

ISSUE NO:	1
DATE:	23/02/2017
REVISION NO:	
PAGES	15

CBZ HOLDINGS LIMITED

GROUP SHAREHOLDER ENGAGEMENT POLICY

1. PURPOSE

- 1.1. The Board of CBZ Holdings Limited and all associated companies and subsidiaries ("the CBZ Group") believe that one of the core objectives of fostering and maintaining long-term relationships with its shareholders is through continuous, effective and extensive engagement with its shareholders.
- 1.2. The Board understands and appreciates the need to create open channels of engagement with shareholders to allow shareholders to understand the Group's business and operations outside of the formal communication channels of the annual report and the annual general meeting. The Board believes that engaging with the Group's shareholders will increase transparency and accountability to the shareholders.
- 1.3. This policy sets out the CBZ Group's policies in relation to shareholder engagements and effective dissemination of information to shareholders. It sets out guidelines which are to be applied in a manner consistent with all Zimbabwe Stock Exchange laws on reporting and fair disclosure.
- 1.4. The policy shall serve as a flexible framework for conduct and is not in any way to be construed as creating legally binding and enforceable obligations on the CBZ Group. The Board may modify or make any exceptions to the guidelines from time

to time in its discretion and consistency with its duties to the relationship with shareholders.

2. SCOPE AND APPLICATION

- 2.1. This policy shall apply to all shareholder and stakeholder engagement for the entire CBZ Group. The policy shall apply to the Board, Management, and all employees of the Group.
- 2.2. This policy shall apply to all means of communication used by the CBZ Group to communicate with its shareholders and stakeholders and includes all written and oral communication.

3. PRINCIPLES

- 3.1. It is the Board's mission to create a shareholder engagement framework that is consistent, accessible, inclusive and tangible. The overall objective of this policy is to encourage and foster a better alignment of the interests of shareholders, the Board and Management.
- 3.2. In all instances of contact between the shareholders and any Group within the CBZ Group, appropriate measures shall be adopted in order to avoid the transmission of information that might give any shareholder an undue advantage over other shareholders.
- 3.3. The Board and all management and employees of the Group involved in the shareholder engagement seek to ensure transparency, truthfulness and equality in the dissemination of information.
- 3.4. Whilst the Group shall endeavor to positively address all queries raised by any shareholder during such engagement, any engagement shall remain at the sole and exclusive discretion of the Group Chief Executive Officer as mandated in

accordance with this policy and where necessary in consultation with the Board through the Chairperson of the Board.

- 3.5. At all times any information requests and engagements shall be subject to all relevant legislation applicable to the CBZ Group, the Zimbabwe Stock Exchange Listing Requirements, best practices in corporate governance and reporting and any other standards deemed fit by the Board.

4. OBJECTIVES OF SHAREHOLDER ENGAGEMENT POLICY

- 4.1. To enable the Board to be well apprised of the shareholders' opinions and concerns in particular regarding the Group's corporate governance and social responsibility and to enable the Board to take these into account in their discharge of duties in furtherance of the corporate interest.
- 4.2. To provide visibility and transparency into the Group's business and practices To ensure that management and the board understand and consider the issues that matter most to the Group's stockholders
- 4.3. To ensure that the Group's corporate governance practices continue to evolve and reflect the insights and perspectives of the Group's various stakeholders.
- 4.4. To build and manage long-term relationships with shareholders based on mutual trust and respect because effective board-shareholder communication strengthens the board's role as an active, informed and engaged fiduciary.

5. CONTROLS AND LIMITATIONS TO SHAREHOLDER ENGAGEMENT

In line with the Group's obligation to ensure fair and equal treatment of shareholders, all shareholder engagement is subject to the Group's disclosure policies.

5.1. Fair Disclosure principles –

- (i) The Group is under an obligation to ensure that all shareholders of a particular class of shareholding are treated equally and fairly. This includes equal access to information.
- (ii) Where the information sought by a shareholder consists of material information, the Group may decline to avail such information pending public disclosure in accordance with the Group's obligations under the Zimbabwe Stock Exchange Listing Rules.

5.2. Consistency of information provided to shareholders upon request –

- (i) All information disseminated to stakeholders in accordance with the provisions of this policy may be subject to review by the Board and the Group Chief Executive Officer to ensure consistency.
- (ii) Where inconsistent information has inadvertently been provided, the Board reserves the right to retract any statements. Disclosures that contain errors, omissions or misleading information will be corrected as soon as possible via subsequent announcement as may be appropriate.

