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GOVERNANCE AND REMUNERATION REPORT **2024/5**



AIRPORTS COMPANY
SOUTH AFRICA

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Acronyms

ACSA	Airports Company South Africa SOC Ltd
CEO	Chief Executive Officer
CFO	Chief Financial Officer
Companies Act	Companies Act (No 71 of 2008)
COO	Chief Operating Officer
ICT	Information, Communication and Technology
ISO	International Organization for Standardization
IT	Information Technology
King IV™	King Code of Governance for South Africa 2016™
KPI	Key Performance Indicator
PFMA	Public Finance Management Act (No 1 of 1999)
PIC	Public Investment Corporation
(Pty) Ltd	Proprietary Limited
SOC	State-Owned Company



1 GOVERNANCE



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Fairness is one of the four key criteria of good governance. I use the acronym RAFT: R for responsibility, A for accountability, F for fairness and T for transparency. You cannot have fairness if you don't have the other factors as well. These four criteria are inextricably intertwined. If you're going to be fair, you've got to be responsible, you've got to be accountable. The more informed you are reporting-wise, the more transparent your accountability.'

– Judge Mervyn King, author of the King IV Report™, quoted on good-governance.org.uk

Message from the Chairperson of the Board



Ntombifuthi (Futhi) Zikalala Mvelase
Interim Chairperson

It is my pleasure to present the Airports Company South Africa (ACSA) Governance and Remuneration Report for the year ended 31 March 2025. This report details our corporate governance policies and practices and our key activities during the year. It also gives in-depth information on our implementation of the principles in the King Report on Corporate Governance for South Africa™ 2016 (King IV™) and our approach to remuneration.

Our reporting suite consists of three reports that provide our stakeholders with comprehensive information about the Group, its performance and its prospects. These reports, namely the Integrated Annual Report, the Annual Financial Statements and this, the Governance and Remuneration Report, are prepared in compliance with Public Finance Management Act No 1 of 1999 (PFMA), the Companies Act No 71 of 2008, Johannesburg Stock Exchange Listing Requirements, International Financial Reporting Standards, the International Integrated Reporting Council's International Integrated Reporting Framework and ISO/SANS 31000. External auditors provide assurance on all external reports. The suite for the 2024/25 financial year was approved by

the Board on 22 August 2025 and is available online at www.airports.co.za

It is our vision to be by 2030 the most sought-after partner in the world for the provision of airport management solutions and it is our responsibility to ensure that this forward-looking vision remains grounded in an ethical culture based on internationally recognised governance principles and practices. As we evolve in response to a changing operating environment, this remains constant.

We take great pride in our standing as a well-run state-owned Company that has made a profit in all but two years of operation. The year under review was marked by significant geopolitical and economic challenges, including global jet fuel supply constraints that, while primarily affecting the aviation sector as a whole, also had knock-on implications for ACSA's operations performance. Throughout this period the Board ensured that the organisation responded with resilience and agility, guided by a robust governance framework that clearly delineates roles, responsibilities, and accountabilities from Board to management. This was underpinned by a leadership

culture anchored in transparency, ethical conduct and strategic foresight, enabling ACSA to navigate uncertainties while safeguarding long-term value creation.

In terms of the Airports Company Act No 44 of 1993, as amended, ACSA is mandated to undertake the acquisition, establishment, development, provision, maintenance, management, operation and control of any airport, any part of any airport, or any facility or service at any airport normally related to an airport function.

As a Board, we are committed to working with the Minister of Transport, the Auditor-General of South Africa and other state organisations as we implement our strategy of 'innovate, grow and sustain' and maintain an impeccable record of good governance.

We remain keenly focused on maintaining an organisational structure appropriate to market conditions and on scrupulous management of expenditure. This approach, with our dedication to innovation and customer service, will always be the bedrock of ACSA.

Ntombifuthi (Futhi) Zikalala Mvelase
Interim Chairperson of the Board
(with effect from October 2024)

OUR VISION, MISSION, VALUES



VISION

To be the most sought-after partner in the world for the provision of airport management solutions by 2030.



MISSION

To acquire, develop and manage world-class airports and related businesses for the benefit of all our stakeholders and the socioeconomic development of South Africa.



VALUES

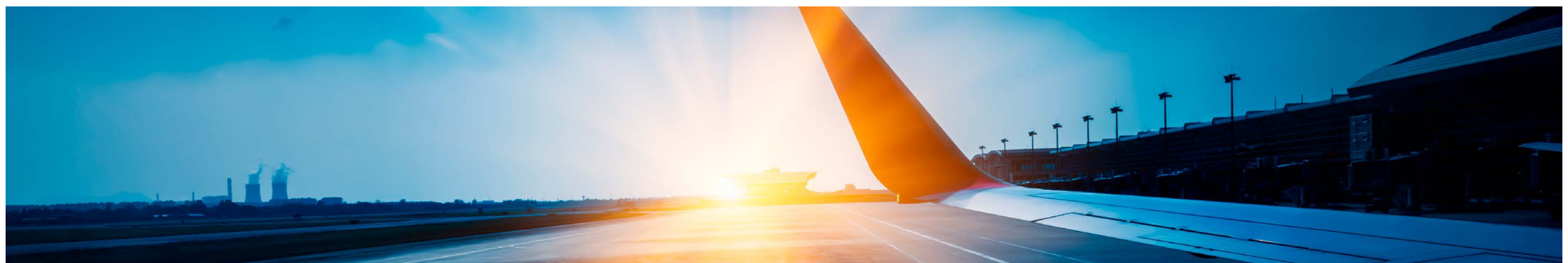
We define our values by using the acronym PRIDE:

- Passion
- Results
- Integrity
- Diversity
- Excellence



VALUE PROPOSITION

Connecting people to people, places, dreams and opportunities.



UPHOLDING AN ETHICAL CULTURE

King IV™ Principle 1

The governing body should lead ethically and effectively

ACSA's Board, which is the Group's governing body, is committed to the highest standards of ethics and integrity and to providing principled leadership that gives expression to ACSA's values, safeguarding value creation within the framework of robust and effective controls. The Board's governance oversight is driven by a commitment to fulfilling its responsibilities and governance objectives through applying the principles and practices outlined in King IV™. This is the foundation on which we have built an ethical culture. Ethical leadership by the Board and management sets the tone for ACSA governance and for the values and behaviours expected of all employees.

The Board affirms that robust governance underpins the Company's values through accountability, prudent risk and performance management, transparency and ethical leadership.

High ethical standards and sound governance practices are embedded across all levels of the organisation to strengthen ACSA's reputation, foster stakeholder trust and ultimately create and protect value. All Board members have signed an ethics pledge outlining the commitments and expectations to which they are held. Oversight of ethical leadership and behaviour throughout the organisation is entrusted to the Social and Ethics Committee.

The triennial ethics survey and maturity assessment were conducted in the period under review, with the ethical culture maturity level improving from 28% (underdeveloped) to 61% (developing). In pursuit of this objective, the Board's ethical management interventions have achieved notable outcomes over the past three years.

Under the Companies Act, 71 of 2008, Directors must use their powers and perform their functions in good faith, for a proper purpose and in the best interests of the Company. Directors must avoid conflicts of interest. The Board has approved an ethics management policy that directs management of conflict of interests.

King IV™ Principle 2

The governing body should govern the ethics of the organisation in a way that supports the establishment of an ethical culture

The Board, through the Social and Ethics Committee, is accountable for ensuring that management actively cultivates a culture of ethical conduct and ensure adherence to the Company's code of ethics by employees, contractors, partners and associates. This is to ensure that all parties are held accountable and responsible for their actions. The code is incorporated into employee contracts of employment and forms an integral part of the induction process for both staff and non-executive directors.

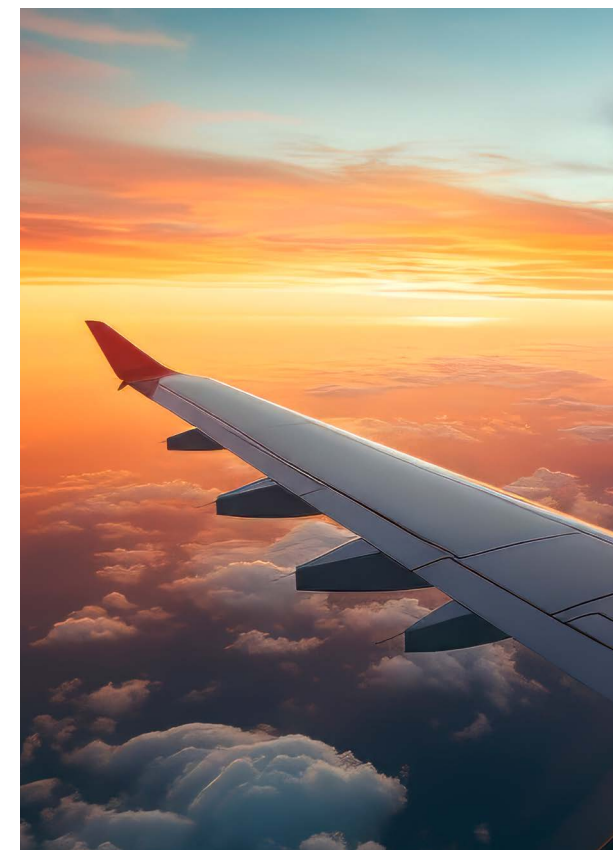
Values-based training is conducted annually to reinforce the importance of compliance with the code, while regular engagements with employees focus on embedding the Company's values and defining acceptable and unacceptable behaviours.

Monitoring Organisational Ethics and Addressing Outcomes

ACSA has a whistleblowing policy, which provides employees with clear guidelines on the available channels for reporting unethical conduct, including a confidential hotline, walk-in reporting, direct contact with the Ethics Office or Internal Audit and reporting to management. The hotline is independently administered by an external service

provider, which issues daily incident reports for review and investigation, ensuring impartiality and timely resolution.

Upon receiving a report, a preliminary investigation is conducted to determine whether a *prima facie* case exists. This process follows internal policies and procedures, and may include referring the matter to the relevant law enforcement agencies where required.



Upholding an Ethical Culture *continued*

During the reporting period, the Social and Ethics Committee focused particularly on evolving environmental, social and governance (ESG) issues, socioeconomic transformation and development, risk monitoring, stakeholder relations, ethics, reputation management, environmental health and public safety, security, consequence management and the action plan subsequent to the Committee evaluation for 2022/23.

ACSA has a domestic prominent influential persons policy governing the disclosure and treatment of such individuals. The policy applies to all transactions and dealings involving directors, management and employees as they interact with ACSA. A register for prominent influential persons is maintained by the Group and published on www.acsa.co.za alongside the annual financial statements. ©

The Committee will continue to actively monitor the implementation of our ethics strategy, including constantly reinforcing our ethical behaviour culture and integrating ethical conduct through ethics risk management initiatives. We will also continue to manage our exposure to prominent and influential persons in terms of the Financial Intelligence Centre Act No 38 of 2001, as amended.



RESPONSIBLE CORPORATE CITIZENSHIP

King IV™ Principle 3

The governing body should ensure the organisation is, and is seen to be, a responsible corporate citizen

The Board recognises that ACSA is an integral part of society and places great importance on being a good corporate citizen. This includes recognising the intrinsic value all stakeholders bring to the Group and their role in securing its long-term sustainability.

Our dual mandate requires that we be a successful business while playing a pivotal role in the country's transformation and development. As a state-owned Company, our fundamental purpose is to operationalise the government's economic transformation plans. Thus, commitment to transformation, environmental, social and development goals informs all strategic decisions. The Board has approved an ESG policy, reporting strategy and implementation plan.

The Board has approved policies for employment equity, economic transformation, fair remuneration, safety, health, the development of employees, fraud, corruption and the creation of a safe environment. An anti-corruption management plan assists in identifying emerging risks and implementing controls and ensures that management and employees have the skills to improve controls and manage these risks. The plan seeks to change the attitudes of employees, external service providers and other stakeholders to corruption and fraud.

The Social and Ethics Committee oversees and monitors our contribution to the transformation of the aviation industry and the economic growth and development of South Africa. The Committee reports to the Board quarterly, ensuring regular oversight of outcomes related to:

- Transformation (Integrated Annual Report, page 58) ©
- Environmental health and public safety (Integrated Annual Report, page 70 to 71) ©
- Socioeconomic impact (Integrated Annual Report, page 60) ©
- Human capital and the work environment (Integrated Annual Report, page 75 to 77) ©

We are proud to be a net contributor of value in South Africa. Our contribution to the National Development Plan and United Nations Sustainable Development Goals is set out in our Integrated Annual Report on page 72 to 73. On page [43 to 46](#) of this report, we have included information on our remuneration policies and practices and on additional assistance available to employees. ©

Governance Framework

ACSA's Board operates under an approved Board charter, which is reviewed annually. Within this framework, the Board ensures that financial management, risk management and internal controls are effective, as required by the PFMA. The roles and functions of the Chairperson of the Board, the Lead Independent Director and the Chief Executive Officer (CEO) are described in the charter.

Non-executive Directors are appointed by the shareholders, namely the Minister of Transport – the government shareholder representative – and the Public Investment Corporation, in accordance with ACSA's memorandum of incorporation. Non-executive Directors are appointed for a three-year term, which is renewable once.

The Board is responsible for the strategic direction and oversight of the Group. The Executive Committee (Exco), under the leadership of the CEO, is responsible for the

Responsible Corporate Citizenship *continued*

implementation of the Group's strategy and for the day-to-day management of the Group. The Board is also the Group's accounting authority and the CEO is the accounting officer in terms of the PFMA. The CEO is accountable to the Board for the implementation of the Group's strategy. The CEO is assisted by Exco in conducting day-to-day business of the Group, subject to its delegated levels of authority. Exco is accountable to the CEO.

