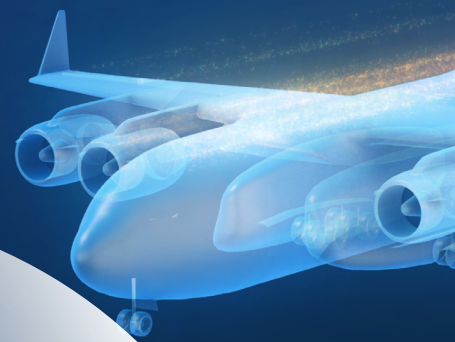


Air Traffic and Navigation Services SOC Limited

Integrated report 2024/2025



Inspiring aviation excellence
through value creation



Navigating our report

Throughout this integrated annual report, icons denote a correlation between topics and capitals.

Definition

Information boxes provide additional background or simple explanations of terminology.

Our capitals

To help you navigate and understand this report more easily, we have used icons to indicate where the capitals are addressed.



Natural capital



Intellectual capital



Financial capital



Social and relationship capital



Human capital



Manufactured capital

Our stakeholder groups

Our ongoing engagement with key stakeholders not only strengthens our relationships but deepens our understanding of their legitimate needs and interests.



Employees



Customers



Shareholder and board



Regulators, governments and associations



Labour unions



Business partners



Communities and society

Our materiality themes

The following materiality themes were identified after interaction with stakeholder groups.



Air traffic safety



Effective governance



Skilled workforce



Competent and capable management



Environmental, economic and geo-political instability



Sustainable modern business



Attractive and sustainable growth strategy



Partnerships



Environmental and community impact

UN sustainable development goals



About our report

The Integrated Annual Report offers a fair and well-rounded analysis of the capacity of Air Traffic and Navigation Services SOC Ltd (ATNS) to generate and maintain value in the current operational environment. This report, which covers our activities from 1 April 2024 to 31 March 2025, provides an overview of our operational and financial performance in the light of our strategic and operational plans, stakeholder interactions and expectations, governance, material issues, risks and opportunities and how these influence our strategic objectives and future plans. This report demonstrates how we create value and our impact within the Southern African Development Community (SADC) and beyond and how we ensure that our value creation is sustainable.

Reporting compliance

The report compilation was guided by the following:

- Public Finance Management Act, Act No 1 of 1999 as amended (PFMA)
- Companies Act 71 of 2008
- King IV™ Report on Corporate Governance for South Africa 2016
- International Integrated Reporting Council's International Framework 2021
- Global Reporting Initiative (GRI)

Materiality

The report covers the social, economic and governance aspects that are material to our ability to create and preserve value over time. A matter is considered material if it can substantively affect our ability to create value. Our materiality matters were reviewed by executive management and approved by the board in line with good governance practices. The material matters are air traffic safety, effective governance, skilled workforce, competent and capable management, environmental, economic and geopolitical instability, attractive and sustainable growth strategy, partnerships, and environmental and community impact. See page 58 for details of how our material themes are determined.

Forward-looking statements

Certain statements in this report are forecasts of future results. Forward-looking statements involve inherent risks and uncertainties and actual results may vary considerably from predictions.

Approval and assurance

It is the board's view that this report addresses all material issues and fairly presents the company's integrated performance, outlook, strategy and perspective on future value creation. This is in accordance with the International Integrated Reporting Council's International Framework 2021. The board acknowledges that it is ultimately responsible for the integrity and completeness of this report. With the assistance of executive management, the Audit and Risk Committee and other board committees, the board considered the preparation and presentation of the 2025 integrated report and the audited annual financial statements, which appear in an accompanying document, a fair reflection of the company's activities and performance.



Our reporting suite

Our integrated report is the primary report prepared for our stakeholders. It shows the relationship among the interdependent elements involved in our value story.



Our annual financial statements

Our annual financial statements provide a comprehensive report of our financial performance for the 2024/2025 financial year (1 April 2024 to 31 March 2025).



Our GRI index

Our Global Reporting Initiative index summarises our sustainability disclosures, many of which are cross-referenced in this integrated report as they relate to our economic, social and environmental impacts. A copy of the index is available at www.atns.com.

Table of contents

01

7 Our business and strategy

- ii **Navigating our report**
- 1 **About our report**
- 2 **Table of contents**
- 4 **ATNS at a glance**

- 8 **Board Chairman's report**
- 12 **Chief Executive Officer's review**
- 15 **Who we are**
- 17 **What we do**
- 18 **How we generate revenue**
- 22 **Leadership and governance**
- 31 **How we create value**
- 32 **Our value creation model**
- 34 **Our operating context**
- 38 **ATNS's development context**
- 40 **Our stakeholders**
- 47 **How we manage risk**
- 57 **Regulatory compliance**
- 58 **Our strategic focus**

02

69 Performance review

- 70 **Corporate performance 2024/2025**
- 76 **Safety review**
- 78 **Chief Financial Officer's review**
- 84 **Operational review**
- 88 **Human capital review**

03

**107 Environmental, social
and governance**

- 108 Environmental review**
- 116 Social review**
- 118 Governance**

04

127 Annexures

- 128 King IV™ application register**
- 137 Glossary**
- 138 Our company information**

ATNS at a glance

As an air navigation service provider responsible for 6.1% of the world's airspace, ATNS is responsible for ensuring safer African skies and contributing towards boosting tourism and business connections in South Africa.

We provide air traffic, navigation, training and associated services within South Africa and a large part of the southern Indian Ocean and Atlantic Ocean.

Highlights: 2024/2025

Employees

1 113

across South Africa

Air traffic controller
(ATC)
bursar trainees

80

at ATNS
Aviation Training Academy

Air traffic
movements

914 794

Managed by
Airports Company South
Africa (ACSA)

9

Airports

Regional airports

12

in South Africa

St Helena
Airport

in the South Atlantic Ocean

Across Africa

27

countries use ATNS's
communication network, technical
services, consultancy and training

Value proposition

- Safe, efficient and cost-effective air traffic management
- Enhancing industry capacity and skills
- Responsive and coordinated aeronautical search and rescue
- Advanced communication, navigation and surveillance (CNS) technology and solutions
- Green technologies and sustainable practices
- Preferred strategic partner for market expansion

Key activities

- Air traffic management (ATM)
- Training services
- Deploy and maintain technology solutions
- Research, development and innovation activities
- Consultancy services
- Obstacle evaluation surveys
- Flight procedure designs
- Bespoke customer solutions
- Revenue collection

Key partners

- Department of Transport
- South African Air Force
- Aviation authorities
- Equipment and technology providers (original equipment manufacturers)
- Weather and data service providers
- Research institutions and universities
- International and domestic industry bodies
- Government agencies
- Property owners

Customers

- Airports
- Airlines
- Air navigation service providers (ANSPs)
- Civil aviation authorities
- Municipalities
- General aviation
- Commercial general aviation
- Remotely piloted aircraft systems
- Flight schools
- Individual students for Aviation Training Academy

Revenue streams

- Service fees from airport airlines and airports, ANSPs and regulators
- Network usage fees
- Training revenue
- Subscription fees for additional services
- CNS infrastructure deployment fees
- Advertising and rental fees
- Consulting service fees
- Fees from advanced research products and data



1



Our business and strategy

Board Chairman's report



Zola Majavu CD(SA)
Chairman of the board

We engaged with the Minister of Transport through a biweekly forum involving the Ministerial Intervention Team, airlines and other important aviation role-players. This platform has fostered a unified approach to addressing complex challenges, allowing for open dialogue and shared understanding.

The past year will undoubtedly be remembered as significantly challenging for ATNS, marked by operational shortcomings. I acknowledge these difficulties, particularly our flight procedure designs, which led to the regrettable suspension of 326 flight procedures, causing widespread flight delays and cancellations and drawing strong concerns from our key stakeholders, including airlines, the media and the public.

We understand the significant frustration and inconvenience this caused and, for that, we sincerely apologise.

To provide context, we have been involved in an essential instrument flight procedure maintenance programme in line with our commitment to routine global safety protocols. The procedures – crucial for safe air navigation – are continuously reviewed to align with both local and international design standards and to integrate global advancements in aviation technology and safety requirements. The key priority for ATNS is keeping the skies and our passengers safe, which informed the decision in terms of our safety management system that procedures not meeting requirements should be suspended unless non-compliances are mitigated.

Our airline customers consistently prioritise safety, punctuality (on-time performance) and sustainability. These priorities, with the imperative of resilience, fundamentally guide our internal planning and operational delivery at ATNS. However, it is evident that oversight was compromised as key factors were underestimated and not adequately reported. We are addressing how these fundamental issues arose and what systemic changes are needed to prevent their recurrence. The board has intensified its active governance approach by addressing operational challenges, conducting station visits and proactively tackling issues rather than relying solely on management reports. Key lessons included the importance of verifying information and not accepting reports at face value.

An investigation commissioned by the Minister of Transport, Honourable Barbara Creecy, revealed significant challenges at ATNS, including dire staff shortages – particularly among flight procedure specialists and air traffic controllers – unreliable communication, navigation and surveillance systems and weaknesses in safety management systems. In response, a Ministerial Intervention Team was appointed to stabilise and rebuild the organisation, by identifying the root causes of the operational challenges and directing the ATNS board to take corrective action.

Minister Creecy and the ATNS board have approved immediate and comprehensive reforms, including expedited recruitment of essential staff, urgent system upgrades (such as the air traffic management system) and enhanced governance to

ensure single-point accountability. This period has also seen a change in leadership, with the Chief Executive Officer (CEO) placed on precautionary suspension pending an independent investigation and the Chief Financial Officer (CFO) Matome Moholola appointed acting CEO to lead the organisation at the time of these crucial interventions.

On behalf of the board, I acknowledge the constructive collaboration among the Minister of Transport, Ministerial Intervention Team, aviation stakeholders and the ATNS team in working tirelessly to address the challenges facing the industry. The dedication, hard work and shared commitment of all parties have been instrumental in stabilising operations, implementing interventions and ensuring a more resilient and efficient ATM system in the region. We also acknowledge the International Civil Aviation Organisation (ICAO), the South African Civil Aviation Authority (SACAA) standards and its protocols, which assisted during this crisis.

Performance and safety

ATNS maintains an unwavering commitment to safety, recognising it as paramount in ATM. Despite operational difficulties, the organisation ensured that safety standards were never compromised, working closely with the safety regulator to maintain international protocols without lowering established standards. By implementing a phased approach to updating flight procedures and maintaining strict validation processes for new controllers, ATNS demonstrates its dedication to operational excellence. The organisation collaborates with industry stakeholders, including SACAA, to ensure comprehensive safety oversight. Technological innovations such as virtual tower simulations and advanced monitoring systems further enhance safety capabilities. The board's active governance approach has identified and addressed potential safety risks before they escalate, with a clear understanding that there is no acceptable compromise when it comes to human life.

Addressing staff shortages

ATNS continues to struggle to fill key positions, particularly ATCs. Globally, the demanding nature, rigorous training and intense pressure of ATC roles contribute to a scarcity of skilled professionals, a trend also affecting ATNS. The outflow of experienced personnel has outpaced the capacity of our training pipeline, regrettably almost compromising service delivery. While this outflow underscores the high quality of ATNS-trained individuals, who are sought after by international ANSPs, it highlights the urgent need to bolster internal capacity. International providers offer remuneration and other incentives that ATNS cannot match.

Following recommendations from the Ministerial Intervention Team's, ATNS launched an accelerated recruitment drive for vital roles including air traffic service personnel, flight procedure designers and engineers. This also involves encouraging previous ATNS employees to return to South Africa to bridge the current expertise gap within an 18-month to three-year timeframe. Concurrently, the internal training pipeline is being strengthened through substantial investment in employee development and through nurturing a thriving work environment to enhance the retention of the crucial workforce.

During the year, I visited stations across the country to ascertain staff's needs and expectations to ensure that we can retain employees, where possible, by addressing the soft issues.

Upgrading and maintaining infrastructure

ATNS is implementing a comprehensive infrastructure refurbishment strategy to address critical deficiencies and uphold aviation safety. Identified as a key focus by the Ministerial Intervention Team, this strategy prioritises procurement and phased implementation of safety-critical equipment, ensuring all upgrades adhere to stringent regulatory protocols and international standards. Concurrently, ATNS is considering integrating advanced technologies, including virtual towers and mobile simulation capabilities, to enhance operational efficiency. This significant

investment in modern infrastructure is supported by strategic financial planning and stakeholder collaboration. This work aims to mitigate potential risks such as airspace restrictions, compromised efficiency and reduced competitiveness, reinforcing ATNS's commitment to world-class service and technological advancement.

Stakeholder engagement

The year's challenges have reflected the collaborative nature of the aviation ecosystem. While navigating these complexities, our existing relationships with stakeholders have not only been tested but have proven their strength, reinforcing our shared commitment to transparency and collective problem-solving. Our stakeholders have participated in crucial processes, from flight procedure design testing to the prioritisation of operational improvements, leading to a common understanding of industry constraints. This engagement extends to open communication about operational challenges, collaborative recruitment efforts and a mutual commitment to maintaining stringent safety standards. This period has underscored the importance of involving all parties in solution development, thereby reaffirming our belief that the aviation ecosystem thrives on a collective, cooperative approach.

We engaged with the Minister of Transport through a biweekly forum involving the Ministerial Intervention Team, airlines and other important aviation role-players. This platform has fostered a unified approach to addressing complex challenges, allowing for open dialogue and shared understanding.

Strategy and outlook

As we conclude our current five-year strategy, ATNS embarks on a transformative journey with a new corporate strategy for 2025 to 2030. This forward-looking framework has been meticulously developed, drawing crucial lessons from recent situations to ensure greater resilience and adaptability. Our strategic planning adopts a holistic approach, integrating cutting-edge technological innovations such as artificial intelligence, virtual tower technologies and remote piloted aircraft services integration with a robust focus on human capital development, including a strengthened talent pipeline

and international recruitment initiatives. This strategic period is vital, aligning ATNS's contribution to South Africa's Medium-term Development Plan and the National Development Plan (NDP), and reinforcing our role in advancing the aviation sector as a catalyst for national socioeconomic growth and transformation. The board's commitment to active governance, proactive risk management and adaptive organisational structures will be paramount, ensuring that through collaboration with government, airlines and international aviation bodies, ATNS maintains its leadership in African and global airspace management for the next decade.

Cybersecurity risk

Cybersecurity risks driven by insider threat and rapidly evolving external threats persist. Globally, ANSPs are experiencing an increasing number of targeted cyber-threats, while South African state-owned companies (SOCs) have reported a surge of cyber incidents. As both an SOC and an ANSP, ATNS is exposed to heightened risk across these dimensions.

In the light of the incidents during the review year, we have implemented strategic enhancements to our cybersecurity framework, including advanced threat detection and prevention capabilities.

Cybersecurity awareness training has been prioritised to equip employees with essential knowledge and tools to identify, manage and mitigate potential threats. These proactive measures are integral in maintaining the integrity, reliability and security of our infrastructure and operations.

Appreciation

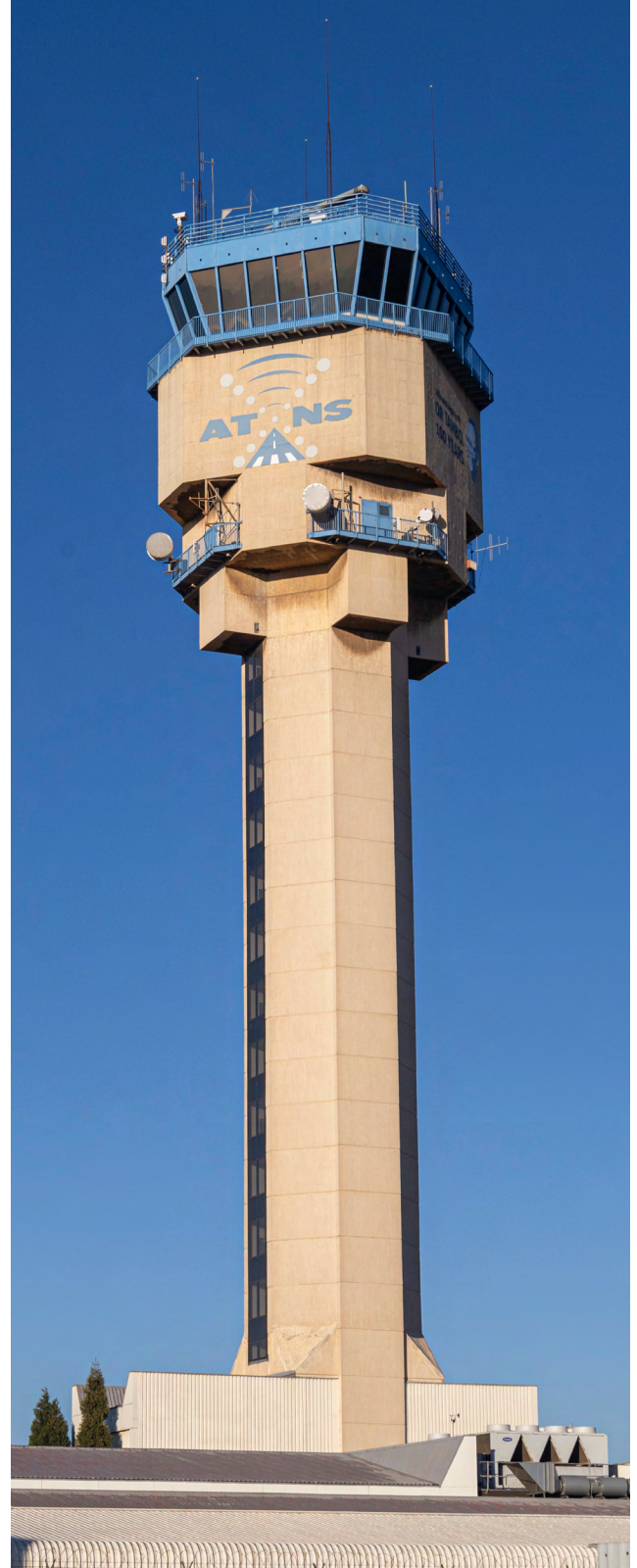
This past year, collaboration and partnership truly defined our progress. We extend our profound gratitude to the Minister of Transport for her indispensable leadership and support, without which our narrative would be vastly different. We also recognise the Ministerial Intervention Team, whose effective collaboration with the board and ATNS executives, managers and dedicated staff was pivotal.

Our deepest appreciation also goes to our valued stakeholders

– not only as consumers of our services, but as active partners who generously assisted with scarce resources and worked diligently to maintain operational flow. Finally, we acknowledge the vital contributions of both the economic and safety regulators, whose ongoing engagement through difficult discussions underscores the warm and professional relationships essential for advancing South African aviation.



Zola Majavu CD(SA)
Chairman of the board



Chief Executive Officer's review



Matome Moholola CA(SA)
Chief Executive Officer (Acting)

Achieving the right fundamentals will be the basis for our strategy. We want to expand beyond national borders, but our priority is securing sufficient training instructors, engineers and flight procedure designers. We need to fully align the organisation with its mandate, ensuring that it is capacitated to deliver.

The aviation industry is a crucial engine for the South African economy, facilitating the trade, tourism and connectivity essential for growth and development. It directly supports a vast ecosystem of businesses, from airlines and airports to logistics and hospitality, and indirectly contributes to countless other sectors through the efficient movement of people and goods. ATNS plays a foundational role as the sole provider of air traffic navigation services. By ensuring the safety and efficiency of South Africa's airspace, ATNS is the backbone of the nation's air transport system, enabling the seamless operation of flights that underpins economic activity and connects South Africa to the rest of the continent and the world.

Our core mandate is to ensure safe and efficient air traffic management in South Africa through the deployment of essential infrastructure and the expertise of our highly skilled workforce. Given the specialised nature of our services, the industry is heavily regulated. ATNS holds a unique position

as the primary, mandated service provider for major airports managed by ACSA. While privately owned airports have some flexibility in choosing service providers, ATNS remains the preferred choice across the country. Our operating environment is, thus, shaped by this mandate and the intricate, often demanding, expectations of our diverse stakeholders, which continually drive us to balance our core responsibilities with their performance requirements.

Performance review

ATNS achieved 79% of its planned targets for 2024/2025, drawing to a close our 2025 strategy. The challenges mentioned by the Chairman of the board, however, put a damper on the year. Adverse media coverage stemming from flight procedure design issues and a significant loss of ATCs, particularly at OR Tambo, necessitated urgent stabilisation efforts.

Despite these issues, our commitment to safety, operational efficiency and customer-centricity remained steadfast. We are proud to report that we experienced no safety breaches, accidents or incidents exceeding our tolerable thresholds, ensuring passengers consistently arrived safely at their destinations. Nevertheless, we underwent valuable introspection, with lessons learnt informing future strategies, notably the building of a sustainable talent pipeline.

Human capital risk

Attrition continued, particularly among ATCs, air traffic service officers and flight procedure designers. Training ATCs is a three-year process from matriculation to independent validation. Staff were lost during the voluntary Labour Relations Act 1995 section 189 process amid the Covid-19 pandemic, with the failure to swiftly replenish the pipeline exacerbating the situation. Aggressive global poaching, particularly from major airports following events such as the FIFA World Cup Qatar 2022™, further compounded the issue. As controllers are licensed for specific stations, rapid replacement is difficult. Moreover, retention is complicated by challenges extending beyond financial incentives.

A concerted effort is being made to rebuild the workforce and stabilise the operational environment. We aim to train about 120 students at our Aviation Training Academy in 2025/2026, quadruple the 30 of 2023/2024. Complementary measures include a board-approved retention scheme and a comprehensive review of our employee value proposition. These initiatives will respond to current realities and enhance ATNS's attractiveness globally, bolstering its ability to retain and attract top talent.

Infrastructure and risk management

Our outdated technology and operational systems can compromise efficiency, increase running and maintenance costs and ultimately threaten service reliability. Thus, we have launched an infrastructure investment drive.

Beyond technological matters is concern for our reputation, which has prompted us to increase stakeholder engagement to create awareness of the issues we face and our responses. This open dialogue is crucial to rebuild trust.

We are mindful of emerging risks, particularly climate-related disruptions. Extreme weather events threaten the reliability of navigation infrastructure and airspace operations. A stark reminder of this occurred recently in Durban, where some of our radars were badly affected.

Operational efficiency and cost management

In line with our commitment to improving operational efficiency, we have developed an operations resource and capacity planning model focused on meeting our service delivery obligations over the short-, medium- and long term. This is complemented by a capex recovery plan to fast-track lagging infrastructure projects. While our safety standards remain uncompromised, enhancing efficiency and reducing costs are now receiving priority. We will rebase our costs so we can reduce them. Salaries and related expenses will be scrutinised, as they account for 70% of annual expenditure. Given high attrition levels, we must continue evolving and benchmarking our remuneration practices to retain talent. This might necessitate a complete review and overhaul of our remuneration philosophy, inevitably resulting in cost-containment efforts being negatively affected.

Our operational efficiency programme currently underway will enhance gate-to-gate efficiency and reduce fuel burn through air traffic management interventions. A notable initiative is the 'Taxi out' trial, which has deepened understanding of taxiing and runway occupancy bottlenecks at major airports. This will allow us to develop more targeted strategies to improve surface movement efficiency and minimise unnecessary fuel consumption by aircraft on the ground.

Achieving Civil Air Navigation Services Organisation (CANSO) GreenATM accreditation for environmental efforts was a source of great pride, particularly as ATNS was the sole recipient of this accreditation on the continent.

Looking ahead

Achieving the right fundamentals will be the basis for our strategy. We want to expand beyond national borders, but our priority is securing sufficient training instructors, engineers and flight procedure designers. We need to fully align the organisation with its mandate, ensuring that it is capacitated to deliver.

Acknowledgments

I echo the Chairman's sentiments on the invaluable oversight role of the Department of Transport and Minister Creecy. In addition, we thank the airline industry associations for their willingness to understand our customers' needs and SACAA for its vital role in maintaining safety standards.

The ATNS team and I value ongoing collaboration with international bodies such as ICAO, the International Air Transport Association (IATA), Airlines Association of Southern Africa, Boarder of Airline Representatives of South Africa and original equipment manufacturers.

Lastly, my heartfelt thanks go to the entire ATNS team. This year has brought out the talent, innovation and capabilities of our employees.



Matome Moholola CA(SA)
Chief Executive Officer (Acting)



Who we are

Our vision

Be the leading provider of air traffic management solutions in Africa.

Our mission

Provide safe and efficient air traffic management solutions.

We seek to responsibly achieve our mission through our talented people, our technological advancements, sound governance and operational and financial sustainability.

Our values

Our values play a central role in achieving our strategy and underpin our long-term sustainability. They are:

Safety and customer-centricity: prioritising customers' needs and ensuring that safety is non-negotiable

Accountability: holding ourselves and others accountable

Agility: ensuring that we are flexible and adaptable to change

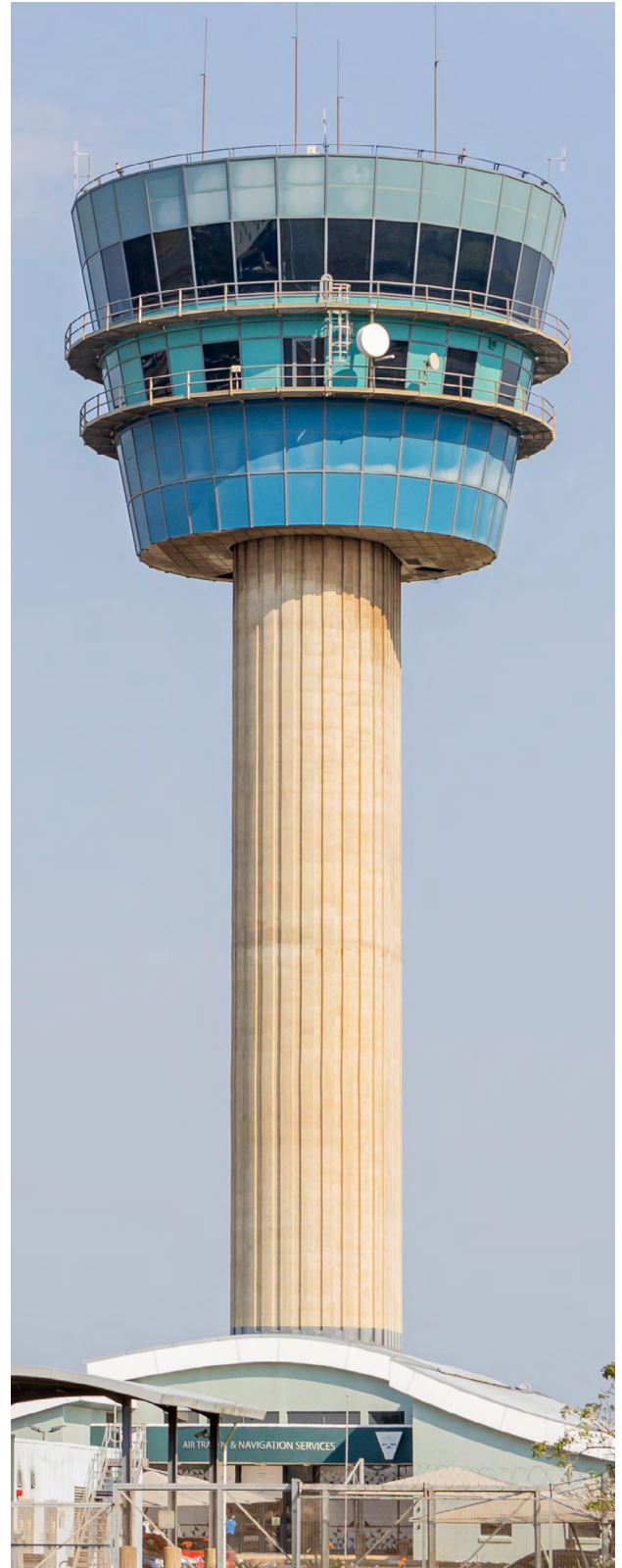
Diversity: embracing inclusion, equality and social differences

Integrity: following a moral and incorruptible corporate code

Our mandate

ATNS was established in 1993 by ATNS Company Act, Act No 45 of 1993 as amended. Our mandate is the acquisition, establishment, provision, control and maintenance of air traffic services and air navigation infrastructure.

ATNS is the sole provider of air traffic management, communication, surveillance, navigation, training and associated services in South Africa. We provide services to nine South African statutory airports operated by ACSA, 12 regional airports and St Helena Airport (a remote island airport in the South Atlantic Ocean). Our services comply with ICAO standards and recommended practices, SACAA regulations and technical standards and South African legislation.



Our mandate: anchored in legislation

Our mandate is overseen by the economic regulator to ensure alignment with both national and international benchmarks. The key sectoral legislation includes:

ICAO standards and economic regulator oversight



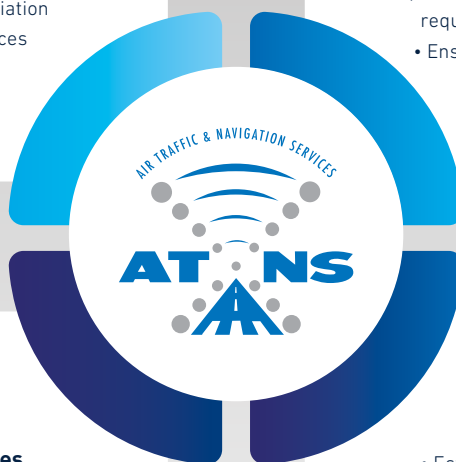
Civil aviation act 13 of 2009 (as amended)

- The primary law governing civil aviation in South Africa
- Defines ATNS's air traffic management role and responsibilities
- Guarantees our operations meet both national and international aviation standards and best practices



Civil aviation regulations, 2011

- Established by SACAA
- Provide a structured framework for civil aviation
- Address safety, security and service standards
- Cover critical areas such as safety protocols, operational procedures and required qualifications of personnel
- Ensure compliance with both safety and operational standards



ICAO standards and recommended practices

- Global mandate
- As an ICAO signatory, South Africa requires ATNS to follow these globally recognised standards
- Key objectives are to ensure safety, interoperability and consistent service quality
- Applicable to air traffic management across international boundaries



Economic regulation of Transport Act 6 of 2024

- Establishes transparent economic oversight for the transport sector
 - Provides rules for:
 - Tariff setting
 - Service standards
 - Performance monitoring
 - Market access
 - Financial transparency
 - Dispute resolution
 - Fair services: guides ATNS in providing fair and sustainable services

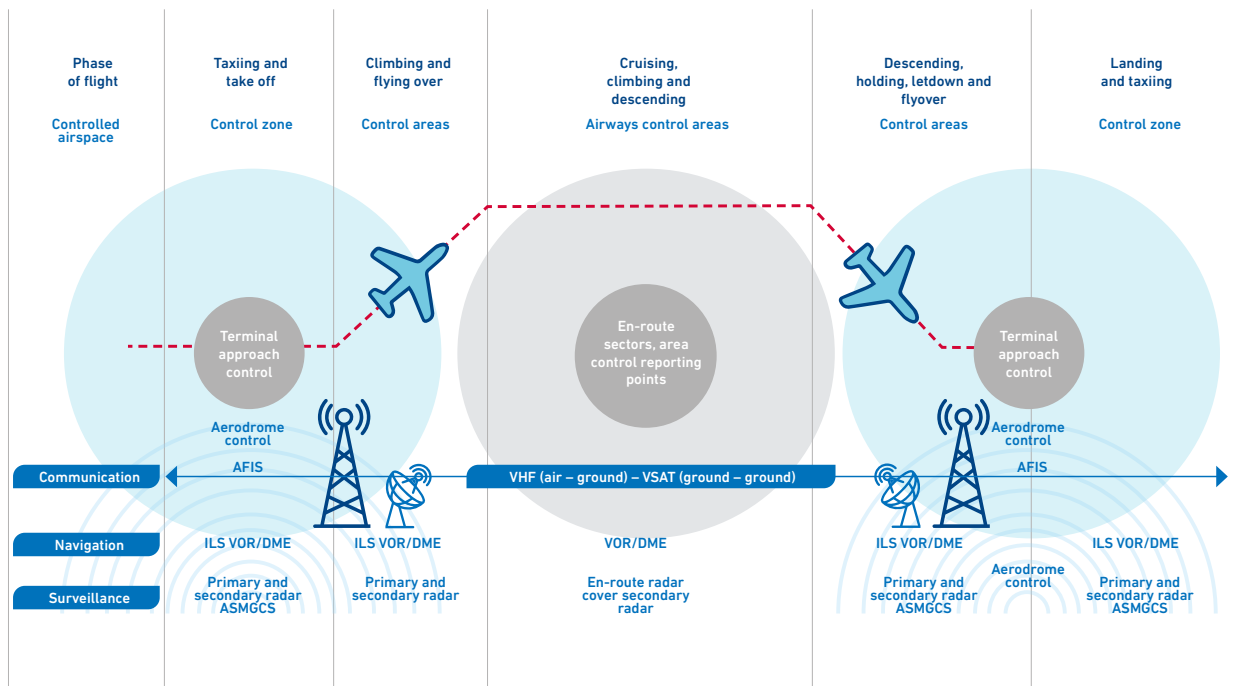


Ensuring alignment with national and international benchmarks

What we do

ATNS is pivotal to the aviation industry in southern Africa and is mandated to offer air traffic services across South Africa's airspace and the Indian and Atlantic oceans. ATNS contributes significantly to the South African economy and the regional aviation network.

