

2

0

2

5



Annual Report

cos|bots

Copyright Society of Botswana

What is COSBOTS

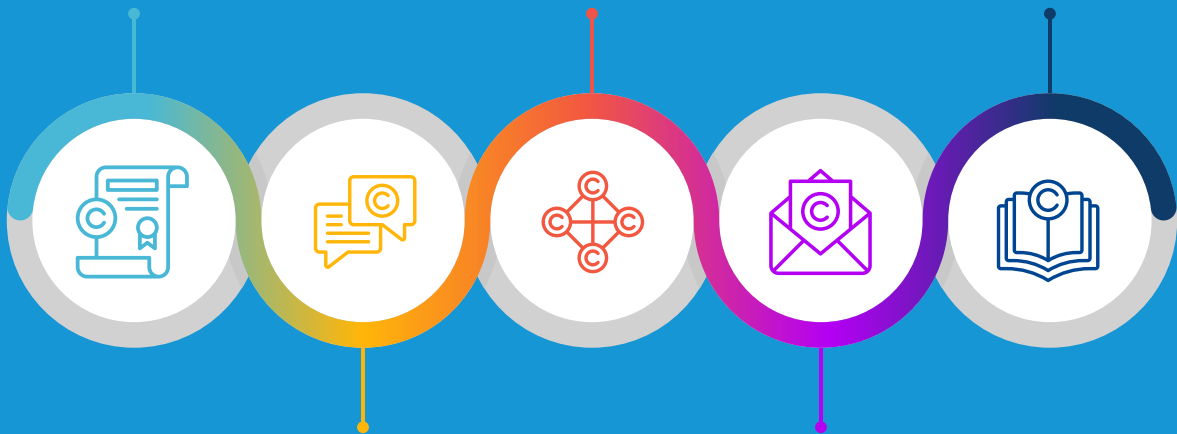
The Copyright Society of Botswana (COSBOTS) is a Collective Management Organisation (CMO) responsible for administering copyright and related rights in Botswana. Established to ensure that creators receive fair compensation for the use of their works, COSBOTS plays a crucial role in protecting and promoting intellectual property rights.

What does COSBOTS do ?

Licenses users of copyrighted works.

Collects and distributes royalties to copyright holders.

Educates stakeholders on copyright laws and best practices.



Supports artists and creators through the Social and Cultural Fund.

Advocates for intellectual property rights at national and international levels.

COSBOTS Mandate

COSBOTS is mandated to:



Administer copyright and related rights on behalf of rights holders.

License users of copyrighted works and collect royalties.

Distribute royalties to members.



Promote awareness and compliance with copyright laws.

Support creative industries through strategic partnerships and funding programmes.

About this Report



This report provides an in-depth overview of the activities, accomplishments, and financial status of COSBOTS for the financial year spanning from July 1, 2024, to June 30, 2025. The report aims to highlight key milestones, financial performance, and the impact of COSBOTS on the creative industry.

This report outlines the challenges faced by the organisation and presents strategic initiatives for the upcoming year. Through this report, stakeholders, members, and partners will gain valuable insights into the operations and governance of COSBOTS. It is our primary report to stakeholders, and it outlines our strategy, business model, sustainability, initiatives, governance, and risk management, the Board Chairperson and the Chief Executive Officer's Report.

FINANCIAL INFORMATION:

The full set of audited consolidated and separate annual financial statements for the year ended June 30, 2025, will be available to members upon written request to the company secretary. The annual financial statements will be made available to such members at no cost. These annual financial statements were prepared in compliance with International Financial Reporting Standards (IFRS). MSD Mesotlo And Associates audited the annual financial statements. Its independent report to COSBOTS members is part of this report.

ASSURANCE:

COSBOTS operates in an established controlled environment, which is documented and reviewed. Risk management and internal control procedures exist to provide reasonable

but not absolute assurance that COSBOTS's risks are being controlled and its assets safeguarded. MSD Mesotlo and Associates will provide external assurance of the financial information supplies in this report.

REPORTING FRAMEWORKS AND REGULATIONS:

The preparation of this report was guided by the following reporting frameworks and regulations, International Financial Reporting Standards (IFRS) and Companies Act.

APPROVAL OF THE REPORT:

The Board of Directors (The Board) is responsible for the integrity and completeness of this report. The Board applied its collective mind to preparing and presenting the report and accordingly approved the report for publication.

Signed on behalf of the Board

Ms. Bakalanga Malikongwa
Board Chairperson

Mr. Kabelo Eric Kgaodi
Treasurer

Table of Contents

2-3 COSBOTS Mandate

4 About This Report

10-14 Board Chairperson's Report

17 **COSBOTS Year In Perspective**

19 At A Glance: Annual Performance In Figures

21 Partners and Affiliates

24 **Governance Structure**

26-28 A Glance Into 2025

29 Organizational Structure and Services

31-37 **CEO's Report**

42-61 Corporate Governance

63 Certificate Of Secretary

64-69 **Financial Report**

70-111 Audited Financial Statements

IN LOVING MEMORY OF

cosbots

Copyright Society of Botswana

RACHEL

Names: Rachel Neo Taukobong

D.O.B: 1976/12/29

Profession: PERFORMER,
COMPOSER, AUTHOR, PUBLISHER

Genre: Gospel & Jazz

Membership Period: 15 years

The COSBOTS Board, Management and Staff are saddened to hear of the untimely passing of Rachel Neo Taukobong.

During this time of grief, may her family and friends find comfort in the memories shared with Rachel. Her spirit lives on in the lives that she touched.

MAY HER SOUL REST IN ETERNAL PEACE

GABORONE: +267 392 8055

info@cosbots.co.bw

www.cosbots.co.bw

FRANCISTOWN: +267 241 0432



Rachel Taukobong

Core Values

COSBOTS is committed to the following core values:



Botho

We demonstrate respect, courtesy and civility towards our colleagues and stakeholders.



Integrity

There is no difference between what we say and what we do.



Customer Centric

We put customers in the middle of everything we do.



Transparency

We are open in our dealings with staff and external stakeholders.



Teamwork

We support each other and collaborate.



Ownership

We take ownership of the consequences of our actions and decisions.



Zoom in on our Fingerprinting Systems

The Copyright Society of Botswana (COSBOTS) has successfully implemented a Fingerprinting Machine at the Department of Broadcasting Services (DBS) premises, marking an important step towards strengthening the identification and documentation of musical works.

The fingerprinting machine is designed to capture and identify sound recordings using their unique audio fingerprints, while linking the identified recordings to accurate metadata held within the COSBOTS music database. This will improve the quality, completeness and reliability of music information associated with recordings.

The system is particularly important for identifying a broad range of musical works, including folkloric and traditional music, synchronised music, and other recordings, provided that the relevant metadata has been properly documented and submitted.

Purpose

The fingerprinting system is intended to strengthen COSBOTS' ability to accurately identify sound recordings and improve the quality of associated metadata. It provides a more reliable technological approach to linking recordings with the correct artists, composers, publishers, producers and other rightsholders.

Key Benefits

- Automated identification of sound recordings through audio fingerprinting.
- Improved accuracy and completeness of music metadata.
- Better linking of recordings to their respective rightsholders.
- Reduction of manual identification and data-entry requirements.
- Improved quality and reliability of the COSBOTS music repertoire database.

- Enhanced ability to identify traditional, folkloric, synchronised and other musical works.

Benefits to Rightsholders

The implementation of the fingerprinting machine provides artists and other rightsholders with a stronger system for ensuring that their recordings are properly identified and associated with their correct metadata and ownership information.

To maximise the effectiveness of the system, rightsholders are encouraged to submit complete, accurate and up-to-date information about their works, including appropriate ownership and recording details.

Next Steps

COSBOTS will continue to strengthen the fingerprinting database by adding and validating more recordings and improving the quality of associated metadata. The Society will also continue engaging artists, record labels, publishers and other rightsholders to ensure that their works are properly documented and identifiable within the system.



IN LOVING MEMORY OF

cosbots

Copyright Society of Botswana

PHUNYA**Names:** Gabriel "Phunya" Modise**D.O.B:** 1981/12/08**Profession:** PERFORMER,
COMPOSER, AUTHOR, PUBLISHER**Genre:** Gospel**Membership Period:** 10 years

The COSBOTS Board, Management
and Staff are saddened to hear of the
untimely passing of Gabriel Modise

During this time of grief, may his
family and friends find comfort in
the memories shared with "Phunya".
His spirit lives on in the lives that he
touched.

MAY HIS SOUL REST IN ETERNAL PEACE**GABORONE:** +267 392 8055

info@cosbots.co.bw

www.cosbots.co.bw

FRANCISTOWN: +267 241 0432

Gabriel Modise

Zoom in our Audiovisual

Definition of Audiovisual Rights

"Audiovisual rights grant creators, producers, and rightsholders exclusive control over works that combine moving images and sound such as films, television series, music videos, and commercials. These rights cover reproduction, performance, broadcasting, and distribution, ensuring fair compensation whenever audiovisual content is used by broadcasters, cinemas, digital platforms, or other users."

Key Elements Covered Under Audiovisual Rights

1. **Reproduction Right** – Copying or reproducing audiovisual works in any format.
2. **Communication to the Public** – Broadcasting or streaming via television, cinema, radio, or online platforms.
3. **Distribution Right** – Sale, rental, or digital distribution of works.
4. **Public Performance** – Exhibition in public spaces such as cinemas, hotels, or airplanes.
5. **Synchronization Right** – Use of music in timed relation with visual images.

COSBOTS Role

As Botswana's recognised CMO, COSBOTS manages audiovisual rights on behalf of its members by:

- Licensing works across broadcasters, streaming services, and public venues.
- Monitoring usage across multiple platforms.
- Collecting royalties from users of audiovisual content.
- Distributing earnings fairly to composers, directors, scriptwriters, producers, and performers.

Example in Practice

When a Botswana-produced film is aired by a local broadcaster, COSBOTS licenses the usage, collects royalties, and distributes payments to the rightful rightsholders ensuring both creative value and fair reward are protected.



Zoom in on our Contracts

Seal the Deal: Protect Your Creativity

The Copyright Society of Botswana (COSBOTS) continues to strengthen the creative ecosystem by providing standardized contract templates designed to protect creators, producers, and creative businesses. These contract templates are now available both physically at COSBOTS offices and digitally on the COSBOTS website for our members.

Defining Contracts

A legally binding agreement between two or more parties that outlines their rights, responsibilities, and obligations. In the creative industry, contracts play a critical role in safeguarding intellectual property, clarifying expectations, and preventing disputes.

Key Elements of a Contract

For a contract to be valid and effective, it must include the following key elements:

- **Offer and Acceptance** – *Clear agreement between parties*
- **Consideration** – *Value exchanged between parties*
- **Roles and Responsibilities** – *Clearly defined duties*
- **Terms and Conditions** – *Scope of work, timelines, and deliverables*
- **Payment and Royalties** – *Financial arrangements and compensation*
- **Duration and Termination** – *Contract period and exit clauses*
- **Signatures** – *Confirmation of agreement by all parties*

Why Contracts Matter in the Creative Industry

Contracts provide clarity, professionalism, and

protection. They ensure that creatives are fairly compensated, ownership of works is clearly defined, and collaborations are conducted transparently and legally.

Contract Templates Available at COSBOTS

COSBOTS currently provides the following contract templates to support creators and industry practitioners:

- Music Contract
- Audiovisual Contract
- Literary Authors Contract

These templates are designed to serve as practical tools that creatives can adapt to their specific needs while promoting best practices within the industry.

By making contract templates readily available, COSBOTS reaffirms its commitment to empowering creatives through knowledge, protection, and professional standards. Creators and industry players are encouraged to access these templates at COSBOTS offices or download them directly from the COSBOTS website and take proactive steps toward protecting their work and building sustainable creative careers.



IN LOVING MEMORY OF

The logo for cosbots, with 'cos' in black and 'bots' in white on a blue background.

Copyright Society of Botswana

MOLEFI MPONE MOTSUMI

Names: Molefi Mpone Motsumi
D.O.B: 1929/01/01
Profession: PERFORMER
Genre: Traditional Music
Membership Period: 4 years

The COSBOTS Board, Management and Staff are saddened to hear of the untimely passing of Molefi Mpone Motsumi.

During this time of grief, may his family and friends find comfort in the memories shared with Molefi. His spirit lives on in the lives that he touched.

MAY HIS SOUL REST IN ETERNAL PEACE

 **GABORONE:** +267 392 8055

 info@cosbots.co.bw

 www.cosbots.co.bw

FRANCISTOWN: +267 241 0432



Molefi Mpone Motsumi

Zoom in on our Website

COSBOTS Website Upgrade

During the year under review, COSBOTS undertook a comprehensive upgrade of its website to enhance the organisation's digital presence and improve how it connects with members, users and other stakeholders. The upgraded platform is built on a secure, modern framework and reflects COSBOTS' continued commitment to innovation, transparency and efficient service delivery to Botswana's creative sector.

Enhanced Features

- **Membership & Licensing Icons:** Improved navigation for easier access to key services, including membership registration and licensing services.
- **KYC Registration & Verification:** Streamlined processes to facilitate registration, verification and compliance.
- **Artist Profiles:** Enhanced visibility for Botswana's creative talent through professional artist profiles.
- **Live Chat Support:** Real-time assistance for members and stakeholders.
- **Information Hub:** A central resource providing information on copyright, royalties, membership, licensing and developments within the creative sector.

Together, these enhancements provide a more accessible, user-friendly and informative digital experience, enabling members and stakeholders to access COSBOTS services and information more conveniently.

Conclusion

The website upgrade represents an important step in COSBOTS' ongoing digital transformation. By improving accessibility, functionality and communication, the upgraded platform strengthens COSBOTS' ability to serve its members, enhance stakeholder engagement and provide timely information and services to Botswana's creative community.



Board Chairperson's Report

Dedication to Our Fallen Members

Let me begin by paying my deepest respects to our fallen members, our brothers and sisters in the creative community who are no longer with us. Their absence is deeply felt, yet their legacy continues to echo through the songs they composed, the stories they told, and the art they gifted to our nation.

We remember them not only as creators, but as pioneers who opened doors for others; as mentors who guided the younger generation; as colleagues who stood with us in times of struggle and triumph; and as friends and family whose spirit enriched our lives.

Their contributions were not in vain. They shaped the cultural fabric of Botswana, leaving behind works that will continue to inspire generations yet unborn. Today, we honour their memory by reaffirming our commitment to protect, preserve, and elevate the very rights they worked so hard to defend.

May we carry forward their vision with dignity and courage, ensuring that their voices are never silenced, and their names are never forgotten.

For the year ended 30 June 2025

The year ended 30 June 2025 marked an important period of growth, financial recovery and institutional consolidation for the Copyright Society of Botswana (COSBOTS). The Company strengthened its licensing revenue, returned to financial surplus, maintained a strong liquidity position and continued advancing its mandate across music, reprography and emerging areas of rights administration.

These achievements are significant, but the Board remains conscious that the strength of a Collective Management Organisation cannot be measured by financial performance alone. COSBOTS exists principally to protect copyright, license the use of protected works, collect royalties and ensure that the resulting economic value reaches creators and rightsholders.

Our responsibility is therefore not simply to build a financially stronger COSBOTS. It is to ensure that institutional strength translates into sustainable, fair and equitable remuneration for the creators whose rights we administer.

Financial Performance and Institutional Stability

The Company recorded a significant improvement in financial performance during the year. Royalty income increased from P20.18 million in 2024 to P26.35 million in 2025, representing growth of approximately 30.5% and an increase of more than P6.1 million in licensing revenue.

COSBOTS also returned to surplus, recording total comprehensive income of P2.85 million, compared with a loss of P3.51 million in the previous financial year. This represents a turnaround of more than P6.3 million within one reporting period.

The Board regards this financial recovery as important not because COSBOTS exists to accumulate surpluses, but because a financially sustainable CMO is better positioned to protect rights, invest in appropriate rights-management infrastructure and maintain reliable royalty distributions to its members.

