



AIR-TEC GLOBAL
CORPORATE GOVERNANCE REPORT
2023-2024



VISION, MISSION AND VALUES

ACCOUNTABILITY

We take responsibility for our decisions, actions and results.



INTEGRITY

We have strong moral principles.



RESPECTFUL

We value the contributions of each other, and always act ethically, fairly, and transparently and embrace our cultural diversity.



TEAMWORK

We work together to achieve common goals, but understand that we each have to make an individual contribution.



EXCELLENCE

We continually set high standards and strive to produce outstanding work.



CARE

We do our work correctly and safely with the interests of our co-workers, customers, environment and community at heart.

OUR VISION

To be the best managed niche aviation contract company globally

OUR MISSION

To get better and better at what we do by investing in our people and systems

TABLE OF CONTENTS

03	Corporate Governance
06	Corporate Governance Framework
07	Board Meetings
08	Board and Committee Structures
22	Stakeholder Relations

CORPORATE GOVERNANCE

INTRODUCTION

Inter-Ocean Aviation Finance Corporation trading as Air-Tec Global, is a private company domiciled in the Republic of Mauritius and holds a Global Business Licence (GBL). The Company controls various subsidiaries across the world.

The corporate governance framework developed by the Board for the Company, including its subsidiaries, is based on the eight principles of the National Code of Corporate Governance for Mauritius (2016) ("the Code"). The Board has followed this Code notwithstanding that as a GBL Company, it is not a requirement for the Company to do so.

The Board believes that the application of the governance framework is integral to the short-, medium- and long-term success of the Company, as it creates a process to ensure that relevant information is transparently presented to the Board for effective decision making.

To assist the Board in the application of the governance framework, Board and Management Committees have been created and these structures operate within approved charters developed by the Board to ensure that the Board discharges its responsibilities in an agreed manner to create value for all stakeholders of the Company.

This report aims to describe the responsibilities of the Board and its Committees, and how these responsibilities have been met.

BOARD OF DIRECTORS

The Board consists of Executive and Non-Executive Directors. The Board has a strong Executive Management and independence presence, which the Board believes is commensurate with the size and sophistication of the Company.

For part of the reporting period, the Board consisted of four independent Directors and believes that this level of independence continues to have a positive impact on the Company.

The Board understands the need for gender diversification and hence have committed, in as far as knowledge and industry experience not being sacrificed for independence or gender

diversification, that the next Director appointed, should be an independent female candidate.

The Board defines independence as the ability to think, analyse and make decisions for the best interests of the Company and having the experience and ability to stand up to different views and arguments.

The Board of Directors are of the view that the current composition of the Board is adequately balanced in terms of skills, experience, independence and knowledge of the Company.

The Board assumes full responsibility for leading, controlling and meeting all legal and regularity requirements of the Company and the Directors are aware of their individual legal duties in line with the Mauritius Companies Act 2001. The Company Secretary being Navitas Management Services Ltd advises the Board and individual Directors in regards to their legal duties as applicable.

WEBSITE

As deemed appropriate by the Board, the details of the Company Secretary, Board and Committee Charters, Constitution, and all relevant corporate governance related policies can be found on the Company website.

POSITION STATEMENTS AND KEY ACCOUNTABILITIES

Position statements for senior governance positions, together with an organizational structure, including key accountabilities are reviewed and approved by the Board on a regular basis but at a minimum on an annual basis.

Key responsibilities include:

NON- EXECUTIVE CHAIRMAN OF THE BOARD

- Leading the Board and ascertaining its effectiveness to deliver on the strategic objectives
- Ensuring that all Directors receive accurate, timely and relevant information
- Encouraging active participation from all Board members
- Promoting a boardroom culture that is rooted in the principles of good governance
- Effective engagement with stakeholders

INDEPENDENT DIRECTORS

- Providing independent judgement and viewpoints
- Providing a sounding board for the Chairman on matters of governance or Board performance
- Assisting in determining the remuneration of Executive Directors
- Available to stakeholders if they have concerns, which have not been resolved through the normal channels of communication within the Company
- Chairing of Board Committees

EXECUTIVE DIRECTORS

- Ensuring the highest standards of governance are upheld at Company and Board level
- Together with the Group Chief Executive Officer, ensuring that processes are in place to support the execution of the strategic objectives and the reporting thereof to the Board
- Together with the Group Financial Director, ensuring that financial controls are designed and implemented to support accurate financial reporting
- Together with the Group Financial Director, monitoring the financial performances and cash flow requirements
- Selecting and employing senior Executives and Officers
- Designing procurement processes to meet strategic objectives

GROUP CHIEF EXECUTIVE OFFICER

- Execution of the strategy and decisions taken by the Board and the Shareholders
- Keeping the Board up to date on key strategic plans and significant risks the company may be faced with
- Ensuring that decisions are made within the governance framework and that the culture supports the framework
- Ensuring that processes are in place to ensure compliance with laws and regulations

GROUP FINANCIAL DIRECTOR

- Ensuring that financial controls are designed and implemented to support accurate financial reporting
- Identification and reporting to the Board in a timely manner any significant financial risks which may prevent the achievement of the strategic objectives
- Ensuring compliance with financial reporting standards
- Managing the cash flow and funding requirements




CORPORATE GOVERNANCE COMPLIANCE AND RISK OFFICER

- Supports the Board in designing processes to ensure a systematic and disciplined approach is taken towards risk management, statutory compliance and the governance framework
- Supporting the Board and Committee Chairmen in the development of agendas and collection and distribution of the Board and Committee papers
- Direct reporting line to the Board on the overall corporate governance framework

CORPORATE SECRETARY

- Ensuring compliance with Board procedures
- Advising the Board on statutory and regulatory requirements to ensure compliance with the Mauritius Companies Act 2001

