet all its obligations for the 2026/27 financial year. Gauteng Province and Gauteng Treasury have funds allocated for the GMA through the MTEF Budget process as part of their budget/commitments to ensure the existence and running of the Gautrain Project up until the end of the Concession Agreement in 2026. These commitments have a positive impact on the annual financial statements and confirms that the GMA does not intend to liquidate the entity or to cease operations and remains a going concern and its mandate has not change.

29. SEGMENT REPORTING

GMA has one economic activity that generates service potential, whose results are regularly reviewed by management to make decisions about resources to be allocated and for which financial information is available. GMA has a single service segment as well as a geographical segment.

30. IRREGULAR EXPENDITURE

	2026	2025
	R '000	R '000
Irregular expenditure-Current year	1 725	-
Balance		

Some of the goods and services were procured without obtaining at least three written price quotations in accordance with Treasury Regulation 16A6.1 and paragraph 3.2.4 of SCM instruction note 2 of 2021/22 and the reasons were not approved by the CEO.



GMA's KING IV APPLICATION AND DISCLOSURE REGISTER FOR THE 2025/26 FINANCIAL YEAR



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1. INTRODUCTION

The Gautrain Management Agency adopted King IV on 1 April 2017 and applies its Principles and Recommended Practices to achieve the four governance outcomes: ethical culture, strong performance, effective control, and legitimacy. The Supplement for State-Owned Entities guided the interpretation and application of the King IV Code across the GMA.

The King IV Application and Disclosure Report provides a governance outline that identifies priority areas, describes actions and metrics for monitoring the effectiveness of King IV Principles and their outcomes, and sets out planned next steps. Prepared in accordance with the 2016 King IV Report on Corporate Governance in South Africa, the report includes cross-references to the Integrated Report for further detail.

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2. KING IV APPLICATION AND DISCLOSURE

The GMA continues to apply and maintain the principles of the King IV Report. An update on GMA's King IV Application and Disclosure for the 2025/26 Financial Year is contained in the table below.

KING PRINCIPLES	APPLICATION AND EXPLANATION
PRINCIPLE 1: LEADERSHIP Board leads ethically and effectively.	The Board as the custodian of good governance appreciates its responsibility for setting the tone at the top and providing effective leadership. The Board has put in place a Governance Framework to assist it in ensuring the effectiveness of its oversight role. The GMA Business Code of Conduct and Ethics for Board Members, which includes the management of the conflict interests, has been developed as a guide for the conduct of Members of the Board and is reviewed annually to align it with corporate governance leading practices. Board Members complete their annual declaration of interest annually or whenever their status changes. The 2025/26 Financial Year declaration of interests have been completed with no areas of concern identified.
PRINCIPLE 2: ORGANISATIONAL ETHICS Board governs the ethics of the GMA in a way that supports the establishment of the ethical culture.	Board through the Social and Ethics Committee, oversees and monitors the implementation and execution of ethics and ensures that it is embedded in the operations and culture of the organisation. Ethics is comprehensively managed and embedded in the GMA through the following structures at the operational level: ☐ Ethics Champion - link the governance of ethics to the management of ethics; ☐ Ethics Office - execute the ethics management programme; and ☐ Ethics Ambassadors - promote ethics talk and carry the ethics flag in their business units. As at 31 March 2026, thirteen Certified Ethics Ambassadors completed their Ethics Ambassador Programme facilitated by The Ethics Institute. During the period under review, the Ethics Ambassadors held three sessions to consider and approve the following: ☐ Ethics Ambassador Charter; ☐ Annual Work Plan; and ☐ Criteria for the nomination of Ethics Ambassadors. The Ethics Office employs a range of tools and mechanisms to embed an ethical culture across the organisation through the following: ☐ Ethics Code and Related Policies; ☐ Declaration of Gifts and Hospitality; ☐ Declarations of Financial and Personal Interests; ☐ Declaration of Conflict of interests from Members of the Bid Committees; ☐ Declaration of Conflict of Interests from the Interview Panel Members; ☐ Ethics Awareness and Training Campaigns; ☐ Ethics Risks and Opportunity Assessments; and ☐ Reports on Fraud and Corruption Incidents through an independent Fraud Hotline. ☐ Quarterly reports on the Integrated Ethics Management presented to the Social and Ethics Committee focusing on the ethics management programme and ethical trends.