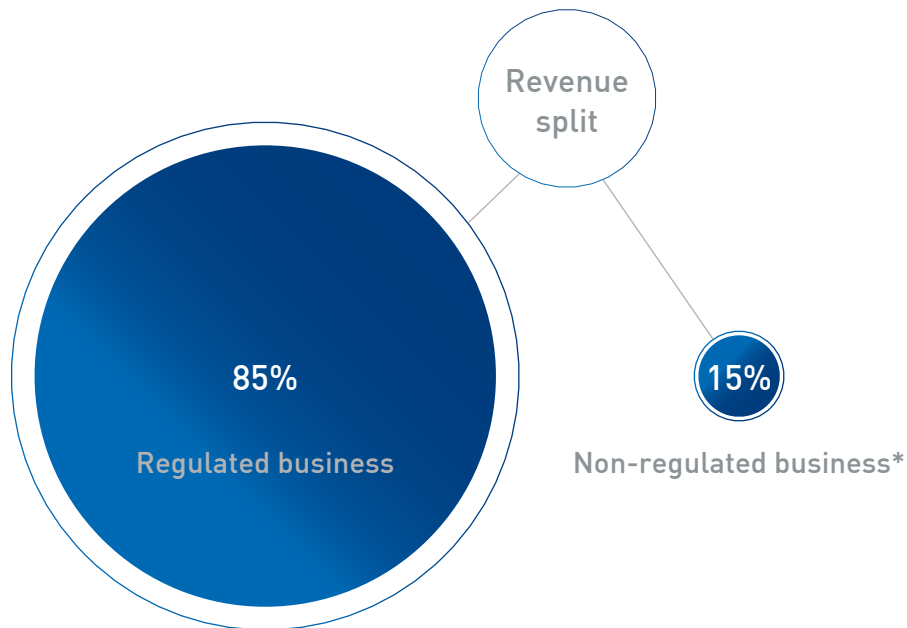
We pride ourselves on delivering exceptional-quality services and resources to our customers and the aviation community.



ATNS provides comprehensive ATM services supporting every phase of flight, from taxiing to landing. This robust infrastructure enables ATNS to deliver scalable services that meet the varying demands of South African airspace.

This end-to-end service is facilitated by advanced systems deployed at major airports and area control centres across South Africa, including OR Tambo, Cape Town, King Shaka, Bram Fischer, Kimberley, Chief Dawid Stuurman, George, Lanseria, Upington and King Phalo. These systems leverage cutting-edge CNS technologies. Airports without surveillance capabilities, such as Wonderboom, Upington, Polokwane, Kruger, Pilanesberg, Umtata, Pietermaritzburg, Virginia and Grand Central, also contribute to the ATM system.

How we generate revenue



*Non-regulated business comprises services such as training and consulting for international markets

Regulated business

ATNS's regulated services consist of the following primary components:

- Gate-to-gate air traffic services in South Africa
- Air navigation infrastructure, including CNS systems
- Auxiliary aviation services such as aeronautical information management, flight procedure design and aeronautical surveys

ATNS provides seamless gate-to-gate ATM, supporting all flight phases from taxi-out to taxi-in. This is powered by advanced ATM systems at our Johannesburg and Cape Town control centres, underpinned by crucial CNS infrastructure. Our techniques optimise fuel efficiency, manage traffic flow and minimise delays, enhancing operational value for airlines and airports. Recognising the complex interplay in the aviation ecosystem, ATNS prioritises programmes such as air traffic flow management and collaborative decision-making to ensure safe and efficient operations across all ATM phases.

Economic regulation

The economic regulation of ATNS is governed by section 11 of the ATNS Act, which mandates that we apply to the Regulating Committee for permission to levy air traffic charges.

During the 2022/2023 financial year, ATNS submitted its application for the 2023/2024 to 2027/2028 permission cycle. This submission followed extensive consultation with key aviation industry representatives, including the Airlines Association of Southern Africa, the Board of Airline Representatives of South Africa and IATA. As this strategic plan is being developed, ATNS is operating under a temporary permission granted by the Regulating Committee, with the finalisation of full permission in progress.

Our 2024/2025 tariff was approved only in December 2024. Since we charged airlines an inflation-linked tariff of 4.5% from April to November 2024, instead of 11.9%, we lost more than half of our revenue for three quarters of the year.

ATNS's Executive Committee approved the 2026/2027 to 2030/2031 permission application project plan in November 2024.

Our permission not only specifies the tariffs we can charge aircraft operators for air traffic services and use of air navigation infrastructure, but sets the minimum service standards for our regulated operations. Each permission cycle spans five years, with the third year dedicated to preparing the subsequent application.

Non-regulated business

ATNS offers non-regulated services beyond ATM, including:

- Satellite communication networks across Africa
- Technical services
- Consultancy services
- Training provided by the ATNS Aviation Training Academy
- Geodetic surveys
- Airspace design
- Aeronautical information management

ATNS operates two VSAT networks: one for SADC and the other for North-East Africa (NAFISAT). These networks are integral to the regions' CNS infrastructure, facilitating seamless ATM across many African countries.

The non-regulated business is supported by a long-term strategy to expand ATNS's presence across the African and Indian Ocean regions. To drive sustainable growth, this

business focuses on relationship building and developing technical expertise, with capabilities strengthened by enhanced internal skills, collaboration with seasoned industry experts and strategic partnerships. This segment is becoming increasingly crucial for ATNS's growth and long-term positioning across Africa.

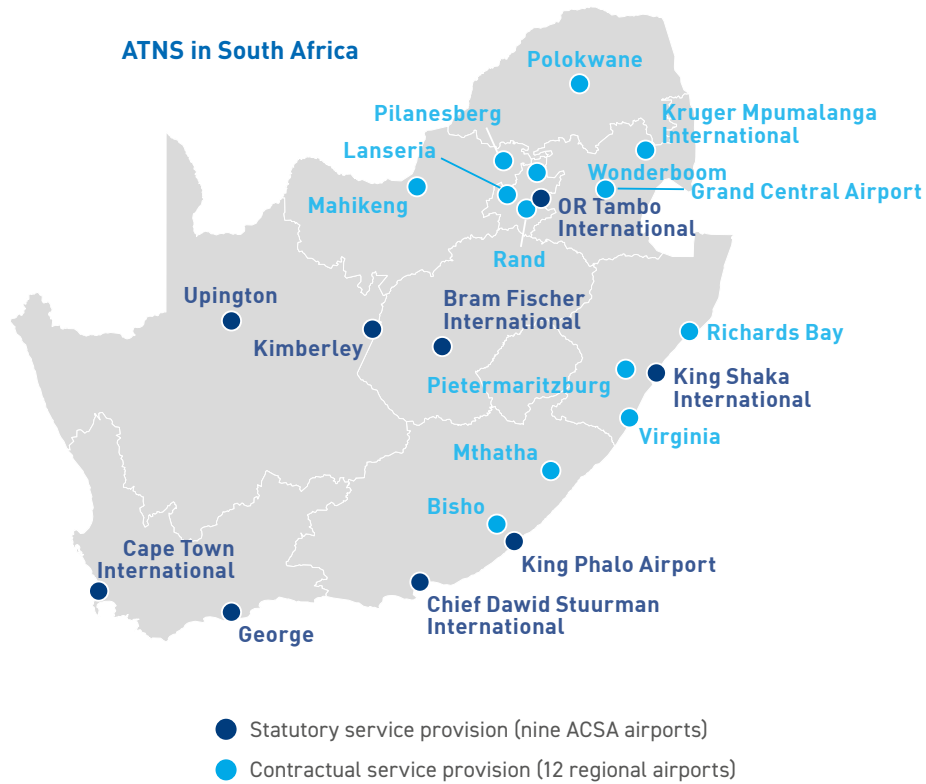
Aviation Training Academy

The Aviation Training Academy is a world-class institution with ISO 9001:2015 accreditation. It offers the continent air traffic services, air traffic safety electronics and other aviation courses.

As an ICAO TRAINAIR PLUS platinum member and a regional centre of excellence, the academy has a proven track record of delivering world-class training. Our expert instructors, coupled with advanced facilities, ensure exceptional training outcomes.

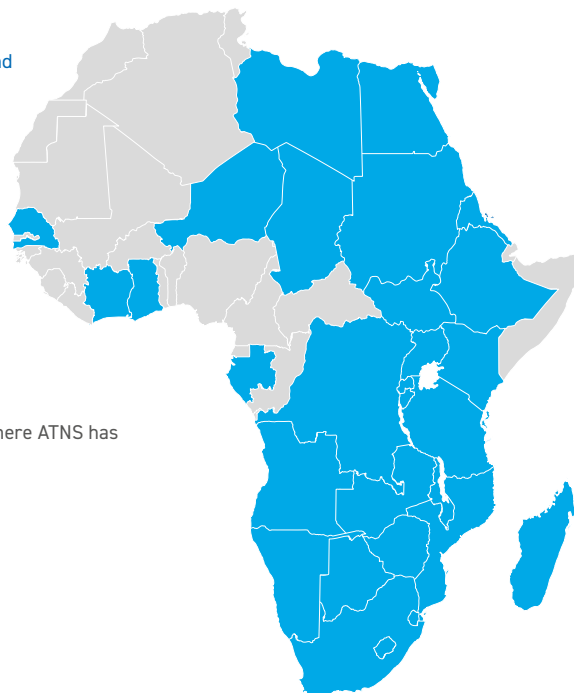
Recognised for its excellence, the academy has been awarded the IATA worldwide top regional training partner many times. Advocating standardised aviation training globally, academy management represents ATNS on important aviation platforms such as the ICAO TRAINAIR PLUS Steercom, the Association of Aviation Training Academies and the International Federation of Air Traffic Safety Electronics Associations. Dedicated to global best practice, we continue to equip current and next-generation aviation professionals with the skills and knowledge to excel in aviation.

Our geographical footprint



ATNS VSAT network:
 ATNS very-small aperture terminal (VSAT)
 North-Eastern African and Indian Ocean VSAT Network (NAFISAT) and
 SADC/2 – air traffic service/downstream connectivity

Countries where ATNS has a presence



ICAO TRAINAIR PLUS members are part of a network focused on developing and delivering ICAO-recognised standardised aviation training courses. Members – be they training institutions or industry partners – work together to improve global air transport safety and efficiency through TRAINAIR PLUS methodology. They have access to the latest ICAO standards and best practices.

Knowledge management

At ATNS, information and knowledge management drives digital transformation, operational excellence and institutional resilience. Through initiatives such as the back-scanning and digitisation project, we have enhanced access to digital records across geographically dispersed teams, promoted environmental sustainability by reducing paper dependency and ensured compliance with the National Archives and Records Service of South Africa through secure disposal processes.

The implementation of a compliance risk management plan has embedded regulatory alignment into records management practices, while structured lessons learnt

practices have enabled effective project delivery, especially in high-expenditure projects, and informed crucial strategic initiatives such as organisational design and safety performance management.

The development of an integrated incident reporting system linking environment, safety, security and maintenance has achieved systematic identification, recording, assessing, responding to and resolving incidents. This has ensured safety, operational continuity, regulatory compliance and continuous improvement across these domains while demonstrating the value of coherent knowledge flows across business functions.

Expanded access to digital research databases and the automation of information and knowledge services have strengthened the organisation's research, development and innovation capability. Furthermore, library and information services have supported operational teams through reliable access to ICAO publications, aeronautical information and civil aviation regulations.

Over the next five years, we will develop and institutionalise an integrated information and knowledge management framework aligned to the operational excellence pillar of our corporate strategy. This will further embed information and knowledge as strategic assets that fuel innovation, strengthen compliance and secure long-term sustainability.



Leadership and governance

The board is responsible for ATNS's governance, ethics and values. We apply sound corporate governance practices to ensure sustainable growth, upholding the highest standards of ethics and good governance. This commitment ensures transparency, accountability and ethical conduct, all paramount in an industry where precision and trust are essential. Our board charter and code of conduct establish the ethical foundation for all our operations.

Our values are set out on page 15.

Our governance structure



Our board



Zola Majavu CD(SA)
Chairman (age 56)

Appointed January 2023

Expertise

Aviation law

Alternative dispute resolution

Constitutional court litigation

Qualifications

BA (Law)

LLB

HDip Company Law

Certificate in Sports Management

Notary

Senior Legal Practitioner

Helicopter Pilot

Chartered Director CD(SA)

Committees

The Chairman does not serve on board committees



Ameen Amod CD(SA)
Director (age 61)

Appointed January 2023

Expertise

Governance

Finance

Internal audit

Strategic planning

Performance management

Enterprise risk management

Compliance

Qualifications

MBA

BCom

Chartered Director CD(SA)

CIA (Certified Internal Auditor)

CRMA (Certified Risk Management Assessor)

CGAP (Certified Government Audit Professional)

Committees

Audit and Risk

Social and Ethics



Khulile Boqwana
Director (age 53)

Reappointed January 2023

Expertise

Investment and regulation

Broadcasting and telecommunications

Energy regulation

Corporate strategy

Project management

Qualifications

BCompt

MBL

National Diploma in Education

Certificate in Project Management

Committees

Chairman: Remuneration and Human Capital

Audit and Risk



Doris Dondur CA(SA)
CD(SA) Director (age 58)

Appointed 26 June 2025

Expertise

Financial management

Audit oversight

Governance leadership

Organisational growth

Qualifications

MBA

Chartered Director CD(SA)

BCompt

Chartered Accountant CA(SA)

BAcc (Hons)

Certificate in Labour Relations

International Executive Development Programme

Committees

Chairman: Audit and Risk





Princess Mangoma
Director (age 47)

Resigned 3 February 2025

Expertise

Auditing (external, internal, information technology)

Risk and compliance management

Performance management

Qualifications

BCompt

BCom Honours

MPhil Accounting Sciences (in progress)

Certified Internal Auditor (in progress)

Committees

Chairman: Strategic Programmes, Information and Technology

Audit and Risk



Nomathemba Kubheka
Director (age 58)

Reappointed January 2023

Expertise

Talent management

Corporate negotiations

Project management

Logistics

Property development

Qualifications

BA in Education

MSc in Building

Committees

Remuneration and Human Capital

Social, Ethics and Governance



Siyabonga Gcina Kudumela
Director (age 32)

Appointed January 2023

Expertise

Infrastructure development

Civil engineering and construction

Capital expenditure (Capex) and project management

Environmental, social and governance (ESG)

Risk management and Supply chain management

Qualifications

National Diploma Surveying

National Diploma Civil Engineering

Advanced Diploma in Project Management (cum laude)

Postgraduate Diploma in Project Management (in progress)

Project Management Professional (PMP®)

Committees

Social and Ethics Committee

Audit and Risk Committee

Strategic Programmes, Information and Technology Committee



Dr Malindi Neluheni
Director (age 62)

Appointed January 2023

Expertise

Aviation Regulation

Corporate Governance

Aviation Operations

Infrastructure Planning and Delivery

Qualifications

PhD in Architecture (Engineering Minor)

Masters in Regional Planning

Committees

Strategic Programmes, Information and Technology

Social and Ethics



Precious Sibiya CA (SA)
Director (age 54)

Resigned 31 January 2025

Expertise

Risk management

Auditing (internal and external)

Financial management

Financial reporting

Compliance management

Supply chain management/procurement management

Business turnaround

Investment management

Qualifications

Bachelor of Accountancy

Postgraduate Diploma in Accountancy

Chartered Accountant CA(SA)

Committees

Chairman: Audit and Risk

Remuneration and Human Capital



Major-General (retired)
Nhlanhla Ngema
(age 75)

Reappointed January 2023

Expertise

Strategic planning

Policy formulation

Strategy formulation

Resource management

Aviation, defence and aerospace management

Transformation implementation

Qualifications

Airline Transport Pilot Licence (Federal Aviation Administration, USA)

Commercial Pilot Licence (Civil Aviation Authority, UK)

Private Pilot Licence (Civil Aviation Authority, Nigeria)

Senior Management, Defence Resource Management

Defence Management and Joint Operations Programmes

Advanced Air Operations Law Certificate

Aviation Leaders Programme in Public Policy

Committees

Chairman: Social and Ethics

Remuneration and Human Capital



Chris R Burger
(age 60)

Reappointed January 2023

Expertise

Strategy

Aviation operations

Regulation

Training

Qualifications

BEng MEng (Electronic Engineering)

BCom (Aviation Management)

BTh (SATS)

AP Trans (SATI)

ATPL(A) CPL(H) NPL(TMG) GPL FBPL RPL (SACAA)

ATP (FAA)

Director's Certificate: Institute of Directors South Africa (IoDSA)

Committees

Remuneration and Human Capital

Audit and Risk Committee

Strategic Programmes, Information and Technology



Pinky Phaswana CA(SA)
Acting Chief Financial Officer (age 42)

Appointed 17 April 2025

Expertise

External audit

Governance

Internal controls

Taxation

Financial management

Qualifications

Chartered Accountant CA(SA)

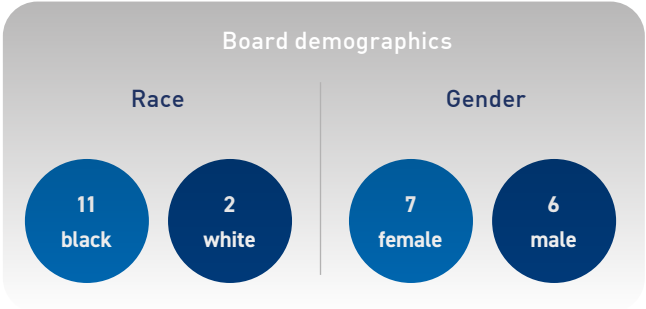
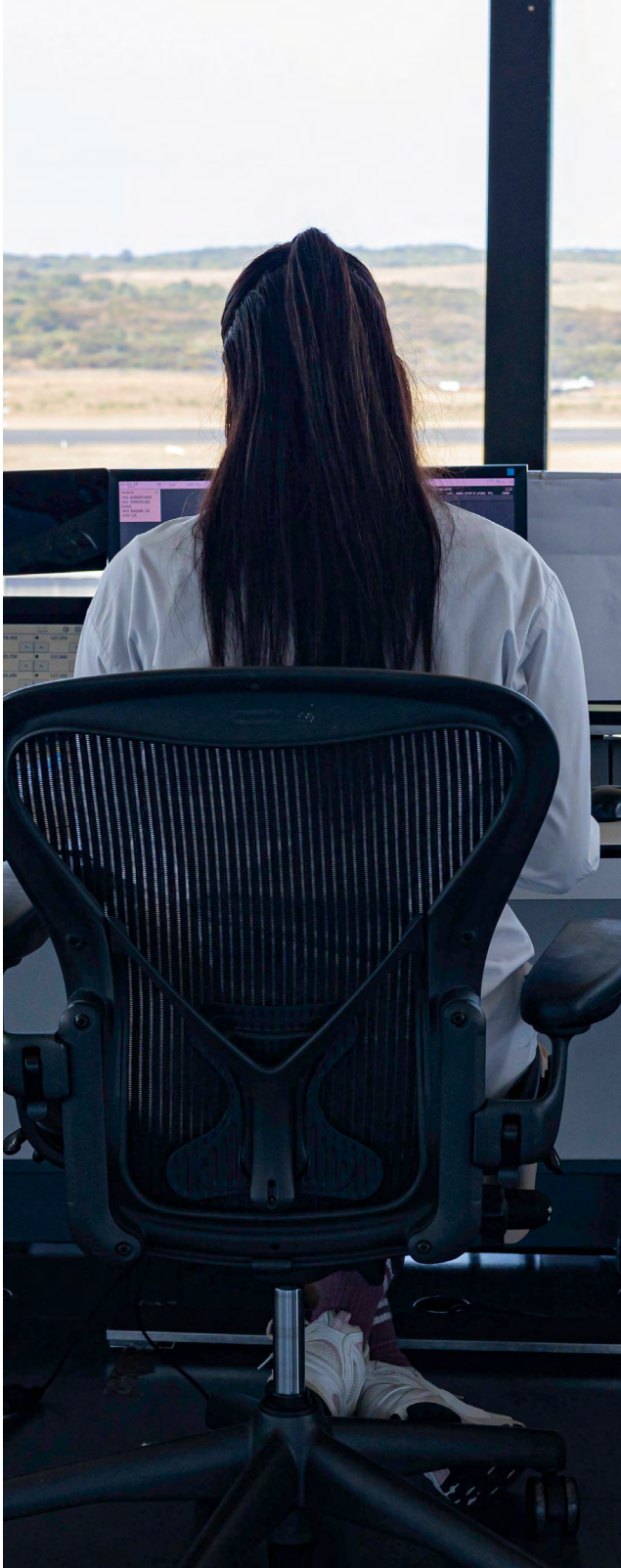
MBA in progress



Matome Moholola CA(SA)
Chief Financial Officer
(age 46)
Reappointed December 2023
(Acting CEO as of March 2025)

- Expertise**
- Financial management
 - Financial reporting
 - Risk management and supply chain management
 - Corporate governance

- Qualifications**
- Chartered Accountant CA(SA)
 - MBA
 - MCom Tax
 - BCom
 - BAcc



Our executives



Nozipho Mdawe
Chief Executive Officer
(age 52)
Suspended March 2025

- Expertise**
Transport value chain, including aviation, maritime, port and rail sectors
Regional transport regulations
ESG stewardship
Transformational and ethical leadership
Strategic leadership and execution
Stakeholders management
Integrated value-driven infrastructure development and execution
Business transformation, value creation leadership and revenue growth
Operational leadership and execution, focusing on operational efficiency
- Qualifications**
Doctoral Degree in progress
MBA
Global Executive Development Programme
Advanced Strategic Management Programme
Management Advanced Programme



Matome Moholola CA(SA)
Chief Financial Officer
(age 46)
Reappointed December 2023
(Acting CEO as of March 2025)

- Expertise**
Financial management
Financial reporting
Risk management and supply chain management
Corporate governance
- Qualifications**
Chartered Accountant CA(SA)
MBA
MCom Tax
BCom
BAcc



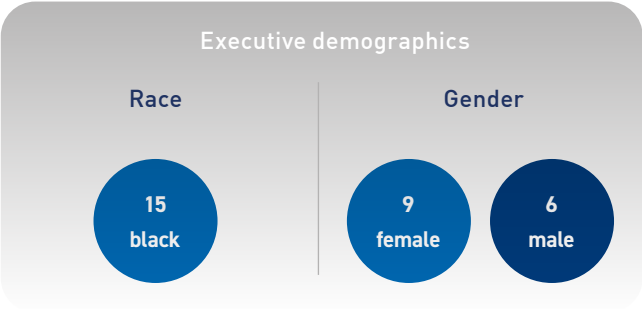
Josia Manyakoana
Chief Operating Officer
(age 55)
Appointed June 2023

- Expertise**
Air traffic management
Aviation management, research and strategy
Airport operations management
Air traffic services operations management
Airspace management
Aviation safety management
Human factors
Corporate governance
- Qualifications**
Master of Aviation
Honours Industrial Psychology
Bachelor of Administration in Aviation Management



Mbongeni Maqashelana
Chief Business Services Officer (age 48)
Reappointed June 2023

- Expertise**
Safety management system
Enterprise risk management
Quality management systems
Corporate governance
Management accounting
Business continuity management
Risk insurance and travel management
Business process and continuous improvement
Security management
Facility management
Knowledge and record management
- Qualifications**
MBA
Postgraduate Diploma in Business Management and Administration
BCompt
National Diploma in Cost and Management Accounting
Certificate Programme in Risk Management





Sandile Hogana
Chief Customer Solutions Officer (age 42)
Appointed July 2023

Expertise

Sales

Marketing

Product development

Data analytics

Qualifications

MBA

Post Graduate Diploma in Finance, Banking and Investment Management

Bachelor of Science (BSc) in Computer Science and Applied Mathematics



Gayle Serema
Chief Human Capital Officer (age 53)
Appointed January 2023

Expertise

General human resources management

Qualifications

MBA

BCom Honours, Industrial and Organisational Psychology

Bachelor of Arts Industrial Psychology



Nhlanhla Mabaso
Chief Technology and Information Officer (age 55)
Appointed July 2023

Expertise

Strategic management of technology

Innovation

Knowledge commons

Cybersecurity

Leadership development

Programme management

Qualifications

MBA

BSc (Computer Science; Computational and Applied Mathematics)

Various courses, including information management and cybersecurity



Tendani Ndou
Chief Aviation Training Academy Officer (age 56)
Reappointed December 2023

Expertise

Risk, audit and compliance

Corporate governance

Accounting, finance and management

Supply chain management

Aviation training management

Strategy and planning

Qualifications

MBA

BCom (Honours) Cost Management Accounting

Higher Diploma in Education



Thandeka Mdebuka
Chief Governance, Risk
and Compliance Officer
(age 44)

Reappointed November 2023

Expertise

Legal advisory and advocacy

Legal compliance

Corporate governance

Contract negotiation and contracts
management

Litigation

Enterprise risk management

Qualifications

Admitted attorney

Postgraduate - GRC

LLM Mercantile Law

LLB



Khanyisile Cele
Chief Strategy, Research
Development and
Innovation Officer (age 42)

Appointed July 2023

Expertise

Leadership

Strategy

Research

Policy

Budgeting

Monitoring and evaluation

Innovation inculcation

Qualifications

MBA

MPhil (Responsible Leadership)

B-Tech degree in Public Finance and
Accounting



Lesego Mahamba
Chief Audit Executive
(age 40)

Resigned December 2024

Expertise

External audit

Internal audit

Internal financial controls

Corporate governance

Enterprise risk management

Combined assurance

Performance information

Compliance

Qualifications

CA(SA)

MBA

CIA

BCom Accounting Science

BCom Economics



Adv Ditebogo Khumalo
Company Secretary
(age 54)

Resigned December 2024

Expertise

Corporate governance

Risk and compliance

Administration of deceased estates

Trusts and companies in liquidation

Information management

Qualifications

BProc

LLB

Diploma in Insolvency Law and Practice

BA Hons Information Science

MBA

Postgraduate Diploma: Compliance
Management

Certificate: Executive Development
Programme



Nobuhle Sibeko
Company Secretary
(age 44)
Appointed May 2025

Expertise

- Corporate governance
- Regulatory compliance
- Board support and advisory
- Stakeholder management
- Company law
- Risk management

Qualifications

- Admitted attorney of the High Court of South Africa
- LLB Degree
- Postgraduate Diploma Business Administration
- Postgraduate Diploma Labour Law
- MBA



Tshepo Shilangu
Acting Chief Audit
Executive (age 38)
Appointed February 2025

Expertise

- Internal audit
- External audit
- Internal financial controls
- Banking
- Asset liability management (treasury management)
- Data analytics
- Risk management

Qualifications

- BAccSci
- HDip Acc
- CA(SA)
- Advanced Diploma in Financial Markets
- BCom Honours in Treasury Management



Pinky Phaswana CA(SA)
Acting Chief Financial
Officer (age 42)
Appointed April 2025

Expertise

- External audit
- Governance
- Internal controls
- Taxation
- Financial management

Qualifications

- CA(SA)
- MBA in progress



How we create value

We offer a diverse range of services, including regulated and non-regulated offerings (see page 19 for more detail). Our customer-centric approach places the needs of both internal and external stakeholders at the heart of our business. We are committed to exceeding expectations through continuous improvement, as evidenced by our robust quality management system. By optimising resources, fostering collaboration and leveraging strategic partnerships, we create value for our customers, shareholders and the community. Our focus on innovation and efficiency drives sustainable growth.

To ensure sustainable value creation for the company and its stakeholders, the board approved strategic objectives that are broken into the six capitals, namely natural, social and relationship, human, intellectual, manufactured and financial. These capitals demonstrate ATNS's concern about people, the planet and its business.

Our capitals



Financial capital

ATNS's financial capital encompasses the funds generated through its core operations, strategic investments and financing activities. This includes revenue from ATM services, investment funds raised for growth and funds saved through effective cost management practices.



Human capital

Human capital at ATNS refers to the skills, knowledge and expertise of its workforce. This includes employees' education, experience and ongoing professional development. ATNS invests in training and career advancement opportunities, fosters a diverse and inclusive work environment and supports employees' wellbeing.



Manufactured capital

Manufactured capital includes the physical assets and infrastructure that ATNS relies on to deliver its services. This encompasses air traffic control systems, technological equipment and the facilities required for operations. ATNS maintains and upgrades its infrastructure to ensure reliability and efficiency.



Natural capital

Natural capital includes the use of natural resources such as land, water and air, including energy usage for the provision of air traffic management. The organisation is committed to reducing environmental impacts through adoption of sustainable practices and solutions.



Intellectual capital

ATNS's intellectual capital consists of its brand reputation, proprietary technologies and organisational knowledge. The organisation's strong industry reputation is supported by its innovative solutions and well-established systems. Patents and copyrights protect its technological advancements, while its organisational knowledge and procedures drive efficiency and leadership in ATM. This strategic approach ensures that institutional knowledge is curated and leveraged for long-term value creation. In addition, knowledge management practices enhance continuous organisational learning, cross-functional knowledge sharing and leadership capacity development. By institutionalising knowledge retention practices, ATNS safeguards essential expertise and empowers greater agility and confidence across its workforce and knowledge ecosystem.



Social and relationship capital

ATNS builds and maintains robust relationships with stakeholders, including communities, governments, suppliers and customers. These relationships are fostered through active engagement, collaborative projects and community support initiatives.

Our value creation model

Inputs

Financial capital

- Revenue: **R1 791 million (2024: R1 723 million)**
- Capital expenditure: **R134 million (2024: R223 million)**
- Cash and cash equivalents: **R1 222 million (2024: R887 million)**
- Billable air traffic movements: **287 760 (2024: 293 043)**

Manufactured capital

- Installations of VOR/DME: **13/36 (2024: 38)**
- VHF installations **83/87 (2024: 71)**
- Integrated automated air traffic management systems: 2 main facilities, 6 remote facilities **(2024: 2 main, 6 remote)**
- Enhanced training and air traffic control facilities
- Robust safety strategy and effective safety management system

Intellectual capital

- Enterprise resource planning implementation
- Bonaero Integrated Situational Awareness (BONISA)
- Cloud migration
- Cybersecurity training
- ATNS-developed e-learning modules and virtual training facilities
- Space weather training

Human capital

- Employee headcount: **1 113 (2024: 1 089)**
- Air traffic services staff: **660 (2024: 646)**
- Operational technology staff: **177 (2024: 158)**
- Direct jobs created: **102 (2024: 73)**
- Internal staff trained: **970 (2024: 155)**
- Women: **48% (2024: 49.78%)**
- People with disabilities: **2.16% (2024: 2.23%)**

Social and relationship capital

- Regulatory engagements to support customers
- Collaborations with industry associations and thought leaders
- Investment in supplier and enterprise development to support the industry

Natural capital

- Natural resources usage: water, air and land
- Energy usage: fuel **137.76 (2024: 211.57 KI)**, Electricity **7 993.95 (2024: 7 584.72 MWh)**
- Airspace usage through the provision of ATM services

Operating environment influencing our materiality themes, risks and opportunities

IV Our governance framework

Our purpose, vision, mission

Materiality themes

- | | |
|--|--|
| Air traffic safety | Sustainable modern business |
| Effective governance | Attractive and sustainable growth strategy |
| Skilled workforce | Partnerships |
| Competent and capable management | Environmental and community impact |
| Environmental, economic and geopolitical instability | |

Our key partnerships

- Government
- Regulatory bodies
- Airlines
- ANSPs
- Industry associations
- Longstanding partners

Our value proposition

Cost effective, safe and efficient air traffic services and solutions

Our stakeholders

- Employees
- Customers
- Shareholder and board
- Regulators, governments and associations
- Labour unions
- Business partners
- Communities and society



*includes permanent employees, fixed-term employees, people with disabilities, those enrolled on learnerships, graduate in training, engineering learnership and air traffic services trainees.