Royalty Distributions and Sustainable Member Value

Royalty distributions recognised during the year amounted to P14.63 million, compared with P14.54 million in 2024. While the absolute amount remained broadly stable, the significant growth in licensing revenue resulted in the distribution-to-revenue ratio reducing from approximately 72% in 2024 to 55.5% in 2025.

The reduction was a deliberate prudential measure taken in the context of the Company's financial position and the increasingly difficult economic environment. Following the losses recorded in the preceding financial year, the Board considered it necessary to preserve sufficient liquidity and financial headroom for COSBOTS to meet its obligations, satisfy applicable solvency requirements and maintain an appropriate buffer against future royalty distribution commitments.

This was particularly important at a time when the wider economy was under considerable pressure and the company remained engaged in litigation relating to approximately P14 million in outstanding royalties owed by Government institutions, creating uncertainty around the timing of recovery of these significant amounts.

Against these conditions, the Board considered it neither prudent nor sustainable to maximise a single distribution cycle at the expense of the company's capacity to meet future obligations. Maintaining an appropriate financial buffer was necessary to protect the continuity of distributions and ensure that members and the wider creative community, many of whom depend on regular royalty income, continue to receive fair, equitable and sustainable remuneration across successive distribution cycles. The Board nevertheless remains committed to progressively improving the distribution-to-revenue ratio as the

company's financial position strengthens and outstanding royalty obligations are recovered.

The resulting financial position demonstrates the importance of that prudence. COSBOTS returned from a P3.51 million loss to a P2.85 million surplus, substantially eliminated accumulated losses and maintained P34.04 million in cash and cash equivalents. The Board subsequently concluded that the Company had sufficient resources and operational plans to continue meeting its obligations, including royalty distribution obligations, as they fall due.

The Board is equally clear that maintaining financial buffers cannot become a permanent justification for unnecessarily suppressing distributions. Financial sustainability and member remuneration must advance together. As the financial position of the Company strengthens, the objective must be to progressively improve the conversion of licensing income into distributions while maintaining sufficient financial resilience to protect future royalty cycles.

At year-end, the royalty distribution provision stood at approximately P29.99 million, reflecting COSBOTS' continuing obligations within the royalty distribution process. Our objective is therefore not to maximise one distribution at the expense of the next. It is to build a sustainable distribution system capable of delivering fair and equitable remuneration to creators year after year.

Growth in the Value of Royalty Distributions

One of the clearest indications of COSBOTS' progress can be seen in the value that our distribution system is increasingly capable of delivering to individual creators. Five years ago, our highest-earning member received approximately P50k in a distribution cycle. In Distribution 18, our highest earner

received P204k, more than four times that level, while the top ten earners collectively received just over P1 million.

This is significant progress and demonstrates what stronger licensing, improved monitoring, better repertoire data and a growing copyright market can mean for creators. More importantly, it begins to demonstrate that copyright can become a meaningful source of income rather than merely an occasional payment. Our ambition must now be to broaden this progress so that increasing numbers of members, across music, reprography, audiovisual and other rights, experience similar growth in the economic value generated by their creativity.

Licensing and Market Development

The growth in royalty income demonstrates the significant potential that remains within Botswana's copyright market. However, the Board recognises that considerable areas of economic activity remain under licensed or unlicensed.

Music and other protected works are used daily across broadcasting, hospitality, retail, shopping centres, entertainment venues, events, corporate functions and public institutions. These works contribute to the commercial experience and economic value generated by those businesses and institutions.

Copyright licensing should therefore not be regarded as a charitable contribution to creators. It is remuneration for the use of intellectual property. COSBOTS will continue expanding its licensing footprint, with particular attention to major commercial users, broadcasters, events, hospitality establishments, state-owned enterprises and public institutions.

Government and public institutions must equally lead by example. The development of Botswana's creative economy requires not only policies supporting creativity,

but a culture in which public and private institutions respect and remunerate the intellectual property upon which they rely.

Reprography and the Education Sector

Reprography continues to develop as an important second pillar of COSBOTS' rights administration. Books, academic publications, photographs, illustrations and other protected works are extensively reproduced within educational environments. The Board recognises the importance of access to education but equally recognises that sustainable education depends upon sustainable creation and publishing.

Authors must be able to continue writing. Publishers must continue investing in publications. Researchers, photographers, illustrators and other creators must have an economic incentive to continue producing the materials upon which learning itself depends. The Board therefore remains committed to strengthening reprographic licensing and resolving outstanding licensing matters within the education sector through lawful and sustainable arrangements.

Our long-term objective is a Botswana education environment in which appropriate reprographic licensing becomes normal institutional practice rather than a recurring source of dispute.

Audiovisual Rights and Broader Creative-Sector Representation

The expansion of COSBOTS into audiovisual rights management represents an important milestone in the company's evolution into a multi-right Collective Management Organisation. Film, television productions and other audiovisual works involve a broad range of creative rightsholders whose works continue to generate economic value through broadcasting, public exhibition and other forms of commercial exploitation.

A significant step was achieved in January 2026 with the approval of COSBOTS' audiovisual licensing tariffs, providing the regulatory and operational basis for the company to commence licensing in this rights category. Following the approval, audiovisual licensing has commenced, moving this area from institutional development into active rights administration. The Board expects the licensing programme to progressively build the revenue, repertoire and usage data required to support a possible first audiovisual royalty distribution in 2027.

The immediate priority is therefore to establish a credible and sustainable audiovisual licensing market. This includes expanding compliance among users, strengthening audiovisual repertoire documentation, improving usage reporting and monitoring, developing appropriate distribution processes and strengthening international representation and cooperation. The Board is conscious that the success of this new mandate will ultimately be measured not by the approval of tariffs or the number of licences issued, but by whether audiovisual creators begin receiving measurable remuneration from the continued exploitation of their works.

This development also advances the Board's commitment to broader creative-sector representation within COSBOTS. While music remains a core area of rights administration, the company increasingly represents a wider copyright ecosystem encompassing authors, publishers, filmmakers, audiovisual creators, performers, photographers, visual artists, dramatists and other rightsholders. The development of reprography, audiovisual and other rights is therefore progressively widening access to collective management across Botswana's creative industries.

COSBOTS' direction is consequently shifting from being perceived predominantly as a music rights organisation towards becoming a national multi-right CMO

serving the breadth of Botswana's creative economy. This expansion will remain deliberate and disciplined; every new mandate must be supported by credible licensing, reliable data, appropriate governance and transparent distribution systems, with the ultimate objective of converting rights into real and sustainable economic value for creators.

Levy on Technical Device Fund

The Levy Technical Development Fund (LTDF) remains one of the most significant copyright policy matters affecting Botswana's creative sector during the period. The Board recognises the legitimate interest that creators and creative-sector associations have in the governance, administration and ultimate benefit of the Fund.

COSBOTS' position remains grounded in principle; any system established to administer remuneration arising from the use or copying of protected works must be lawful, transparent, accountable and ultimately beneficial to creators and rightsholders. During the period, disagreements concerning the governance and administration of the LTDF developed into legal proceedings involving creative-sector associations and public institutions – CIPA and related government ministries.

COSBOTS has a legitimate institutional interest in any remuneration system established because of the use of copyrighted works. However, where questions of legal interpretation and institutional mandate are before the courts, the responsible course is to allow the judicial process to provide the necessary clarity. The Board will continue supporting a framework that places creators at the centre of the ultimate benefit.

Copyright Reform and the Digital Economy

The copyright environment continues to

change rapidly. Streaming, social media, digital broadcasting, online content distribution, artificial intelligence and new forms of digital reproduction are transforming how creative works are produced, consumed and monetised. Botswana's copyright framework must evolve alongside these developments.

COSBOTS continues to support copyright reform that encourages innovation while maintaining meaningful protection for creators and rightsholders. Modernisation should not result in copyright becoming progressively weaker while commercial exploitation of creative works becomes progressively easier. Exceptions and limitations relating to digital uses, text and data mining, artificial intelligence and other emerging technologies must therefore be carefully balanced against the legitimate economic interests of creators.

A sustainable digital economy requires both innovation and rights protection.

Artificial Intelligence and Human Creativity

Artificial intelligence has rapidly developed into one of the defining copyright issues confronting creators globally.

COSBOTS recognises the opportunities presented by AI. It can improve production, assist creativity, lower technical barriers and create new forms of commercial opportunity. However, technological innovation cannot be sustained by treating human creativity as an unlimited and uncompensated raw material.

International CMOs are increasingly focusing on three fundamental principles in relation to generative AI: consent, transparency and remuneration. International CMOs have emphasised protecting members' repertoire against unauthorised AI training while seeking appropriate remuneration where uses are

authorised. They have similarly identified transparency and fair compensation as fundamental creator-rights issues arising from generative AI.

COSBOTS supports an approach in which human creativity remains at the centre of copyright protection, protected works are used within appropriate legal frameworks, rightsholders receive meaningful transparency regarding the exploitation of their works, and creators participate fairly where their creativity contributes to commercial value. Botswana should not wait until these markets are fully established before developing an appropriate policy response.

Technology, Data and Royalty Accuracy

Accurate royalty distribution increasingly depends upon accurate data. COSBOTS has therefore continued strengthening its rights-management infrastructure through WIPO Connect, music monitoring, fingerprinting, ISRC implementation and improved repertoire documentation.

COSBOTS' recognition as an International Standard Recording Code (ISRC) Manager is particularly important in improving the identification of Botswana sound recordings and strengthening their ability to move accurately through domestic and international rights-management systems.

Technology investment must ultimately improve the Company's ability to answer four basic questions: what work was used, where was it used, who owns the rights and what remuneration is due?

Members also have an important responsibility in this process. Works must be properly registered, ownership information must remain accurate, appropriate identifiers must be used, and repertoire information must be kept current. The Board therefore regards data quality not simply as a technical matter,

but as a fundamental component of fair royalty distribution.

Governance, Accountability and Institutional Strengthening

The financial recovery achieved during the year reinforces the importance of disciplined governance and effective financial oversight.

The Board remains ultimately responsible for maintaining an appropriate internal control environment and ensuring the integrity of the Company's financial affairs. The audited financial statements reaffirm the importance of proper delegation of responsibilities, accounting procedures, segregation of duties and risk management.

During the period, the Board continued reviewing organisational structures, policies, reporting arrangements and governance processes with the aim of strengthening accountability and operational effectiveness. COSBOTS must continue developing governance systems appropriate to an institution administering increasingly significant amounts of money on behalf of creators.

Transparency is therefore not a concession to members. It is part of the Company's obligation to them.

Regional Presence and Member Accessibility

At governance level, the Board remains committed to ensuring that COSBOTS does not become an institution whose services and decision-making are perceived to be concentrated in Gaborone. The continued existence of the Francistown Office is therefore an important part of the company's commitment to national accessibility and regional representation. The office provides a permanent COSBOTS presence in the northern part of the

country, bringing membership services, copyright awareness, licensing support and institutional engagement closer to members, rightsholders and users outside the southern region.

Its presence also reinforces an important governance principle: COSBOTS is a national organisation and every member, irrespective of geographic location, should have reasonable access to the company and its services. The Board will continue assessing the effectiveness of the Francistown Office to ensure that its regional presence translates into measurable improvements in member service, licensing coverage and engagement with the creative community.

Social and Cultural Responsibility

The Board continued developing the Social and Cultural Fund (SCF) as a structured mechanism through which COSBOTS can contribute to the welfare and long-term development of its creative community.

At year-end, the Social and Cultural Fund provision stood at approximately P620,027.00.

The developing framework considers areas including member welfare, professional development, disability support, cultural heritage, copyright awareness and other interventions capable of strengthening the sustainability of creative careers. The Board remains clear that the Social and Cultural Fund is separate and distinct from the Levy Technical Development Fund. The two arise from different foundations, operate for different purposes and should not be administratively or conceptually conflated.

COSBOTS' social and cultural interventions must remain transparent, properly governed and capable of demonstrating measurable benefit to the creative community.



International Engagement and Partnerships

Copyright operates within an increasingly interconnected international environment. A Botswana song can be streamed anywhere in the world. A photograph created locally can circulate globally within seconds. A Botswana author's work can be reproduced outside the country, while audiovisual content created locally can reach audiences across multiple territories. COSBOTS must therefore remain connected to international rights-management infrastructure.

During the period, the Company continued strengthening its relationships and engagement with organisations including CISAC, IFRRO, WIPO, ARIPO, GAVA and other regional and international rights-management partners.

International participation, however, must deliver more than institutional visibility. The Board expects these relationships to strengthen reciprocal representation, technical capacity, copyright policy development, metadata and repertoire management, emerging-rights expertise and the ability of Botswana creators to participate in international royalty flows.

Botswana's creators must have a voice wherever decisions affecting the future of copyright are being made.

Building a Multi-Right CMO

While music remains central to COSBOTS, Botswana's creative economy extends considerably further.

Authors, publishers, visual artists, photographers, performers, filmmakers, dramatists and other creators generate intellectual property capable of producing substantial cultural and economic value. COSBOTS' expansion into reprography and its continued work around audiovisual,

visual arts and other rights therefore represent an important evolution in the Company's development.

Expansion, however, must remain disciplined. Every new rights category must be supported by appropriate mandates, licensing frameworks, tariffs, repertoire data, technology, distribution rules and international representation.

The objective is not simply to become a larger organisation. It is to become a capable multi-right CMO that delivers measurable value across Botswana's creative sectors.

Strengthening Botswana's Creative Economy Copyright must increasingly be understood as part of Botswana's wider economic-development agenda.

Creative works generate employment, support broadcasting, tourism, advertising, events and hospitality, create exportable cultural products and contribute substantially to Botswana's national identity. Local-content initiatives therefore remain important, but quotas alone cannot create a sustainable creative economy.

Creators need markets. They need visibility. They need investment. They need accurate reporting of the use of their works. And critically, they need remuneration. The Board will continue supporting collaboration with Government, the Department of Broadcasting Services, the National Arts Council of Botswana, broadcasters, arts associations and other stakeholders capable of expanding the economic opportunities available to Botswana creators.

The domestic market must become the first serious economic platform for Botswana creativity.

Creative-Sector Associations

The Board recognises the important

contribution made by Botswana's creative-sector associations. Associations and Collective Management Organisations perform different but complementary roles. Associations organise sectors and advocate for their interests, while CMOs administer copyright and related economic rights on behalf of rightsholders.

The engagements surrounding LTDF, copyright policy and other sector matters have reinforced the importance of constructive coordination among creative organisations. COSBOTS will continue engaging sector associations while maintaining the institutional independence and governance boundaries required of a CMO.

A fragmented creative sector struggles to influence policy. A coordinated sector can speak with considerably greater authority.

Outlook

The 2025 financial year demonstrates that COSBOTS has established a stronger institutional platform. Royalty income grew by approximately 30.5% to P26.35 million. The Company moved from a P3.51 million loss to a P2.85 million surplus. Accumulated losses were substantially eliminated, while cash resources remained strong at P34.04 million.

The next phase must convert this financial strength into even greater member value. The Board's priorities are therefore to strengthen licensing coverage and enforcement; progressively improve the distribution-to-revenue ratio while maintaining financial resilience; accelerate the movement of payable royalties to rightsholders; strengthen metadata, monitoring and repertoire documentation; expand reprographic licensing; responsibly develop audiovisual and visual-arts rights administration; prepare for AI and other emerging digital uses; improve international royalty flows; and maintain strong governance and financial discipline.

The measure of success will not simply be how large COSBOTS becomes. It will be how effectively the Company converts the use of creative works into sustainable economic value for creators.

Appreciation

The Board extends its appreciation to the members of COSBOTS for continuing to entrust the Company with the administration of their rights. We recognise the contribution of the Advisory Committee, Management and staff, creative-sector associations, licensees, government institutions and other stakeholders whose cooperation contributes to the development of collective management in Botswana.

We also acknowledge our regional and international partners whose technical expertise, cooperation and rights-management networks continue to strengthen Botswana's participation in the international copyright system. Finally, we remember those members of our creative community whom we lost during the period. Their works remain part of Botswana's cultural heritage, and the responsibility to protect the economic and cultural value of those works continues.

