MINUTES OF THE 5TH ANNUAL GENERAL MEETING (AGM) OF THE ZIMBABWE ELECTRICITY INDUSTRY PENSION FUND (ZEIPF) HELD ON FRIDAY THE 29TH OF AUGUST 2025 ON THE VIRTUAL PLATFORM (ZOOM) AND PHYSICALLY IN THE JACARANDA CONFERENCE ROOM, ZESA NATIONAL TRAINING CENTRE, 16676 GANGES ROAD, BELVEDERE SOUTH, HARARE, AT 0900HRS

<u>Present:</u>

Board Members

Messrs.	**Dr. H. M. Murerwa**	**-**	**Chairman**
	Eng. H Choga	-	Board Member
	C.B.E Mutsvairo (Mrs.)	-	Board Member
	E. Madzikanda	-	Board Member
	M. Chigweremba (Mrs.)	-	Board Member
	Eng. Y. Mufambi	-	Board Member
	P. Mbuta (Ms.)	-	Board Member
	B. Ndlovu	-	Board Member
	S. Mkanganwi	-	Board Member

Fund Management

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

<u>Members:</u> A total of 71 members were in attendance both physically and virtually.

No.	AGENDA	Action By	By When
1.	**Constitution of the meeting.** There being a quorum, the meeting was declared properly constituted. A total of 71 members were present, which exceeded the minimum of 50 required by section 4.2 of the Fund's Annual General Meeting (AGM) guideline.		
2.	**Chairman's Opening Remarks.** The Chairman: i. Welcomed all members to the 5th AGM of the Fund and highlighted that discussions would be on items that were set to be discussed at the AGM as outlined in the AGM notice. ii. Pointed out that the notice of the meeting and the annual reports were circulated to Fund members on the 8th of August 2025.		
3.	**Confirmation of minutes of the 4th Annual General Meeting held on the 24th of May 2024.** On the proposal of Mrs. CBE Mutsvairo and seconded by Eng. G. Tsumbalagwa, the minutes of the 4th Annual General Meeting held on the 24th of May 2024 were confirmed as a correct record of the proceedings of that day.		

4.	**<u>Adoption of the audited financial statements for the year ended 31 December 2024, Board composition and Auditors reports thereon.</u>** 4.1 The Fund Board Chairman pointed out that the annual report containing the Chairman's report, Principal Officer's report, Auditors' Report, Financial Statements, and Actuarial report was circulated well in advance and within the timeframes stipulated in the AGM guidelines. 4.2 The Chairman pointed out that: i. In the first quarter of the year 2024 Zimbabwe faced economic volatility with high inflation and currency instability. ii. The Reserve Bank of Zimbabwe introduced the Zimbabwean Gold (ZWG) currency to replace the depreciating Zimbabwean Dollar (ZWL) as a measure to manage stability in the economy. iii. In September 2024 the ZWG currency devalued by 42.55% to align with market rates. Following the adjustment, the ZWG stabilized, leading to a sharp drop in monthly inflation from 37.2% in September 2024 to 3.7% in December 2024. iv. The Fund's strategic focus continued to be centred on sustainable investing, enhancing member experience, and ensuring operational sustainability. v. The Fund achieved an annual investment return of 118.3%, outperforming the annual currency depreciation rate of 90.2%. vi. Fund investments were diversified across property, quoted shares, unquoted shares, mortgages, and prescribed assets.		

vii. The Fund’s sponsoring employers remained an important pillar of the Fund. However, pension contribution arrears remained a major concern for the Fund.

viii. The Fund had ZWG 476.5 million in pension contribution arrears as of 31 December 2024 made up of:

a. ZWG 128 million pension contribution arrears and

b. USD 13.5 million pension contribution arrears.

ix. Pension contribution arrears amounted to 23% of total Fund assets.

x. To preserve value, the Fund engaged ZESA Holdings to index arrear pension contributions to the United States Dollar (USD). The Fund was waiting for the ZESA Holdings’ Board resolution on the matter.

xi. The Fund had remained compliant with the Insurance and Pensions Commission (IPEC) regulations on all other aspects.

xii. Looking ahead, the Board would be focused on growing the Fund through development of high yielding assets such as the development of the Victoria Falls 4-star hotel, and renewable energy investments.