* Introduction of Scope 3 emissions

Our operating context

Aviation is a vital driver of the economy. Efficient air transport fosters economic growth and social development. However, economic volatility, rising fuel prices, supply chain disruptions and geopolitical tensions have significantly affected the aviation industry, including ATNS, leading to reduced air traffic and revenue. The industry is seeking strategies to mitigate these ongoing challenges.

Global economic outlook

The global economic landscape for 2024 and 2025 is characterised by continued slowdown in growth, influenced by several factors:

Moderating growth: global Gross Domestic Product growth is projected to slow from about 3.3% in 2024 to around 2.9% in 2025 and 2026. This slowdown is particularly notable in major economies such as the United States and China.

Trade tensions and policy uncertainty: increased trade barriers and heightened policy uncertainty are significant headwinds, weakening global trade and investment, and diminishing business and consumer confidence.

Inflation trends: while global headline inflation is generally expected to moderate, there are risks of persistence, especially in economies facing higher trade costs or tight labour markets. Central banks are likely to continue vigilant monetary policies.

Fiscal pressures: governments worldwide face increasing fiscal pressure due to higher debt payments, necessitating reforms to manage public debt and rebuild fiscal space.

Investment decline: a long-term decline in investment, both public and private, continues to hold back growth, highlighting the need for policies to reinvigorate business investment, innovation and productivity.

What this means for ATNS

Global trends emphasise ATNS's need to focus on cost efficiency, digital innovation and sustainability. Amid high

inflation and interest rates, prudent expense management and scalable infrastructure are vital. Sustainability also provides ATNS with the chance to integrate eco-friendly practices, aligning with climate goals to boost market appeal. Digital advancements in artificial intelligence, the internet of things and automation drive efficiency in ATM, while shifting trade dynamics highlight the importance of partnerships to reinforce ATNS's position as an adaptable, forward-looking leader.

African economic outlook

In 2024, Africa's economic resilience continued, with projected growth of 3.7% (expected to rise to 4.3% by 2025), positioning the continent as the second-fastest-growing region globally. However, regional disparities highlight distinct opportunities and challenges across Africa's economic landscape. Key Africa trends include:

Regional growth disparities:

East Africa: set to lead with a growth rate of 4.9% in 2024, driven by infrastructure investment and digital transformation.

Central Africa: projected to grow at 4.1% in 2024, benefitting from favourable commodity prices.

West Africa: economic expansion forecast at 4.2%, boosted by the resource-rich economies of Nigeria and Ghana.

Southern Africa: expected to see more modest growth of 2.2% due to structural economic challenges.

African Continental Free Trade Area: projected to boost intra-African trade by 52.3% by the end of 2025, stimulating demand for cross-border transport and aviation services.

Single African Air Transport Market: initiated in 2018 as a flagship project of the African Union's Agenda 2063, it aims to create a single unified air transport market in Africa, facilitating the liberalisation of civil aviation and promoting economic integration. It supports growth opportunities for ANSPs by enabling smoother cross-border air traffic.

Resource wealth: Africa's resource wealth, particularly in essential minerals for the global energy transition (for example, lithium, cobalt and nickel), opens growth prospects as mining activity and trade routes expand, particularly in Central Africa and southern Africa.

Climate change and green economy: with estimated annual economic losses of \$50 billion due to climate-related events, Africa's focus on green infrastructure and renewable energy projects is intensifying. There is a growing need to align with these trends by embedding sustainable practices and eco-efficient technologies into business operations, supporting Africa's progression towards a green economy.

Digital innovation: as digital innovation progresses in financial services, communications and logistics, ANSPs that invest in digital infrastructure and automation stand to improve operational efficiency and service delivery.

What this means for ATNS

The trends reveal significant growth opportunities for ATNS within Africa's air transport sector, especially in East Africa and West Africa, where infrastructure development and economic diversification are rapidly advancing. To establish a strong market position as an ANSP and training academy across Africa's high-growth regions, ATNS will need to understand these regional dynamics, embrace sustainable and innovative practices, intensify partnerships and deliver products and services aligned with Africa's aviation and economic integration goals.

South Africa's economic outlook

South Africa's economic outlook for 2024 remained restrained, with the International Monetary Fund having forecast growth at 1.4% for 2024, increasing marginally to 1.6% in 2025, still below the average 2.0% annual growth rate needed to make a dent in unemployment levels. The government of national unity faces substantial challenges to meet public expectations in stabilising inflation, accelerating job creation and driving economic recovery. Currently, to sustain the employment

rate, South Africa must generate about 1.7 million jobs over the next five years, a challenging target given current growth forecasts. Key South African trends include:

Loadshedding impact and energy transition: loadshedding severely affected economic activity in 2023, but recent interventions have stabilised energy supply, partly through renewable energy projects. The energy transition presents opportunities for ATNS to adopt sustainable practices and contribute to a greener infrastructure environment, enhancing operational reliability and resilience in line with the government's energy reform goals.

Fiscal limitations: as debt is projected to reach 77.7% of Gross Domestic Product by 2025/2026, fiscal limitations pose risks for public finances. Initiatives such as Operation Vulindlela drive efficiency and attract private sector participation in the crucial infrastructure sector, including transport and logistics.

Operation Vulindlela is an initiative of the Presidency and National Treasury to advance structural reforms and support economic recovery. It aims to modernise and transform network industries, including electricity, water, transport and digital communications. It is currently in its second five-year phase.

Unemployment rate: the unemployment rate in South Africa rose to 33.5% in the second quarter of 2024, with youth and women facing even higher rates. Job creation is not keeping up with population growth, leading to increased pressure on the labour market. To bridge this gap, state-owned entities are pivotal for skills development aligned with the National Skills Development Plan.

Inflation and cost pressures: by September 2024, inflation moderated to 3.8%, aided by fuel price reductions. However, food inflation remains high at 7.5%, intensifying cost pressures on households and highlighting the need for ATNS to manage operating expenses to maintain service affordability.

Poverty and inequality: Poverty rates hover at 55.5% and South Africa's Gini coefficient remains among the world's highest at 0.67. Female-headed and rural households experience the most significant economic disparities in wealth distribution.

Interest rate cycle: South Africa entered a gradual rate-cutting cycle in 2024, with cumulative reductions of around 100 to 125 basis points expected by mid-2026. The rate will lower borrowing costs for businesses and households, potentially easing financing conditions for sectors reliant on capital investment.

Risk landscape: The 2024 Institute of Risk Management South Africa risk report highlighted major concerns across social, economic and environmental domains, pointing to risks from economic stagnation, citizen disengagement and poor governance. Climate risks, water scarcity and social inequality further strain resources, stressing the need for robust economic planning and intensified infrastructure investment.

What this means for ATNS

ATNS faces a complex operating environment in South Africa that requires a dual focus on resilience and strategic adaptability. The economic and fiscal constraints demand ongoing cost management, while skills development efforts align with addressing the high unemployment rate. The energy transition presents opportunities for sustainable practices and easing interest rates will support ATNS's capital investments.

Technological advancements and sustainability

The global market for air traffic control equipment is projected to grow, driven by the need for modernised air traffic management systems. ATNS is investing in digital transformation to enhance its service delivery and maintain its competitive edge.

Sustainability remains a significant focus, with ATNS aligning its strategies with global environmental goals and its commitment to retaining CANSO GreenATM accreditation.

This included efforts to reduce its environmental footprint through innovative solutions and adherence to international sustainability standards.

How ATNS adapts to external drivers

ATNS has adapted strategically to evolving domestic and international environments through a combination of technological innovation, strategic partnerships and adaptive leadership.

Technological innovation

- **Digital transformation**

Digital transformation is poised to revolutionise aviation safety through the integration of advanced technologies that elevate operational performance, streamline efficiency and reinforce safety standards. By leveraging innovations such as artificial intelligence, predictive analytics and smart sensor systems, the sector can proactively identify risks, automate crucial processes and enhance real-time decision-making.

- **Sustainability initiatives**

In response to global environmental trends, ATNS integrated sustainability into its CANSO GreenATM bid, as mentioned above. This involved investing in green technologies and practices, aligning with international environmental standards and supporting ICAO's environmental goals. These efforts are aimed at reducing environmental footprint and promoting sustainable aviation practices.

- **Strategic flexibility**

The strategic flexibility in business decisions allowed ATNS to adapt to the challenges it faced in the 2024/2025 financial year. Instead of rigidly defining itself with predetermined targets, the organisation incorporated processes to resolve flight procedure design challenges.

Operational enhancements

• Infrastructure investments



Substantial investments have been made in upgrading and expanding infrastructure to meet growing air traffic demands. These included the upgrade to our voice communication system, very-high-frequency radio and very-high-frequency omnidirectional range infrastructures.

• Cost management



To ensure financial sustainability, ATNS has implemented cost-containment measures and cash-preservation strategies. It has reprioritised capital and operational expenditures. These measures have helped the organisation move from the recovery phase of its strategy to a sustain phase, demonstrating resilience in challenging conditions.

• Knowledge management



For ATNS, knowledge management is not just about general business efficiency, but a fundamental pillar to ensure the safety and regularity of air traffic. Knowledge management practices enhance continuous organisational learning, cross-functional knowledge sharing and leadership capacity development. By institutionalising knowledge retention practices, ATNS safeguards essential expertise and empowers greater agility and confidence across its workforce and knowledge ecosystem.

Expansion into new markets

There is potential for ATNS to expand its services into underserved regions and emerging markets.

It is exploring opportunities to offer ATM-related services in new markets, leveraging its expertise and advanced technologies to meet growing industry demands.

Aviation Training Academy outlook

The ATNS Aviation Training Academy continues to position itself as the aviation academy of choice for the continent and beyond. This will be accomplished through strategic partnerships, product development and leveraging of technology and innovation, as we align learning outcomes to prepare the next generation of aviation professionals for future aviation challenges.

Short term (2025 to 2026)

- Continue to modernise the design and delivery of learning to address the needs of an evolving generation.
- Expansion of the internal training product portfolio to cater for a diverse aviation target group.
- Formation of strategic academic partnerships to elevate the air traffic services training model.
- Leveraging of ICAO and IATA partnerships to ensure product availability for a wider aviation community.
- Building of instructional capacity to ensure timeous training delivery.
- Strategic acquisition and deployment of innovative training systems to accommodate expanding training requirements.

Medium term (2026 to 2028)

- Expansion of e-learning infrastructure and content development capacity to create adaptive learning pathways to promote efficiency and remain relevant to an evolving generation.
- Development of academic qualifications in partnership with tertiary institutions.
- Collaboration with the civil aviation regulator to review ATC learning pathways, with a view to optimising and aligning with the needs of the next generation aviation professional.
- Extension of operational hours to maximise the value of the deployed training infrastructure.

Long term (2028 and beyond)

- Develop an integrated learning management system.
- Investment in training technology such as augmented and mixed reality to enhance learner experience.
- Entrenchment and expansion of strategic partnerships with local and international universities to elevate the aviation product offering.

ATNS's development context

ATNS's mandate is to provide safe, efficient and cost-effective ATM solutions and associated services. To achieve this, we operate within, and are directly influenced by, comprehensive international and national policy and strategic frameworks. These guide our priorities and focuses,

ensuring our contributions extend beyond air navigation to societal wellbeing, economic development, environmental stewardship and collaborative partnerships, aligning with national and global objectives.

United Nations Sustainable Development Goals



Sustainable Development Goals are a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. ATNS contributes to the realisation of several several of these goals through its operations and initiatives.



We recognise that gender equality is a human right and strive for gender equality and empowerment of women through a procurement strategy that targets women-owned suppliers



We provide and maintain crucial air traffic and navigation infrastructure, ensuring safe and efficient air transportation and we embrace technological innovations to enhance aviation services



We facilitate ATM and navigation services that connect regions, promoting sustainable urbanisation and supporting economic activities in both urban and remote areas



We develop and adopt green and sustainable practices to minimise the environmental impact of ATM through fuel-efficient routes and eco-friendly technologies to reduce emissions



We collaborate with stakeholders including international aviation bodies, governments and local communities to enhance safety efficiency and sustainability in air transport. These partnerships help achieve common sustainable development objectives

ATNS also contributes to these goals:



African Union Agenda 2063

Agenda 2063 seeks to harness the continent's comparative advantages to effect equitable and people-centred social, economic and technological transformation and to eradicate poverty. ATNS contributes to the realisation of several Agenda 2063 aspirations, particularly enhancing connectivity, infrastructure development, economic growth and regional integration across Africa.

Flagship projects of Agenda 2063 involving continental air traffic movement include:

- **African Continental Free Trade Area**, which aims to create a single market for goods and services, facilitate into-Africa trade and promote economic integration
- **African passport and free movement of people and goods** to enhance regional integration trade and cultural exchange
- **Single African Air Transport Market** to liberalise air transport services across the continent to enhance connectivity, facilitate trade and stimulate economic growth. This initiative aligns with the aspiration to achieve a seamless and integrated Africa with an enhanced air connectivity and improve into-Africa travel. It concentrates on removing barriers to air traffic among African countries, fostering competition among airlines and streamlining regulations to create a single or unified air transport market.

SADC Vision 2050

SADC Vision 2050 focuses on three interrelated pillars: industrial development and market integration, infrastructure development in support of regional integration, and social and human capital development. ATNS operates through these pillars through significantly investing in training ATCs across the region, contributing to the advancement of human capital within the aviation sector. Furthermore, ATNS extensive network and CNS equipment represents critical infrastructure investment that transcends national boundaries.

South Africa's National Development Plan

The NDP is the blueprint for the government's vision and development route for South Africa, with business and society as collaborative partners. ATNS contributes to several NDP chapters, aligning with their objectives and priorities.

- **Economic development:** we support economic growth by providing essential ATM and navigation services facilitating trade, tourism and business activities. This is in line with the NDP objective to foster economic development, enhance competitiveness and support job creation.
- **Infrastructure development:** our role in maintaining and improving aviation infrastructure aligns with the NDP's focus on infrastructure development. We ensure the efficient operation of air traffic services, which is crucial for connectivity and transportation, contributing to the development of the country's infrastructure network.
- **Skills development and education:** our emphasis on training and skills development for air traffic control and technical staff corresponds to the NDP's goals of improving education and skills development and contributes to building a skilled workforce for the aviation sector.
- **Safety and security:** ensuring air safety and security aligns with the NDP's objectives of promoting safety and security in all spheres of society, contributing to the wellbeing and stability of the nation. Our safety strategy is monitored comprehensively.
- **Service delivery:** we contribute indirectly to improved service delivery by supporting transportation and connectivity, which are vital components of service provision across various sectors.

Our stakeholders

We strive to cultivate enduring relationships built on trust, transparency and shared purpose. By fostering open dialogue and maintaining continuous touchpoints with our stakeholder community, we unlock synergies that drive innovation, enhance operational resilience and accelerate our long-term growth ambitions. This enables us to navigate complex industry dynamics while delivering on our promise to connect the skies and serve the aviation ecosystem with distinction.

Through purposeful collaborations, we transform individual contributions into collective achievements, ensuring that every stakeholder relationship becomes a catalyst for sustained value creation and organisational excellence.

Strategic stakeholder stewardship

ATNS orchestrates a sophisticated stakeholder engagement framework to cultivate relational capital across its expansive ecosystem. Our multidimensional approach seamlessly integrates stakeholder collaboration into our core business architecture, ensuring that every interaction generates sustained value while advancing our strategic imperatives. This enterprise-wide commitment permeates all

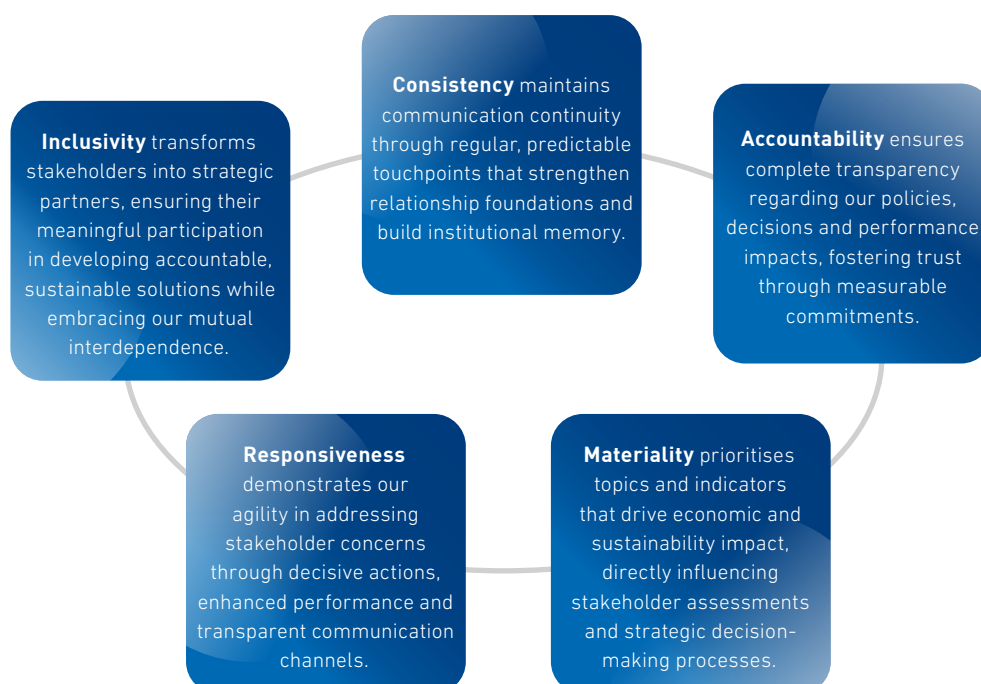
organisational levels, where business functions continuously interface with stakeholder communities, creating a dynamic network of mutual influence and shared prosperity.

Proactive brand stewardship and reputation excellence

Our reputation management strategy employs sophisticated tools and methodologies to elevate and safeguard the ATNS brand. Through strategic media relations, agile crisis communication protocols, purposeful event participation and constant internal engagement, we maintain brand integrity while fostering unwavering stakeholder trust and loyalty.

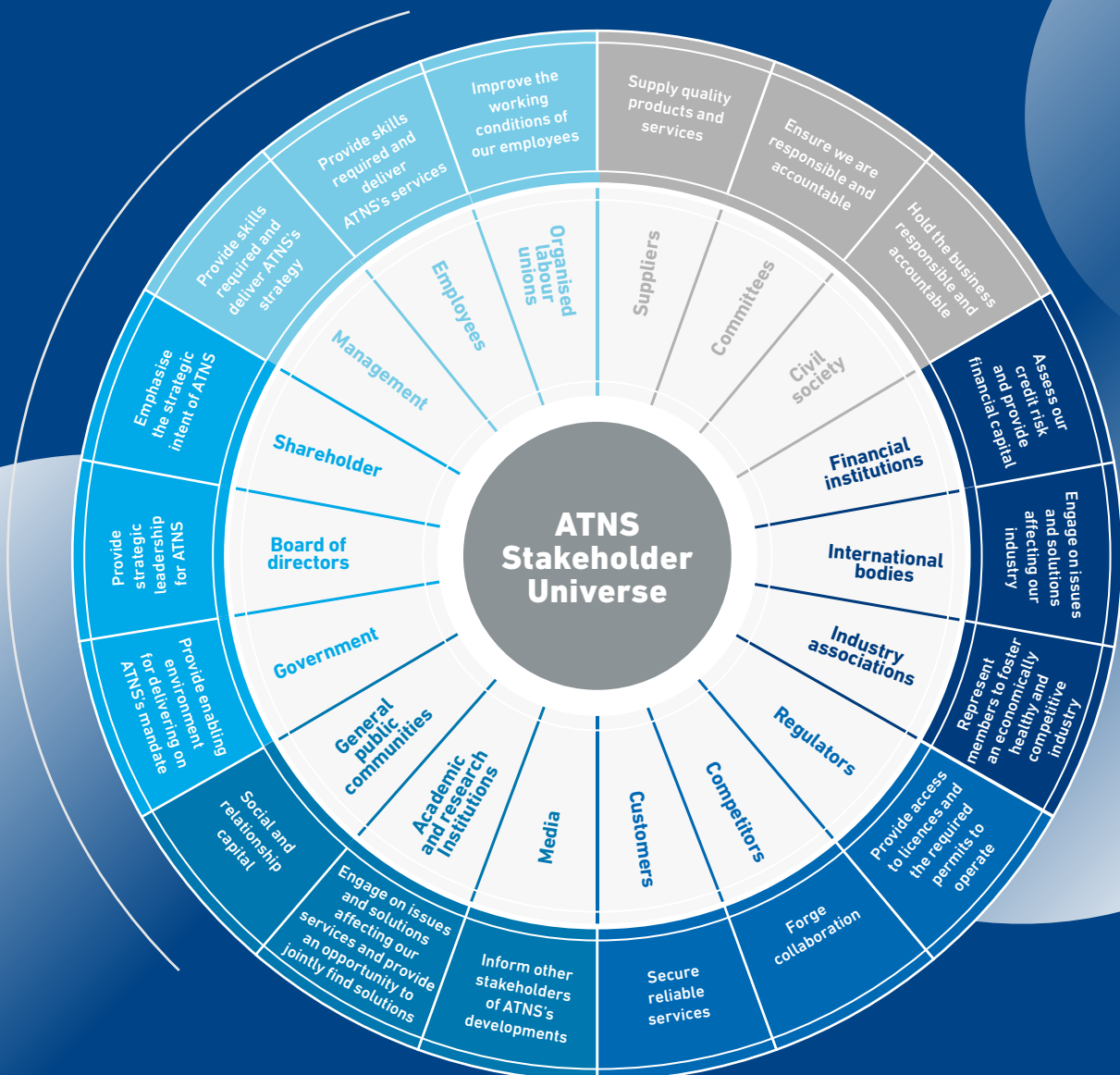
Five principles of stakeholder excellence

Our stakeholder engagement philosophy rests on five transformative principles that maximise value derivation across our stakeholder matrix:



The stakeholder ecosystem

ATNS operates within a carefully mapped stakeholder universe comprising 18 categories, each possessing the capacity to influence or be influenced by the company's operations. This intricate web of interdependence underscores a fundamental truth: our organisational success correlates directly with our ability to generate stakeholder value, creating a virtuous cycle of mutual prosperity and sustainable growth.



Stakeholder engagement in 2024/2025

Stakeholder	Material needs	How we engaged in 2024/2025	How we created value for this stakeholder in 2024/2025
Employees and organised labour	Our workforce and organised labour representatives prioritise sustainable employment security, comprehensive occupational health and safety standards, equitable compensation frameworks and accelerated career advancement opportunities. They value transparent, strategic communication on critical organisational matters and actively champion our commitment to cultivating an inclusive, diverse workplace that harnesses the full spectrum of psychological safety across all departments to be vocal and heard.	We optimised virtual platforms as a primary medium of engagement, through streamlined internal communication channels that are accessible to all employees, ensuring continuous dialogue and feedback loops across all organisational levels.	We delivered transformative value through wellness services that support employee wellbeing, maintained industry-competitive compensation that reflects our commitment to fair remuneration, and substantially expanded training and development programmes to accelerate career progression.
Shareholder (South African government, Department of Transport and ATNS board)	Our shareholders demand robust financial performance underpinned by sustainable growth strategies, disciplined cost optimisation and exemplary transparency in corporate reporting. They expect visionary leadership from experienced management teams and adherence to world-class ESG standards that drive long-term value creation and stakeholder confidence.	We maintained rigorous stakeholder engagement through structured monthly and quarterly governance forums, delivering comprehensive progress reports on critical flight procedure design initiatives to proactively mitigate operational risks and procedure suspension vulnerabilities. Our executive leadership collaborated intensively with the Ministerial Intervention Team through weekly strategic consultations, addressing complex challenges including flight procedure design optimisation, critical skills capacity development and CNS infrastructure enhancement, ensuring aligned decision-making and coordinated risk management.	We executed strategic long-term capital investments aligned with our growth trajectory, maintained unwavering commitment to transparent governance through comprehensive reporting frameworks and facilitated regular high-level stakeholder engagement sessions. These initiatives collectively strengthened our operational resilience, enhanced regulatory compliance and positioned ATNS for sustained value creation while meeting its fiduciary responsibilities to government stakeholders and the broader aviation ecosystem.

Stakeholder	Material needs	How we engaged in 2024/2025	How we created value for this stakeholder in 2024/2025
Regulators (local, international and economic), local and national governments, professional organisations and regional bodies	Our regulatory and governmental stakeholders demand world-class aviation services characterised by uncompromising safety standards, operational efficiency and exceptional reliability. They seek innovative airspace management solutions, progressive environmental sustainability initiatives and cutting-edge technological advancement. These stakeholders require rigorous adherence to comprehensive legal and regulatory frameworks while expecting exemplary corporate citizenship that contributes meaningfully to socioeconomic development and industry transformation.	We orchestrated a sophisticated multi-tier engagement strategy encompassing high-level strategic partnerships and operational collaboration initiatives. Our approach integrated targeted sponsorship activations that demonstrated our commitment to industry development, facilitated knowledge-sharing strategic meetings with regulatory bodies and delivered comprehensive reports that inform policy development and regulatory decision-making across local, national and international operations.	We delivered exceptional value through our unwavering commitment to aviation safety excellence and operational reliability, while strategically investing in industry development through meaningful sponsorship partnerships. We proactively embraced and exceeded regulatory requirements, demonstrating thought leadership in compliance and governance. Our initiatives actively supported aviation industry transformation through innovative best practices, knowledge transfer and collaborative policy development, positioning ATNS as a catalyst for positive change in the regional aviation ecosystem while advancing sustainable development objectives.
Customers, including airlines and airline associations, airport operations and owners, transport entities and military	Our diverse customers demands competitively priced, high-value air traffic services that deliver measurable return on investment. They seek exceptional customer support excellence, seamless regulatory compliance assurance and convenient access to comprehensive service portfolios. These stakeholders prioritise operational reliability, service consistency and responsive technical support that enable their mission-critical operations and strategic growth objectives.	We implemented a customer-centric engagement ecosystem featuring strategic partnership meetings and collaborative technical workshops. Our multichannel approach ensured continuous dialogue with aviation industry leaders, fostering innovation partnerships and co-creating solutions that address evolving market demands while strengthening long-term customer relationships across the entire ATM value chain.	We delivered exceptional value through optimised customer operational efficiency while maintaining ICAO standards. Our proactive compliance management ensured seamless regulatory adherence, while our enhanced customer service excellence programmes through consistent industry engagements elevated support experiences across all touchpoints. These initiatives collectively strengthened our market reputation, retained our customer satisfaction level rating, and enable us to contribute meaningfully in the Aviation Forum towards the upcoming G20 Summit.

Stakeholder	Material needs	How we engaged in 2024/2025	How we created value for this stakeholder in 2024/2025
Business partners, including suppliers, non-permanent employees and incubator businesses	Our strategic partners value ethical procurement excellence, transparent sourcing practices and prompt payment processing that supports their operational cash flow requirements. They seek association with organisations of impeccable reputation and uncompromising integrity, while prioritising aviation safety standards and sustainable partnership frameworks that enable mutual growth and long-term collaboration.	We optimised our engagement through virtual collaboration platforms, monthly or ad-hoc strategic sessions, innovative marketing campaigns and impactful community outreach programs. Our multifaceted approach facilitated and promoted collaborative innovation and strengthened our collective commitment to advancing the air traffic ecosystem while supporting socioeconomic development objectives.	We delivered commendable partner value through enterprise development programmes, maintained exemplary payment processing standards that ensured optimal cash flow support, and cultivated strategic partnerships built on mutual trust and shared success principles. Our enhanced corporate brand positioning elevated partner association benefits, while our targeted enterprise development initiatives created meaningful opportunities for emerging businesses and incubator ventures.
Community	Our community stakeholders prioritise sustainable employment creation, equitable value-sharing partnerships and exemplary corporate citizenship that drives meaningful socioeconomic transformation. They seek strategic initiatives that empower local enterprise development, foster inclusive economic participation and create lasting positive impact through the primary focus of education within our corporate social investment, that strengthens community resilience and promotes sustainable development across the regions we serve.	We implemented a comprehensive corporate social investment annual plan featuring targeted outreach programmes, strategic media platform interactions that amplified our social investment initiatives. Our multichannel approach facilitated authentic dialogue with local stakeholders, ensuring our corporate citizenship efforts align with genuine community needs and development priorities.	We delivered transformative community value through local business supported by our supply chain management, which enabled us to address crucial education development challenges. We also invested in community upliftment projects to create sustainable positive impact.

Customer satisfaction index

We liaise constantly with customers to understand how they experience our products and services and how we can improve in delivering value consistently.

The ATNS 2024 customer satisfaction data presented a paradox that warrants careful strategic and operational scrutiny. While the headline satisfaction metric improved marginally from 6.6 to 6.7 out of 10, this ostensibly positive movement masks a more complex underlying narrative that reveals fundamental tensions in service delivery excellence and customer advocacy.

Net promoter score conundrum

Most striking was the precipitous decline of the net promoter score from -12 to -27 – a 125% deterioration of advocacy sentiment. This creates a phenomenon where customers express marginally higher satisfaction yet demonstrate significantly reduced willingness to recommend the service provider.

This deterioration is particularly concerning given that aviation services operate within closed ecosystems where word-of-mouth carries disproportionate weight among professional stakeholders. The widening gap between promoters and detractors indicates that, while ATNS may be meeting basic operational expectations, it is failing to transcend functional utility to achieve experiential value creation.

The data also reveal a notable achievement in human-centric service dimensions, with account managers, air traffic services managers and technical managers all achieving exemplary 100% satisfaction ratings due to interactive marketing. Similarly, the elevation of finance, billing and collection services from 'met' to 'exemplary' status demonstrates organisational capability in relationship management.

However, these human-excellence metrics stand in stark contrast to systemic operational deficiencies. Calculated

take-off time and slot allocation inefficiencies reveal a service quality gap between expected and perceived performance.

Safety performance paradox

Perhaps most concerning strategically was the decline in aviation safety satisfaction from 90% to 82%, despite remaining in the exemplary range. This eight-percentage-point erosion suggests potential reputational vulnerability, particularly as safety constitutes the fundamental value proposition in air traffic services.

Communication

The decline in communication satisfaction from 73% to 68% reveals what appears to be a systematic breakdown in the environmental and communicative context within which service encounters occur. The specific mention of non-functional telephone lines to the finance department exemplifies how operational failures in basic infrastructure can undermine service quality perceptions.

Media/reputation management

ATNS remains dedicated to fostering a safer and more efficient airspace environment through continuous engagement and collaboration with all aviation stakeholders.

Airspace infringement awareness campaigns

During the year under review, ATNS conducted airspace infringement awareness campaigns and workshops reinforcing its commitment to enhancing airspace safety and situational awareness.

These workshops align with our safety promotion strategy, addressing the operational and regulatory challenges posed by airspace infringements. By engaging with general aviation and drone pilots, ATNS strengthens industry collaboration and enhances compliance within controlled airspace. These campaigns are integral to our mandate to improve airspace safety and situational awareness and they support ongoing

efforts to integrate emerging aviation technologies, such as drones, into airspace management. The workshops also provided valuable data to inform future airspace safety initiatives.

The campaign team engaged with the aviation community at Kruger Mpumalanga International Airport and Grand Central, Rand and Wonderboom airports, discussing safety-related topics such as controller-pilot relations, communication and information accessibility, radio frequency issues and instrument flight procedure updates.



How we manage risk

Effective risk management is a cornerstone of our operations, underpinning our ability to create sustainable value and support long-term growth. Guided by a board-approved risk appetite that reflects the interests of our stakeholders, we adopt a risk-intelligent approach that views risk not merely as a threat but as a strategic enabler. This perspective allows us to anticipate change, respond proactively to emerging trends and harness opportunities that align with our strategic objectives.

Materialised risks during the reporting period

During the year under review, several risks moved from potential to actual impact, requiring immediate and targeted mitigation efforts. These materialised risks included:

Loss of critical skills: ATNS experienced a significant departure of specialised personnel, particularly ATCs, flight procedure designers and instructors. This affected operational continuity and placed pressure on service delivery. In response, management revised the recruitment policy to allow for headhunting, implemented open-ended advertising and developed a comprehensive retention strategy. The training pipeline was also expanded to accelerate the development of qualified personnel.

