

PROPOSED REVISED ARTICLES OF ASSOCIATION FOR ZCCM INVESTMENTS HOLDINGS PLC – SUMMARY PROPOSED CHANGES

#	Current Articles	Proposed Articles	Rationale/Justification/Comment from the Board
1.	Article 1	Reference to the Current Companies Act From Cap 388 to Companies Act No. 10 of 2017	The 1994 Act was repealed and replaced
2.	New Article	Article 11 – Treasury Shares	<ul style="list-style-type: none"> • New insertion to provide for the Repurchase of Shares • To provide for the possibility of the Company to raise capital out of Treasury Shares.
3.	New Article	Article 9 - Repurchase of Shares	To permit the Company to repurchase shares from existing shareholders when the need arises, as this option is not in the current Articles
4.	Articles 12 to 16	Article 3.5 - Share Certificates	The Lusaka Securities Exchange has a Central Shares Depository system for dematerialised shares
5.	Article 47	Notice of Meeting	<p>The Companies Act in section 56 already allows for teleconference or electronic meetings. Therefore, there is no requirement to include it in the Articles.</p> <p>This is also espoused in the Electronic Communications and Transactions Act.</p>

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6.	New Article	Annual General Meeting - Article 13.2.1	The Act allows for the use of electronic means when conducting an AGM via electronic means.
7.	Article 49	Nature of Business to be transacted at an AGM – (was proposed as Article 13.2.2	The Act provides more information on the nature of routine business to be transacted at an AGM. There is no requirement to state the nature of the business in the Articles as the Companies Act prescribes the minimum that should be considered at an AGM. The shareholders have overriding authority;

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			<p>Therefore, they can transact any company business at an AGM.</p> <p>Clause 11.2.7 has also itemised what can be discussed under AOB.</p>
9	Article 51	Proceedings at General Meetings – Article 14.2	The quorum should include the Majority Shareholder
10	Article 52	Chairperson not present – Article 14.4	5 minutes late after the time appointed for a meeting is short. Corporate governance best practice provides for a reasonable time; the proposal is to extend this to 30 minutes.
11	Article 53	Delay in meeting – Article 14.3	The standard time for delay in the commencement of time for the meeting is 30 minutes.
12	Article 57	Voting during an AGM – Article 14.9	The inclusion of the use of electronic means This is standard practice and in line with current business trends
13	New Article	Appointment of the Board of Directors – Article 15.4	Shareholders to appoint Directors
14	New Article	Appointment of Chairperson – Article 15.3	The majority shareholder shall appoint the Chairperson

#	Current Articles	Proposed Articles	Rationale/Justification/Comment from the Board
15	New Article (to expand Article 74B)	Appointment of Executive Director Include the appointment of the Chief Executive Officer as Executive Director	<ul style="list-style-type: none"> To cover the practice of appointing the CEO of IH as Executive Director To ensure the current practice of approval of CEO remuneration at the board level is sufficient per the requirement of the Act. Section 101 of the Companies Act applies. The CEO shall be appointed by the shareholders.
16	New Article	Removal of Director – Article 15.4	Removal of Director when a member ceases to meet the qualifying threshold of 10%.
17	Article 75	Remuneration of Directors – Article 16	Remove the amount in the Articles, as this has changed over time.
18	Articles 79, 87 & 91	Contract between the Director and Company – Article 29	The Companies Act provides for the procedure of conflict of interest.
19	Article 83	Appointment of Permanent Alternate Director – Article 17.5(2) Remove the provision to appoint a permanent Alternate Director, as this may be similar to holding out on having a shadow Director. In addition, the reference to GRZ is now redundant.	Basis is given in proposed amendment.

#	Current Articles	Proposed Articles	Rationale/Justification/Comment from the Board
			<ul style="list-style-type: none"> Agree to 14 days' notice period for meeting of directors.
20	Article 89	The quorum of the Meeting of Directors – Article 14.5	Include the Majority shareholder as part of the Quorum
21	New Article	Committees of the Board – Article 19.1	To provide for the establishment of Committees of the Board based on the needs of the business.
22	New Article	Appointment of Co-opted Members – Article 19.3	Include the powers/limitations thereof for Co-opted Members, as prescribed in the Act
23	Article 96	Borrowing powers of Directors – Article 18	A resolution was passed where the change in value was made, i.e., it increased to USD 1 billion.
24	New Article	Appointment Chief Executive Officer – Article 22	To align with the Group Policy
25	Article 104	Appointment of Company Secretary – Article 23	To align Articles to the Act
26	New Article	Appointment of Chief Financial Officer – Article 24	To align with the Group Policy
27	Article 105 and 106	The Seal – Article 25	Alignment with the Act Standard Articles.
28	Article 111	Include interim dividends. Article 34 (b)	Reference to specific dates for payment is redundant.

#	Current Articles	Proposed Articles	Rationale/Justification/Comment from the Board
29	Article 112	Dividends – Article 31	Reference to the current Dividend Policy aligned with the provisions of the Act and the Group Policy
30	Article 118	Forfeiture and reversion of unclaimed dividends to the Company. – Article 33	Aligned with the provisions of the Securities Act No. 41 of 2016
31	Article 120	Include electronic payment of Dividends	To expand the form of payment in line with changing business trends
32	Article 134	Notices – Article 13.2	Business trends are now moving towards electronic formats/means
33	Article 137	Winding Up – Article 25	Align the winding up proceedings with the provisions of section (22) of the Act.
34	New Article	Included is a maximum tenure of office for each director appointed - Article 15.7	To align this to best Corporate Governance Practices to ensure the requisite skills are available on the Board

#	Current Articles	Proposed Articles	Rationale/Justification/Comment from the Board
35	New Article	Provided for Share buyback and procedure under the following circumstances, among others: to return surplus cash to shareholders, to provide an exit route to shareholders wishing to exit the company, when employees with partially paid shares under the ESOP wish to leave and are unable to pay in full for the shares acquired when a company delists or any other. – Article 9	To allow the Company to conduct a share buyback whenever necessary.
36	New Article-	Provide for an Odd Lot Offer – Article 10	To permit the Company to purchase shares below 100 as provided in anticipation of some corporate changes

ADDITIONAL COMMENTS, INSERTIONS, AND DELETIONS FROM THE IDC

#	Current Articles	Proposed Articles	Rationale/Justification/Comment from the IDC
1	Definitions	<p>The Deletion of the following definitions:</p> <ol style="list-style-type: none"> 1. Address 2. Beneficial Owner 3. Business 4. Company Secretary 5. Control 6. Director 7. Holding Company 8. Material Shareholder 9. Meeting 10. Special Resolution 11. Subsidiary <p>Insertion of the definition of Majority Shareholder – Article 1.1.29</p>	These definitions were repetitive as they are already defined under the Companies Act No. 10 of 2017
2	New Article	Relationship between Company and Majority Shareholder – Article 2	To ensure that the definition of the IDC is highlighted clearly and is in alignment with all AoA of the subsidiaries of the IDC that highlight this
3	Article 3.1 – Authorised Share Capital	<p>Deletion of clause highlighted as follows:</p> <p><i>Subject to the restrictions contained elsewhere in these Articles and subject to the provisions of the Act and the LuSE Listing Rules relating to authority, pre-emption rights, consideration and otherwise of any Ordinary Resolution of the Members in a General Meeting passed pursuant to section eighty-seven of the Act thereto, all unissued Shares in the Company as may be authorised from time to time shall be at the disposal of the Directors, and they may allot (with or without conferring a right of renunciation) grant options over or</i></p>	

		<i>otherwise dispose of them to such Persons, at such times and on such terms as they think proper.</i>	
4	Register of Beneficial Owners	<p>The Deletion of the whole clause relating to the Register of Beneficial Owners:</p> <ol style="list-style-type: none"> 1. Right to Request Information 2. Obligation to Disclosure 3. Consequences of Non-Compliance 4. Confidentiality 	
5	New Article – Insertion of Article 7	<p>Transmission of Shares</p> <p>7.1 In the case of the death of a member, the survivor where the deceased was a joint holder, and the legal personal representatives of the deceased where that person was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares, but this regulation does not release the estate of a deceased joint holder from any liability in respect of a share that had been jointly held by him with other persons.</p> <p>7.2 Subject to any written law relating to bankruptcy, a person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such information being produced as is properly required</p>	