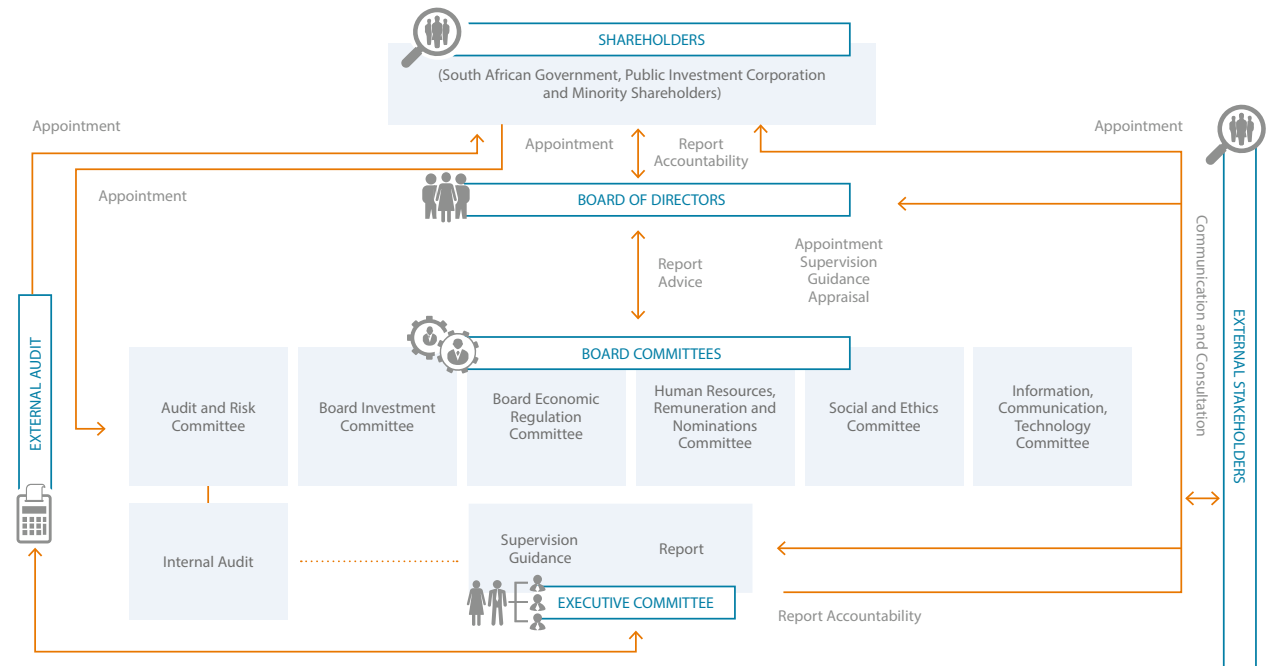
This framework defines the structures responsible for governance in our operational areas and for interaction among these structures. It creates an environment conducive to independence and objective decision-making that facilitates agility, teamwork and swift action across the organisation. It is regularly reviewed against the corporate strategy and amended if necessary.

Changes to the Board

According to the criteria adopted by the Board for the assessment of Director independence, which are recommended in King IV™ and set out in the Group's memorandum of incorporation, the Board comprised eight Independent Directors and two Executive Directors at 31 March 2025.

Dr Sandile Nogxina retired as a Director and Chairperson of the Board on 20 September 2024 after conclusion of the annual general meeting, and was replaced by Ntombifuthi Zikalala Mvelase as interim Chairperson from 1 October 2024. Ntombifuthi Zikalala Mvelase relinquished her position as Lead Independent Director by virtue of this appointment.

Our Governance Framework



Our Board of Directors

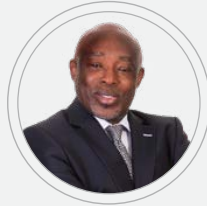
© A brief curriculum vitae of each Board member is available online at www.airports.co.za/about-us/executive-management/board-of-directors



Ntombifuthi Zikalala Mvelase (61)
Interim Chairperson
(Incoming)

Retired as Lead Independent Director
with effect from October 2024.
Appointed from 1 September 2018

BProc
LLB
Attorney of the High Court of South Africa



Dr Sandile Nogxina (67)
Chairperson of the Board
(Outgoing)

Appointed with effect from 9 November
2018. Retired 20 September 2024

LLB
Postgraduate Diploma (Management)
Higher Diploma (Tax Law)
LLM (Law Development)
Advocate of the High Court of South Africa
PhD (Public Governance and Development
Management)



Dr Kgabo Badimo (66)
Independent
Non-executive Director

Appointed with effect from
6 August 2020

BSc (Computer Science)
Diploma (Business Administration)
Diploma (French)
MSc (Data Engineering)
PhD (Information Systems Knowledge
Management)



Dudu Hlatshwayo (61)
Independent
Non-executive Director

Appointed with effect from
6 August 2020

BSocSc (Hons)
MBL



Andile Khumalo (47)
Independent
Non-executive Director

Appointed with effect from
3 March 2023

BCom (Accounting)
Postgraduate Diploma (Accountancy)
CA (SA)



Nompumelelo (Mpumi) Mpofu (59)
Chief Executive Officer

Appointed with effect from
1 February 2020

BA (Hons) (Urban and Regional Planning)
Postgraduate Degree in Town Planning



Gcobani Mancotywa (57)
Independent
Non-executive Director

Appointed with effect from
2 March 2023

BCom (Economics and Commercial Law)
Postgraduate Diploma (Management)
MCom (Management)



Yershen Pillay (42)
Independent
Non-executive Director

Appointed with effect from
1 September 2018

BSocSc (Politics and Economics)
Postgraduate Diploma (Business Administration)
MBA



Sibongile Sambo (51)
Independent
Non-executive Director

Appointed with effect from
2 March 2023

BAdmin
BAdmin (Hons)
Postgraduate Diploma (General Management)
MBA



Nonzukiso Siyotula (41)
Independent
Non-executive Director

Appointed with effect from
2 March 2023

BAcc
CA (SA)
MBA



Luzuko Mbotya (41)
Chief Financial Officer

Appointed with effect from
1 December 2023

CA(SA)
MPhil (Development Finance)
Postgraduate Diploma (Accountancy/CTA)



Fefekazi Sefara (53)
Company Secretary

Appointed with effect from 1 July 2018

Bluris
LLB
Postgraduate Diploma (Interpretation and
Drafting of Contracts)
Admitted Attorney of the High Court of
South Africa
LLM

Our Executive Management



**Nompumelelo (Mpumi)
Mpofu (59)**
Chief Executive Officer

BA (Hons) (Urban and Regional Planning)
Postgraduate Degree in Town Planning



Luzuko Mbotya (41)
Chief Financial Officer

CA(SA)
MPhil (Development Finance)
Postgraduate Diploma (Accountancy/CTA)



Macdonald Maluleke (49)
Chief Procurement Officer

Appointed effective 1 December 2024

BCom Honours (Supply Chain Management)
Professional Diploma (Procurement and Supply)
Bachelor of Business Administration



Mthoko Mncwabe (48)
Chief Information Officer

Precautionary suspension with
effect from 8 August 2024

BSc (Computer Science and Mathematics)
BSc (Hons) (Computer Science)
MBA



Terence Delomoney (57)
Group Executive:
Operations Management

Resigned effective 30 May 2025

BAcc
Postgraduate Diploma in Accountancy
CA(SA)



Mzwandile Petros (65)
Group Executive:
Enterprise Security

Precautionary suspension
effective 9 July 2025

National Qualifications Framework level 8
Diploma (Secondary School Teaching)
Advanced Diploma (Public Administration)



Lungile Langa (47)
Group Executive:
Human Resources

BA
Masters Diploma in Human Resources Management
BA (Hons) Industrial Psychology
MPhil (Industrial Psychology)
Qualified Industrial/Organisational Psychologist



Laurene Less (59)
Group Executive:
Corporate Services

BA (Political Science and Psychology)
MA (Public Administration)

Our Executive Management *continued*



Lauriette Sesoko (60)
Group Executive: Commercial
and Business Development

BCom
MBL
Diploma in Company Direction



Charles Shilowa (53)
Group Executive: Capital
Infrastructure and Asset
Management

BSc (Chemistry and Biochemistry)
BSc (Eng) (Chemical)
MBA (Finance)
HDip Tax Law
Postgraduate Certificate (Project Finance)
Postgraduate Certificate (Corporate Finance)
Postgraduate Certificate (Private Equity)



Sthembiso Ngwenya (42)
Chief Audit Executive

BCom (Hons) (Accounting)
CA(SA)



Maserole Mokoena (47)
Acting Chief
Information Officer

Acting effective 13 August 2024 to
31 January 2025

CA(SA)
BCom
BCom Honours



Sello Makhubela (51)
Interim Chief
Information Officer

Appointed 17 February 2025

BCom (Informatics)
BSc (Chemistry)
Diploma (Datametrics)
MBA

Executive Management Demographics

GENDER DIVERSITY

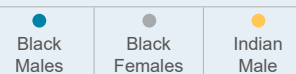
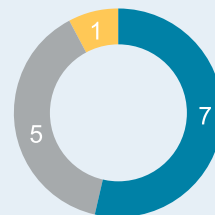


8 Males

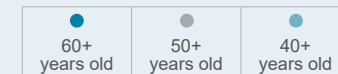
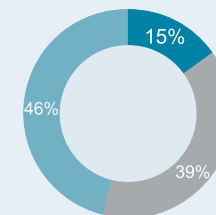


5 Females

DEMOGRAPHICS



AGE



Board Activities and Key Focus Areas

Board Meetings

The Board held 20 meetings during 2024/25.

BOARD																				
Name of Director	USM	SM	USM	SSM	SSM	SM	AGM	USM	USM	SM	USM	USM	USM	USM	USM	SSM	SM	USM	USM	USM
	24/04/24	12/06/24	03/07/24	30/7/24	23/08/-24	11/09/24	20/09/24	06/11/24	15/11/24	05/12/24	11/12/24	12/12/24	17/01/25	21/01/25	30/01/25	27/02/25	12/03/25	20/03/25	25/03/25	27/03/25
Dr Sandile Nogxina (Chairperson) Retired at the annual general meeting on 20 September 2024	A	x	x	x	A	x	x	x	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Dr Kgabo Badimo	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Dudu Hlatshwayo	x	A	x	x	x	x	x	x	x	x	x	x	x	x	x	x	A	x	x	A
Andile Khumalo	x	x	x	x	x	x	x	x	x	x	A	x	x	x	x	x	x	x	A	A
Gcobani Mancotywa	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	A	x	A
Nompumelelo Mpofu	x	x	x	x	x	x	x	N/A	x	x	x	x	N/A	N/A	N/A	x	x	x	x	x
Luzuko Mbotya	x	x	x	x	x	x	x	N/A	x	x	x	x	N/A	N/A	N/A	x	x	x	x	x
Ntombifuthi Zikalala Mvelase (interim Chair with effect from 1 October 24)	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x
Yershen Pillay	A	x	x	x	x	x	x	x	x	x	A	x	A	x	x	x	x	A	A	A
Sibongile Sambo	x	x	x	x	x	x	x	x	x	x	A	x	x	x	x	x	x	x	x	x
Nonzukiso Siyotula	x	x	x	x	x	x	x	x	x	x	A	x	A	x	x	x	x	A	A	x

SM = Scheduled Meeting

USM = Unscheduled Special Meeting

SSM = Scheduled Special Meeting

AGM = Annual General Meeting

Key Focuses

The year's key focuses included:

- Implementation of the Group's strategy
- Group performance
- Efficiency of supply chain management
- Delivery of permission and capital projects
- Economic transformation
- Security of our airports
- Reputation management
- Reduction of irregular, fruitless and wasteful expenditure
- Macroeconomic environment and geopolitical issues having an impact on the strategy of the Company
- Jet fuel security
- Action plans from the Board evaluation
- Employee value proposition
- Treasury policy framework
- Information and communications technology (ICT) governance
- Oversight on the implementation of Infrastructure projects and portfolio management

Key Board approvals and reviews

April to June 2024

- 2023/24 integrated report
- Combined assurance framework
- Reviewed supply chain management policy
- Localisation strategy
- Employees salary alignment post Covid-19
- Talent acquisition management policy
- Reviewed evaluation of the Board and Board Committees policy
- Reviewed ICT governance framework
- Protection of Personal Information Act 4 of 2013 policy
- Privacy policy
- Communications policy
- Borrowing policy
- Cash management policy
- Treasury risk management framework
- Reviewed economic regulation strategy
- Reconfiguration of the finance division and establishment of supply chain management as a standalone division
- 2025/26 to 2027/28 corporate plan
- Infrastructure projects
- Project portfolio

July to September 2024

- Integrated report for the year ended 31 March 2024
- 2024 wage negotiations mandate
- Assessment of independence of Non-executive Directors
- Non-executive Directors to retire by rotation at the annual general meeting and appointment of the Audit and Risk Committee
- Development of Non-executive Directors policy
- Declaration of dividends for preference and ordinary shares
- Organisational success criteria for the 2024/25 scorecard
- Removal/write-off of irregular expenditure not condoned by National Treasury
- Fixed assets policy
- 2024 salary increase for employees and executive management
- 2024/25 pay scale implementation, salary alignment to minimum pay scales and alignment of employee and executive management salaries
- 2024 single incentive payment for employees and executive management
- Socioeconomic development policy
- Socioeconomic development strategy

October to December 2024

- 2025/26 to 2027/28 corporate plan
- Commercial contract management policy

January to March 2025

- Unsolicited bids management policy
- Reviewed retention policy
- Youth development strategy and plan
- Reviewed performance management procedure

The Board held a strategy review session from 15-17 November 2024 and a risk assessment session on 17 November 2024. The annual general meeting was held on 20 September 2024.

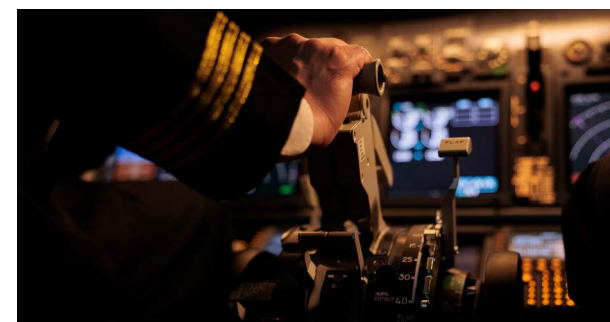
The Board is satisfied that it executed its responsibilities during the reporting period.

Future Focuses

In the short- to medium term, activities will be informed by the Group's strategic focus on innovation, growth and sustainability. Key will be promoting aviation traffic, improving the customer experience, maintaining existing infrastructure, developing new infrastructure, growing the Group's operating footprint, enhancing profitability, mitigating emerging risks, reinforcing ACSA's brand identity and advancing the Group's developmental mandate. This will take into account the fundamental changes to the operating environment that were precipitated by the pandemic, including changes in customer behaviour, the constrained South African economy and the impact of geopolitical events.