Ageing infrastructure: a substantial portion of ATNS's infrastructure has exceeded its intended operational lifespan, leading to increased maintenance costs and reliability concerns. To address this, ATNS directed significant capital expenditure toward infrastructure renewal and pursued technology partnerships to modernise systems and enhance operational resilience.

Reputational risk: negative media coverage during the year eroded stakeholder confidence, particularly among airlines, regulators and the public. ATNS responded by strengthening stakeholder engagement, improving transparency and launching targeted brand rehabilitation initiatives to restore trust and reinforce its role as a reliable aviation partner.

Strategic risks register approved by the board

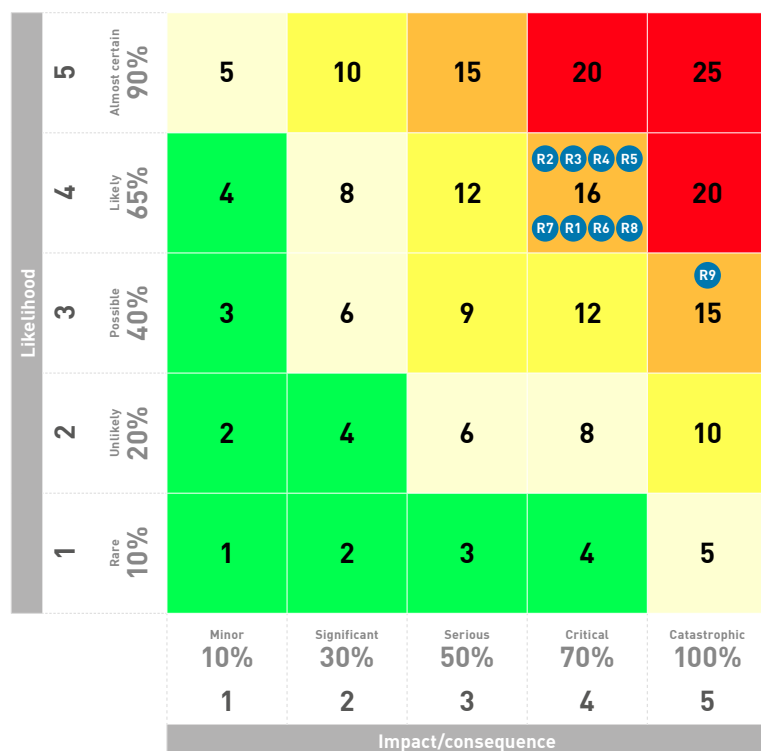
The board has the ultimate responsibility for the management of risk within the organisation. It provides strategic oversight to ensure that risk management is embedded across all levels of decision-making and integrated into strategy, performance and sustainability objectives. Through this oversight role, the Board ensures that risks and opportunities are managed in a manner that protects value, enables resilience and supports long-term value creation for stakeholders.

Risk management at ATNS is an ongoing and dynamic process. We continuously monitor both internal and external environments to identify emerging risks and opportunities, ensuring that we remain within our defined risk appetite. This proactive approach supports the achievement of our business and strategic objectives, informs sound decision-making and drives the implementation of effective controls across the organisation.

Our approach is aligned with the ISO 31000:2018 international risk management standard and the requirements of King IV™ to ensure best practices in risk governance. It provides a structured enterprise risk management process that considers environmental dynamics and stakeholder expectations. Through this, we identify risks and opportunities significantly affecting value creation.

Our mature risk management culture enables proactive identification and mitigation of these risks. The accompanying heatmap illustrates the top risks and their residual ratings after applying mitigating controls.

ATNS risk heatmap



R1 Financial sustainability

R2 Human resource skills and retention

R3 Business continuity

R4 Cybersecurity

R5 Project performance

R6 Safety incidents

R7 Infrastructure planning and maintenance

R8 Aviation security risk

R9 Third-party risk

Priority by colour:

Priority 1

Priority 2

Priority 3

Priority 4

Priority 5

Financial sustainability

2024/2025

2023/2024 P2

Long-term financial sustainability is crucial for the organisation's continued success and growth. We must be prepared for potential short- and long-term potential challenges. We should explore new revenue streams in third-party business. Opportunities such as unmanned air systems traffic management, ATM alliances, data provision and aviation training services can provide additional income. By diversifying our business portfolio, we can strengthen our financial position and reduce dependency on a single revenue stream.

Human resource skills and retention

2024/2025

2023/2024 P2

Human capital risk remains a serious concern for the organisation, as the loss of critical skills during the year has created significant operational and strategic challenges. The departure of experienced personnel, ATCs, flight procedure designers and instructors has not only reduced the organisation's institutional knowledge but has affected the continuity and efficiency of key functions.

Attracting and retaining critical skills is vital for ATNS, but competition for such skills is fierce in the aviation industry. Thus, ATNS should upskill future aviation professionals, nurture talent and offer attractive career paths. The Aviation Training Academy is crucial in providing pipeline training.

Business continuity

2024/2025

2023/2024 P2

The potential for significant and prolonged disruption to our crucial business and operations is a pressing concern. Such disruptions can arise from natural disasters, technological failures or unforeseen events. To mitigate this risk, we should develop a robust business continuity programme to prepare it to handle catastrophic events, swiftly recovering and resuming operations with minimal disruption.

Cybersecurity

2024/2025

2023/2024 P2

In an increasingly connected digital environment, ATNS is continually exposed to cyber-threats and data breaches, which have serious implications for the continuity of operations and safeguarding of confidential information. Incidents can cause significant financial, operational and reputational harm. We must implement a comprehensive data protection strategy that includes advanced cybersecurity infrastructure, periodic vulnerability assessments and structured employee training programmes. A clearly defined cybersecurity roadmap will strengthen our digital resilience and ensure the sustained protection of sensitive systems and information assets.

Project performance	2024/2025	2023/2024 P2
---------------------	-----------	--------------

The successful implementation of strategic projects is essential to meeting ATNS’s regulatory obligations and sustaining operational excellence. Delays, inefficiencies or misalignment in project delivery could result in financial clawbacks, unfavourable tariff decisions and reputational damage.

To address this, ATNS has invested in strengthening its internal project execution capabilities. We have established an enterprise project portfolio management office supported by a dedicated project management office. These structures provide governance, oversight and strategic alignment across all initiatives. By building a team of skilled project managers and enhancing advisory support services, ATNS is positioned to deliver projects consistently, on time and in accordance with regulatory and stakeholder expectations.

Safety incidents	2024/2025	2023/2024 P2
------------------	-----------	--------------

ATNS faces the threat of safety incidents, including high-risk safety incidents attributable to ATNS (categories a and b) through human error, non-compliance with safety standards or communication, navigation or surveillance equipment failure. We focus on expanding our measurements of safety performance by collaborating with the industry and closely monitoring fluctuations in service delivery that affect safety. Using these broadened parameters helps us develop fit-for-purpose solutions and better predict safety performance in avoiding higher-risk losses of separation and runway incursions.

Infrastructure planning and maintenance

2024/2025

2023/2024 P2

Failure to provide reliable communication, navigation and surveillance services due to planning and maintenance inadequacies poses a significant risk to operations. Consequently, we have prioritised the replacement or repair of defective equipment and systems. By identifying and addressing potential failures or non-availability of service, we can minimise disruptions and ensure seamless provision of essential services. Adequate planning, support and maintenance will contribute to the reliability and effectiveness of our infrastructure.

Aviation security

2024/2025

2023/2024 P2

The security of physical infrastructure maintains the integrity and safety of aviation operations. Threats such as vandalism or unauthorised access pose a great risk, hence our dedicated programme with the sector to safeguard our infrastructure and integrate with stakeholder security programmes.

Third party

2024/2025

2023/2024 P2

Over reliance on a single third-party for crucial equipment and services leaves ATNS vulnerable. We are implementing a multi-vendor approach, broadening our supplier base and establishing backup suppliers for important components and services.

Through our transformation and incubation strategy, we will integrate new suppliers into our supply chain.

Opportunities

Opportunity handling strategy	Description
 Strategy	Type of strategy that responds to the risks
 Exploit	Realise the benefits of this opportunity
 Enhance	Increase the opportunity's probability and/or impact
 Share	Develop partnerships to increase the opportunity's likelihood and/or benefits
 Ignore	Takes no active measures to capture the opportunity as the benefit is not greater than the cost to pursue it. Monitor the opportunity

Financial sustainability risk

Linked opportunity

Exploit new revenue streams in third-party business (unmanned air systems traffic management/drones, ATM alliances, data provision, aviation training services).

Response

Implement growth strategy and revenue streams.

Risk

Inability to remain financially sustainable in the short- to long term.

Proposed mitigations

- Develop a structured payment process to ensure adherence to the supply chain management/creditors policy and monitor adherence to the payment process
- Source additional external funding, including shareholder capital injection
- Fully capacitate customer solutions (and implementing business units) in areas such as financial modelling, costing and account management to advance growth strategy initiatives
- Implement the approved land-lease policy to extract untapped commercial value from unused properties
- Use data effectively for market intelligence (conduct market intelligence study).

Response strategy:



Human resource skills and retention risk

Linked opportunity

Proactively upskill future aviation professionals through the Aviation Training Academy.

Response

Upskill aviation professionals through pipeline training and career development.

Risk

Inability to attract and retain critical skills, which may result in failure to deliver strategy and safe operations.

Proposed mitigations

- Review total reward framework
- Increase bursar pipeline intake
- Implement a future-fit-workforce programme, finalising the organisation design project and embedding the organisational culture and values
- Develop and implement talent management and succession planning, prioritising strategic and safety-critical positions.

Response strategy:



Business continuity risk

Linked opportunities

Enhanced offsite support and virtually activated business continuity plan.

Organisational readiness during a catastrophic event.

Response

Develop a business continuity programme.

Risk

Significant and prolonged disruption to ATNS critical business/operations.

Proposed mitigations

- Improve system redundancy and fault tolerance
- Ensure execution of the air traffic services OR Tambo International Airport disaster recovery project
- Develop a short- to long-term business continuity management programme
- Implement and test the information technology disaster recovery plan
- Analyse the remote air traffic service digital towers
- Include business continuity capabilities into service-level agreements of crucial service providers to ensure they have adequate business continuity plans
- Engage with the South African Air Force on integrated business continuity management
- Thoroughly check the status of generators and battery backups to reduce the impact of power outages.

Response strategy:



Cybersecurity risk

Linked opportunity

Develop improved data protection protocols and related training.

Response

Implement cybersecurity roadmap.

Risk

Disruption of information technology and business services and/or loss of confidential information through information security breach.

Proposed mitigations

- Procure and implement essential solutions in line with the cybersecurity roadmap
- Define and implement vulnerability management and secure configuration processes
- Implement the infrastructure modernisation roadmap
- Embed technology and information governance through the Technology and Information Steering Committee
- Assess cyber-risk continuously
- Develop and implement strategies to attract and retain rare and specialised information technology skills
- Segregate operational and information technology networks guided by high-risk systems.

Response strategy:



Project performance risk

Linked opportunities

Develop in-house project management capability and promote advisory support services.

Response

Memorandum of understanding with other state-owned entities to capacitate ATNS project management value chain.

Risk

Inability due to capex constraints to perform consistently in line with permission obligations (potential clawbacks and unfavourable tariffs).

Proposed mitigations

- Review the effectiveness of the Capex Review Committee and Programme Investment Executive Committee
- Upskill project managers on the latest project management requirements
- Assess the maturity of the portfolio programme management office maturity and prepare a maturity and readiness report
- Benchmark project management
- Develop in-house competencies or centre of excellence in operational technology
- Conduct training on the integrated business process.

Response strategy:



Safety incidents

Linked opportunity

Create opportunities to collaborate and enhance safety management across our air traffic services units and through partnering with other ANSPs by developing safety training and solutions to galvanise our capabilities across internal and external borders.

Response

Participate in forums to influence safety practices and the review of guidelines and regulations.

Risk

Safety incidents, including high-risk incidents, attributable to ATNS (categories a and b) through human error, non-compliance with safety standards or or CNS equipment failure.

Proposed mitigations

- Intensify training such as continuation and re-currency training (system support suite and 3D mini simulators)
- Commission 3D mini simulators
- Develop on-the-job training enhancement strategies
- Analyse trends for a and b incidents and identify areas for improvement
- Improve safety report protocols and safety data monitoring
- Track safety audits through the Safety Review Board
- Ensure visibility of management at Executive Committee level at air traffic services to demonstrate a safety commitment and understanding of the safety-critical reality of our business.
- Finalise air traffic services organisation design structure.

Response strategy:



Infrastructure planning and maintenance risk

Linked opportunity

Replace or repair defective or outdated equipment/systems to minimise or avoid failures or non-availability of service.

Response

Implement innovation, research and development programmes.

Risk

Failure to provide mandated CNS services due to planning, support and maintenance inadequacies.

Proposed mitigations

- Develop a plan on which equipment's useful life can be extended and review the current maintenance programme
- Obtain support contracts for extended useful life of essential equipment and software
- Identify equipment for which key spares must be kept
- Reconsider the lifespan of equipment
- Analyse total cost of ownership of equipment and how to manage equipment post-commissioning
- Effectively manage service-level agreements with original equipment manufacturers
- Review ATNS's maintenance philosophy
- Source additional funding and revenue streams
- Discuss with SACAA a comprehensive checklist when it certifies airports (operational health and safety, business continuity management, security).

Response strategy:



Aviation security risk

Linked opportunity

Develop an aviation sector security programme and ensure that it is integrated with stakeholder programmes.

Response

Implement an integrated aviation security programme.

Risk

Threats to and/or vandalism on ATNS physical infrastructure.

Proposed mitigations

- Improve physical access control and security systems (armed guarding and response services at sites where possible)
- Collaborate with stakeholders experiencing similar challenges (Telkom, MTN, Vodacom, Transnet and the Passenger Rail Agency of South Africa)
- Develop an ATNS aviation security programme in line with site threat assessments
- Finalise the national security tender
- Develop and implement innovative technology to detect and prevent security threats and vandalism
- Collaborate with other security structures.

Response strategy:



Third party

Linked opportunity

Diversify supplier base and develop new niche suppliers through a multi-vendor strategy.

Response

Implement transformation and incubation strategy.

Risk

Overreliance on a single third-party service provider for most of ATNS's crucial equipment and services.

Proposed mitigations

- Understand supplier business continuity capabilities to establish ATNS dependency and exposure
- Create a centre of excellence to conduct co-developments with five most important original equipment manufacturers.

Response strategy:



Regulatory compliance

Safety, reliability and accountability are paramount in the air traffic control industry. Compliance with legislation and regulations ensures the integrity of operations and public trust in aviation infrastructure.

ATNS strongly emphasises regulatory compliance, guided by the principles of King IV™, particularly principle 13, which calls for adherence to laws, rules, codes and standards in a manner that supports ethical conduct and responsible corporate citizenship.

Accordingly, we have established a dedicated compliance function. We have also implemented systems and processes that provide assurance of regulatory adherence. The organisation fulfils its obligations under section 51(1)(h) of the PFMA and regulation 14 of the revised Treasury Regulations, which require the accounting authority to ensure sufficient capacity to prevent, detect and address non-compliance with financial management requirements.

The compliance function applies a risk-based methodology to identify, assess and prioritise compliance risks based on their likelihood and impact. This allows the business to focus on high-risk areas, manage legal and regulatory exposures proactively and protect ATNS's reputation. This includes

maintaining open, proactive communication with regulators and meeting reporting obligations timeously and accurately.

Our compliance approach is built on continuous improvement and regular review and refinement of policies, procedures and controls to keep pace with changing regulations and best practices. This fosters a learning culture, encourages innovation and strengthens the compliance function's effectiveness and adaptability. Leadership support, staff engagement and open communication underpin this culture and reinforce a strong compliance ethos across the organisation.

By combining a risk-based approach with continuous improvement, ATNS ensures its compliance efforts are proactive, focused and adaptable. A robust monitoring framework enables ongoing assessment of compliance controls and supports effective risk mitigation.

ATNS has adopted a compliance framework aligned with the generally accepted compliance principles of the Compliance Institute of South Africa. This framework, comprising a board-approved compliance policy, charter and manual, reflects ATNS's firm commitment to regulatory excellence.

Our strategic focus

Identifying and addressing material matters is paramount for ATNS to achieve sustainable success. Key themes that have an influence on our operations, stakeholders and strategic goals are prioritised. These material matters directly inform our decision-making, enabling us to concentrate on areas that drive value creation and mitigate risks. Through a comprehensive analysis of economic, environmental and social factors, we maintain the agility and innovation to thrive in a dynamic environment.

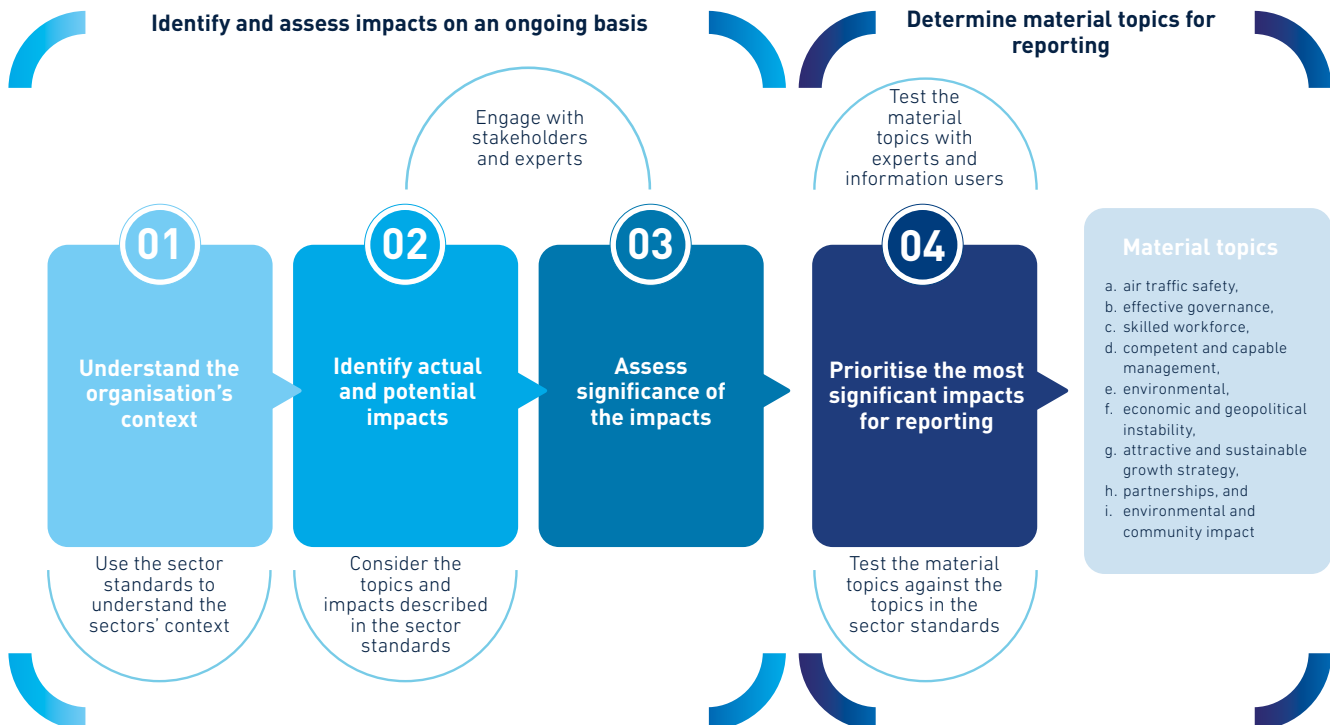
Determining our material matters

A materiality assessment identifies and prioritises an organisation's most prominent economic, social and environmental issues that could affect stakeholders' decision-making. It allows ATNS to rank topics on their impact

on its financial performance, external environment and sustainability. By extending this into a double or even dynamic materiality assessment, the organisation stays abreast of horizon issues and trends in sustainability reporting.

ATNS held a workshop to review material issues before compiling this report, considering both Global Reporting Initiative standards and the newly introduced Airports Council International sustainability framework. A brief presentation was made on recent developments in integrated reporting, followed by a review of the material issues important to each stakeholder group and identification of new matters.

These material issues and themes are outlined in the diagram below.



Materiality theme 1



Air traffic safety

Air traffic safety goes beyond passenger safety.

We prioritise the safety of our assets and navigation infrastructure. Aviation safety is paramount, reflecting our commitment to industry-leading safety measures. We continuously develop programmes and technologies, incorporating best practices from CANSO and other aviation authorities. These initiatives enhance the safety of our systems, effectively addressing increased traffic and technological advancements. Our safety management system guides our management of safety risks, integrating measures such as ICAO's runway safety programme, regular safety management system audits and ongoing safety training.

Top risks

1. Cybersecurity
2. Technology
3. Infrastructure planning and maintenance
4. Safety
5. Natural perils

Materiality theme 2



Effective governance

Governance involves how ATNS is directed, with a focus on oversight and accountability.

We ensure our operations align with regulations, prioritising transparency, effective risk management and sustainable growth. We uphold the highest standards of accountability and remain dedicated to safety, efficiency and sustainability, fostering stakeholder trust by adhering to both national and international frameworks.

Top risks

1. Financial sustainability
2. Human resources skills and retention
3. Business continuity

Materiality theme 3



Skilled workforce

Maintaining a skilled workforce is crucial to meet stakeholder requirements and achieve objectives.

Our focus includes employee wellness, training and career development. We enhance leadership skills, promote continuous learning and drive performance and sustainability.

Top risks

1. Financial sustainability
2. Human resources skills and retention
3. Business continuity

Materiality theme 4



Competent and capable management

The skills, behaviour and knowledge of our workforce are key to delivering superior service.

We strengthen our internal capabilities, investing heavily in the next generation of professionals and ensuring our existing talent feels valued, despite international incentives. A sustainable pipeline will enhance our future capacity.

Top risks

1. Financial sustainability
2. Business continuity
3. Safety incidents
4. Infrastructure planning and maintenance

Materiality theme 5



Environmental, economic and geopolitical instability

External factors such as financial instability, regulatory changes and geopolitical instability pose threats.

We mitigate these risks and ensure long-term sustainability, monitoring the economic landscape and adapting our business strategies to address challenges effectively.

Top risks

1. Financial sustainability
2. Safety and efficiency
3. Human resources skills and retention
4. Infrastructure planning and maintenance
5. Business continuity

Materiality theme 6



Sustainable modern business

We strive to be an innovative and agile organisation that meets customer expectations and delivers on our mandate.

Our commitment to sustainability, efficiency and innovation drives our operations. We continuously explore new technologies and business models to enhance our services and maintain a competitive edge.

Top risks

1. Financial sustainability
2. Safety and efficiency
3. Human resources skills and retention
4. Infrastructure planning and maintenance
5. Business continuity

Materiality theme 7



Attractive and sustainable growth strategy

Our growth strategy focuses on long-term sustainability and expanding into new markets.

We aim to unlock the potential of our existing products and develop innovative solutions to ensure we remain resilient and competitive in a rapidly changing industry.

Top risks

1. Financial sustainability
2. Safety and efficiency
3. Human resources skills and retention
4. Infrastructure planning and maintenance
5. Business continuity

Materiality theme 8



Partnerships

We prioritise partnerships to deliver exceptional stakeholder value.

Collaborating with key industry players allows us to leverage resources and develop innovative solutions to provide safe, efficient and sustainable ATM services.

Top risks

1. Financial sustainability
2. Human resources skills and retention
3. Business continuity

Materiality theme 9

Economic and geopolitical instability

Economic and geopolitical instability affects air travel costs and operational efficiency.

We implement proactive strategies such as cost management and efficiency improvements to ensure long-term sustainability. We monitor global trends and adapt our business practices accordingly.

Top risks

1. Financial sustainability
2. Safety and efficiency
3. Human resources skills and retention
4. Infrastructure planning and maintenance
5. Business continuity



Materiality theme 10

Environmental and community impact

We minimise our environmental footprint and positively affect the communities we serve.

Our initiatives focus on reducing emissions, noise pollution and supporting community development. We participate in industry collaborations to promote sustainability best practices.

Top risks

1. Financial sustainability
2. Safety and efficiency
3. Human resources skills and retention
4. Infrastructure planning and maintenance
5. Business continuity



Strategy 2025 milestones

**2020/
2021**

- Amid challenging macroeconomic conditions and global contraction due to Covid-19, revenue decreased by 67% to R547 million
- Facing an extremely volatile and uncertain outlook, we formulated a three-phase strategy (Strategy 2025): recovery, stabilisation and repositioning
- Maintained top employer award



**2021/
2022**

- Initiated a culture review and organisational design
- Updated our skills mix to execute Strategy 2025 and ensure longevity
- Achieved quality management system certification
- Revenue increased by 86% to R1 017 million



**2022/
2023**

- Achieved ISO 14001:2015 and 9001:2015 certification
- Our Aeronautical Rescue Coordination Centre received the Gauteng Emergency Medical Services award for its contributions to aeronautical search and rescue
- Invested R2.7 million in corporate social investment, acknowledging the ongoing impact of Covid-19 on local communities



**2023/
2024**

- Implemented cost-containment measures and cash-preservation strategies and reprioritised capital and operational expenditures. This demonstrated resilience, moving us from recovery to sustain
- Started to address retention of crucial air traffic control skills amid international opportunities and South Africa's socioeconomic landscape
- Began the CANSO GreenATM accreditation process, integrating green technologies and practices to align our strategies with international environmental standards, including reducing our environmental footprint and supporting sustainable aviation initiatives



**2024/
2025**

- Achieved level 2 CANSO GreenATM accreditation
- Maintained a zero ATNS-related accident rate, working closely with the safety regulator, despite suspended flight procedure designs
- Launched an accelerated recruitment drive for key roles such as air traffic service personnel, flight procedure designers and engineers, based on the Ministerial Intervention Team's recommendation



Our strategy review

A comprehensive strategy review culminated in the updated Strategy 2025. The previous corporate strategic profile (2015/2016 to 2019/2020) concluded on 31 March 2020. The new strategy took a fresh look at the aviation sector, considering its challenges and opportunities, and at the role of stakeholders in the air transport industry. The strategy formulation process included engagements with industry players such as IATA, CANSO, SACAA, Board of Airline Representatives of South Africa and Airlines Association of Southern Africa, with the ATNS board, management and staff.

The strategy review involved rescanning the environment to understand the current context, reassessing risks and opportunities and recalibrating key performance indicators, targets and strategic initiatives. We adopted a bottom-up strategy planning process based on organisation-wide consultation before board engagement and shareholder interaction. The aim was an all-encompassing strategy with clear deliverables, ensuring that we could adapt to evolving circumstances while maintaining a clear focus on our strategic objectives.

Throughout this process, ATNS's strategic pillars of service excellence, sustainability and innovation remained unchanged.

Service excellence involves revising capital and operational expenditure, establishing collaborations, developing strategic partnerships and enhancing growth through new products and services. Sustainability is driving liquidity management, revising budget and procurement plans, exploring growth opportunities for non-regulated business, managing operating spend and cash reserves, and reviewing organisational design. Innovation emphasises the use of emerging technologies to deliver efficient operations, creating agile and flexible operations, deploying remotely piloted aircraft system technology, implementing digital transformation and developing a future-centric operating model and cyber-business continuity strategy.

Strategy 2030

With ATM evolving rapidly, Strategy 2030 was crafted against the backdrop of ICAO's global vision, which includes the Global Air Navigation Plan and the Global Aviation Safety Plan that set international standards and direction. South Africa's National Airspace Masterplan interprets these for the local environment. The strategy will ensure that ATNS remains adaptable, prioritising safety, economic development and comprehensive sustainability amid global aviation challenges.

Shifts

- 40% passenger growth predicted by IATA
- New technologies such as artificial intelligence and automation
- Challenges from legacy infrastructure and evolving regulations

ATNS strategy alignment with ICAO 2026 to 2050 strategic plan

- Net-zero carbon emissions by 2050
- Zero aviation fatalities
- Inclusive, accessible air transport system

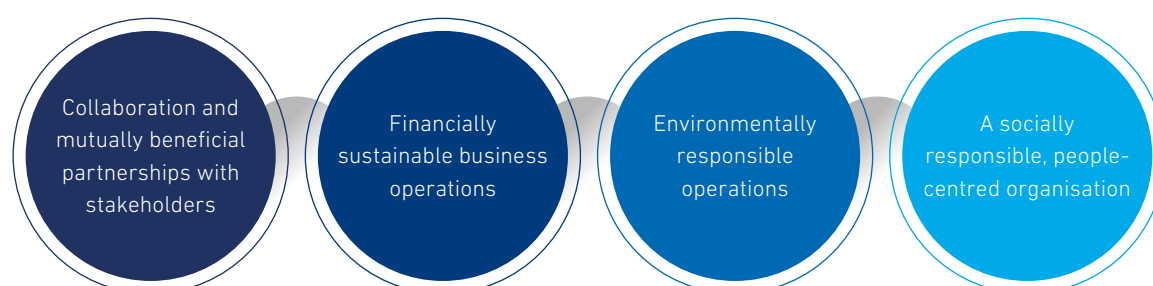
The key strategic drivers for 2025 to 2030

Enhance research, development, innovation and technology strategy	Align ATNS safety strategy to that of ICAO	Enhance ATNS safety strategy	Enhance the future-fit workforce programme	Optimise network performance under several operational conditions
<ul style="list-style-type: none"> - next-generation aviation, automation, artificial intelligence, robust cybersecurity measures, digital infrastructure and space-based navigation systems 	<ul style="list-style-type: none"> - zero fatalities in commercial operations by 2030 and beyond and reduced risk of fatalities from accidents - comprehensive focus on airspace design, ensuring it meets the highest safety standards and caters effectively to integrated remotely piloted aircraft systems 	<ul style="list-style-type: none"> - developing specialised procedures, airspace designs, equipment, airport infrastructure and technologies to ensure manned and unmanned vehicles coexist safely 	<ul style="list-style-type: none"> - training programmes that enrich digital skills and emerging next-generation aviation technologies to support future workforce readiness 	<ul style="list-style-type: none"> - enable flexibility of ATM and air navigation services systems to integrate changes in business and operational trajectories at the frequency required by airspace users

Building blocks for success

ATNS's five strategic goals are interconnected. They define our outcomes, performance measures and deliverables across planning, ensuring a focused and clear strategy.

These goals are built on balanced strategy logic, committing to value creation in line with the six capitals of the Integrated Reporting Framework. The approach emphasises:



Research, development and innovation efforts and technology integration drive ATNS's journey to a modern, technologically advanced ANSP, leveraging next-generation aviation, automation, artificial intelligence, digital infrastructure and space-based navigation systems.

Strategy 2030 strategic goals

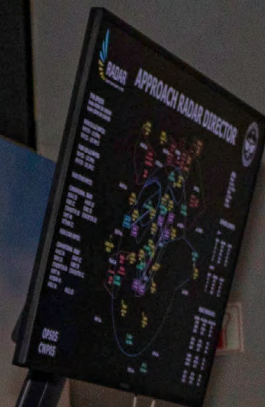






Performance review

68



2



Performance review

Corporate performance 2024/2025

The summary of our performance against key performance areas during 2024/2025 should be seen in the context of our six capitals.

Each performance area is derived from NDP 2030 and the Medium-term Strategic Framework – the sixth administration’s planning framework. This is further broken into the priorities of the Minister of Transport and Department of Transport, which determine our performance areas.

Strategic pillar 1: service excellence

Purpose: Ensure a safe and reliable operational environment for ATNS customers and enhance the customer experience and stakeholder collaboration, including with key industry players such as airlines, other airspace users and airports.

