



ZIMBABWE STOCK EXCHANGE LIMITED

Practice Note 5

To the Securities and Exchange Rules, Statutory Instrument
134 of 2019

(“ZSE Listing Rules”)

Issued pursuant to section 3 (1) (h) of Statutory Instrument
134 of 2019 of the ZSE Listing Rules

PROCEDURES REGARDING SELECTION AND IMPLEMENTATION OF AN ISSUERS CODE OF CORPORATE GOVERNANCE

1. Definitions

Terms used in this Practice Note which are defined or interpreted in the ZSE Listing Rules shall have the same meaning as in the ZSE Listing Rules.

2. Code of Corporate Governance

1. According to the ZSE Listing Rules, “Code” means the National Code of Corporate Governance in Zimbabwe or any other foreign code approved by ZSE.
2. Each Issuer is required to notify the ZSE of the code it would have adopted in terms of section 73 (1) of the Listing Rules by 1 April 2020.

3. The Zimbabwe Stock Exchange advises Issuers that the basic minimum acceptable code will be the adoption of the National Code of Corporate Governance in Zimbabwe (ZimCode).
4. Issuers should state in their Audited Annual Financial Statements which code of corporate governance the company has selected.
5. If Issuers adopt a Code of Corporate Governance other than the ZimCode, they shall be required to send a copy of the selected Code of Corporate Governance to the ZSE within seven (7) days following the decision, providing an explanation as to why an Issuer has selected that particular Code of Corporate Governance.
6. The ZSE reserves the right to reject an Issuers selected Code of Corporate Governance if it falls below the minimum standard set by the ZimCode.

3. Other Issues

Where the applicable ZSE Listing Rules require documents to be sent, submitted or forwarded to the Exchange they must be delivered to Issuer Regulation.

4. Effective Date

This Practice Note takes effect from 17 January 2020.

Issued by

Zimbabwe Stock Exchange