Noteworthy activities in 2024/25 included:

- Delivery of the Company's 'innovate, grow and sustain' strategy
- Management of risks in a volatile operating environment while unlocking new opportunities
- Facilitating and monitoring the implementation of strategic initiatives, most notably developments to improve customer experience, enhancements to physical security at airports and to cybersecurity systems, and infrastructure maintenance and development projects
- Reputation management
- Threat vulnerability and risk assessment
- Reduction of irregular, wasteful and fruitless expenditure.



GOVERNANCE IN ACTION

King IV™ Principle 4

The governing body should appreciate that the organisation's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value-creation process

The Board oversees value creation and maintains the sustainability of the Group. It sets the Group's strategic direction, approves its strategy and monitors its performance. Risks, opportunities, performance metrics and sustainability matters are considered in terms of the Group's vision, targets, long-term goals and values and are approved by the Board.

The key performance measures and targets for assessing the achievement of strategic objectives over the short-, medium- and long term are approved by the Board and are monitored by the Board and its Committees on an ongoing basis to ensure the viability of the Group. The corporate strategy and related divisional strategies, policies, plans and models, which are consistently reviewed and updated as necessary, take into account business risks and the consequences of the Group's activities and outputs on the economy, society and natural environment.

The Board continuously oversees all material matters and holds the CEO accountable for the operational management and performance of the business. The CEO, in turn, holds executive management accountable for managing the business.

To ensure executive management success, the governance and control framework and aligned practices:

- Provide role clarity through assigning areas of accountability to Board Committees, the CEO and executive management
- Provide for monitoring CEO performance
- Enable effective decision-making by specifying decisions

reserved for the Board and those delegated to its Committees, the CEO and executive management

- Facilitate an effective enterprise risk management framework that gives the Board clear insight into key risks, enabling it to evaluate risk exposure and mitigation strategies that safeguard stakeholder interests
- Embed a value-driven culture across the Group's operations, build trust in its services and sustain meaningful stakeholder relationships.

Collectively, these practices contribute to the maintenance of good governance and the creation of value.

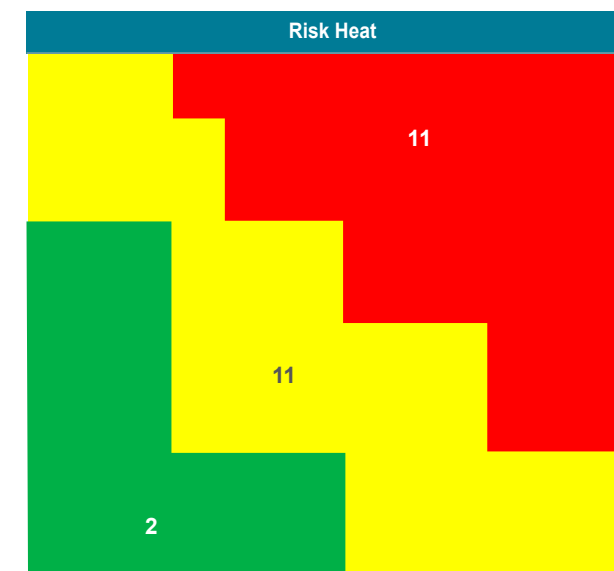
The Board provided oversight of the impacts of volatile, challenging and changing global and local environments. This included the implications of the conflicts in Ukraine and Russia and the Middle East, election outcomes across the globe and national elections in South Africa. The Board monitored the impact of global and local economic drivers such as gross domestic product growth and declining interest rates.

The Information, Communication, Technology Committee monitored the implementation of the cybersecurity strategy, the increasing threat of cyber-attacks and adoption of digitisation within the Company.

The Human Resources, Remuneration and Nominations Committee monitored succession planning and risks relating to loss of skills, skills shortages and competition for scarce skills. Measures to address these risks, such as talent retention and restoration of the employee value proposition, have been put in place.

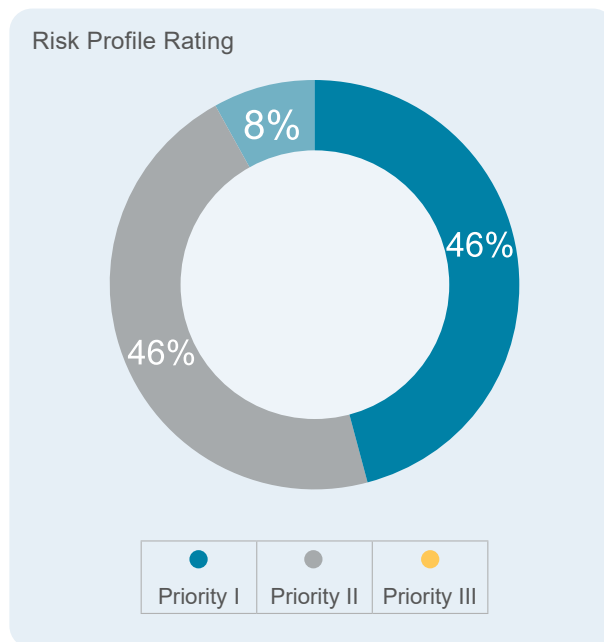
The Board Economic Regulation Committee and Board Investment Committee oversaw risks relating to execution of the permission and major capital projects.

Top five risks



No	Risk Name	Residual Rating
1	Sustainability risk: ACSA's inability to recover from the impact of external threats (ESG impacts) and sustain its operations.	I
2	Ageing Infrastructure and delayed maintenance.	I
3	Jet fuel security: The security of continuous supply and meeting demand growth of jet fuel (including physical security).	I
4	Cyber-threats and regulatory safeguard requirements.	I
5	Acts of unlawful interference within aviation operations.	I

Governance in Action *continued*



King IV™ Principle 5

The governing body should ensure reports issued by the organisation enable stakeholders to make informed assessments of the organisation's performance and its short-, medium- and long-term prospects

Integrated thinking is incorporated into our operations and reporting. The Audit and Risk Committee is an essential part of the Group's governance framework and the Board has delegated to it oversight of the integrity of the financial statements and reporting processes. This Committee reviews financial and performance disclosures, including those made in the Integrated Annual Report, reporting on its findings to the Board and reviewing financial statements and information before they are released to stakeholders.

For the Company to thrive, it needs a robust economy, a well-functioning society and a healthy environment. The Board acknowledges ESG matters, including climate change, nature and just transition. The Company's ESG framework focuses on a wide range of risks and factors and outlines sound principles for ESG risk management activities across the business.

The Board is committed to maintaining honest and trustworthy relationships with stakeholders. There is zero tolerance for corruption and we expect our customers to adhere to the highest standards of ethical conduct and integrity.

King IV™ Principle 6

The governing body should serve as the focal point and custodian of corporate governance in the organisation

The Board of Directors is the Group's highest governing body and it is committed to the good corporate governance principles outlined in King IV™. We strive to be an ethical and relevant force for good and to play a positive role in the South African economy, society and environment. By setting the tone at the top, the Board encourages a culture of robust governance throughout the organisation.

Through the Audit and Risk Committee, the Board monitors the effectiveness of the governance framework across the Group to embed an ethical culture, good performance, effective control and legitimacy. Governance processes are constantly enhanced in line with best practice to facilitate the development and management of world-class airports.

King IV™ Principle 7

The governing body should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively

Board members are appointed according to the Company's memorandum of incorporation and the appointment of Non-Executive Directors policy.

Board diversity is crucial for relevance in a rapidly transforming society. The composition of the Board reflects an appropriate mix of skills, knowledge, experience, diversity and independence.

In compliance with the memorandum of incorporation:

- Seven of the eight Non-executive Directors were appointed by the Minister of Transport
- One Non-executive Director was nominated by the Public Investment Corporation and elected by the shareholders at ACSA's annual general meeting
- The Human Resources, Remuneration and Nominations Committee considered the profile of the Board subsequent to the retirement of Dr Sandile Nogxina as a Non-executive Director. The Minister and PIC are in the process of filling the existing two vacancies
- The independence of the Non-executive Directors has been assessed and these Directors have been categorised
- Non-executive Directors were rotated at the annual general meeting.

Board members are supported by the Company Secretary and are entitled to seek independent professional advice and to obtain information they require in the discharge of their duties guided by Board-approved protocols.

Governance in Action *continued*

Induction and Board Development

Newly appointed Directors undergo a comprehensive induction process to enable them to make a full contribution to the Group in the shortest possible time. This process includes a comprehensive overview of the business, presentations on the duties and responsibilities of the Directors, a briefing on the Johannesburg Stock Exchange Debt Listing Requirements and airport visits.

Ongoing education and training courses enable Directors to continually enhance their skills. They may attend development courses offered by the Institute of Directors South Africa and they receive regular updates on national policy, economic regulation and aviation.

Independence

Independence of the Non-executive Directors is assessed annually according to King IV™ criteria. Andile Khumalo has been assessed to be factually independent but not legally independent.

Succession Planning

The nomination and appointment of Non-executive Directors is the prerogative of the shareholders, as provided for in the memorandum of incorporation. The Board is not involved in the selection of Non-executive Directors other than to advise shareholders of the skills required. Non-executive Directors retire by rotation at the end of their first term of service and may be reappointed for a further term by the shareholders. The Board has approved a policy on nomination and appointment of Directors. Executive Directors retire when at the age of 65.

The CEO and Chief Financial Officer (CFO) are employed on fixed-term contracts of five years, which may be terminated by either the Company or the employee by giving a three-month notice period to allow for a proper handover process. The Board may also terminate the contracts of the executive officers without notice for any reasons recognised in law as being sufficient for summary termination.

The CEO's first term of five years expired on 31 January 2025 and her contract of employment was extended for 17 months.

Succession plans for the CEO, CFO and executive management have been approved.

Conflicts of Interest

Directors are expected to ensure that any appointments outside the Group do not impinge on their ability to perform their ACSA duties and do not represent any conflicts of interest detailed in its ethics management policy.

Directors also sign annual declarations of interest disclosing their financial interests and any direct or indirect personal or private interests that their spouses, partners or close family members may have in any matter related to the business of the Group. Should there be a conflict of interest, Directors must excuse themselves from deliberations on the matter.

Director Andile Khumalo has declared his interests in relation to contracts entered into by ACSA with the following companies:

- Ince – by virtue of his shareholding
- Metrofile – by virtue of his directorship



DELEGATION OF AUTHORITY

King IV™ Principle 8

The governing body should ensure its arrangements for delegation within its own structures promote independent judgment and assist with the balance of power and the effective discharge of its duties

Board Committees assist the Board in discharging its role and responsibilities, but the Board remains responsible for how its delegated authority is exercised. This delegation is supported by clearly defined roles, accountability and responsibility through the delegation of authority policy framework. The Board is satisfied the framework contributes to role clarity and the effective exercise of authority and responsibilities.

The Group's governance framework facilitates transparency and enables decision-making.

Separation of Roles and Responsibilities

Key Board governance roles and responsibilities are as follows:

Chairperson of the Board

- Provides leadership
- Safeguards the integrity and effectiveness of the Board
- Sets the ethical tone for the Board and the Group
- Sets the tone for Board performance
- Supports the CEO
- Ensures matters are placed on the Board agenda and prioritised properly.

Lead Independent Director

- Leads in the absence of the Board Chairperson
- Is a sounding Board for the Board Chairperson
- Is an intermediary between the Board Chairperson and other members of the governing body
- Leads the performance appraisal of the Board Chairperson.

Non-executive Directors

- Contribute to Board effectiveness through opinions that constructively challenge and contribute to developing the Group's strategy
- Bring unique perspectives to the boardroom to facilitate constructive dialogue.

CEO

- Sets the tone for ethical leadership and creating an ethical environment
- Ensures the Group operating effectively and efficiently
- Ensures that Group operations are in line with the organisation's objectives
- Plans and develops Group strategic plans, presents them to the Board for approval and ensures their implementation once approved
- Ensures that internal controls and governance policies and procedures are effectively implemented.

Board Committees

There are six Committees that support the Board to enhance the Group's governance and effectiveness. Committee terms of reference are reviewed annually and the Committees report on their activities at all Board meetings. The Board monitors the Committee activities to ensure effective coverage and control of Group operations. The delegation of the Board's responsibilities to these Committees is operational and does not abdicate the Board's fiduciary responsibilities.

A summary of the composition of Board Committees, their responsibilities and attendance of members at meetings, with reports from the Audit and Risk Committee and the Human Resources, Remuneration and Nominations Committee are provided from page [29 to 40](#) in this report. The full Audit and Risk Committee Report is available on page 5 to 8 of the Annual Financial Statements. [12](#)



BOARD EVALUATION

King IV™ Principle 9

The governing body should ensure the evaluation of its own performance and that of its Committees, its chair and its individual members, and support continued improvement in its performance and effectiveness

Evaluation of Board and Committee performance is undertaken annually within the evaluation of the Board and Board Committees policy.

Annual performance evaluations conducted by an external service provider or facilitated by the Company Secretary enable the Board to monitor and improve its performance. The evaluations include an assessment of the Board and assessments of the Chairperson, individual members, the Committees and the Committee Chairperson.

The Board is satisfied that most action plans from its 2023/24 evaluation have been addressed. The 2024/25 evaluation was a self-assessment facilitated by the Company Secretary guided by the Human Resources, Remuneration and Nominations Committee.



The following themes were assessed:

- Board composition
- Delegation
- Board relations
- Ethics
- Board meetings and processes
- Strategic direction
- Planning
- Risk management
- Monitoring of performance
- Stakeholder communication
- Role of the Chairperson
- Role of the CEO
- Role of the Company Secretary
- Board Committees

Board Committee Evaluation

Committee performance evaluation is undertaken annually within the framework of the Board evaluation and Board Committees policy. The committees monitored the respective action plans emanating from the evaluation conducted in the previous financial year. The evaluation themes for the period under review covered committee composition, conduct of the committee, decision making and role of the chairpersons. Members were also requested to provide general suggestions for enhancing the performance of the committee. Members have expressed satisfaction with the performance of their respective committees and have not identified areas of concern. The Committees discharged their roles and responsibilities effectively and provided the Board with adequate feedback on deliberations.

The committees will implement the recommendations that have been made to enhance their performance.

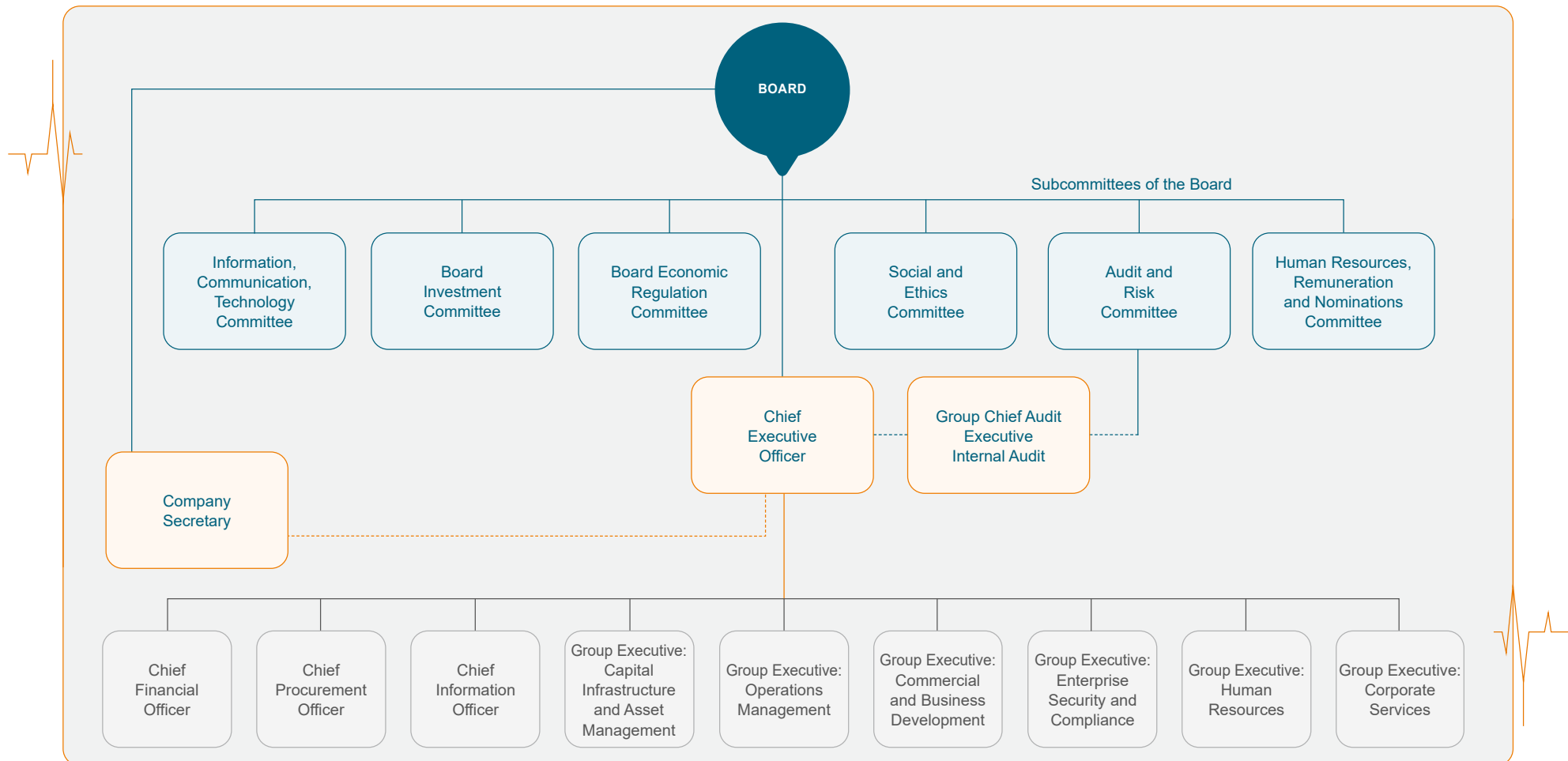


REPORTING AND ACCOUNTABILITY

King IV™ Principle 10

The governing body should ensure that the appointment of, and the delegation to, management contributes to role clarity and responsibilities

The Group has a clearly defined organisational structure and levels of accountability. The delegation of authority policy, framework and manual were reviewed during the reporting period and changes were made and implemented.



GOVERNANCE OF RISK

King IV™ Principle 11

The governing body should govern risk in a way that supports the organisation in setting and achieving its strategic objectives

Through policy documents and methodology, the Board has set the direction for how risk should be approached and addressed. Risk management is the basis of our planning, decision-making, operations and reporting. The Audit and Risk Committee has been delegated by the Board to oversee risk management and is responsible for leading the annual Board risk assessment, which entails setting context, identifying risks, opportunities and mitigations, monitoring and reviewing progress on mitigations, and communicating and consulting on risk management processes defined by the organisational risk methodology. Thus, the Committee ensures that the achievement of business objectives is not hindered by unmanaged uncertainties.

It monitors emerging risks, opportunities and oversees whether mitigations are working as intended. As we continuously embed risk management into strategy and operations, we seek a risk-based approach to day-to-day running of the business.

ACSA's enterprise risk management is guided by the integrated enterprise risk management framework, which is based on:

- A clear mandate and lines of management accountability
- Clear performance requirements for risk management throughout the Group
- Promoting the commonality of risk management processes, methodologies and a common language
- Organisation-wide requirements to gather and report risk information for governance purposes
- Compliance with legislation

- Effective integration with corporate strategy and planning
- A leadership culture that embraces risk management.

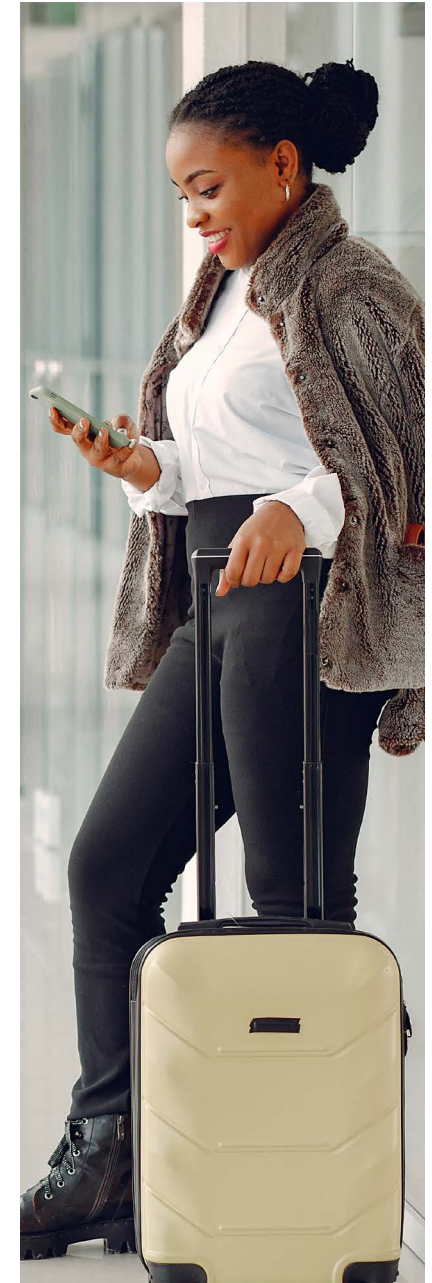
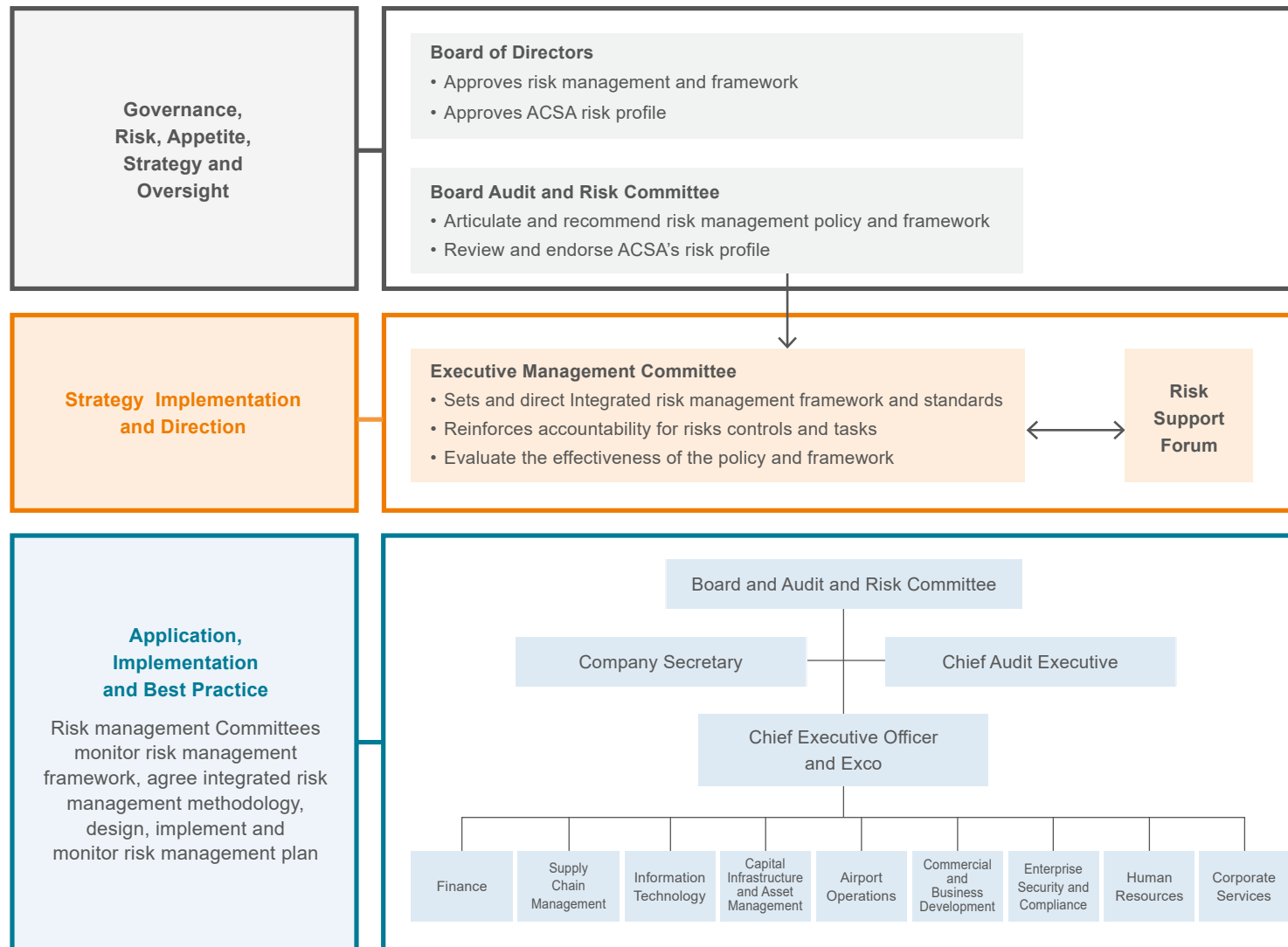
Risk Management Responsibilities

Oversight structure	Role
ACSA Board	Governance of risk by setting tone and direction in a way that supports the organisation in achieving its strategic objectives
Audit and Risk Committee	<p>The Committee needs to satisfy itself that ACSA's processes ensure that risks to the Group are effectively managed. It makes recommendations to the Board, which is the governing body</p> <p>The Committee oversees risk management roles and responsibilities. In line with its terms of reference, it reviews the enterprise risk management reports recommended by Exco</p>
Other Board Committees	These Committees assure strategic risks in their areas of responsibility
Exco	<p>Exco manages risk, considering and actioning recommendations of the Financial Risk Management and Regulatory Committee. These recommendations are then updated and adopted as an Exco report for tabling to the Audit and Risk Committee</p> <p>Exco must implement and adhere to this framework and is consulted when there is an exception to the framework</p>
Financial Risk Management and Regulatory Committee	The Financial Risk Management and Regulatory Committee assists Exco to carry out its risk management responsibilities. It considers risk performance progress and makes recommendations to Exco
Other Exco subcommittees	These subcommittees oversee risks for which they are responsible
Divisions (Management Committee, including Airport Management Committees)	Divisional managements consider the risks in their operating environments and reports to their management Committees on risk management performance. Divisional management is responsible for implementation of and adherence to risk management processes

In developing our risk management framework and defining responsibilities, we looked to the PFMA, the Companies Act, ISO 31000:2018 and the guidelines of international risk benchmarks. Monitoring and evaluation are done through the Group's strategic risk register.

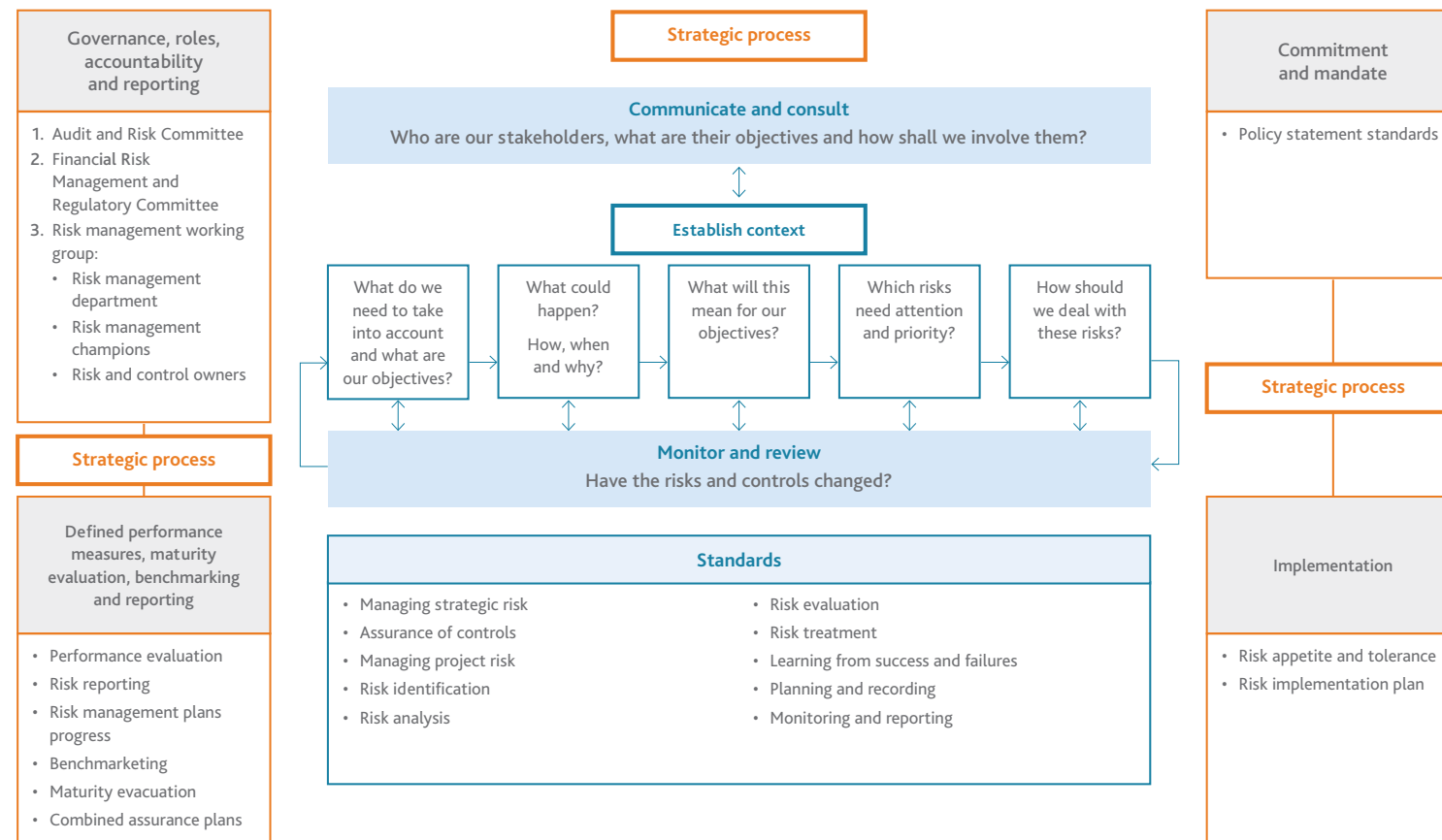
Governance of Risk *continued*

Monitoring and Evaluation of Risk



Governance of Risk *continued*

Interaction among Components of the Risk Management Framework



Focus areas for the year included:

- Alignment of risk management with ACSA's corporate strategy
- Integration of risk management activities throughout the organisation, with advanced methods applied to define risk appetite both quantitatively and qualitatively
- Improved risk reporting and ongoing assessment of potential new strategic risks
- Measuring, monitoring and reporting on risk management through quality risk information and relevant and adequate information for decision-making
- Implementation and monitoring of action plans resulting from the enterprise risk management maturity report.

Integrated Risk Management

Our integrated risk management process seeks to realise opportunities for gain while minimising adverse impacts. This annually reviewed process continuously monitors key risks and opportunities and is based on the outcomes of best practice reviews, annual maturity assessments and continuous interaction with our governance structures. Our governance framework supports the integration of risk management throughout the Group.

The Board continuously assesses and monitors the identification and treatment of strategic risks, reviewing strategic risks and identifying mitigations. More information on our strategic risks and mitigations is to be found on page 48 of our Integrated Annual Report.

INFORMATION TECHNOLOGY GOVERNANCE

King IV™ Principle 12

The governing body should govern technology and information in a way that supports the organisation in setting and achieving its strategic objectives

The Board is ultimately responsible for information technology (IT) governance, whose oversight is delegated to the Information, Communication, Technology Committee. A governance framework monitors the implementation of the IT strategy and assesses risks. Information management, protection of personal information policy, intellectual property, knowledge management, innovation and politically exposed person and domestic influential person policies facilitate good governance.

Collaboration within the IT team and across the business is actively promoted to facilitate governance integration into services. Disaster recovery plans take into account emerging risks such as cybersecurity, hacking and ransomware.

Focuses for the year included:

- Ongoing implementation of the IT strategy and digital roadmap
- Continuous investment and optimisation of technology cost
- Implementation of cybersecurity framework
- Implementation of enterprise-wide data platforms
- Continuous ICT infrastructure modernisation
- Implementation of smart airport digital foundation for smart airports
- Emerging-technology adoption and innovation
- Optimisation and digitalisation of business processes
- Continuous review of the ICT architecture in line with the strategic progress of the organisation
- Ongoing review of the policy landscape in line with the IT governance framework to streamline policies and procedures

- Review of the IT operating model to consistently manage solutions and services.

Technology Effectiveness

IT measures performance across seven objectives and key functional activities that represent the scope of the Group's activities. This baseline helps the division to track its contribution to the implementation of the business strategy and build a roadmap to improve operating model effectiveness in realising strategic goals.

The governance process has progressively brought about improvements in the IT environment, resulting in fewer audit findings. However, some areas require further improvement, such as the parking management solution, which is still being implemented to provide adequate and effective user access. IT security management and physical and environmental controls have been improved to ensure that all systems operate in an efficient and effective control environment. Some automated controls in the Oracle financial reporting system are being introduced to mitigate risks to optimal business process functioning.

How the Governance Process Works:



GOVERNANCE OF COMPLIANCE

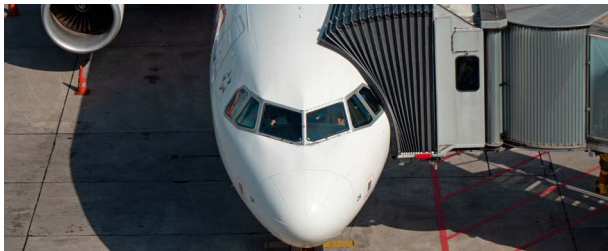
King IV™ Principle 13

The governing body should govern compliance with applicable laws and adopt non-binding rules, codes and standards in a way that supports the organisation as an ethical and a good corporate citizen

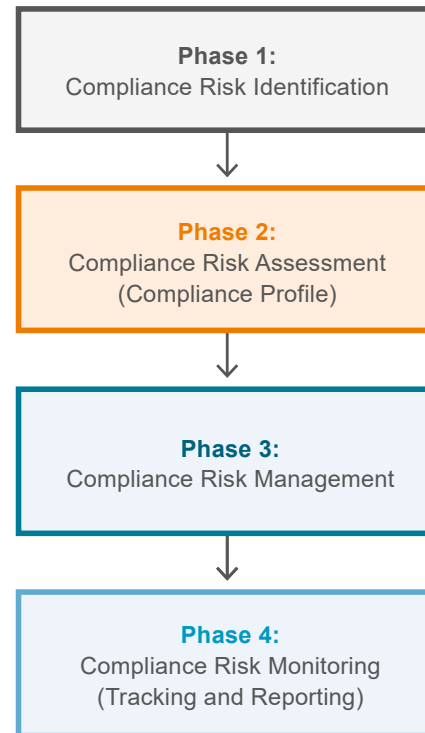
The Board ensures that the Group complies with laws and regulations, including non-binding rules, codes and standards. Our compliance framework is aligned with ISO 37301:2021 and Compliance Institute's General Accepted Compliance Framework and best practices.

Compliance governance involves a structured framework that ensures ACSA adheres to laws, regulations and internal policies. Oversight of compliance is delegated to the Audit and Risk Committee and processes exist to report and address non-compliance. The Committee further assists the Board by setting the direction for how compliance is approached and addressed across the organisation. The enterprise compliance function leads the compliance implementation programme and ensures adherence to regulations.

The Board is guided by legislation and codes of good practice. Compliance management remains vital for the Group to maintain operational efficiency, meet strategic goals and uphold its reputation as a leader in the aviation industry.



The Compliance Management Process



The compliance regulatory universe was approved and implemented in June 2024. A quarterly status report is produced to keep Exco and the Audit and Risk Committee informed of non-compliances and to facilitate escalation of issues. There were no material instances of non-compliance with legislation and regulations during the reporting period.

The effectiveness of the compliance function is monitored through internal audit. The Group's focus on this issue reflects its commitment to safety, security and adherence to legal and regulatory requirements.

Key focuses during 2024/25 included:

- Review and implementation of the approved compliance regulatory universe
- Implementation of the approved compliance audit plan
- Implementation of the approved compliance risk management plans for core legislations, namely:
 - Civil Aviation Act 13 of 2009, as amended
 - Public Finance Management Act 1 of 1999, as amended
 - National Key Points Act 102 of 1980/Critical Infrastructure Protection Act 8 of 2029, as amended
 - Airports Company Act 25 of 1998, as amended
 - Occupational Health and Safety Act 85 of 1993, as amended,
 - Companies Act 71 of 2008, as amended
 - National Environmental Management Act 107 of 1998, as amended
- Training of the ACSA workforce to institutionalise and embed a culture of compliance
- Monitoring Group compliance status
- Sustainability compliance with growing emphasis on environmental regulations, which will ensure compliance with sustainability standards.

Approved policies and procedures outline the organisation's compliance obligations and adherence thereto. Compliance audits were conducted to assess whether internal controls were being followed effectively.

The South African Civil Aviation Authority conducted annual compliance audits to assess whether ACSA was adhering to environmental standards and laws. There were no material regulatory penalties, sanctions or fines during the reporting period for non-compliance with statutory obligations.


GOVERNANCE OF REMUNERATION

King IV™ Principle 14

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

The Board is responsible for the remuneration philosophy and policy, guided by the Human Resources, Remuneration and Nominations Committee. Our remuneration philosophy supports sustainable value creation by rewarding our people for their contribution to achieving our strategic objectives. We offer competitive total rewards to promote a high-performance culture that enables fulfilment of objectives.

The remuneration policy includes procedures for the governance of remuneration, the attraction and retention of skills, succession planning, disclosure, benefits, conditions of employment and performance-linked remuneration.

Details of remuneration awarded to members of the governing body and executive management are disclosed on page [47 to 48](#). 

ENSURING EFFECTIVE CONTROL

King IV™ Principle 15

The governing body should ensure assurance services and functions to enable an effective control environment and to support the integrity of information for internal decision-making and of the organisation's external reports

The Audit and Risk Committee's legislated duties, set out in section 94(7) of the Companies Act and the relevant best practice recommendations in principle 8 of King IV™, define in detail the oversight responsibilities the Committee must carry out to ensure adequate and effective governance.

In addition, the Committee is responsible for adherence to Treasury Regulation 27.2.5, which states that internal audit must be conducted in accordance with the standards set by the Institute of Internal Auditors that give legislative authority to the institute's International Professional Practices Framework.

Internal audit exists primarily to enhance and protect organisational value through providing reliable objective internal audit assurance and trusted advisory services. It achieves this by assessing and evaluating the adequacy and effectiveness of governance, risk management and internal controls. Through the performance of its objective assurance and advisory services, internal audit enables the Audit and Risk Committee and, ultimately, the Board, to achieve adequate and effective corporate governance throughout the Group.

Combined Assurance

Combined assurance is the integration, coordination and alignment of risk management and assurance processes to optimise and maximise governance, control and oversight

over the risk landscape. The combined assurance model optimises assurance coverage obtained from management and internal and external assurance providers on the risks facing the Group. The model remained unchanged during the reporting period.

King IV™ recommends that the Audit and Risk Committee provide direction for the use of a combined assurance model and establish and oversee the model to combine, coordinate and align assurance activities across assurance lines to ensure the appropriate depth and reach.

Internal audit's combined assurance processes:

- Foster a shared view and understanding of the Group's key risks and opportunities
- Understand all assurance providers, their roles and assurance they can provide
- Align assurance to the crucial risk exposures
- Maximise risk and governance oversight
- Maximise control efficiencies
- Optimise assurance to the Audit and Risk Committee and the Board
- Reduce assurance costs by eliminating possible duplication of audit efforts
- Promote collaboration between internal audit and other assurance providers
- Ensure the Group is in line with best practice for improved governance and accountability
- Enhance the integrity of internal information and external reports
- Provide basis for identifying and appropriately responding to potential assurance gaps.

Ensuring effective control *continued*

The Audit and Risk Committee is essential to the implementation and embedding of the framework that governs combined assurance. Internal audit champions framework implementation.

The enterprise risk management framework identifies, assesses and implements responses to Group risks, while the combined assurance framework ensures appropriate assurance on the effectiveness of the risk management process and controls.

Internal Controls

Internal audit follows a risk-based audit methodology in compliance with the Institute of Internal Auditors and the International Standards for the Professional Practice of Internal Auditing. Internal audit assists the Board and Exco by evaluating the adequacy and effectiveness of risk management, the control environment and governance processes. The function maintains its organisational independence by reporting functionally to the Audit and Risk Committee and administratively to the CEO.

Internal audit provides services and support to all airports in our network, including our subsidiaries. Our internal auditors are members of the Institute of Internal Auditors and, in conducting their work, comply with the institute's Code of Ethics and International Standards for the Professional Practice of Internal Auditing.

The detailed scope of work for internal audit is outlined in the three-year strategic and annual internal audit plans, which are reviewed annually and approved by the Audit and Risk Committee. The work encompasses assessment and evaluation of the adequacy and effectiveness of the governance, risk management and internal control processes. Quarterly feedback on the progress of the annual plan is provided to the Audit and Risk Committee. The work performed, as required by the International Professional Practices Framework, includes internal audit assurance and consulting services.

Internal audit assurance is the objective assessment of evidence to provide opinions or conclusions on an entity,

operation, function, process or system. Participating parties are generally the Group's executive and operational management, the process owner, internal audit and the Board and its Audit and Risk Committee, which are the users.

Internal audit consulting services are advisory and performed mostly on management request. The nature and scope of the consulting engagement are subject to agreement with management but must be approved or ratified by the Audit and Risk Committee.

Internal Audit Findings

Internal audit believes that, during the reporting period, processes were generally adequate and provided reasonable assurance that the operating environment has effective controls. There were no events that compromised the internal audit function.



GOVERNANCE OF STAKEHOLDER RELATIONSHIPS

King IV™ Principle 16

In execution of its governance role and responsibilities, the governing body should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders with the best interests of the organisation over time

A Board-led stakeholder-inclusive approach has stood the business in good stead in managing challenges of the past four periods. In the execution of its duties, the Board takes into account the legitimate and reasonable needs, interests and expectations of all material stakeholders.