Outputs	Output indicators	Audited performance		2024/2025 target	2024/2025 actual	Reasons for deviations
		2022/2023	2023/2024			
Outcome 1: safe and reliable airspace						
Strategic objective: ensure safety and efficiency of operations						
Safety management system maturity level	Annual safety management system maturity level achieved	Maturity level C and 27% of level D achieved	Maturity level C plus 15% level D achieved	Annual safety management system maturirty level C plus 20% level D achieved	Annual safety management system maturirty level C plus 59% level D achieved	A significant effort from air traffic services and multiple internal stakeholders as well as supporting documentation and evidence prepared by aviation safety officers to support various line items in the CANSO standard of excellence <

Outputs	Output indicators	Audited performance		2024/2025 target	2024/2025 actual	Reasons for deviations
		2022/2023	2023/2024			
Serious safety incidents	Number of serious safety incidents (a and b) per 100 000 flight hours	2.7 (categories a and b) safety incidents per 100 000 flights	3.3 (categories a and b) serious safety incidents per 100 000 flight hours	≤ 4 serious safety incidents (a and b) per 100 000 flight hours	2.5 serious safety incidents (a and b) per 100 000 flight hours	It represents a continuous improvement from May 2024 where the severity rate was 4.2. The operations bi-weekly safety meetings provide a platform where all safety initiatives, risks and safety concerns are discussed and managed effectively
Strategic objective: be the leading training academy on the continent						
New training products offered to customers	Number of new training products offered to customers	100% completion of product development and one new product line offering	Two products developed and offered to customers	One new training product line developed and delivered to customers	Four training products developed and delivered to customers	<ul style="list-style-type: none"> · Prioritisation of ad-hoc revenue-generation course requests that were not part of the initial scope · Consistent availability and dedication of subject matter experts · Optimised use of internal expertise and resources · Leveraging existing training material course · Team commitment
Strategic objective: increased stakeholder-centric management						
Customer satisfaction managed	Customer Satisfaction rating	7.0	6.6	7.5	6.7	Reasons for not achieving the target include flight procedure design challenges, the central airspace management unit website, maintenance of terminal and navigation equipment, approach procedural control, ground movement and clearance, slot coordination, flexible use of airspace and air traffic flow management. Even though the target was not achieved the 6.6 of 2023/2024 increased to 6.7 in 2024/2025

Strategic pillar 2: sustainability

Purpose: Provide effective support in accordance with regulations and governance requirements by strengthening delegation, accountability and oversight. Enhance financial stability by implementing sound financial practices, fostering resilience in the face of economic challenges and creating long-term value. Additionally, promote, monitor and adopt sustainable practices to minimise environmental impact for the benefit of future generations.

Outputs	Output indicators	Audited performance		2024/2025 target	2024/2025 actual	Reasons for deviations
		2022/2023	2023/2024			
Outcome 2: efficient and compliant air traffic and navigation authority						
Strategic objective: maintain financial sustainability						
Governance and regulatory compliance managed	External audit opinion received	Clean audit opinion received from the Auditor-General	Clean audit opinion received from the Auditor-General	Clean external audit opinion received	Company obtained an unqualified audit, however the audit was not clean.	During the year under review, the external auditors identified two material audit findings which led to the company not a receiving clean audit.
Liquidity managed	Current ratio result	3.2	2.4	2.0	3.26	Due to the higher cash balances carried by the entity
Capex capitalised	Value of capex capitalised	R123.98 million	R177.5 million	R67.9 million	R147.7 million	A combination of delayed and fast-tracked requirements not planned for 2024/2025 on CNS projects and programmes Emergent requirements on general items classification, specifically computer, electrical and mechanical equipment

Outputs	Output indicators	Audited performance		2024/2025 target	2024/2025 actual	Reasons for deviations
		2022/2023	2023/2024			
Strategic objective: develop a future-fit workforce						
Organisation design implemented	Percentage implementation of the organisation design project	89% implementation on the organisation design framework	78.65% implementation of the targets in the organisation migration and transition plan tiers 2 and 3 completed	≥ 85% implementation of the organisation design project	95% implementation of the organisation design project	Additional job descriptions because of changes in the structures of the technology, information department and the operations department to focus on staff placements
Organisational culture plan implemented	Percentage implementation of the culture action plan	75% implementation of programme and action plan	94% implementation of the action plans to enable the desired culture and the embedding of ATNS values	≥ 85% implementation of the culture action plan	83% implementation of the culture action plan	Culture survey was delayed as the service provider envisaged potential survey fatigue, as the ethics survey was already in progress. The provider further indicated that the timing was not optimal due to the organisational developments. The culture survey will be conducted in April 2025
Strategic objective: increased business transformation						
Small, medium and micro enterprises developed	Number of enterprises developed in line with the approved supplier development programme	Broad-based black economic empowerment (BBBEE) level 2 with 100% points on enterprise development	B-BBEE verification in progress	One small enterprise developed in line with the approved development framework	Two enterprises developed in line with the approved development framework	Proactive identification of enterprises

Outputs	Output indicators	Audited performance		2024/2025 target	2024/2025 actual	Reasons for deviations
		2022/2023	2023/2024			
Strategic objective: improved environmental stewardship						
Environmental compliance accredited	Level of CANSO GreenATM accreditation achieved	Stage 2 audit for Aviation Training Academy and head office completed	Environmental management system implementation and certificate maintenance -surveillance audits	Level 1 CANSO GreenATM accreditation achieved	Level 2 CANSO GreenATM accreditation achieved	Level 2 achieved through the dedication and commitment of the task team to ensure delivery of milestones within the timeframe Establishment of governance structure enabled streamlining of processes, collaboration and efficient project coordination

Strategic pillar 3: innovation

Purpose: create an organisation that continually innovates and adapts to the environment.

Outputs	Output indicators	Audited performance		2024/2025 target	2024/2025 actual	Reasons for deviations
		2022/2023	2023/2024			
Outcome 3: innovative and leading air traffic and navigation provider						
Strategic objective: create an adaptive and innovative enterprise						
Digital transformation plan implemented	Percentage of the digital transformation annual plan implemented	81.4% digital transformation annual plan implemented	86.3% implementation of digital transformation annual plan	≥ 80% of digital transformation annual plan implemented	89% of digital transformation annual plan implemented	Constant tracking of progress to ensure continuous improvements Frequent discussion, which facilitated effective stakeholder collaboration In some instances, daily meetings were initiated to monitor progress and resolve obstacles in real time, preventing potential setbacks
Annual approved research and development projects completed	Percentage completion of annual approved research and development plan	92% achieved against the approved research and development plan	88% completion of research and development projects as per approved plan	≥ 90% completion of the annual approved research and development plan	95% completion of annual approved research and development plan	Slower pace due to resignations and acting appointments formalisation Following the acting appointmenst, activities were spread across the research, development and innovation team and, by year-end, the target was exceeded

Safety review

Safety is non-negotiable and ATNS is dedicated to maintaining the most exacting safety standards, ensuring that each employee is both a participant in and beneficiary of its strong safety culture.

Our safety approach

Our safety strategy for 2024/2025 was centred on five key principles.

Principle	Goal
Safety is a collective responsibility	Deliver high-level safety performance
We cannot deliver safety without our people	Ensure high levels of human performance in safety delivery
Safety is sacrosanct	We do not negotiate on safety but use innovative technologies, airspace and procedures
Safety comes before anything	Ensure conducive work and business environments
A safety culture is the cornerstone of safety	Ensure effective safety governance and invest in further embedding a generative safety culture

Our mission is to provide safe, efficient and expeditious ATM solutions. Thus, we continuously invest in our people, technology and processes.

Performance overview

ATNS safety performance was measured against four criteria during 2024/2025 and achievements were as follows:

- Zero aviation-related accidents attributed to ATNS, which remains our ceiling for this crucial safety measure.
- Safety rate of 5.5 safety events per 100 000 flight hours from 29 safety events over the 12 months.
- 2.5 serious safety events against a ceiling of four and measured through the EUROCONTROL risk analysis tool.
- Level C safety management system maturity, with 59% of components scoring higher at level D.

Outlook and strategy

As we advance through 2025/2026, our focus is on:

- **Critical staff retention:** placing emphasis on the recruitment and retention of highly-skilled air traffic controllers, engineering technicians and support staff.
- **Safety strategy:** improve safety performance, governance, culture and enabling infrastructure.
- **Technology strategy:** modernise ATNS through improved governance, integrated processes and cyber resilience.
- **Funding model:** secure sustainable funding and increase non-regulated revenue, revisiting the tariff methodology and exploring opportunities to establish a subsidiary for the non-regulated business segment.
- **Growth strategy:** expand revenue streams and market presence in Africa, enhance brand strength, develop products and strengthen ATNS's representation in international forums.
- **Research, development and innovation:** embrace emerging technologies such as artificial intelligence, blockchain and green initiatives, and encourage internal innovation aligned with ATNS's strategic objectives.

- **Operational efficiency:** enhance efficiency through CNS measurability and delay rate programmes. Implement clear metrics and monitoring systems to measure efficiency improvements.
- **Future-fit workforce:** align organisational design and strategy and build a high-performance culture.
- **Aviation Training Academy:** modernise operations, diversify training offerings and enhance market share. Consider offering academic qualifications, expanding marketing efforts in Africa and improving capacity for non-regulated business activities.
- **Aviation transformation strategy:** broaden participation of black suppliers and create job opportunities, particularly through localisation of equipment maintenance and spare production.
- **Environmental sustainability strategy:** minimise environmental impacts and align with the aviation industry's net zero 2050 goal.
- **Governance:** maintain robust governance frameworks, encourage enterprise risk management and cultivate an ethical environment.

Our five-year safety strategy, guided by lessons learnt, stakeholder feedback and global best practices, will build on our achievements and address emerging challenges in the aviation industry.

Operational performance

In 2024/2025, we prioritised enhancing the efficiency and reliability of our services through advanced technology and robust performance metrics. Building on the previous year's challenges, we implemented a series of targeted initiatives aimed at improving key operational aspects, including delay reduction and system availability.

System availability for CNS

Challenges persist in the availability of CNS systems, including recurring equipment failures, theft, vandalism, outdated telecommunications infrastructure and external factors such as unstable power supply and system-wide outages. In response, ATNS prioritised the rollout of the datalink project, replacing nine radar systems and installing backup generators where feasible to manage power outages and disruptions. Procurement is also underway for security enhancement projects to mitigate risks associated with vandalism and theft. In 2025/2026, ATNS plans to appoint a provider for the deployment of the new radar systems and completion of the datalink project. Robust monitoring mechanisms are in place to provide continuous oversight of CNS infrastructure health and performance.

Technological advancements

Global demand for air traffic control equipment continues to rise, propelled by the growing imperative for modernised ATM solutions. We are investing in digital transformation to strengthen service delivery, enhance operational efficiency and preserve our competitive industry position.

Chief Financial Officer's review



Pinky Phaswana CA(SA)
Chief Financial Officer (Acting)

I am pleased to present the financial overview for the year ended 31 March 2025. The aviation sector continues to recover and evolve following years of unprecedented disruption and I am proud that our business delivered a strong and resilient performance during the year under review. It was a solid financial performance, underpinned by disciplined cost management, resilient operational execution and a continued focus on long-term value creation.

Despite challenges including delays in the finalisation of the permission, we remained resilient, reflecting the strength of our business model and the dedication of our teams across the organisation.

Financial highlights

During the year, the company achieved billable movements of 287 760 compared to 293 043 (2023/2024). The decrease did not affect the regulated revenue negatively as revenue increased by 4.4% to R1 530 million against regulated revenue during the previous year of R1 460 million. The increase is attributable to the use of bigger aircraft that attracted higher charges.

Operational costs increased by 8.9% to R1 624 million (2023/2024: R1 491 million) due mainly to the increase in staff costs, computer software, professional fees and travel expenses.

The company's liquidity ratio increased to 3.26:1 (2023/2024: 2.4:1) mainly due to the issued shares to the shareholder and the drawdown on the loan facility.

Cash flow and capital management

Capital expenditure decreased to R133.8 million (2023/2024: R222.9 million), as most projects were in their final implementation stage. Our gearing was at 26.1% (2023/2024: 23.3%) mainly due to increased loans to finance capital expenditure projects. The loan carries both financial and non-financial covenants. The company reviewed this at year-end and found no breach of any covenant. Furthermore, management projects that none of the covenants will be breached in the future. We have the ability to service current debt levels.

As a regulated company, ATNS measures its return of capital employed in line with the approach document issued by the regulator. The return is 7.9% (regulated return on capital employed formula: 0.0%). The figure is a measure of the extent to which a company uses its resources efficiently to generate profits, while the regulated percentage is based on the Regulating Committee formula.

Cash generated from operations (before interest and taxation) declined by 48.3% to R170.9 million (2023/2024: R330.4 million), given the increase in staff costs and other operating expenses. Cash reserves improved to R1 222 million (2023/2024: R887.3 million) because of the loan facility drawdown and issued shares to the shareholder.

Abridged financial statements

Abridged statement of profit and loss and other comprehensive income

Description	2025	2024
Revenue	1 791 438 914	1 722 831 878
Other Income	2 907 681	7 106 539
Total expenditure	(1 757 614 700)	(1 669 249 212)
Profit before taxation	36 731 895	60 689 205
Income tax expense	(14 440 671)	(37 395 171)
Profit for the year	22 291 224	23 294 034

Abridged statement of financial position

Description	2025	2024
Assets		
Non-current assets	1 572 112 239	1 585 708 351
Cash and cash equivalents	1 222 579 481	887 370 047
Current assets excl cash and cash equivalents	290 620 769	237 727 282
Total assets	3 085 312 489	2 710 805 680
Equity and Liabilities		
Total equity	2 151 846 980	1 925 555 756
Non-current liabilities	468 702 363	324 618 271
Current liabilities	464 763 146	460 631 653
Total equity and Liabilities	3 085 312 489	2 710 805 680

Abridged statement of cash flows

Description	2025	2024
Net cash flows from operating activities	170 936 467	330 500 325
Net cash flows from investing activities	(133 838 157)	(222 998 833)
Net cash flows from financing activities	306 602 520	150 035 507
Total cash movement for the year	343 700 830	257 536 999

Creating and sustaining financial capital

Ensuring long-term financial sustainability is an ATNS strategic objective.

ATNS provides ATM solutions for South Africa and 6.1% of the world's airspace, creating financial value in the short-, medium- and long term through its regulated and non-regulated business. Our industry is linked directly to air traffic movements, which increase during economic growth and have a high correlation to Gross Domestic Product. Our objective is to enhance financial stability by implementing sound financial practices, fostering resilience amid economic challenges and creating long-term value.

Sound financial management

Distributable profits are retained for reinvestment and to maintain financial sustainability in the short term.

ATNS aims to maintain a minimum cash balance of two months' operating expenditure plus capital loan payables. Cash flow is monitored daily to ensure sufficient funds to cover operational expenses and loan obligations.

Material financial and economic outcomes

We aim to:

- Maintain long-term financial sustainability by optimising revenue in our regulated and non-regulated businesses
- Protect South Africa's economic interests and trade, while creating employment opportunities for citizens
- Create economic value for the country.

	2023/2024 actuals	2024/2025 actuals
Total revenue	R1.7 billion	R1.7 billion
Operating costs	R1.5 billion	R1.6 billion
Capital expenditure	R223 million	R133.8 million
SADC VSAT revenue	R67 million	R65 million
NAFISAT revenue	R74 million	R73 million
Total assets	R2.7 billion	R3 billion
Total equity	R1.9 billion	R2.1 billion
Cash generated from operations	R331 million	R170 million
Total invested in CNS technology	R139 million	R51.6 million
Employee wages and benefits	R1.0 billion	R1.1 billion
Total borrowings	R345 million	R463 million
Payment to government as income tax	R37 million	R14.4 million

Non-regulated business streams

To ensure long-term financial sustainability, ATNS pursues revenue from non-regulated business.

This currently contributes 15% of the company's revenue and encompasses a long-term strategy to facilitate regional expansion. It increased 14% from the previous year, due largely to continued improvement in aviation activity,

Revenue	2023/2024	2024/2025	2024/2025 Target
VSAT network fees	R66.9 million	R65.4 million	R64.9 million
NAFISAT network fees	R74.1 million	R72.7 million	R70.4 million
Aeronautical Information Service revenue	R10.1 million	R7.3 million	R12.7 million
External training fees	R14.1 million	R15.3 million	R16.6 million
Small aerodrome fees	R63.3 million	R66.6 million	R61.6 million
Technical services fees	R13.9 million	R17.1 million	R10.8 million
Sundry revenue	R21.1 million	R21.1 million	R21.8 million
Total	R263.6 million	R265.5 million	R258.8 million

Our approach to creating financial value for the business through our non-regulated business streams focuses on:

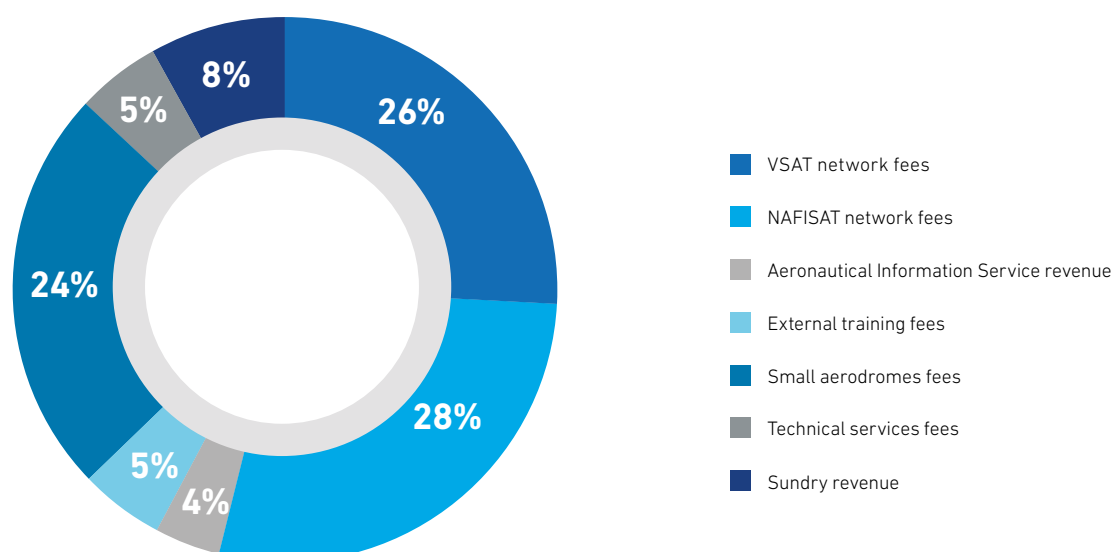
- A long-term strategy to expand in Africa
- Our experience and brand reputation in moving into new markets
- Expansion in the non-regulated business market without undue risks to the regulated market and shareholder
- Partnering with external service providers to harness market opportunities.

Revenues are accrued through:

- **VSAT and NAFISAT network fees:** earned from providing aeronautical ground-to-ground telecommunication services in the SADC and North Africa and East African regions

- **Aeronautical Information Service revenue:** earned from flight procedure designs, documentation and surveys carried out for various countries
- **External training fees:** earned by offering IATA diplomas and regulatory courses to ANSPs, civil aviation authorities and airports authorities in Africa
- **Small aerodromes fees:** earned by providing air traffic services (aerodrome services) to non-ACSA airports
- **Technical services fees:** earned from maintenance services rendered to ACSA and other third parties plus technical consulting services
- **Sundry revenue:** income from billing services provided for clients, datalink revenue and services provided outside published hours at various airports.

Non-regulated revenue



Capital investment performance

ATNS's capital expenditure for 2024/2025 was R133.8 million against a target of R180 million.

Capital expenditure performance – cash flow

Objective measures	2022/2023 actuals	2023/2024 actuals	2024/2025 actuals
Cash flow from capex projects implemented	R127 million	R223 million	R133.8 million

Capital expenditure - Commitments

Objective measures	2022/2023 actuals	2023/2024 actuals	2024/2025 actuals
Commitments	R379 million	R213 million	R271.6 million

Fruitless and wasteful expenditure

Reconciliation of fruitless and wasteful expenditure

Description	2024/2025 R'000	2023/2024 Restated R'000
Opening balance	2 919	2 038
Add: fruitless and wasteful expenditure confirmed	592	2 600
Less: fruitless and wasteful expenditure written off	-	(1 116)
Less: fruitless and wasteful expenditure recoverable	(652)	(363)
Closing balance	3 099	3 159

Irregular expenditure

Reconciliation of irregular expenditure

Description	2024/2025 R'000	2023/2024 Restated R'000
Opening balance	-	8 395
Add: irregular expenditure confirmed	-	-
Less: irregular expenditure condoned	-	-
Less: irregular expenditure not condoned and removed	-	(8 395)
Less: irregular expenditure recoverable	-	-
Less: irregular expenditure not recovered and written off	-	-
Closing balance	-	-

Materiality framework

As per the National Treasury section 54 practice note, the parameters for significance and materiality levels are derived from certain elements of the annual financial statements and appear in the table below:

Indicators	2024/2025 financial statements	Lower limits	Upper limits
1%-2% of total assets	3 085 312 489	30 853 125	61 706 250
0.5%-1% of total revenue	1 791 438 914	8 957 195	17 914 389
2%-5% of profit(loss) after tax	22 291 224	445 824	1 114 561

In arriving at the significance and materiality level, the following factors were considered:

- Guidelines issued by National Treasury
- The nature of the ATNS business
- Statutory requirements affecting ATNS
- Control risks associated with ATNS
- Quantitative and qualitative issues
- Transport sector benchmarking.

The significance level is set at R400 million. This limit took into consideration the process undertaken during the permission application process, which includes consultation with the industry and approval by the Regulating Committee. From a company perspective, materiality is set at R17.9 million based on the upper level of revenue to ensure prudence and efficiencies in decision-making processes.

Risk and resilience

Our strong internal control environment continues to support financial integrity and stakeholder confidence.

Outlook

We remain cautiously optimistic. Our focus in the coming year will be on continuing to drive operational excellence, finalising the next permission and ensuring current challenges, which include flight procedure designs, are expeditiously resolved so that we return to normal operations, while maintaining robust financial stewardship.

I thank our shareholder, board, executive team and employees for their continued support and commitment, and our stakeholders for their trust and confidence in ATNS.

Operational review

At present, around 85% of ATNS's revenue is generated by its regulated business. During the year under review, non-regulated business contributed about 15% to turnover.

Our regulated business consists of three main components:

- Air traffic services within South Africa
- Air navigation infrastructure, including CNS infrastructure
- Training services driven by our world-renowned Aviation Training Academy.

Through our regulated services, we are uniquely positioned to assist airline and airport customers to realise value.

A command centre has been established to improve our performance and operational oversight. During the year, our performance improvement efforts focused on audit outcomes, organisational design, environmental management and capitalisation. We also introduced enterprise project portfolio management to address procedural inefficiencies and instituted a weekly monitoring system for employees to report challenges and elicit support. To manage organisational fragmentation, we emphasised accountability and communication across teams, ensuring that everyone worked together and held each other accountable. We also addressed consequence management and integrity in reporting. By closely monitoring progress, we improved performance significantly through the use of our accountability tools that are aligned to our technical indicators, which enabled our performance to rise from 54% to 95%.

Operational performance

ATNS's core business is ATM, which involves ensuring the safe and efficient operation of aircraft in South African and delegated airspace. It includes air traffic services, aeronautical information management, airspace management, flight procedure design and obstacle evaluation. These operations generate most of the company's revenue.

Air traffic movements

During the reporting period, ATNS recorded 914 794 air traffic movements, 43 802 more than the 870 992 of 2023/2024. This is an increase of 5.03%. The total movements are a combination of scheduled and non-scheduled flights, including training flights. The recovery of movements can be seen on a month-to-month comparison.

Revenue movements 2024/2025

During the period under review, ATNS recorded 409 056 revenue movements, a decline of 1.81% from the 416 597 movements of the previous year.

Non-revenue movements 2024/2025

A total of 505 747 non-revenue movements was recorded, an increase of 11.30% over the 454 395 movements of the previous year.

Tariff revenue of R161.5 million was 25.3% higher than in 2023/2024, but fell short of expectations. The tariff revenue generated for ATNS is based on a temporary tariff increase of 4.4% granted by the Regulating Committee. Airlines have continued to expand their routes as the economy recovers, which boosted revenue.

Operational efficiency

ATNS manages around 650 000 instrument flight rules flights yearly, which operate between more than 25 city pairs domestically and regionally. A strategic objective is to improve operational efficiency and cost-effectiveness of air traffic services. Air navigation service partners globally are continuously pressured to maximise efficient use of airspace and airport capacity, facilitating an efficient flight concept for airspace users that assists airlines in managing their operating costs. Operational efficiency is a service standard that measures the capability of ATNS's service delivery to the ATM community in a cost-effective way while ensuring high-quality service and support.

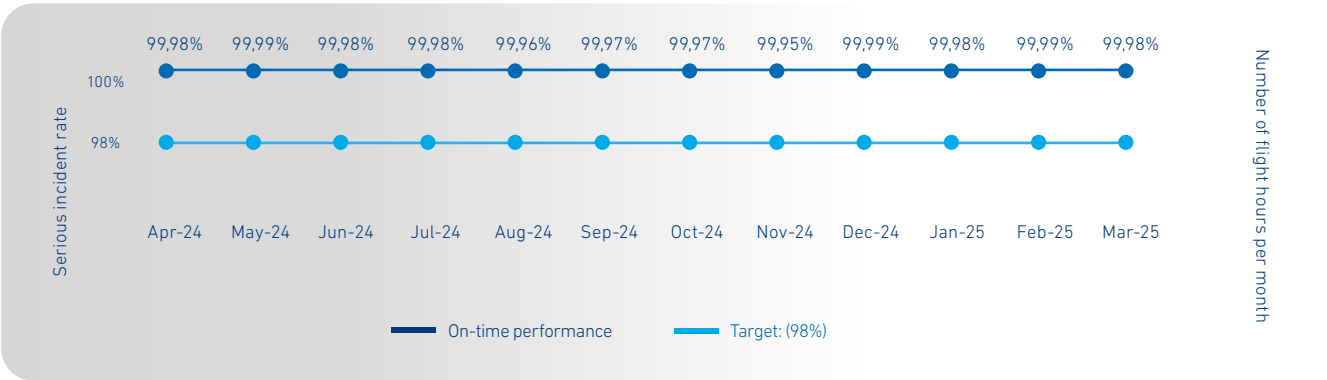
On-time performance

As part of its commitment to continuous improvement, ATNS actively monitors the operational efficiency of its services, including efforts to minimise traffic delays both at airports and within controlled airspace.

A 'delay' is typically defined as any event later than scheduled. To this end, ATNS routinely tracks instrument flight rules departure delays resulting from operational disruptions.

One key performance metric is on-time performance, which reflects the percentage of instrument flight rules departures that occur as scheduled.

In the 2024/2025 period, only 47 delay events were recorded out of 210 477 instrument flight rules departures – a 99.98% on-time departure rate, significantly surpassing the 98% performance target.



Service delivery effectiveness

To uphold our commitment to safe and efficient air traffic services, we monitor KPIs to measure our service delivery effectiveness.

These include average delay per delayed flight and system availability for CNS.

Average delay per delayed flight

We calculate average departure delay for flights operating under instrument flight rules considering factors such as airport operations, airline performance, weather conditions and our own service delivery. In 2024/2025, the target of 360 seconds average delay per delayed flight was not achieved.

System availability for CNS

ATNS assesses the performance of its CNS infrastructure through the key metric of system availability. This reflects the reliability of operational systems against predefined targets and indicates infrastructure effectiveness.

Consistent system availability is essential for network stability and minimal service disruptions. To provide a comprehensive view, ATNS calculates a national average availability percentage across all CNS systems. The achieved availability is the principal parameter for evaluating system performance and operational integrity.

The average system availability metric measures system uptime, considering all factors contributing to outages, both internal and external. It's used primarily for internal performance analysis.

Average availability (excluding vandalism and theft) is the indicator including all internal and external contributors to system outages, but excluding outage contributors associated with vandalism and/or theft. This indicator is used for ATNS KPI reporting.

Average availability (ATNS only) excludes all external and/or third-party contributors to system outages. It monitors and evaluates ATNS's internal business processes.

During the reporting period, availability figures for communication and navigation showed relatively improved performance when measured against technical failures only, excluding third-party failures. However, nationally, CNS availability remained below the established service level agreement thresholds across all operational domains. Contributing factors included equipment failures within ATNS infrastructure, theft, vandalism and external disruptions such as power failures, all of which collectively impeded system reliability and service continuity.

Infrastructure modernisation

ATNS is addressing infrastructure challenges arising from delayed equipment replacements and maintenance. A comprehensive turnaround plan has been initiated to resolve a significant backlog of outdated flight procedures, thereby enhancing operational efficiency and safety compliance.

Wide-area multilateration is the secondary surveillance project that provides surveillance network services to ATM or air traffic control applying multilateration and automatic dependent surveillance – broadcast. These system coverages are targeted at airspace with minimal or no radar coverage especially at lower flight levels.

The key project achievement includes wide-area multilateration-1 system design review, factory acceptance tests and equipment delivery milestones that have been completed.

The automatic dependent surveillance – broadcast component of the 20 operational sites and the training site was successfully commissioned in October 2024 and flight-calibrated at the end of November 2024.

During the reporting period, management made some progress in infrastructure modernisation:

- Infrastructure refresh implementation underway
- Application publishing and reverse proxy implementation underway
- Core networking completed
- Cloud backup completed
- Active directory and exchange completed
- Server and storage partial implementation completed
- Cloud migration transition plan approved
- 100% hosted private automatic branch exchange completed
- 100% local area network upgrade completed
- Wide-area network implementation underway
- Aviation Training Academy digital displays completed.

In 2025/2026, ATNS will continue to reduce the legacy in its information technology environment by implementing its infrastructure refresh programme, which will ensure that the infrastructure will be secure, stable, reliable and scalable. Key initiatives in progress include implementation of wide-area network upgrades for ATNS sites, fast-tracking the infrastructure refresh and implementing the secured private cloud.

Innovation

Innovation is at the core of ATNS's sustainability as it strives to create an adaptive organisation at the next frontier of development to enhance transport service delivery and efficiency. We aim to extend our stewardship beyond ATM provision through technology innovation.

Cybersecurity

Cybersecurity risks continue, driven by insider threat and a rapidly evolving external threat landscape. Globally, ANSPs are experiencing more cyber-threats, while South African state-owned enterprises are reporting a marked increase in cyber-incidents. As both a state-owned company and an ANSP, ATNS is exposed to heightened risk.

Internally, challenges such as legacy system constraints and limited cybersecurity personnel persist, affecting organisational resilience. In response, ATNS has implemented strategic enhancements to its cybersecurity framework, including investment in advanced threat detection and prevention capabilities.

Furthermore, cybersecurity awareness training has been prioritised to equip employees with knowledge and tools to identify, manage and mitigate potential threats, essential to maintaining the integrity, reliability and security of ATNS infrastructure and operations.

Aviation Training Academy's outlook

The ATNS Aviation Training Academy is a world-class, accredited training institution offering a full range of air traffic services and air traffic safety electronic personnel training, management and other aviation-related courses.

In addition to pursuing academic accreditation for air traffic services qualifications, the academy is seeking to diversify and expand its training product portfolio to cater for an increasingly diverse market. This will allow it to offer training products across the entire aviation value chain, adding value to the aviation community and providing much-needed additional revenue streams. Several products that are not core offerings of the academy are included in this initiative, including remotely piloted aircraft system training, cybersecurity, flight procedure design, space weather and ad-hoc products requested by customers.

During the reporting period, several new products were developed, including a safety management course for airlines, which targeted South Africa's national carrier, an ICAO facilitation framework for air transport specialists, an online quality management course and safety management for non-operational personnel. As part of its corporate social investment, the academy tailored an aviation law course for the visually impaired, delivered in partnership with BlindSA. Students from 19 countries were trained in aviation disciplines during the period.

In addition, the Aviation Training Academy successfully hosted the regulators of Eswatini, Namibia, Zambia and Senegal, who audited the academy for training for their nations.

Human capital review

In the dynamic air traffic navigation environment in which ATNS operates, human capital plays a crucial role in achieving the company's mandate and strategic objectives. The company is committed to attracting and retaining employees with the right skills who contribute meaningfully to organisational growth and sustainability. ATNS has adopted agile organisational structures and effective people management practices, fostering a high-performance culture and an engaged workforce.

Strategic role

The human capital function advances ATNS's strategic agenda – particularly in securing core, scarce and mission-critical skills in air traffic services, ATM and operations and technology. These specialised areas require significant lead times to develop, making proactive talent pipelines essential for future operational capacity and safety readiness.

Furthermore, the strategy aligns with national imperatives on transformation, diversity and the maintenance of a high-performance culture, which are achieved through:

- Targeted talent development and retention programmes
- Integrated workforce planning
- Continuous employee engagement and capability building.

This integrated approach not only sustains the Top Employer certification but drives innovation and excellence in support of South Africa's aviation sector and in the public interest.

Performance against human capital plan

In 2024/2025, ATNS had a headcount of 1 113 permanent and non-permanent employees, excluding participants in strategic talent development initiatives. To support business growth and succession objectives, 102 new employees were hired during the year.