5.3. Confidentiality –

- (i) Any information disseminated to shareholders in accordance with the provisions of this policy shall be treated as confidential.
- (ii) Where the Group deems it necessary, shareholders may be required to sign written non-disclosure agreements.

- (iii) Anyone who is privy to confidential information shall be prohibited from communicating such information to third parties unless it is necessary to do so as required by law.

5.4. **Insider Trading Restrictions –**

- (i) Where necessary, shareholders are to be advised that the use of any inside information which has not been made public and if made public would affect the value of Group's listed securities is expressly prohibited by **Part X sections 87-91** of the **Securities Act [Chapter 24:25]**.
- (ii) Contravention of these provisions attracts criminal and civil penalties.

6. **THE ENGAGEMENT OFFICIALS**

6.1. **The Group Company Secretary –**

- (i) The Group Company Secretary shall be the primary contact person in respect of all shareholder queries.
- (ii) The Group Secretary shall be responsible for monitoring compliance and overseeing implementation of this Group Shareholder Engagement Policy in consultation with Group Chief Executive Officer.
- (iii) The Group secretary shall be responsible for receiving and reviewing all communications from shareholders.

6.2. Contact information – The Group Company Secretary can be contacted through the Group Head Office.

6.3. **The Chief Executive Officer –**

-
- (i) The Group Chief Executive Officer has been appointed by the Board as the primary spokesperson for the Group pertaining to any communications to shareholders in accordance with this Policy. All communication is at the discretion of the Group Chief Executive who may liaise with Chairman of the Board to ensure that communications remain within the parameters of this mandate.
 - (ii) The Chief Executive Officer may, subject to his availability, urgency and need, delegate his functions to any members of Executive Management or the Group Company Secretary.
 - (iii) No other employee may directly engage a shareholder other than as provided for in this policy and without the express approval of the Chief Executive Officer.
- 6.4. Contact information – The Group Company Secretary can be contacted through the Group Head Office.

7. METHODS OF ENGAGEMENT

- 7.1. **Meetings** – the Group may when necessary engage in shareholder outreach and ongoing dialogue through meetings outside of the annual general meeting. The Group believes that these are critical to developing and maintaining effective investor relations, understanding the views of shareholders, and helping shareholders understand the plans and views of the board and management. The meetings shall include the prescribed annual general meeting and ad hoc meeting to address specific shareholder and Group concerns.
- 7.2. **Integrated Annual Reporting** – the Group has implemented the integrated reporting principles to give the shareholders a wider and more comprehensive overview of the Group and its businesses.

- 7.3. **Publications and official announcements** – in accordance with the Group's obligations as a listed company, the Group shall publish material information as sanctioned and provided for by the Zimbabwe Stock Exchange Rules.
- 7.4. **Direct Information Requests** – direct information requests from shareholders and stakeholders should be directed to the Group Company Secretary who will address the requests in accordance with the terms of this policy.
- 7.5. **Requests for Inspection of documents** – all documents that are required to be made available to the public shall be available for inspection at the Group Head Office upon notice to the Group Company Secretary. The times for inspection shall be at the sole discretion of the Group Company Secretary in consultation with the Group Chief Executive. The Group Company Secretary may deny access to any documents for inspection that contain any sensitive or confidential information.

8. TOPICS THAT SHAREHOLDERS CAN REQUEST INFORMATION ON

- 8.1. The topics that are appropriate for the Group to address through shareholder engagement:
- (i) Board Structure and Composition (including independence);
 - (ii) Board or Director performance;
 - (iii) Group Financial performance;
 - (iv) Succession planning process;
 - (v) Corporate governance planning processes and disclosure;
 - (vi) Group social responsibility;
 - (vii) Committee mandates and oversight;
 - (viii) Executive compensation;
 - (ix) Risk assessment;
 - (x) Material strategic decisions;
 - (xi) Current and emerging issues.

8.2. To ensure compliance with the Zimbabwe Stock Exchange Listing Requirements on disclosure the Group will not directly engage shareholders on:

- (i) Group operations and corporate strategy;
- (ii) Unaudited Financial results;
- (iii) Material information that may be share price sensitive;
- (iv) Group's assets and liabilities, business, financial conditions or prospects;
- (v) Dealings with employees, suppliers, customers and others including labour disputes;
- (vi) Events affecting the present or potential dilution of the rights or interests of the Group's securities;
- (vii) Entry into joint venture agreements or mergers;
- (viii) Acquisition or loss of contracts, memorandums of agreement or understanding;
- (ix) Change in management;
- (x) Borrowing of funds;
- (xi) Commencement or involvement of litigation, arbitration, alternative dispute resolution and material developments arising from such litigation;
- (xii) Changes in capital investment plans;
- (xiii) Tenders for securities;
- (xiv) Changes in business directions;
- (xv) Changes in intellectual property rights;

8.3. For purposes of this section, information is considered to be material if it is reasonably expected to have a material effect on the price, value or market activity of the Group's securities, or the decisions of a holder of securities of the Group in determining his choice of action.