KING PRINCIPLES	APPLICATION AND EXPLANATION
	Ethics Management interventions implemented and the events commemorated to raise the level of ethics during the reporting period were as follows: ☐ **GMA Induction Programme** for new employees (June, October and March 2026). ☐ **Whistleblower Day** (June 2025) – GMA commemorated the day with the webinar organised by the Ethics Institute and the Whistleblower House. ☐ **Global Ethics Day** (October 2025) - GMA commemorated the day by issuing a poster on *"GMA Values - Our Moral Compass"* and a webinar on Ethics Reenvisioned facilitated by The Ethics Institute. ☐ **International Fraud Awareness Week** (November 2025) - GMA commemorated the day with various interventions to empower employees with tools to detect, prevent and report unethical behaviour and fraud. The interventions included: a 5-part Video Series Campaign on Fraud Awareness and a poster on the Iceberg Theory of Corruption. ☐ Webinar on the **impact of King V on the governance of ethics** (November 2025) – Focused on the revised Principle 2 which position corporate citizenship as a core element in fostering an ethical organisational culture. ☐ **Ethics Share** (July 2025 to March 2026) - This initiative was designed to raise the level of ethics awareness, promote ethics talk and reinforce GMA's commitment to enhancing and maintaining an ethical culture.
PRINCIPLE 3: RESPONSIBLE CORPORATE CITIZEN Board ensures the GMA is and is seen to be a responsible citizen.	The Board is responsible for corporate citizenship by setting the direction for how it should be approached and addressed. The Board, through the Social and Ethics Committee, oversees and monitors the consequence of the GMA's activities and outputs, as well as their effect on its status as a responsible corporate citizen. Key elements included: ☐ Workplace – GMA recognises the importance of a strong Employee Value Proposition (EVP) as instrumental in attracting and engaging employees, while also fostering the retention of top talent. ☐ GMA has implemented several strategic people management initiatives, including: Learning and Development Programmes, Leadership Development, Reward and Recognition, Employee Well-being initiatives, and organisational culture interventions aimed at strengthening employee experience and organisational resilience. ☐ As part of its commitment to employee engagement and continuous organisational improvement, GMA has developed and implemented Employee Engagement Strategies focused on enhancing employee experience, strengthening organisational culture, and promoting meaningful employee participation. In support of these initiatives, GMA conducted an Employee Climate Survey to assess employee sentiment, engagement levels, workplace culture, leadership effectiveness, and overall employee experience across the organisation. The outcomes of the Climate Survey informed targeted interventions and engagement dialogues aimed at improving workplace culture, strengthening trust, and addressing areas requiring organisational attention. These initiatives further reinforce GMA's commitment to creating an inclusive, engaged, and high-performing workplace environment. ☐ In demonstrating its commitment to youth development and skills transfer, GMA developed and implemented a Graduate Development Programme. The first cohort of graduates successfully completed the three-year programme, which ran from 01 July 2019 to 30 June 2022. The second cohort commenced the programme on 01 January 2023, with completion scheduled for 31 December 2025. The programme continues to provide graduates with meaningful workplace exposure, skills development, and professional growth opportunities aligned to the organisation's strategic and operational requirements.