Training pipeline

A structured career progression pipeline that forms the backbone of the ATNS service delivery model is in place for air traffic services and technical staff. Facilitated primarily through the academy, it addresses current and forecasted demand driven by operational hours, safety standards and traffic volumes.

To address pressing societal challenges and build a meaningful legacy for South Africans while creating internal capacity, 80 bursar candidates were successfully recruited for air traffic services-related training at the Aviation Training Academy. Furthermore, ATNS continued to facilitate the development of six engineering technicians on a two-year experiential learning programme in the form of learnerships, as well as the appointment of 26 graduates into the graduate-in-training development programmes. These interventions benefit mostly unemployed youth, who are potential future employees in specialised operational, technical and support roles.

Recruitment of air traffic service staff, flight procedure designers, surveyors, technical support staff, engineers and training instructors is being accelerated. Development and full deployment of these capabilities is a process of between 18 months and three years.

The table below shows the targeted and actual headcount for key frontline categories for 2024/2025.

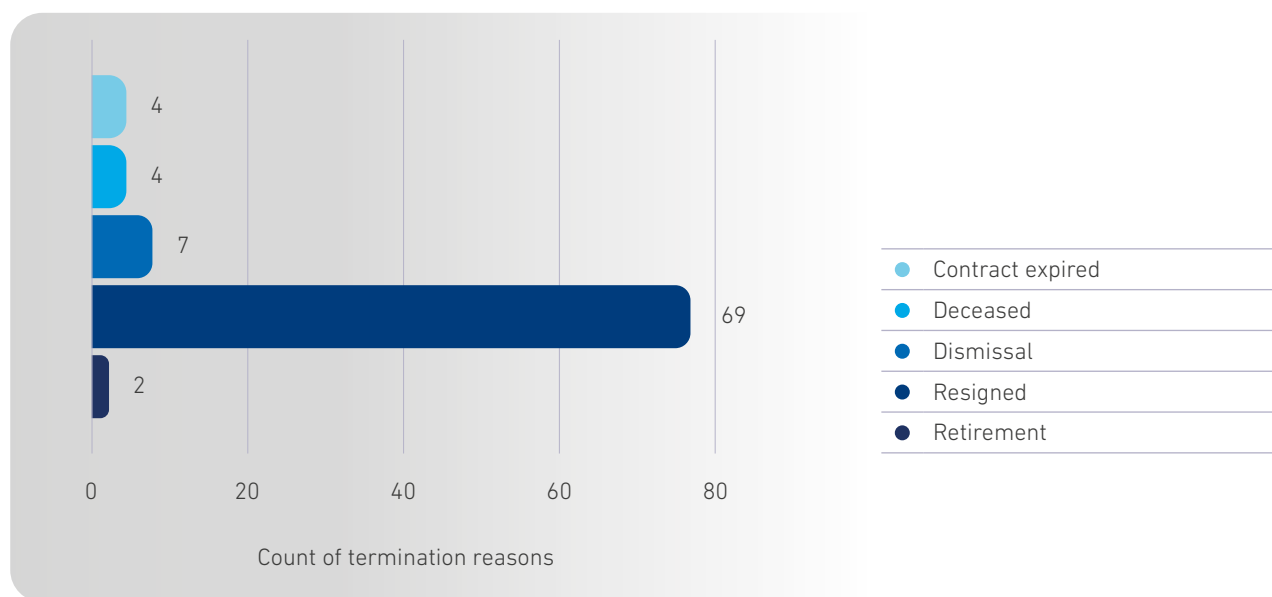
Category	2024/2025 target	Actual headcount
Air traffic control officer 1	153	115
Air traffic control officer 2	31	47
Air traffic control officer 3	198	187
Air traffic services officer	146	152
Engineering technicians	70	72
Satellite technicians	5	5

Attrition

During the 2024/2025 reporting period, 86 employees left ATNS, worryingly 50 (59%) from our air traffic services

division. This signals a department-specific crisis beyond typical organisational turnover patterns. It is both a challenge and a strategic priority requiring immediate attention and sustained intervention.

2024/2025 employee exits



Air traffic control was particularly hard hit, with 41 departures, comprising voluntary resignations of 27 ATC03 and departures of 11 ATC01 air traffic controllers, due to contract non-renewal or completion of contract.

Three flight procedure design specialists resigned.



Strategic response and interventions

ATNS has recognised this as a critical risk area and instituted targeted interventions:

A three-pronged air traffic services retention strategy has been approved, encompassing a tiered retention allowance, off-day buy-back programme and incentives for on-the-job training instructors. This three-year process will promote career longevity, skills transfer and financial recognition.

The training pipeline will be in the spotlight and include increased controller intakes, revised throughput timelines and infrastructure enhancements at the Aviation Training Academy.

A total reward advisory framework was reviewed in partnership with Deloitte Consulting, to ensure market alignment and the integration of core, critical, and scarce skills premiums into the reward structure.

Exit data will be analysed and continuous engagement mechanisms instituted to better understand drivers of attrition and refine workforce planning efforts.

Future-fit workforce programme

Maintaining a competitive advantage requires ATNS to develop a future-fit workforce which comprise, among other initiatives, the organisational design aligned with the company strategy to maintain a competitive advantage. Building workforce capability to navigate emerging challenges, enhance operational efficiency and expand customer base remains paramount while upholding the highest safety standards.

The organisational structure design and maintenance seek to eliminate operational silos while promoting employee growth and development in a positive work environment. Cross-functional collaboration is encouraged to ensure an agile response to business requirements.

Alignment across all organisational levels and functions will facilitate effective mandate delivery, create operational coherence and strengthen service delivery capabilities.

Following the successful implementation of tier 1 (executive level), tier 2 (senior management), tier 3 (middle management), and some tier 4 and tier 5, the organisational design project was temporarily suspended to prioritise the resourcing of core and critical skills following high attrition levels in the past year.

Competency-based assessments are conducted for management and senior roles, with outcomes informing targeted leadership development initiatives. This builds on the executive coaching programme launched in 2023/2024 through a partnership with the Gordon Institute of Business Science. Additional initiatives will be rolled out in 2025/2026.

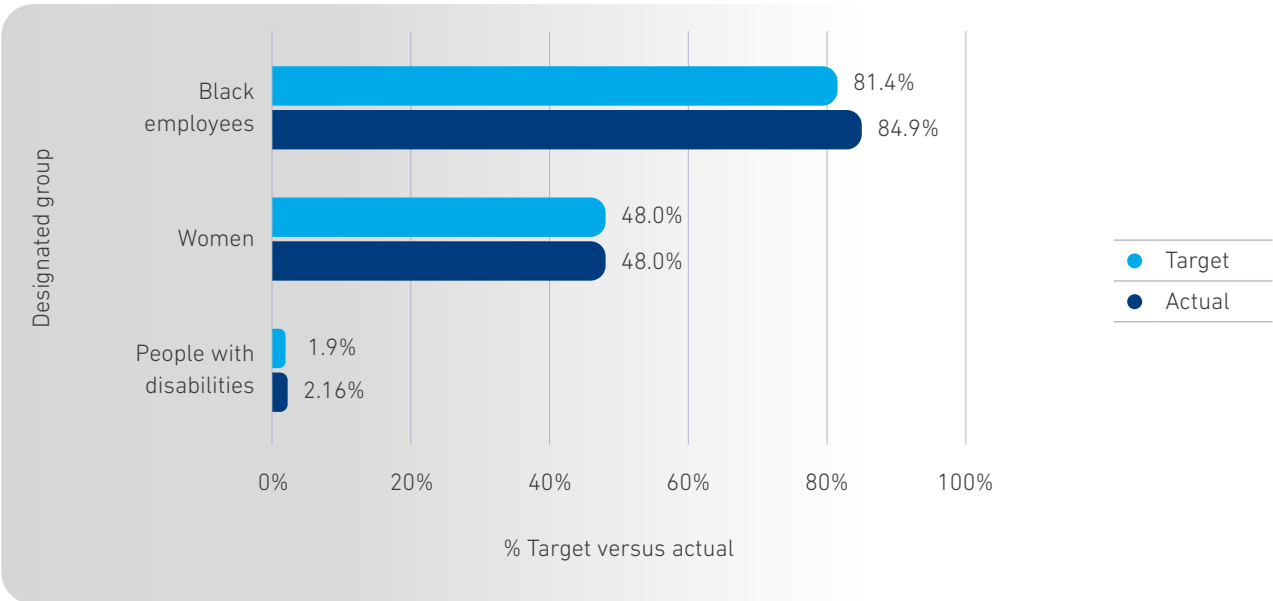
This comprehensive approach ensures leaders from first-line management to senior management are equipped to manage

and lead effectively. By integrating leadership development with established people practices, ATNS creates a cohesive and future-ready organisation positioned for sustained success.

Transformation and diversity

ATNS continues to transform through its comprehensive employment equity programme in line with its legislative requirements. The company's employment equity plan as developed in terms of the Employment Equity Act 55 of 1998 (as amended) has for the period under review been achieved, with women comprising 48% of personnel in the historically male dominated air traffic services sector. The Executive Committee positions have been filled 50% by women. People with disabilities represent 2.16% of the staff complement.

Employment equity representation



Learning and development

In the review year, R10 782 599 was invested in training, allowing employees to participate in non-core development, including employee part-time bursaries, corporate training, short courses and target-generating operating trainee courses.

ATNS provides financial assistance to children of employees enrolled in full-time tertiary studies as part of the employee value proposition, allocating R2 603 351 during the year.

Mandatory grants

In compliance with the Skills Development Act, ATNS contributes to the skills levy, qualifying for quarterly mandatory grants from the Transport Education and Training Authority. The 2024/2025 grant totalled R788 000.

Employee scholarships

During 2024/2025, the Transport Education and Training Authority provided a funded scholarship for one manager on the International Leadership Development Programme in partnership with the University of Cape Town.

Employee relations

ATNS is a unionised employer with two recognised trade unions, namely the South African Transport and Allied Workers Union and Solidarity. Sixty-seven percent of employees are affiliated with either of the two labour unions. During the year under review, the membership numbers for the union Solidarity, under the administrative bargaining unit, dropped to 35%, below the required 40%. ATNS, on 25 March 2025, served the union with a 90-day notice to improve their membership to 40% as per the recognition agreement. Failure to improve it will cause Solidarity to lose organisational rights to bargain with ATNS.

The labour climate was sound during the year under review. The Executive and Labour Leadership Business Committee, Consultative Forum and Employment Equity and Skills Development Committee provide platforms for unions and management to deliberate on matters affecting internal stakeholders.

Outlook

ATNS continues to position its workforce as a key enabler of safe, efficient and sustainable air traffic services. The agenda will evolve in response to operational demands, regulatory developments and sector-wide skills challenges.

Short term (2025 to 2026)

- Implementation of the adopted talent management methodology to support career progression and leadership development, leading to effective succession planning
- Regular monitoring and review of the effectiveness of the attraction and retention plans, including the employee value proposition for critical, core and scarce skills, particularly in air traffic services
- Focused recruitment to close current and expected capacity gaps aligned with attrition and operational forecasts
- Continued expansion of air traffic services and technical training pipelines through Aviation Training Academy optimisation and curriculum enhancements.

Medium term (2026 to 2028)

- Continue with total reward review to benchmark company remuneration, benefits practices and policies to support talent attraction, retention, reward and recognition frameworks, and ensure compliance with best practices and legislation
- Ensure alignment with ATNS's new organisational design and strategic objectives
- Enhance transparency and fairness in remuneration
- Advance digital skills development in line with the digital transformation roadmap

- Implement the updated succession planning methodology and internal mobility strategies to reduce dependency on external hires
- Position ATNS as an employer of choice in the African aviation sector, underpinned by transformation, learning agility and workforce resilience.

Long term (2028 and beyond)

- Strengthen partnerships with higher education and regulatory bodies to future-proof technical capabilities
- Maintain long-term workforce planning to anticipate traffic growth, infrastructure expansion and regulatory shifts
- Sustain focus on human capital sustainability, including equity, inclusion and psychological safety in high-performance environments.

Remuneration policy

ATNS is committed to transparent, responsible and equitable remuneration practices. The remuneration framework supports business performance, promotes internal equity, attracts and retains critical skills and meets stakeholder expectations.

The Remuneration and Human Capital Committee oversees remuneration policy matters, including annual reviews, recommendation for approvals, implementation and monitoring. As a state-owned and Companies Act-governed aviation company, ATNS recognises its responsibility to maintain fair remuneration practices while ensuring operational excellence and safety standards.

Achievements for 2024/2025

- Implemented retention schemes for critical air traffic services personnel and other core functions within the organisation.
- Achieved organisational performance targets, enabling short-term incentive payments.
- Achieved the employment equity targets for black people, women and people with disabilities.
- Reactivated the long-service recognition awards for the first time since 2019.

Our policy

ATNS has revised its remuneration policy to comply with the Companies (First) Amendment Act, 2024 (Act 16 of 2024), particularly sections 30A and 30B. The amended legislation introduces a more rigorous and transparent approach to remuneration disclosure and shareholder oversight, particularly of pay differentials and approval of the remuneration implementation report.

The remuneration policy forms part of the broader organisational remuneration framework. In line with King IV™, the forward-looking remuneration policy applicable to executive management is outlined below, with a high-level overview provided for other employee categories.

Remuneration philosophy

ATNS has a total reward strategy, which comprises remuneration (including cash and short- and long-term incentives), benefits (retirement, medical, risk, group life etc),

recognition, learning and development, career growth and a balanced work environment with wellness benefits.

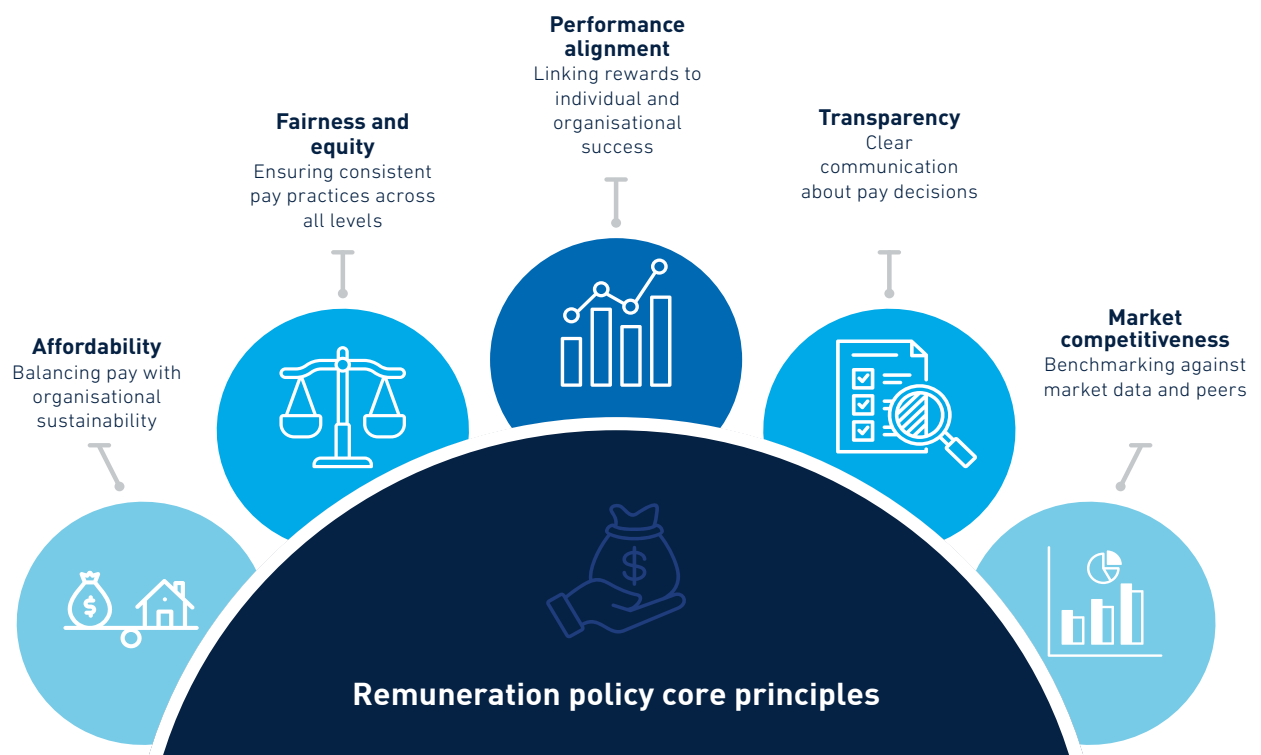
The remuneration policy is a key enabler of ATNS's business strategy. It is, therefore, vital that it is market competitive and fair to all stakeholders.

Remuneration philosophy support



ATNS adopts a total rewards approach anchored on the following principles:

Remuneration policy core principles



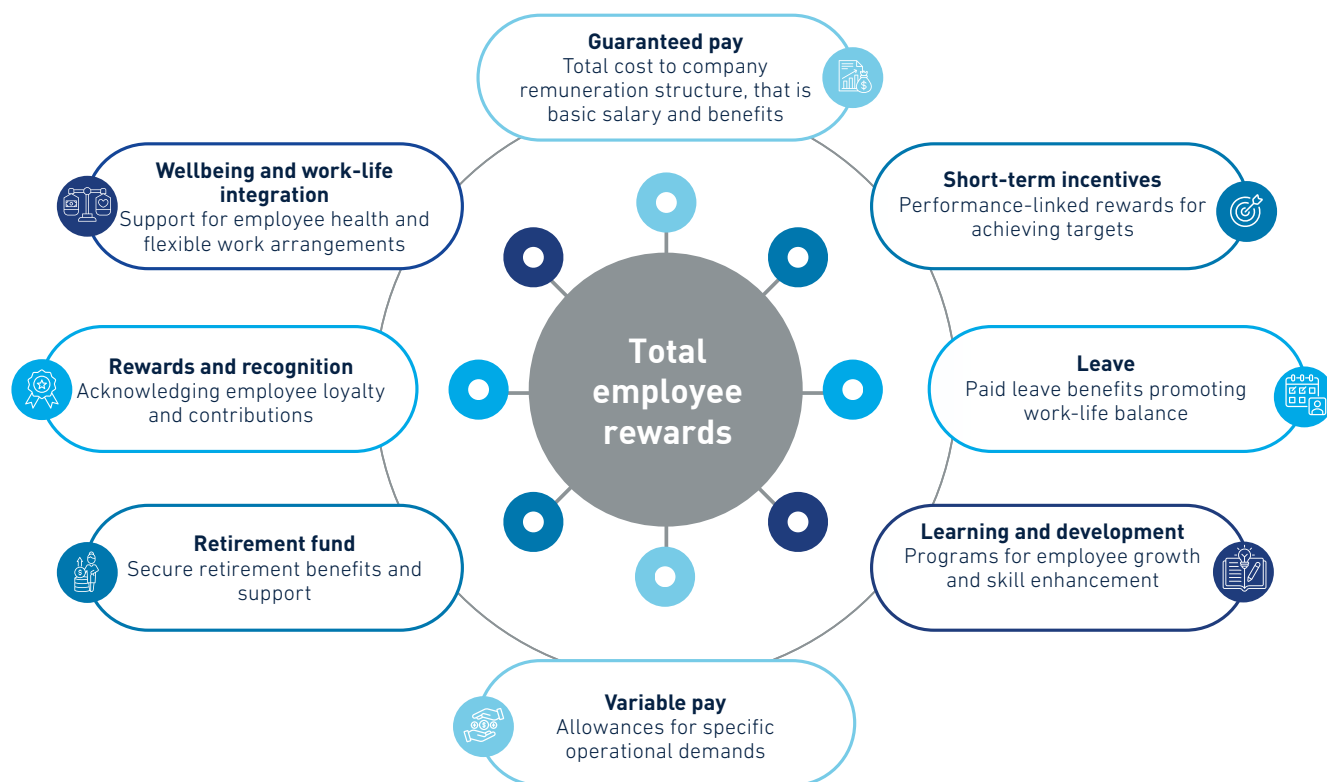
Remuneration practices

The comprehensive total employee rewards strategy reflects ATNS's commitment to creating comprehensive value for employees. The company recognises that employee wellbeing extends beyond compensation to leave policies that promote work-life balance, rewards and recognition programmes that celebrate achievements, and learning and development opportunities that foster career growth. Wellbeing and work-

life integration initiatives further demonstrate commitment in employee health and flexibility.

This approach encompasses eight interconnected pillars: from foundational guaranteed pay and secure retirement fund benefits to performance-driven variable pay and short-term incentives that align individual contributions with organisational success.

Total employee rewards



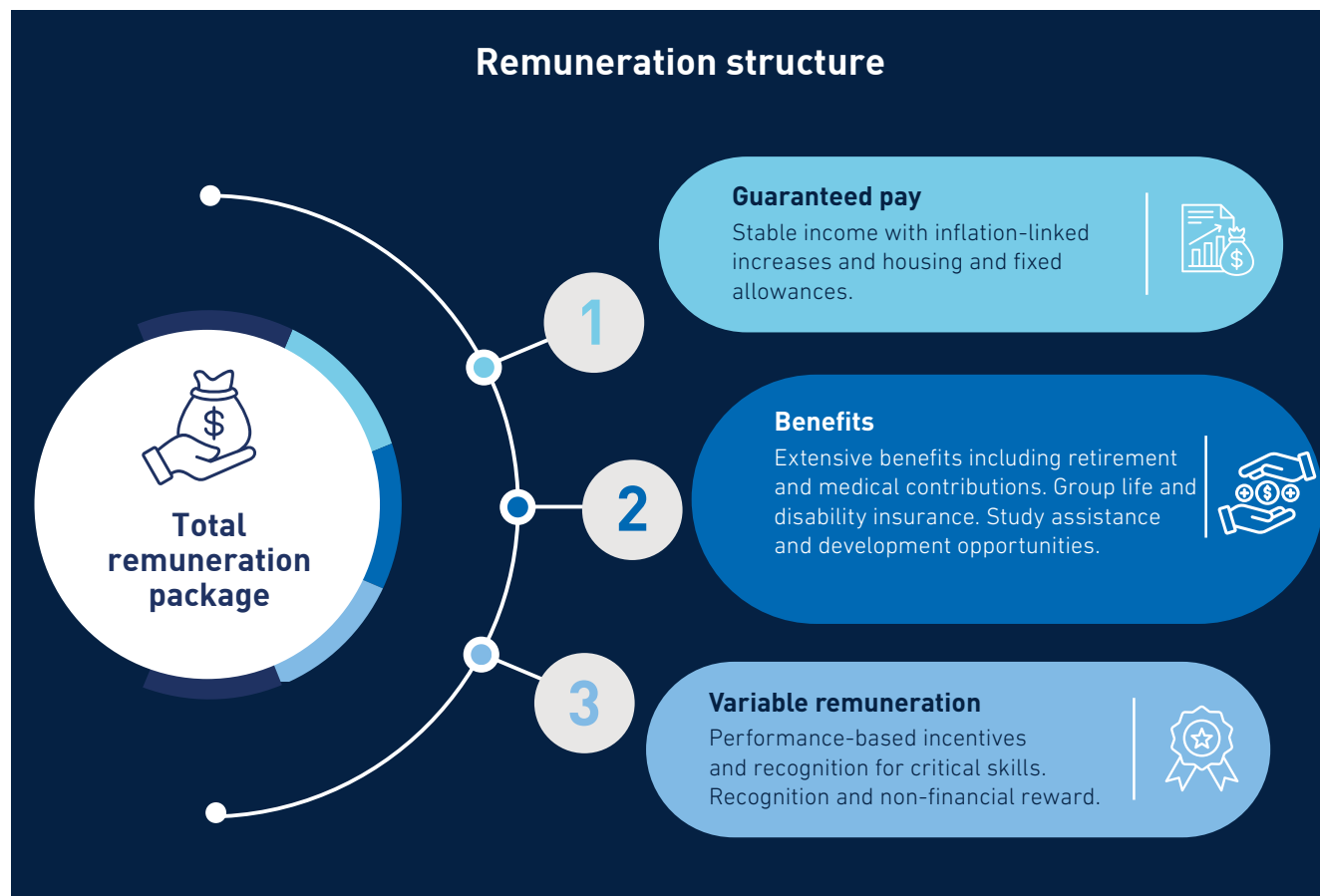
Remuneration structure

Guaranteed pay	Variable pay
<p>Guaranteed pay is the total fixed remuneration that an employee receives monthly. It includes:</p> <ul style="list-style-type: none"> Basic salary determined by job size, internal grading (Paterson system) and individual competence Benefits such as employer contributions to retirement funds and medical aid. <p>This component is paid to all permanent employees and is reviewed annually against organisational affordability, market benchmarking and the performance management process.</p>	<p>Variable pay is a performance-based remuneration component to incentivise achievement of individual, team and organisational objectives. ATNS's variable pay framework includes:</p> <ul style="list-style-type: none"> Short-term incentive: An annual discretionary cash bonus for achievement of performance indicators linked to operational efficiency, safety, transformation and financial discipline. <p>All permanent employees are eligible, subject to individual and company performance and board-approved incentive pools.</p>

Basic salary and benefits components

Elements	Basic salary	Benefits
Remuneration principles	Designed to attract and retain appropriately skilled and experienced employees to deliver on ATNS's operational, safety and transformation mandates. Basic salary forms the foundation of total reward and is linked to job size, market competitiveness and internal equity.	The benefits component reflects ATNS's commitment to employee wellbeing, financial security and social responsibility. It includes both compulsory and optional elements aimed at long-term support for employees and their dependents.
Description	Employees in managerial and professional roles are typically remunerated on a guaranteed package basis. Bargaining unit employees are remunerated on a basic plus benefits structure, including shift, overtime and allowances. Pay levels are reviewed annually.	Benefits include retirement fund contributions, group life cover and risk/disability cover and medical aid/insurance. The structure and level of benefits are aligned to ATNS policies and negotiated agreements. Counselling and employee assistance programmes are provided to support wellness.
Eligibility	All permanent and long-term, fixed-term employees.	All permanent and long-term, fixed-term employees.
External surveys	ATNS benchmarks its remuneration levels against nationally recognised executive and general market remuneration surveys, with particular focus on non-bargaining-unit employees and roles considered critical or scarce.	External service providers and licensed administrators support retirement, healthcare and insured benefits in line with market practice and legislative compliance.
Competitiveness of offer	Salaries are benchmarked to the market median for competent performance. Pay ranges are clustered and applied consistently across similar roles. For scarce and critical skills, employees may be positioned at the higher end of the range. Bargaining unit salaries generally remain above the negotiated sector baseline.	Retirement and risk benefits are standardised, with optional flexibility where applicable. Medical aid is voluntary.
Performance metrics	Annual performance reviews assess individual contribution, competence and potential. Adjustments are based on company performance, individual performance, affordability and internal equity reviews.	Not applicable.
Performance period	Annual review.	Not applicable.
Governance requirement	Defined in employment contracts, collective agreements and remuneration policy. Changes are subject to management approval and labour engagement, where applicable.	Set out in policies and benefit scheme rules and subject to regulatory oversight.

Total remuneration components:



Remuneration governance framework

The Remuneration and Human Capital Committee has direct oversight over all aspects of the remuneration policy. It ensures that the policy is implemented fairly and consistently and that it remains aligned with the evolving strategic priorities of the organisation, including transformation, skills development and succession planning.

The committee is responsible for:

- Reviewing and recommending the remuneration policy every three years
- Monitoring policy implementation and alignment to performance

- Recommending to board for approval, salary increases, short- and long-term incentives (where applicable) for executives
- Ensuring compliance with King IV™, the Companies Act and PFMA provisions
- Executive remuneration decisions
- Business performance target setting and assessment
- Stakeholder engagement on remuneration matters.

The committee also monitors developments in remuneration regulation and governance and advises the board accordingly to maintain compliance and competitiveness.

Shareholder engagement and review cycle

In line with section 30B(2)(b) of the Companies Act, the remuneration policy must be approved by shareholders at least every three years.

The remuneration policy is being presented for shareholder approval for the first time at the 2025 annual general meeting. Thereafter, the three-year cycle will apply, unless material amendments necessitate resubmission for approval.

Feedback received during the annual general meeting process will be considered by the committee in future revisions of the policy and implementation framework.

Deloitte has been appointed to conduct a comprehensive total reward framework review, which is expected to influence the future structure and positioning of the remuneration policy, ensuring it remains market-aligned, strategically relevant and supportive of long-term talent sustainability. Findings from this review will be considered in subsequent policy refinements and governance submissions.

Strategic alignment and future enhancements

The remuneration policy is fully aligned with ATNS strategy and supports:

- The attraction and retention of scarce skills
- Transformation and internal equity
- Long-term operational readiness and safety assurance.

Executive appointments, terminations and severance

ATNS executives are appointed on five-year fixed-term contracts, subject to renewal based on performance, organisational needs and succession planning. These appointments are guided by the organisation's policies and related employment legislative framework.

Key terms of executive employment include:

- Performance-based salary progression
- Termination conditions are explicitly stated in contracts and aligned with legislation. For early termination, notice periods and severance payments are governed by the contract and do not exceed statutory requirements
- Severance pay is applicable only in specific circumstances (retrenchment or operational requirements), with no entitlement to *ex-gratia* payments or golden parachutes
- Retention or incentive payments are made only where qualifying criteria – such as tenure, service delivery and strategic outcomes – have been met.

All executive appointments are subject to vetting, background checks, declarations of interest and the signing of performance agreements in line with the business key performance areas approved by the Remuneration and Human Capital Committee and the board.

Implementation report 2024/2025

Details regarding executive directors' remuneration can be found on page 80 in the annual financial statements.

Executives who exited during the year

Executive	Role	Total remuneration	Notes
L Mahamba	Chief Audit Executive	R2 817 188	Includes termination benefits
D Khumalo	Company Secretary	R2 137 565	Includes termination benefits

Prescribed officers who exited during the year

Prescribed officer	Role	Total remuneration	Notes
N Phakathi	Senior Manager Research and Development	R1 570 696	Includes termination benefits

Pay equity metrics

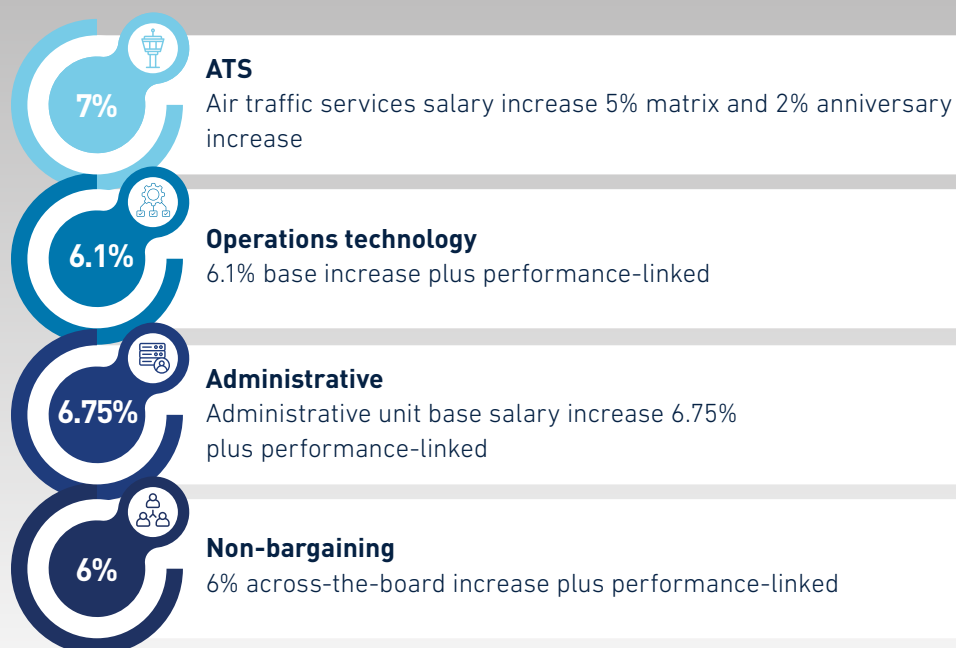
Metric	Amount (R)	Ratio
Highest-paid employee's total remuneration	R6 135 046	-
Lowest-paid employee's total remuneration	R139 640	-
Average total remuneration	R847 463	-
Median total remuneration	R747 502	-
Top 5% average remuneration	R4 246 330	-
Bottom 5% average remuneration	R142 621	-
Chief Executive Officer-to-median ratio	-	12.3:1
Chief Executive Officer-to-lowest ratio	-	44:1
Top 5% to bottom 5% ratio	-	29.8:1

These ratios reflect internal role complexity, scope of responsibility and market scarcity, particularly in aviation safety roles. The committee continues to monitor internal pay gaps and support clustered remuneration frameworks.