8.4. Any information set out in clause 8.2 shall be disclosed to shareholders generally in accordance with the rules of the Zimbabwe Stock Exchange and where appropriate at the Group's annual general meeting.

- 8.5. The list of information included in clause 8.2 shall not be taken to be exhaustive. The Board reserves the right to refuse engagement and decline disclosure on any subject matter not included in clause 8.2 where it deems it inappropriate for discussion and disclosure.

9. THE GENERAL PROCEDURE OF DEALING WITH SHAREHOLDER INFORMATION REQUESTS.

- 9.1. All shareholder requests for information shall be made in writing and directed to the Group Company Secretary.
- 9.2. All requests should clearly state whether the person requesting the information is a shareholder or a shareholder representative who is duly authorised, and the number of shares held.
- 9.3. Where the request is not limited to information provision but is instead a concern or request for a meeting, the person should indicate whether there is any other shareholder or group of shareholders that will attend any such meeting if granted and the proposed topics for discussion.
- 9.4. Shareholders should also include their contact details, inclusive of an electronic mail address to ensure prompt and effective communication exchange.
- 9.5. The Group Company Secretary shall promptly acknowledge receipt of the requests for information. Shareholders should expect an acknowledgement of receipt within approximately seven (7) business days.
- 9.6. The Group Company Secretary shall compile communications, and where possible compile an appropriate communication. The Group Company Secretary shall make a preliminary analysis and recommendation based on the nature of information requested, or alternatively the nature of engagement sought as well as the appropriate response to the shareholder.

-
- 9.7. All such communications from shareholders are forwarded to the Group Chief Executive who shall consider the nature of the information requested, the category of information, and the recommended responses.
- 9.8. Unless the request involves information affecting or relating to the Group Chief executive, the Group Chief Executive shall assess the appropriateness of the requests by the shareholder in accordance with the principles set out in this policy and shall determine whether or not the information request may be disclosed, and if so to what extent.
- 9.9. Where the Group Chief Executive deems it appropriate to refer a request to the Board, the Board shall decide whether or not the information should be divulged to the shareholder and direct the Group Company Secretary to respond to the shareholder in accordance with its decision. In such circumstances, the Board shall have the final say on the nature and extent of information to be released to the shareholder.
- 9.10. The Group Company Secretary shall respond to the query and shareholder request in writing. The response shall outline:
- (i) Whether or not the information requested is to be made available to the shareholder;
 - (ii) If so, the manner in which the shareholder may access the information;
 - (iii) If the Board has taken the view that the disclosure is inappropriate, the reasons for the decision;
 - (iv) Give the shareholder the opportunity to make any representations in respect of the outcome of the request.

- 9.11. The Group shall endeavor to respond to all queries and requests in a timely manner. The period for responding may vary depending on the complexity and nature of the request or query by the shareholder; the availability of the executive management or in the appropriate case, the Board to make a final decision if necessary, and the need to comply with fair disclosure rules.
- 9.12. Where the Group is unable to provide a response within twenty (20) business days, the Group Secretary shall promptly notify the shareholder in writing.
- 9.13. The Group Company Secretary shall regularly compile a report for the Board which summary may be made available in the annual report of the nature of requests and communication received by the Group and the responses sent.

10. METHODS OF ASSESSING APPROPRIATENESS OF DISCLOSURES OF INFORMATION TO SHAREHOLDERS.

- 10.1. The Group Chief Executive and in the appropriate cases, Board shall have the discretion to withhold information which is deemed to be inappropriate to disclose to any individual shareholder or group of shareholders. In assessing the appropriateness of disclosures the Group Chief Executive and in the appropriate cases, the Board shall take into account general principles of fair disclosure and may be guided by the following principles:
- (i) The Group shall not directly disclose information to shareholders that deemed to be material or share price sensitive and is otherwise required by the Zimbabwe Stock Exchange Listing Rules to be publicly disclosed.
 - (ii) Where the information requested relates to a topic of Board concern which would be most appropriately discussed publicly, the Board may decline to address the topic directly with a shareholder but call for an ad hoc meeting as provided in this policy.