DIRECTORS PROFILES

	DIRECTORSHIP	EXECUTIVE POSITION	RESIDENCY	KEY COMPETENCIES	KEY QUALIFICATIONS	DIRECTORSHIPS IN LISTED COMPANIES	BOARD COMMITTEE MEMBERSHIP
Everet ORSMOND 	Non-Executive Chairman and Co-Founder	N/A	Mauritius	Extensive aviation sector and other business knowledge and experience	Commercial Pilot License with Instrument Rating	None	<ul style="list-style-type: none"> Standards and Compliance Remuneration Corporate Governance, Nominations and Ethics
John McLRAITH 	Executive Director and Co-Founder	Group Executive Director	Mauritius	Extensive aviation financial, other business management, and corporate governance knowledge and experience	Bachelor of Commerce in Finance	Northfields International Schools Holding Ltd	<ul style="list-style-type: none"> Audit and Risk Standards and Compliance Corporate Governance, Nominations and Ethics
Jan REHOUSEK 	Executive Director and Co-Founder	Group Chief Executive Officer	Mauritius	Extensive aviation operational and market sector knowledge and experience	Mechanical Engineer and Airline Transport Pilot License	None	<ul style="list-style-type: none"> Standards and Compliance
Pascal LEE CHOONG TONG 	Executive Director	Group Financial Director	Mauritius	Extensive aviation sector accounting and management accounting knowledge and experience	Chartered Management Accountant	None	<ul style="list-style-type: none"> Audit and Risk
Timothy TILL 	Executive Director	Group Spare and Procurement Specialist	USA	Extensive aviation sector procurement, finance, banking and risk management knowledge and experience	Chartered Accountant	None	<ul style="list-style-type: none"> Audit and Risk Standards and Compliance Corporate Governance, Nominations and Ethics
Dean SCHWEIZER 	Independent Non-Executive Director	N/A	Switzerland	Extensive financial sector knowledge and experience	Chartered Accountant	Astoria Investments Ltd	<ul style="list-style-type: none"> Audit and Risk Remuneration Corporate Governance, Nominations and Ethics
Brett CHILDS 	Independent Non-Executive Director	N/A	Mauritius	Extensive financial and other business knowledge and experience	Chartered Accountant	<ul style="list-style-type: none"> United Investments Ltd African Sun Limited Northfields International Schools Holding Ltd 	<ul style="list-style-type: none"> Audit and Risk Corporate Governance, Nominations and Ethics
Peter TODD 	Independent Non-Executive Director	N/A	Mauritius	Extensive aviation sector, legal, taxation and other business knowledge and experience	Qualified Attorney	Grit Real Estate Income Group Limited	<ul style="list-style-type: none"> Standards and Compliance
Jonathon THOMPSON 	Independent Non-Executive Director	N/A	South Africa	Extensive leadership effectiveness and human resources strategy implementation knowledge and experience	<ul style="list-style-type: none"> Master of Philosophy in Management Coaching Master of Business Administration Bachelor of Social Sciences 	None	<ul style="list-style-type: none"> Remuneration

CORPORATE GOVERNANCE FRAMEWORK

The Board values corporate governance, environmental and social matters, and ensures that the ongoing development of these areas are maintained as key strategic objectives.

In line with the mission of the Company to get better and better at what we do by investing in our people and systems, the Board focuses on ensuring that the corporate governance framework remains fit for purpose.

To ensure the governance framework is in line with best international practice standards, an evaluation of the corporate governance framework is performed every two years using the corporate governance scorecard as published by the National Committee of Corporate Governance (NCCG) in Mauritius. An overall Group score of 86% was achieved in the prior year which represents a 7% improvement when compared to the prior evaluation performed.

The increase in the overall score was largely as a result of the enhanced disclosures in the annual report relating to the below key areas:

- Risk Management
- Corporate Social Responsibility
- Environmental Management System

This section of the report describes the key aspects of the corporate governance framework which are laid out in more detail in the below charters:

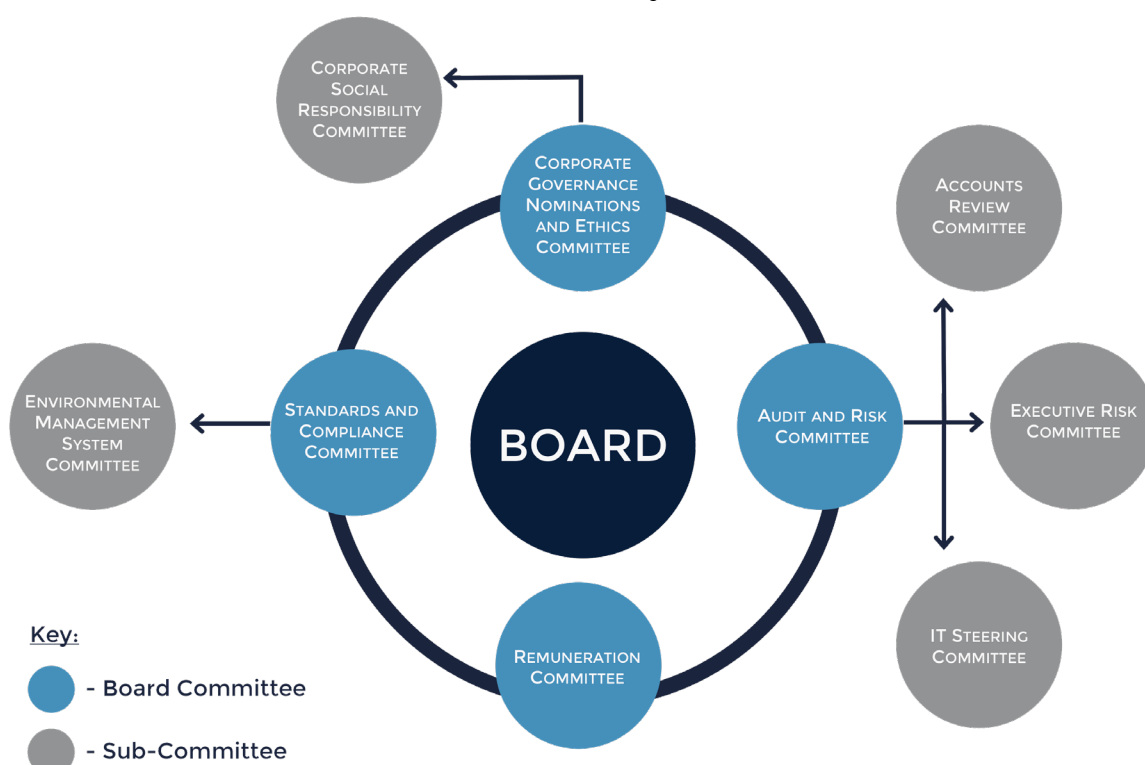
- Board Charter
- Audit and Risk Committee Charter
- Remuneration Committee Charter
- Standards and Compliance Committee Charter
- Corporate Governance, Nominations and Ethics Committee Charter

Each Committee delivered on the respective annual work plans approved by the Board to ensure that all the key governance objectives were addressed during the period under review.