KING PRINCIPLES	APPLICATION AND EXPLANATION
	☐ Furthermore, as part of GMA's talent retention and organisational sustainability strategy, the organisation will implement a formal Succession Planning Programme during the 2026/27 financial year (01 April 2026 to 31 March 2027). The programme is aimed at identifying and developing critical talent pipelines, strengthening leadership continuity, and ensuring the long-term sustainability of institutional capability. This initiative forms part of GMA's broader integrated Talent Management approach and supports the organisation's commitment to retaining high-performing employees and building internal capacity for future leadership and critical roles. ☐ Through these initiatives, GMA continues to demonstrate its commitment to responsible corporate citizenship by prioritising employee well-being, development, engagement, and sustainability in alignment with the principles and recommended practices of King IV. ☐ GMA has developed a Graduate Development Programme. The first group of graduates completed their three-year programme which was effective 01 July 2019 to 30 June 2022. The second group of graduates started their three-year programme from 01 January 2023. The three-year programme for this group of graduates ended on 31 December 2025. ☐ GMA has developed a Work Integrated Learning Programme (WIL). The first group of learners will commence in the new financial year, 2026/2027. ☐ Safety, Health and Environment – Emergency Management System Wide Risk assessment on the Gautrain system highlighted various major risks with regard to effective emergency response and management across the system. To effectively mitigate and eliminate these risks, the GMA and the concessionaire contracted a specialised tactical first line responder whose primary responsibility is to respond to emergency situations such as fire and medical emergency as soon as they happen and effectively evacuate passengers or public to prevent harm, loss of life or major structural damage thus promoting Zero Harm. The Firstline responder also assessed the system and advised on the need for additional equipment needed to address emergency management risks on the system, this equipment were procured by the GMA and the Concessionaire. Another duty of the first line responder is to collaborate with the local emergency services upon their arrival at the scene for a proper handover of the system during a fire emergency. ☐ Gautrain's environmental compliance is managed through the Record of Decision (RoD) and the Operations & Maintenance Environmental Management Programme (O&M EMPR) issued by the Gauteng Department of Agriculture and Rural Development (GDARD). An Independent Environmental Consultant (IEC) undertakes monthly, quarterly and annual inspections, and environmental audits to verify compliance to the ROD and O&M EMPR. During this reporting period the Gautrain System obtained 98% environmental compliance indicating a continuous improvement from previous years. Despite this high compliance rate, there remain areas requiring improvement, specifically in waste management, minor spillages, and depot/workshop management, these are addressed during the SHEQ Coordination meetings between The GMA and the concessionaire. The occurrence of the sinkholes in the dolomitic areas in centurion remain a known risk however te concessionaire continues to monitor boreholes in the area and has installed water level monitoring devices called Piezometers to detect water level increases and any early detection of geohazards or formation of sinkholes. ☐ As part of the strategy towards ZERO harm to people and the environment, the GMA has achieved an Integrated Management System (IMS) certification for ISO 90001:2015, ISO 45001:2018, and ISO 14001:2015. This milestone reflects the GMA's commitment to continuous improvement and operational excellence. The certifications will enable GMA to enhance Occupational Health and Safety (OHS) performance, minimise Safety, Health, Environment, and Quality (SHEQ) risks, eliminate hazards, prevent work-related injuries and illnesses, and ensure a safe and sustainable environment as well as customer satisfaction.

KING PRINCIPLES	APPLICATION AND EXPLANATION
	☐ The GMA as part of continuous compliance to the Occupational Health and Safety act will conduct occupational Hygiene surveys and Ergonomics Risk assessment to identify risk areas that might affect the health of the employees. The outcomes of these surveys depending on the risks identified will result in mitigation measures that will include elimination, avoiding or reducing the risk, application of engineering controls, implementation of administrative methods such as work instructions and training or supply of effective PPE as last resort. ☐ B-BBEE procurement spend relates to discretionary goods and services procured by the GMA. The Social and Ethics Committee monitors GMA's B-BBEE compliance. GMA achieved the B-BBEE targets for business owned by women and youth during the period under review but targets for people living with disabilities remained a challenge. GMA will continue with investigations into how to improve its performance. ☐ Society - GMA's Social Investment Programme (SIP) focuses on education, community care and environment. GMA has conducted a socio-economic research study to understand the community of Alexander, enabling GMA to consider value creation in the area and possible shared value projects to be implemented in 2026/2027 financial year. The GMA continued with the Employee Volunteering Programme, allowing staff to share their time, skills and where possible donations to support beneficiaries in need, these included mentoring, skills and job shadowing as well as donations in relation to food parcels, books and stationery for the youth. Details of the key focus areas during this reporting period and the planned future areas are found in the main Integrated Annual Report.
PRINCIPLE 4: STRATEGY AND PERFORMANCE Board appreciates that the GMA's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable of the value creation process.	The Board is responsible for GMA's performance and thus approves the GMA's Strategy and delegates the implementation of the Strategy to Management. The Board monitors GMA's performance via Quarterly Performance and Performance Information Reports submitted to the MEC and the Gauteng Provincial Legislature. The CEO's Quarterly Outlook Reports highlight key issues for the Board and its Committees between quarterly meetings.
PRINCIPLE 5: REPORTING Board ensures that reports issued by the GMA enable stakeholders to make informed assessment of the GMA's performance.	GMA adheres to National Treasury guidelines, the revised Framework from the Department of Planning, Monitoring and Evaluation, and corporate governance best practice for annual reporting in line with King IV principle 5. The Annual Financial Statements have been prepared in accordance with Generally Recognised Accounting Practice (GRAP), including relevant directives and guidelines from the Accounting Standards Board (ASB) and the Public Finance Management Act (PFMA). For the reporting period, the Integrated Annual Report outlines how GMA's six capitals create sustainable value for the organisation and its stakeholders. The Board, through the Audit and Risk Committees, oversees and verifies that appropriate controls are in place to protect the integrity of the Annual Financial Statements and the Integrated Annual Report. Details can be found in the Integrated Annual Report.
PRINCIPLE 6: PRIMARY ROLE AND RESPONSIBILITIES OF THE BOARD Board serves as the focal point and custodian of corporate governance in the GMA.	The Board is the focal point and custodian of corporate governance at the Gautrain Management Agency (GMA). It exercises its leadership role by steering GMA and setting its strategic direction, approving policies and plans that give effect to that direction, overseeing and monitoring implementation by Management, and ensuring accountability for GMA's performance through reporting and disclosure.