Salary increases 2024/2025

The mandate for salary increases is approved by the ATNS board, considering factors such as Consumer Price Index and affordability. For the 2024/2025 financial year, ATNS entered into one-year wage agreements with the two recognised labour unions, South African Transport and Allied Workers Union for the air traffic services, operations technology and administrative bargaining units, and Solidarity for the administrative bargaining unit. Increases were implemented as follows from 1 April 2024:

ATNS annual salary increases for 2024/2025



All bargaining units received a housing allowance increase of R600 to R750 per month (R7 200 to R9 000 per annum).

Variable pay – short-term incentive plan

Short-term incentive participants include those who influenced short-term strategic targets for cash generation, namely earnings before insurance, taxation, depreciation and amortisation. Successful performance is rewarded with a short term incentive by September of every year, on condition that the targets have been achieved.

Element	Policy-aligned description
Eligibility	All permanent and fixed-term employees who: <ul style="list-style-type: none"> - Have been employed for a minimum of six months during the financial year - Have signed a valid performance agreement - Have completed at least one performance review during the year
Review period	One financial year: 1 April to 31 March
Calculation of incentive	The annual incentive pool is subject to: <ul style="list-style-type: none"> - Achievement of board-approved corporate performance triggers - Available financial resources short-term incentive = (total guaranteed pay × target incentive %) × performance modifier - Target incentive % is based on job grade (Peromnes level); - Performance modifiers are applied based on individual performance ratings
Target percentages by job level	<ul style="list-style-type: none"> - CEO (Peromnes1): 30% - Executives (Peromnes 2 to 4): 25% - Senior managers (Peromnes 5 to 6): 20% - Specialists/managers (Peromnes 7 to 8): 15% - Others (Peromnes 9 to 17): 12.5%
Performance review and final award	Short-term incentive emphasis is placed on delivering against strategic imperatives. The award is subject to: <ul style="list-style-type: none"> - Final committee review and board approval; - Validation that all minimum corporate performance triggers have been achieved
Performance period	Achievement against targets is assessed one year, aligned to the financial year
Payment timing	Payments are made after the annual financial results are approved, typically the second quarter of the following financial year (September)
Termination of employment	Participants are required to be employed by the company at the time of delivery for the incentive to be payable. Should death, ill-health, injury, disability or similar occur during the performance period, a pro rata payment will be considered. Payment is effected in the normal course
Malus and clawback	Awards are subject to malus (withholding of unpaid incentives) and clawback (recovery of paid incentives) for: <ul style="list-style-type: none"> - Misconduct - Misrepresentation - Material misstatement of performance results
Governance	The short-term incentive scheme is governed by the committee and approved annually by the board. The committee reviews corporate and individual performance, ensures policy compliance and recommends final payouts. The board's decision is final and binding

The scheme rewards eligible employees for their contribution to organisational performance, aligned to approved strategic and financial targets. The scheme promotes performance accountability, organisational alignment and talent motivation and retention.

For the reporting period, ATNS met its performance targets, resulting in board-approved incentive payouts. A total of

R69.75 million was paid to qualifying employees, with amounts determined by individual performance ratings and applicable incentive levels.

The organisation continues to align executive pay with performance outcomes, accountability and long-term sustainability, in line with governance best practices and shareholder expectations.

Retention initiatives

Air traffic services retention scheme details



Total investment

The total investment is R34.9 million.



Target personnel

The target is critical air traffic services personnel.



Rationale

The rationale is to address skills shortage.



Structure

Structured as location and experience-based allowances.

ATNS has implemented a structured retention scheme for the air traffic services department and other core roles within the business to preserve critical operational capacity and mitigate air traffic safety risks associated with high staff turnover.

The initiative responds to staffing vulnerabilities at high-density operational centres, where global demand for experienced air traffic control officers, air traffic services instructors, flight procedure design specialists and other core roles has intensified attrition risks.

The strategy includes a tiered allowance linked to location and experience, an incentive for on-the-job training instructors and an off-day buyback mechanism to increase workforce flexibility. It is designed to support institutional knowledge continuity, promote employee commitment and ensure the sustainability of the ATNS training pipeline.

The programme is being implemented through phased payments, reinforcing tenure-based retention while adhering to prudent financial and human capital governance frameworks. As of 31 March 2025, a total of R34.9 million has been paid in retention costs.

Non-executive directors' fees

The board is responsible for the strategic direction of ATNS. The board and its committees spend a significant amount of time on in-depth analysis of matters relevant to the performance and regulatory requirements. The Minister of Transport approves a fee schedule for fees payable to the board annually.

Non-executive directors receive a fixed meeting attendance fee as a retainer for their services. There are no annual incentive awards for non-executive directors, who are appointed for a period of three years by the Minister of Transport.

During 2024/2025, the 10 non-executive directors were paid a total of R5 293 284 in meeting attendance and retainer fees.

Details regarding executive directors' remuneration can be found on page 81 in the annual financial statements.

Forward-looking statements

Over the next three-year policy cycle, the remuneration framework will continue evolving to address emerging human capital needs, stakeholder expectations and strategic drivers of value. Several enhancements are being considered:

- Enhanced critical, core and scarce skills recognition and reward mechanisms to respond to the growing demand for specialised technical capabilities in airspace systems

cybersecurity and advanced technology platforms. The total reward framework review currently underway will further inform this approach

- Strengthened succession planning linked to long-term remuneration design. The alignment between leadership pipeline development and reward structures is expected to enhance talent continuity and retention of high-potential employees
- Continued emphasis on pay equity and transformation, including refinement of clustered remuneration ranges, equity audits and targeted interventions to support demographic representivity in mission-critical and leadership roles
- Integration of ESG metrics into performance-based pay. ESG-aligned incentives will strengthen accountability, enhance value-based decision-making and support long-term sustainability.

Shareholder approval and consequences

Anticipated challenges and responses

- Retention of scarce and critical skills remains a key risk. In response, the organisation will maintain investment in structured retention schemes for high-demand roles, particularly in air traffic services, technology and training. This will be supported by enhanced career development pathways, improved internal mobility and market-aligned compensation offerings to ensure that talent is both attracted and retained amid local and global competition
- Regulatory compliance is key and the organisation continues to proactively monitor amendments to the Companies Act, including the full implementation of section 30B. Governance frameworks will be adjusted as needed to fully align with statutory reporting and disclosure requirements. Compliance with King IV™ requirements remains a foundational standard.

Ongoing engagement with remuneration advisers and shareholders will ensure that the governance and implementation of the remuneration policy remain transparent, evidence-based and adaptable.

Annual general meeting voting items

The following resolution will be presented for shareholder consideration at the upcoming annual general meeting:

- An ordinary resolution to adopt the complete remuneration report in line with section 30B of the Companies Act.

Consequences of non-approval

Should shareholders not approve the remuneration report (ordinary resolution) or either of the advisory votes, the organisation will implement corrective measures in accordance with governance best practices.

The Remuneration and Human Capital Committee will issue a formal written response to the shareholder at the subsequent annual general meeting, addressing the concerns raised.

In addition, non-executive members of the committee who are not involved in daily operations will need to stand for re-election. The board will also liaise directly with key stakeholders to better understand and resolve any objections to the policy or its implementation.

Board recommendation

The board, having reviewed the policy content and implementation outcomes, recommends that the shareholder:

- Approve the updated remuneration policy for 2025 to 2027
- Endorse the 2024/2025 implementation report
- Adopt the remuneration report in its entirety, comprising the background statement, the remuneration policy overview and the implementation report.

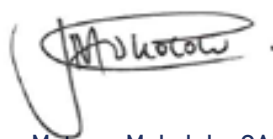
The board is satisfied that the remuneration framework appropriately balances organisational performance, internal fairness and stakeholder expectations, while ensuring alignment with strategic imperatives and public accountability.

Conclusion

During the 2024/2025 reporting period, the organisation demonstrated consistent application of sound remuneration governance, ensuring that all pay practices were performance-driven, transparent and aligned with national policy obligations. Internal equity principles were maintained through structured salary clustering and monitoring of pay differentials, while market relevance was preserved through annual benchmarking and external advisory reviews.

The organisation's remuneration framework compares favourably with that of other state-owned companies and reflects a mature approach to managing total rewards in a complex, safety-critical operating environment. As a result, the company remains well-positioned to attract, develop and retain high-quality talent while delivering sustainable outcomes for all stakeholders.

The board reaffirms its commitment to the continuous improvement of remuneration governance and the creation of long-term stakeholder value through responsible, fair and accountable reward practices.



Matome Moholola, CA(SA)
Acting Chief Executive Officer
Date: August 2025



3



Environmental, social and governance

Environmental review

ATNS operations are inherently linked to, and reliant on, natural capital such as land, air and water, all of which are crucial for the efficient and safe conduct of ATM services. We are thus deeply committed to implementing robust sustainability practices that reduce our environmental impact and preserve biodiversity. This section details our environmental stewardship, outlining strategies and initiatives to protect and responsibly manage the natural capital (detailed disclosures on our sustainability performance and impacts are available in our comprehensive Global Reporting Initiative report).

Our approach

The industry and the world face record-breaking temperature highs, rising sea levels due to melting ice sheets, ecosystem disruptions and their negative impacts on communities and increases in the frequency of extreme weather events. Recent natural disasters in KwaZulu-Natal, Eastern Cape and Western Cape caused death and catastrophic damage to homes, businesses and key infrastructure.

The aviation industry must address the environmental impacts of aircraft emissions, aircraft noise and fuel burn, air quality, environmental risks of on-the-ground facilities and operations and, in recent times, non-CO₂e emissions. ICAO's long-term global aspirational goal for international aviation builds on existing programmes targeted at limiting temperature increase by 1.5° Celsius and achieving net-zero carbon emissions by 2050 through sustainable aviation fuels, infrastructure and operations, new technologies and offsetting.

Why it matters

Aviation's contribution to global gas/particle emissions accounts for 3.5% and about 2% of carbon emissions, with expected growth in air traffic accentuating the need to decarbonise the sector.

ATNS takes seriously its responsibility to proactively manage its environmental impacts. Environmental protection calls for governance structures, strategic alignment, risk management processes and efficiently performed measuring, monitoring and evaluation actions.

We have developed programmes to manage direct and indirect impacts and integrate sustainable practices to protect natural resources, the communities we serve and our long-term business sustainability.

What we do

As an ISO 14001:2015 and a CANSO GreenATM level 2 accredited organisation, our daily operations minimise our environmental footprint and ensure sustainable practices. Our environmental programmes are aligned to our environmental management system, associated operational controls and the CANSO ATM programme.

Our initiatives are designed to prevent pollution and avoid, reduce or mitigate adverse environmental effects from ATM services. Sustainable resource use across the business value chain minimises our risks and enables us to explore new opportunities supporting climate change mitigation and adaptation to achieve the industry's net-zero by 2050, protect biodiversity and ecosystems and prevent pollution and degradation.

Initiatives include renewable energy pilots, carbon footprint reporting and improved ATM operations with fewer environmental impacts.

How we do it

Key highlights over the reporting period

CANSO GreenATM environmental accreditation

In the reporting period, the organisation was awarded level 2 CANSO GreenATM accreditation with particular recognition for environmental policy and planning, embedding an environmental culture and continued implementation and maintenance of the ISO 14001:2015 environmental management system that covers infrastructure, operations and services. Highlighted were efforts to improve ATM efficiency through flexible use of airspace, trajectory optimisation, performance-based navigation in en-route and terminal airspace, air traffic flow management and improved surveillance coverage.



ATNS, the ANSP in South Africa, was recently awarded level 2 in CANSO's GreenATM environmental accreditation programme.



ATNS hosted a GreenATM workshop to formally activate the internal task team responsible for sustainability implementation.

ISO 14001:2015 environmental management system

We conducted the first and second external surveillance audits, ending the three-year certification cycle. The audits assessed our ability to maintain the current ISO 14001:2015 certification status for head office and the Aviation Training Academy.

The system was implemented across other sites and will be the foundation of our bid for organisation-wide recertification.

In 2022, an environmental compliance assessment was conducted, focusing on findings emanating from the 2018 environmental compliance audits. Corrective actions are underway to address these issues.

Safety, health and environmental awareness sessions were held across all sites to embed environmental sustainability into the culture and to address potential non-conformances. Our annual sustainability and environmental communication plan commemorated environmental calendar days.

CANSO GreenATM is an accreditation programme to assess and recognise ANSPs's work in reducing environmental impact and advancing sustainable aviation.

ISO 14001:2015 is the environmental management system that guides organisations in the management of their environmental responsibilities and environmental performance improvement.

Managing natural resources

In preparation for the 2026/2027 to 2030/2031 permission, safety, health and environmental specifications were included to align capital and operational expenditures with environmental sustainability. This ensures that planning, procurement, implementation and decommissioning are considered in our CNS projects to reduce environmental impacts and optimise opportunities.

Initiatives underway to manage resources

Initiative	Objective	Status	Impact
Renewable energy	Lower dependence on national grid and provision of sustainable energy source	Feasibility studies completed at OR Tambo International Airport (aligned with ACSA precinct systems) and Aviation Training Academy	Lower long-term operational costs and sustainable energy source, enhancing the company's ESG profile while reducing its carbon footprint
Water conservation – rainwater harvesting	Conserving natural resources through promoting sustainable water usage	Feasibility studies completed at Aviation Training Academy for rainwater harvesting Water-from-air drinking water dispensers deployed at Chief Dawid Stuurman International Airport tower and plans to roll out in King Phalo and Umtata ATNS towers as well Water filtration system installed at some of our sites as well as low flow aerators	South Africa being a water scarce country, water conservation interventions implemented in the business alleviate the national pressure and provide long-term reliable and sustainable water availability for efficient use across the business

Initiative	Objective	Status	Impact
Upgrades to energy efficiency, energy management and building management systems	Energy and cost savings	<p>Processes towards achieving energy efficiency are underway with initiatives such as heating, ventilation and air conditioning optimisation, light-emitting diode (LED) lighting, smart meters, motion sensors, energy efficient equipment/appliances where needed</p> <p>At ATNS head office, all ground-floor lights have been changed to LED, with the reception installing high power spotlights and high energy parking bay lighting systems changed to LED</p> <p>Furthermore, motion sensors to switch lights on and off as needed have been installed</p> <p>Installed, among others, LED lighting, energy-saving equipment and motion sensors at King Shaka International Airport and other sites as part of 'greening' our buildings</p> <p>Alignment of CNS infrastructure deployment projects with energy efficiency objectives</p>	Lower carbon footprint by saving energy usage and adopting green building principles to enable more sustainable building maintenance with reduced environmental impacts
Waste management services	Enhance waste stream management	Pursue initiatives aimed at reducing waste from source and improving waste management through the sourcing of service providers and promotion of reuse and recycling	Reducing amount of waste going to landfills, promoting zero-waste approach as far as possible and accounting for each site's waste recycled quantity
Responsible consumption of resources	Paperless strategy promoting digitisation and reducing paper usage	<p>Approved paperless strategy as part of the digital transformation strategy</p> <p>Records management back-scanning and digitisation project to digitise all historic records</p> <p>Records management policy and procedure manual have been reviewed to align with the requirements of a paperless strategy</p>	Contributing to a paperless work environment by reducing paper usage and through converting physical documents and papers into digital formats, minimising reliance on paper-based records and promoting the use of digital technologies





Outlook

Our objectives will include:

- Maintaining our CANSO GreenATM accreditation and defining a roadmap for a 2050 net-zero carbon strategy
- Maintaining current ISO 14001:2015 certification and preparing for organisation-wide certification (excluding St Helena)
- Improving flight efficiency by integrating environmental considerations into procedure design as per ICAO guidelines and participating in the green aviation insights programme with industry peers
- Publishing our carbon footprint procedure aligned with global best practices such as the Task Force on Climate-related Financial Disclosures and the Carbon Disclosure Project
- Developing an environmental strategy, supported by net-zero 2050 roadmap and climate risk impact assessment and response plan
- Implementing renewable energy projects at OR Tambo International Airport, the Aviation Training Academy and King Shaka International Airport sites

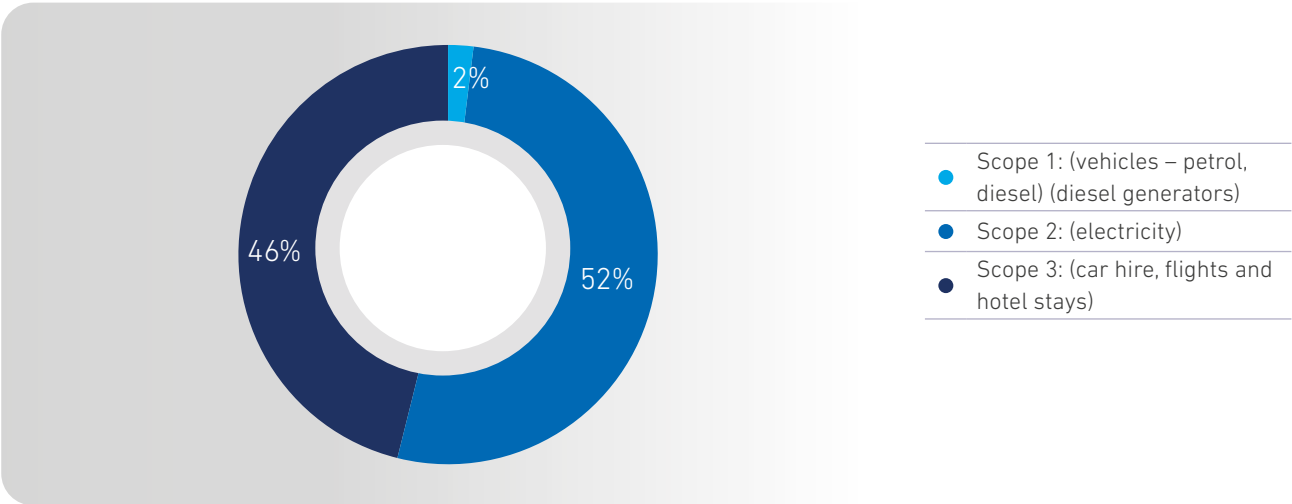
- Developing an energy management strategy aligned with ISO 50001:2018, including building retrofitting for energy efficiency
- Harvesting rainwater at the Aviation Training Academy
- Enhancing the collection of environmental metrics on electricity, water and waste to increase reporting transparency and align with global standards
- Enhancing education and awareness through e-learning, communication and change management initiatives to embed an environment-conscious culture
- Aligning corporate social investment programmes with environmental and climate change agendas, supporting sustainable development objectives.

Metrics performance

Key environmental indicators	2021/2022	2022/2023	2023/2024	2024/2025	Progress
Carbon emissions					
Total carbon inventory for the financial year	8 312.31	8 494.40	8 442.13	*15 898,85 (scope 3 reintroduced)	 The total carbon inventory for 2024/2025 has increased significantly by 84% due to the reintroduction of scope 3 emissions (business travel).
Scope 1 emissions - use of fuel	436.02	579.88	554.01	*360.74	 Scope 1 decreased by 35% due to reduced fuel consumption observed across all quarters, especially the first and third quarters when compared to the previous financial year.
Scope 2 emissions – electricity consumption	7 876.29	7 914.52	7 888.12	8 325.52	 Slight increase of 1% from previous year with increases observed across all sources i.e. head office, Eskom and municipalities, but excluding ACSA.
Scope 3 emissions - business travel (new)	-	-	-	7 212.60	 Reintroduction of business travel, elevating scope 3 emissions.

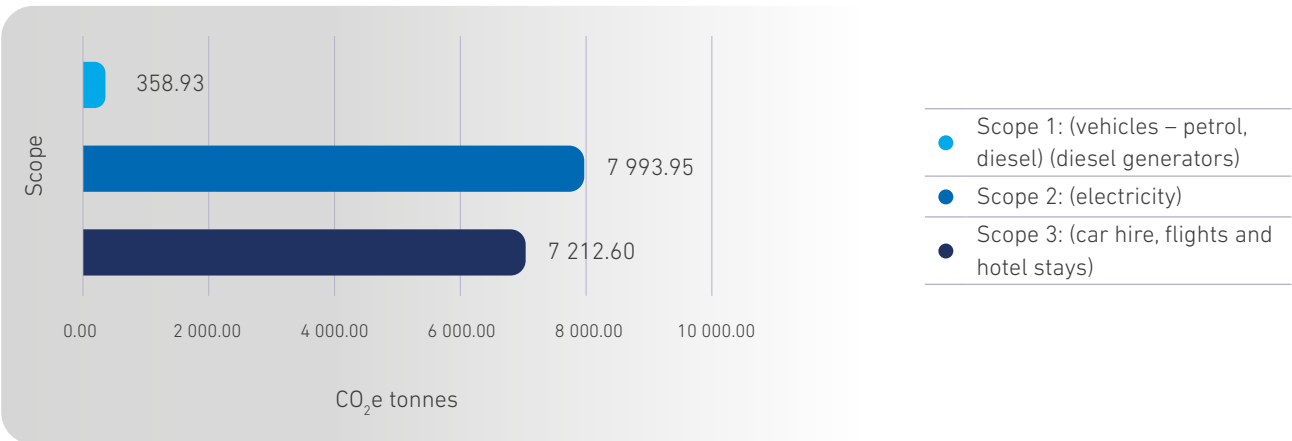
For the reporting period, scope 1, scope 2 and scope 3 emissions are included in the calculation. The total for the 2024/2025 amounts to 15 566.23, an increase of 84% compared to the previous financial year due to the reintroduction of business travel significantly increasing the total emissions.

Carbon footprint fourth quarter inventory, 2024/2025



Carbon footprint per scope

Annual carbon footprint 2024/2025



Annual carbon footprint per scope

Scope 2, purchased electricity, contributes most (52%) of the organisation's carbon footprint and is the key focus area for reduction measures as a reduction in scope 2 will significantly reduce our carbon footprint. Scope 3, being

from business travel (car hire, flights and accommodation) also has a significant contribution (46%). ATNS's travel policy incorporates sustainable travel policies that aim to address more responsible travel from employees.

Carbon footprint intensity

Carbon emission intensity generally refers to the emissions produced by a specific activity, serving as a tool to track improvements and intensity.

Specific to employees, organisations are able to understand the environmental impact related to the workforce size to be able to proactively track and improve employee carbon intensity related to workforce growth.

The intensity per ground floor area measures the environmental impact of a building's operations in relation to its size. This metric allows for the comparison of

improvements in efficiency over time, including aspects such as energy efficiency, resource conservation, building retrofitting, green design and employee behaviour aimed at reducing carbon footprint.

The carbon intensity for the reporting period is reflected below. An increase throughout the identified intensity measures was observed due to the increase in the annual emissions from the previous year compared to the current reporting period affecting all measures. The employees and square metres remained relatively constant. However, the significant changes in the emissions with scope 3 affected the intensity.

Emissions intensity	2023/2024	2024/2025
Overall annual fuel usage (Kl)	7.1	12.8
Overall annual electricity usage (MWh)	4.9	8.8

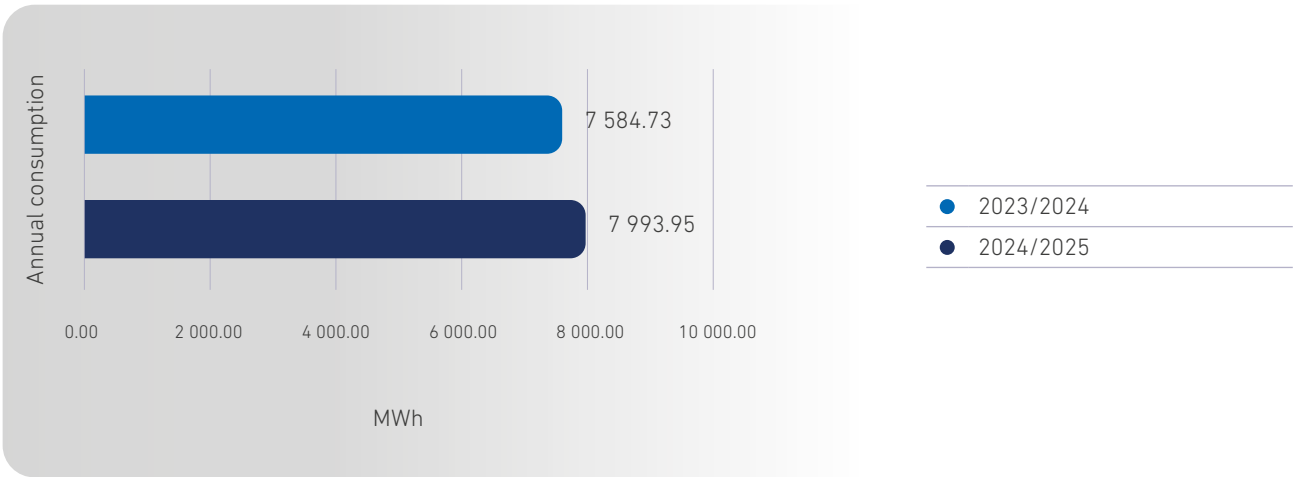
Energy management

Energy, particularly electricity management, is a key focus area for the organisation and prioritised due to the significant contribution of electricity consumption to the carbon footprint reporting.

The energy consumption for the reporting period is reflected below.

Key environmental indicators	2021/2022	2022/2023	2023/2024	2024/2025
Overall annual fuel usage (Kl)	162.34	215.65	211.57	137.76
Overall annual electricity usage (MWh)	7 721.85	7321.30	7 584.72	7 993.95

Annual electricity (MWh)



Annual electricity consumption comparison

The electricity consumption for the reporting period increased by 5% compared to the previous financial year and is affected by data collection challenges. However, the process to address the challenges and increase accuracy is underway to working towards developing baselines to be able to set informed reduction targets. Furthermore, for fuel, being petrol and diesel consumption for our vehicles and diesel generators, a decrease of 35% was experienced compared to previous consumption.

Social review

Our commitment to sustainable value creation extends to our interactions with stakeholders, as we understand that robust relationships are essential for our long-term success and a thriving aviation ecosystem (see page 42 for details on stakeholder engagement).

Here, we review our transformation, employment equity and corporate social investment initiatives and progress (detailed disclosures on our sustainability performance and impacts are available in our comprehensive Global Reporting Initiative report).

Transformation

Through its aviation transformation strategy, ATNS commits to eliminating monopolies in the supply chain of materials, equipment technologies, systems and other areas in aviation and related industries to ensure broad-based participation by black South Africans.

As a state-owned ANSP, ATNS plays a developmental role in deepening the currently shallow pool of small, medium and micro enterprises for the aviation sector. We are often compelled to procure outside the country when partnering with local small businesses is preferable. Hence our contribution to nurturing diverse and sustainable enterprises with the potential to create employment.

Two such enterprises were developed during 2024/2025. A radar testing tool was procured to allow one to broaden its business prospects, as it currently works with a multinational company. The other was contracted in the area of unmanned aircraft.

During the reporting period, the ATNS transformation strategy was approved, comprising two pillars, namely internal transformation and external transformation. The first covers employment equity, ensuring that ATNS reflects the demographics of the country, including women representation. External efforts include the work we do with small, medium and micro enterprises to contribute to transforming the sector and retain our B-BBEE level 2 certification.

The ATNS Women's Day Breakfast Series 2024 promoted gender diversity and inclusivity in the traditionally male-dominated aviation sector. Breakfast events were held in Gauteng, KwaZulu-Natal, Western Cape, Eastern Cape and Free State, giving 241 female aviation professionals and staff members a platform to share stories of overcoming challenges and personal development under the theme 'Rebuild, strengthen, resilience and transformation'.

Corporate social investment

At ATNS, we believe that true corporate excellence extends beyond operational performance into an unwavering commitment to uplift the communities we serve and contribute meaningfully to South Africa's socioeconomic transformation. Our corporate social investment initiatives represent more than mere compliance – they embody our philosophy of shared prosperity and collective growth.

During 2024/2025, we strategically positioned our investments to address the most pressing challenges facing our nation while strengthening our commitment to maintaining our level 2 B-BBEE contributor status.

Addressing national imperatives

Our social investments contribute meaningfully to five key goals of the NDP:

- Economy and employment – creating opportunities that foster economic participation
- Environmental sustainability and resilience – building a sustainable future for all
- Improving education, training and innovation – investing in human capital development
- Social cohesion – strengthening the fabric of our communities
- Food security – supporting initiatives that address hunger and malnutrition.

During the review period, an investment of R2.3 million facilitated the expansion of our impact across communities throughout the region, spanning from KwaZulu-Natal to North West:

Thete Secondary School, North West

We improved education at Thete Secondary School by refurbishing and expanding its computer laboratory, seamlessly integrating it with a state-of-the-art science laboratory. This innovative learning space now provides students with hands-on science exercises that bridge theoretical knowledge with practical application, preparing them for careers involving science, technology, engineering and mathematics.

Seemahle Secondary School, Free State

We installed a comprehensive chemical waste disposal service to ensure safe laboratory practices and educate learners about environmental stewardship and responsible scientific conduct.

ATNS National Winter School

Our flagship National Winter School brought together 22 exceptional learners from all nine provinces for an intensive four-day aviation programme. Our support included comprehensive travel arrangements, comfortable lodging, nutritious catering, transportation and specialised tutor training to create a platform for young South Africans to explore careers in aviation and ATM.

Nelson Mandela Day, Gauteng

In the spirit of Ubuntu, our staff voluntarily donated clothing, toys and educational books to the Orange Farm Children's Home.

Project for the visually impaired (national)

Our groundbreaking aviation law workshop reflects our commitment to inclusivity and accessibility. Designed for LLB

and BCom Law graduates with visual impairments (five from Gauteng, three from KwaZulu-Natal and two from Limpopo), this initiative provided comprehensive learner guides, workbooks and intensive training at the Aviation Training Academy from 11 to 15 November 2024.

Staff-driven relief programmes

Through strategic engagement with the Corporate Social Investment Committee, employees identify specific community needs and develop targeted, sustainable solutions. These initiatives are supported by a dedicated budget allocation that enable staff members to address community requirements. These community investment interventions are typically coordinated through established programmes such as Nelson Mandela Day, ensuring structured and impactful delivery.

Orange Farm Children's Home, Gauteng

Our comprehensive support package provided 60 three-quarter beds with high-quality bedding (sheets, pillows and covers), an industrial washing machine, 60 pairs of school shoes, schoolbags and essential stationery. This addresses both basic and educational needs, creating an environment in which children can focus on learning and personal development.

National back-to-school campaign

Our nationwide back-to-school campaign distributed sanitary towels and branded backpacks to various schools, addressing both health and educational needs. This initiative recognises that learning cannot occur when basic dignity and preparedness needs are unmet.

Conclusion

Initiatives such as these continue to enhance our reputation as a responsible corporate citizen with which public- and private-sector stakeholders can be proud to collaborate. Beyond compliance, these investments represent our commitment to transformation, sustainability and shared prosperity.

Governance

Good corporate governance is the cornerstone of everything we do at ATNS as it symbolises our commitment to ethics, integrity and responsibility while facilitating transparency and building trust with our stakeholders. We strive to build sustained long-term value rooted in ensuring the safety, efficiency and reliability of our services.

Our governance philosophy

Our governance approach is anchored in core values and principles, including responsiveness, collaboration, transparency, integrity and accountability. Over the past year, the board actively implemented corporate governance policies that integrate corporate strategy, risk management and ethical business practices.

Our governance relationship with our shareholder, the Department of Transport, is governed by the shareholder's compact, which outlines the commercial and developmental requirements and expectations of the Minister of Transport.

Our King IV™ journey

The board recognises the link between effective governance, sustainable performance and creating long-term value for all stakeholders. It is committed to transparency, integrity, fairness and accountability and recognises the need to implement good corporate governance principles. The board supports the goals of the King IV™ Report on Corporate Governance for South Africa and annually assesses the application of recommended practices.

The board

ATNS has a single-tier board that oversees and controls its activities. The memorandum of incorporation, read with the board charter and delegation of authority, sets out the board's responsibilities and provides for the delegation of authority while enabling the board to retain effective control of the organisation. The board delegates its authority through clearly defined mandates to established board committees and the CEO.

Independent, non-executive directors are appointed by the shareholder. In addition, the CEO and CFO (the executive directors) are board members.

To ensure no individual has unfettered powers of decision-making and authority, the roles of the chairman and CEO are separate and well defined in our governance framework.