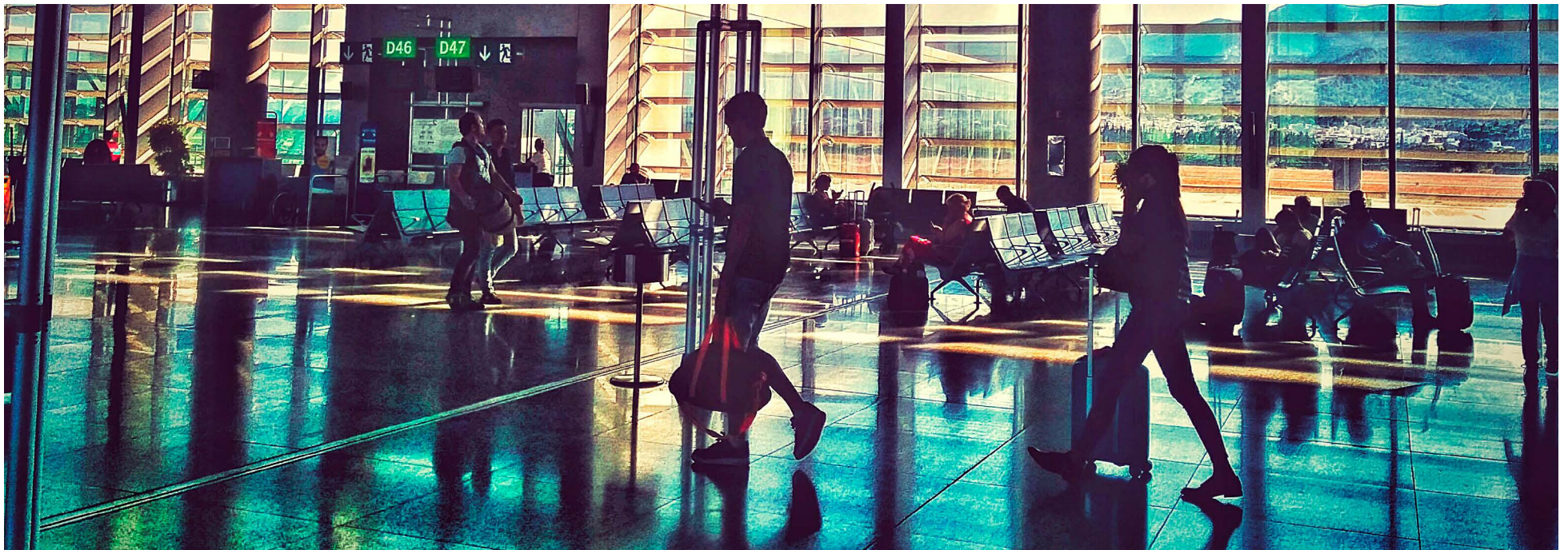
Engagement amid the unprecedented strain of Covid-19, the war in Ukraine, the Israel-Palestine conflict and significant events at home has deepened our stakeholder relationships. We have appraised key stakeholder groups on the impact of these events on our business, the aviation industry and our future sustainability. These have included shareholders, investors, lenders, airline associations, the Regulating Committee, the media, Parliament, government departments, ground handlers and, most importantly, our passengers and employees. Our governance structures have proven agile and effective and have shown that a balance between the interests of our stakeholders and our business is entrenched.

Subsidiary Governance Framework

A subsidiary governance framework requires subsidiaries to adopt the policies of the Group as these apply to them. The Audit and Risk Committee and the Social and Ethics Committee have been mandated to perform statutory duties for the subsidiaries.

Future Focuses

The Group will continue to discuss with stakeholders its financial sustainability and the implementation of recovery and sustainability strategies. The Regulating Committee, in particular, will be consulted on measures to ensure that the Group is sustainable and well positioned for growth.



COMMITTEES OF THE BOARD

AUDIT AND RISK COMMITTEE



Nonzukiso Siyotula*
Chairperson

The Committee

The Audit and Risk Committee is a subcommittee of the Board whose members were appointed at the Company's annual general meeting on 20 September 2024 in accordance with Companies Act, PFMA and King IV™ Report requirements. The Committee is integral to the Group's governance framework. All members meet predetermined skills, competency and experience requirements. The Committee has been delegated as the Audit and Risk Committee for subsidiaries.

Composition and Focuses

Audit and Risk Committee		Chairperson: Nonzukiso Siyotula	Attendance: 100%
Members	Andile Khumalo [^] Dudu Hlatshwayo Ntombifuthi Zikalala Mvelase* Yershen Pillay		
Mandate	<ul style="list-style-type: none"> Reviewing the integrity of the Annual Financial Statements and the accompanying reports through evaluation of the adequacy and efficiency of internal controls, internal financial controls and internal accounting policies that are relied on for financial and corporate reporting Appointment of the external auditor, approval of the external audit strategy, fees to be paid to the external auditor and assessment of independence and effectiveness of the external auditor Reviewing the corporate plan, considering the strategic objectives, strategic and business initiatives, key performance indicators and risk management plan Ensuring that a combined assurance model is applied to provide a coordinated approach to all assurance activities Overseeing the internal audit function, approving the internal audit plans, approving the internal audit charter, considering significant findings, monitoring cooperation and coordination between the internal and external audit and conducting an annual evaluation of the effectiveness of the internal audit function Ensuring that the Company has implemented an effective risk management policy, strategy and plan that will allow it to achieve its strategic objectives Considering legal and regulatory requirements that may have an impact on Company operations and overseeing the implementation of an effective systemic risk management approach to compliance Reviewing corporate governance and best practices and considering their impact on and implications for the Company Overseeing business continuity management 		
Number of meetings	11		
Committee focuses for the year	<ul style="list-style-type: none"> The 2024/25 to 2026/27 corporate plan Group performance Group financial sustainability Group going-concern status Elimination of fruitless and wasteful expenditure Reduction of irregular expenditure Alignment of the delegated levels of authority to the governance framework and operating model External audit strategy External audit reports Response plan for the external audit report Risk management and the Group risk appetite and tolerance levels Performance of internal audit Internal audit activity and combined assurance reports Assessment of the independence of the external auditor Evaluation of the CFO and the finance function Integrated Annual Report for 2023/24 Plans, policies and frameworks within the mandate of the Committee Compliance matters Governance matters 		
Material matters	<ul style="list-style-type: none"> Business sustainability Financial sustainability Risk management Value creation Business integration and operational planning Legal and regulatory compliance Governance 		

[^] Andile Khumalo ceased to be a member of the Committee post year-end on 11 June 2025 after having being assessed as factually but not legally independent

* Ntombifuthi Zikalala Mvelase retired from this Committee at the Company's annual general meeting on 20 September 2024

Audit and Risk Committee *continued*

Meeting Schedule

AUDIT AND RISK COMMITTEE											
Name of Director	SM	SSM	USM	SSM	SM	SSM	SM	SSM	SM	SSM	USM
	30/04/24	30/05/24	26/06/24	26/07/24	31/07/24	16/08/24	30/10/24	26/11/24	30/01/25	25/02/25	31/03/25
Ntombifuthi Zikalala Mvelase*	x	x	x	x	x	x	N/A	N/A	N/A	N/A	N/A
Nonzukiso Siyotula (Chairperson)	x	x	x	x	x	x	x	x	x	x	x
Dudu Hlatshwayo	x	x	x	x	x	x	x	x	x	x	x
Yershen Pillay	x	x	A	x	x	x	x	x	x	x	x
Andile Khumalo	x	x	x	x	x	x	x	x	x	x	x

* Ntombifuthi Zikalala Mvelase retired from this Committee at the Company's annual general meeting on 20 September 2024

SM = Scheduled Meeting

SSM = Scheduled Special Meeting

USM = Unscheduled Special Meeting

Committees of the Board *continued*

BOARD ECONOMIC REGULATION COMMITTEE



**Ntombifuthi Zikalala
Mvelase****

Interim Chairperson



Dr Sandile Nogxina*
Chairperson

The Committee

The Committee develops and implements the economic regulatory strategy. It ensures compliance with all economic regulatory legislation and requirements. At the core of its function is deliberation of the approach leading to permission applications for submission to the Regulating Committee, which determines airport tariffs for the Group from time to time. The Committee comprises the Board Chairperson and the chairs of the other Board Committees who are Independent Directors.

Composition and Focuses

Board Economic Regulation Committee		Chairperson: Dr Sandile Nogxina* Attendance: 100%	Chairperson: Ntombifuthi Zikalala Mvelase** Attendance: 100%
Members	Dudu Hlatshwayo Gcobani Mancotywa Sibongile Sambo*** Nonzukiso Siyotula Yershen Pillay		
Mandate	<ul style="list-style-type: none"> Overseeing the development, review and implementation of the economic regulatory strategy and ensuring compliance with all regulatory legislation and/or requirements Deliberating on the approach leading to the permission application to be submitted to the Regulating Committee Monitoring the implementation plan for projects in the approved permission application Considering emerging trends and policy and legislation on economic regulation Ensuring that material risks emanating from economic regulation and risks associated with permission projects are mitigated 		
Number of meetings	4		
Committee focuses for the year	<ul style="list-style-type: none"> Implementation of the economic regulation strategy Implementation of the 2024 to 2028 permission Plan for implementation of the permission projects Monitoring of risks pertaining to economic regulation 		
Material matters	<ul style="list-style-type: none"> Delivery of permission projects Company performance on service standards Execution risks Legal and regulatory compliance 		

* Dr Sandile Nogxina ceased to be a member of this committee subsequent to him being retired at the Company's annual general meeting held on 20 September 2024

** Ntombifuthi Zikalala Mvelase was appointed interim Chairperson with effect from 1 October 2024

*** Sibongile Sambo became a member on 23 October 2024

Board Economic Regulation Committee *continued*

Meeting Schedule

BOARD ECONOMIC REGULATION COMMITTEE				
Name of Director	SM	SM	SM	SM
	27/05/24	26/08/24	25/11/24	24/02/25
Dr Sandile Nogxina (Chairperson – retired on 20 September 2024 at the annual general meeting)*	x	x	N/A	N/A
Nonzukiso Siyotula	x	x	x	x
Dudu Hlatshwayo	x	x	x	x
Gcobani Mancotywa	x	x	x	x
Yershen Pillay	x	x	x	x
Ntombifuthi Zikalala Mvelase (interim Chairperson with effect from 1 October 2024)**	x	x	x	x
Sibongile Sambo***	N/A	N/A	x	x

* Dr Sandile Nogxina ceased to be a member of this committee subsequent to him being retired at the Company's annual general meeting held on 20 September 2024

** Ntombifuthi Zikalala Mvelase was appointed Interim Chairperson with effect from 1 October 2024

*** Sibongile Sambo became a member on 23 October 2024

SM = Scheduled Meeting

Committees of the Board *continued*BOARD INVESTMENT
COMMITTEE

Dudu Hlatshwayo
Chairperson

The Committee

The Board Investment Committee is an essential component of the Group's governance framework. It comprises Independent Directors and one Executive Director, the CEO.

Composition and Focuses

Board Investment Committee		Chairperson: Dudu Hlatshwayo	Attendance: 100%
Members	Andile Khumalo Gcobani Mancotywa Nompumelelo Mpofo Yershen Pillay Ntombifuthi Zikalala Mvelase*		
Mandate	<ul style="list-style-type: none"> • Ensuring that investments, disposals or acquisitions are in line with Company strategy and mandate • Reviewing the performance of the commercial business • Monitoring the funding plan of the Company and optimising cash reserves to enable the Company to fulfil both its commercial and regulated mandate • Considering business development initiatives • Monitoring strategic risks within its mandate 		
Number of meetings	8		
Committee focuses for the year	<ul style="list-style-type: none"> • Execution of major capital projects • Jet fuel security • Treasury activities • Consideration of policies and strategies within the mandate of the Committee • Board and Committee evaluation action plans • Commercial activities • Group's investments and property developments • Strategies and policies within the Committee's mandate • Execution risk assessment • Risk monitoring 		
Material matters	<ul style="list-style-type: none"> • Delivery of capital projects • Performance of investments • Revenue generation • Execution risks 		

* Ntombifuthi Zikalala Mvelase retired from this Committee at the Company's annual general meeting on 20 September 2024

Board Investment Committee *continued*

Meeting Schedule

BOARD INVESTMENT COMMITTEE								
Name of Director	SM	SM	USM	USM	USM	USM	SM	USM
	16/05/24	15/08/24	10/09/24	20/11/24	27/11/24	05/12/24	21/02/25	31/03/25
Dudu Hlatshwayo (Chairperson)	x	x	x	x	x	x	x	x
Ntombifuthi Zikalala Mvelase	x	x	x	A	A	A	N/A	N/A
Andile Khumalo	x	x	x	x	x	x	x	x
Gcobani Mancotywa	x	x	x	x	x	x	x	x
Nompumelelo Mpofu	x	x	x	x	x	x	x	x
Yershen Pillay	x	x	A	x	A	x	x	x

SM = Scheduled Meeting

USM = Unscheduled Special Meeting

Committees of the Board *continued*HUMAN RESOURCES,
REMUNERATION
AND NOMINATIONS
COMMITTEE

Sibongile Sambo**
Chairperson



**Ntombifuthi Zikalala
Mvelase***
Chairperson

The Committee

The Committee assists on matters of people management, strategic remuneration and nominations by ensuring decisions are aligned with the Group's strategic objectives. Its members are Independent Directors.