KING PRINCIPLES	APPLICATION AND EXPLANATION
	The Board's role and responsibilities are set out clearly in the Board Charter. The Board Charter and the Board Committees' Terms of Reference are reviewed annually—or sooner if needed—to ensure alignment with good corporate governance practice, and any changes are approved by the Board. To ensure effective oversight, the Board maintains a committee structure (for example Audit, Risk, Remuneration and Governance/Nominations) with clear terms of reference and regular reporting to the Board. The Board and its Committees meet on a quarterly basis, and member attendance is recorded and included in the Report as a key performance indicator. The Board certifies its responsibilities through a structured, evidence-based process. This includes annual board self-evaluations, periodic external evaluations, detailed minutes and decision records, committee attestations, and management and internal audit assurances on internal controls, risk management and compliance. Material issues are addressed through formal remediation plans tracked to closure. Performance is monitored using board-level KPIs (strategy delivery, safety, service reliability, financial stewardship, stakeholder satisfaction) and regular management reporting. Stakeholder engagement activities and how they influence board decisions are documented and reported. Independent assurance—external audit, internal audit and specialist reviews where needed—is used to validate the Board's oversight. The Board issues an annual signed certification (typically by the Chair and CEO) that summarises how it has discharged its duties, the assurances relied on, material issues identified and actions taken. Refer to the Corporate Governance Report included in the Integrated Annual Report for more detailed information and supporting evidence.
PRINCIPLE 7: COMPOSITION OF THE BOARD Board is comprised of the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively.	The Board is appointed by the MEC in line with the GMA Act 05 of 2006 as amended. The Board therefore does not have a Nomination Committee to assist with the appointment of Board, but GMA has instead developed the Framework on the Recruitment and Selection of Board, Board Committees and the CEO. The Framework serves as a proposed guideline to the MEC to promote transparency on the appointment process of the Board, Board Committees and the CEO. The Framework encourages the Board to work together with the MEC in filling vacancies which may arise at the Board. However, the final appointment lies with the MEC in consultation with the Gauteng Executive Council. Refer to the Corporate Governance Report for a full disclosure regarding the composition of the Board and the role and responsibilities of the Chairperson, Deputy Chairperson and the CEO.
PRINCIPLE 8: COMMITTEES OF THE BOARD Board ensures that its arrangements for delegation within its own structures promote independent judgement and assist with balance of power and the effective discharge of its duties.	The Board may, via the delegation of authority framework and Committees' Terms of Reference, assign certain responsibilities to its Committees and the CEO while retaining ultimate accountability. The Board Charter specifies matters reserved for the Board and those delegated to Committees. The Board reviews recommendations and reports from its Committees. See the Corporate Governance Report for full disclosure on Committee composition and activities.
PRINCIPLE 9: EVALUATION OF THE PERFORMANCE OF THE BOARD Board ensures that the evaluation of its own performance and that of its Committees, its Chair its individual members support continued improvement in its performance and effectiveness.	In accordance with King IV, performance evaluations of the Board, its Committees and individual Directors are carried out biennially.