The board provides a clear strategic direction to the organisation and ensures adequate succession planning at senior levels. It routinely reviews operational performance, policies and processes that ensure the integrity of our risk management and internal controls. The board is the focal point for corporate governance.

Board composition

The size and composition of the board are subject to the Air Traffic Services Company Act 45 of 1993, the memorandum of incorporation, legislative and regulatory requirements and King IV™.

Non-executive directors are appointed for three years, subject to retirement by rotation at the annual general meeting, and may be available for reappointment on the expiration of the term. However, no non-executive director may be appointed for more than two consecutive terms.

During the review period, in accordance with the memorandum of incorporation – which requires the board to have no fewer than three and no more than 12 directors – the board comprised 11 directors, one of whom resigned in January 2025 and a second in February 2025 (director profiles appear on pages 23 to 26).

All board appointments are made on merit according to the skills, experience, independence and knowledge the board requires to be effective.

Changes to the board

Precious Sibiya resigned as a director on 31 January 2025 and Princess Mangoma resigned on 3 February 2025. Doris Dondur was appointed a non-executive director subsequent to the period under review from 26 June 2025.

Management changes

The Minister issued a ministerial order in terms of section 10 of the Air Traffic and Navigation Services Company Act, 1993 for the board to place the CEO Nozipho Mdawe, on

precautionary suspension. The CFO Matome Moholola was subsequently appointed acting CEO.

Nozipho Mdawe will remain on suspension pending the finalisation of the investigation and its outcomes.

Board meeting attendance

During the year under review, the board held additional meetings to address ATNS challenges and to monitor the implementation of the recommendations made by the Ministerial Intervention Team.

Board annual general meeting and strategy sessions

	Annual general meeting 6 September 2024	Strategy session 11 September 2024	Strategy session 21 November 2024	Strategy session 22 November 2024	Strategy session 16 January 2025
Zola Majavu (Chair)	✓	✓	✓	✓	✗
Ameen Amod	✓	✓	✓	✓	✓
Chris Burger	✓	✓	✓	✓	✓
Khulile Boqwana	✓	✓	✓	✓	✓
Dr Malindi Neluheni	✓	✓	✓	✓	✓
Major-General (retired) Nhlanhla Ngema	✓	✓	✓	✓	✓
Nomathemba Kubheka	✓	✓	✓	✓	✓
*Precious Sibiya	✓	✓	✗	✓	
*Princess Mangoma	✓	✓	✓	✓	
Siyabonga Gcina Kudumela	✓	✓	✓	✓	✓

*Note: Precious Sibiya resigned as a director on 31 January 2025
Princess Mangoma resigned as a director on 3 February 2025

Director	Board meetings
Zola Majavu (Chair)	7/7
Ameen Amod	7/7
Chris Burger	7/7
Khulile Boqwana	7/7
Major-General (retired) Nhlanhla Ngema	7/7
Nomathemba Kubheka	7/7
Dr Malindi Neluheni	6/7
*Precious Sibiya	5/7
*Princess Mangoma	6/7
Siyabonga Gcina Kudumela	7/7

*Note: Precious Sibiya resigned as a director on 31 January 2025

Princess Mangoma resigned as a director on 3 February 2025

Governance of ethics

The board's approach to the governance of ethics is firmly established through comprehensive ethics policies, a code of conduct and an approved code of ethics. This creates the foundation for a strong ethical culture within the organisation, guiding employee behaviour, decision-making and corporate conduct.

Ethics policies such as conflict of interest and gift policies contribute directly to the King IV™ principle of ethical and responsible leadership by providing a framework for ethical decision-making and conduct. The code of conduct embodies the company's values and expectations, also reflecting the aforementioned King IV™ principle. It outlines specific behaviours and actions that align with the principles of fairness, inclusivity and stakeholder engagement. The ATNS code of ethics articulates the company's values and principles set out by the board, serving as a guiding document for ethical decision-making. It supports King IV™ principles of ethical leadership, fairness and stakeholder focus.

ATNS demonstrates its commitment to good governance and responsible corporate citizenship through a multifaceted

approach to ethics. A dedicated ethics function implements the ethics management plan, which plays a crucial role in fostering a culture of integrity, accountability and ethical conduct throughout the organisation.

ATNS's Social and Ethics Committee supports King IV™ principles and the Companies Act. It provides essential oversight of the company's social and ethical performance, including its impact on stakeholders and communities. This role aligns directly with King IV™'s emphasis on fairness, inclusivity and stakeholder engagement, reinforcing ATNS's dedication to upholding the highest standards of ethical practice.

Board training and development

To ensure robust governance and compliance, the board received comprehensive training on being a director and on the Protection of Personal Information Act.

A risk workshop was held on 16 January 2025. Additionally, all board members were registered with the Institute of Directors in South Africa during 2024 to support their ongoing professional development.

Board and committee evaluation

Performance assessments of the board and its committees are conducted every two years. As this report was being finalised, the latest performance assessment was in progress.

Key board matters and activities during the year under review

- Talent management
- Operational efficiencies
- Information technology security
- Safety standards and assurance
- 2024 wage labour negotiations
- ATNS strategy 2026
- Board charter and committees' terms of reference
- Approval of the audited annual financial statements for the year ended 31 March 2025, including:

- o Consideration and confirmation that the entity is a going concern, assessment of solvency and liquidity and recommendation that it did not declare a dividend for the financial year
- o Approval of directors' report
- o Acceptance of independent auditors' report
- o Acceptance of the Audit and Risk Committee report
- o Approval of the 2024/2025 annual integrated report in line with legislative requirements.

* Approval of:

- Policies to strengthen policy environment and internal controls
- The 2025/2026 corporate social investment research strategy review
- Acceptance of the auditor's management letter for the 2024/2025 audit
- Department of Transport quarterly performance reports
- 2025/2026 to 2027/2028 corporate plan
- Policies to strengthen policy environment and internal controls
- Fraud management plan, 2025/2026 strategic risk register
- Statutory requirements in terms of the PFMA.

Future focuses

- Strategy 2030
- 2025/2026 to 2027/2028 corporate plan
- Infrastructure maintenance and upgrading
- Finalising organisational design implementation
- Financial sustainability
- Regulatory compliance
- Combined assurance
- Risks and opportunities of artificial intelligence and other disruptive technologies
- Talent retention in response to skills shortage, which includes employment practices, safety, compensation, skills development, succession planning and wellbeing
- Risk management oversight
- Governance and other ESG matters
- Technology, climate risk and cybersecurity.

Board committees

The responsibilities delegated to each board committee are formally documented in their terms of reference, which were approved by the board and are reviewed at least annually. All board committees have clear roles and responsibilities as outlined in their committee charters. The board ensures efficient running of committees through:

- Effective collaboration through cross-membership
- Balanced distribution of power
- Required levels of independence
- Necessary knowledge, skills, experience and capacity to execute their duties effectively.

The board delegates authority to established board committees, as indicated in the governance structure on page 22.

Audit and Risk Committee

The Audit and Risk Committee is a statutory committee of the board, established in terms of the PFMA and the Companies Act. Its mandate is crucial in overseeing the effectiveness of governance across functions including finance, compliance, information technology, internal audit and risk management.

The committee works independently with external and internal assurance providers to review the integrity of the annual financial statements and the annual integrated report. It also assesses the performance and independence of the Chief Audit Executive, evaluates the finance function and undertakes other duties delegated by the board.

Committee meeting attendance

Director	Committee meetings
*Precious Sibiya (Chairman)	4/4
*Ameen Amod	4/4
Khulile Boqwana	4/4
*Princess Mangoma	4/4

Precious Sibiya resigned on 31 January 2025

Princess Mangoma resigned on 3 February 2025

Ameen Amod was appointed interim chairman on 17 February 2025

Siyabonga Gcina Kudumela was appointed committee member on 18 April 2025

Key committee matters and activities during the year under review

- Financial performance reporting and monitoring
- Strategic risk management reporting and monitoring
- Reviewed financial budgets and recommended them to the board for approval
- Periodically reviewed the financial performance of the company
- Recommended financial statements to the board for approval
- Assessed the effectiveness of the finance function, the Chief Audit Executive and the independence of assurance providers
- Reviewed and approved the internal annual and three-year audit rolling plans
- Reviewed and approved external audit plans and audit fees
- Assessed the company's going-concern status
- Reviewed risk management processes, risk management effectiveness, the key risks facing the business and the company's response to these
- Reviewed compliance with legislation and approved legal reports
- Monitored irregular, wasteful and fruitless expenditure
- Monitored the audit improvement plan to close the external audit findings from the previous financial year
- Approved the audit strategy for 2024/2025, internal audit, risk appetite and tolerance framework and the risk management and fraud risk management plans for 2025/2026
- Approved the Audit and Risk Committee report for inclusion in the integrated report
- Reviewed and recommended policies to the board for approval
- Reviewed the committee's terms of reference and recommended them to the board for approval
- Approved the compliance strategy, including plans.

Future focuses

- Financial sustainability
- Financial performance monitoring and reporting
- Strategic risk management monitoring and reporting
- Evolving threats that demand a significant rethink of the risk oversight approach
- Internal audit talent resources
- Finance resources
- Reviewing of measures to improve the internal control environment
- Ever-evolving regulatory and reporting requirements
- Aligning finance processes and operations with the organisation's mission and goals
- Audit quality and transparency to ensure important matters are disclosed
- Oversight of corporate culture.

*Finance transformation involves aligning the organisation's financial processes and operations with its mission and goals, while audit quality must be disclosed for transparency.

Strategic Programmes, Information and Technology Committee

The committee oversees supply chain management processes and procurement, including identifying potential risks. It ensures that all expenditures at ATNS adhere to established delegation of authority levels. The committee supported the board in setting targets for the black economic empowerment balanced scorecard in accordance with B-BBEE codes, thereby advancing the board's transformation goals.

The committee also oversees the effective implementation of ATNS's business operations, growth strategy and research initiatives, ensuring alignment with laws and best practices. It provides guidance on the establishment and management of a business structure for non-regulated activities and monitors operational risks and opportunities.

Committee meeting attendance

Director	Committee meetings
*Princess Mangoma (Chairman)	6/6
Chris Burger	6/6
Dr Malindi Neluheni	6/6
Siyabonga Gcina Kudumela	6/6

Princess Mangoma resigned on 3 February 2025

Dr Malindi Neluheni was appointed Chairman on 7 February 2025)

Major-General (retired) Nhlanhla Ngema was appointed a committee member on 27 May 2025

Key committee matters and activities during the year under review

- Review of strategic projects, including approval and/or recommendation to board for approval

- Review of investment projects
- Review of the committee's terms of reference
- Recommending quarterly operations report to the board for noting
- Discussed and noted the Department of Transport's quarterly submissions
- Discussed and noted safety and standards assurance report
- Discussed and noted quarterly reports on projects below R50 million
- Discussed and noted quarterly reports on deviations, expansions and variations
- Discussed and noted quarterly reports on information and operational technology governance
- Discussed and noted the non-regulated business performance review and implementation of growth strategy
- Discussed and noted report on the implementation of the research and development strategy
- Reviewed the procurement plan for 2025/2026
- Discussed and noted the transformation report (B-BBEE pillars).

Future focuses

- Permission application
- Cybersecurity
- Strategic projects and enterprise resource planning
- Revised strategic risk reporting and continuous monitoring of the risks this may reveal
- Development and implementation of artificial intelligence technologies
- Remote access towers technologies.

Social and Ethics Committee

The Social and Ethics Committee is constituted in terms of section 72(4) of the Companies Act.

The committee oversees ATNS's social, ethical and economic development matters. It is dedicated to promoting employment equity, preventing unfair discrimination and tackling corruption while advancing transformation in the aviation industry.

It supports the board in discharging its oversight responsibilities on how ATNS does business according to its values, ethical standards and social responsibility monitored through the company's corporate social investment initiatives. As per the Companies Act, the committee's duties include overseeing social and economic development, corporate citizenship, environment, health and public safety, consumer relationships and labour and employment.

In 2024/2025, the committee focused on key areas such as reviewing and monitoring initiatives to promote equality and reduce discrimination, aligning B-BBEE policies with national codes and overseeing stakeholder relationships concerning social and economic development. The committee also evaluated legal compliance frameworks, monitored safety and health strategies and assessed the impact of ATNS's operations on society and the environment.

Committee meeting attendance

Director	Committee meetings
Major-General (retired) Nhlanhla Ngema (Chairman)	3/3
Ameen Amod	3/3
Dr Malindi Neluheni	3/3
Nomathemba Kubheka	3/3
Siyabonga Gcina Kudumela	3/3

Key committee matters and activities during the year under review

- Provided oversight and advisory support on ATNS's social and economic development, ethics, transformation, sustainability, corporate citizenship, environment, health, public safety, stakeholder relationships, labour and employment matters
- Oversaw ethics management and the implementation of the ethics management plan
- Reviewed governance documents and policies and recommended them to the board for approval
- Monitored progress of the implementation of the stakeholder engagement strategy and stakeholder reporting, including consideration of stakeholder risks
- Considered social environment and corporate citizenship activities contributing to donations, charitable giving and socioeconomic development
- Monitored implementation of transformation initiatives
- Reviewed the committee's terms of reference and recommended them to the board for approval
- Reviewed and recommended non-financial disclosures contained in the integrated annual report to the board for approval
- Considered the implications of the Employment Equity Amendment Bill, effective 1 September 2023
- Reviewed and reported to the board on ATNS's detailed B-BBEE strategy, targets and budget and progress made, aligned to the scorecard
- Reviewed and reported to the board on ATNS's employment equity performance set out in the annual employee equity report submitted to the Department of Labour and Employment
- Reviewed and ensured that employment equity targets agreed with the Department of Labour and Employment in the context of broader diversity objectives.

Future focuses

- Oversight of corporate culture, from an ethics perspective
- Adoption and oversight of the revised ethics management plan
- Consider ATNS corporate citizenship contributions, including the development of communities and environmental initiatives
- Effective stakeholder management
- Oversee the implementation of the sustainability and environmental frameworks, strategy and plan
- Recommend and approve corporate social investment projects and budget
- Oversee ATNS transformation strategy to maintain level 2 B-BBEE status.

Remuneration and Human Capital Committee

The committee plays a crucial role in informing the board about executive appointments, terminations and promotions. It also monitors the effectiveness of company-wide succession plans, including for the CEO position. The committee's oversight ensures that human capital management aligns with regulatory requirements and supports the strategic goals of ATNS.

Committee meeting attendance

Director	Committee meetings
Khulile Boqwana (Chairman)	4/4
Chris Burger	4/4
Major-General (retired) Nhlanhla Ngema	4/4
Nomathemba Kubheka	4/4
*Precious Sibiya	4/4

*Precious Sibiya resigned on 31 January 2025

Key committee matters and activities during the year under review

- Discussed and recommended guidelines on human capital management
- Reviewed and recommended for approval by the board the committee's terms of reference
- Discussed and noted the future-fit workforce
- Discussed and noted the 2024/2025 corporate balanced scorecard performance report
- Noted and discussed the wage negotiations process and progress, headcount, available vacancies and exits
- Monitored compliance with labour-related legislation, including the Employment Equity Act
- Discussed and noted the directives converted into policies
- Approved and guided key human capital policies, monitored compliance with employment laws and guided employment equity strategies
- Ensured effective talent management processes, including succession planning and career progression
- Ensured market-related remuneration and assessed company incentive schemes and fringe benefits

- Monitored regular reviews of industry best practices in remuneration
- Followed board-approved human capital policies
- Reviewed the effectiveness of the Aviation Training Academy's operations.

Future focuses

- Continued oversight on alternative rewards structures and retention mechanisms as part of an enhanced rewards strategy for high-performing employees and scarce and critical skills
- Review of performance measurement criteria for executive management and other employees, salary and wage negotiations
- Oversight of succession planning for executive management and senior leadership
- Review pay equity (equal pay for equal work).

The Company Secretary

The Company Secretary guides the board in fulfilling its regulatory responsibilities. Directors have unrestricted access to the advice and services of the Company Secretary, who is instrumental in ATNS's corporate governance policies and processes. The Company Secretary ensures that the proceedings and affairs of the board and shareholders are properly administered in accordance with laws. The Company Secretary monitors directors' dealings in securities and ensures compliance with closed periods. She attends all board and committee meetings.

In line with King IV™, the performance and independence of the Company Secretary are evaluated annually. During the year under review, Ditebogo Khumalo was the Company Secretary until 31 December 2024. Donald Mapulana was appointed acting Company Secretary from 1 February 2025 until 30 April 2025. Nobuhle Sibeko was appointed Company Secretary from 1 May 2025.





Annexures

King IV™ application register

Air Traffic and Navigation Services SOC Limited
(Registration number: 1993/004150/30)

King IV™ Report on Corporate Governance for South Africa – application register

The register provides a high-level summary of how ATNS applies and responds to King IV™ principles with references to the disclosure areas in its 2024/2025 integrated report.

Application of King IV™ principles		Current status and reference to disclosure in our integrated report
Leadership, ethics and corporate citizenship		
Leadership		
Principle 1	The board should lead ethically and effectively	
	<p>The board of ATNS is committed and subscribes to the good governance principles set out in King IV™. The directors have the necessary skills and competence to discharge their responsibilities, provide strategic direction and lead the company as provided for in the board charter and the company’s memorandum of incorporation.</p> <p>The board operates in terms of its board charter. Its effectiveness and that of its committees are assessed annually through a formal process and concerns are addressed through appropriate tools and interventions. The board, supported by the Company Secretary, oversees and monitors compliance with statutory requirements and approved organisational policies.</p>	Applied
Organisational ethics		
Principle 2	The board should govern the ethics of the company in a way that supports the establishment of an ethical culture	
	<p>The board, through the Social and Ethics Committee, has oversight of and monitors ATNS activities in governance of ethics and ensures that it is integrated and embedded in the operations and culture of the organisation. The office of the Company Secretary supports the board and the company with the ethics management programme.</p>	Applied

Application of King IV™ principles**Current status and reference to disclosure in our integrated report**

The board demands high standards of ethical conduct at ATNS and its dealings with stakeholders. This is manifested through policies it approves from time to time. Management of and operational approach to fraud, corruption and ethics-related investigations are covered in the fraud, corruption and ethics whistleblowing procedure. Actions to deal with corruption and bribery and guidelines on receiving and giving of gifts are addressed by regularly reviewed policies.

The board monitors whistleblowing reporting through the Audit and Risk Committee, which receives the report for information on ethics matters. This informs focus areas on ethics programmes for the organisation. The governance risk and compliance, internal audit and risk departments are the internal assurance providers that facilitate ethical outcomes in the company's activities.

Ongoing training to strengthen and entrench a culture of ethics across ATNS is facilitated for all employees via governance week, brown-bag sessions and departmental fraud risk management training. The whistleblowing hotline is managed by an external service provider and the number is accessible to all employees.

Responsible corporate citizenship**Principle 3 The board should ensure that the company is and is seen to be a responsible corporate citizen**

ATNS has implemented initiatives and programmes to ensure that it promotes and protects the environment and maintains the health and safety of its stakeholders. ATNS is a good corporate citizen committed to improving the quality of life of the communities in which it operates. This is done through the coordination and execution of the company's corporate social investment initiatives.

Applied

Application of King IV™ principles		Current status and reference to disclosure in our integrated report
Strategy, performance and reporting		
Strategy and performance		
Principle 4	<p>The board should appreciate that the company's core purpose, its risks and opportunities, strategy, business model, performance and sustainable development are all inseparable elements of the value creation process</p> <p>The strategy, which is aligned to the company's core purpose and business model, taking into account the emerging risks and opportunities, is formulated by the Executive Committee and approved by the board. To ensure sustainable value creation for the company and its stakeholders, the board approved strategic objectives that are broken into the six capitals, namely natural, social and relationship, human, intellectual, manufactured and financial. These capitals demonstrate the extent to which ATNS is concerned with people, the planet and its business.</p> <p>The board remains responsible for ensuring that the approved strategy is implemented and that the company's purpose is fulfilled. The board also ensures that risks are adequately identified, measured, managed and monitored and that good governance is maintained. The board discharges its duty through policies and frameworks supported by its committees.</p> <p>The board concludes an annual shareholder's compact with the Minister of Transport and agrees on key performance indicators that are monitored and reported on quarterly to the shareholder.</p>	Applied
Reporting		
Principle 5	<p>The board should ensure that reports issued by the company enable stakeholders to make informed assessments of the company's performance and its short-, medium- and long-term prospects</p> <p>The ATNS integrated report is based on regulatory requirements and the International Integrated Reporting Framework. The board oversees the integrity and completeness of the integrated report. The report provides appropriately balanced business and sustainability reporting in line with King IV™ principles while meeting the information needs of diverse stakeholders.</p> <p>The board, through the Audit and Risk Committee, ensures that controls are in place to verify and safeguard the integrity of the annual financial statements, the integrated report and all other disclosures. The Strategic Programmes, Information and Technology Committee supports the board by ensuring that quarterly reporting to Department of Transport is accurate. The company complies with all required disclosures. In addition, the external audit and internal audit provide assurance on the reporting and disclosure process.</p>	Applied

Application of King IV™ principles		Current status and reference to disclosure in our integrated report
Primary role and responsibilities of the board		
Principle 6	The board should serve as the focal point and custodian of corporate governance in the company	
	<p>The board is the focal point and custodian of corporate governance. It is regulated by the memorandum of incorporation and the board charter. Its committees are regulated by terms of reference that set the parameters within which they operate by defining the powers, roles and governance responsibilities, membership requirements, procedural conduct structure and board processes as well as the process to be followed to obtain independent, external advice. The board charter and the committee terms of reference are reviewed annually.</p> <p>The board convenes meetings quarterly during the financial year and has subcommittees that report to it regularly. The company's governance framework and corporate governance practices are disclosed in the integrated report.</p>	Applied
Composition of the board		
Principle 7	The board should comprise the appropriate balance of knowledge, skills, experience, diversity and independence for it to discharge its governance role and responsibilities objectively and effectively	
	<p>The appointment of ATNS board members is formal and transparent. The board is appointed in terms of section 7 the ATNS Act 45 of 1993. The Minister appoints non-executive directors, considering governance requirements of knowledge, skills, experience, diversity and independence, to enable the board to discharge its governance role and responsibilities objectively and effectively.</p> <p>Non-executive directors serve a three-year fixed term. The memorandum of incorporation requires that a third of directors retire by rotation at the annual general meeting and are eligible for re-election by shareholders. The board consists mostly of independent, non-executive directors, with two executive directors, the CEO and CFO. During its annual assessment, the board reviews its skills to ensure that it is able to efficiently discharge its governance role and responsibilities.</p>	Applied

Application of King IV™ principles	Current status and reference to disclosure in our integrated report
Principle 8 The board should ensure that 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	
<p>The board and its committees apply the principles of good governance. There is a clear balance of power to ensure that no individuals have undue decision-making powers.</p> <p>Board committees are appropriately constituted and have formal terms of reference that clearly outline the roles and responsibilities of the committees. These are established and approved for each committee and reviewed annually.</p> <p>An approved delegation of authority policy is applied. The board is satisfied that the delegation of authority framework contributes to clarity and effective exercise of authority and responsibilities.</p> <p>The board discharges its duty through policies and frameworks and is supported by the following committees:</p>	<p>Applied</p>
<p>Audit and Risk Committee</p> <p>The Audit and Risk Committee is established in line with King IV™ recommendations. It is constituted as a statutory committee of the company in terms of section 94(7) of Companies Act 2008.</p> <p>This committee has formal terms of reference that clearly outline its mandate. ATNS, being a state-owned company, is governed by the ATNS Act and the PFMA. Members of the committee collectively have the necessary financial literacy and appropriate skills and experience. The committee chairman is an independent, non-executive director. The committee meets with the internal auditors and external auditors in a closed session.</p> <p>It performs the functions set out in the Companies Act and the PFMA. It considers the going-concern status of the company, the integrity of the annual financial statements and sustainability matters forming part of the integrated report as well as the independence of external auditors. The Audit and Risk Committee reviews the annual financial statements and recommends these to the board for approval.</p> <p>Processes and structures have been implemented to assist the committee in providing oversight and ensuring the integrity of financial reporting and internal control.</p>	<p>Applied</p>

Application of King IV™ principles		Current status and reference to disclosure in our integrated report
Committee responsible for nominations of members of the governing body		Explained
Members of the governing body are nominated and appointed by the shareholder in terms of the Principal Act. The board comprises non-executive members and executive directors, the CEO and CFO, who are appointed by the board.		
Committee responsible for risk governance		Applied
The Audit and Risk Committee is responsible for risk governance.		
Committee responsible for remuneration		Applied
The Remuneration and Human Capital Committee is responsible for oversight of remuneration.		
Committee responsible for social and ethics matters		Applied
The Social and Ethics Committee oversees and reports on ethics, responsible corporate citizenship, sustainable development and stakeholder relationships. It is also responsible for execution of statutory duties set out in the Companies Act.		
Evaluations of the performance of the governing body		
Principle 9	The board should ensure that the evaluation of its own performance and those of its committees, its chair and its individual members support continued improvement in its performance and effectiveness	
	The performance of the board and its committees is evaluated annually. The evaluation for 2024/2025 was delayed due to a change in process. However, the exercise should be finalised during the 2025 calendar year.	Applied
Appointment and delegation to management		
Principle 10	The board should ensure that the appointment of, and delegation to, management contribute to role clarity and the effective exercise of authority and responsibilities	
	The board's approved delegation of authority policy outlines the approval levels or limits. It has reserved specific powers for its decision-making and delegated certain powers to management. The board reviews the delegation of authority every second year unless there are operational requirements that warrant an earlier review.	Applied
	The board is satisfied that ATNS is appropriately resourced and that its delegation to management contributes to an effective arrangement by which the authority and responsibilities are exercised.	

Governance functional areas		Current status and reference to disclosure in our integrated report
Risk governance		
Principle 11	<p>The board should govern risk in a way that supports the company in setting and achieving its strategic objectives</p> <p>The board is ultimately accountable for the governance of risk and opportunity. The responsibility for risk oversight by the board is assigned by the board charter and is outlined in the board-approved risk management policies. Risks and opportunities are identified, rated and monitored. An annual board workshop is conducted to review strategic risks and these are monitored quarterly through committees. Internal audit annually audits the risk management process.</p> <p>The Audit and Risk Committee is an integral component of the risk management process.</p>	Applied
Technology and information governance		
Principle 12	<p>The board should govern technology and information in a way that supports the company setting and achieving its strategic objectives</p> <p>The board has approved the information technology strategy and its implementation roadmaps. Responsibility for implementation was delegated to management and is monitored through the information technology governance report presented to the Audit and Risk Committee and the board quarterly. This evaluates management's performance on the five governance processes outlined in the control objectives for the information and related technologies framework. The internal audit function provides assurance to the Audit and Risk Committee on information technology internal controls.</p>	Applied
Compliance governance		
Principle 13	<p>The board should govern compliance with applicable laws and adopted, non-binding rules, codes and standards in a way that supports the company being ethical and a good corporate citizen</p> <p>ATNS has systems to ensure compliance with all applicable laws, regulations, codes and standards. The board provides a statement in the integrated report confirming that it is satisfied with ATNS compliance. The board monitors compliance with legislation and regulations through the Audit and Risk Committee, which receives regulatory and compliance reports quarterly.</p>	Applied

Governance functional areas		Current status and reference to disclosure in our integrated report
Remuneration governance		
Principle 14	The board should ensure that the company remunerates fairly, responsibly and transparently so as to promote the achievement of strategic objectives and positive outcomes in the short-, medium- and long term	
	Non-executive directors are remunerated according to the approved fee schedule approved by the shareholder.	Explained
	The Remuneration and Human Capital Committee, on behalf of the board, assumes responsibility for the governance of remuneration by setting the direction on how remuneration should be approached and addressed organisation wide. Remuneration of executive management is disclosed in the integrated report. The board approves the remuneration policy.	Applied
Assurance		
Principle 15	The board should ensure that assurance services and functions enable an effective control environment, and that these support the integrity of information for internal decision-making and of the company's external reports	
	ATNS maintains an internal financial control system to provide assurances on the maintenance of proper accounting records and the reliability of financial information used within the business and for publication. The system contains self-monitoring mechanisms and actions are taken to correct deficiencies as they are identified.	Applied
	A combined assurance approach assists in controlling the key risks facing the company. These risks and their mitigants are identified and controlled by management, within a risk framework determined by the board, and the process is monitored and evaluated by both risk and internal audit functions. Where appropriate, the traditional three lines of defence have been expanded as recommended in King IV™.	

Stakeholder relationships		Current status and reference to disclosure in our integrated report
Stakeholders		
Principle 16	<p>In the execution of its governance role and responsibilities, the board should adopt a stakeholder-inclusive approach that balances the needs, interests and expectations of material stakeholders in the best interests of the company over time</p> <p>The board considers the legitimate interests and expectations of its stakeholders in its decision-making in the best interests of the company to drive a sustainable and long-term value strategy. ATNS has fostered and strengthened stakeholder relationships.</p> <p>As environmental, social and governance factors in investment decision-making and practice affect the value of an investment, these are considered essential by the board for responsible investments to promote good governance and creation of value by the companies in which ATNS invests. The board monitors the company's relationship with stakeholders, assisted by the Social and Ethics Committee.</p> <p>The committee oversees stakeholder engagement and management. Through its regular reporting, the board receives information that enables it to consider legitimate interests and expectations of stakeholders in its decision-making.</p> <p>The board has further delegated to management proactive and constructive dealing with stakeholder relationships. The board-approved stakeholder management policy and related initiatives and activities are fully reported in the integrated report.</p>	Applied
Responsibilities of institutional investors		
Institutional investors		
Principle 17	<p>The governing body of an institutional investor organisation should ensure that responsible investment is practised by the organisation to promote good governance and creation of value by the companies in which it invests</p> <p>ATNS is governed by the Principal Act and its corporate mandate and does not include any of the activities described in the definition of an institutional investor.</p>	Explained

Glossary

ACSA	Airports Company South Africa
ANSP	Air navigation service provider
ATC	Air traffic controller
ATM	Air traffic management
ATNS	Air Traffic and Navigation Services SOC Limited
B-BBEE	Broad-based black economic empowerment
CANSO	Civil Air Navigation Service Organisation
Capex	Capital expenditure
CNS	Communication, navigation and surveillance
ESG	Environment, social and governance
IATA	International Air Transport Association
ICAO	International Civil Aviation Organisation
ISO	International Organisation for Standardisation
King IV™	King IV™ Report on Corporate Governance for South Africa, 2016
NAFISAT	Very Small Aperture Terminal for North-East Africa
NDP	National Development Plan
PFMA	Public Finance Management Act 1 of 1999
SACAA	South African Civil Aviation Authority
SADC	Southern African Development Community
VSAT	Very Small Aperture Terminal

Our company information

ATNS head office

Postal address:

Private Bag X15 Kempton Park 1620

Street address:

Block C, Eastgate Office Park, South Boulevard Road

Bruma

2198

Contact details:

Tel: +27 11 607 1000

Fax: +27 11 607 1570

Website: www.atns.com

Email: marketing@atns.co.za

Southern region

Postal address:

Private Bag X17

Cape Town International Airport

7525

Air traffic management

Contact details:

Tel: +27 21 937 1122

Fax: +27 21 934 5530

Technical services

Contact details:

Tel: +27 21 937 1153

Fax: +27 21 937 1181

Northern region

Postal address:

Private Bag X1 Bonaero Park

1622

Air traffic management

Contact details:

Tel: +27 11 928 6439

Fax: +27 11 395 1045

Technical services

Contact details:

Tel: +27 11 928 6469

Fax: +27 11 395 1049

Aviation Training Academy

Postal address:

Private Bag X1 Bonaero Park 1622

Street address:

14 Bonaero Drive,

Bonaero Park

1619

Contact details

Tel: +27 11 570 0400

Fax: +27 11 395 3347

Bankers

RMB

12th Floor

1 Merchant Road

Sandton

2196

Tel: +27 11 282 1421

Auditors

SizweNtsalubaGobodo Grant Thornton Inc

152 14th Road, Noordwyk

Midrand

1687

Contact details

Tel: +27 12 443 6000

ISBN: 978-1-77997-918-6

RP: 204/2025

Notes

Notes

ATNS head office

Postal address:

Private Bag X15 Kempton Park 1620

Street address:

Block C, Eastgate Office Park, South Boulevard Road
Bruma
2198

Contact details:

Tel: +27 11 607 1000

Fax: +27 11 607 1570

Website: www.atns.com