The charters were reviewed and all changes were approved by the Board. The Board ensures that at a minimum, the charters and the work plans are reviewed on an annual basis.

The overall framework, as can be seen below, consists of Board and Management Committees to ensure that collectively the Board achieves its responsibilities relating to the environment, social matters and governance effectiveness.

In addition to the Board and Management Committees, an Executive Committee (EXCO) that consists of Heads of Departments, held weekly meetings that were chaired by the Group Chief Executive Officer. The focus of the EXCO is to ensure ongoing operational, financial and other administrative matters are adequately communicated at senior management level so that Group strategic objectives are met.



BOARD MEETINGS

Board meetings are held on a quarterly basis or more frequently as required. Every Director has one vote and the Chairman does not have a casting vote. Any deadlock with regards to a resolution passed by the Board is resolved in accordance with the Shareholders agreement.

During the year under review, six (6) Board meetings were held of which two were special Board meetings.

INTEREST REGISTER

The Board of Directors strictly believe that a director should avoid conflicts of interests or situations where others might reasonably perceive the Director to be conflicted. Should any conflicts of interests arise, Directors disclose this and the conflict-of-interest register is updated accordingly.

The register is available for consultation by the Shareholders upon written request to the Company Secretary.

MEMBERS	ATTENDANCE
Everet Orsmond	6/6
John McIlraith	6/6
Jan Rehousek	6/6
Pascal Lee Choong Tong	6/6
Timothy Till	6/6
Dean Schweizer	6/6
Brett Childs*	2/6
Peter Todd*	2/6
Jonathon Thomson*	2/6

*Appointed on 3 November 2023

KEY FOCUS AREAS OF THE BOARD DURING THE YEAR

RECURRING AGENDA ITEMS	STRATEGY, FINANCIAL AND RISKS	GOVERNANCE, REMUNERATION AND PERFORMANCE INDICATORS
<ul style="list-style-type: none"> • Conflict of interest declarations • Approval of minutes • Committee chairman reports (refer to the key focus areas per committee section below) • Financial performance including cash flow forecasts • Achievement of strategic objectives • Succession plans • Vision, mission and values • Revenue and marketing analyses including opportunities, and threats in the market • Significant risks • Safety, quality and security management systems, tracking of audit findings and the resolutions thereof • Aircraft and engine utilisations 	<ul style="list-style-type: none"> • Annual budgeting process • Annual report • Setting of the 5-year strategy • Funding requirements 	<ul style="list-style-type: none"> • Corporate governance structure and application • Board evaluation • Key performance indicators and targets • Remuneration and incentive policies • Board and Committee work plans and charters

BOARD AND COMMITTEE STRUCTURES

STANDARDS AND COMPLIANCE (S&C) COMMITTEE

PRINCIPLE FUNCTION

To assist the Board to ensure that appropriate aviation and maintenance safety, quality and security processes are in place to effectively manage aviation risks while adhering to legal requirements and best practice global aviation standards.

KEY FOCUS AREAS REPORTED TO THE BOARD

- Developed the annual Committee work plan
- Reviewed the Committee Charter
- Reviewed the operational environment to ensure that it is being well managed and that the key threats and risks are being adequately identified and addressed by management
- Reviewed and concluded on the effectiveness of the aircraft and aircraft maintenance quality, safety, OHS and security related programs implemented by management, and all major instances of non compliance, the impacts thereof and how these instances have been mitigated to prevent re-occurrence
- Reviewed the processes that support the development of the internal audit plans and concluded on the effectiveness of these processes
- Monitored the progress made by management in implementing the internal audit plans to ensure that key areas of weaknesses identified were addressed
- Reviewed the major quality, security, safety and HS related risks identified by management, the impacts thereof and mitigating actions implemented in response to the risks identified
- Reviewed the total number of all internal and external audit findings raised and for the major findings, the impacts of the findings and the corrective action plans implemented to prevent reoccurrence
- Reviewed the processes implemented to ensure third party suppliers conform with the required quality standards
- Reviewed all confidential reports made and managements responses thereto
- Monitored and concluded on the effectiveness of the process followed by management to ensure the emergency response plans are relevant and take into account client requirements
- Reviewed the outcome of the testing of emergency response/evacuation plans as conducted by management to ensure that managements suggested responses to the lessons learnt are being implemented
- Reviewed the major safety and security issues arising from the reports received by management and concluded on the effectiveness of managements resolutions of these issues
- Reviewed and concluded on the effectiveness of the procedures in place for reporting injury on duty to the applicable authorities in accordance with the required laws and regulations
- Reviewed the major instances of injury on duty that occurred, the root causes thereof and the remedial actions taken by management and concluded on the effectiveness thereof
- Reviewed the EMS (Environmental Management System) manual and the progress made by management in regards to the achievement of EMS related goals and targets set



COMPOSITION AND MEETING ATTENDANCE

MEMBERS	TITLE	ATTENDANCE
Timothy Till	Executive Director and Interim Chairman	4/4
Everet Orsmond	Non-Executive Director	4/4
John McIlraith	Group Executive Director	3/4
Jan Rehousek	Group Chief Executive Officer	4/4
Peter Todd*	Independent Non-Executive Director	2/4
REGULAR INVITEES		
Costa Vouros	Chief Operating Officer - Aviation	4/4
Michael Sababady	Group Maintenance Manager	4/4
Uways Mantah	Group Standards and Compliance Manager	4/4
Alexis Botes	Group Governance, Compliance and Risk Officer	4/4
Hema Charun Hauroo**	Group Company Secretary Administrator	1/4

*Appointed on 3 November 2023

**Appointed on 15 November 2023

EMS

The EMS is considered to be a systematic approach to bring environmental considerations into decision making and day to day operations. It further establishes a system for tracking, evaluating and communicating environmental performance to the S&C Committee.