KING PRINCIPLES	APPLICATION AND EXPLANATION
PRINCIPLE 10: APPOINTMENT AND DELEGATION TO MANAGEMENT Board ensures that the appointment of, and delegation to management contribute to role clarity and the effective exercise of authority and responsibilities.	The Delegation of Authority Framework (DoA) clearly sets out levels of authority and the required approvals for decision making. The DoA is reviewed and approved by the Board annually or when necessary.
PRINCIPLE 11: RISK GOVERNANCE Board governs risk in a way that supports the GMA in setting and achieving its strategic objectives.	GMA's risk governance encompasses both opportunities and associated risks, as well as their impact on the achievement of GMA's objectives. The Board oversees risk management and has delegated the risk management function to the Audit and Risk Committee. The responsibility for implementing and executing effective risk management is delegated to Management. Some of the key focus areas during the reporting period were as follows: ☐ Setting the approach for risk governance, including opportunities and risks when developing strategy. ☐ Focus on opportunity management as a risk-mature organisation by concluding a business case for the proposed opportunity management hub and engaging with ICT to facilitate this process. ☐ Treating risk as integral part of decision making and adherence to duties. ☐ Overseeing the risk management (including assessment of risks and opportunities using a 360-degree analysis in relation to King IV and the use of 6 capitals, achievement of objectives, dependency on resources as well as the risk responses, monitoring and reporting thereof). ☐ Identifying, mitigation and monitoring of emerging risks. ☐ Migration of data to the new risk analysis and forecasting tool to run MonteCarlo risk simulations in order to minimise risks and maximise opportunities. ☐ Monitoring and reporting of Strategic and Tolerance Dashboards. ☐ Migrating active project risk registers managed under the Project Management Office (PMO) to the Highbond platform. ☐ Improving the risk maturity of the organisation from 91% to 92%. ☐ Support of ethics and compliance through risk alerts (Risk Wednesday initiatives) implementing risk awareness initiatives. competitions and Top 5 Strategic Risks, risk workshops and continuous training; Continuous alignment of risk management processes with ISO standards. ☐ Developing, monitoring, review and reporting of key strategic projects viz Post-2026, Close Out of the Concession Agreement (COCA) and draft Holdover risk registers; ☐ Risk Case Study: Evolution of Risk Maturity finalised as a contribution to the organisation's knowledge management assets; ☐ Launch of the Risk Champions Programme; The gaps identified in the implementation and monitoring of the effectiveness of the risk management were as follows: ☐ Lack of a formal Sustainability Framework – a road map has been developed and presented thus far. The above gaps will be addressed in the next reporting period to improve the risk maturity of the GMA. Full disclosure on Risk Management can be found in the Integrated Annual Report.

KING PRINCIPLES	APPLICATION AND EXPLANATION
PRINCIPLE 12: TECHNOLOGY AND INFORMATION GOVERNANCE Board governs technology and information in a way that supports the GMA in setting and achieving its strategic objectives.	The governing body, through the Audit and Risk Committee oversees GMA's technology and information governance and associated risk management, supporting strategic objectives. Operational responsibility is delegated to Management. Oversight encompasses ICT governance (strategy, risk, resources, performance), ICT compliance, ICT assurance, and critical ICT projects. GMA's ICT strategy is centered on transforming the organisation into a digital workforce and leveraging data to become a data-driven entity. During the reporting period, ICT continued its drive to digitally transform GMA into a mobile, agile, innovative, data-driven, and secure workforce. A key component of this strategy is to enhance organisational processes, practices, and systems to: ☐ Improve ICT Governance and risk management (incorporating both strategic and operational perspectives). ☐ Reduce environmental impact. ☐ Maximise financial value. ☐ Improve overall workforce efficiency. ☐ Utilise data to drive strategic decision-making. The implementation of GMA's Digital and Data strategies is ongoing. These strategies aim to: ☐ Utilise data for competitive advantage. ☐ Improve customer experience. ☐ Add significant value to GMA and its customers through data and analytics. The Data strategy specifically focuses on Data Governance to ensure that data is correctly managed and protected. This includes addressing data quality, integrity, and privacy risks at an operational level, overseen by the strategic direction from the Audit and Risk Committee. The principles established in the broader ICT and AI policies directly inform data management practices. Crucially, this includes oversight of GMA's Cybersecurity Strategy and Incident Response Plan, ensuring proactive protection and effective handling of cyber threats. Essential ICT project oversight, tracking the development and success of key technology initiatives. Regular and transparent reporting on technology and information performance and governance outcomes. Strategic technology and information risks (e.g., transformation failure, major cyber breaches) are overseen by the Audit and Risk Committee. Operational risks (e.g., system downtime, data integrity) are managed by operational teams, with regular reporting to the Committee. Both internal and external audits provide independent assurance on the effectiveness of GMA's ICT governance framework, risk management processes, and internal controls for both strategic and operational risks. GMA operates under comprehensive ICT Policies and Procedures (e.g., security, data handling, change management) and an overarching ICT Governance Framework. Furthermore, specific AI Policies and Ethical AI principles are being developed to guide the responsible and ethical deployment of Artificial Intelligence solutions. Fostering a culture that embraces technological innovation and agility. Arrangements for Technology and Information Governance are fully disclosed in the Integrated Annual Report.