Closing Perspective

The financial results demonstrate that COSBOTS is becoming a stronger institution. But institutional strength is not the destination. The real measure is whether a composer receives the royalty due to them; whether an author is remunerated when their work is reproduced; whether photographers, performers, publishers, filmmakers and other rightsholders can participate economically in the value generated by their creativity; and whether Botswana creators can build sustainable livelihoods from their work.

That is the standard against which the Board believes COSBOTS should ultimately be judged. Our next chapter will therefore not be measured simply by how much COSBOTS collects, but by how effectively, accurately and sustainably that value reaches creators.

Human creativity has economic value. Those who create that value must participate fairly in the economy it generates.

That remains our mandate, our responsibility and our commitment.



Ms Bakalanga Malikongwa
Board Chairperson



IN LOVING MEMORY OF

cosbots

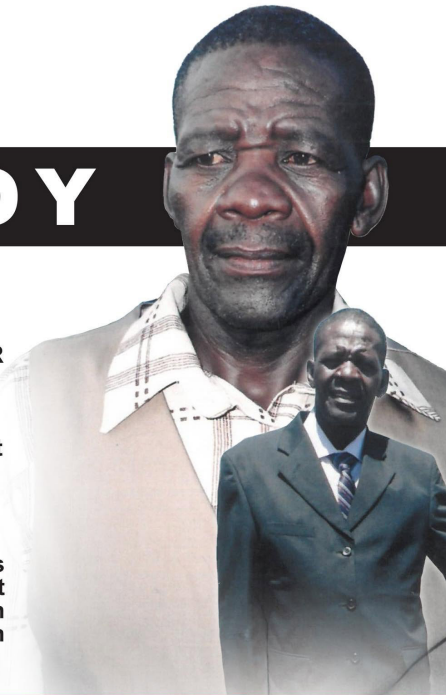
Copyright Society of Botswana

RUN-BOY

Names: Moeng Nneka
D.O.B: 1954/01/16
Profession: PERFORMER,
 COMPOSER, AUTHOR, PUBLISHER
Genre: Traditional Music
Membership Period: 4 years

The COSBOTS Board, Management and Staff are saddened to hear of the untimely passing of Moeng Nneka.

During this time of grief, may his family and friends find comfort in the memories shared with "Run-Boy". His spirit lives on in the lives that he touched.



MAY HIS SOUL REST IN ETERNAL PEACE

GABORONE: +267 392 8055

info@cosbots.co.bw

www.cosbots.co.bw

FRANCISTOWN: +267 241 0432



Run-Boy

COSBOTS Year in Perspective

Highlights with Pictures of Key Events and Achievements



IN LOVING MEMORY OF

cosbots

Copyright Society of Botswana

REF LET BOYZA

Names: Refilwe Letampa

D.O.B: 1988/03/19

Profession: PERFORMER,
COMPOSER, AUTHOR, PUBLISHER

Genre: Disco

Membership Period: 3 years

The COSBOTS Board, Management and Staff are saddened to hear of the untimely passing of Refilwe Letampa.

During this time of grief, may his family and friends find comfort in the memories shared with "Ref Let Boyza" His spirit lives on in the lives that he touched.

MAY HIS SOUL REST IN ETERNAL PEACE

GABORONE: +267 392 8055

info@cosbots.co.bw

www.cosbots.co.bw

FRANCISTOWN: +267 241 0432



Refilwe
Letampa

A Glance on our Social Media Platforms



Followers

22,400



Followers

330



Followers

1,124



Followers

1,101



Highlights in Figures for the Year

28.75%

Reprography

P4,197,609.33

3.37%

Mechanical
Rights

P489,399.41

31.14%

Public
Broadcasters

P4,526,999.44

34.59%

Public
Performance

P5,030,674.03

2.16%

Private
Broadcasters

P313,931.79

Total Collection Amount
P20,180,354.00

Total Distribution Amount
P14,540,307.00

Music After **10% SCF**
P1,454,030.70

Total
Distribution
Percentage

72%

Our Affiliates



Our Partners



REPUBLIC OF BOTSWANA
MINISTRY OF
SPORT AND ARTS



Fiction Academic and Non-Fiction Authors
Association of Botswana



Benefits of COSBOTS Membership

COSBOTS, as a Collective Management Organisation (CMO), offers its members:



ROYALTY DISTRIBUTION

Distribution of royalties for members for both international and local used copyrighted works. Members receive royalties for their used work during their lifetime and 50 years, there after.

FREE MEMBERSHIP

Our membership registration is free if charge.

CONTRACTUAL AGREEMENTS

COSBOTS provides contractual agreements templates for free on their website.

BEREAVEMENT ASSISTANCE

Members are entitled to **P20,000.00** for burial assistance.



POLICY & ADVOCACY

Support members in national, regional and international lobbying and law reform.

COMMUNICATION

Develop targeted and effective messages to promote and explain copyright and the spectrum of collective management solutions.

EDUCATION AND ENFORCEMENT

Support members in their efforts to reinforce the importance of the remunerated use of their works.

CAPACITY BUILDING

Build collective management capacity amongst members and in emerging economies.

EQUITY AND ENGAGEMENT

Raise awareness, promote importance of diverse, equitable, inclusive Arts network and work with stakeholders to build respect for diversity.

RESOURCES FOR MANAGEMENT

Develop resources and tools to assist members with business, data and technology issues.

Social & Cultural Fund

STAKEHOLDER
ENGAGEMENT LICENSING

P244,713.88

MEMBERS EVENTS
PARTNERSHIPS

P75,491.00

MENTAL HEALTH, ANTI-DRUG &
SUBSTANCE ABUSE CAMPAIGN

P337,799.92

MEMBERS CAPACITY
BUILDING WORKSHOPS

P198,539.60

ANNUAL GENERAL
MEETING

P146,641.00

MEMBERS BEREAVEMENT
ASSISTANCE

P245,036.00



IN LOVING MEMORY OF

cosbots

Copyright Society of Botswana

ATTITUDE

Names: Mokgethi Masilo
D.O.B: 1981/02/05
Profession: PERFORMER,
COMPOSER, AUTHOR, PUBLISHER
Genre: Afro Pop / Jazz
Membership Period: 13 years

The COSBOTS Board, Management and Staff are saddened to hear of the untimely passing of Mokgethi Masilo.

During this time of grief, may his family and friends find comfort in the memories shared with "Attitude". His spirit lives on in the lives that he touched.



MAY HIS SOUL REST IN ETERNAL PEACE

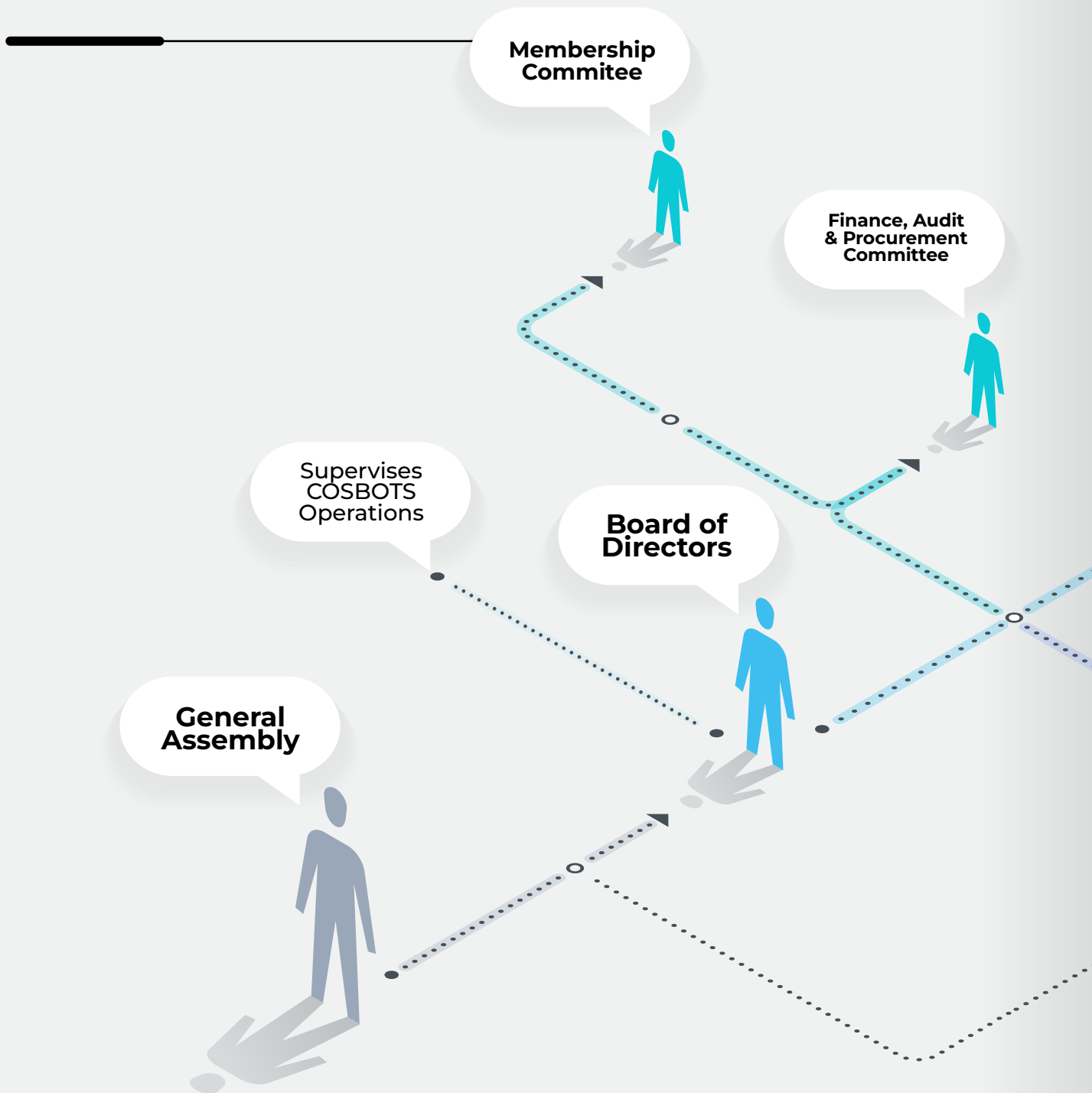
 **GABORONE:** +267 392 8055
 info@cosbots.co.bw
 www.cosbots.co.bw

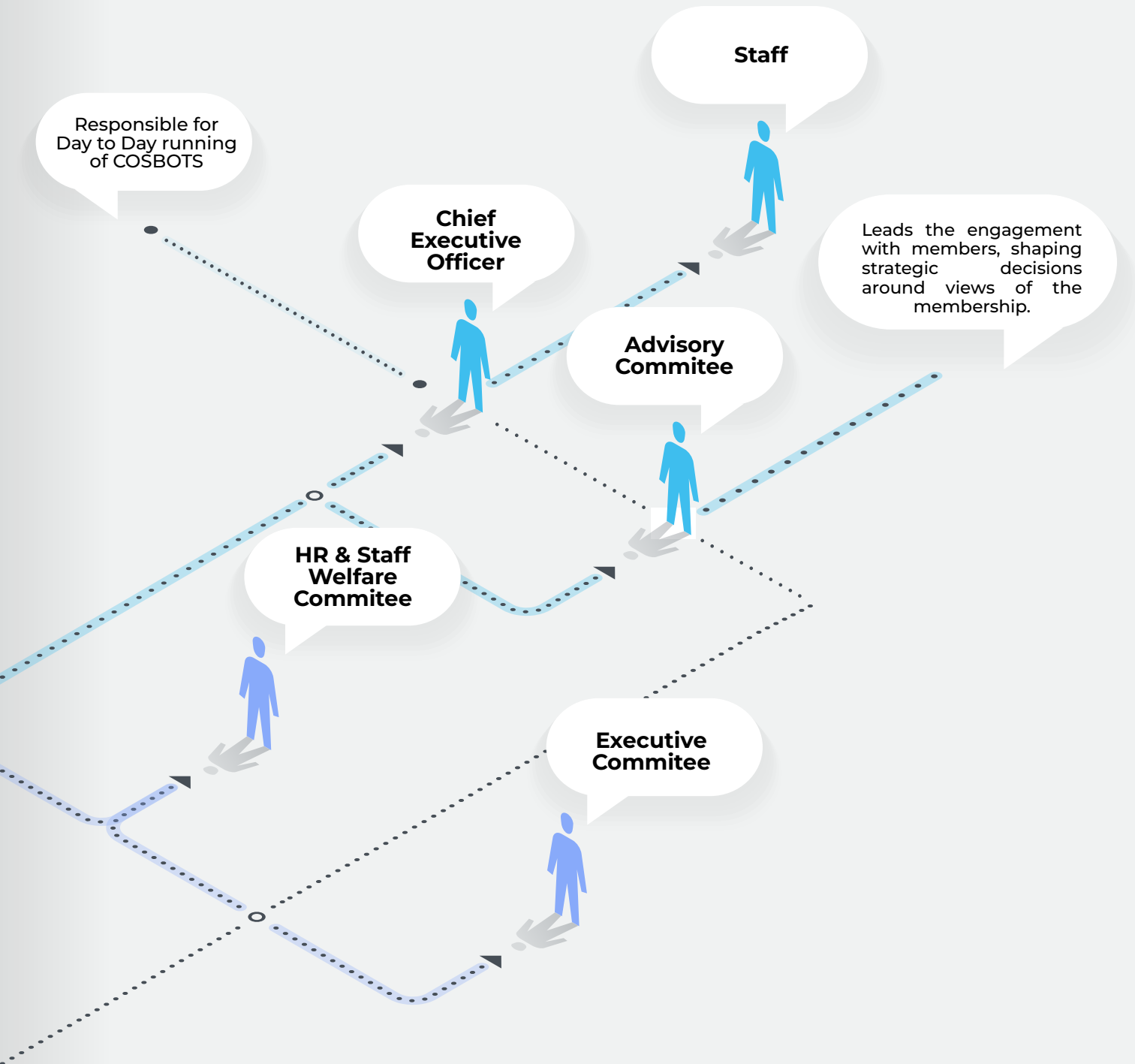
FRANCISTOWN: +267 241 0432



Attitude

Governance Structure





A Glance into 2025

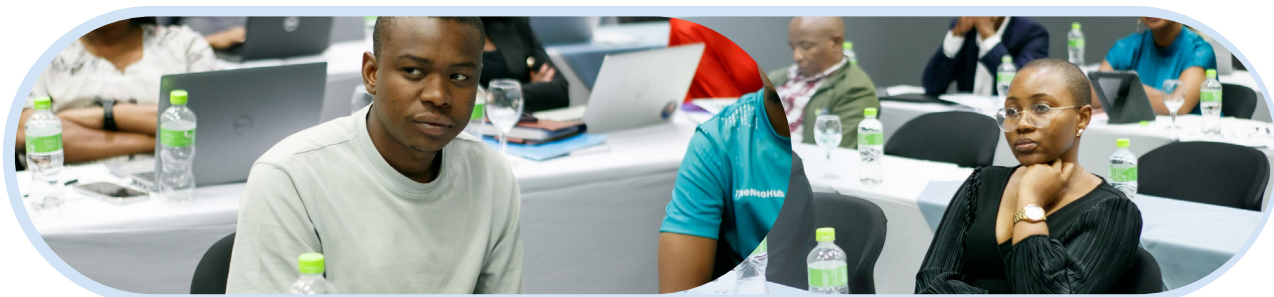


COSBOTS 2023-2024 ANNUAL GENERAL MEETING

On the 13th of September 2026, The COSBOTS members and board of directors convened for the 2023-2024 Annual General Meeting the fourth hybrid event streaming from Gaborone to three other locations namely Palapye, Francistown and Maun. The AGM was held to discuss the financial performance of the company in that period with the company distributing the first

royalties for the Reprography Sector which was launched in 2022.

This represented a major achievement in expanding collective management services beyond music rights administration. It also demonstrated COSBOTS commitment to ensuring that authors, publishers, and other reprography rights holders benefit from the lawful use and reproduction of their works.