To ensure that adequate resources are allocated towards the implementation of the EMS, the Group Security Manager has been appointed as the main point of reference to ensure that the EMS related goals and targets set are implemented and that the outcome is reported to the S&C Committee.

The key objectives as included in the EMS manual to be achieved within the medium and long-term are as follows:



Since the last report, the below key additional matters have been addressed by Management and reported to the S&C Committee:

- The commencement of recycling projects at four of the Companies offices
- Collaboration with a client on EMS matters which includes enhancing training plans to be rolled out
- The revision and approval of the EMS manual
- The upgrading of the LET 410 aircraft from M601 engines to H75 engines which are more fuel efficient resulting in reduced carbon emissions
- The measurement of jet fuel consumed by the aircraft operations and the implementation of training for the pilots which includes flight techniques to reduce fuel consumption
- Contracting service providers to dispose of waste oils in a sustainable manner at maintenance facilities
- Creating awareness on EMS matters through safety gazettes and onboarding of new employees

Looking forward to the 2025 financial year, the focus will be on investigating the use of solar and renewable energy solutions.

REMUNERATION COMMITTEE

PRINCIPLE FUNCTION

With an independent mindset, to assist the Board in setting the remuneration policy and arrangements applicable to all employees and Directors. The underlying principles of this remuneration policy is to ensure that employment contracts are fair and based upon performance criteria that considers the needs of all stakeholders.

KEY FOCUS AREAS REPORTED TO THE BOARD

- Developed the annual Committee work plan
- Reviewed the Committee Charter
- Reviewed the remuneration related policies to ensure compliance with the relevant respective labour practices and that these policies support the Group's ultimate workplace and cultural strategic objectives

- Monitored the outcome of the performance management system to ensure alignment with agreed principles
- Ensured that performance incentives were awarded in accordance with the remuneration policy
- Reviewed the Directors fees
- Evaluated the need to perform a benchmarking process
- Oversaw the implementation of a tiered remuneration scale
- Reviewed the outcome of key human resource related matters including staff turnover rates, disciplinary matters and employee wellness initiatives

COMPOSITION AND ATTENDANCE

MEMBERS	TITLE	ATTENDANCE
Dean Schweizer	Independent Non-Executive Director and Interim Chairman	3/3
Everet Ormond	Non-Executive Director	3/3
Jonathon Thomson*	Independent Non-Executive Director	2/3
REGULAR INVITEES:		
John McIlraith	Group Executive Director	3/3
Jan Rehousek	Group Chief Executive Officer	3/3
Alexis Botes	Group Governance, Compliance and Risk Officer	3/3
Charl Downing	Group Human Resources Manager	3/3
Hema Charun Hauroo	Group Company Secretary Administrator	1/3

* Appointed on 3 November 2023

CORPORATE GOVERNANCE NOMINATIONS AND ETHICS COMMITTEE

PRINCIPLE FUNCTION

To assist the Board with the ongoing development of the corporate governance framework and supporting policies and procedures to ensure that relevant and transparent information is reported to the respective stakeholders in a timely manner.

KEY FOCUS AREAS REPORTED TO THE BOARD

- Developed the annual Committee work plan
- Reviewed the Committee Charter
- Reviewed the corporate governance section of the Annual Report and ensured compliance with the Code
- Reviewed the overall corporate governance framework for effectiveness and efficiencies
- Conducted a Board and Director evaluation assessment

- Oversaw the appointment of the new Directors which included the on boarding process of these Directors
- Made recommendations in regards to Director training to enhance the concept of ongoing professional development
- Ensured that succession plans are in place for Directors, senior management and key personal
- Reviewed the Corporate Social Responsibility (CSR) Policy to ensure alignment with the Strategy
- Recommended the implementation of various CSR initiatives
- Reviewed the Code of Ethics and supporting policies to ensure that amongst other matters, the processes in place to allow for whistle blowing reports to be made and conflict of interests are declared are adequately declared

COMPOSITION AND ATTENDANCE

MEMBERS	TITLE	ATTENDANCE
Dean Schweizer	Independent Non-Executive Director and Chairman	2/2
Everet Orsmond	Non-Executive Director	2/2
Timothy Till	Executive Director	2/2
John McIlraith	Group Executive Director	2/2
Brett Childs*	Independent Non-Executive Director	1/2
REGULAR INVITEES:		
Jan Rehousek	Group Chief Executive Officer	2/2
Alexis Botes	Group Governance, Compliance and Risk Officer	2/2
Hema Charun Hauroo	Group Company Secretary Administrator	1/2

*Appointed on 3 November 2023

KEY POLICY EXTRACTIONS

Director Appointment and Re-Election

The Committee is tasked with identifying and recommending suitable Board candidates for the Board's consideration. Directors are appointed based on their specific skills set, industry expertise, and the level of contribution they can make to the activities of the Company. Although members of the Board are appointed by the Company's Shareholders, the Board has the authority to appoint Directors to fill any vacancy that may arise from time to time in accordance with the Constitution. The re-election of Directors is tabled at each AGM.

Director Induction Process

A formal induction process has been established by the Committee for newly appointed Directors that addresses the below key areas:

- Corporate governance framework and related policies
- Company strategy
- Fiduciary duties and responsibilities
- Risk and compliance processes
- Internal control environment
- Operational practices and operating environment

Professional Development

The Committee ensures that a director training schedule is maintained. The planned training sessions are based on requests received directly from Directors, requests made by the Chairman and training available on the market that addresses emerging and best practices to provide assurance to the Board that the ongoing professional development of Directors are upheld.