4.3 The Principal Officer and the Auditors gave highlights of their reports. It was highlighted that:

i. Sub account 1 earned an investment return of 169% over the year, and Sub account 2 earned a return of 79.4% against currency deterioration of 90.2% for the year ended 31 December 2024.

ii. The Sub account 2 return was depressed due to non-remittance of ZWG pension contribution arrears.

iii. The Fund had managed to award a cumulative pension increase of 127.5% over the year.

iv. Non-remittance of pension contributions had persisted in 2024 with pension contribution arrears dating back to 2023. The Fund was therefore classified as a troubled entity.

v. The Fund had managed to complete the Marondera Medical Centre and was working on the development of Victoria Falls 4-star hotel and redevelopment of Lochinvar Warehouse.

vi. The Fund had partnered the Radisson Hotel Group under the Park-Inn brand to operate the hotel on behalf of the Fund.

vii. The auditors had issued an unqualified opinion on the 2024 financial statements. However, there was an emphasis of matter on the delays in remittance of pension contributions. Pension contribution payments were required to be made by the 14th day of the following month from which they fell due. The Fund had ZWG 476,548,785 contributions which were in arrears.

4.4 Members' concerns were on continued failure by ZESA Holdings to remit pension contributions and the negative impact it could have on the development of the Victoria Falls Hotel.

4.5 Members were informed that:

	i. The Fund, through the Board and Fund Management, had continued to engage ZESA Holdings for the collection of contribution arrears. ii. The regulator, Insurance and Pension Commission (IPEC), was also engaging ZESA Holdings with regards the remittance of pension contribution arrears. iii. In line with the provisions of the Pensions and Provident Funds Act Chapter [24:32], the regulator could garnish the accounts of the employer for non-remittance of pension contribution arrears. iv. The development of the hotel was mainly hinged on collection of pension contributions from the sponsoring employer. However, the Fund had managed to procure durable material for the construction of the hotel. v. In the event of failure to collect pension contributions, the Fund would consider partnering other like-minded investors such as pension funds to develop the hotel. 4.6 There being no further questions, the Chairman called for the adoption of the reports presented by the Board Chairman, the Principal Officer and the Fund's Auditors, and the audited Financial Statements for the year ended 31 December 2024, as well as confirmation of Board activities for the year ended 31 December 2024. 4.7 The members considered the reports of the Board Chairman, the Principal Officer and the external Auditors, and having heard the additional explanations during the meeting, on the proposal of Mr. D. Nyoni and seconded by Mr. A Mutambirwa, the members resolved: ***Resolution ZEIPFAGM 01 - 29/08/2025***		

	1. *That the financial statements of the Zimbabwe Electricity Industry Pension Fund for the year ended 31 December 2024 be and are hereby approved and adopted.* 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.*		
5.	**<u>Ratification of Board Members' fees.</u>** 5.1 The Chairman called for the ratification of Board Members' fees for the year ended 31 December 2024 which amounted to ZWG 374,613.45. 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). After considering the explanations from the Chairman, on the proposal of Mr. D. Maviva and seconded by Mr. A. Sibangani, the members resolved: ***Resolution ZEIPFAGM 02 - 29/08/2025*** *That the Board fees of the Zimbabwe Electricity Industry Pension Fund at ZWG 374,613.45 for the financial year ended 31 December 2024 be and are hereby ratified,* *AND*		

	further that the Board Members' Remuneration for the ensuing year be set in line with the industry's average position.		
6.	**<u>To note the retirement of Board Members and the appointment of new Board Members.</u>** 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: a. employer appointed representatives, b. elected active members representatives, and c. elected pensioners' representatives. 6.2 The Chairman presented for noting, the following changes to the Board: i. Retirement: Eng. E. Ncube, Eng. G. Tsumbalagwa, Mr. E. Vudzijena, Mr. S. Chikwasha and Mr. D Chiradza with effect from 31 May 2024. ii. Appointment: Dr. H. M. Murerwa, Ms. P. Mbuta, Eng. Y. Mufambi, Mr. S. Mkanganwi, Mr. B Ndlovu with effect from 1 June 2024. 6.3 It was confirmed that the appointed Board members were approved by the Fund's regulator, the Insurance and Pension Commission (IPEC), in line with the Risk management and corporate governance guidelines. The members noted the retirement and appointment of the Board Members.		
7.	**<u>Ratification of the auditors' fees for the financial year ended 31 December 2024.</u>**		

	It was proposed to ratify the amount of fees paid to the Auditors for the financial year ended 31 December 2024 of the sum of ZWG 158 827.39 as approved by the Board. On the proposal of Mr. D. Nyoni, and seconded by Mr. D Maviva, the members resolved: ***Resolution ZEIPFAGM 03 - 29/08/2025*** *That the external audit fees of ZWG 158 827.39 inclusive of value added tax (VAT) and disbursements for the audit work done for the year ended 31 December 2024 be and are hereby ratified.*		
8.	**Any Other Business** 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 attending. The meeting ended at 1015hrs. Signed at ……………………… this ………… day of ……………2026 ……………………………… CHAIRMAN		