BUSINESS LICENSING CAPACITATION WORKSHOP

On 23 October 2024, COSBOTS, in collaboration with CIPA, hosted a Business Licensing Workshop aimed at enhancing stakeholders' understanding of Reprographic Reproduction Rights Management and Business Licensing.

The workshop provided a valuable platform for stakeholder engagement, networking,

and appreciation of compliant clients for their continued support in assisting COSBOTS to advance and empower the creative industry. It also educated attendees on the importance of obtaining the relevant COSBOTS licenses and promoting compliance with copyright and related rights obligations.



CAPACITY BUILDING WORKSHOPS

COSBOTS hosted a series of capacity-building workshops aimed at empowering creatives and educating them on the importance of copyright registration and rights management. The team travelled to various locations, including Khakhea, Tsabong, Francistown, and Kang, as part of efforts to reach underserved communities and ensure broader access to copyright

education and awareness.

The workshops encouraged creatives to view their creativity as a valuable brand and business asset, while also educating them on the importance of registering their works in order to benefit from the lawful use and commercial exploitation of their creative content.

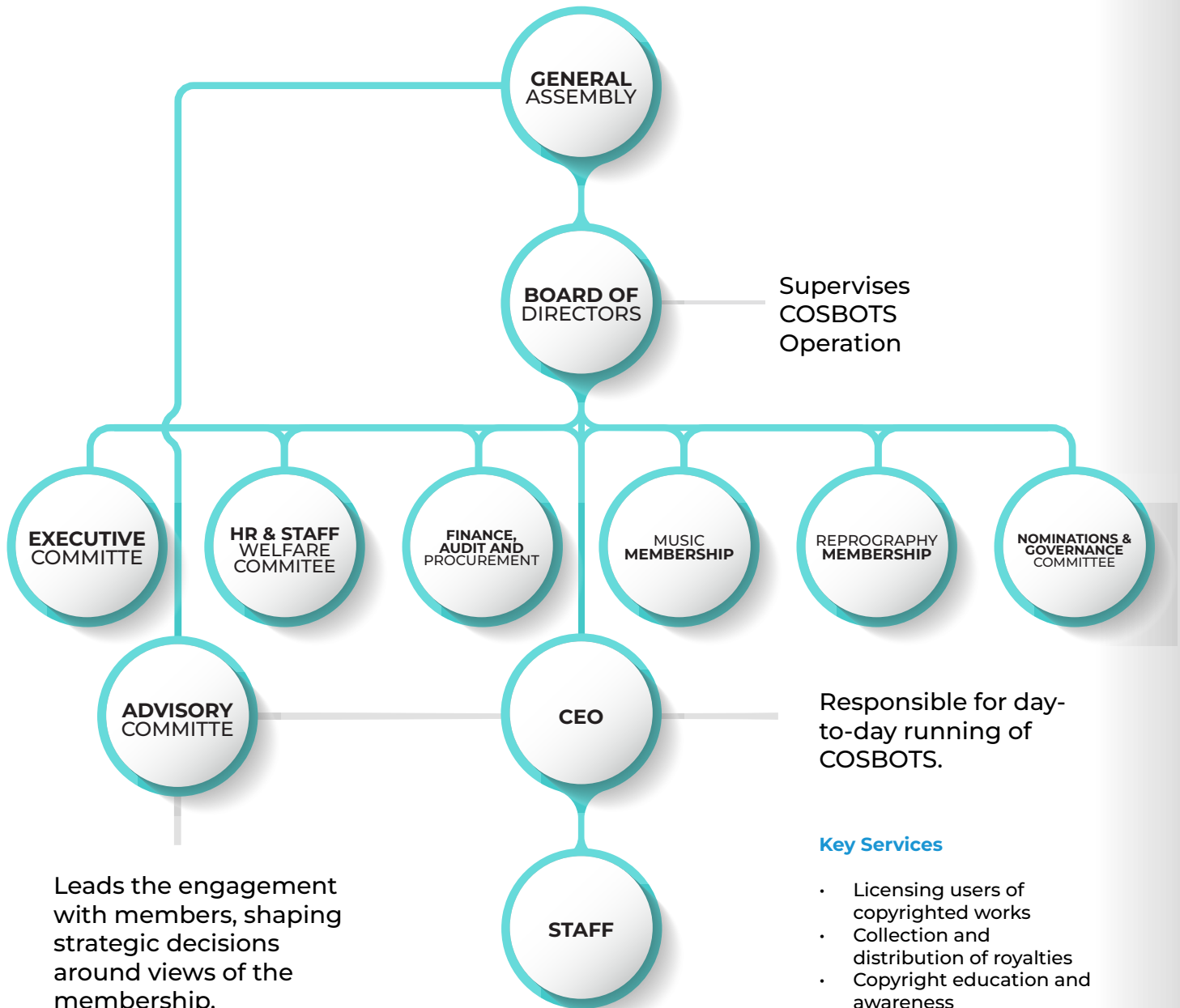


ROYALTIES DISTRIBUTION WORKSHOP

COSBOTS hosted a Royalties Distribution Workshop aimed at informing members about the royalty's distribution process, including the total amount approved for distribution and the criteria used in the allocation of royalties. The workshop provided members with greater transparency and understanding of the distribution framework while also creating a platform for engagement and clarification on royalties-related matters.

The workshop also marked a significant milestone for the organisation with the first-ever royalties' distribution for the Reprography Sector following its establishment in 2022. This represented an important step towards expanding collective management services and ensuring that reprography rights holders benefit from the lawful use and reproduction of their works.

Organisational Structure



Key Services

- Licensing users of copyrighted works
- Collection and distribution of royalties
- Copyright education and awareness
- Membership support services

Structure

- Staff & Volunteers
- Management Team
- CEO
- Board of Directors
- COSBOTS Members

IN LOVING MEMORY OF

cosbots

Copyright Society of Botswana

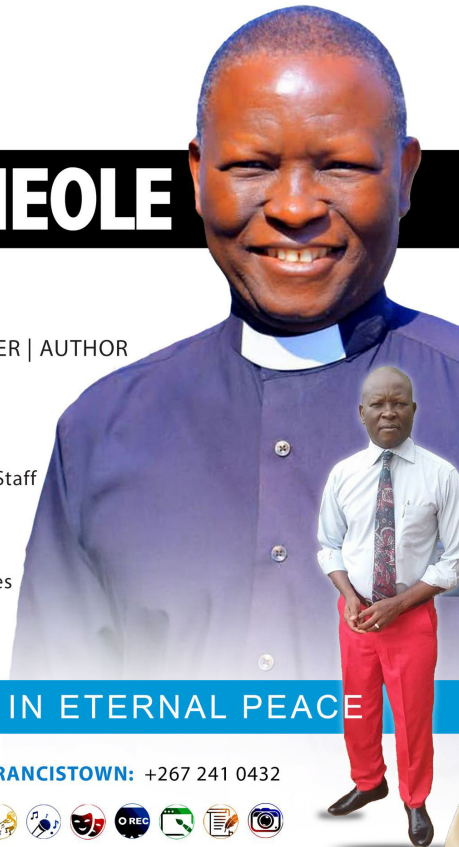
BASHIE TSHEOLE

Names: Bashie Tsheole**D.O.B:** 15-07-1963**Profession:** COMPOSER | PERFORMER | AUTHOR
PUBLISHER | ARRANGER**Genre:** Jazz**Membership Period:** 9 years

The COSBOTS Board, Management and Staff are saddened to hear of the untimely passing of Bashie Tsheole.

During this time of grief, may his family and friends find comfort in the memories shared with Bashie. His spirit lives on in the lives that he touched.

MAY HIS SOUL REST IN ETERNAL PEACE

 **GABORONE:** +267 392 8055 info@cosbots.co.bw www.cosbots.co.bw**FRANCISTOWN:** +267 241 0432

Bashie Tsheole

Chief Executive Officers Report

**For the Year
Ended 30 June
2025**

Overview

The year ended 30 June 2025 marked another important period in the development of the Copyright Society of Botswana (COSBOTS). The Company continued strengthening its operations, expanding its licensing footprint, improving rights administration, investing in technology, broadening member services and developing additional rights categories.

The operating environment remained challenging, with economic pressures affecting businesses, public institutions and creators alike. At the same time, technological developments and

changing patterns of content use continued to reshape the copyright environment. COSBOTS responded by focusing on practical institutional actions aimed at improving licensing, collections, monitoring, repertoire administration, member services and operational efficiency.

The year also provided an opportunity to consolidate the gains made under the 2021–2025 Strategic Plan and prepare the organisation for its next phase of development.

Licensing and Market Development

COSBOTS continued to strengthen licensing as the core operational engine of the organisation. Royalty income increased from P20.18 million to P26.35 million, representing growth of approximately 31% compared with the previous financial year. This growth was supported by continued tariff engagement, expansion into under-licensed areas, improved compliance efforts and stronger market development activity.

Public broadcasting remained an important licensing category, while increased activity within public performance markets contributed to the expansion of the licensing base. COSBOTS also continued refining its approach to events licensing, including the development of annual licensing arrangements for organisations that regularly host events.

The Company also increased attention on debt collection and account management. The growth in receivables during the year reinforced the need for stronger ageing reviews, structured follow-up and timely escalation of persistent defaults. COSBOTS will continue focusing not only on invoicing, but on converting licensed use into actual cash collections that can ultimately be distributed to rightsholders.



Royalty Administration and Member Value

COSBOTS continued strengthening its royalty administration processes, with particular focus on improving the quality of usage data, repertoire information and matching.

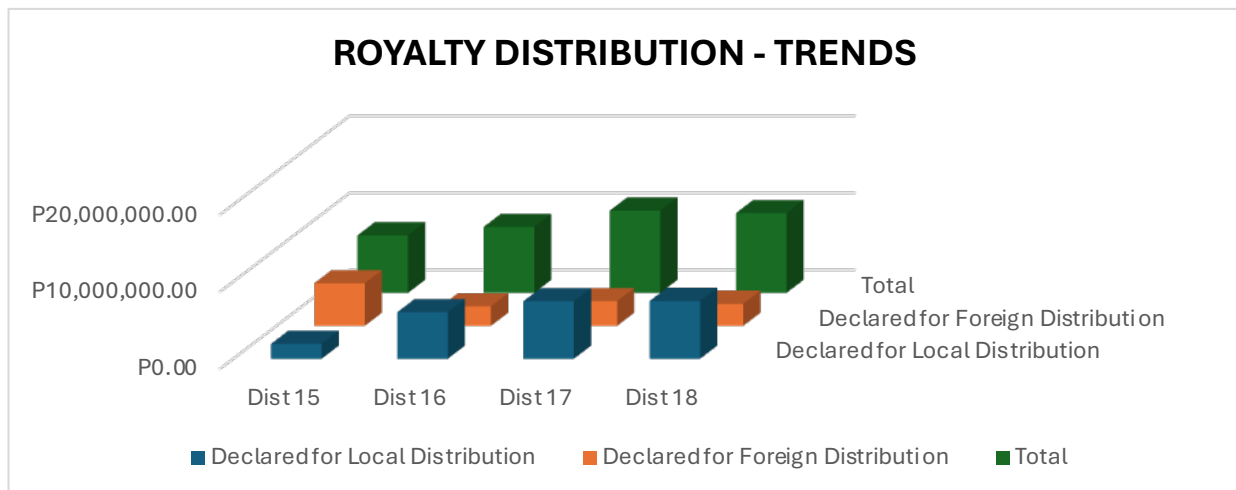
The value generated through collective management has continued to improve over time. Approximately five years ago, the highest individual royalty payment in a distribution cycle was around P50,000. Under Distribution 18, the highest individual payment exceeded P200,000. This demonstrates the progress made in licensing, monitoring and rights administration, but the objective remains broader than a few high earners.

COSBOTS continues working to increase the number of members who derive meaningful economic value from their works. This requires stronger licensing, accurate monitoring, better repertoire documentation and improved member participation in the registration and maintenance of works.

Member education therefore remained an important part of the Company's activities, particularly around works registration, ownership information and the role of accurate data in royalty distribution.

ROYALTY DISTRIBUTION TRENDS

Distribution 15 to Distribution 18



Repertoire, Data and Rights Management

COSBOTS continued strengthening repertoire and data management as a core component of royalty administration.

The Company continued using WIPO Connect as part of its rights-management infrastructure and further developed the use of international identifiers and repertoire information to improve the accuracy of rights administration. COSBOTS' appointment as Botswana's official International Standard Recording Code Manager continued to strengthen the identification of Botswana sound

recordings and their participation in domestic and international rights-management systems.

Management also continued working on reducing unidentified and unmatched usage by improving member data, ownership information and repertoire documentation. The operational principle remains simple: better data leads to better matching, and better matching leads to more accurate distributions.

Music Monitoring and Fingerprinting

COSBOTS continued investing in systems designed to improve the identification and reporting of music usage. Enhancements to the iMonitor environment included improvements in metadata quality, duplication management, retrospective repertoire matching, system responsiveness and analytics.

The Company also progressed its collaboration with the Department of Broadcasting Services to improve the availability of Botswana music metadata. The DBS/COSBOTS integration subsequently enabled metadata from the public broadcaster's music library to feed into COSBOTS' monitoring environment. More than 18,000 Botswana music metadata records had been successfully uploaded, improving the ability of the monitoring system to identify repertoire used on RB1 and RB2 and creating wider benefits where the same works are used by other broadcasters.

These developments represent an important step towards more accurate usage reporting and improved royalty matching.

Reprographic Rights

COSBOTS continued strengthening reprographic rights administration as an important area of diversification beyond music. The Company has progressively built a framework through which authors, publishers and other text-and-image rightsholders can benefit from collective licensing.

The progress made through previous reprographic distributions demonstrated the viability of this rights category and provided a foundation for continued expansion. COSBOTS continued engaging educational institutions and other users of protected text and image works, while improving repertoire administration and distribution methodologies applicable to reprographic

rights. The longer-term objective is to establish reprography as a stable and predictable source of royalty income for authors and publishers.

Audiovisual Rights

COSBOTS made significant progress in the development of audiovisual rights administration. Following the approval of the Company's audiovisual tariffs in January 2026, COSBOTS commenced licensing within this rights category. This marked an important operational milestone and created a pathway for filmmakers and other audiovisual rightsholders to begin participating in collective licensing.

COSBOTS is now focused on building the licensing base, documenting audiovisual repertoire, improving usage information and developing appropriate distribution methodologies. Subject to sufficient collections and reliable usage data, the Company is working towards a possible first audiovisual royalty distribution in 2027.

The introduction of audiovisual licensing forms part of COSBOTS' wider development as a multi-purpose CMO.

Development of a Multi-purpose CMO

COSBOTS continued expanding its operational focus beyond music. The Company now administers or is developing rights across music, reprography, audiovisual and other creative sectors.

This reflects the broader reality of Botswana's copyright ecosystem, which includes authors, publishers, filmmakers, audiovisual creators, photographers, visual artists, dramatists and other rightsholders. COSBOTS' approach is to expand responsibly, ensuring that each new rights category is supported by the appropriate mandate, tariffs, repertoire data, licensing arrangements, systems and

distribution methodologies. The objective is to build a capable multi-rights organisation that can provide real economic value across different creative disciplines.

Francistown Office and National Reach

COSBOTS continued strengthening its regional presence through the Francistown Office.

The office provides a permanent operational platform for licensing, member services, copyright awareness and stakeholder engagement within northern Botswana.

COSBOTS' focus is to strengthen the office further as a regional operational centre capable of delivering measurable licensing outcomes, improved access to member services and stronger engagement with users of copyrighted works. The Company also continues to extend outreach and licensing activities into areas where copyright use exists but where COSBOTS has historically had limited physical presence.

The national mandate of COSBOTS requires that members and licensees across Botswana are able to access the Company's services.

Member Services and Copyright Awareness

COSBOTS continued improving member support and copyright awareness during the period. The Company's member-service activities include royalty administration, works registration support, copyright education, documentation assistance, capacity-building initiatives and general rights-management guidance.

COSBOTS has also continued providing members with practical support to help strengthen their understanding of copyright as an economic asset and to improve the documentation of their creative works. The

Company's member-support framework extends to copyright advocacy, international representation, contract-related support and capacity building.

The objective is to ensure that the relationship between COSBOTS and its members extends beyond distribution day.

Digital Transformation and Operational Efficiency

COSBOTS continued its digital transformation programme aimed at improving the efficiency and accuracy of rights administration. The Company has been working towards greater integration between licensing, invoicing, collections, financial reporting, repertoire data, monitoring and royalty processing.

The emerging 2026–2029 strategic framework identifies digital transformation and operational excellence as key priorities alongside revenue growth, fair and timely distributions and financial sustainability. COSBOTS' digital transformation programme is intended to reduce unnecessary manual processes, strengthen audit trails, improve reporting, enhance data quality and improve service delivery to members and licensees. The focus remains on technology that produces measurable operational improvement.

Government and Stakeholder Engagement

COSBOTS continued engaging Government institutions, regulators, broadcasters, commercial users, arts associations and other stakeholders whose participation is necessary for effective copyright administration. Government remains a critical stakeholder as policymaker, regulator, development partner and major user of protected works.

COSBOTS therefore continued engaging relevant Government institutions on

copyright compliance, policy development, licensing, local content and broader creative economy matters. The Company also continued working with arts associations and other representative bodies on matters affecting creators, copyright awareness and the development of the creative sector.

COSBOTS recognises that effective copyright administration requires cooperation across the full creative ecosystem.

International Cooperation

COSBOTS continued strengthening its international relationships and technical cooperation. The Company remained engaged with international copyright and rights-management organisations, reciprocal partners and regional institutions to support repertoire exchange, technical capacity, policy development and international royalty administration.

An important institutional milestone was COSBOTS' progression to Full Membership of IFRRO, strengthening the Company's participation in the international reprographic rights community. COSBOTS continues to assess international engagement against practical outcomes, including improved technical capability, stronger repertoire representation, knowledge transfer and greater opportunities for cross-border royalty administration.

Artificial Intelligence and Emerging Copyright Uses

COSBOTS continued monitoring the impact of artificial intelligence on copyright administration. The rapid development of generative AI raises important questions around the use of protected works, repertoire identification, licensing, transparency and remuneration.

COSBOTS' immediate focus is on institutional preparedness. This includes strengthening repertoire and metadata systems, improving understanding of emerging digital licensing models and supporting policy development that protects creators while allowing responsible innovation.

The Company will continue positioning itself to administer rights effectively in an increasingly digital and AI-driven environment.

Strategic Development: 2026–2029

The conclusion of the 2021–2025 Strategic Plan provided an opportunity for COSBOTS to review its progress and define its next strategic cycle. The development of the 2026–2029 Strategic Plan has focused on consolidating institutional gains while addressing remaining operational gaps.

The strategic priorities include revenue growth, fair and timely royalty distribution, stronger collections and financial sustainability, digital transformation and support for a sustainable creative ecosystem. The next strategy period will place greater emphasis on implementation, measurement and accountability.

COSBOTS' focus will increasingly be on delivering measurable outcomes against approved strategic priorities.

Organisational Capability and Performance

COSBOTS continued strengthening organisational capacity to support its expanding mandate. As the Company grows its licensing markets, technology platforms and rights categories, it must equally strengthen the skills and accountability of the teams responsible for implementation.

The organisation therefore continued investing in staff development, technical capability and performance management. COSBOTS is also progressively aligning organisational structures and responsibilities with its strategic priorities.

The objective is to ensure that organisational growth translates into higher productivity, improved service delivery and stronger operational accountability.

Outlook

The next phase of COSBOTS' development will be focused on execution. The Company will continue expanding licensing coverage, improving debt collection, strengthening repertoire and usage data, reducing unidentified and unmatched royalties, improving member services, consolidating reprographic rights, developing audiovisual licensing, strengthening regional operations and integrating operational systems.

COSBOTS will also continue preparing for emerging digital and AI-driven copyright markets while strengthening its ability to represent creators across multiple rights categories.

The direction remains clear: COSBOTS must continue developing into a modern, efficient and credible multi-rights CMO capable of protecting and monetising Botswana's creative works.

Conclusion

The year under review reflects continued progress in the operational development of COSBOTS:

- The licensing base expanded
- Rights-management infrastructure improved
- Reprography continued to develop
- Audiovisual licensing progressed from

- planning into implementation
- Monitoring and metadata systems were strengthened
- Regional service delivery continued through the Francistown Office
- Member support and copyright awareness remained active
- And the Company continued building the institutional capability required for a broader multi-rights mandate.

The priority going forward is to convert these activities into increasingly measurable results. COSBOTS must collect more effectively, identify usage more accurately, improve member service, reduce delays and ensure that the growth of the organisation translates into sustainable economic value for creators and rightsholders.

I extend my appreciation to the Board of Directors for its strategic oversight, the Advisory Committee for its contribution, Management and Staff for their continued commitment, Government and regulatory institutions for their engagement, arts associations and industry stakeholders for their cooperation, and our international partners for their continued technical support.

Above all, I thank our members – the heartbeat of COSBOTS and rightsholders for the confidence they continue to place in COSBOTS. The responsibility of Management remains clear: to turn that confidence into performance and performance into value for creators.



Letlhogonolo Makwinja
Chief Executive Officer

Board of Directors



**Ms. Bakalanga
Malikongwa**
Board Chairperson



**Mr. Ookeditse
James Moyambo**
Vice Board
Chairperson



**Mr. Kabelo Eric
Kgaodi**
Treasurer



**Mr. Alfred
Mosimanegape**
Director



**Ms. Staffnurse Bangu
Lesetedi-Keothepile**
Director



Mr. Martin Ntongana
Director



**Mr. Kelebonye
Sibanyoni**
Director



**Ms. Winnie
Winani Sekani**
Director



Mr. Benjamin Mogotsi
Director

Advisory Committee



Mr. Patrick
Setsiba



Ms. Tebogo
Ketlhoilwe



Mr. Nkgopolang
Tlhomelang



Mr. Lizibo
Simon



Mr. Bafana
Phemphetlhe
Bafana Pheto

Management Committee



Mr. Letlhogonolo
Makwinja
Chief Executive Officer



Mr. Ditiro Chaa
Head of Operations



Mr. Laone Mareka
Finance & Admin
Manager



Ms. Boitumelo
Monagen
Licensing and Sales
Manager



Mr. Patrick Matlapeng
Documentation & Distribution
Manager

Corporate Governance

The Copyright COSBOTS of Botswana (COSBOTS) recognises that strong corporate governance is fundamental to achieving its mission, ensuring financial sustainability, and safeguarding the interests of its members and stakeholders. The Board of Directors is committed to the highest standards of integrity, accountability, and transparency in directing and controlling the COSBOTS's affairs.

GOVERNANCE FRAMEWORK

COSBOTS operates within a governance framework that balances effective leadership with robust oversight. The framework is guided by the COSBOTS's Constitution, the Copyright and Neighbouring Rights Act, the Board Charter, and relevant governance codes. This structure enables the Board to exercise independent judgment, provide strategic direction, and monitor performance, while delegating operational responsibilities to Executive Management.

Board Responsibilities

The Board has overall responsibility for:

- Setting the strategic direction of the COSBOTS.
- Providing effective oversight of Executive Management.
- Ensuring that risks are appropriately identified, assessed, and managed.
- Safeguarding the assets of the COSBOTS and protecting member interests.
- Monitoring performance against financial and operational objectives.
- Promoting ethical conduct and compliance with applicable laws and regulations.

Through its oversight role, the Board ensures that COSBOTS maintains a sustainable and

responsible approach to business, aligned with its mission of empowering creativity and protecting the rights of authors and artists.

Compliance With Codes And Best Practices

The COSBOTS has adopted the principles of the King IV Code on Corporate Governance, which provides a comprehensive set of standards and practices aimed at enhancing Board effectiveness and accountability. These principles emphasise ethical leadership, sustainability, transparency, and stakeholder inclusivity. The adoption of King IV has significantly improved COSBOTS' governance culture, ensuring that decisions are made in a manner that balances the interests of members, partners, and the broader creative community.

Delegation Of Authority

While the Board retains ultimate accountability, authority for the day-to-day management of the COSBOTS is delegated to the Chief Executive Officer (CEO), who is supported by Executive Management. The CEO is responsible for implementing Board-approved strategies, policies, and budgets, and for ensuring that operations are conducted in accordance with sound governance principles.

Clear reporting lines and performance monitoring mechanisms are in place to ensure that delegated authority is exercised responsibly and remains subject to regular review by the Board.

Ethical Leadership And Accountability

The Board is committed to fostering a culture of ethical leadership. Directors are expected to act with integrity, avoid conflicts

of interest, and place the interests of the COSBOTS and its members above personal gain. Regular declarations of interest are made, and mechanisms are in place to ensure accountability and transparency in decision-making.

Stakeholder Engagement

COSBOTS recognises that the confidence of its stakeholders is essential to its success. The Board prioritises regular engagement with members, government, regulators, and international partners, ensuring that the COSBOTS' s governance practices remain responsive to evolving needs and aligned with global standards.

BOARD COMPOSITION

Board Members of the Copyright COSBOTS of Botswana (COSBOTS) are appointed by the General Assembly and entrusted with the responsibility of setting the strategic direction of the COSBOTS' s affairs. The Board is composed of Nine (9) non-executive members, ensuring independent oversight and objective decision-making.

The roles of the Board Chairperson and the Chief Executive Officer (CEO) are clearly separated to safeguard the balance between governance and management. While the Board Chairperson provides leadership to the Board and ensures effective functioning, the CEO is responsible for day-to-day operations and execution of the Board's strategic directives. Importantly, COSBOTS Board Members are themselves established creatives, bringing industry knowledge, practical experience, and stakeholder perspectives that enrich governance and strengthen the COSBOTS' s alignment with the needs of rights holders.

BOARD COMMITTEES

In fulfilling its oversight mandate, the Board is supported by a number of specialised committees. Each committee operates under a clearly defined charter, with specific roles and responsibilities delegated by the Board. The committees enhance the

effectiveness of governance by providing focused attention on key areas, ensuring compliance with governance standards, and strengthening accountability across the organisation. All committees report to the Board, which retains ultimate responsibility for their decisions and recommendations.

Executive Committee

The Executive Committee is mandated to act on behalf of the Board in between scheduled meetings. It provides strategic guidance on urgent matters requiring immediate attention and facilitates timely decision-making when the full Board is not in session. The Committee also ensures the smooth coordination of governance activities and supports the effective implementation of Board directives, while remaining fully accountable to the Board for all decisions and recommendations.

Human Resources & Staff Welfare Committee

The Human Resources & Staff Welfare Committee is responsible for overseeing the COSBOTS' s human capital strategy and policies. Its mandate includes performance management, staff welfare, remuneration frameworks, and succession planning. The Committee ensures that COSBOTS maintains a fair, transparent, and supportive working environment that promotes employee well-being, professional development, and organisational productivity.

Nominations & Governance Committee

The Nominations & Governance Committee is tasked with ensuring that COSBOTS' governance structures remain robust and aligned with international best practices. Its responsibilities include overseeing Board composition, managing the nomination and appointment of directors, conducting performance evaluations, and promoting ongoing governance training. Through these activities, the Committee safeguards the integrity and effectiveness of leadership at all levels of the COSBOTS.

Finance, Audit & Procurement Committee

The Finance, Audit & Procurement Committee is responsible for overseeing the COSBOTS' financial integrity, sustainability, and accountability. Its mandate covers financial planning, management, and reporting, including the review of budgets, monitoring of financial performance, and ensuring prudent allocation of resources in line with COSBOTS' strategic objectives.

Membership (Music) Committee

The Membership (Music) Committee represents the interests of music rights holders within the COSBOTS. Its responsibilities include driving membership growth, deepening engagement with members, and overseeing the equitable distribution of royalties from musical works. The Committee works to ensure inclusivity, transparency, and accountability, thereby strengthening trust between COSBOTS and its members in the music sector.

Membership (Reprography) Committee

The Membership (Reprography) Committee is mandated to protect and advance the interests of reprography rights holders. It oversees licensing frameworks, monitors collections, and ensures the fair distribution of royalties within the reprographic sector. By addressing the needs of authors, publishers, and related stakeholders, the Committee fosters confidence in COSBOTS' ability to manage reprography rights effectively and transparently.

Human Resources & Staff Welfare Committee

The Human Resources & Staff Welfare Committee is responsible for overseeing the COSBOTS' human capital strategy and policies. Its mandate includes performance management, staff welfare, remuneration frameworks, and succession planning. The Committee ensures that COSBOTS maintains a fair, transparent, and supportive working environment that promotes employee well-being, professional development, and

organisational productivity.

Advisory Committee

The Advisory Committee provides the Board and Executive Management with expert guidance and independent perspectives on strategic, operational, and industry-related matters. Its role is to strengthen decision-making by offering informed insights, fostering alignment with stakeholders, and promoting innovation within the creative ecosystem. By drawing on specialist knowledge and external expertise, the Committee enhances COSBOTS' ability to anticipate trends, respond to challenges, and pursue opportunities that support the long-term growth and sustainability of the COSBOTS.

The Committee safeguards the accuracy and reliability of financial statements, strengthens internal control systems, and ensures that risks are appropriately identified, assessed, and managed. It also oversees procurement activities, ensuring that contractual and supply chain processes are transparent, fair, and deliver value for money. In addition, the Committee recommends investment strategies and ensures full compliance with statutory, regulatory, and policy requirements, thereby protecting the long-term financial sustainability of the COSBOTS.

The table below shows the current composition of the Board and the membership of each board committee.

Board And Committee Meetings

The board and its committees meet at least four times annually as prescribed in the constitution and board and committee charters to discuss matters relating to, amongst other things; strategy and performance, financial position, risk management, human resource matters, sustainability and governance. Members contribute to strategy formulation as well as monitoring and measuring the organisation's performance and its executive management.

DIRECTORS RELATIONSHIP WITH THE COMPANY

	Right To Present	Concurrently Serves As Director					Concurrently serves as an employee
		Executive	Nominations & Governance	Membership (Music & Reprography)	Human Resources & Staff Welfare		
B. Malikongwa	✓	✓					✗
A Mosimanegape	✓			✓	✓		✗
O. Moyambo	✓	✓	✓		✓		✗
K. Sibanyoni	✓			✓	✓		✗
K. Kgaodi	✓		✓		✓		✗
S. Lesetedi Keothepile	✓		✓	✓			✗
W. Sekani	✓	✓					✗
B. Mogotsi	✓		✓	✓			✗
M. Ntongana	✓						✗

A summary of meetings and attendance of directors for the financial year 2023/24 is indicated below:

BOARD ATTENDANCE RECORD (2024–2025)

	Full Board	Executive	Human Resource	Nomination and Governance	Finance and Audit	Membership
Mrs Malikongwa	5	6	2	2	3	3
M. Setsiba	4	2	3	-	4	4
Mrs. Mabowe	5	6	4	-	4	-
M. A Mosimanegae	5	4	-	-	-	4
M. M Motlhasedi	5	4	-	-	4	4
M. M Mphoeng	4	-	4	-	-	-
M. B Mogotsi	5	-	-	4		4
Mr Martin Ntongana	4	4	-	4	4	-
M. J Moyambo	5	5	-	4	4	-
M. E Kgaodi	5	-	4	4	-	-
M. K Sibanyoni	5	-	4	-	2	2
M. L Koothepile	5	4	3	4	2	-

Note: Dash (–) indicates non-membership of that committee.

Statement On Risk Management And Internal Control

The Board of the Copyright Society of Botswana (COSBOTS) issues this statement on Risk Management and Internal Control as part of its commitment to championing sound governance and transparency. While not a statutory requirement, the Board has chosen to make this disclosure voluntarily, in line with its objective of leading by example in promoting strong governance, effective risk management, and robust internal control practices.

The Board affirms its responsibility for ensuring that COSBOTS maintains a comprehensive risk management framework and a system of internal controls that safeguard assets, protect member value, and support the achievement of strategic objectives. These structures are designed to identify, assess, and mitigate risks in a proactive and sustainable manner, while ensuring compliance with applicable laws, policies, and international best practices.

By embedding risk management and internal controls into all levels of the organisation, the Board demonstrates its commitment to accountability, resilience, and long-term sustainability within

Botswana's creative economy.

Effectiveness of Controls

Internal controls at COSBOTS are designed to safeguard assets, maintain the integrity of financial and operational reporting, and ensure compliance with applicable laws and policies.

These controls include:

- Financial controls to oversee budgets, resource allocation, and statutory compliance.
- Operational controls to ensure effective licensing, accurate royalty distribution, and reliable membership services.
- Compliance controls covering data privacy, anti-bribery and corruption, whistleblowing, and conflict of interest policies.

The Board is satisfied that these controls were, in all material respects, effective throughout the year and provided reasonable assurance that risks were managed within acceptable levels.

	ATTRIBUTE	RELATIONSHIP WITH THE COMPANY						
		a.	b.	c.	d.	e.	f.	g.
Bakalanga Malikongwa	Author/Actress	✓	✓		✓	✓		✓
Winani Sekani	Author/Publisher	✓					✓	✓
Alfred Mosimanegape	Musician			✓			✓	✓
Staff nurse B. Lesetedi Keothepile	Copyright Expert							✓
Ookeditse Moyambo	Guitarist/Producer	✓		✓	✓	✓	✓	✓
Benjamin Mogotsi	Author Literary Works	✓		✓		✓	✓	✓
Kelebonye Sibanyoni	Film/TV/Producer	✓	✓		✓		✓	✓
Kabelo Kgaodi	Composer/Publisher	✓			✓	✓	✓	✓
Martin Ntongana	Ex-Officio							

Sector	Symbol	Definition
Printing & Publishing		Representing authors of literary, artistic and musical works as well as publishers in text and image based industries
Visual Arts & Photography	 	Representing rights holders for visual material. Visual material takes many forms including the following: 1. Fine Art, such as painting and sculpting 2. Photography, such as documentary, and photographic art works 3. Illustrations, such as cartoons, diagrams, and maps 4. Craft and applied art, such as jewellery, ceramics, and textiles 5. Design, such as graphic design 6. Architecture 7. Prints, such as engraving and woodcuts producers as financial partners in the video and film making industries
Folklore		Representing artists in the field of traditional knowledge and cultural expressions.
Drama And Theatre		Representing writers and dramatists. Directors and choreographers, scenic designers, actors, and singers who are involved in the production of a dramatic work.
Audio Visual & Film		Representing authors and performers as creative such as collaborators, and producers and financing partners in the video and film making industries
Music & Recording		Representing rightsholders of musical works being song writers, performers, composers and music publishers as well as record companies
Others		Other creative sectors

Assurance Mechanisms

Assurance over the effectiveness of internal controls is obtained through a combination of management reviews, internal audits, and external audits. Independent auditors provide assurance on the accuracy and reliability of COSBOTS' financial statements and compliance with statutory requirements.

Reports from management and committees are regularly presented to the Board, highlighting risk exposures, control performance, and corrective actions. This layered approach ensures that both oversight and assurance are comprehensive and continuous.

Continuous Improvement

The Board recognises that risk management and internal control are dynamic processes that require ongoing improvement. Emerging risks, such as technological disruption, regulatory change, and shifts in the creative economy, are regularly reviewed, and mitigation strategies are updated accordingly.

Training and awareness programmes are provided to staff and management to reinforce a culture of accountability and risk awareness. The Board also periodically reviews governance and risk management frameworks to ensure that they remain aligned with international best practice and the evolving needs of rights holders and stakeholders.

Long-Term Considerations And ESG Commitment

The Board of COSBOTS recognises that its decisions carry long-term implications not only for rights holders but also for the broader creative economy and COSBOTS at large. In line with global Environmental, Social, and Governance (ESG) principles, the Board ensures that all decisions are taken with a forward-looking perspective that balances financial sustainability, social responsibility, and ethical governance.

Environmental

COSBOTS acknowledges the importance of environmental stewardship in the creative sector. Through responsible resource management, promotion of digital licensing solutions, and minimisation of paper-based processes, the COSBOTS actively contributes to reducing its environmental footprint while aligning with sustainable business practices.

Social

At the core of COSBOTS' mission is the protection and enhancement of the value of copyright and related rights entrusted to it. By ensuring fair, transparent, and accurate royalty distribution, COSBOTS sustains the livelihoods of rights holders and strengthens trust within the creative community. The Board also considers the broader social impact of its decisions, recognising that a thriving creative economy contributes significantly to cultural development, youth empowerment, and national identity.

Governance

Strong governance underpins COSBOTS' ability to deliver on its mandate. The Board receives regular executive reports on licensing performance, royalty distributions, transformation projects, and industry developments. Requests for funding and resource allocation are assessed against

long-term objectives and stakeholder interests, ensuring that decisions are transparent, accountable, and aligned with the COSBOTS' s mission.

By embedding ESG considerations into its strategic decision-making, the Board not only safeguards the interests of current rights holders but also lays the foundation for a sustainable and resilient creative economy that can serve future generations.

Stakeholder Relationships And Responsible Business Practices

The Board of COSBOTS recognises that strong and effective relationships with stakeholders including rights holders, licensees, suppliers, government, and international partners are critical to the successful delivery of its strategic objectives. In its decision-making, the Board places significant emphasis on fostering these relationships to ensure the long-term sustainability of the COSBOTS and the wider creative economy.

Service Excellence is one of COSBOTS' core values, guiding the organisation to deliver the highest standard of service by adopting a customer-centric approach. This includes responding to the needs of licensees, members, and the broader collective management community. The Board supports ongoing initiatives to strengthen engagement, enhance transparency, and build trust, ensuring that COSBOTS remains a respected partner within the creative industries.

The Board plays a central role in shaping and overseeing licensing strategy and policy. Within its delegated authority, the Nominations & Governance Committee reviews and approves licensing schemes across broadcasting, online, and public performance usage, while referring significant matters to the Board for further approval. This ensures that licensing practices remain robust, fair, and in line with

international best practice.

The Board also monitors COSBOTS' participation in strategic partnerships and collaborative initiatives, both locally and internationally, which strengthen the COSBOTS' s operational capacity and industry positioning. Regular reports and presentations from management and partners enable the Board to oversee the effectiveness of these collaborations in delivering value to rights holders.

In line with responsible business practices, COSBOTS is committed to ethical procurement and transparent supplier relationships. The Board, together with the Advisory Committee, reviews actions taken to uphold integrity in supply chains and ensure compliance with applicable laws. As part of its governance and social responsibility commitments, the COSBOTS continues to embed principles of fair trade, anti-corruption, and ethical conduct across its operations.

Commitment To High Standards Of Business Conduct

The Board of COSBOTS is firmly committed to maintaining the COSBOTS' s reputation for high standards of business conduct in all its operations and stakeholder engagements. Integrity is one of COSBOTS' core values and serves as the foundation upon which all compliance activities are anchored. Alongside integrity, the COSBOTS upholds the values of innovation, inclusivity, service excellence, and collaboration, ensuring that its work is conducted in a manner that is ethical, transparent, and accountable. To reinforce this commitment, COSBOTS has established separate Codes of Conduct that applies to members, licensees, staff, and partners. These Codes provides clear expectations for professional behaviour, ensuring that all engagements reflect the COSBOTS' s values and governance standards.

The Nominations & Governance Committee plays a key role in safeguarding ethical conduct by reviewing and approving internal controls, compliance frameworks,

and oversight measures that uphold the COSBOTS' s standards. Under legal privilege, the Board receives updates on material legal matters and provides guidance or decisions as necessary to ensure compliance and accountability. COSBOTS has also adopted a suite of compliance policies, including those relating to anti-bribery and corruption, whistleblowing, and data privacy. Relevant employees are required to complete mandatory compliance training and assessments, while directors and members participate in annual governance and orientation refreshers. These measures ensure continuous awareness, proactive risk management, and the consistent application of ethical practices across the organisation.

Through these commitments, COSBOTS seeks not only to protect its reputation but also to foster stakeholder trust, strengthen member confidence, and position the COSBOTS as a model of good governance and ethical leadership within Botswana's creative economy and the wider regional network of collective management organisations.

Fairness And Member Engagement

As a collective management organisation, COSBOTS exists to serve its members, who are at the very heart of the COSBOTS' s mandate and operations. The Board recognises its duty to act fairly, equitably, and transparently as between all members, ensuring that the rights of authors, composers, publishers, and other rights holders are respected and safeguarded.

Effective member engagement is central to this commitment. The Board, supported by the Advisory and Executive Management, provides strategic leadership in ensuring that member perspectives are integrated into decision-making. Feedback from member consultations and surveys is regularly reviewed, with the aim of continuously improving the membership experience.

COSBOTS maintains open lines of communication with its members through a variety of channels, including rights holder briefings, genre-specific meetings, outreach activities for emerging creatives, and targeted engagement with both music and reprographic rights holders. The COSBOTS also hosts member-focused events and actively participates in wider industry gatherings, ensuring that members are informed, represented, and supported at all stages of their creative journeys. By fostering inclusivity, transparency, and fairness in its dealings, COSBOTS strengthens member trust and reinforces its role as a reliable partner in the protection and promotion of copyright in Botswana and beyond.

Management's Responsibilities

The responsibility for implementing the COSBOTS' s risk management processes rests with the Chief Executive Officer (CEO) and the respective Heads of Business and Operations. Each functional head is tasked with periodically evaluating internal controls within their areas of responsibility to ensure their effectiveness, efficiency, and alignment with the organisation's objectives.

As part of the governance framework, the Nominations & Governance Committee provides oversight of internal control matters. It reviews reports from management, identifies significant issues, and highlights these to the Board for consideration and corrective action where necessary. This structured approach ensures that risk management is embedded throughout the organisation, and that internal controls remain robust, responsive, and capable of safeguarding member value and organisational sustainability.

Diversity, Equity, And Inclusion (Dei)

COSBOTS is committed to building an inclusive organisation that reflects the diversity of the creative industries it serves. The COSBOTS recognises that diversity of perspectives, experiences, and backgrounds strengthens decision-making, drives innovation, and enhances its ability to deliver value to rights holders and stakeholders across Botswana and beyond.

Gender equality

COSBOTS actively promotes gender equity across all levels of the organisation. Recruitment, training, and development policies are designed to ensure that women and men have equal access to opportunities, from entry-level positions to leadership roles. The COSBOTS supports the advancement of women in the creative sector and encourages balanced representation on committees, in management, and within governance structures.

Youth empowerment

Recognising that young creators are the future of Botswana's cultural economy, COSBOTS prioritises the inclusion and empowerment of youth. Outreach programmes, mentorship initiatives, and targeted engagement activities provide young rights holders with the tools, resources, and knowledge to participate effectively in the copyright ecosystem. This commitment ensures that the next generation of creatives can thrive and sustain the growth of the industry.

Cultural and creative representation

Botswana's creative sector is characterised by its rich cultural heritage and diverse

artistic traditions. COSBOTS values and respects this diversity, ensuring that its membership, licensing, and distribution processes are inclusive of various genres, languages, and cultural expressions. By embracing cultural diversity, COSBOTS reinforces its role as a unifying body that supports all creators, irrespective of background or artistic discipline.

Persons with disabilities

COSBOTS is dedicated to ensuring equal opportunities for persons with disabilities. Employment policies are regularly reviewed to ensure fairness in recruitment, training, and career development. Where employees become disabled during the course of their careers, it is the COSBOTS' policy, wherever practicable, to provide continuing employment under normal terms and conditions, with reasonable accommodations and access to development opportunities. This reflects COSBOTS' commitment to inclusivity and fairness as a responsible employer.

Embedding DEI in governance and operations

Diversity, equity, and inclusion are integrated into COSBOTS' governance and operational frameworks. The Board and Executive Management monitor DEI practices to ensure that they are embedded across recruitment, membership engagement, staff training, and stakeholder relations. Regular reviews are undertaken to strengthen COSBOTS' ability to operate as an inclusive, equitable, and socially responsible organisation.

By championing DEI, COSBOTS not only supports its members and employees but also contributes to the growth of a fair, vibrant, and sustainable creative economy for Botswana.



Principle	2025	Comment
The Board should provide effective leadership based on an ethical foundation.	✓	The Board is governed by a Board Charter which is the framework that has put in place best practices that allow for the best ethical leadership.
The Board should ensure that the company is and seen to be a responsible corporate citizen.	✓	While the Board recognizes the concept of Corporate Social Responsibility, limitations of resources were a constraint in the period under review.
The Board should ensure that the company's ethics are managed effectively.	✓	The Organization's ethics are managed through the Executive Committee.
The Board should Act as the focal point for and custodian of corporate governance.	✓	The Organisation is headed by a Board that directs, governs, and is in effective control of the Organisation as embedded in the Board Charter. For effective control, the Board delegates some of its duties to its committees which are also governed by Committee charters. The Board meets at least four times a year.
The Board should appreciate that strategy, risk, performance and sustainability are inseparable.	✓	The Board monitors the implementation of strategy through the Chief Executive who submits reports at quarterly meetings.
The Board should ensure that the Organization's ethics are managed.	✓	The Organization's ethics are managed through the Executive Committee.
The Board should ensure that the company has an effective and independent Audit Committee.	✓	The Finance, Audit & Procurement Committee has been established in terms of the Board Charter and the Committee is governed by a Committee Charter which is reviewed annually.
The Board should be responsible for the governance of risk.	✓	The Board governs risk through its Nominations & Governance Committee which reports directly to the Board at each meeting of the Board.
The Board should be responsible for Information and Technology (IT) governance.	✓	The Board has endorsed the IT Policies and Procedures, and an IT Strategy is in the process of being developed. Quarterly progress reports are submitted to the Board.
The Board should ensure that the company complies with applicable laws and considers adherence to non-binding codes and standards.	✓	The Organization complies with applicable laws and non-binding rules. The Organization also seeks professional legal advice from time to time as and when required.
The Board should ensure that there is an effective risk-based internal audit.	x	The organizations have no internal audit unit but plans to have one as the organization grows
The Board should appreciate that stakeholders' perception affect the company's reputation.	✓	The Board, through the CEO monitors legitimate stakeholder interests and expectations, relevant to the COSBOTS' s strategic objectives and long-term sustainability.
The Board should ensure the integrity of the company's integrated reporting.	✓	In alignment with the King IV Report on Corporate Governance, the Board has adopted integrated reporting as part of its commitment to enhanced governance, transparency, and accountability.
The Board should report on the effectiveness of the company's internal controls.	✓	The Board is accountable for risk management and the system of internal control and issues annual disclosures that an adequate system of internal control is in place to mitigate the risks faced by the organization.
The Board and its Executive Management should act in the best interest of the company.	✓	The Directors make decisions giving due regard to their duties and as such act with an independence of mind. The Directors also declare their direct and indirect interests at each Board meeting and the Board Secretary maintain a register of Director's interests.

Principle	2025	Comment
The Board should consider business rescue proceedings or other turnaround mechanisms as soon as the company is distressed.	P	The only has Disaster recovery at IT division and is yet to have a fully coordinated ICD.
The Board should elect a Chairman of the Board who is an independent non-executive director. The CEO should not also the role of Chairman of the Board.	✓	The Board Chairperson of the Board is appointed by vote amongst the Board members in accordance with the constitution and She is an independent non-executive. The role of the CEO and Board Chairperson are performed by separate individuals.
The Board should appoint the Chief Executive and establish a framework for the delegation of authority.	✓	The CEO is appointed by the Board. The CEO is given certain decision-making power. Decisions over this threshold are considered by the Board. This ensures effective and timely decision-making.
The Board should comprise a balance of power, with the majority of non executive directors. The majority of non-executive directors should be independent.	✓	The Board of Directors is wholly non-executive and independent.
Directors should be appointed through a formal process.	✓	The Directors are appointed in accordance with the company constitution and the Companies Act
The induction of and ongoing training and development of Directors should be conducted through a formal process.	✓	Induction and training of Directors is done through a formal process on an ongoing basis.
The Board should be assisted by a competent, suitably and experienced Board Secretary.	✓	The Board Secretary is appointed by the Board in accordance with the Board Charter. The Board Secretary is a chartered secretary and has the requisite experience for the job as required by Section 162 of the Companies Act.
The evaluation of the Board its committee and the individual Directors should be performed every year.	✓	The Board gets evaluated bi-annually
The Board should delegate certain functions to well-structured Committees but without abdicating its own responsibilities.	✓	The Board has well-developed Committees which have been established with clear reporting procedures. The Committee Charters are reviewed annually

BOARD GOVERNANCE COMPLIANCE

Principle	2025	Comment
A governance framework should be agreed between the group and its subsidiary boards.	X	This principle is not applicable.
Organisations should remunerate directors and executives fairly and responsibly	✓	Director's remuneration is paid in accordance with the recommendations made by the General Assembly. The Executives' remuneration is determined by the Board.
Companies should disclose the remuneration of each individual director and prescribed officer	✓	This has been disclosed under the remuneration section in the Financial Statements.
Shareholders should approve the company's remuneration policy.	✓	The remuneration Policy is approved by the Board of Directors in accordance with the Board Charter.

GOVERNANCE OF RISK

Principle	2025	Comment
The Board should be responsible for the Governance of risk.		The Nominations & Governance Committee acts in accordance with its delegated authority of the Board in terms of governance of risk. The Committee is an integral component of the risk management process and oversees the development of policies.
The Board should determine the levels of risk tolerance.		The Board determines the level of risk tolerance quarterly.
The Risk Committee or Audit Committee should assist the Board in carrying out its risk responsibilities		The Board is assisted by an independent and effective Nominations & Governance Committee in carrying out its risk responsibilities. The Board Chairperson of the Committee reports to the Board at all its meetings
The Board should delegate to Management the responsibility to design, implement and monitor the risk management plan.		The design and implementation of the risk management plan is the responsibility of Management. The Nominations & Governance Committee provides the necessary oversight.
The Board should ensure that the risk assessments are performed on a continual basis.		Regular risk assessments are undertaken where both the strategic and operational risk registers are on quarterly basis reviewed and revised.
The Board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risk.		A formal ERM framework which relies on ISO31000 and COSO framework have not been developed and presented to the Board but COSBOTS follows framework based on CISC and IFFRO.
The Board should ensure that Management considers and implements appropriate risk responses.		Quarterly progress made in the implementation of the mitigation measures is presented to the Board.
The Board should ensure continual risk monitoring by Management.		Quarterly risk reports with significant risks are presented to the Board.
The Board should receive assurance regarding the effectiveness of the risk management process.		Proper risk management process is implemented in the annual report.
The Board should ensure that there are processes in place enabling complete, timely, relevant and accurate and accessible risk disclosure to stakeholders		Proper risk disclosures have been implemented in the annual report.
The Board should ensure that the Organisation complies with applicable laws and considers adherence to non- binding codes and standards.		The organisation complies with applicable laws and non- binding rules. The Board certifies that such rules are adhered to.
The Board and each individual Director should have a working understanding of the effect of applicable laws, rules, codes and standards on the Organisation and its business.		Any changes in laws and rules which affect the Organisation are included in the Board's agenda as and when applicable.

IN LOVING MEMORY OF

cosbots

Copyright Society of Botswana

KABO LEBURU

Names: Kabo Rexton Leburu

D.O.B: 1977/12/26

Profession: PERFORMER,
COMPOSER, AUTHOR, PUBLISHER

Genre: Jazz / Afro Pop

Membership Period: 14 years

The COSBOTS Board, Management and Staff are saddened to hear of the untimely passing of Kabo Rexton Leburu.

During this time of grief, may his family and friends find comfort in the memories shared with Kabo. His spirit lives on in the lives that he touched.

MAY HIS SOUL REST IN ETERNAL PEACE

GABORONE: +267 392 8055

info@cosbots.co.bw

www.cosbots.co.bw

FRANCISTOWN: +267 241 0432



Kabo Leburu

GOVERNANCE OF RISK

Principle	2025	Comment
Compliance risk should form an integral part of the Organisation's risk management process	✓	The risk of non - compliance is monitored, assessed and responded to through the organisation's risk management Process.
The Board should delegate to management the implementation of an effective compliance framework	✓	A formal Compliance framework is developed.
Governing of Stakeholder Relationships.	✓	The Board has entered into MoUs to govern stakeholder relations.
The Board should appreciate that stakeholders' perceptions affect the company's reputation.	✓	The Board monitors legitimate stakeholder interests and expectations, relevant to the organisation's strategic objectives and long - term sustainability..
The Board should delegate to Management to proactively deal with stakeholder relationships.	✓	Stakeholder relationship management is the primary responsibility of the CEO.
The Board should strive to achieve the appropriate balance between its various stakeholder groupings, in the best interest of the Organisation.	✓	The Board strives to achieve an appropriate balance between the interests of various stakeholders in its decision making.
Companies should ensure the equitable treatment of shareholders.	✓	COSBOTS has a cordial relationship with the Government of Botswana through the Ministry of Investment, Trade & Industry.
Transparent and effective communication with stakeholders are essential for building and maintaining their trust and confidence	✓	The organisation produces an Annual Report within reasonable timelines. The organisation ensures that information to stakeholders is sent timeously and that it is clear and comprehensive.



IN LOVING MEMORY OF

cosbots

Copyright Society of Botswana

PETERE YOO TSEJWANG

Names: Petros Lekobane
D.O.B: 01/01/1954
Profession: PERFORMER
Genre: Gospel
Membership Period: 11 years

The COSBOTS Board, Management and Staff are saddened to hear of the untimely passing of Petros Lekobane.

During this time of grief, may his family and friends find comfort in the memories shared with Petere Yoo Tsejwang. His spirit lives on in the lives that he touched.



MAY HIS SOUL REST IN ETERNAL PEACE

☎ **GABORONE:** +267 392 8055
 📧 info@cosbots.co.bw
 🌐 www.cosbots.co.bw

FRANCISTOWN: +267 241 0432



*Petros
Lekobane*

Board Committees

To enhance efficiency and effectiveness in discharging its duties, the Board has established the following committees:

Executive

The executive committee facilitates decision making in Board meetings and in urgent matters.

Finance, Audit and Procurement Committee

This committee provides oversight over financial reporting, risk management and audit processes. It ensures the integrity of financial statements and compliance with applicable laws and regulations.

Human Resources & Staff Welfare

This committee oversees human capital matters, including recruitment, remuneration, performance management and staff development. It ensures that COSBOTS attracts and retains competent personnel.

Membership

Key responsibilities of the membership committee include overseeing the integrity of the company's membership services and the company membership and distribution rules, media/PR and communications strategy, code of conduct policy, member issues and the advocacy role of the organizers.

Advisory Committee

The advisory committee bridges the gap between members and the board. Furthermore, it advises the board.

Statement On Risk Management

COSBOTS has adopted a risk management framework that identifies, assesses and mitigates risks that could impede the achievement of its strategic objectives. The Board, through its committees, ensures that management has in place appropriate risk management and internal control systems.

Internal Controls

The Organisation maintains a robust internal control environment to ensure the accuracy and reliability of financial and operational information, safeguard assets and ensure compliance with laws and regulations. The internal audit function provides independent assurance on the effectiveness of these controls.

Responsibilities Of The Board

The Board is entrusted with several key responsibilities that are vital to the effective governance and long-term success of the organisation. It is responsible for setting the strategic direction of the company, ensuring that all activities align with the overarching mission and vision. The Board upholds and promotes ethical leadership and sound governance practices, fostering a culture of integrity and accountability. It oversees organisational performance and sustainability, ensuring that operations are both effective and responsible in the long term. In addition, the Board appoints the Chief Executive Officer and regularly evaluates their performance to ensure strong and effective leadership. It also plays a critical role in monitoring compliance with applicable laws and regulations, as well as managing enterprise risk. Furthermore, the Board is responsible for approving key organisational policies and the annual budget, thereby ensuring prudent financial stewardship and strategic alignment across all functions.

Management Responsibilities

Management is responsible for the effective implementation of strategies approved by the Board, ensuring that organisational objectives are translated into actionable plans and executed efficiently. This includes the day-to-day oversight of operations to maintain smooth, consistent, and effective service delivery across all departments. Management is also charged with

maintaining robust risk management and internal control systems to safeguard the organisation's assets and ensure compliance with relevant regulations and standards. Furthermore, it is accountable for producing accurate and timely financial reports, thereby supporting transparency, informed decision-making, and sound financial governance.

Principle	2025	Comment
A governance framework should be agreed between the group and its subsidiary boards	✓	The board governed by a Board Charter which is the framework that has put in place best practices that allow for the best ethical leadership.
The Board should ensure that the company's ethics are managed properly	✓	The organisation's ethics are managed through the executive committee
The Board should ensure that the company is and seen to be a responsible corporate citizen	✓	While the Board recognizes the concept of Corporate Social Responsibility, limitations of resources were a constraint in the period under review.
The board should act as the focal point for and custodian of corporate governance	✓	The organisation is headed by a Board that directs, governs and is in effective control of the organisation as embedded in the Board Charter. For effective control, the Board delegates some of its duties to its committees which are also governed by Committee charters. The Board meets at least four times a year.
The Board should appreciate that strategy, risk, performance and sustainability are inseparable.	✓	The Board monitors the implementation of strategy through the Chief Executive Officer who submits reports at quarterly meetings.
The Board must ensure that the company has an effective and independent Audit committee.	✓	The Finance, Audit and Procurement Committee has been established in terms of the Board Charter, and the committee is governed by a committee which is reviewed annually.
The Board Should be responsible for the governance of risk	✓	The Board governs risk through is Nominations and Governance Committee which reports directly to the Board at each meeting of the Board.
The Board should be responsible for Information and Technology (IT) governance.	✓	The Board has endorsed the IT Policies and Procedures and an IT Strategy in the process is in the process of being developed. Quarterly progress reports are submitted to the Board.
The Board should ensure that the company complies with applicable laws and considers adherence to non-binding codes and standards,	✓	The organisation complies with applicable laws and non-binding rules. The organisation also seeks professional legal advice from time to time as and when required.
The Board should ensure that there is an effective risk-based internal audit.	x	The organisations have no internal audit unit but plans to have one as the organisation grows.
The Board should appreciate that stakeholders' perception affects the company's reputation.	✓	The Board, through the CEO monitors legitimate stakeholder interests and expectations, relevant to the COSBOTS strategic, objectives and long-term sustainability.
The Board should ensure the integrity of the company's integrated reporting.	✓	The Annual Report is an integrated Report.

Principle	2025	Comment
The Board should report on the effectiveness of the company's internal controls.		The Board is accountable for the risk management and the system of internal control and issues annual disclosures that an adequate system on internal control is in place to mitigate the organisation.
The Board and its Executive Management should act in the best interest of the company.		The Directors make decisions giving due regard to their independence of mind the directors also declare their direct and indirect interests at each Board meeting and the Board Secretary maintains a register of Director's interests.
The Board should consider business rescue proceedings or other turnaround mechanisms as soon as the company is distressed.		The company has disaster recovery at IT division and is yet to have fully coordinated BCM.
The Board should elect a chairman at the board who is independent who is independent, non-executive director. The CEO should not also hold the role of chairman of the Board.		The Board Chairperson of the Board is appointed by vote amongst the Board members in accordance with the constitution and she is an independent non-executive. The role of the CEO and the Board Chairperson are performed by two separate individuals.
The Board should appoint the CEO and establish framework to the delegation of authority.		The CEO is appointed by the Board. The CEO certain decision-making power. Decisions over the threshold are considered by the Board. This ensures effective and timely decision-making.
The Board should comprise a balance of power with the majority of non-executive directors. The majority of non-executive directors should be independent.		The Board of Directors is wholly non-executive and independent.
Directors should be appointed through a formal process.		The Directors are appointed in accordance with the company constitution and the Companies Act.
The induction of and on-going training and development of Directors should be conducted through a formal process.		Induction and training of Directors is done through a formal process on on-going and the Companies Act.
The Board should be assisted by a competent, suitably and experienced Board Secretary.		The Board Secretary is appointed by the Board in accordance with the Board Charter. The Board secretary is a chartered secretary and has the requisite experience for the job as required by Section 162 of the Companies Act.
The evaluation of the Board, its committees and the individual Directors should be performed every year.		The evaluation of the Board is done biannually.
The Board should delegate certain functions to well structured committees but without abducting its own responsibilities.		The Board has well developed Committees which have been established with clear reporting procedures. The Committee Charter are reviewed annually.
A governance framework should be agreed between the group and its subsidiary boards.	X	This principle is not applicable
Organisations should remunerate directors and executive fairly and responsibly.		Directors' remuneration is paid in accordance with the recommendations made by the general assembly. The executive's remuneration is determined by the Board.
Companies should disclose the remuneration of each individual director and prescribed officer.		This has been discussed under the remuneration section in the financial Statements.
Shareholders should approve the company's remuneration policy/		The remuneration policy is reviewed by the Board of Directors in accordance with the Board Charter.

Finance, Audit and Procurement Committee

Principle	2025	Comment
The Board should be responsible for the governance of risk		The Nominations and Governance Committee acts in accordance with its delegated authority of the Board in terms of governance of risk. The Committee is an integral component of the risk management process and over sees the development of policies
The Board should determine the levels of risk tolerance		The Board shall determine the level of risk tolerance according to the enterprise Risk Framework after the finalisation and approval of the framework.
The risk committee or audit committee should assist the Board in carrying out its responsibilities		The Board is assisted by an independent and effective Nominations & Governance Committee in carrying out its responsibilities. The Board Chairperson of the Committee reports to the Board.
The Board should delegate Management the responsibility to design, implement, and monitor the risk management plan.		The design and implementation of the risk management plan is the responsibility of management. The Nominations and Governance Committee provides the necessary oversight.
The Board should ensure that the risk assessments are performed on a continual basis.		Regular risk assessment are undertaken where both the strategic and operational risk registers are on quarterly basis, reviewed and revised.
The Board should ensure that frameworks and methodologies are implemented to increase the probability of anticipating unpredictable risk.		A formal ERM framework which relies on ISO31000 and COSO framework have not been developed and presented to the Board but COSBOTS follows framework based on CISC and IFFRO.
The Board should ensure that Management considers and implements appropriate risk responses.		Quarterly progress made in the implementation of the mitigation measures is presented to the Board.
The Board should ensure continual risk monitoring by Management.		Quarterly risk reports with significant risks are presented to the Board.
The Board should receive assurance regarding the effectiveness of the risk management process		Risk management process has been implemented in 2023/2024.
The Board should ensure that the Organisation complies with applicable laws and considers adherence to non-binding codes and standards		The organisation complies with applicable laws and non-binding rules. The Board should certify that such rules are adhered.
The Board should ensure that there are processes in place enabling complete, timely, relevant and accurate and accessible risk to disclosure to stakeholders.		Proper risk disclosures are implemented.

Principle	2025	Comment
tThe Board and each individual Director should have a working understanding of the effect of applicable laws, rules, codes and standards on the Organisation and its business.		Any changes in laws and rules which affect the organisation are included in Boards agenda and when applicable.
Compliance risk should form an integral part of the organisation risk management process		The risk of non-compliance is monitored, assessed and responded to through the organisation's risk management process.
The Board should delegate to management the implementation on an effective compliance framework.		A formal compliance framework is in place. We annually report to CIPA, CISAC, IFFRO, IFPI.

Governing Of Stakeholder Relationships		
The Board should appreciate that stakeholders' perceptions affect the company's reputation		The Board monitors legitimate stakeholder interests and expectations, relevant to the organisation's strategic objectives and long-term sustainability.
The Board should delegate to Management to proactively deal with stakeholder relationships		Stakeholder relationship management is the primary responsibility of the CEO
The Board should strive to achieve the appropriate balance between its various stakeholder groupings, in the best interest of the organisation.		The Board strives to achieve an appropriate balance between the interests of various stakeholders in its decision making.
Companies should ensure the equitable treatment of shareholders		COSBOTS has a cordial relationship with the Government of Botswana through the Ministry of Trade.
Transparent and effective communication with stakeholders is essential for building and maintaining trust and confidence		The organisation produces an Annual Report within reasonable timelines. The organisation ensures that information to stakeholders is sent timeously and that it is clear and comprehensive.

IN LOVING MEMORY OF

cosbots

Copyright Society of Botswana

KUKALASETSO

Names: Moleriwa Morapane
D.O.B: 1981/10/11
Profession: PERFORMER,
 COMPOSER, AUTHOR, PUBLISHER
Genre: Traditional
Membership Period: 10 years

The COSBOTS Board, Management and Staff are saddened to hear of the untimely passing of Moleriwa Morapane.

During this time of grief, may his family and friends find comfort in the memories shared with "Kukalasetso". His spirit lives on in the lives that he touched.



MAY HIS SOUL REST IN ETERNAL PEACE

☎ **GABORONE:** +267 392 8055
 © info@cosbots.co.bw
 🌐 www.cosbots.co.bw

FRANCISTOWN: +267 241 0432



Kukalasetso

Certificate Of Secretary

In my capacity as Company Secretary, I hereby certify, in terms of the Compliance Act, that for the year ended June 30, 2024. The Company has lodged with the Registrar of Companies all such returns are required of a company in terms of the Companies Act and that all such returns are, to the best of my knowledge and belief, true, correct and up to date.



Motlagae Mosidi
Company Secretary
30th June 2024



Treasurer's Report

Copyright Society of Botswana (COSBOTS)
For the financial year ended 30 June 2025

Financial Overview

The financial year ended 30 June 2025 marked a significant improvement in the financial position and operating performance of the Copyright Society of Botswana (COSBOTS). The Company recorded strong revenue growth, returned to surplus, substantially reduced its accumulated deficit and maintained a sound liquidity position.

Royalty income increased from P20.18 million in 2024 to P26.35 million in 2025, representing growth of approximately 31%. Total comprehensive income improved from

a loss of P3.51 million in 2024 to a surplus of P2.85 million in 2025, representing a turnaround of more than P6.3 million. The accumulated deficit consequently reduced by approximately 97%, from P2.95 million to P99,766.

The results reflect a substantially improved financial position and provide a stronger platform for the Company to meet its operational and royalty obligations while continuing to invest in effective rights administration.

Independent Audit

The annual financial statements were subjected to an independent external audit. The auditors expressed an unmodified audit opinion, providing assurance that the financial statements present fairly, in all material respects, the financial position of COSBOTS as at 30 June 2025 and its financial performance and cash flows for the year.

The Board regards the audit outcome as an important indicator of continued financial accountability and remains committed to strengthening internal controls, financial reporting and governance as the scale and complexity of the Company's operations increase.

Executive Financial Highlights

Measure	2025	2024	Movement
Revenue	P26.35m	P20.18m	+31%
Royalty distribution	P14.63m	P14.54m	+1%
Other operating expenses	P13.40m	P12.44m	+8%
Operating result	P2.58m surplus	P3.72m loss	P6.30m improvement
Comprehensive result	P2.85m surplus	P3.51m loss	P6.36m improvement
Cash and cash equivalents	P34.04m	P35.40m	-4%
Total assets	P44.88m	P43.04m	+4%
Accumulated deficit	P0.10m	P2.95m	97% reduction

Revenue Performance

Royalty income increased by approximately P6.16 million, from P20.18 million to P26.35 million. The 31% growth reflects continued expansion of licensing activities and demonstrates the underlying potential of Botswana's copyright market.

The Company continued strengthening licensing across its established revenue streams while pursuing improved compliance among commercial users, broadcasters, events and other users of protected works.

The next phase of revenue growth will place greater emphasis on converting licensing activity into cash collections. Increased invoicing must be accompanied by effective credit control, debt recovery and enforcement to ensure that revenue growth ultimately translates into increased value available to rightsholders.

Royalty Distributions and Sustainable Member Value

Royalty distributions recognised during the year amounted to approximately P14.63 million, compared with P14.54 million in 2024. While the absolute distribution amount remained broadly stable, the significant increase in licensing revenue resulted in the distribution-to-revenue ratio reducing from approximately 72% in 2024 to 55.5% in 2025.

The reduction was a deliberate prudential measure taken in the context of the Company's financial position. Following the losses recorded in the preceding financial year, the Board considered it necessary to strengthen the solvency and liquidity position of COSBOTS and maintain an appropriate financial buffer against future royalty distribution and operational commitments.

This approach was also informed by the difficult national economic environment and uncertainty surrounding significant outstanding royalty receivables, including material amounts being pursued from Government institutions. The objective was to balance immediate distributions against the need to preserve COSBOTS' capacity to provide fair, equitable and sustainable remuneration across successive distribution cycles.

The Board does not regard the 55.5% ratio as a new distribution benchmark. As the Company's financial position strengthens and outstanding royalty obligations are recovered, the expectation is that the proportion of licensing revenue converted into distributions will progressively improve.

Finance Report *(cont.)*

Growth in Member Royalty Value

The longer-term development of COSBOTS is increasingly reflected in the value of individual royalty payments. Approximately five years ago, the highest individual royalty payment was around P50,000 in a distribution cycle. Under Distribution 18, the highest individual payment increased to approximately P204,568, representing more than four times the level achieved five years earlier.

This growth demonstrates the increasing economic potential of copyright as licensing coverage, monitoring, repertoire documentation and rights administration improve. The priority going forward is to broaden this progress so that increasing numbers of members experience meaningful growth in royalty income.

Unclaimed Royalty Distributions

During the year, approximately P3.83 million relating to unclaimed royalty distributions was recognised in accordance with the applicable accounting and distribution treatment.

Given the nature of these funds, COSBOTS remains committed to strengthening repertoire documentation, member information, matching processes and rightsholder identification to minimise

the incidence of unclaimed royalties. The treatment of such amounts remains subject to the Company's approved distribution rules and applicable requirements.

Improving data quality and the identification of rightsholders remains critical to ensuring that royalties are allocated and paid to their rightful beneficiaries.

Cost Management and Operational Efficiency

Operating expenditure increased from approximately P12.44 million to P13.40 million, representing growth of approximately 8%, compared with the 31% increase in royalty income.

As a result, the cost-to-revenue ratio improved from approximately 62% in 2024 to 51% in 2025. Revenue therefore grew substantially faster than operating expenditure, demonstrating improved operating efficiency during the period.

The Board will continue exercising expenditure discipline while recognising the

need for appropriate investment in licensing, technology, enforcement, data management and other capabilities necessary for effective rights administration.



Liquidity and Financial Sustainability

COSBOTS closed the year with approximately P34.04 million in cash and cash equivalents, maintaining a strong liquidity position.

The Board will continue strengthening the liquidity position while balancing operational requirements, investment of temporarily available funds and the timely settlement of royalty obligations.

Receivables and Debt Recovery

Trade and other receivables increased from approximately P4.09 million to P7.45 million, representing an increase of approximately 82%.

While the increase partly reflects the expansion of licensing activity, the rate of growth in receivables exceeded the rate of revenue growth and therefore requires

focused attention. Strengthening debtor management, credit control, ageing analysis and recovery of major outstanding accounts will consequently remain financial priorities. Revenue recognised but not collected cannot be converted into royalty payments, making cash collection an essential component of sustainable member value.

Cash Flow

Net cash from operating activities moved from P10.39 million generated in 2024 to P1.33 million used in operations in 2025.

The movement was principally influenced by working-capital changes, including increased receivables and movements in royalty

and other provisions. While the Company maintained substantial overall liquidity, the movement reinforces the importance of improving the conversion of recognised licensing revenue into cash and maintaining effective management of working capital.

Assets and Investments

The Company maintained a strong overall asset position, supported by significant cash resources and investments.

Available funds continued to be managed prudently with emphasis on capital preservation, liquidity and appropriate returns, while ensuring that funds remain

available to meet royalty and operational obligations when required. Investment activity remains supplementary to COSBOTS' principal mandate. The primary purpose of the Company's financial resources remains the effective administration of rights and the sustainable payment of royalties to rightsholders.

Finance Report *(cont.)*

Financial Governance and Controls

The Board continued strengthening financial governance, internal controls and accountability during the year.

As COSBOTS expands its licensing activities and develops into a broader multi-right organisation, the financial control environment must evolve accordingly. Continued attention will therefore be given to financial reporting,

procurement controls, risk management, segregation of duties and the integration of financial and rights-management systems.

Technology will remain particularly important in strengthening the audit trail, licensing controls, financial reporting and the relationship between collections and distributions.

7. Key Financial Ratios

Ratio	2025	2024	Interpretation
Revenue growth	31%	9%	Strong acceleration in licensing income.
Distribution-to-revenue	55%	72%	Lower ratio supported restoration of accumulated deficit.
Cost-to-revenue	51%	62%	Revenue grew substantially faster than operating costs.
Operating margin	9.8%	(18.4%)	Return to an operating surplus.
Comprehensive surplus margin	10.8%	(17.4%)	Strong recovery after all income and finance costs.
Current ratio	0.95:1	0.88:1	Improved; liabilities mainly comprise royalties and deferred income.
Cash coverage of current liabilities	0.78:1	0.79:1	Substantial cash backing, with obligations requiring timing management.



Financial Priorities

The financial priorities for the next reporting period will focus on four principal areas.

Revenue and collections will remain a priority, with emphasis on expanding the licensing base while improving the recovery of outstanding accounts and converting invoiced revenue into cash.

Sustainable distributions will focus on progressively improving the proportion of collections reaching rightsholders while maintaining sufficient liquidity and financial

resilience to support successive distribution cycles.

Cost and financial discipline will remain central to ensuring that growth in administrative expenditure remains appropriately controlled relative to revenue and member value.

Systems, controls and governance will continue to be strengthened to support accurate financial reporting, efficient rights administration, improved collections and transparent distributions.

Outlook

The 2025 financial year represents a significant restoration of COSBOTS' financial position. Revenue increased by approximately 31%, the Company returned to surplus, accumulated losses were substantially eliminated, operating expenditure grew considerably slower than revenue, and liquidity remained strong.

The focus must now shift from financial recovery to sustainable value creation for members. This requires stronger cash collections, disciplined expenditure,

continued improvement in financial controls and a progressive increase in the efficiency with which licensing revenue is converted into royalty distributions.

A financially sustainable COSBOTS is essential to protecting the continuity of rights administration. Its ultimate value, however, will continue to be measured by the extent to which that financial strength translates into fair, timely and sustainable remuneration for creators and rightsholders.



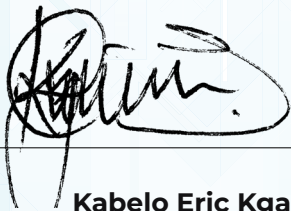
Finance **Report** (cont.)

Conclusion

The year ended 30 June 2025 marked a significant financial recovery for COSBOTS. Revenue reached P26.35 million, the cost-to-revenue ratio improved to 51%, and the company returned to a comprehensive surplus of P2.85 million. This performance reduced the accumulated deficit to P99,766 while preserving a royalty distribution of P14.63 million.

The balance sheet remains characterised by substantial cash resources alongside significant royalty provisions and deferred licensing income. These balances arise primarily from the company's collective management mandate rather than conventional debt financing. Even so, the increase in receivables and the operating cash outflow require focused attention in the coming year.

COSBOTS will continue pursuing sustainable revenue growth, disciplined cost management, stronger collections and fair, transparent royalty distributions. On behalf of the Board, we thank our members, management, employees, licensees and stakeholders for their contribution to the progress achieved during the year.



Kabelo Eric Kgaodi
Treasurer, COSBOTS Board of Directors



IN LOVING MEMORY OF

cosbots

Copyright Society of Botswana

CHAMUKA

Names: Chamuka Somolekae

D.O.B: 07/02/1958

Profession: PERFORMER, COMPOSER

Genre: Jazz

Membership Period: 12 years

The COSBOTS Board, Management and Staff are saddened to hear of the untimely passing of Chamuka Somolekae.

During this time of grief, may his family and friends find comfort in the memories shared with "Chamuka". His spirit lives on in the lives that he touched.



MAY HIS SOUL REST IN ETERNAL PEACE

GABORONE: +267 392 8055

info@cosbots.co.bw

www.cosbots.co.bw

FRANCISTOWN: +267 241 0432



*Chamuka Chana
Somolekae*

Audited Financial Statements



Copyright Society of Botswana
(Registration number BW00000230497)
Financial statements
for the year ended 30 June 2025

Financials

Copyright Society of Botswana

(Registration number BW00000230497)

Financial statements

for the year ended 30 June 2024

General Information

Country of incorporation and domicile

Botswana

Nature of business and principal activities

The Copyright Society of Botswana was established and has been mandated by the Copyright and Neighbouring Rights Act - CAP 68:02 to, among others, license and collect royalties from users of copyright protected works, and to distribute them to copyright owners.

Directors

Bakalanga Malikongwa
Ookeditse Moyambo
Winnie Winani Sekani
Alfred Morwaledi Mosimanegape
Moletlanye Mphoeng
Mpho Motlhasedi
Benjamin Mogotsi
Kabelo Eric Kgaodi
Patrick Setsiba
Kelebonye Sibanyoni
Martin Ntongana
Staffnurse Bangu Lesetedi-
Keothepile
Letlhogonolo Makwinja

Registered office

Unit 1, Plot 93
International Commerce Park
Gaborone, Botswana

Postal address

Private Bag B075 Gaborone

Bankers

ABSA Bank Botswana Limited
First National Bank Botswana Limited
Bank Gaborone Limited
Stanbic Bank Botswana Limited

Auditors

Maemo S D Mesotlo & Associates
Registered Auditors
Member firm No: FAN 008 2025
Plot 54373
Matante Mews
1st Floor CBD
Gaborone, Botswana
P O Box 604 AAH, CBD

Notes to the Financial Statements

FIGURES IN PULA	NOTE(S)	2024	2023
Other operating expenses			
Administration and management fees		-(	167,919)
Advertising		(277,112)	(219,375)
Amortisation		(15,287)	(15,287)
Auditor's remuneration - external audit	15	(60,668)	(91,735)
Bad debts		(638,665)	(1,032,837)
Bank charges		(44,683)	(72,768)
Cleaning		(7,225)	(378,679)
Commission paid		(14,579)	(30,625)
Accounting fees		(3,000)	(66,000)
Consulting fees		(82,926)	(203,790)
Legal fees		(173,973)	(335,983)
Special General Meeting		-	(329,959)
Depreciation		(279,505)	(434,794)
Donations		(490)-	
Employee costs		(4,629,608)	(4,507,426)
Membership expenses		(143,316)	(6,658)
Licensing expenses		(94,422)	(663)
Board expenses		(3,380,762)	(1,364,822)
Monitoring expenses		(650,146)	(565,048)
Other expenses		(101,375)	(64,864)
Recruitment		-(	31,487)
Insurance		(71,761)	(68,748)
IT expenses		(195,769)(	321,602)
Leases of low value assets		(43,105)	-
Levies		(26,853)	(40,446)
Motor vehicle expenses		(343,580)(	183,627)
Municipal expenses		(69,727)	(61,799)
DBS Project		(100)(	731,005)
Postage		(1,480)(	7,760)
Printing and stationery		(126,662)	(131,546)
Repairs and maintenance		(29,747)	(28,641)
Security		(86,341)(	72,242)
Staff welfare		(122,538)	(74,381)
Subscriptions		(95,645)	(19,858)
Telephone and fax		(253,931)	(242,328)
Training		(149,420)(	113,484)
Travel - local		(511,206)	(347,208)
Travel - international		(351,678)	(310,890)
		(13,077,285)	(12,676,284)



Copyright Society of Botswana

Business Name:

Copyright Society of Botswana (COSBOTS)

Business Address:

Plot 93, Unit 1 Gaborone International Commerce
Park, Gaborone
Private Bag BO75, Bontleng, Gaborone, Botswana

Website:

www.cosbots.com

E-mail:

info@cosbots.co.bw

Tel:

(+267) 392 8055

Fax:

(+267) 392 8131