-
- (iii) The Board may consider the size of shareholding of the shareholder or where it is a group, the number of shareholders making the request or affected by the information request.
 - (iv) If the Group considers that the information requested is material, in that it may affect the price and value of the securities or may cause unusual market activity if disclosed it may decline to disclose until the procedures for disclosure prescribed by the Zimbabwe Stock Exchange Rules have been complied with.
 - (v) Non-material information which is not publicly known should be disclosed in a responsible and timely manner subject to the relevant stakeholders, channels of disclosure and type of information.
 - (vi) Where the Group has determined that information should be publicly announced, the Board of Directors shall determine the timing of the announcement. In so doing, the Board should consider among others, the relevant factors such as the anticipated impact of the information on the Group's financial operations and performance.
 - (vii) In the event that information is to be disclosed to an individual shareholder or group of shareholders which is not available to the public and cannot yet be made available to the public, the Group shall be entitled to secure strict non-disclosure agreements with the relevant shareholders.
- 10.2. The Group shall endeavor to ensure that all information is fairly disclosed and that no particular shareholders or group of shareholders obtains preferential disclosures to the prejudice of other shareholders. In the event that any information is inadvertently disclosed or used other than as set out in this policy, neither the Group nor the Board shall not be held liable for any losses caused as a result.

11. GENERAL SHAREHOLDER'S MEETING.

- 11.1. The annual general meeting remains the primary forum for shareholders to exercise their rights to information and participate in the affairs of the Group.
- 11.2. In order to enhance the shareholder participation through informed and responsible participation in the Annual General Meeting, the Group remains committed to integrated reporting.
- 11.3. The Minutes of the General Meeting shall be available for inspection at the Group Head Office upon notice to the Group Company Secretary.

12. MEETINGS WITH SHAREHOLDERS OUTSIDE OF THE ANNUAL GENERAL MEETING.

- 12.1. The Board shall promote two way interaction with shareholders through other participation channels which include shareholders meetings that may be called at the instance of the Group.
- 12.2. In the event that the Group agrees to hold a meeting with one or more shareholders, the Group Chief Executive and the Group Company Secretary represent the Group at the meeting. If, due to the nature of the issues to be discussed, any one of them cannot represent Group at such meeting, the Board may delegate a representative to represent the Group. The representatives shall be informed of the specific matters to be dealt with as well as with whom the specific content of the information to be provided to avoid inconsistent information dissemination.
- 12.3. Where a meeting is to be held by the Group, the Group shall duly notify all affected shareholders to attend. This shall be at the sole discretion of the Group and will depend on the nature of the discussion at the meeting.

-
- 12.4. The Group shall duly notify the affected shareholders of the topics for discussion and the relevant executives who will participate at the meeting.
- 12.5. Subject to the principles set out in this policy, the minutes of shareholders meetings may be made available to the public via a means of communication to be determined by the Board to avoid the transmission of information that might entail the granting of a privilege or advantage to an individual shareholder or group of shareholders vis-à-vis other shareholders.
- 12.6. Any meetings between shareholders and individual Board members or executive management held informally or outside the framework of this policy shall not be binding upon the Group.

13. REPORTING OF SHAREHOLDER ENGAGEMENT

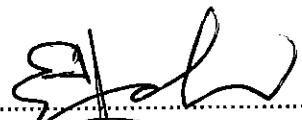
- 13.1. The Group shall include a report on the practical application of this Shareholder Engagement Policy and shareholder engagement efforts during the financial year in its integrated annual report.
- 13.2. The report shall include a brief assessment of the nature of information requests received, the number of requests declined and the reasons for such refusal.
- 13.3. The Group encourages feedback from the shareholders and the public in respect of the shareholder engagement process and forms shall be made available to shareholders through various channels including the Group website. All feedback will be properly considered by the Group in line with this policy and appropriate action taken.

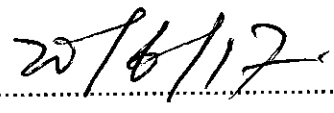
14. REVIEW OF POLICY

- 14.1. This Policy shall take effect from **23 February 2017**.

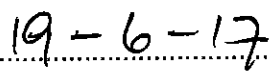
14.2. The Group may review the Policy from time to time in its discretion, and CBZ Holdings Limited reserves the right to amend any provisions in this policy without notice.

This Policy was approved by the Board of CBZ Holdings Limited on the **23 February 2017**.


.....
GROUP CHIEF EXECUTIVE OFFICER


.....
DATE


.....
BOARD CHAIRMAN


.....
DATE