KING PRINCIPLES	APPLICATION AND EXPLANATION
PRINCIPLE 13: COMPLIANCE GOVERNANCE Board governs compliance with applicable laws and adopts non-binding rules, codes and standards in a way that supports the GMA in setting and achieving its strategic objectives.	The Board, through the Audit and Risk Committee, continues to strengthen compliance governance to ensure adherence to applicable laws, regulations, and non-binding standards in a manner that supports the GMA's strategic objectives, particularly during the transition and holdover period. During the reporting period, the Legal Services and Regulatory Affairs Unit enhanced its compliance management approach through the implementation of a structured Compliance Risk Management Plan (CRMP), incorporating certain applicable legal instruments and aligning them to responsible business units. In addition to periodic compliance monitoring and internal audits, the GMA has intensified its oversight mechanisms through: ☐ Ongoing legislative tracking and impact assessments to ensure proactive alignment with new and amended laws; ☐ Regular compliance reporting to the Audit and Risk Committee and Executive Management; ☐ Targeted compliance gap analyses and implementation of corrective action plans; ☐ Integration of compliance obligations into operational processes and performance management frameworks; ☐ Continuous stakeholder engagement and advisory support to business units on regulatory requirements. Furthermore, the Unit has increased the frequency and depth of compliance and litigation reporting, including weekly updates to the Ad Hoc Committee on the Gautrain Concession Agreement Close-Out and Holdover, ensuring that legal and regulatory risks are actively managed and mitigated in real time. These measures have enhanced the GMA's compliance maturity, strengthened accountability across the organisation, and ensured that compliance governance remains responsive to the evolving legal and operational environment. Full disclosure on Compliance and Legal Services is contained in the Integrated Annual Report.
PRINCIPLE 14: REMUNERATION GOVERNANCE Board ensures that the GMA remunerates fairly, responsibly and transparently to promote the achievement of strategic objectives and positive outcomes in the short, medium and long term.	The Board has the ultimate responsibility for the governance of remuneration with some elements delegated to the Human Capital and Remuneration Committee (HCRC). Performance-based remuneration is one of the cornerstones of the GMA Reward and Remuneration Philosophy. The Human Capital and Remuneration Committee (HCRC) oversees the Reward and Remuneration Policy and Total Reward Strategy (TRS) through a structured governance process that ensures alignment with organisational strategy, legislative compliance, and financial sustainability. ☐ The Reward and Remuneration Policy confirms that remuneration practices are aligned to strategic objectives and legislative requirements including the PFMA. The policy further states that performance-based remuneration is a cornerstone of the GMA reward philosophy, ensuring a clear link between individual contribution and reward outcomes. ☐ In executing its mandate, the HCRC evaluates whether remuneration structures support both internal equity and external competitiveness. The policy requires that remuneration is benchmarked at the market median (50th percentile), with flexibility for scarce and critical skills. The TRS further reinforces this position by confirming that key roles may be remunerated up to the 75th percentile to support retention.

KING PRINCIPLES	APPLICATION AND EXPLANATION
	☐ The Committee further oversees annual salary reviews, ensuring that increases are linked to performance outcomes, affordability, and CPI alignment. Salary increases are explicitly not guaranteed and must remain within approved budget limits, with the HCRC approving the overall increase parameters and distribution methodology. ☐ Variable pay frameworks, including STI, RRI and PCI, are also subject to HCRC review. These mechanisms are designed to reward performance and retain key talent, with strict governance controls such as vesting, forfeiture, malus and clawback provisions. ☐ The TRS confirms that remuneration should attract, motivate, reward and retain key talent while supporting organisational objectives. It highlights non-financial elements such as career progression, development, recognition and work-life balance as part of the broader Employee Value Proposition. The HCRC further ensures that all remuneration decisions are affordable, compliant with National Treasury guidelines, and aligned to the approved compensation budget. This includes reviewing payroll impacts, incentive provisions, and adherence to HRBP constraints. Finally, the HCRC recommends remuneration decisions to the Board for approval and monitors implementation to ensure alignment with approved policies and frameworks. The HCRC has the overriding authority on the use of discretionary payments made under exceptional circumstances. Overview of the GMA Reward and Remuneration Policy is as follows: ☐ Annual review of the Policy to align it with market principles. ☐ Approved remuneration structures include the basic salary, performance bonuses/ incentive schemes and other related benefits. ☐ Regular salary benchmarking is conducted to ensure that remuneration is within market related pay. ☐ All employees, regardless of race or gender, performing the same or similar job at the same or similar level of performance in the organisation receive the same or similar levels of remuneration, as determined in the approved Reward and Remuneration Policy and PayScale as well as the equal pay principle. ☐ Performance bonus/Incentive are linked to performance and value creation that are within the control of Management. ☐ Performance measures are clearly defined and measured over the short, medium, and long term. The remuneration of the Board and Senior Executive Management is disclosed in the Annual Financial Statements included in the Integrated Annual Report.
PRINCIPLE 15: ASSURANCE Board ensures 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 GMA's external reports.	The Board has delegated the responsibility for assurance services to the Audit and Risk Committee, which oversees the internal control environment and the integrity of information and reporting to support informed decision-making. GMA Internal Audit provides assurance in conformance with the Institute of Internal Auditors (IIA) Global Internal Audit Standards and contributes to the strengthening of governance, risk management and control processes. The Internal Audit Plan is reviewed and approved by the Audit and Risk Committee. The 2025–2026 Internal Audit Operational Plan was completed. Assurance providers conducted reviews of governance, risk management and controls to strengthen the combined assurance approach, and reported the outcomes to the Audit and Risk Committee. Assurance arrangements are fully disclosed in the Audit and Risk Committee Report included in the Integrated Annual Report.

KING PRINCIPLES	APPLICATION AND EXPLANATION
PRINCIPLE 16: STAKEHOLDER RELATIONSHIPS In the execution of its governance role and responsibilities, the Board adopts a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interest of the GMA over time.	Governance of GMA and Gautrain stakeholder relationships is the responsibility of the Board assisted by the Social and Ethics Committee. The Board has delegated to Management the responsibility for the implementation and execution of the stakeholder relationship management. During the reporting period, the Social and Ethics Committee provided oversight on the following key matters: ☐ Research on stakeholders' opinion on the Gautrain brand to leverage and mitigate relationships. ☐ Classification of material stakeholders based on the extent to which they affect, or are affected by, the activities, outputs and outcomes of the GMA and its Projects such the Gautrain Post2026 and GRRIN. ☐ Management of stakeholder risk, as part of organisation wide risk management. ☐ Formal mechanisms for communication with stakeholders to identify their interests, concerns and expectations. ☐ Actions taken to measure the quality of material stakeholder relationships and appropriate responses to address the gaps. More details on stakeholder relationships, achievements and the future focus areas can be found in the Integrated Annual Report.
PRINCIPLE 17 – RESPONSIBILITIES OF INSTITUTIONAL INVESTORS Board of an institutional investor organisation should ensure that responsible investment is practiced by the organisation to promote the good governance and the creation of value by the companies in which it invests.	GMA was established by the Gauteng Provincial Government in terms of the GMA Act and listed as a Public Entity in Schedule 3 (c) of the Public Finance Management Act. GMA use the Supplement for State-Owned Entities as a guide in the interpretation and application of the King IV Code. Principle 17 is therefore not applicable to GMA.

3. CONCLUSION

The Board is satisfied with the application of good governance as recommended by King IV. The Board, through the Audit and Risk Committee, will continue to monitor the gaps identified and make some enhancements where necessary.


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O.R.Tambo



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