Succession Planning

The Board with the assistance of the Committee, reviews and approves the succession plan regarding the appointments to the Board and to Senior Management positions. The succession plan has been implemented in order to ensure the appropriate balance of knowledge, skill and experience is maintained within the organisation and the Board.

Board Evaluation

During the year under review, the Board performed an internal assessment to assess the overall Board and individual Director effectiveness. The scope of the Board Evaluation consisted of the below areas:

- Strategy Definition and Challenge
- Performance Accountability
- Governance
- Talent Management and Development
- Communication
- Diversity

Overall feedback on the outcome of the Board Evaluation was provided to the Board and individual Directors by the Chairman. Feedback on the outcome of the Board Chairman's evaluation was provided to the Board Chairman by the independent Chairman of the Committee.

No areas of concern were highlighted as part of the above process that needed to be specifically addressed.

CSR MANAGEMENT COMMITTEE

Principal Function

For CSR champions to identify initiatives, in line with the strategic objectives that contribute to society in the operating jurisdictions of the Company and to make proposals to the Committee for implementation.

Code of Ethics

The Code of Ethics has been approved and endorsed by the Board as a document to live by. The Code of Ethics is reviewed as and when necessary but at least annually.

Measures were taken to provide ethics training to all employees of the Group by an Ethics expert. The training took place during the next financial year.

Conflicts of Interest

The conflicts of interest policy, requires all staff to declare any conflicts or potential conflicts of interest and seek approval prior to performing remunerative work outside of the contracts of employment.

Whistle Blowing Process

The whistle-blowing policy consists of responsible and effective procedures for disclosure or reporting of misconduct and impropriety so that appropriate actions are taken. It is intended to encourage employees and other relevant stakeholders to report unethical or illegal conduct of employees, management, and other stakeholders to appropriate parties in a confidential manner without any fear of harassment, intimidation, victimization or reprisal of any kind. The anonymous reporting form can be found on the website of the Company.

Gifts and Entertainment Policy

The gifts and entertainment policy outlines employees' responsibilities to declare the providing or receiving of gifts and entertainment exceeding a value of US\$50 as set by the Board.

To ensure that adequate resources are allocated towards the implementation of the CSR Policy, a Management Committee is in place which reports to the Committee on all CSR related matters.

Composition and Meeting Attendance

MEMBERS	TITLE	ATTENDANCE
John McIlraith	Group Executive Director and Chairman	8/9
Costa Vouros	Chief Operating Officer - Aviation	8/9
Jeff Spiessens	Head of Finance	8/9
Alexis Botes	Group Governance, Compliance and Risk Officer	8/9
Michael Sababady	Group Maintenance Manager	7/9
Westen Nkomo	Responsible Person Flight Operations	5/9
Francois Jonker	Accountable Manager Maintenance	8/9
Joely Bezuidenhout	Asset and Reliability Manager	5/9
Sidney Mann*	Maintenance Control Centre Manager	3/9

*Appointed on 1 November 2023

Background

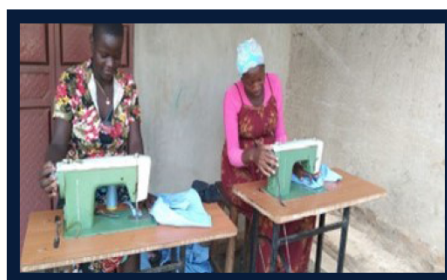
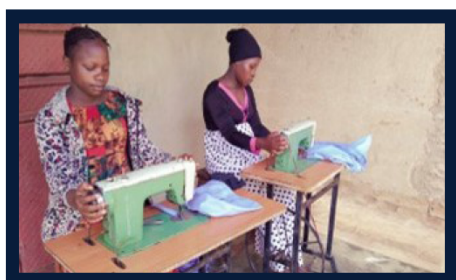
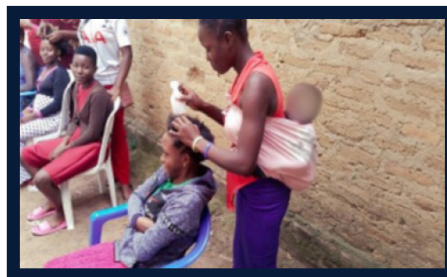
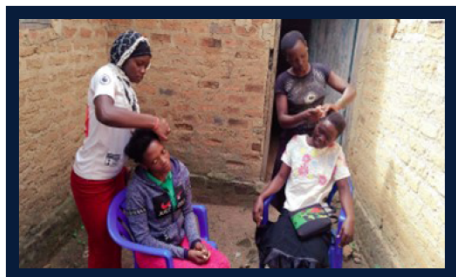
The CSR Policy was developed from the company's strategic objectives which are linked to the United Nations Sustainable Development Goal's (UNSDG's) as follows.

BY 2023	BY 2025	UNSDG
Establish a Foundation and develop a policy of giving back 1% of prior year Net Profit after Tax	Supporting clients in their programmes	
	Empowering locals in operating jurisdictions, specifically in terms of aviation skills	
	Environmental carbon off set options	

Some of our key initiatives implemented this year are as follows:

1. Liten Jente Foundation - Uganda

The donation of 12 sewing machines and six (6) hairdryers to upskill woman with a trade that they can use to become more financially independent.



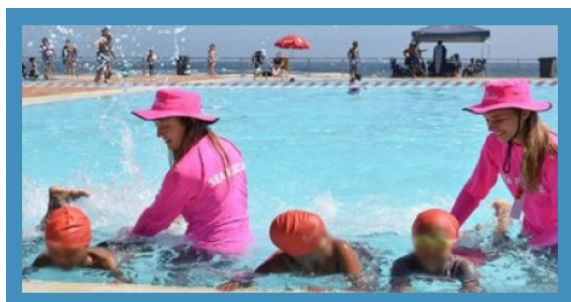
2. KNOC Orphanage – South Sudan

The donation of 70 school bags, 28 sport uniforms and kits and 10 soccer balls to underprivileged children.



3. National Sea Rescue Institute - South Africa

A monetary donation for which the funds were used to contribute to the water safety program which has taught over 3 million children to swim.



