



MINUTES OF THE 4TH ANNUAL GENERAL MEETING (AGM) OF THE ZIMBABWE ELECTRICITY INDUSTRY PENSION FUND HELD ON WEDNESDAY THE 24TH OF MAY 2024 ON THE VIRTUAL PLATFORM (ZOOM) AND PHYSICALLY IN THE JACARANDA CONFERENCE ROOM, ZESA NATIONAL TRAINING CENTRE, GANGES ROAD, BELVEDERE SOUTH, HARARE, AT 0900HRS

Present:

Board Members

Messrs.	Eng. E. A Ncube	-	Chairman
	E. Madzikanda	-	Board Member
	Eng. H Choga	-	Board Member
	C.B.E Mutsvairo	-	Board Member
	M. Chigweremba	-	Board Member
	Eng. G. Tsumbalagwa	-	Board Member
	E. Vudzijena	-	Board Member
	S. Chikwasha	-	Board Member
	D. N. Chiradza	-	Board Member

Management

B. Kondo	-	Principal Officer
S. Mapiye (Ms.)	-	Head Finance

Members: A total of 69 members were in attendance both physically and virtually.

No.	AGENDA	Action By	By When
1.	<p data-bbox="261 219 719 253"><u>Constitution of the meeting</u></p> <p data-bbox="261 327 1185 409">There being a quorum, the meeting was declared properly constituted.</p> <p data-bbox="261 483 1185 622">A total of 69 members were present, which exceeded the minimum of 50 required by section 4.2 of the Fund's Annual General Meeting (AGM) guidelines.</p> <hr data-bbox="261 696 1185 701"/>		
2.	<p data-bbox="261 759 754 792"><u>Chairman's Opening Remarks</u></p> <p data-bbox="261 866 483 900">The Chairman:</p> <ul style="list-style-type: none"> <li data-bbox="288 918 1185 1111">i. Welcomed all members to the 4th AGM of the Fund and highlighted that discussions would be on items that were set to be discussed at an AGM as outlined in the AGM notice. <li data-bbox="288 1131 1185 1270">ii. Pointed out that the notice of the meeting and the annual reports were circulated to Fund members on the 3rd of May 2024. <hr data-bbox="261 1368 1161 1373"/>		
3.	<p data-bbox="261 1451 1185 1534"><u>Confirmation of minutes of the 3rd Annual General Meeting held on the 27th of September 2023</u></p> <p data-bbox="261 1615 1185 1807">On the proposal of Mr. O Chitsamatanga and seconded by Mr. A.V Sibangani, the minutes of the 3rd Annual General Meeting held on the 27th of September 2023 were confirmed as a correct record of the proceedings of that day.</p> <hr data-bbox="261 1906 1161 1910"/>		