Composition and Focuses

Human Resources, Remuneration and Nominations Committee		Chairperson: Ntombifuthi Zikalala Mvelase* Attendance: 100%	Chairperson: Sibongile Sambo** Attendance: 100%
Members	Sibongile Sambo (Chairperson)** Gcobani Mancotywa Dr Sandile Nogxina*** Dr Kgabo Badimo Nonzukiso Siyotula		
Mandate	<ul style="list-style-type: none"> • Overseeing the setting and administering of remuneration across the Company • Recommending to the Board corporate goals and objectives relevant to the performance of the CEO and corporate goals and objectives relevant to the short-term incentive and long-term incentive of the CEO • Considering corporate and management goals and objectives relevant to the performance measures of the executives and Company Secretary • Considering and recommending to the Board for approval corporate goals and objectives relevant to the long-term incentives of the CFO and executives • Overseeing continuing professional development programmes for Directors • Considering human resources policies and strategies within its mandate for approval by the Board • Reviewing the Company's performance in human resources development against internal targets, legislative imperatives • Monitoring risks within its mandate 		
Number of meetings	7		
Committee focuses for the year	<ul style="list-style-type: none"> • Review of the employee value proposition • Initiatives for restoration of the proposition • Implementation of the macro structure • Board and Committee evaluation action plans • Policies, plans and frameworks within its mandate • Implementation of the people and culture strategy • Risks within its mandate 		
Material matters	<ul style="list-style-type: none"> • Employee value proposition • Business sustainability • Financial sustainability • Business growth • Business integration and operational planning • Acquisition and retention of skills • Legal and regulatory compliance • Governance 		

* Ntombifuthi Zikalala Mvelase retired from this Committee at the Company's annual general meeting on 20 September 2024

** Sibongile Sambo was appointed Chairperson of the Committee on 23 October 2024

*** Dr Sandile Nogxina ceased to be a member of this committee subsequent to him being retired at the Company's annual general meeting held on 20 September 2024

Human Resources, Remuneration and Nominations Committee *continued*

Meeting Schedule

HUMAN RESOURCES, REMUNERATION AND NOMINATIONS COMMITTEE							
Name of Director	SM	SM	USM	SM	USM	SM	USM
	09/05/24	08/08/24	29/08/24	20/11/24	20/01/25	13/02/25	10/03/25
Sibongile Sambo (Chairperson)**	X	X	X	X	X	X	X
Gcobani Mancotywa	X	X	X	X	X	X	X
Dr Sandile Nogxina (Retired at the annual general meeting on 20 September 24)***	X	X	X	N/A	N/A	N/A	N/A
Dr Kgabo Badimo	X	X	X	X	X	X	X
Ntombifuthi Zikalala-Mvelase*	X	X	X	X	X	X	X
Nonzukiso Siyotula	X	X	X	X	A	X	X

* Ntombifuthi Zikalala Mvelase retired from this Committee at the Company's annual general meeting on 20 September 2024

** Sibongile Sambo was appointed Chairperson of the Committee on 23 October 2024

*** Dr Sandile Nogxina ceased to be a member of this committee subsequent to him being retired at the Company's annual general meeting held on 20 September 2024

SM = Scheduled Meeting

USM = Unscheduled Special Meeting

Committees of the Board *continued*INFORMATION,
COMMUNICATION,
TECHNOLOGY
COMMITTEE

Yershen Pillay
Chairperson

The Committee

The Committee monitors compliance of the governance of technology, communications and information with King IV™ guidelines. It also oversees the alignment and integration of the Group's ICT strategy with strategy and business needs. It ensures implementation of the cybersecurity strategy and that strategies emanating from innovative initiatives are reviewed and support digital capabilities. Committee members are Independent Directors.

Composition and Focuses

Information, Communication, Technology Committee		Chairperson: Yershen Pillay	Attendance: 100%
Members	Dr Kgabo Badimo Dudu Hlatshwayo Sibongile Sambo Nonzukiso Siyotula		
Mandate	<ul style="list-style-type: none"> • Considering the Company's IT strategy to ensure that it is aligned and integrated with strategy and business needs • Monitoring performance of IT projects • Ensuring intelligent controls are in place to identify and respond to information-related incidents, including abuse of access to information (Promotion of Access to Information Act) process, data breaches, cyber-attacks and adverse social media events that could compromise the confidentiality, integrity and availability of information resources • Ensuring that cyber- and information-security framework, cyber- and information-incident response plan and cyber- and information-security strategy and related policies are in place and aligned to regulation, including international prescripts • Ensuring that technology and information requirements in the organisational innovation strategy are in place and strategies emanating from innovative initiatives support the building of digital capabilities • Monitoring integration of technology, data, information and/or cybersecurity risks into organisation-wide risk management in line with the enterprise risk framework for management decisions and analytics • Recommending to the Board for approval strategies and policies within its mandate 		
Number of meetings	5		
Committee focuses for the year	<ul style="list-style-type: none"> • Implementation of the IT strategy • Governance of technology and information • Cybersecurity • Innovation • Progress of ICT projects • ICT audit findings • Board and Committee evaluation action plans • Monitoring of risks within its mandate 		
Material matters	<ul style="list-style-type: none"> • Innovation • Business sustainability • Financial sustainability • Business growth • Business integration and operational planning • Digital transformation • Cybersecurity • Governance 		

Information, Communication, Technology Committee *continued*

Meeting Schedule

INFORMATION, COMMUNICATION, TECHNOLOGY COMMITTEE					
Name of Director	SM	SM	USM	SM	SM
	13/05/24	06/08/24	14/08/24	12/11/24	11/02/25
Sibongile Sambo	X	X	X	X	X
Dudu Hlatshwayo	X	X	X	X	X
Yershen Pillay (Chairperson)	X	X	X	X	X
Dr Kgabo Badimo	X	X	X	X	X
Nonzukiso Siyotula	X	X	A	X	X

SM = Scheduled Meeting

USM = Unscheduled Special Meeting

Committees of the Board *continued*SOCIAL AND ETHICS
COMMITTEE

Gcobani Mancotywa
Chairperson

The Committee

The Committee monitors the Group's economic transformation, socioeconomic development, corporate citizenship, security, environment, health and public safety, consumer relationships, labour and employment, ethics and stakeholder engagement activities. It comprises four Independent Directors and the CEO.

Composition and Focuses

Social and Ethics Committee		Chairperson: Gcobani Mancotywa	Attendance: 100%
Members	Dr Kgabo Badimo Andile Khumalo Nompumelelo Mpofu Sibongile Sambo		
Mandate	<ul style="list-style-type: none"> Monitoring the Company's ethics, social and economic development, transformation, enterprise security, corporate citizenship, environment, health, public safety, stakeholder relationships, consequence management labour and employment activities Recommending policies, strategies and framework within its mandate Overseeing management of strategic risks within its mandate 		
Number of meetings	5		
Committee focuses for the year	<ul style="list-style-type: none"> Implementation of the environmental, social and governance strategy Economic transformation Stakeholder relations Ethics Reputation of the Group Socioeconomic development Environmental, health and public safety Enterprise security Consequence management Board and Committee evaluation action plans Risks within its mandate 		
Material matters	<ul style="list-style-type: none"> Business sustainability Brand, reputation and stakeholder management Economic transformation Safety Security Legal and regulatory compliance Consequence management Governance 		

Social and Ethics Committee *continued*

Meeting Schedule

SOCIAL AND ETHICS COMMITTEE					
Name of Director	SM	SM	USM	SM	SM
	14/05/24	13/08/24	22/08/24	19/11/24	20/02/25
Sibongile Sambo	X	X	X	X	X
Dr Kgabo Badimo	X	X	X	X	X
Andile Khumalo	X	X	X	X	X
Gcobani Mancotywa (Chairperson)	X	X	X	X	X
Nompumelelo Mpofu	X	X	X	X	X

SM = Scheduled Meeting

USM = Unscheduled Special Meeting

2 REMUNERATION



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REMUNERATION

The Board is responsible for ACSA's remuneration philosophy and policy and for overseeing their application, assisted and guided by the Human Resources, Remuneration and Nominations Committee and supported by management. This includes responsibility for skills attraction and retention, conditions of employment, remuneration governance, benefits, performance-linked remuneration, succession planning and disclosure. We adhere to the principles of good governance set out in the King IV™ for recruitment, remuneration and human capital management.

Our remuneration philosophy rewards our people for their contribution to achieving our strategic objectives. Our rewards are competitive to ensure a values-based, high-performance culture that is conducive to achievement of objectives. This section of the report sets out our remuneration philosophy and policy, including the factors that influenced both policy and implementation during the reporting period.

The implementation report below details all remuneration awarded to members of the governing body and executive management during the year.

Performance Review

In the 2024/25 financial year, as the business continued on its recovery trajectory, we focused on normalising remuneration, benefits and the employee value proposition within the framework of our corporate strategy. From a performance perspective, we had a strong year meeting 10 of 11 organisational KPIs and demonstrating continued growth in revenue, despite still being restricted by debt covenants.

As part of this process, we relooked at our performance-variable incentive policy and updated the qualifying criteria. We also simplified the model for both short-term and long-

term incentives based on the organisational scorecard and to ensure alignment with our new strategic focus on growth and sustainability.

There were payments of long-term and short-term incentives in the financial year.

We also continued to work on succession management, which will be concluded in the new financial year by cascading down throughout the organisation to ensure that we have the necessary capacity to execute our strategy.

Externally, we are benchmarking our salaries and aligning our remuneration policies with the market. In cases where we find we are below market, we are aligning our policy with market norms.

Normalising Remuneration

Our remuneration practices are informed by total rewards benchmarking, which is based on equitable, market-related remuneration. As our employees are fundamental to our sustainability and success, we provide fair financial and non-financial remuneration, including subsidised housing and educational opportunities.

During the review period, we paid R13 255 360 in housing subsidies and R1 475 000 in upfront deposits to assist employees with affordability for housing. We also launched a programme to recognise contributions and achievements made by employees through formal and informal ways and to reinforce a culture of positive behaviour in line with our vision, mission and strategy.

We reviewed our retirement benefits and reduced costs by merging the fund under an umbrella fund. Previously frozen salary increments were reconsidered and an increase granted to employees to place them on a par with market peers.

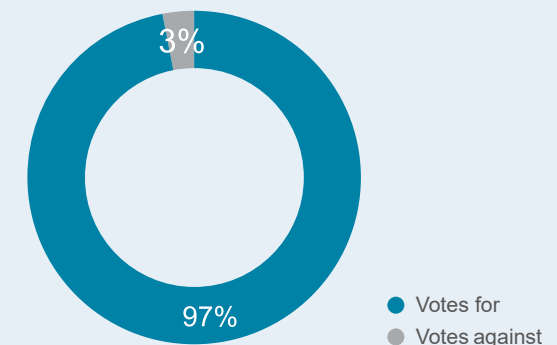
Performance and Outlook

The Human Resources, Remuneration and Nominations Committee is confident that it delivered on its mandate during 2024/25. It will continue to monitor remuneration policy and practices, while maintaining ACSA's fair and ethical practices.

Operationally, the human resources division will continue to address the priorities of the people and culture strategy and monitor its implementation.

The Committee received external independent advice and market information from Remchannel and Tax Consulting South Africa and is satisfied that the input from these sources was reliable, accurate, independent and objective.

In the period the Board approved a short-term incentive of R134 million was paid to all employees and a retention award of R10.5 million was paid to Executives. Further the Board approved a realignment of salaries to catch up with the market of 7% and an annual increase of 7% granted in September.



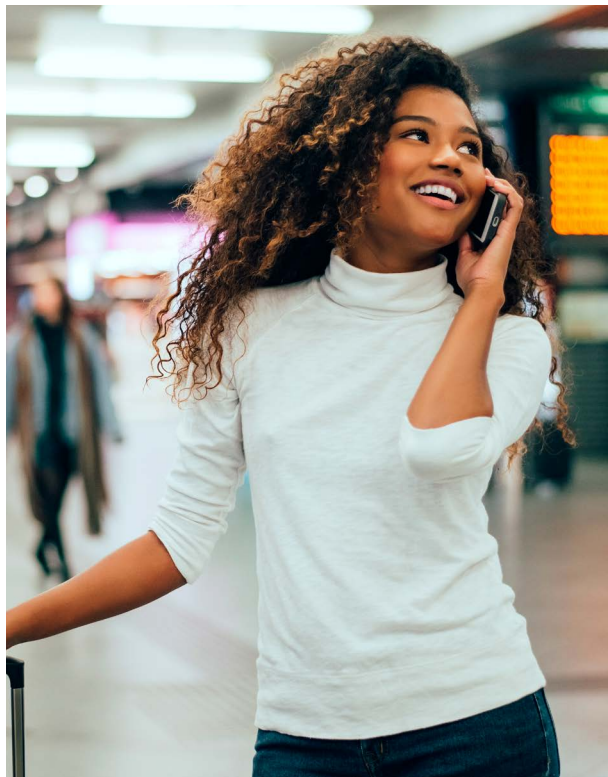
Remuneration *continued*

Remuneration Policy

Our total rewards benchmarking allows for payment of equitable, market-related remuneration.

Competitive total rewards promote a values-based, high-performance culture that enables us to achieve our objectives.

Our remuneration policy includes procedures for governance of remuneration, attraction and retention of skills, succession planning, disclosure, benefits, conditions of employment and performance-linked remuneration.



Total Remuneration Elements

	Fixed Pay	Variable Incentives	
		Single Incentive	
	Total Guaranteed Package	Short Term	Long Term (deferred portion)
Purpose	To attract and retain employees through competitive fixed pay	To attract and retain employees and to drive a high-performance culture that is aligned to the corporate strategy.	
Who	All employees	All employees	Executive Directors
Description	Basic plus benefits and allowances	A single incentive (performance-related bonus) is determined based on an on-target percentage of total guaranteed pay, modified by individual, divisional and Group performance, as applicable. Each employee grade is allocated an on-target percentage to be used for this calculation. Depending on the seniority of the employee, this may be paid out in full or in part, with a portion being deferred. For Paterson grades A to E3, the incentive is paid in full. In the case of employees at Paterson E4 and above, 50% is deferred over a further four-year period and is paid out in equal tranches.	
Settlement method	Cash	Cash	Cash
Frequency	Monthly	Annually	Annually
Performance	Based on personal performance ratings, and both internal and external parity	Performance measurement is based on a combination of Group, divisional and individual performance.	
Proposed changes	<ul style="list-style-type: none">• Employees in grades A to C5 receive basic plus benefits while employees in grades D1 and above are on-target total package.• Changes to reward approach of critical skills.• Review of the retirement age of all employees.• Employees retention and rewards programme enhancement.		

Remuneration *continued*

Guiding Principles in Applying Remuneration Policy

Fairness, equity and responsibility	Equity, fairness and consistency in the remuneration of employees are applied according to the value of their work
Competitive	Total remuneration is externally competitive and ensures that ACSA can attract, retain and motivate its employees.
Strategy aligned	The remuneration strategy is aligned to and supports the achievement of ACSA's strategy.
Governance compliance	Remuneration is compliant with legislation and King IV™.
Performance based	To create a strong link between pay and performance, all variable incentives are subject to performance.
Affordability	ACSA strives to pay market-related remuneration subject to affordability.

The remuneration policy ensures that employees are remunerated fairly for contributing to ACSA's performance.

We ensure that our remuneration practices satisfy the 'equal pay for equal work' principle. King IV™ states that, to eliminate unfair discrimination, employers must remove differences in their terms and conditions of employment, including those for remuneration, for employees who perform the same or substantially similar work or for work of equal value in terms of section 6(1) of Employment Equity Act No 55 of 1998.



Values that inform our fair and responsible remuneration philosophy



The factors that are considered to ensure that ACSA remunerates fairly include:


- Individual and Group performance
- Financial profitability of the Group
- Economic environment
- Market pay benchmarking
- Fair pay assessment

Total Remuneration

We offer a market competitive set of benefits, which includes medical aid, a housing scheme, travel allowances and other circumstantial allowances.


Remuneration *continued*

Total Guaranteed Package

Guaranteed Pay	
	Employee guaranteed pay is reviewed annually, considering Consumer Price Index (CPI), market trends, employees and Group performance, internal parity and Group affordability. The Group has a culture of awarding increasing above CPI percentages, considering the cost of living relating to the Producer Price Index to ensure fair and responsible remuneration.
In addition, for the following employee categories, the following measures are also considered:	
Executives	(a) Individual parity (b) Individual and Group performance
Senior management, middle management and professionals	(a) Individual parity (b) Individual and Group performance
Skilled and general workers	(a) National negotiations (b) Internal parity (c) 13th cheque forms part of the guaranteed pay

Variable pay is determined according to the single incentive methodology approved in 2023/24. A portion of the calculated incentive is paid as a bonus and a portion is deferred into a long-term incentive. All employees are eligible to receive the annual portion of the payment, with only executives eligible to receive the deferred portion. All payments are cash.


Performance is assessed against a financial and non-financial balanced scorecard aligned to our long-term strategy. The scorecard is weighted according to employee seniority and segmented into Group, divisional and individual components. Group targets are influenced by the shareholder's compact, driving sustainable long-term business growth. KPIs consider our business, people, society and environment. Different weightings apply to each component depending on grade. For example, senior employees have a higher weighting towards Group

Benefits	
	Employees are contractually obliged to belong to an approved medical aid and retirement fund, inclusive of risk benefits. Our benefits policy is structured in a way that promotes employee financial wellness.
Executives, senior management, middle management and professionals	(a) Employees contribute 100% towards medical and retirement fund (inclusive of risk benefits) (b) Long-service awards (c) Free tax-filing services (d) Executive medicals to ensure wellbeing (e) Employee wellness and employee assistance programmes (f) Leave above statutory limits (g) Study support
Skilled and general workers	(a) Retirement fund: 13% employer and 8% employee contribution (b) Medical aid: 50% employer and 50% employee contribution (c) A one-off capital grant of R100 000 is offered to first-time homeowners (d) A monthly housing subsidy is offered to salaried employees (e) Employees are provided with branded uniforms (f) Long-service awards

performance and a lower weighting towards individual performance.

The individual performance modifier is determined by the performance management process, but primarily on achievement of key performance indicators in each individual's balanced scorecard. The individual modifier ranges between 0% and 175%.

Group performance conditions and targets are approved annually by the Board and the Human Resources,

Circumstantial Allowance	
	Circumstantial allowances are aligned with legislative requirements and operational effectiveness.
Executives, senior management, middle management and professionals	The following allowances are paid based on job-specific requirements: (a) Acting allowance (paid in line with the policy to employees who are required to act in roles that are higher than their designated roles) (b) Demand and capacity (c) Relocation
Skilled and general workers	(a) Shift (b) Standby (c) Overtime (d) Relocation (e) Acting allowance (f) Transport allowance (g) Employee wellness and employee assistance programme (h) Employee study support and children bursary programme

Remuneration and Nominations Committee. Threshold, target and stretch levels of performance are set and determine the modifier. The Group modifier ranges between 0% and 150%.

The divisional performance modifier is similar to the Group modifier, but with conditions and targets set by division. This modifier ranges between 0% and 150%.

Total incentive pool cap: The short-term incentive pool is based on a sharing percentage of 3% to 5% of earnings before interest, tax, depreciation and amortisation. The total incentive pool cap is reviewed annually by the Board. This is calculated only if at least 60% of annual measures informing the Group performance score have been achieved. If 60% is not achieved, but Group performance has improved from the previous year, the Human Resources, Remuneration

Remuneration *continued*

and Nomination Committee may reduce the pool cap by up to 10% for each incremental 5% below the gatekeeper provision.

Potential single incentive: The potential single incentive is the individual's total guaranteed package multiplied by a grade-specific, on-target percentage and further modified by a performance modifier based on a weighted formula. To qualify, an employee must have demonstrated consistent performance and have received a performance rating between 3.1 and 5.0 in the previous performance management cycle.

Performance modifier: Each participant's potential on-target single incentive can be modified downwards to zero or upwards to 153% to 158%, depending on seniority and based on the weighted average modifier.

Final single incentive: The final incentive is determined according to the distribution of the pool based on the formula illustrated in the graphic below. Should the total incentive pool cap be larger than the total of the potential incentives calculated, no adjustments are made to the potential incentives. When the total incentive pool cap is lower than the total of the incentives, downward adjustments are made.

Approval: The pool is approved by the Human Resources, Remuneration and Nominations Committee and recommended to the Board for final approval. Should the total incentive pool cap be larger than the total of the

potential bonuses calculated, no adjustments are made to the potential bonuses. When the total incentive pool cap is lower than the total of the potential bonus pool, potential bonuses are adjusted down.

Final incentive calculation: To calculate the individual incentive, the sum of all the potential incentives is compared to the pool. Where the pool is the larger, payments are limited to the potential values calculated. Where the pool is the smaller, every participant's incentive is adjusted on a pro-rata basis. Thus, payments are capped at the sum of all the calculated incentives or the pool amount, whichever is lower, to ensure affordability.

Deferred portion: For executives, 50% of the single incentive calculated is deferred into a long-term incentive and paid in equal tranches over four years. The individual modifier ranges between 0% and 175% and is informed by Group, divisional and personal performance. Different weightings are applied to each component of performance depending on grade. For example, senior employees have a higher weighting in Group performance.

Board Discretion

The Board may grant single incentive awards, which are not an automatic entitlement. The Board may also reduce, remove and/or defer payments. Factors considered by the Board include:

- The Group being in a cash-negative position

- Fulfilment of free cash flow conditions
- Malus and clawback provisions
- A qualified audit opinion
- If the payment would breach debt covenants

The Board did not exercise its discretion during the year under review.

Benchmarking

ACSA benchmarks total remuneration annually to the median of the market and the 50th percentile. There are two benchmarking approaches:

Executive remuneration, which considers Johannesburg Stock Exchange-listed companies based on size, complexity and performance, comparable state-owned companies, considering size and Remchannel survey data to perform a grade-based benchmark analysis.

Below-executive level remuneration for which a grade- and job title-based benchmark analysis is performed using the Remchannel database.

Malus or Clawback

The Board uses its discretion on malus or clawback to any incentive award based on discovery of trigger events. Triggers, according to the malus and clawback policy, include

- Discovery of a material misstatement resulting in an adjustment to the audited consolidated accounts of the Group or the audited accounts of any member of the Group
- Assessment that any performance condition or conditions were based on error or on inaccurate or misleading information
- Discovery that any information used to determine an incentive award was based on error or on inaccurate or misleading information



Remuneration *continued*

- Action or conduct of an employee that the Board believes amounts to employee misbehaviour, fraud or gross misconduct
- Employee events or behaviour that have led to the censure of a member of the Group by a regulatory authority or that have significantly affected the reputation of any member, provided the Board is satisfied that the employee was responsible for the censure or reputational damage and the censure or reputational damage was attributable to him or her.

Executive Director and Group Executive Contracts

The following employment contracts are offered to Executive Directors and Group Executives:

- CEO and CFO are appointed on five-year fixed-term contracts
- All Group Executives are appointed by the CEO
- Group Executives are on five-year contracts with six months' probation
- Executive Directors and Group Executives are eligible

for guaranteed pay and variable incentives as per ACSA plans

- Employment contracts are offered until retirement age of 65 years.

Non-executive Directors

Non-executive Directors serve for three years and are appointed in terms of the Group's memorandum of incorporation. Their fees are determined by National Treasury and approved by the Minister of Transport.

Non-executive Directors are paid for their roles on the Board and its Committees. The following apply:

- Fees are approved through a special resolution by shareholders
- Non-executive Directors do not participate in the variable pay schemes and are receive a retainer with fees for meetings and ad-hoc functions
- Fees exclude any value-added tax applicable
- No termination benefits are paid to Directors.

There were no deviations from the remuneration policy during the reporting period.

Non-executive Director Remuneration	
Board members	R'000
Dr S Nogxina	491
Y Pillay	755
N Zikalala Mvelase*	912
Dr K Badimo	612
D Hlatshwayo	775
N Siyotula	878
G Mancotywa	710
SR Sambo	635
A Khumalo	724
Total	6 493

* Retired 23 October 2024

Salary Increases

The Board approved an ad-hoc increase for salaries of all staff to cover the freeze period from 2020/21 to 2021/22, as a study revealed that, despite the impact of Covid-19, organisations were granting inflation-linked salary increases. Our initial 7% increase was applied in June 2024 backdated to April 2024. The Board granted a further 7% increase effective September 2024.

The Board approved a R149 814 568 performance bonus in line with the single incentive procedure (all employees and executives).

Executive Director and Group Executive Remuneration

Key Management Personnel: Executive Directors

Figures in Rand	Salary		Pension and Medical Contributions		Bonuses and Incentives		Other Benefits*		Total	
	Mar-25	Mar-24	Mar-25	Mar-24	Mar-25	Mar-24	Mar-25	Mar-24	Mar-25	Mar-24
N Mpofo	5 178	4 567	833	714	5 014	1 270	113	-	11 139	6 551
S Mthethwa ¹		490		100		-		475	-	1 066
L Mbotya ²	3 725	1 133	373	100	-	-	40	-	4 137	1 233
L Mukhudwani ³		812		129		265		355	-	1 560
Total	8 903	7 002	1 206	1 043	5 014	1 535	153	831	15 276	10 410

* Other benefits comprise *ex-gratia* bonuses and long-service awards

¹ Chief Financial Officer – resigned with effect from 31 May 2023

² Chief Financial Officer – appointed with effect from 1 December 2023

³ Acting Chief Financial Officer 1 June 2023

Remuneration *continued*

Prescribed Officers

Figures in Rand	Salary		Pension and Medical Contributions		Bonuses and Incentives		Other Benefits*		Total	
	Mar-25	Mar-24	Mar-25	Mar-24	Mar-25	Mar-24	Mar-25	Mar-24	Mar-25	Mar-24
S Ngwenya	3 144	2 762	277	242	2 467	602	47	-	5 935	3 606
L Sesoko ¹	2 946	159	377	14	-	-	34	-	3 357	173
S Shilowa	3 693	3 243	325	286	2 951	708	70	2	7 039	4 239
L Langa	3 017	2 633	391	360	2 557	600	58	1	6 023	3 594
M Petros	3 746	3 325	-	-	2 801	667	139	22	6 686	4 014
T Delomoney	3 084	2 667	422	381	2 705	633	173	111	6 384	3 792
L Less	2 833	2 487	322	285	2 283	556	57	4	5 495	3 332
DM Mncwabe	3 464	3 057	515	438	-	701	39	9	4 018	4 205
M Maluleke ²	927	-	139	-	-	-	10	-	1 076	-
S Sibiya ³	-	508	-	73	-	-	-	264	-	845
G Makhubela ⁴	356	-	-	-	-	-	4	-	360	-
M Mokoena ⁵	2 511	-	260	-	1 194	-	39	-	4 004	-
	29 721	20 841	3 028	2 079	16 958	4 467	670	413	50 377	27 800

¹ Group Executive Commercial and Business Development – appointed 11 March 2024

² Chief Procurement Officer – appointed 10 December 2024

³ Acting Group Executive Commercial and Business Development 01 June 2023, 30 September 2023 and 10 October 2023 to 10 March 2024

⁴ Interim Chief Information Officer – appointed 17 February 2025

⁵ Acting Chief Information Officer – appointed 13 August 2024 to 31 January 2025



Future Focuses

	Review remuneration policy
	Review pay scales to align with market trends
	Review remuneration for critical skills
	Pay positioning of employees
	Retention remuneration for key successor roles



Remuneration *continued*

Analysis of Performance against KPIs

Strategic Objectives and KPIs		Weight	Annual Target Status	2024/25 Actual	2024/25 Target
Our Business: Strategic Objectives and KPIs					
Financial sustainability	Earnings before interest, tax, depreciation and amortisation (cumulative)	18%	●	R2 844 million	R2 616 million
	Capital expenditure allocation (cumulative)	18%	●	R850 million	R727 million
Diversify the business portfolio	Aeronautical revenue (cumulative)	12%	●	R4 061 million	R4 122 million
	Non-aeronautical revenue (cumulative)	12%	●	R3 636 million	R3 429 million
Increase reputation	Reputation index (RepTrak)	10%	●	61.5%	60%
	Passenger satisfaction (airport service quality index)	6%	●	3.92	3.74
	Efficiency factor	6%	●	1.7%	1.5%
Our People and Society: Strategic Objectives and KPIs					
Transform ACSA business	Broad-based black economic empowerment level	4.7%	●	Level 2	Level 2
	% black business share of commercial revenue generated	4.7%	●	68%	60%
	Number of job opportunities created	4.6%	●	23 959	18 705
Our Environment: Strategic Objective and KPI					
Reduce environmental impact	Airports Council International carbon accreditation level	4%	●	Maintain Airports Council International level 2 accreditation for O.R Tambo, Cape Town and Chief Dawid Stuurman international airports and attain level 3 for King Shaka International Airport	Maintain Airports Council International level 2 certification for at least two airports and attain level 3 for at least one airport
Total number of KPIs achieved		90.9%	10/11		

Legend key: ● KPI target met or exceeded ● KPI target not met





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