4. Pathways Education – South Africa

A monetary donation to support an organisation that cares for 65 special needs and underprivileged children.



5. Borehole - Mozambique

The digging of a borehole which supplies a community of approximately 1200 people with clean drinking water.



6. Odzala 33 - Congo

The donation of 30 bags and 30 pairs of running shoes to underprivileged participants taking part in the rainforest marathon.



AUDIT AND RISK COMMITTEE

PRINCIPAL FUNCTION

To assist the Board to ensure the internal financial controls and risk management system are effective to achieve accurate and complete financial records and that significant risks are identified and mitigated in a timely manner.

KEY FOCUS AREAS REPORTED TO THE BOARD

- Developed the annual Committee work plan
- Reviewed the Committee Charter
- Reviewed the Annual Report, including the Group Annual Financial Statements together with the outcome of the independent external audit process to ensure compliance with financial reporting standards
- Reviewed the processes to support the preparation of the annual budget
- Reviewed the quarterly Consolidated Financial Management Accounts to monitor financial performance, including the processes to ensure compliance with loan covenants and the related party transactions policy
- Reviewed the quarterly risk reports to ensure that the risk management process is effective and that identified risks are being adequately mitigated
- Reviewed the effectiveness of the processes to ensure compliance with statutory laws and regulations
- Reviewed the effectiveness of the internal control environment, including financial authority matrices and risk management framework
- Reviewed the conflict-of-interest declarations made and the effectiveness of the supporting safeguards in place
- Reviewed the appropriateness of the procedures implemented to detect fraud
- Recommended the re-appointment of the independent external auditors to the AGM
- Assessed the independence of the external auditors
- Met with the external auditors during the planning and reporting audit stages of the external audit process
- Approved the audit engagement letters and fees
- Evaluated the need for an internal audit function

COMPOSITION AND ATTENDANCE

MEMBERS	TITLE	ATTENDANCE
Dean Schweizer	Independent Non-Executive Director and Chairman	5/5
Timothy Till	Executive Director	5/5
John McIlraith	Group Executive Director	5/5
Pascal Lee Choong Tong	Group Financial Director	5/5
Brett Childs*	Independent Non-Executive Director	2/5
REGULAR INVITEES:		
Jan Rehousek	Group Chief Executive Officer	5/5
Alexis Botes	Group Governance, Compliance and Risk Officer	5/5
Charl Downing	Group Human Resources Manager	5/5
Hema Charun Hauroo	Group Company Secretary Administrator	1/5

*Appointed on 3 November 2023

KEY POLICY EXTRACTIONS

Internal Audit

In line with the annual work plan, the Committee evaluated the need for an internal audit function. The evaluation included consideration of the following key areas:

- Size of the Company and complexity of the operations
- Effectiveness of the internal control

environment and risk management processes

- Effectiveness of the corporate governance framework and level of oversight by the various Board and Management Committees

Based on the evaluation performed, the Committee recommended to the Board that no internal audit function be implemented. The Board in turn accepted this recommendation.

External Audit

The Committee monitors the effectiveness and the independence of the external auditors during the planning and reporting audit stages. The evaluation involves an assessment of the qualifications and performance of the auditors and their independence, objectivity and professional scepticism. To further ensure independency, the Committee approves any proposed non-audit services based on the value of the services compared to the total audit fees as is required by the approved non-audit services policy.

The Committee ensures that the external auditors have the option to meet with the Chairman of ARC without management being present, however this was not required by the auditors for the period under review.

Related Party Transactions

The related party transaction policy approved by the Board includes the required approvals and reporting requirements in regards to related party transactions. The Board defines related party transactions as deals, arrangements or balances between two parties who either have at least one common director or share at least one common ultimate beneficial owner.

The related party transactions are reported to the Committee and the Board by the Group Finance Director on a quarterly basis.

All related party transactions are outlined in the Annual Financial Statements and all took place at arm's length.

Whistle Blowing Reports

All whistle blowing reports are made available to the Chairperson of the Committee on a quarterly basis or as and when required to ensure that matters are addressed independently.

To support the Committee to ensure that financial controls are sound and effective, an Accounts Review Management Committee is in place.

ACCOUNTS REVIEW MANAGEMENT COMMITTEE

Principal Function

To review the monthly management accounts at consolidated and subsidiary level, and supporting financial controls to ensure complete and accurate financial reporting.

Key Areas Focused on during the period and Reported to the Committee

- Actual financial performance vs budget and the key variance explanations
- Income statement and cash flow forecasts vs budget and key variance explanations
- Actual financial performance vs the Group Earnings Target developed to drive the performance management system
- Actual financial controls implemented vs the monthly required controls
- Recommended provisions and write-downs together with the key supporting judgements

COMPOSITION AND ATTENDANCE

MEMBERS	TITLE	ATTENDANCE
John McIlraith	Group Executive Director and Chairman	9/10
Pascal Lee Choong Tong	Group Financial Director	10/10
Jan Rehousek	Group Chief Executive Officer	1/10
Kevin Mungur	Group Accountant	10/10
Jeff Spiessens	Head of Finance	10/10
Alexis Botes	Group Governance, Compliance and Risk Officer	10/10

To further support the Committee to ensure that Information Technology (IT) controls are sound and effective and that the IT related risks are identified for mitigation an IT Management Committee is in place.

IT MANAGEMENT COMMITTEE

Principal function

To ensure that IT related controls are adequately designed and implemented to ultimately provide assurance to the Committee that systems and data are securely safeguarded. In addition, to ensure that mitigations are effective in regards to IT risks identified.