		<p>by the directors, elect either to be registered as a holder of the share or to have some other person nominated by that person registered as the transferee of the share.</p> <p>7.3 If the person becoming entitled elects to be registered, that person shall deliver or send to the company a notice in writing signed by that person stating that that person so elects.</p> <p>7.4 If a member elects to have another person registered, that member shall execute a transfer of the share to that other person.</p> <p>7.5 All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of the transfer of share are applicable to any such notice or transfer as if the death or bankruptcy of the member had not occurred and the notice or transfer were a transfer signed by that member.</p> <p>7.6 Where the registered holder of a share dies or becomes bankrupt, his personal representatives or the assignee of his estate, as the case may be, shall be upon the production of such information as is properly required by the directors, entitled to the same dividends and other</p>	
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		<p>advantages, and to the same rights (whether in relation to meetings of the company or to voting or otherwise), as the registered holder would have been entitled to if he had not died or become bankrupt.</p> <p>7.7 Where two or more persons are jointly entitled to any share in consequence of the death of the registered holder, they shall, for the purposes of these regulations, be deemed to be joint holders of the shares.</p>	
6	Article 8 - Conversion of Shares into Stock	<p>Addition of clause 8.6</p> <p>8.6 This provision shall apply to paid-up shares or stock, and references in those provisions to share and shareholder shall be read as including references to stock and stockholder, respectively.</p>	
7	Article 45 - Meetings	Deletion of the clause relating to types of meetings and business to be transacted at the AGM	Deemed repetitive as they are already defined under the Companies Act No. 10 of 2017 and not to limit what can be discussed during an AGM
8	Article 74 – Appointment of Directors	Addition of Clause 15 (1) (b) which provides:	

		<p>The composition of the Board, provided in (a), shall include the Chief Executive Officer.</p> <p>Addition of Clause 15 (1) (n), which provides:</p> <p>The remunerations of the Directors shall be the preserve of the Shareholders.</p> <p>Deletion of clauses which provided as follows:</p> <p><i>(n) Any Director who performs services which, in the opinion of the Directors are outside the scope of the ordinary duties of a Director may be paid such extra remuneration by way of salary, commission or otherwise, as the Directors may determine.</i></p> <p><i>(o) The Directors shall have power to pay and agree to pay pensions or other retirement, superannuation, death or disability benefits to (or to any person in respect of) any Director or former Director who may hold or have held any executive office or any office or place of profit under the Company or any of its Subsidiaries and for the purposes of providing such pensions or other benefits to contribute to any scheme or fund.</i></p>	
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		<p>Deletion under 17.5 on the clause that provides on the Appointment of the CEO:</p> <p>(c) The Chief Executive Officer shall put into effect the policies and directions of the Directors and generally manage the business of the Company on behalf of the Directors.</p> <p>(d) The Chief Executive Officer shall, at all times, exercise powers in accordance with and subject to the supervision and direction of the Board.</p> <p>Deletion of the clause that provided for the Removal of the CEO, which provided that:</p> <p>The removal of the Chief Executive Officer may be effected at any time by resolution of a majority of the Directors and ratified by the holders of the majority Shares if-</p> <p>a. in the opinion of the Directors, the Chief Executive Officer, as the case may be, is performing duties in a manner prejudicial to the efficient operation of the business of the Company;</p> <p>b. the Chief Executive Officer is declared bankrupt by a Court of competent Jurisdiction;</p>	
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		<p><i>c. the Chief Executive Officer is legally disqualified in accordance with the Mental Health Act, 2019;</i></p> <p>Deletion under 17.6. on the clause that provides for the responsibilities of the Company Secretary, which read as follows:</p> <p><i>The Company Secretary shall be responsible for providing the Directors, collectively and individually, with guidance as to their duties, responsibilities and powers and shall be the custodian of good corporate governance practices.</i></p>	
9	Co-Opted Directors	<p>Addition of a separate clause for Co-Opted directors, which provides:</p> <p>Article 19.3 In addition to membership to its number, Co-opted members of a committee shall be appointed by the Board Chairperson with the approval of the other directors.</p>	
10	(New) Article 39 - Arbitration	<p>Whenever any differences shall arise between the company and the Directors on the one hand, and any of the members or representatives on the other hand, or between any members or classes of members, or between the directors with regard to anything done,</p>	

		<p>executed, omitted or suffered in pursuance of these presents or any claim on account of any such breach or alleged breach, or otherwise relating to the premises or to these premises or to any of the affairs of the company then such differences shall be referred to the decision of an arbitrator , to the decision of two arbitrators of whom one shall be appointed by each of the parties in difference, and any such reference shall be subject to the all the provisions of the arbitration Act and any statutory modification thereof for the time being in force.</p>	
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