4.	<p><u>Adoption of the audited financial statements for the year ended 31 December 2023, Board composition and Auditors reports thereon</u></p> <p>4.1 The Chairman pointed out that the annual report containing the Chairman’s report, Principal Officer’s report, Auditors’ Report, Financial Statements, and Actuarial report were circulated in advance within the timeframes stipulated in the AGM guidelines.</p> <p>4.2 The Principal Officer and the Auditors gave highlights of their reports. It was highlighted that:</p> <ul style="list-style-type: none"> i. Sub account 1 earned a return of 841% and sub account 2 482.64% against currency deterioration of 792.07% for the year ended 31 December 2023. ii. Sub account 2 return was depressed due to ZWG arrear contributions which were earning 150% per annum against currency depreciation of 792.07% in 2023. iii. The Fund had managed to award cumulative pension increases of 841% during the year. iv. Non remittance of contributions arrears had persisted in 2023 with the Fund collecting 9% of contributions which were due during the year. v. The Fund had managed to complete the Marondera Shopping Mall and in 2024 was targeting to complete Marondera Medical Centre. vi. Several initiatives on the Victoria Falls Hotel development were being done. Key initiative which had been completed was the successful registration of the Mosi-Oa-Tunya Real Investment Estate Trust, an investment vehicle 		
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	<p>which was going to be used in mobilization of funding for the project.</p> <p>vii. The auditors had issued an unqualified opinion on the 2023 financial statements, however there was emphasis of matter on the delays in remittance of contributions and non-compliance with prescribed asset ratio. As of 31 December 2023 the Fund had an exposure to prescribed assets of 14.38% against the regulations requirement of 20% of the market value of Fund assets. Contribution payments were required to be made by the 14th day of the following month. The Fund had ZWL138,623,614,181 contributions which were in arrears.</p> <p>4.3 Members' concerns were mainly on funding of the mortgage facility, shortfalls to be paid on the purchase of Hopelyn stands and loss of value on ZWG arrear contributions.</p> <p>4.4 Members were informed that:</p> <p>i. Efforts were underway to ensure the mortgage facility was viable.</p> <p>ii. The non remittance of contributions was resulting in loss of value on ZWG arrear contributions which was the major downside risk to the Fund earning a lower return of 482.64% against currency depreciation of 792.06% for sub account 2 for the year 2023. The negative returns were heavily impacting the Income Replacement Ratio which closed the year 2023 at 23% versus the target of 54%.</p> <p>iii. The Board was in engagements with the main sponsoring employer, (ZESA Holdings), to ensure</p>		
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	<p>preservation of value of arrear contributions and that meaningful remittances were made to the Fund.</p> <p>4.5 There being no further questions, the Chairman called for the adoption of the reports presented by the Chairman, the Principal Officer, the Auditors, the Fund Actuary, and the Financial Statements for the year ended 31 December 2023, as well as confirmation of Board activities for the year ended 31 December 2023.</p> <p>4.6 The members, after considering the reports of the Board Chairman, the Principal Officer, the External Auditors, and the Actuary, and having heard additional explanations during the meeting, on the proposal of Mr. L Nyamande and seconded by Mr. A Mudzonga, then resolved:</p> <p>Resolution ZEIPFAGM 01 - 24/05/2024</p> <p><i>1. That the financial statements of the Zimbabwe Electricity Industry Pension Fund for the year ended 31 December 2023 be and are hereby approved and adopted.</i></p> <p><i>2. That all matters and activities undertaken and discharged by the Board on behalf of the Fund as summarised in the reports be and are hereby approved.</i></p> <hr/> <p>5. <u>Ratification of Board Members' fees</u></p> <p>5.1 The Chairman called for the ratification of Board Members' fees for the year ended 31 December 2023 which amounted to ZWL153,046,270.53.</p>		
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	<p>5.2 It was pointed out that the fees were set in line with the survey on Board fees for Boards of similar stand-alone Pension Funds. The Fund, using the results of the survey pegged the fees within the pension industry's average position. Further to the industry average benchmark, the board fees were monitored against the expenses guidelines provided by the regulator; the Insurance and Pension Commission (IPEC).</p> <p>After considering the explanations from the Chairman, on the proposal of Mr. S Ruzario and seconded by Mr. B Ndlovu, the members resolved:</p> <p>Resolution ZEIPFAGM 02 - 24/05/2024</p> <p><i>That the Board fees of the Zimbabwe Electricity Industry Pension Fund at ZWL153,046,270.53 for the financial year ended 31 December 2023 be and are hereby ratified,</i></p> <p><i>AND</i></p> <p><i>further that the Board Members' Remuneration for the ensuing year be set in line with the industry average trend position.</i></p> <hr/> <p>6. <u>To note the retirement of a Board Member and the appointment of a new Board Member</u></p> <p>6.1 It was reported that the composition of the Board was in line with the provision of the Fund Rules and was made up of:</p> <ul style="list-style-type: none"> a. employer appointed representatives, b. elected active members representatives, and c. pensioners' elected representatives. 		
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	<p>6.2 The Chairman presented for noting, the following changes to the Board:</p> <ul style="list-style-type: none"> i. Retirement: Eng. J. Mashamba retired with effect from 15 August 2023. ii. Appointment: Mrs. CBE Mutsvairo was appointed with effect from 16 August 2023. <p>6.3 It was confirmed that the appointed Board member was approved by the Fund's regulator, the Insurance and Pension Commission (IPEC), in line with the Risk management and corporate governance guidelines.</p> <p>The members noted the retirement and appointment of the Board Members.</p> <hr/> <p>7. <u>Ratification of the auditors' fees for the financial year ended 31 December 2023</u></p> <p>It was proposed to ratify the amount of fees paid to the Auditors for the financial year ended 31 December 2023 of the sum of ZWL79,521,604.44 as approved by the Board.</p> <p>On the proposal of Mr. A Mudzonga, and seconded by Mr. E Madzikanda, the members resolved:</p> <p>Resolution <i>ZEIPFAGM 03 - 24/05/2024</i></p> <p><i>That the external audit fees of ZWL79,521,604.44 inclusive of VAT and disbursements for the audit work done for the year ended 31 December 2023 be and are hereby ratified.</i></p> <hr/>		
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8.	<p><u>Any Other Business</u></p> <p>There being no further business, and no notice having been received of any additional items, the Chairman concluded the proceedings of the meeting and thanked everyone for attendance.</p> <p>The meeting ended at 1033hrs.</p> <p>Signed at this day of2025</p> <p>.....</p> <p>CHAIRMAN</p> <hr/>		
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