Key Areas Focused on during the period and Reported to the Committee

- Developed the annual Committee work plan
- Reviewed the Committee Charter
- Evaluated the effectiveness of the IT related internal controls
- Created cyber-security awareness across the Company and ensured that the mitigations in place relating to cyber-security threats conform to global best practices
- Reviewed the IT Disaster Recovery Plan and supporting controls to ensure that all information is securely backed up to support

- the IT business continuity plans
- Reviewed the IT related policies to ensure completeness and relevance, particularly in the area of access controls
- Reviewed the quarterly IT risk register to ensure all risks identified, including cyber security threats are being adequately mitigated and reported to the Audit and Risk Committee
- Reviewed the IT systems to ensure they can support the Long-term strategy of the Company
- Monitored the processes in place to ensure the safeguarding of Company devices
- Evaluated all new systems to ensure that the security features are in line with the required standards
- Conducted an evaluation to determine if there is a need to contract an independent IT specialist to perform an audit of IT systems and processes

Composition and Attendance

MEMBERS	TITLE	ATTENDANCE
Pascal Lee Choong Tong	Group Financial Director and Chairman	4/4
Jared Governder	IT Manager	4/4
Jeff Spiessens	Head of Finance	4/4
Alexis Botes	Group Governance, Compliance and Risk Officer	4/4
Uways Mantah	Group Standards and Compliance Manager	4/4
REGULAR INVITEES:		
Hema Charun Hauroo	Group Company Secretary Administrator	1/4

KEY POLICY EXTRACTIONS

IT Policies

The Board, with the assistance of the Committee and external service providers are responsible to oversee information governance and ensures that the performance of the systems lead to business benefits and efficiencies.

The Company has adopted various IT related policies, which are reviewed by the Committee on a yearly basis or more as required.

Key areas addressed by these policies are as follows:

- Administration user rights and authority
- Access and termination controls
- IT disaster recovery plans
- Backing up of information

- Security of information
- Password protection
- Cyber security

The policies ensure the protection of all IT systems and applications to securely maintain the integrity of data.

External service providers

All external services are supported by service level agreements to ensure data security, continuity and data protection laws and regulations are maintained.

To further support the Committee to ensure the effectiveness and completeness of the risk management process, an Executive Risk Management Committee is in place.

EXECUTIVE RISK MANAGEMENT COMMITTEE

Principal Function

To review the quarterly risk report to ensure that all key risks faced by the Company are identified and mitigated and that sufficient action plans are being recommended in response to the risks. The Committee further reviews the risk ratings to ensure that these are in alignment with the risk appetite and tolerance as approved by the Board.

Key Focus Areas Reported to the Committee

- New risks identified and causes thereof
- Ongoing medium and high risks and progress made in regards to action plans
- Changes to any risk ratings and the reasons therefore
- Completeness of the consolidated risk register

Composition and Attendance

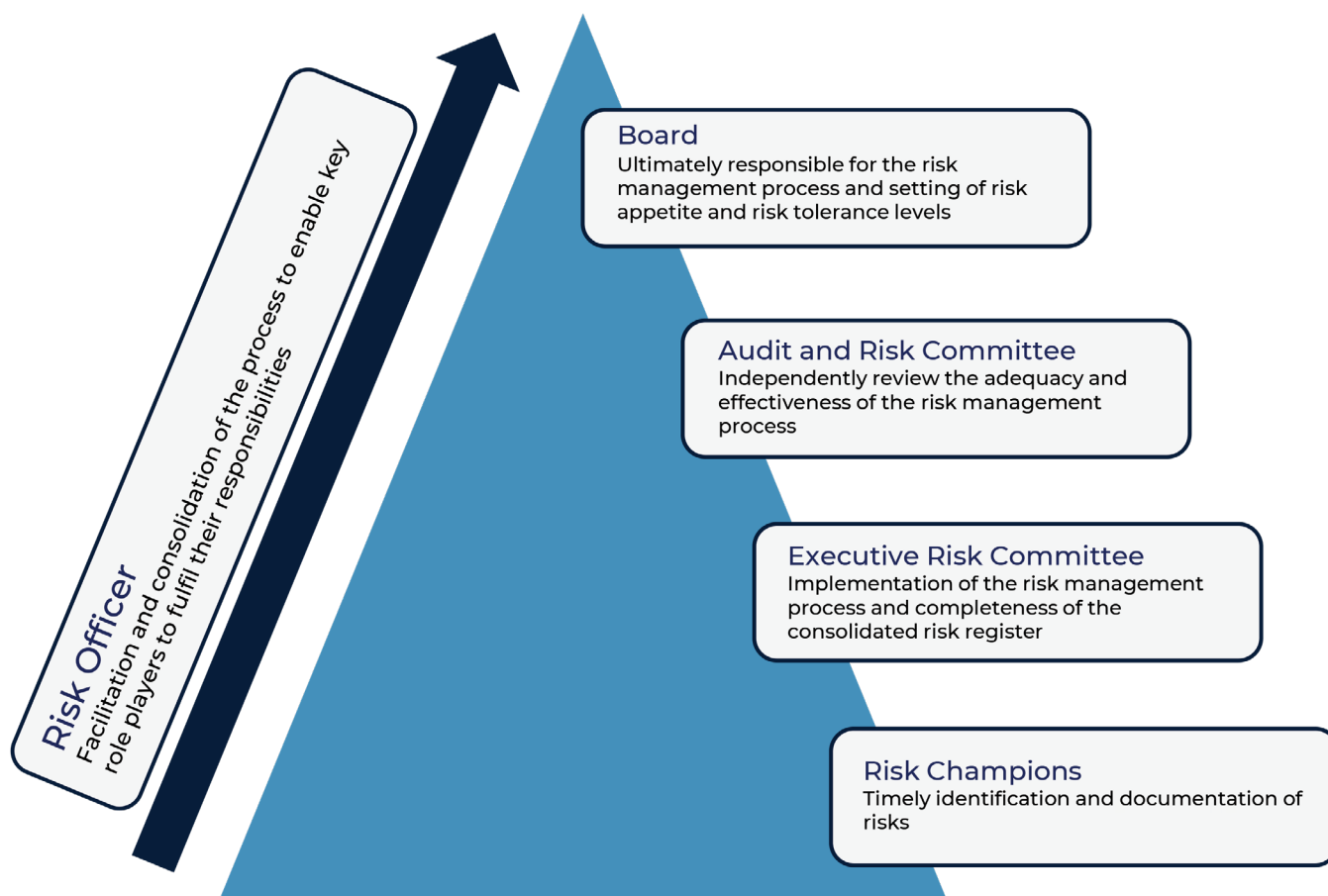
MEMBERS	TITLE	ATTENDANCE
John McIlraith	Group Executive Director and Chairman	3/4
Pascal Lee Choong Tong	Group Financial Director	4/4
Jan Rehousek	Group Chief Executive Officer	3/4
Costa Vouros	Chief Operating Officer – Aviation	4/4
Michael Sababady	Group Maintenance Manager	4/4
Alexis Botes	Group Governance, Compliance and Risk Officer	4/4

Risk Management framework

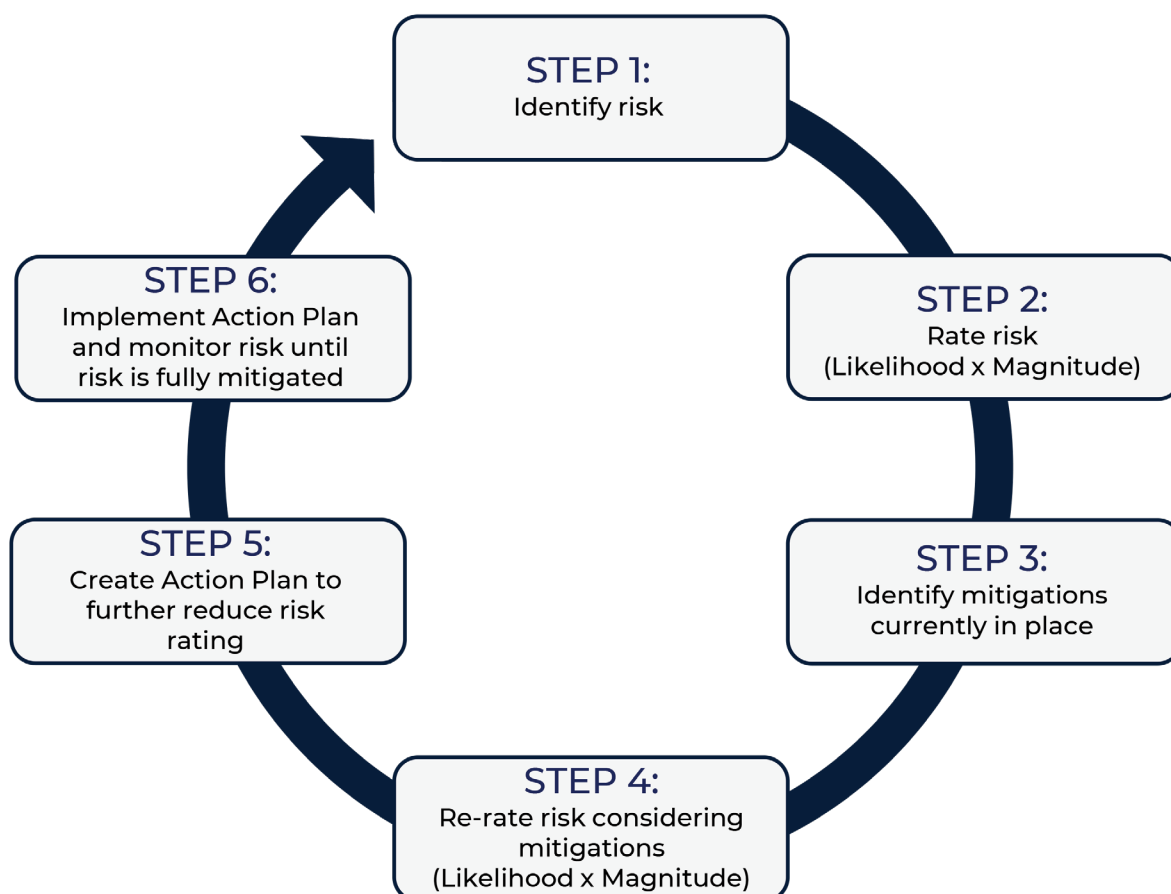
The Board, together with the independent oversight of ARC and the Executive Risk Committee, have ensured a robust risk management system is in place that supports the risk tolerance and appetite of the Board.

The risk management policy is reviewed by ARC and approved by the Board on an annual basis and the key process elements can be seen below:





Identified risks are evaluated by means of a 6-step approach as depicted below:



Risks are rated before and after controls using the below Board approved risk parameters which are multiplied with each other to determine the risk ratings.

Magnitude

LEVEL	CRITERIA	RATING
CATASTROPHIC	Disaster with potential to lead to collapse of business and are fundamental to the achievement of strategic objectives.	5
CRITICAL	Critical events which can be endured but which may have a prolonged negative impact and extensive consequences.	4
SERIOUS	Major events, which can be managed but requires additional resources and management effort.	3
SIGNIFICANT	Event which can be managed under normal operating conditions.	2
NEGLIGIBLE	Not worth worrying about.	1

Likelihood

LEVEL	CRITERIA	RATING
ALMOST CERTAIN	The event is expected to occur in most circumstances.	5
LIKELY	The event will probably occur in most circumstances.	4
MODERATE	The event should occur at some time.	3
UNLIKELY	The event could occur at some time.	2
RARE	The event may occur only in exceptional circumstances.	1

Once the risks are rated, final risk ratings determine the risk category which in turn determines the suggested action and reporting requirements as depicted below.

FINAL RATING	RISK CATEGORY	SUGGESTED ACTION	REPORTING REQUIREMENTS
10 - 25	High risk	Management should take immediate action to reduce the risk exposure to an acceptable level	Board and ARC
5 - 9	Medium risk	Management should constantly monitor the risk exposure and related control adequacy	Board and ARC
1 - 4	Low risk	Management should monitor risks and may consider reducing the cost of control	ARC

The risks identified by the Group are categorised into the following key categories:

- Financial Risks
- Operational Risks
- Reputational Risks
- Strategic Risks
- Legal Risks
- Regulatory/Compliance Risks
- Human Resource Risks
- Information Technology Risks
- External Risk

STAKEHOLDER RELATIONS

The Board ensures that transparent and proactive stakeholder engagements take place. Key mechanisms used to promote stakeholder engagement can be seen below:

