CABS

# Annual Sustainability Report 2023

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CABS

A MEMBER OF THE OLDMUTUAL GROUP

# Mission and Values

## Our Mission

We will be a world class provider of secure, innovative and profitable financial services delivered by motivated staff for delighted clients.

## Our Values

- Act with integrity.
- Champion the customer.
- Trust and accountability.
- Respect for each other and the communities we serve.
- The power of diversity and inclusion.
- Agility and innovation that make a difference.

# About this Report

Central Africa Building Society (CABS) presents its inaugural Sustainability Report for the year ended 31 December 2023. This is an important milestone on our sustainability reporting journey and delivering our purpose. The report has been prepared to enable our stakeholders to make an informed assessment of our sustainability performance, impacts, and contributions to the economy, environment and society.

### Reporting Scope

This report contains information for Central Africa Building Society. In this report all references to 'our', 'we', 'us', 'the business', 'CABS', 'the Society' refer to Central Africa Building Society.

### Reporting Frameworks

In developing this report, we were guided by the following reporting requirements:

- Banking Act [ "Chapter 24:20"]
- Building Societies Act ["Chapter 24:02"]
- Global Reporting Initiative ("GRI") Standards.

### Sustainability Data

The report was compiled using qualitative and quantitative data extracted from the Society policy documents, records, and from personnel accountable for material issues herein presented. In some cases, estimations were made and confirmed for consistency with business activities.

### External Assurance

Sustainability information was validated for compliance with the GRI Standards by the Institute for Sustainability Africa (INSAF), an independent subject matter expert. A GRI Content Index is contained on page Page 57. The sustainability data in this report was not externally reviewed by independent auditors.

### Report Declaration

The Directors take responsibility to confirm that this report has been prepared in accordance with the GRI Standards.

### Restatements

Central Africa Building Society (CABS) did not make any restatement of data previously published.

### Forward Looking Statements

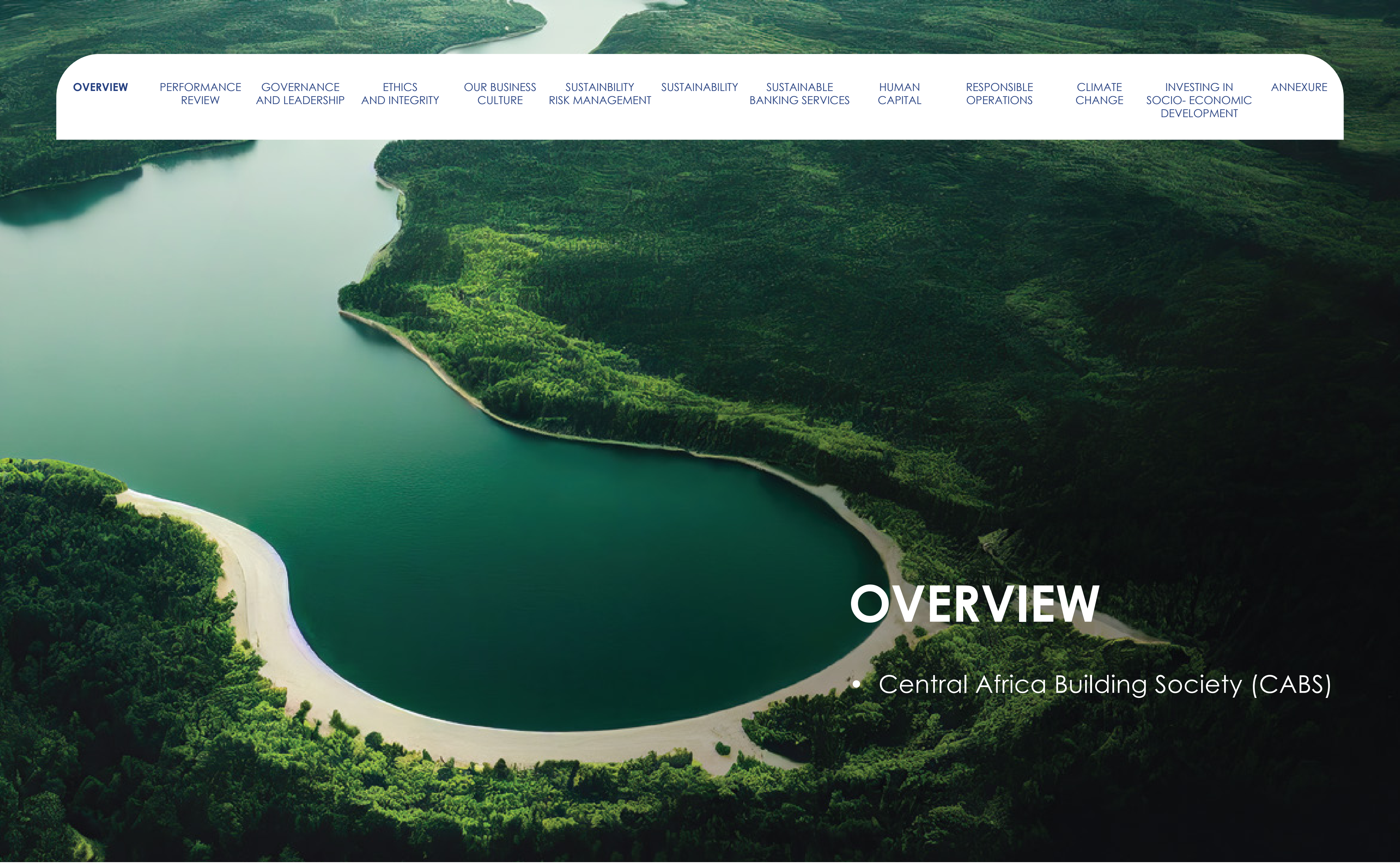
This report may contain forward looking statements which are based on current estimates and projections. These statements do not guarantee future developments and results as these may be affected by several anticipated and unanticipated risks and uncertainties. Stakeholders are cautioned against placing undue reliance on forward looking statements contained herein. We commit to publicly share any revisions of the forward looking statements to reflect changes in circumstances and or events after the publication of this report through trading and website updates.

### Feedback on the Report

The Society values opinions and feedback from all stakeholders on its operations and reporting. Any suggestions and queries you may have are welcome. Kindly share your feedback with **Head of Compliance, Farirayi Machawira:** farirayim@cabs.co.zw

# Contents





# OVERVIEW

- Central Africa Building Society (CABS)

# Overview

CABS is a subsidiary of Old Mutual Zimbabwe Limited ("OMZIL"), which is part of JSE listed Old Mutual Limited. with an established and strong brand name in the financial services market in Zimbabwe. CABS is licensed to conduct banking business, act as an authorised dealer, grant loans and mortgages, provide investment advisory and custodial services. The Society was established in the then Rhodesia on 6th July 1949 as a building society and has over the years expanded to offer full banking services to the retail, corporate and business banking segments.

**1949**

Central Africa Building Society (CABS) is registered as a building society.

**1961**

Merged with Old Mutual Building Society

**1977**

CABS upgraded their computer by Importing AN ICL 1902a which enabled PUPS and Mortgages to be computerised

**1983**

April 1983, CABS went Online ("Online Oliver")

**1990**

July 1990, first ATM was installed at Avondale Branch

**1993**

August 1993, first POS machine installed in supermarket, TM Borrowdale.

**1996**

Acquired the first card transaction via Zimswitch

**1997**

Passbooks were converted to plastic cards

**2011**

Licensed by Reserve Bank of Zimbabwe (RBZ) to operate as an Authorised Dealer

**2013**

November 2013, implemented new core banking system from Temenos, T24

**2021**

March 2021, CABS Designated as a 'Domestic Systemically Important Bank' (DSIBs) by the Reserve Bank of Zimbabwe

**2022**

Introduced a suite of products tailored for the non-governmental (NGOs) entities, their employees and beneficiaries.

# Products and Services

CABS provides a variety of financial services and products that include transactional and savings accounts, digital banking, loans, mortgages, international payments, trustee services, safe custody and settlement of securities and money transfer agencies. Our product range is diverse, including low-cost transactional retail accounts, high net worth accounts and commercial services.

## Our Operations

We have a total of 38 branches across Zimbabwe.

### Branches across Zimbabwe

**Bulawayo (3)**
Ascot Platinum
Fife Street
Jason Moyo Street

**Harare (13)**
Arundel
Avondale
Borrowdale
Central Avenue
Chisipite
First Street
Kelvin Corner
Mutual Gardens
Northridge Park
OM Green Zone
Park Street
Platinum Northridge Park
Southerton

**Manicaland (5)**
Chipinge
Hauna
Murambinda
Mutare
Rusape

**Mashonaland Central (1)**
Bindura

**Mashonaland East (2)**
Marondera
Murehwa

**Mashonaland West (4)**
Chinhoyi
Kadoma
Kariba
Karoi

**Masvingo (2)**
Chiredzi
Masvingo

**Matabeleland North (2)**
Hwange
Victoria Falls

**Matabeleland South (2)**
Beitbridge
Gwanda

**Midlands (4)**
Gokwe
Gweru
Kwekwe
Zvishavane

# Membership and Awards

### Memberships

Bankers Association of Zimbabwe (BAZ)
Institute of Directors Zimbabwe (IoDZ)
Institute of Bankers Zimbabwe (IoBZ)

### Recognitions and Awards - 2023

**Awards awarded by the Corporate Governance and Accountancy Institute:**

- 1st Runner Up Overall Banking Institution
- 1st Runner Up Overall Risk Management

**Awards awarded by the Zimbabwe Independent Banks and Banking Survey:**

- Winner - Building Society of the Year Award
- 1st Runner Up – Corporate Governance, Social Responsibility and Sustainability Award

**Awards awarded at the Zimbabwe Annual ESG and Responsible Business Achievement Awards (ESG Network Zimbabwe (ESGNZ)):**

- Winner - Environmental, Social and Governance (ESG) award for inclusive development of Sustainable Development Goals (SDGs)

# PERFOMANCE REVIEW

- Performance Highlights
- Chairman's Statement
- Managing Director's Message

**Employees**
**Headcount: 720**

**Electricity**
**KwH: 1,451,858**

**Lost Time injury Frequency**
**Rate: 0.789**

**Ave Training Per Employees**
**Hours: 3**

**Borehole Water Withdrawal**
**Cubic metres: 9,611**

# Chairman's Statement


Washington Matsaira

The Central Africa Building Society is proud to present the inaugural Sustainability Report, which report was prepared following the Global Reporting Initiative ("GRI") Standards. The main objective of this report is to share the Society's commitment towards sustainability growth. The Society is also aware of its impact on the economy, environment, and society and thus this report has been prepared to report on the progress the Society has made towards sustainable development.

The Society has taken great strides since the first Environment, Social and Governance ("ESG") Policy that was approved by the Board in 2019. The ESG Policy mainly focuses on how environmental; public health and safety; social and sustainability and corporate governance issues relating to our customers, clients, suppliers, vendors, agents, and third-party service providers are identified and considered when evaluating whether or not to on-board or continue an already existing relationship.

It is important to also highlight that over the past few years, the Society has taken up several initiatives across the business and community to show its commitment to corporate social responsibility. The initiatives, and the impact they had on our employees and our community, were recognised by the Zimbabwe Independent Banks and Banking Survey wherein the Society was the Runner Up for the ESG Award. CABS was also awarded the ESG award for inclusive development of Sustainable Development Goals (SDGs) at the National Annual ESG and Responsible Business Awards hosted by ESG Network Zimbabwe (ESGNZ, the ESG award for inclusive development of Sustainable Development Goals (SDGs) at the National Annual ESG and Responsible Business Awards hosted by ESGNZ.

I would like to recognize the effort put in by our stakeholders, from management, our employees, and strategic partners for ensuring that the Society continues to embed sustainability practices in our operational decision making and business strategy.

As we move forward, we pledge to continue our commitment towards sustainability and to strive for continuous improvement in our ESG performance. We will continue to engage with our stakeholders and work towards identifying areas where we can make a positive impact on the environment, economy, and society. I am confident that with the support and dedication of our stakeholders, we will be able to achieve our sustainability goals and create long-term value for all our stakeholders.

Thank you for being a part of this journey towards a more sustainable future.

For And On Behalf Of The Board

**Mr. Washington Matsaira**
Chairman of The Board of Directors

# Managing Director's Message

Mehluli Mpofu

The Society understands and appreciates that it plays a significant role in supporting the Reserve Bank of Zimbabwe's objective of transforming the financial sector into a more sustainable, environmentally and socially responsible sector. We have been entrenching sustainable business practices in our business operations and supporting initiatives that uplift communities and supporting sound corporate governance practices. This year, CABS has made the decision to publish its first Sustainability report that covers the Society's impact on the economy, the environment, and the society. We are pleased to report that CABS has achieved a number of significant milestones in the sustainability space this year, and we are committed to continuing this journey towards becoming a more sustainable and responsible financial institution.

CABS is committed to growing the business into an international certified sustainable financial institution. This year the Society was accepted to participate in the Sustainability Standards and Certification Initiative (SSCI) managed by the European Organisation for Sustainable Development (EOSD). The Society will continue to review its processes, systems, and operations to ensure that we are compliant with the international sustainability standards and best practice measures as directed in the Board-approved ESG Framework.

As a responsible business, we are committed to continual and meaningful engagements with our key stakeholders. We are also committed to financial inclusion and as such we have taken up the digital transformation culture where we are continually innovating and refining our products and processes for the benefit and satisfaction of our stakeholders. We also continue to contribute to the Old Mutual On-the-Money Training program. CABS has also invested in renewable energy in response to the irregular electricity supply resulting from the national shortage. A total of 6 branches; Bindura, Chiredzi, Chisipite, Gwanda and Gokwe, have solar energy as an alternative source of energy.

In terms of sound corporate governance, the Sustainability Steering Committee and Sustainability Working Group were approved by the Board this year and they are mainly responsible for the sustainability framework and strategy at CABS.

Looking ahead, we remain focused on integrating sustainability into all aspects of our business operations, as well as continuing to support initiatives that have a positive impact on our communities and the environment.

We will continue to work towards achieving our sustainability goals, and we are excited about the positive impact that we can have on our stakeholders and society as a whole.

I would like to thank our stakeholders and strategic partners for their ongoing support and collaboration, and I look forward to sharing our progress and achievements in sustainability in the coming years.

Thank you.

**Mehluli Mpofu**
**Managing Director**

# GOVERNANCE AND LEADERSHIP

- Governance
- Board of Directors
- Senior Management

# Board of Directors

**Washington Matsaira**
**Chairman**

**Qualifications:**
BA (UNISA), FIOBZ.

**Other Commitments:**
TSL Limited, DHL Zimbabwe, Takura Capital, Truworths Zimbabwe.

**Mehluli Mpofu**
**Managing Director [Chairman]**

**Qualifications**
B.Sc. Eng (Hons), MBA, CFA.

**Valerie C. Muyambo**
**Chief Finance Officer**

**Qualifications:**
CA (Z), B.Compt.

**Cecil T. Ndoro**
**Deputy Managing Director**

**Qualifications:**
MBA, BBS (Hons).

**Munyaradzi JR. Dube**
**Independent Non-Executive Director**

**Qualifications:**
BAcc (UZ), MBA (MSU), CA (Z).

**Warren Gillwald**
**Independent Non-Executive Director**

**Qualifications:**
Dip. Mech Eng, , Dip. Agric.

# Board of Directors

**Samuel Matsekete**
**Non-Executive Director**

**Qualifications:**
BAcc. (UZ), MBL (UNISA), AIBZ, CA (Z).

**Other Commitments:**
Old Mutual Zimbabwe Limited,
Old Mutual Life Assurance Company Zimbabwe Limited,
Old Mutual Investment Group Zimbabwe Private Limited.

**Joshua C. Tapambgwa**
**Independent Non-Executive Director**

**Qualifications:**
BAcc, CA (Z).

**Other Commitments:**
Nicmil Investments (Pvt) Ltd, Nyashadzashe Trust.

**Tracy Mutaviri (Mrs.)**
**Non-Executive Director**

**Qualifications:**
BBS (UZ), MBA (USA).

**Other Commitments:**
Steifel (Pvt) Ltd, Tongaat Hullet, St Ignatius Board of Governors.

(Appointed Q2 2023)

**Duduzile Kereditse Shinya (Mrs)**
**Independent Non- Executive Director**

**Qualifications:**
CA (Z), BCompt Hons, MBA.

**Other Commitments:**
Innscor Africa Limited,
Hippo Valley Estates Limited,
Comesa Regional Investment Agency.

(Appointed Q4 2023)

**Samuel Timothy Hosack**
**Independent Non-Executive Director**

**Qualifications:**
BEng Hons (UK), MBA.

**Other Commitments:**
Hawkmoth Mining and Exploration P/L, Eagle Lithium Resources,
Harriers Nickel Resources P/L.

(Retired Q1 2023)

**Alex Edgar Siyavora**
**Independent Non-Executive Director**

**Qualifications:**
CA (Z), BCompt, MBL.

**Other Commitments:**
Lasmid Investments, Ractor Investments, Compound Investments.

# Senior Management

**Mehluli Mpofu**
**Managing Director [Chairman]**

**Qualifications**
BSc Eng (Hons), MBA, CFA.

**Cecil T. Ndoro**
**Deputy Managing Director**

**Qualifications:**
MBA, BBS (Hons).

**Valerie C. Muyambo**
**Chief Finance Officer**

**Qualifications:**
CA (Z), B.Compt.

**Brian Gumbo**
**Head of Treasury**

**Qualifications**
HBBS Finance & Banking, CFA, ACI (DC), RPE.

**Esnath Dzonga**
**Head of Risk**

**Qualifications:**
B.Comm (Hons) Banking, MBA.

**Farirayi E. Machawira**
**Head of Compliance**

**Qualifications:**
BA UZ, LLB (Hons) University of Buckingham, LLM International and Commercial Law (University of Buckingham).

# Senior Management

**Paul Kudakwashe**
**Head of Credit**

**Qualifications:**
BSc (Hon) Economics, MBA.

**Dr Tagarira Mutenga**
**Chief Internal Auditor**

**Qualifications:**
Doctor of Philosophy (Management of Technology and Innovation), MBA, BSc. (Hon) in Applied Accounting, Diploma in Town Planning, Fellow of the Chartered Certified Accountants (UK), Fellow of the Chartered Institute of Secretaries (FCIS).

**Takudzwa Muzvidzwa**
**Head of Information and Communication Technology (ICT)**

**Qualifications:**
MSc in Computer Science, BSc Information Systems.

**John Chipunza**
**Acting Head of Operations**

**Qualifications:**
MSc in Strategic Management and Corporate Governance, B. Mgt in Human Resources Management, Higher National Diploma in H.R. M.

**Benjamin Sithole**
**General Manager, Commercial Services**

**Qualifications:**
MBA, CFA, CIMA, BAcc (UZ).

**Samson Manyoni**
**Head of Custodial Services**

**Qualifications:**
MBA UZ, BSc Hons. Economics UZ. MSc. Economics UZ.

# Senior Management

**Costa Nzombe**
**Head of Human Capital**

**Qualifications:**
BCom in Industrial and Occupational Psychology (UNISA), Diploma in Labour Relations (IPMZ), Diploma in Personnel Management (IPMZ).

**Charity Zvokuomba**
**Head of Retail Banking**

**Qualifications:**
BBS (Hons) UZ, Diploma in Advanced Marketing IMM, CRB (Chartered Retail Banker) UK.

**Hardlife Romeo Nharingo**
**Company Secretary**

**Qualifications:**
Bachelor of Laws (LLB).

**Josephine Tendai Jabangwe**
**General Manager, Operations and Retail Banking**

**Qualifications:**
Institute Of Bankers Association of Zimbabwe (IOBZ), Masters in Business Administration (MBA), Management Advanced Programme (MAP).

**Lindiwe Thebethebe**
**Marketing Executive**

**Qualifications:**
MBA University of Zimbabwe, Chartered Post,Grad Diploma in Professional Marketing CIM UK, Business Studies Degree Hons in Marketing.

# Governance

Board Structure:

**Central Africa Building Society (CABS)**

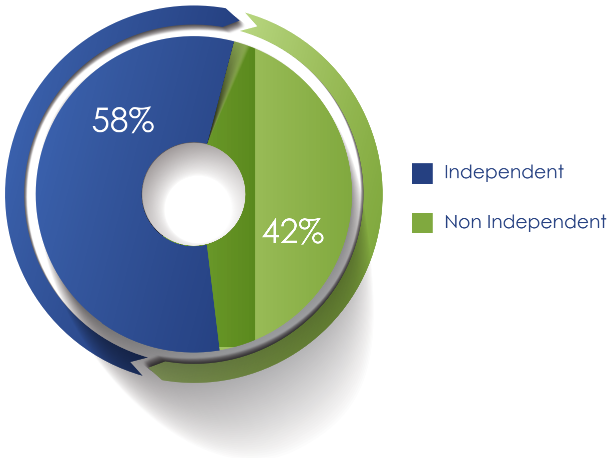
- Risk and Compliance Committee
- Audit Committee
- Credit Committee
- ICT Committee
- Loans Review Committee

The Board of Directors of CABS is committed to upholding strong corporate governance practices and adheres to the principles set out in the Banking Act ["Chapter 24:20"] as amended in 2015, Banking Regulations 2000, Building Societies Act ["Chapter 24:02"], Reserve Bank of Zimbabwe Act ["Chapter 22:15"], the Reserve Bank Corporate Governance Guidelines, the National Code on Corporate Governance in Zimbabwe (ZIMCODE) and the Old Mutual Group Governance Framework (GGF) which all provide valuable principles for effective governance in the banking sector. The aforementioned Acts, Regulations, RBZ and National Corporate Governance Codes, CABS Code of Conduct and CABS Board Charter are available to Directors for reference regarding their fiduciary duties and obligations.

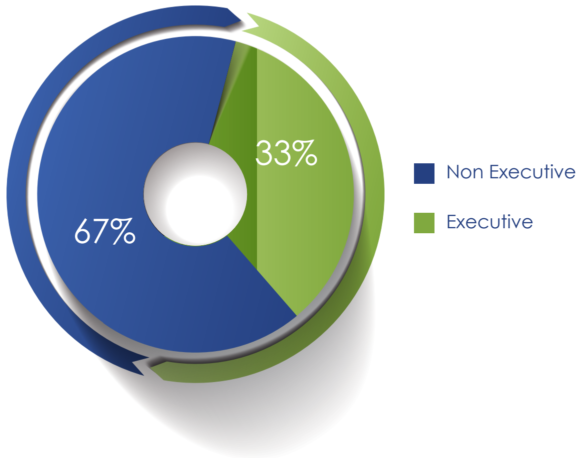
# Board Diversity and Inclusion

For the year ended 31 December 2023, the Board comprised of eleven (11) directors. Three (3) were Executive Directors, two (2) Non-Executive Directors and six (6) Independent Non-Executive Directors, as shown below. Chairman of the Board is an Independent Non-Executive Director. The Board continues to monitor the independence of both the Chairman and all other Independent Non-Executive Directors through the use of quarterly conflict of interest declarations presented to the Board. A representation of the Board's composition appears below:

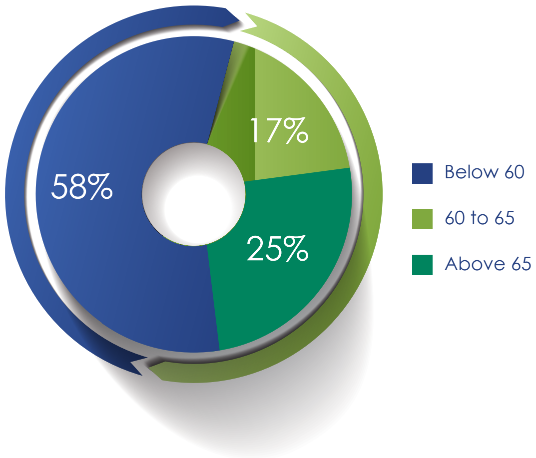
**Independent and Non Independent Directors**



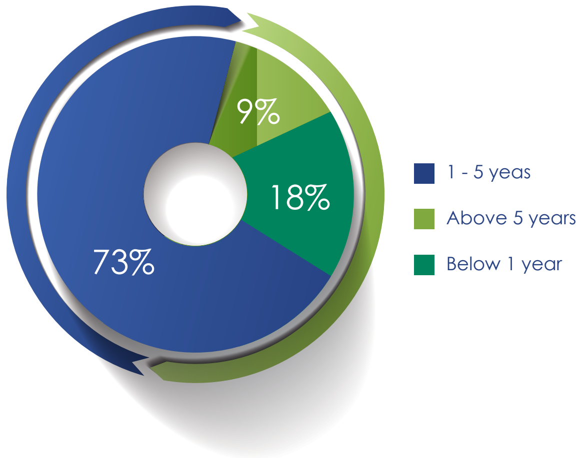

**Executive and Non Executive Directors**




**Directors by Age Distribution**




**Board Tenure**



# Board Nominations

The CABS Chairman, Managing Director and Company Secretary engage on potential board nominees. Once nominees are vetted, their names are submitted for approval, following the process below:

1. CABS Board
2. Old Mutual Zimbabwe Limited (OMZIL) Remunerations Committee
3. Old Mutual Limited (OML) Nominations Committee and OML Board
4. Reserve Bank of Zimbabwe (RBZ)
5. Appointment by the CABS Board

# Board Stakeholder Engagement

To keep the Board informed about critical matters, CABS utilises memos and Board escalation reports. In need, ad hoc meetings are set with the relevant Board Sub-Committee and Board Chairman. These engagements ensure that the Board is kept up to date on significant matters and allows for timely deliberations and decision-making.

### Sustainability Governance

CABS has a Sustainability Steering Committee. The Committee is responsible for driving due diligence and other processes to identify and manage the business' impacts on the economy, environment, and people. The Committee reports to the Board Risk and Compliance Committee ('BRCC'). The Board is ultimately responsible for reviewing and approving all Sustainability Reports. This is because the Board has the overall responsibility for driving the CABS Strategy.

The Sustainability Steering Committee is made up of the following members who have the overall responsibility of ensuring the Committee executes its mandate:

- Deputy Managing Director
- Head of Risk
- Head of Compliance (Sustainability Policy Owner)
- General Manager Operations and Retail
- Head of Credit
- Chief Finance Officer
- Head of Human Capital
- Head of Marketing
- Head of Commercial Services
- Head of Treasury
- Head of Legal and Corporate Governance

# ETHICS AND INTEGRITY

- Business Ethics and Compliance
- Anti-Corruption
- Cybersecurity and Privacy Protection
- Compliance Statement

# Business Ethics and Compliance

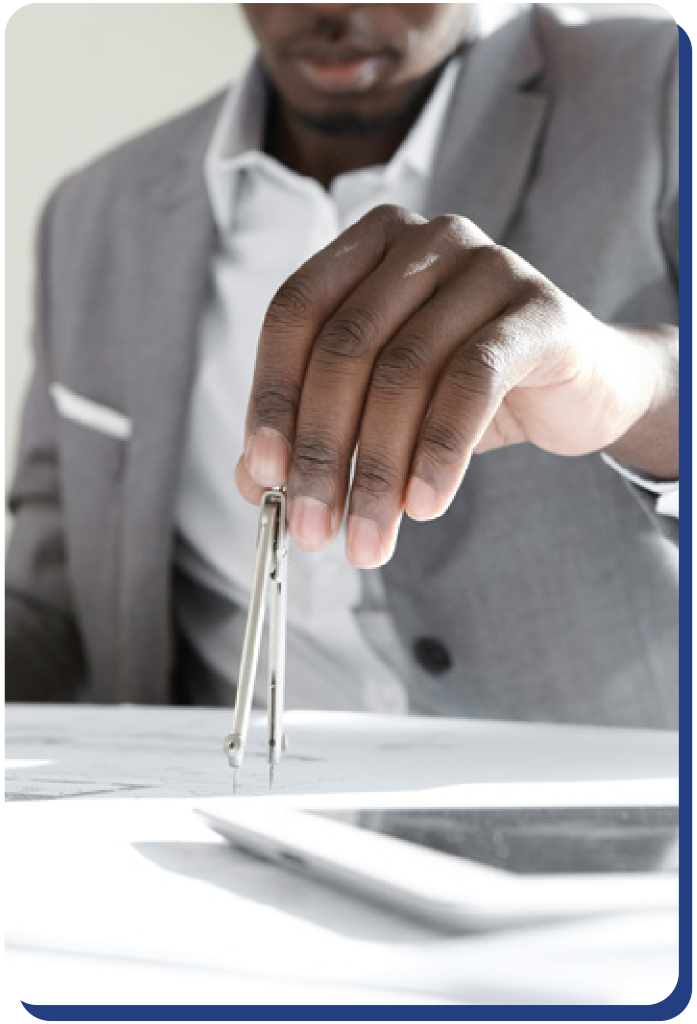
The Society is committed to conducting business in a sustainable, ethical, and responsible manner. The dynamic operating environment and the ever-changing regulations have a potential to increase the cost of compliance. However, adequate, and efficient internal controls assist in mitigating compliance risk and ensuring that all legal, regulatory, and specific supervisory obligations, such as anti-money laundering, data protection and privacy are met by the business. The nature of the business and the economy that the Society operates in makes it more vulnerable to the regulatory surveillance and scrutiny from correspondent banks and international funders.

We are committed to the CABS Maadili Charter which requires employees to conduct themselves with dignity, honesty, integrity, and respect when interacting with stakeholders. We continuously train employees on business ethics to promote awareness and compliance with the related subject matter. We established a comprehensive framework of policies, standards and procedures that guide employees, suppliers and partners in their daily activities and decisions. The following are some of the Society's internal policies governing ethics and compliance.

- Regulatory Compliance Risk Policy.
- Market Conduct Risk Policy.
- Data Protection Policy.
- Anti-Money Laundering, Counter Financing of Terrorism and Counter Proliferation Financing (AML/CFT/CPF) Policy.
- Conflict of Interest and Gifts Policy.

We conduct compliance assessments of legal and regulatory developments as well as new products and services. Additionally, compliance assurance activities are performed regularly to monitor the adequacy and effectiveness of internal controls implemented by the business. Our goal is to ensure that our internal policies and compliance programmes are aligned with the regulatory developments in the Anti-Money Laundering, Counter Terrorist Financing (CTF); Proliferation Financing (PF) and Financial Crime Compliance space.

In FY2023, two regulatory assessments were carried out by the RBZ Bank Supervision Department (BSD) and Financial Intelligence Unit (FIU). The Executive Management Committee and the Board have on-going engagements with the primary regulator, the RBZ and external correspondent banks have assisted greatly, resulting in the review of some of our processes with appropriate actions taken, to improve efficiency.



# Anti-Corruption

CABS reinforces its commitment to integrity and a strong anti-corruption stance. Our management plays a crucial role in promoting anti-corruption by implementing controls that identify and eliminate corrupt practices. By adhering to stringent standards and proactive risk management, the Society actively contributes to the prevention and eradication of corruption and bribery. As a result, corruption and bribery practices have been limited within the Society's operations.

As CABS, we have and adhere to Anti-Bribery and Corruption ("ABAC") standards that serve as mandatory guidelines for effectively managing corruption and bribery risks. Our Anti-Bribery and Corruption Policy includes internal standards on gifts/hospitality and prohibits political donations, ensuring transparency and ethical conduct. Further, risk assessments are conducted on all third-party vendors to evaluate the extent of corruption and bribery risks they pose, enabling the management to mitigate these risks.

CABS is fully committed to upholding ethical standards and preventing corruption and bribery through the implementation of the Maadili Charter and a range of proactive measures. These include the following:

- Conducting due diligence on business partners and intermediaries.
- On going fitness and probity of board and senior management
- Pre-employment screening of prospective employees.
- Comprehensive training programs to raise awareness and promote compliance.
- Ongoing monitoring of third-party relationships.
- Establishing safe and confidential reporting procedures for whistleblowing especially protection for the whistleblower

Additionally, CABS ensures that its policies, governance, and communication related to anti-bribery and corruption are regularly reviewed and updated. Any instances of corruption or bribery are promptly reported to the relevant authorities.

The Society is committed to conducting all business relationships in an ethical and lawful manner, ensuring compliance with applicable laws and regulations. The business will actively cooperate with law enforcement agencies and regulatory bodies as needed. CABS Audit function in conjunction with OMZIL Internal Audit plays a vital role in assessing the effectiveness of risk management and governance practices, as well as the functionality of control systems. These assessments are conducted in alignment with the perceived risk levels, ensuring ongoing monitoring and improvement of the overall governance and control framework.

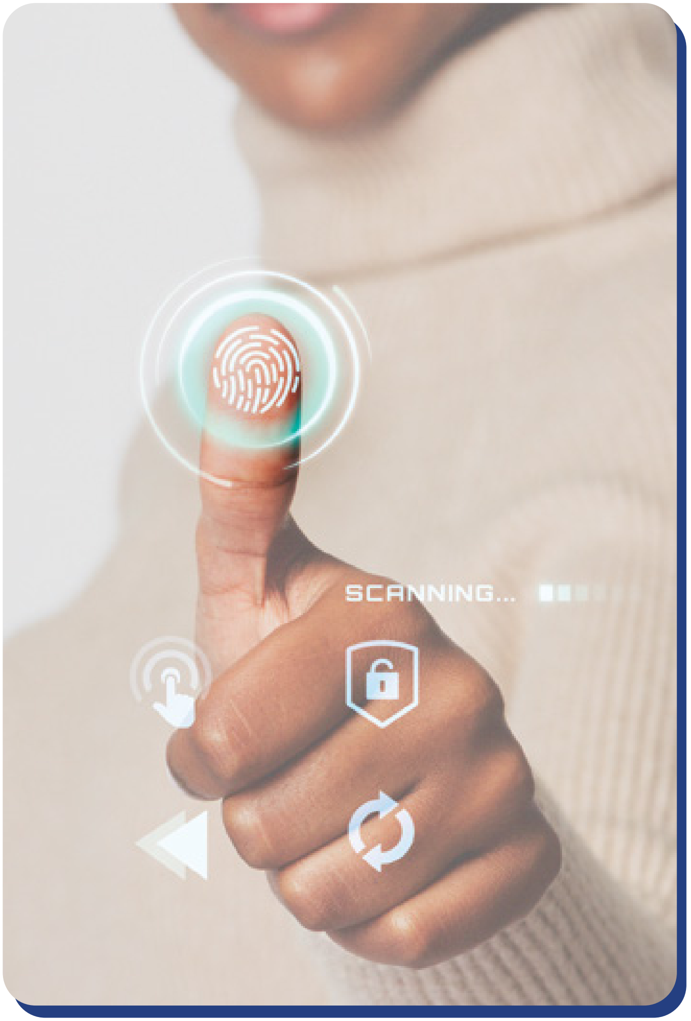
# Cybersecurity and Privacy Protection

The management of risks related to the collection of personal information is a critical aspect of cybersecurity and privacy protection. CABS identified several favourable impacts emanating from its efforts to enhance cybersecurity measures. These include improved cybersecurity measures such as upgrading end-user devices, implementing data loss prevention solutions, deploying antivirus and encryption tools, and using patch management systems. The Society conducted phishing simulations and introduced remote assistance tools, all of which contribute to a more secure environment. Additionally, the control environment has been enhanced through implementing various controls such as a Security Information and Event Management (SIEM) system, awareness exercises, and a dedicated Cyber Security Incident Response Team. The Society has identified adverse impacts related to cybersecurity and privacy protection which include vulnerabilities to cybercrime, potential data breaches, unauthorised disclosure of sensitive information, and the impact of cyber-attacks on critical business processes. These risks have been identified through phishing campaigns and risk self-assessments conducted by the Information Technology (IT) security team.

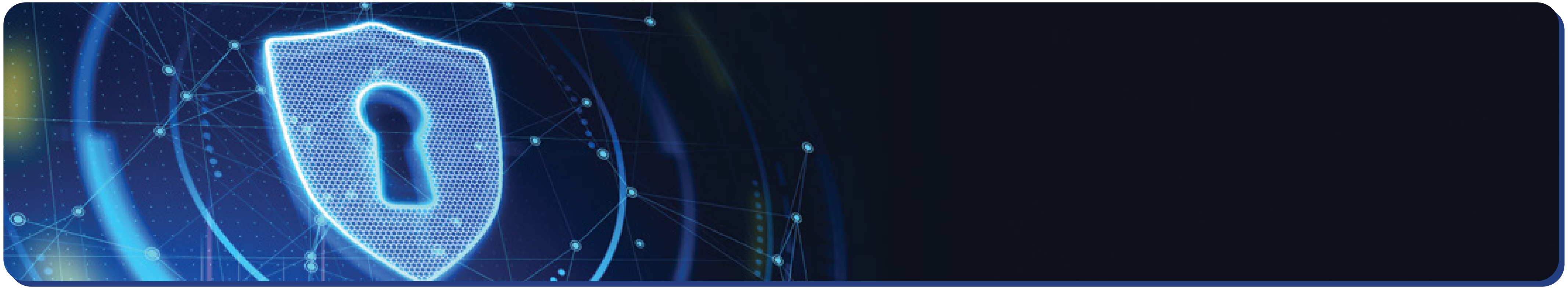
The Society implemented the CABS Information Security Risk Policy and the CABS Information Technology Risk Policy to provide guidelines and standards for managing cybersecurity and privacy protection. CABS assesses compliance based on the prescribed level of maturity, with independent maturity assessments conducted at least once every two years to ensure continuous improvement. The Society demonstrates its commitment to continual improvement through the Continual Service Improvement section, which involves regular reviews of IT processes to enhance service delivery.

CABS contracts independent assessors to perform annual vulnerability assessments and penetration tests to identify and address security weaknesses. The Society established a swift escalation process within 24 hours to the Cyber Security Incident Response Team (CSIRT) for material breaches, control failures, regulatory non-compliance, or sanctions. The Society maintains comprehensive disaster recovery processes, procedures, plans, and protocols, conducting annual testing of these plans to ensure their effectiveness. CABS maintains an IT risk register that contains details of all identified IT risks and their associated treatment plans. Regular reporting processes are in place to keep the relevant stakeholders informed about the identified and assessed IT risks.

We engage in benchmarking activities to compare our cybersecurity and privacy protection practices against industry best practices. The Society utilises scores and benchmarks from international standards such as the National Institute of Standards and Technology (NIST), Control Objectives for Information and Related Technologies (COBIT), and Customer Information System (CIS). Regular measurement and analysis of these metrics enable us to identify positive trends, successes, and areas for improvement.



# Cybersecurity and Privacy Protection



CABS applies various processes to manage cybersecurity and privacy protection. These processes include:

**Internal audits** - which are conducted to provide insights into any gaps or areas for improvement.

**External audits** - which involve independent auditors assessing the Society's cybersecurity and privacy practices against established standards and regulations.

**Maturity assessments** - which help in identifying areas where improvements can be made and provide a benchmark for tracking progress over time.

**Regular risk assessments** - which help in prioritising risks and guiding the implementation of appropriate controls and mitigation strategies.

**Penetration tests** - which are conducted to simulate real-world cyber-attacks and assess the effectiveness of the security defences. These tests help identify vulnerabilities that could be exploited by attackers and inform actions to strengthen security.

**Vulnerability assessments** - which involve identifying and assessing vulnerabilities in the systems and infrastructure. These assessments help prioritise remediation efforts and ensure that systems are protected against known vulnerabilities.

The business envisions ensuring a sound control environment with zero tolerance for cyber breaches, improving user awareness of cybersecurity risks and reducing the impact of cyber risks on system uptime and availability. The effectiveness of the actions is identified through user awareness and responsiveness to cyber-attacks through phishing simulations, the number of cyber-related breaches or fraud incidents reported, and systems uptime impacted by cyber risk. In 2023, there were zero (0) recorded cyber-related incidents within the Society, demonstrating the effectiveness of the implemented measures. Additionally, there has been an improvement in NIST and COBIT maturity scores from 3.5 to 3.9 as at 31 December 2023, indicating progress in the Society's preparedness to face and manage cyber risks.

The Society identified the need to test Disaster Recovery (DR) environments for robustness and suitability. As a result, we conducted the Drive 100% resilience (D100R) operation in 2023 to revise and test DR processes and recovery procedures. Ongoing engagements with business units have been conducted to assess their satisfaction with improved processes, such as the D100R project. Additionally, annual risk assessments are performed for third-party vendors to ensure compliance with cybersecurity and risk expectations

# Compliance Statement

The Society has an independent compliance function which manages all compliance risks as well as maintaining regulatory relations on behalf of the CABS Board. The Compliance department comprises of 3 sub-units that report to the Head of Compliance. These sub-units are the Legal and Regulatory unit, the Financial Crime Compliance unit and the Monitoring and Conduct Unit. Their functions are highlighted below.


Legal and Regulatory unit is responsible for establishing and managing the Society's Board approved Compliance Programme. They are also responsible for managing and implementing the regulatory change management process and programme. They provide advisory service to the business by providing advice on compliance related to matters. They manage the Regulator and Stakeholder management programme.

Financial Crime Compliance (FCC) unit manages the Society's Anti-Money Laundering (AML) and Counter Financing of Terrorism (CFT), and sanctions risks, and oversees the AML Programme. They play an advisory role, by providing advice to business on financial crime related compliance. The function interacts and manages the Society's relationship with the Financial Intelligence Unit (FIU).

Monitoring and Conduct Risk is the independent compliance function; they are mainly responsible for providing assurance to management by conducting reviews and tests to assess the level of compliance within the Society. They oversee the Society's Ethics and ESG programme.

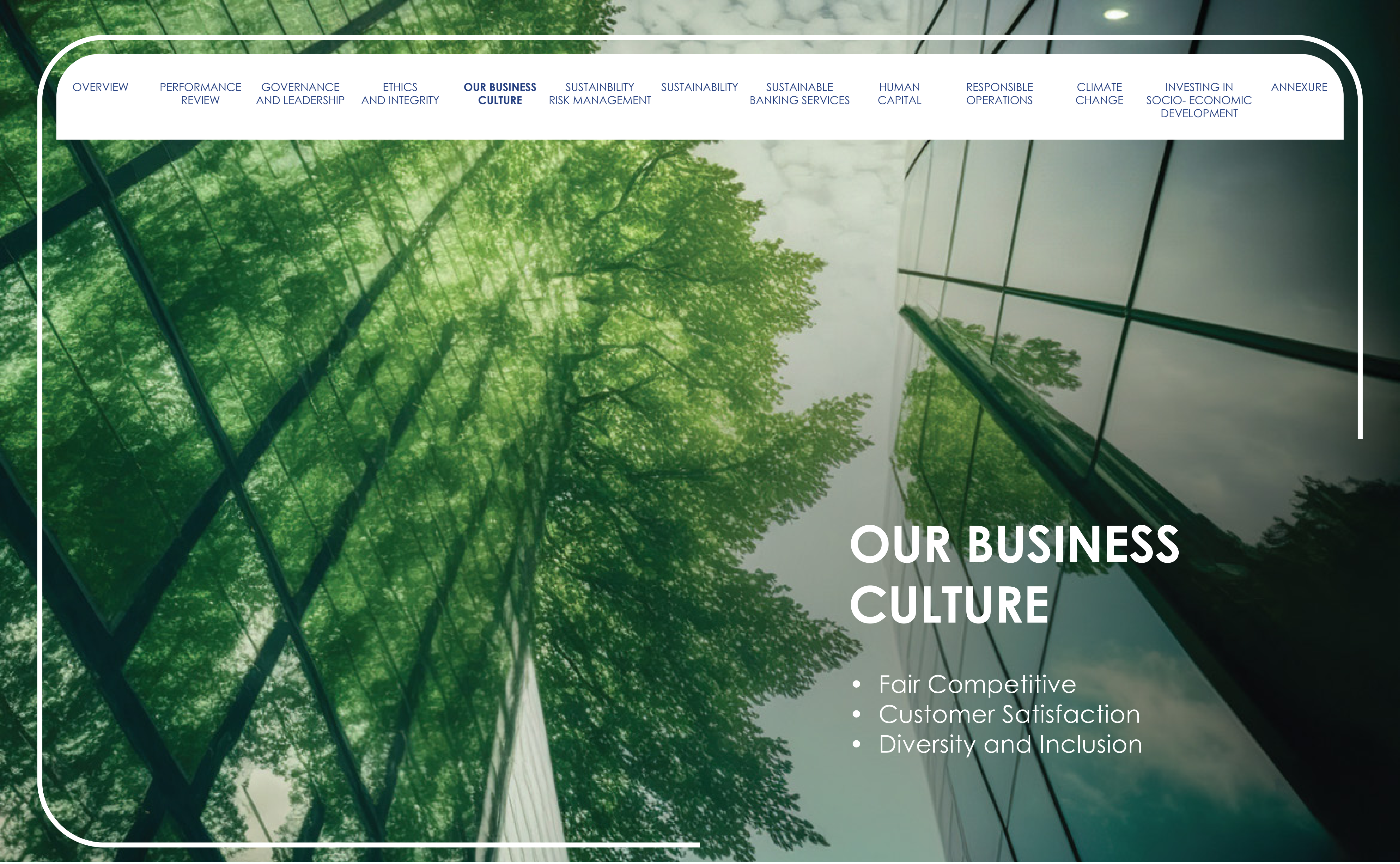
The Compliance Risk Governance Committees are highlighted below:

- AML and Customer Acceptance Committee – this committee exercises oversight over the Society's management of financial crime compliance and AML and CFT risks. It also considers updates and oversees implementation of the CABS FCC/AML Programme
- Sustainability Steering Committee – this committee oversees the Society's ESG programme. It regularly assesses the effectiveness of the Society's ESG compliance. The Steering Committee is supported by the operational Sustainability Working Committee.
- Regulatory Change Management Committee – this is an operational committee that monitors the management and implementation of the Society's regulatory change management process and programme.

The Society is committed to complying with applicable legal, regulatory, and industry standards and strives to ensure transparency and accountability in all aspects of its operations. Central Africa Building Society (CABS) is subject to regulation by the following regulatory authorities:

- Reserve Bank of Zimbabwe (RBZ)
- Financial Intelligence Unit (FIU)
- Zimbabwe Revenue Authority (ZIMRA)
- National Social Security Authority (NSSA)
- Deposit Protection Authority (DPA)
- Postal and Telecommunications Regulatory Authority Zimbabwe (POTRAZ)
- Securities and Exchange Commission of Zimbabwe (SECZ)

Management believes that the Society largely complied with the requirements of the above key regulators in our sector.



# OUR BUSINESS CULTURE

- Fair Competitive
- Customer Satisfaction
- Diversity and Inclusion

# Our Business Culture

## Fair Competitive Environment

As CABS, we follow fair competitive behaviour in our business practices, especially regarding pricing and charges on our products and services. CABS fully subscribes to the RBZ Consumer Protection Framework Guideline and the Banking Act. To ensure viability, expected cash flows are computed for new products, considering various assumptions. Assessments are regularly conducted to measure the viability of products and service in response to changing economic conditions.

When reviewing prices and charges, we conduct an independent market assessment to gauge what competitors are charging. This information is considered when making decisions about pricing levels to ensure both viability and competitiveness. Internal approvals are sought before submitting pricing proposals to the regulator for approval, ensuring compliance with regulatory requirements. In line with transparency and customer-centric practices, CABS provides clients with a 30-day notice period before implementing any revised charges or any other changes to our business conditions. This gives clients time to adjust and make informed decisions regarding the products or services affected by the pricing change. As CABS, we publish our business conditions on a regular basis in both print and digital media for transparency and as part of the treating customers fairly principle.

By adhering to fair competitive behaviour and following a structured approach to pricing decisions, CABS aims to maintain a balanced pricing strategy that covers costs, ensures viability, and remains competitive in the market.

The emphasis on transparency and customer communication reinforces the commitment to ethical business practices and customer satisfaction.

## Customer Satisfaction

Customer satisfaction management initiatives are crucial for building strong relationships with customers and ensuring their long-term loyalty. Customer engagement levels have increased, and online sentiments towards the brand are predominantly positive. The Society's focus on an Integrated Financial Services Model ensures comprehensive solutions for customers, leveraging on the resources of OMZIL.

The Society has faced challenges that have negatively impacted customer satisfaction and service delivery. System downtime has resulted in customer frustrations, as transactions and services are disrupted. These disruptions can inconvenience customers and affect transactions such as ZimSwitch Instant Payment Interchange Technology (ZIPIT), airtime purchases, ZESA prepaid vouchers purchases and internet banking. Additionally, manual processes led to long turnaround times for addressing customer issues, further adding to customer dissatisfaction. In locations where there are no branches, agents are unable to offer the full range of services that branches provide, including cash withdrawals and deposits. To mitigate these adverse impacts, we implemented a customer complaints system, tracked Net Promoter Score (NPS), upgraded systems, provided staff training, digitised products, engaging in continuous Customer Relationship Management (CRM) activities, and host customer engagement events.

Through engagements, we made operational adjustments to improve our service offerings and address customer pain points. These adjustments include launching a 24-hour contact centre to provide support to clients at any time. Additionally, the development of an alternative internet banking solution for individuals has been implemented to enhance accessibility and convenience.

## Diversity and Inclusion

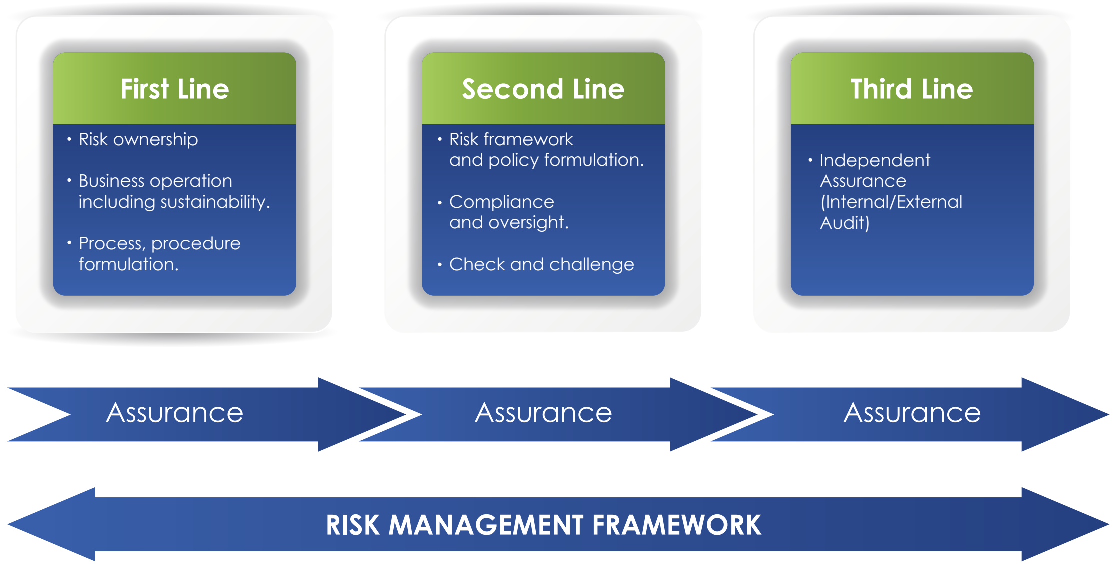
As the Society, we value workplace diversity as it improves decision-making, talent pool, employee engagement, and brand reputation. Workplace diversity also leads to customer satisfaction, adaptability, innovation, and community relationships. However, potential challenges include conflicts, lack of commitment, resistance to change, unintended consequences, group-thinking, metric misuse, negative external reactions, team cohesion erosion, and talent loss. We strive to address these challenges and align branch diversity goals with overall Society objectives.
We track diversity and inclusion on our scorecard and ensure implementation in the selection and recruitment process. We focus on team diversity when hiring for specific teams, aiming to create balanced and diverse teams. To manage diversity and inclusion impacts, we set goals and targets related to gender balance in our employees. We aim to retain the right gender-balanced numbers of both female and male employees in the right positions and jobs. Key performance indicators, such as the female/male ratio, are used to track progress and effectiveness. During the year, we made progress towards our goals and targets, with a female/male ratio of 47/53.

# SUSTAINABILITY RISK MANAGEMENT

- Sustainability Management Framework
- Sustainability Risk Management Process
- Sustainability Related Risks and Opportunities

# Risk Management Framework

CABS enterprise risk management framework follows the three lines of assurance principle. The first line consists of risk and control owners responsible for day-to-day management of risk, the second line provides oversight and governance, and the third line involves independent auditors for objective evaluation. Below is the illustration of our risk management framework.




## Risk Management Process

Risk identification involves the process of analysing all activities within the Society to determine the potential exposure and the corresponding controls to mitigate these risks. Management is expected to consider various sources to identify risks, including internal audit reports, loss data, key risk indicators (KRIs), litigation, and business strategy.

Risk analysis and evaluation involves assessing each risk and determining the likelihood of a loss arising and its impact (financial and non-financial) in relation to the Society's tolerance of these risks. CABS adopted various methods to assess exposures to risks which include stress and scenario testing, risk and control self-assessments and continuous monitoring. Risk assessments and stress tests are conducted quarterly. Tracking of risks against the Board approved risk appetite is done monthly and the requisite dashboards circulated to senior management.

## Sustainability Related Risks Management

The Board has ultimate accountability for ESG risks. Oversight over the broad ESG risks as well as climate risk is provided by the Board Risk and Compliance Committee (BRCC). The Board Loans Review Committee (BLRC) also considers climate risk where it has a bearing on credit risk. Management oversight is provided by the Executive Committee (Exco) with support from the Sustainability Steering Committee. The Sustainability Steering Committee is supported by the Sustainability Working Group. Management responsibility (Risk Owner) for climate risk is assigned to the Head of Credit with support from Risk Management and Compliance.

# Our Business Culture

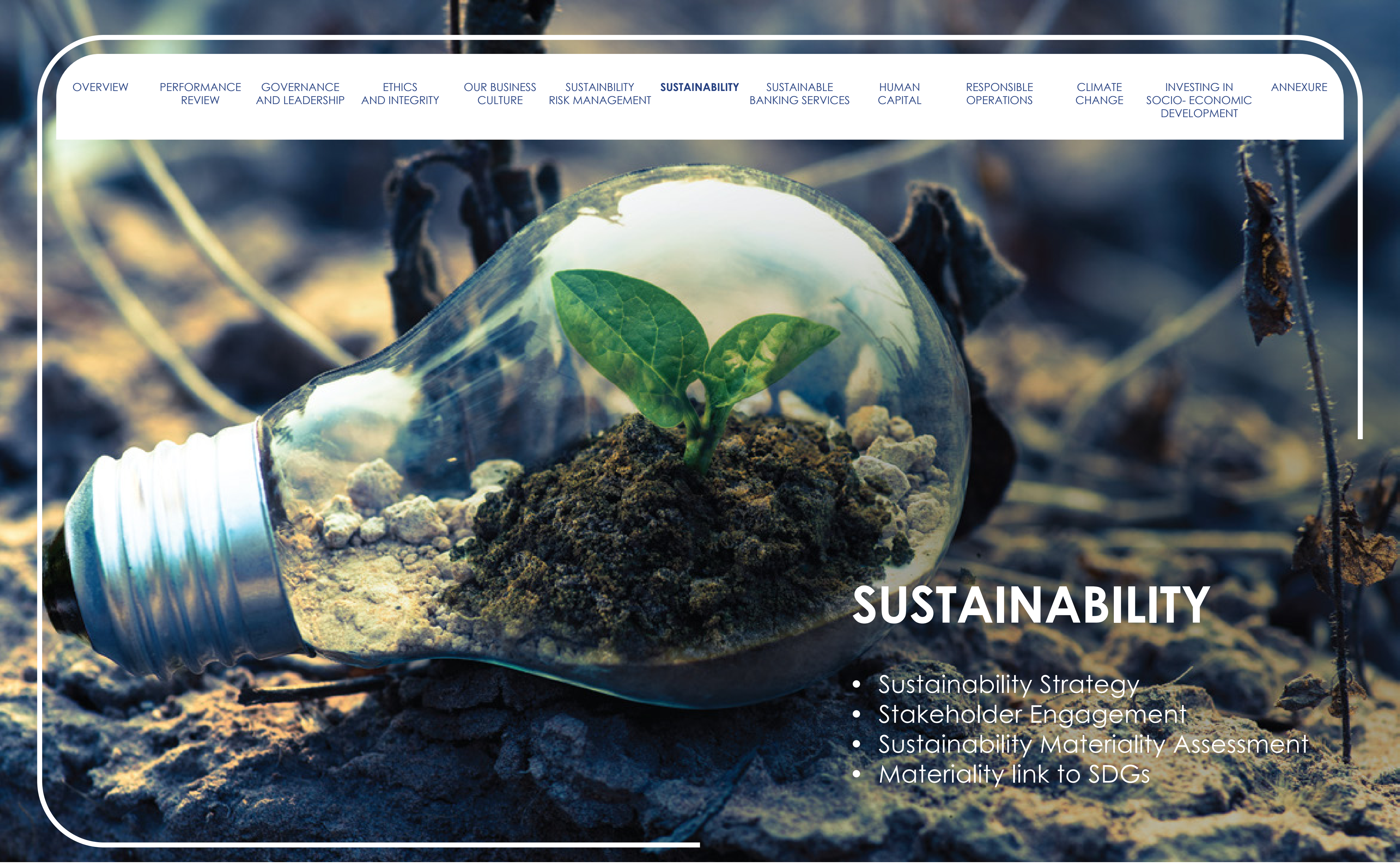
### Sustainability-Related Risks and Opportunities (SRRO)

We employ a comprehensive approach to identifying Sustainability-Related Risks and Opportunities (SRRO), focusing on our sustainability risk management practices, stakeholder engagement, and materiality analysis. This process enables us to identify both potential and actual risks and opportunities linked to our business operations.

CABS experienced an erratic supply of electricity due to a national shortage caused by low generation at the main hydropower generator in Zimbabwe. To mitigate this risk, the Society explored alternative sources of energy such as solar. The following branches have solar energy: CABS Bindura, Chiredzi, Chisipite, Chipinge, Gwanda and Gokwe. The Society is considering funding climate risk-related technological projects, which, in turn, have the potential for loan book growth. Loan book growth brings benefits such as increased interest income, market expansion, enhanced reputation, and long-term profitability, while diversifying revenue streams and positioning CABS as a leader in responsible banking. The Society is currently participating in the Sustainability Standards Certification Initiative (SSCI), developed by European Organisation for Sustainable Development (EOSD). This initiative will support the Society's efforts in managing all SRRO by implementing the international environmental, social and governance (ESG) standards.

The Society has increased credit risk due to the potential damage or loss of collateral and assets held by borrowers in vulnerable areas and sectors such as agriculture which is expected to be impacted by the El Nino phenomena during the 2023-2024 agriculture season. CABS may experience transition risks which may stem from the shift towards a low-carbon economy and the policy, legal, technological, and market changes associated with it. We may face stranded asset risks as investments in high-carbon sectors become less viable or face regulatory restrictions. Changes in market preferences, energy prices, and carbon pricing can also impact the creditworthiness of certain industries and companies, leading to potential credit risks for banks.

Lastly, our stakeholder engagement particularly with our employees proved vital in reducing chances of industrial action given the inflationary effects characterising our business environment. The Society did its most to be responsive to employee concerns and working conditions. The engagements were fruitful in building shared vision.



# SUSTAINABILITY

- Sustainability Strategy
- Stakeholder Engagement
- Sustainability Materiality Assessment
- Materiality link to SDGs

# Sustainability Strategy

### Our Sustainability Strategy

Our sustainability strategy is based on the principle that we can create positive economic, environmental, social and governance impacts while achieving long-term value for our shareholders. We seek opportunities to invest in sustainable business conduct which will help us achieve our sustainability goals.

### Stakeholder Engagement

Stakeholder engagement and collaboration enables us to understand our impacts and drive progress towards sustainable operations. Understanding stakeholder needs ensures we adapt our products and services to scale positive contribution to social, environmental, and economic issues.

### Key Stakeholder Groups

We view our stakeholders as strategic business partners to the Society, who provide insights into potential business risks and opportunities. The stakeholder list is ranked according to significance of impact to our strategic plan and projects as presented below:

**Internal**

- Employees
- Management
- Investors

**External**

- Customers
- Government
- Regulations
- Suppliers

### For the year under review, our stakeholders highlighted the following issues:

| Stakeholder | Material Interests | Mitigation Methods | Engagement Methods | Frequency of Engagement |
|---|---|---|---|---|
| **Employees** | · Remuneration and welfare. | · Review of earnings to mitigate loss of value. | · Staff updates,<br>· OML Link | Ad hoc |
| **Government and Regulators** | · There were no material issues raised by our primary regulator (RBZ) regarding the CABS compliance environment. | · Regular interactions with regulators on compliance issues impacting CABS. | · Formal letters | Ad hoc |
| **Customers** | · Internet banking performance and downtime.<br>· Airtime purchase failure. | · Provided alternative platforms in the form of Zeepay, Direct inject and brand network.<br>· Continuous engagements with Mobile Network Operator (MNO's). | · Emails<br>· SMS's<br>· Digital platforms<br>· Meetings | Monthly<br>Ad hoc |
| **Local Communities** | · Increase in donations. | · Submitted request to put more taps.<br>· To assist under CSR | · Meetings<br>· Site visits Emails | Ad hoc |

# Sustainability Materiality Assessment

CABS undertook a thorough evaluation of sustainability factors to determine and prioritise the most important environmental, economic, social, and governance (ESG) concerns related to its operations. We involved different stakeholders to gain diverse insights and comprehend their expectations. This assessment allowed us to identify significant issues that could potentially affect our business performance, reputation, and the creation of long-term value. These issues encompass a wide range of environmental, social, and governance aspects that are vital for ensuring our operations are sustainable. The materiality process for FY2023 was conducted as follows:

### Identification

CABS conducted an international sustainability materiality assessment by identifying topics relevant while benchmarking with other companies in our industry.

### Prioritisation

Identified topics are ranked as material topics based on their signifance to the business and stakeholders' interests by senior management from all departments.

### Validation

The Executives validate and approve the final topics by assessing the consistency of the topics with business activities.

### Matrix Generation

These topics are plotted as a matrix showing their importance to the business and stakeholders.

## Material topics

The identified topics were categorised into economic, environment, social and governance as presented below:

**ECONOMIC**

- Tax
- Economic Perfomance
- Fair Competitive Practices
- Responsible Investing and Financing
- Financial Inclusion Transaction
- Processing Time

**ENVIRONMENT**

- Water
- Waste
- Climate Change
- Energy

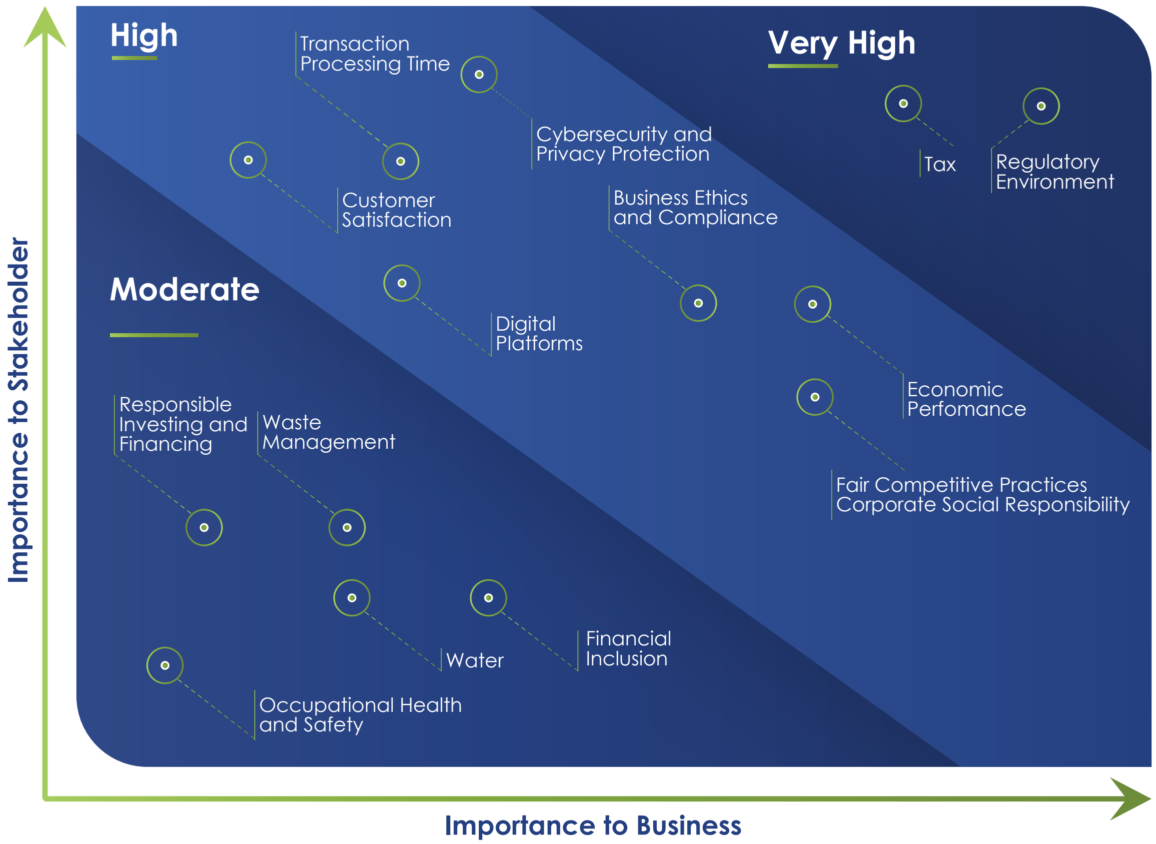
**SOCIAL**

- Human Capital Development
- Human Rights
- Customer Satisfaction
- Occupational Health and Safety
- Employment
- Labour Relations
- Diversity and Inclusion
- Corporate Social Responsibility

**GOVERNANCE**

- Business Ethics and Compliance
- Anticorruption
- Digital Platforms
- Cybersecurity and Privacy Protection

# Materiality Matrix




### From the matrix above, topics ranked as

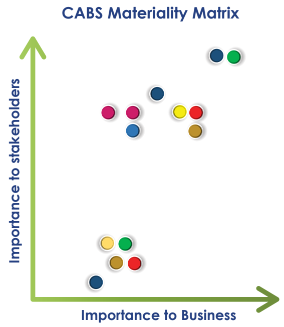
| Stakeholder | Measure |
|---|---|
| **Very High** | Those regarded by the business and stakeholders to be of significant interest. |
| **High** | Reflects where measures are in place to manage the impacts while improvements continue to be implemented |
| **Moderate** | Reflects where significant efforts were made to address them. |

For the period under review, the following topics were identified as the most significant for both business and stakeholders:

- Regulatory
- Tax

# Materiality linked to SDGs

CABS undertook a thorough evaluation of sustainability factors to determine and prioritise the most important environmental, economic, social, and governance (ESG) concerns related to its operations. We involved different stakeholders to gain diverse insights and comprehend their expectations. This assessment allowed us to identify significant issues that could potentially affect our business performance, reputation, and the creation of long-term value. These issues encompass a wide range of environmental, social, and governance aspects that are vital for ensuring our operations are sustainable. The materiality process for FY2023 was conducted as follows:




## The UN Sustainable Development Goals


| Relevance to Sustainable Development | Moderate | High | Very High |
|---|---|---|---|
| Regulatory Environment | | | 13 |
| Economic Performance | | 13 13 | |
| Occupational Health and Safety | 3 | | |
| Responsible Investing and Financing | 12 | | |
| Cybersecurity and Privacy Protection | | 16 | |
| Water | 13 13 | | |
| Business Ethics and Compliance | | 16 | |
| Waste Management | 12 | | |
| Financial Inclusion | 12 | | |
| Tax | | | 13 |
| Corporate Social Responsibility | | 13 13 | |

# SUSTAINABLE BANKING SERVICES

- Financial Inclusion
- Digital Banking Platforms
- Transaction Processing Time

# Financial Inclusion

As a Society, our financial inclusion initiatives have had a positive impact on our operations and the communities we serve. We successfully attracted a diverse customer base, resulting in increased customer numbers and deposits. Our commitment to developing tailored technological solutions improved accessibility for underbanked individuals, while also driving the growth of our loan book. We remain dedicated to striking a balance between inclusivity and compliance to ensure a safe and inclusive financial environment for all.

We implemented several measures to prevent potential issues and maintain compliance with regulatory requirements. Transaction limits on cards are maintained to mitigate abuse, while the migration of Texta cash accounts to the core banking system ensures proper due diligence and Know Your Customer (KYC) maintenance. Customers are limited to one KYC lite account, and automation of the account opening process enhances efficiency. Regular KYC remediation is conducted to ensure data quality through inspections and internal audits are carried out to assess adherence to account opening procedures.

CABS set goals to increase the number of low KYC accounts. With a target of opening 40,000 new accounts, the effectiveness of actions is evaluated through data quality checks, inspections, and internal audits. Progress towards the goals and targets is evident, as 54,313 low KYC accounts have been opened, exceeding the target. To ensure proper data management and compliance, we emphasise on the elimination of multiple accounts and effective relationship management plays a key role in identifying and upgrading customers based on their financial status changes. Our Compliance Department, Organisation and Methods department, and Internal Information Technology (IT) Audit Department collaborate to support branches in complying with regulations and adhering to standard operating procedures as verified through inspections and audits.

## Digital Banking Platforms

As a business immersed in the world of digital platforms, we recognise the positive impact of driving innovation in service delivery. Our products have enabled customers to securely transact remotely thus providing convenience. We observed accelerated innovation in service delivery and continuous process improvement through digital transformation, which has enhanced efficiency and customer experiences. However, the rise of digital platforms has led to an increase in fraud cases, posing challenges for the Society.

Our policies serve as framework for consistent decision-making and actions related to the management of our products. We made it our priority to uphold customer-centric product and service development thus understanding and addressing the needs and preferences of our customers throughout the entire product lifecycle. We established multiple stages of authorisation and approval processes before making any changes to our products or platforms. This helps prevent unauthorised or malicious modifications that could lead to negative consequences. Additionally, we conduct thorough testing in a controlled environment before migrating any changes to the production environment, ensuring that potential issues are identified and resolved before they impact customers. Furthermore, we implemented service monitoring systems to proactively identify and address any issues or vulnerabilities in real-time. In the event that the Society is faced with system challenges, we conduct a Root Cause Analysis (RCA) to identify the underlying causes and develop a remediation plan. This plan includes actions to rectify the negative impacts, mitigate any potential harm, and prevent similar incidents from occurring.

Regular business review meetings and reporting are conducted to assess the progress made, identify any areas of improvement, and make necessary adjustments to the Society's strategies and actions. We conduct internal and external audits to help identify any gaps where further improvement is needed. As CABS, we intend to increase the number of active digital users, and our target is set at 400,000 users. Progress made towards goals is indicated through the activity ratio or the number of Average Daily Users (ADU). Through regular review and assessment, we observed positive outcomes from the actions taken to manage digital platforms. For instance, we successfully enabled United States Dollar (USD) transactions on mobile platforms, deployed USD airtime services, reviewed and improved the USSD menu, launched a new retail web solution, and introduced airtime discount services and campaigns.

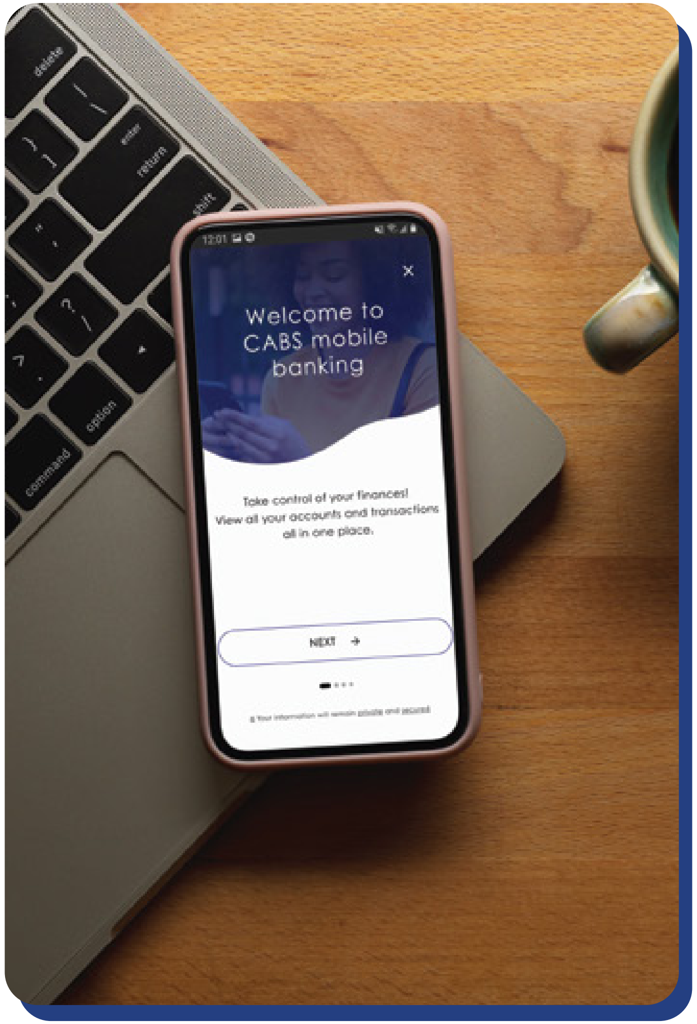
# Transaction Processing Time

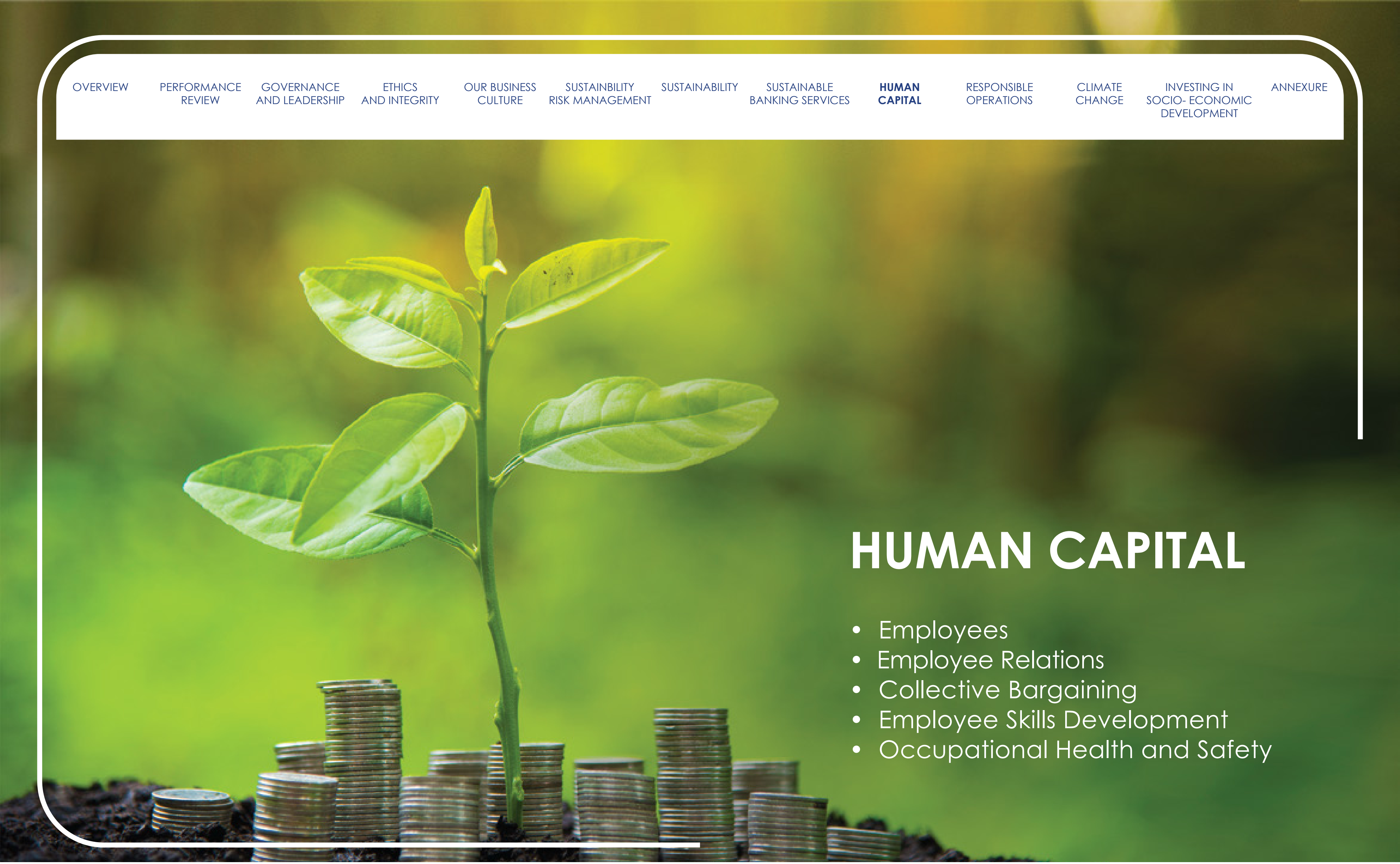
CABS recognises the importance of efficient transaction processing time to meet customer expectations and deliver excellent service. Implementation of technology solutions like the CABS Mobile App and Internet Banking improved customer satisfaction and revenue growth. These solutions enable fast and convenient transfers and bill payments, resulting in positive reviews and referrals. Automation of loan applications further enhances customer experience. However, challenges like transaction reversals, slow processing times, system inefficiencies, balance mismatches, and reliance on external service providers affect customer satisfaction and market share.

We implemented several policies to streamline our operations and ensure consistency in processes. These policies include Standing Instructions and Circulars, which provide guidelines for retail branches on carrying out various activities. Service Level Agreements (SLAs) are established with other departments to define expected turnaround times and ensure efficient collaboration. The Bank Manual serves as a comprehensive resource containing all processes related to Retail operations. Our commitments include sharing standing instructions with employees and ensuring their adherence to standard operational procedures. Employees are required to acknowledge their understanding of the Standing Instructions by signing them. In-house training programs are conducted to enhance the knowledge and skills of CABS employees, ensuring they are well-equipped to carry out their roles effectively and in compliance with the established policies.

The Society implemented initiatives to enhance operations and improve customer experience. This includes promoting the use of ATM cards for cash withdrawals and encouraging the use of digital platforms for transactions. Controlled disclosure practices, such as eliminating the need for deposit slips, have improved transaction processing time. Automation of loan and retail processes reduced manual intervention and paperwork, leading to faster turnaround times. Control measures, such as using Build Operate Transfer (BOT) for reconciliation, proactive communication during system outages, and regular training on customer service and transaction processing, ensure smooth operations. Additionally, efforts are made to ensure well-funded ATMs, efficient digital channels, and the introduction of online account opening processes.

We conducted several assurance exercises through Audit, Risk, Compliance, and Internal Control departments, with the aim of achieving several goals. These goals include improving customer satisfaction, increasing market share, automating processes, and enhancing profitability. To measure progress, specific targets have been set, such as achieving a Net Promoter Score (NPS) of 77%, increasing the number of active accounts by 500,000, and automating 37 retail processes. Key performance indicators used to assess effectiveness include growth in customer numbers, profitability, customer retention, customer satisfaction, and the number of processes automated. Audit reports provide insights into the effectiveness of assurance exercises, while quarterly inspection reports offer ongoing assessments. During the year we exceeded customer onboarding target by more than 50%, achieved an NPS score of 75%, and successfully automating 12 processes. Further, all branches are reported to be operating profitably, indicating progress towards the goal of increased profitability. Stakeholder engagement informed and validated the effectiveness of the actions taken by the Society.





# HUMAN CAPITAL

- Employees
- Employee Relations
- Collective Bargaining
- Employee Skills Development
- Occupational Health and Safety

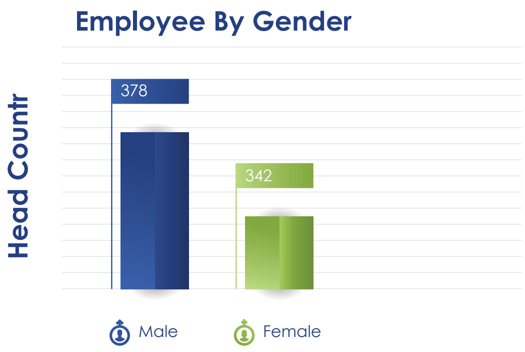
# Employees

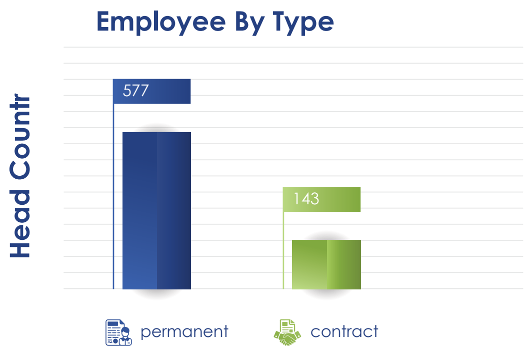
CABS aims to maintain a stable employee complement with turnover rates below a critical threshold, which positively impacts employee motivation, productivity, and workplace culture. However, there are challenges related to employee turnover. To address these challenges, we focus on employee retention, competitive compensation, professional development, and fostering a supportive work environment.

We are dedicated to implementing a compelling framework for rewards and incentives to support talent acquisition and retention. We recognise the importance of meaningful differentiation in performance and rewards to drive productivity and retain high-performing employees. We closely monitor economic and business parameters that impact employee wellness and adjust the Economic Hardship Allowance (EHA) accordingly. This approach ensures that employees' earnings remain competitive and aligned with market conditions, helping to attract and retain talent.

### Employment

Our employee base for FY2023 is below:




### Third Party Employees

| | Unit | 2023 |
|---|---|---|
| Interns | Head Count | 38 |

# Employee Relations

Employee relations play a crucial role in the functioning of our Society. Our labour relations practices foster a harmonious work environment, enhance productivity, and contribute to a positive reputation for CABS. Building a cordial relationship among employees and employers improved communication, cooperation, collaboration and enhanced overall productivity. Increased productivity, in turn, has had positive impact on the Society's financial performance. We however acknowledge that poor employee relations can lead to industrial action thus causing disruptions to the Society's operations and further resulting in financial losses, delays in quality service delivery and reputational damage.

The Maadili Charter, a Code of Conduct and the Labour Act are our policy documents for governing employee relations. CABS is committed to maintaining a working environment that is free from all forms of discrimination and harassment. As the Society, we seek to advance an environment that supports, nurtures and rewards employees. We also promote career advancement and fulfilment based on ability and performance, free of any prejudice. To ensure that issues related to employee relations are prioritised we engage in continuous training in management, work council and business meetings with multiple stakeholders.

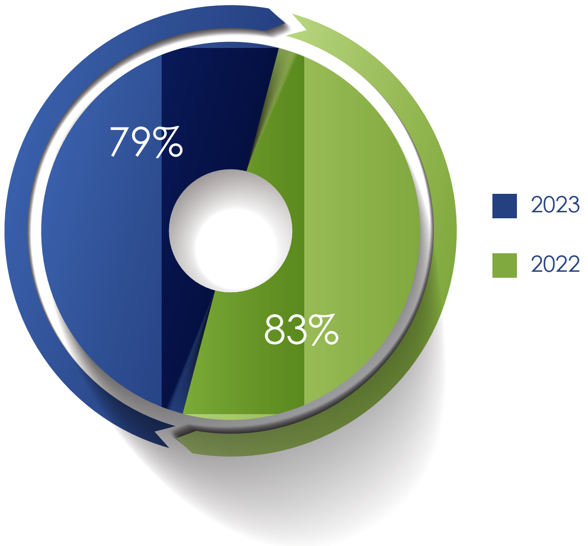
We conduct National Employment Council (NEC) inspections, internal and external audits on a regular basis to ensure good employee relations practices. Our goal is to continuously improve on the positive relationships we have with our employees. During FY2023, we targeted an employee engagement score of ≥4.5 and managed to achieve a score of 4.21 indicating good progress towards the target.

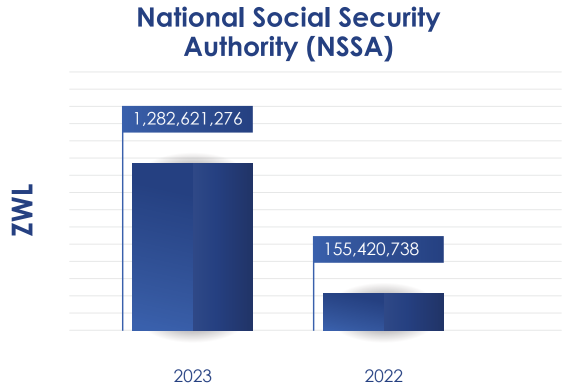
## Pension

The Society priorities employee welfare during and after employment, therefore we contribute to a Group Pension and the National Social Security Authority (NSSA) Pension scheme.

Below are our contributions for FY2023

**% of Employees on Group Pension**



# Collective Bargaining

As CABS, we recognise and respect the rights of our employees to join associations of their choice. Our employees subscribe to the National Employment Council for the Commercial Sector (NECCS). We prioritise open and constructive dialogue with employee representatives to negotiate fair and equitable terms and conditions of employment. Our goal is to ensure a mutually beneficial outcome that aligns with our commitment to treating our employees with respect and fostering a positive work environment.

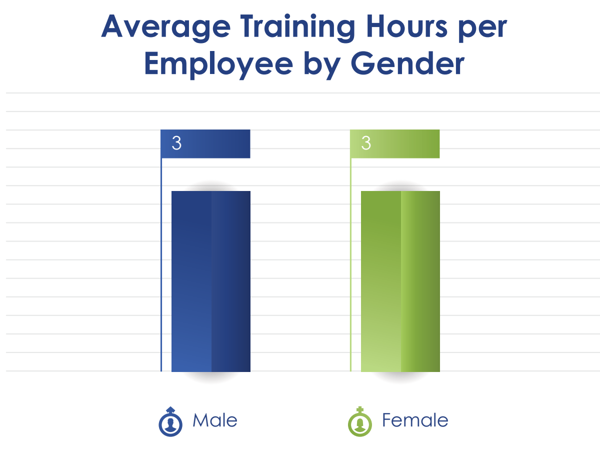
### Employee Skills Development

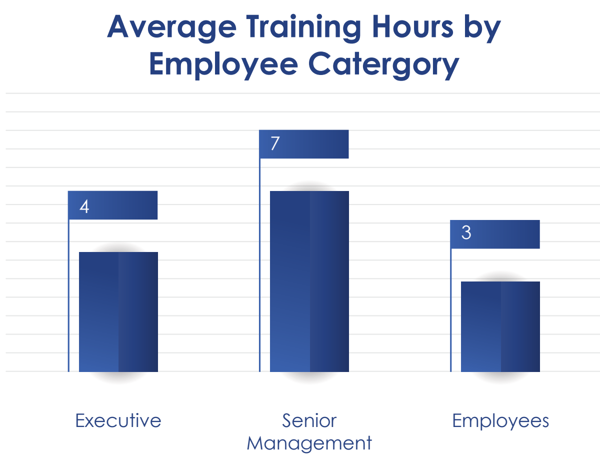
Enhancing the skills, knowledge, and competencies of individuals within the Society is a critical aspect towards our success. Providing comprehensive training and product-related information ensures that our employees have a deep understanding of our products and services leading to improved customer interaction, satisfaction and potentially contributing to revenue generation, ultimately benefiting our financial health.

We follow a learning policy based on the OMZIL group's Learning Policy and best industry practices. It establishes the fundamental principles and standardised direction, ensuring consistency. The Learning Policy helps to control risk and reinforces the Society's employee value offer. The Society is committed to upholding internal policies governing human capital development as well as the Labour Act. As CABS, we promote human capital development by offering bursaries and study loans, as well as allowing staff to take leave. Every year, we ensure that each business unit has a budget for both formal and informal learning.

Internal and external audits and risk management reviews aid in ensuring that we do not deviate from stipulated human capital development regulations. Our goals regarding human capital development include making enterprise-wide talent management and deployment a reality, supporting talent pools and leadership succession through accelerated development and transforming the workplace through employee experience. The Society set a target of achieving 95% execution of planned learning and development initiatives. Our KPIs include supporting change management plans, building capability and skills, implementing skills development plans, supporting talent retention, developing new age skills, scaling up graduate traineeship programs, and establishing knowledge hubs for knowledge transfer.

For FY2023, our average training hours per employee were as follows:



# Occupational Health and Safety (OHS)

03 GOOD HEALTH and WELL-BEING

As CABS, we have made significant strides in managing and reducing injury, incident, and accident rates through the implementation of Occupational Health and Safety (OHS) measures. This has not only reduced the risk of injuries and incidents but has also had a positive impact on employee's productivity. Recognising the significance of OHS in our operations, we are dedicated to continually improving our health and safety standards.

To ensure the successful management of OHS, we adhere to our Environmental, Health and Safety Policy. The policy outlines our commitment to identifying and effectively controlling hazards, complying with relevant legislation, and clearly defining the roles and responsibilities of individuals in maintaining a healthy working environment.

Through proactive actions, we demonstrate our dedication to OHS objectives. This includes striving for Zero Harm and a safe working environment, as well as maintaining compliance with all OHS legislations. We conduct regular system audits and workplace inspections to proactively identify and address potential risks. These actions, along with annual policy attestations, reinforce the Society's commitment to maintaining a high standard of OHS practices and ensuring the well-being of its employees and stakeholders.

## Occupational Health and Management System

We implemented an Occupational Health and Safety management system based on ISO 45001 to identify hazards, risks and provide controls. The Society provides employees with access to gym services, with membership fees being subsidised by the Society. This is meant to encourage employees to commit to keeping healthy and active. Through health analysis trends, the Society pays special attention to workers living with diseases such as diabetes and hypertension. There is creation of support groups with dissemination of information to enable employees to lead a normal life despite their conditions.

## Hazard Identification, Risk Assessment (HIRA) and incident investigation

Hazards are identified by conducting formal inspections which are scheduled at the beginning of each quarter or when the need arises, and safety audits are carried out annually. We follow a hierarchy of controls, prioritising hazard elimination and having personal protective equipment to address any hazards identified. Employees are encouraged to report all incidents and near misses by making use of reports. Occasional Health surveys are conducted to check prevalence of occupational issues among employees.

## Our OHS perfomance for the reporting period:

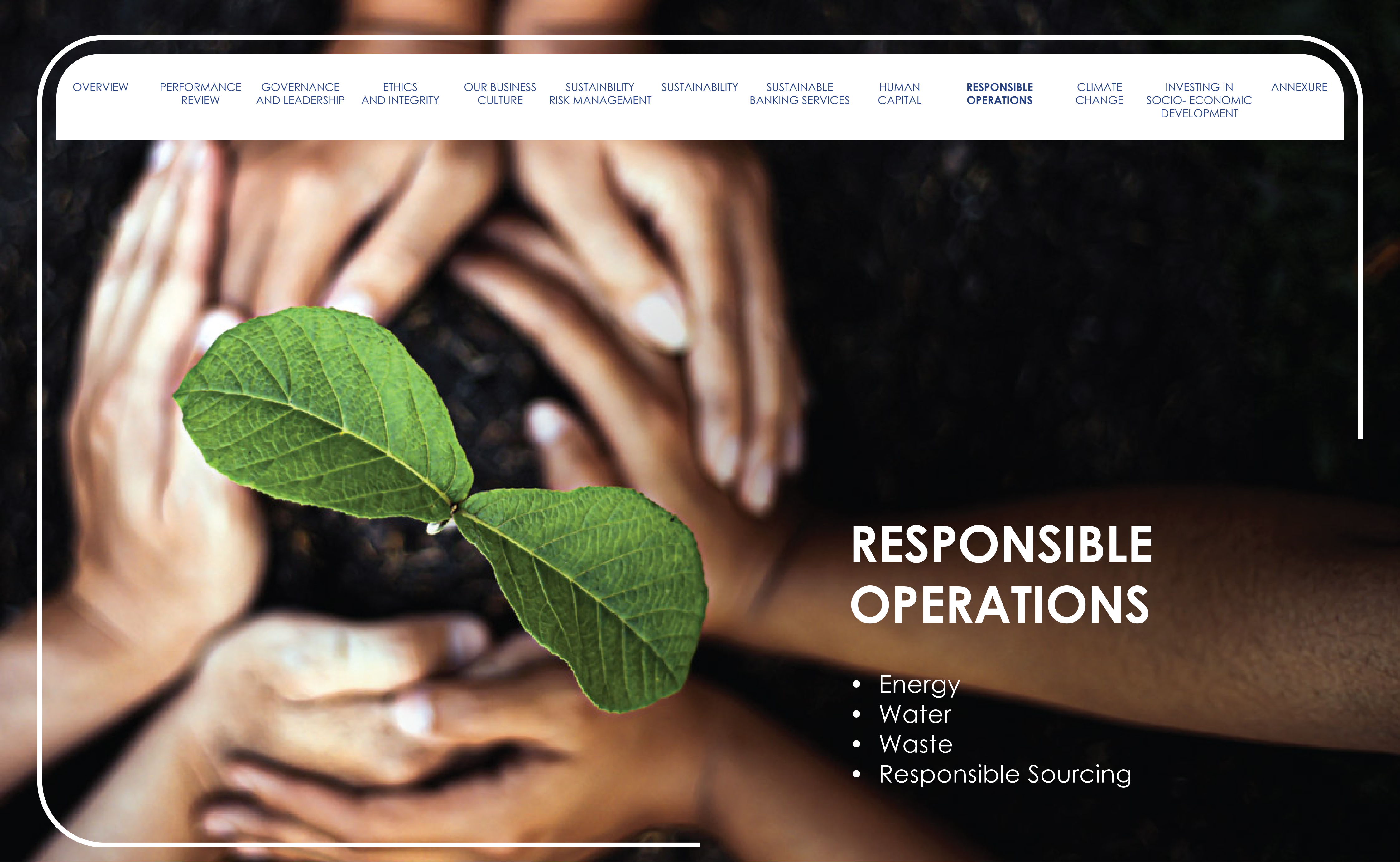
| Work Related Injuries | Unit | 2023 | 2022 |
|---|---|---|---|
| Recordable work-related injuries | Count | 1 | 0 |
| Lost Days due to injury | Count | 14 | 0 |
| Lost Time Injuries Frequency Rate (LTIFR) | Rate | 0.789 | 0 |

## Occupational Health Services

We have a full-time qualified nurse and a medical doctor who makes scheduled weekly visits to our medical centre. Trend analysis of medical records helps in the identification of common hazards and health risks. To ensure employee participation in Health Safety Environment (HSE) matters, we selected HSE representatives across all branches taking note of issues of safety and health. By conducting health and safety surveys, we engage employees and gather their valuable insights on OHS issues. There is regular dissemination of information on OHS to keep employees informed and up to date with prevalent issues to do with safety and health.

## Occupational Health and Safety training

Employees are trained on various OHS subjects to enhance their awareness and knowledge. Trainings conducted include Hazard identification and Emergency Response and preparedness, Wellness and Mental health. Key performance indicators (KPIs) are utilised to measure the percentage of employees trained and the level of compliance with OHS legislation.



# RESPONSIBLE OPERATIONS

- Energy
- Water
- Waste
- Responsible Sourcing

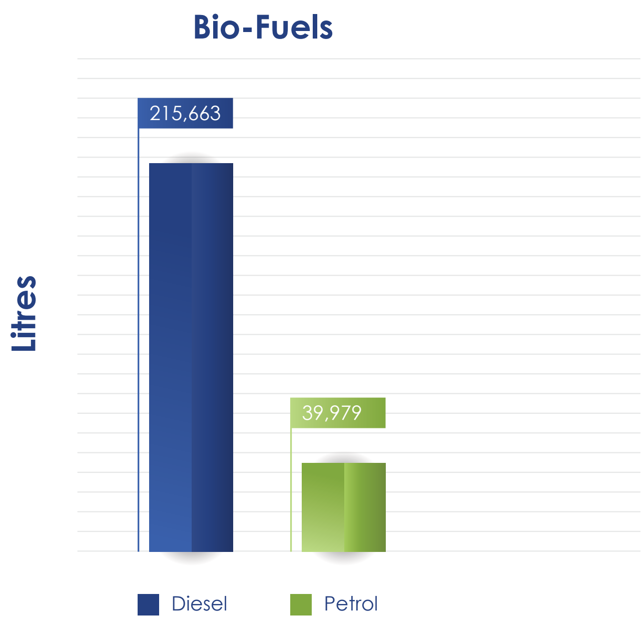
# Energy

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

We are committed to being a responsible business and recognise the importance of sustainable practices in our operations. Our dedicated efforts include the implementation of sustainable initiatives, such as the integration of solar systems in selected buildings, which not only contribute to lower carbon emissions but also promote the adoption of renewable energy sources. We are actively pursuing alternative power sources, such as Epack, to further reduce carbon emissions. However, there are adverse impacts to consider, such as carbon emissions from generators.

To track the effectiveness of our actions, we utilise carbon emissions data templates which monitor monthly energy usage. We aim to measure usage on all buildings that were not previously capturing energy from solar sources. By accurately measuring and analysing this data, we can assess our progress, identify areas for improvement, and ensure that we are on track to achieve our targets of reducing carbon emissions by 10%.

Our energy consumption during the reporting period was as follows:



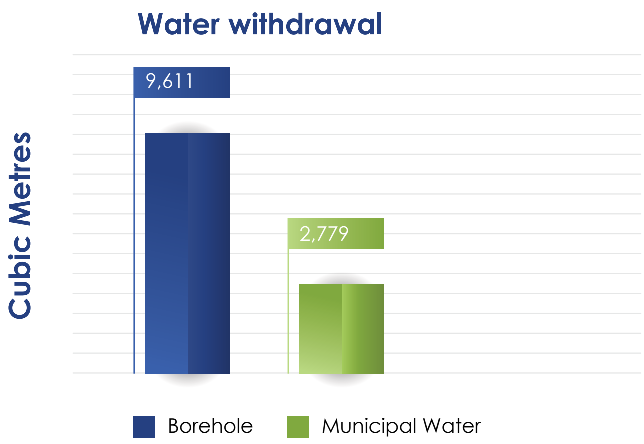

| Energy | 2023 |
|---|---|
| Electricity (KwH) | 1,451,858 |

# Water

06
CLEAN WATER AND SANITATION

Water is an essential resource and as CABS we recognise the importance of managing water responsibly and minimising impacts on water systems. We adopted the practice of drilling boreholes for all buildings where permissible. The utilisation of underground water reduces our reliance on municipal water supply. Implementation of borehole water metering enables the Society to effectively manage and reduce water consumption. By monitoring water usage through metering systems, the Society can identify areas of high consumption and implement measures to optimise water efficiency. However, groundwater contamination resulting from our activities, particularly during construction projects is one of the negative impacts. Construction activities can introduce pollutants and contaminants into the groundwater, posing risks to both human health and the environment.

CABS implemented the use of automated sensor taps to eliminate leakages and reduce water wastage at the following properties; CABS Green Zone Mutual Gardens and Old Mutual Centre, Harare. These taps are equipped with sensors that detect movement and automatically dispense water when needed. By automatically controlling the flow of water, we effectively minimise water wastage and promote responsible water consumption. We seek to engage with our business partners and stakeholders to promote sustainable water management practices throughout our supply chain.
The Society has set goals and targets to further guide its water management efforts, including reducing water wastage and installing borehole water meters on all buildings in the 2024 capital expenditure plan.




# Waste

12
RESPONSIBLE CONSUMPTION AND PRODUCTION

As a responsible and environmentally conscious business, we prioritise sustainable waste management practices to minimise our impact on the environment. Our commitment to sustainable practices resulted in positive impacts that include effective waste segregation, improved waste management, and increased waste recycling. However, we also recognise adverse impacts of waste which include land pollution at skip bin sites, air pollution from refuse, and land pollution at dump sites.

We practice waste segregation across all our buildings and collaborate with specialist waste management firms that collect and dispose of waste at designated dump sites on a regular basis. We prioritise timely payments to these firms to ensure efficient waste management and disposal processes. To achieve our goal of reducing waste produced by the Society, we set a target of reducing waste production by 10%. We track our progress using key performance indicators, with the primary indicator being the amount of waste produced.

Recognising the importance of waste segregation in promoting waste recycling, we implemented robust mechanisms to ensure proper sorting and separation of waste materials. These measures enable us to maximise recycling efforts and minimise the amount of waste sent to landfills. Further, we engaged in productive discussions with the City of Harare regarding waste management practices. These engagements have provided valuable insights on the greater need for effective waste management strategies.

# Responsible Sourcing

CABS prioritises ethical and responsible behaviour throughout its supply chain, recognising both the positive and negative impacts. By partnering with suppliers who adhere to fair labour practices, we contribute to community well-being. Supporting local suppliers fosters economic growth, and implementing quality control measures which strengthen our brand reputation. However, there are negative impacts such as counterfeit products, and overcharging by suppliers. We are committed to address them through proactive measures and responsible sourcing.

We developed comprehensive policies and codes of conduct that outline the expected standards for suppliers, contractors, and employees. These policies include the CABS Procurement Policies that align to the OMZIL Group Procurement Policy, OMZIL Group Procedures Manual, and OMZIL Outsourcing Policy. These guidelines cover various aspects, including labour rights, environmental protection, health and safety, and anti-corruption measures.

The Society conducts regular audits and monitoring mechanisms to assess compliance with ethical and responsible standards. Supplier vetting processes, due diligence procedures, on-site inspections, and documentation reviews are part of these audit activities. To ensure unbiased evaluations, independent third-party auditors are engaged. CABS utilises systems and technologies, such as D365, to enable traceability and ensure confidentiality throughout the supply chain. These tools help monitor and track the movement of goods, ensuring adherence to ethical and responsible practices.

CABS fosters strong relationships with its suppliers and contractors based on trust, open communication, and collaboration. Regular engagement with these stakeholders helps address potential risks, improve practices, and promote continuous improvement within the supply chains.

# CLIMATE

- Climate Change
- GHG Emissions

# Climate Change

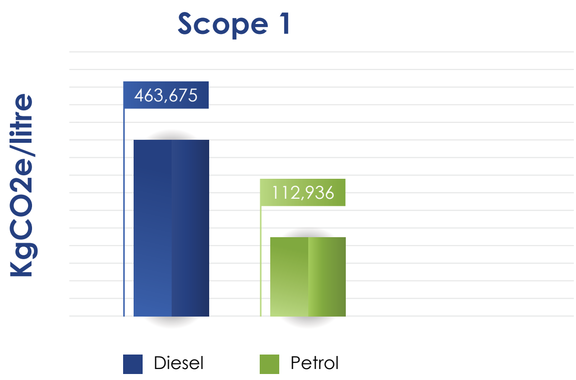
Climate change is one of the most pressing challenges facing our planet today, and businesses have a crucial role to play in addressing the impacts. As part of CABS's commitment to sustainability and responsible business practices, the Society recognises the importance of understanding and mitigating climate-related risks. This includes adapting to the current and anticipated impacts of climate change and contributing to the resilience of communities and economies in the face of these challenges. In assessing the Society's climate change impacts, we identified potential benefits such as loan book growth if the Society exploits opportunities to fund climate risk-related technological projects such as solar plants. CABS, however, also risks incurring credit, operational and transition risks. By acknowledging these factors, we can better align our operations, products, and services with international best practices while we work towards a more sustainable future.

One of our key policies in addressing climate risk is the ESG Policy, which outlines our commitment to integrating environmental and social considerations into our business practices. In addition, we are enhancing our Credit Risk Management Policy to guide our approach towards assessing and managing climate-related risks within our lending and investment activities. The Society implemented a Climate Risk Implementation Plan for 2024, which is aimed at documenting and formulating a climate risk strategy and management framework that provides a roadmap for addressing climate-related risks across our operations. In terms of addressing the adversities of climate change, we have taken actions to enhance our clients' onboarding assessment. This ensures that we assess the climate resilience of our clients and incorporate risk transfer mechanisms such as insurance, particularly for loans to clients in sectors like agriculture that may be more exposed to climate-related risks.

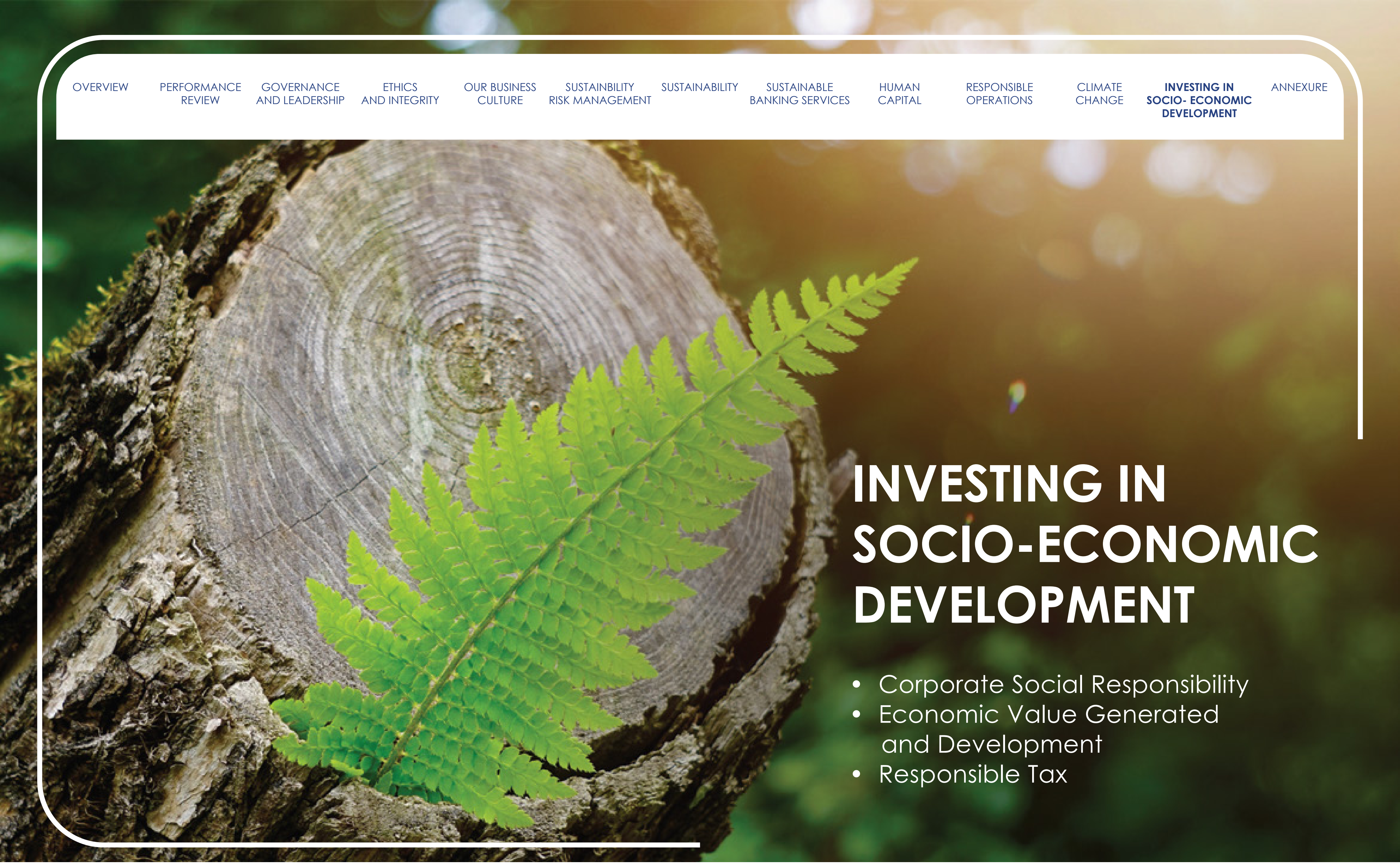
We track progress of our climate actions by conducting internal audits which provide insights into climate risk we face. Additionally, setting clear goals and targets, as outlined in the draft Climate Risk Implementation plan serves as a benchmark to evaluate our progress. The Red-Amber-Green (RAG) status of actions on the plan is also used to monitor and measure performance.

## Greenhouse Gas (GHG) Emissions

We calculate our carbon footprint by converting energy consumption into carbon dioxide (CO2e) equivalency using internationally accepted conversion factors. We calculated Scope 1: Direct Emissions based on our consumption of diesel and petrol, by applying United Kingdom (UK) Government GHG Conversion Factors. Our Scope 2: Indirect Emissions were calculated by converting electricity consumption to emissions equivalency using the Southern African Power Pool 2015 factors and the Global Warming Potential rates from the Intergovernmental Panel on Climate Change (IPCC).




| | Unit | 2023 |
|---|---|---|
| Scope 2 (Electricity) | Kg CO2e/KwH | 510,415.09 |



# INVESTING IN SOCIO-ECONOMIC DEVELOPMENT

- Corporate Social Responsibility
- Economic Value Generated and Development
- Responsible Tax

# Corporate Social Responsibility

CABS is dedicated to making a positive impact in society through a range of transformative initiatives. One key focus area is the assessment and support of boreholes. Through regular community visits, CABS assesses the condition of boreholes, identifies areas requiring additional support, and takes appropriate action. The commitment to visit all boreholes in all regions and compile comprehensive reports demonstrates our dedication to addressing water scarcity and ensuring access to clean water.

We are involved in healthcare projects, aiming to support the sector by engaging with schools and hospitals, promptly addressing project defects, and maintaining regular follow-ups. Further, our commitment to supporting five children's homes, with one selected from each region, shows our dedication to enhancing the well-being of vulnerable children in the communities.

The Society set specific goals and targets to drive corporate responsibility initiatives. One of our targets is to support the healthcare sector through continuous drilling of solar-powered boreholes. We aim to contribute to the accessibility of clean water by drilling five boreholes in 2024. Additionally, we plan to partner with other companies on Breast Cancer awareness, collaborating to raise awareness and support initiatives related to this crucial cause.

| Theme/SDG | Purpose of Investing in the target area | Beneficiaries | Items Donated | Amount |
|---|---|---|---|---|
| **Education** | Promote education from primary to tertiary. | • Zimbabwe Private Schools Expo.<br>• Lusitania Primary School Portuguese day.<br>• Enactus Zimbabwe Schools Quiz Tournament.<br>• Lusitania Primary School Prize Giving Day.<br>• Arundel School Career Guidance Day.<br>• Zimbabwe Universities Expo.<br>• CHISZ Conference for ATS schools. | Money | US$5,962 |
| **Support for the vulnerable** | Assist the vulnerable elderly and orphans. | • SOS Childrens' Home.<br>• Queen Elizabeth Adventist Childrens' Home.<br>• Zimbabwe Alzheimer's and Related Disorders Association (ZARDA) Fundraising Golf Day. | Groceries, money | US$6,000 |
| **Environment mindfulness** | Encourage environmental consciousness. | • Spar Zimbabwe – One Tree Matters.<br>• My Trees – Tree planting.<br>• Vic falls Wildlife Protection Golf Tournament.<br>• The Friend Animal Foundation.<br>• Kariba Invitational Tiger Fish Tournament.<br>• Antelope Park's Inaugural Wild Run Half Marathon. | Money | US$12,140 |

# Corporate Social Responsibility

| Theme/SDG | Purpose of Investing in the target area | Beneficiaries | Items Donated | Amount |
|---|---|---|---|---|
| **Philanthropy** | Establish a strong tradition of giving back to the community. | • AFM In Zim 2023 National Spiritual Conference.<br>• Organization for Public Health Interventions and Development (OPHID) Christmas Cheer. | Money | US$4,500 |
| **Arts and Culture** | Promote and enhance talent. | • Lusitania School Carnival.<br>• Zimstock Festival.<br>• Music Under the Stars Chisipite Jnr School.<br>• Chisipite Junior School Carnival.<br>• National Institute of Allied Arts (NIAA) Speech and Drama festivals.<br>• Outreach Dance Festival for the Dance Trust of Zimbabwe.<br>• National Arts Merit Awards (NAMA) | | US$9,000<br>ZWL10,000,00 |
| **Sports** | Promote physical activity, mental wellbeing and healthy habits. | • Zimbabwe Chess Federation – Chess Tournament.<br>• St Georges T20 Cricket Tournament.<br>• Watershed College T20 Cricket Tournament and Swimming Gala.<br>• Midlands Christian College 10s Rugby Tournament.<br>• Arundel Golden Girls Hockey Tournament.<br>• Rydings School Rugby Festival.<br>• Bowling Tournament.<br>• 12th Edition of the ZNA School Sports Competition.<br>• Spar Fun Run. | Money | US$44,000<br>ZWL12,705,00 |
| **Health** | Promote good health and wellbeing. | • ZIMSA Medical Doctor's Conference.<br>• Breast Cancer Awareness with Pick n Pay.<br>• Cancer Awareness with Cancer Network.<br>• Cancer Care Network Zimbabwe - Breast Cancer Awareness weekend in Bulawayo.<br>• International Childhood Cancer Commemoration Day for KidsCan.<br>• Goromonzi and Makoni districts. | Money, Sanitary Kits | US$28,030 |
| **TOTAL** | | | | US$109,632<br>ZWL22,705,000 |

# Economic Performance

08 DECENT WORK AND ECONOMIC GROWTH

The assessment of economic performance provides valuable insights into the overall well-being of Central Africa Building Society enabling the Board of Directors and Shareholders to make informed decisions. Consequently, the Society's ability to effectively manage economic performance has resulted in long-standing presence of over 74 years in the market, a strong reputation and customer loyalty. Further, the Society is a designated Domestic Systemically Important Bank by the RBZ, and has subsequently managed to create employment.

We ensure that every transaction is accurately recorded, adhering to principles of validity, accuracy, and compliance. We make it a priority to practice fair treatment for debtors and creditors and ensure that breaches are avoided. Our supplier and procurement practices ensure that the Society is not excessively charged thus maintaining profitability. The Society invests in training and refresher courses for its employees to enhance their skills and knowledge, enabling them to contribute effectively to economic performance. In addition, we established a reporting system that provides regular updates on areas that require improvement. Internal and external audits, risk reviews, forensic investigations, and consultation with experts are conducted to ensure compliance and identify areas for improvement.

## Economic Value Generation and Distribution

The distribution of economic value generated aligns with our strategic plans and priorities for the year, ensuring that all stakeholders benefit from our activities. The specific details can be found in the Annual Report **https://www.cabs.co.zw/about-us/financial-overview/annual-reports/2023-annual-report**

08 DECENT WORK AND ECONOMIC GROWTH

## Responsible Tax

Tax management practices play a crucial role in the operations of CABS, assisting in the navigation of complex landscape of taxation and ensuring compliance with all legal requirements. By obtaining Tax Clearance Certificates in a timely manner, we demonstrate compliance. Maintaining a positive tax health through our tax management practices enables us to access credit lines, both locally and internationally, to secure funding for business operations and expansion. Sound tax management practices help build a positive reputation within the market. Customers trust us with their businesses, knowing that we operate in accordance with tax regulations and fulfil our tax obligations to the Government. However, interpretation of tax statutes can sometimes be vague and open to different interpretations, which can result in incorrect tax practices, potentially leading to potential penalties or disputes with tax authorities.

We have Board approved policies and guidelines that provide a framework for managing our tax obligations. These policies are developed and overseen by a certified tax manager who provides guidance and sits on professional bodies' Tax and other legislation committees in Zimbabwe, engaging with ZIMRA and the Ministry of Finance and Economic Development on matters related to tax. CABS works with the OMZIL Group tax team which advises on tax matters. The Society has a designated public officer who is registered with ZIMRA and well-versed in tax policies and practices. To streamline tax-related processes and enhance client convenience, we have automated certain tax processes. This allows clients to interface with our systems easily and ensure accuracy and efficiency in our tax management.

## Approach to Tax

We ensure that we pay our tax obligations timeously, and maintain our records. Additionally, we continuously review our tax processes, systems, and procedures to identify areas for improvement and ensure efficiency. We also ensure that our Board of Directors is kept informed about tax-related issues that arise through regular reporting to the Audit Committee and Board meetings.

## Stakeholder engagement on tax matters

As part of our approach to engaging with tax authorities, we utilise various communication channels which include formal emails and letters to ensure clear and documented correspondence with tax authorities. We also engage in physical visits when necessary, allowing for face-to-face interactions to address any complex or urgent tax matters. We prioritise addressing the concerns of our clients while ensuring compliance with the law. To achieve this, we train our branch officers to effectively respond to tax-related inquiries from clients, providing them with clarity on tax matters or directing them to tax experts for more detailed explanations. By ensuring that our branch officers are well-equipped to handle client concerns, we aim to provide a high level of service and support in relation to tax matters.

# Economic Performance

Further, we actively participate in tax seminars organised by the Zimbabwe Revenue Authority where we engage with key stakeholders and gain insights into the latest developments in tax management. These conferences serve as a platform for us to affirm our tax position and advocate for sound tax policies and practices. The Society is also part of the Electronic Payments Association of Zimbabwe, a technical committee for all banks. When tax-related issues arise within the association, we encourage other banks to prioritise tax compliance and actively engage in discussions to drive industry-wide tax advocacy. Regular checks with the tax authorities are conducted to ensure alignment between our records and theirs regarding taxes paid and assessments raised. This helps us identify any discrepancies and promptly address them. CABS has clearly defined responsibilities for all tax-related matters and jurisdictions to ensure that there is accountability and clarity when it comes to tax compliance and reporting. It is notable that our processes and compliance efforts have been successful, we have not incurred heavy penalties related to tax issues.
For FY2023, our tax payments were as follows:

| Tax | 2023 ZWL '000' | 2022 ZWL '000' |
|---|---|---|
| Value Added Tax (VAT) | 2,197,667 | 239,147 |
| PAYE | 8,706,893 | 1,216,154 |
| Withholding Tax-10% | 864,701 | 77,613 |
| Withholding Tax-1/3 | 3,350,554 | 240,966 |
| IMTT | 104,918,969 | 21,141,885 |
| Other taxes | 5,187,708 | 257,468 |
| Total | 125,226,491 | 23,173,231 |

# ANNEXURE

- GRI Content Index
- Corporate information

# GRI Content Index

| | |
|---|---|
| **Statement Of Use** | CABS has reported the information cited in this GRI content index for the period 01 January 2023 and 31 December 2023 with reference to the GRI Standards. |
| **GRI Used** | GRI 1: Foundation 2021 |

| GRI Standard | Disclosure | Location (Page) | Omission |
|---|---|---|---|
| **GRI 2: General Disclosures 2021** | 2-1 Organizational details | Front Page | |
| | 2-2 Entities included in the organization's sustainability reporting | - | |
| | 2-3 Reporting period, frequency and contact point | 1 | |
| | 2-4 Restatements of information | 1 | |
| | 2-5 External assurance | 1 | |
| | 2-6 Activities, value chain and other business relationships | 4-5 | |
| | 2-7 Employees | 8, 40 | |
| | 2-8 Workers who are not employees | 40 | |
| | 2-9 Governance structure and composition | 17 | |
| | 2-10 Nomination and selection of the highest governance body | 19 | |
| | 2-11 Chair of the highest governance body | 12, 18 | |
| | 2-12 Role of the highest governance body in overseeing the management of impacts | 17 | |

| GRI Standard | Disclosure | Location (Page) | Omission |
|---|---|---|---|
| | 2-13 Delegation of responsibility for managing impacts | 19 | |
| | 2-14 Role of the highest governance body in sustainability reporting | 1, 19 | |
| | 2-15 Conflicts of interest | 19 | |
| | 2-16 Communication of critical concerns | 19 | |
| | 2-17 Collective knowledge of the highest governance body | 12-13 | |
| | 2-18 Evaluation of the performance of the highest governance body | - | See Corporate Governance Report accompanying Financial Statements |
| | 2-19 Remuneration policies | - | |
| | 2-20 Process to determine remuneration | - | To see financial statements |
| | 2-21 Annual total compensation ratio | - | |
| | 2-22 Statement on sustainable development strategy | 32 | |
| | 2-23 Policy commitments | - | To see financial statements |
| | 2-24 Embedding policy commitments | - | |
| | 2-25 Processes to remediate negative impacts | 29-30, 49 | |
| | 2-26 Mechanisms for seeking advice and raising concerns | 32 | |
| | 2-27 Compliance with laws and regulations | 25 | |
| | 2-28 Membership associations | 6 | |
| | 2-29 Approach to stakeholder engagement | 32 | |
| | 2-30 Collective bargaining agreements | 42 | |
| **GRI 3: General Disclosures 2021** | 3-1 Process to determine material topics | 33 | |
| | 3-2 List of material topics | 33-34 | |
| | 3-3 Management of material topics | 33-34 | See management approach for each topic |

| GRI Standard | Disclosure | Location (Page) | Omission |
|---|---|---|---|
| **GRI 401: Employment 2016** | 401-1 New employee hires and employee turnover<br>401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees<br>401-3 Parental leave | -<br>-<br>- | To be included in the next report |
| **GRI 402: Labor/Management Relations 2016** | 402-1 Minimum notice periods regarding operational changes | - | One month |
| **GRI 403: Occupational Health and Safety 2018** | 403-1 Occupational health and safety management system<br>403-2 Hazard identification, risk assessment, and incident investigation<br>403-3 Occupational health services<br>403-4 Worker participation, consultation, and communication on occupational health and safety<br>403-5 Worker training on occupational health and safety<br>403-6 Promotion of worker health<br>403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships<br>403-8 Workers covered by an occupational health and safety management system<br>403-9 Work-related injuries | 43<br>43<br>43<br>43<br>43<br>43<br>43<br>43<br>43<br>43<br>43 | |
| **GRI 404: Training and Education 2016** | 404-1 Average hours of training per year per employee<br>404-2 Programs for upgrading employee skills and transition assistance programs | 42<br>- | To be included in the next report |
| **GRI 405: Diversity and Equal Opportunity 2016** | 405-1 Diversity of governance bodies and employees | 18, 40 | Not applicable |
| **GRI 407: Freedom of Association and Collective Bargaining 2016** | 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | - | |
| **GRI 413: Local Communities 2016** | 413-1 Operations with local community engagement, impact assessments, and development programs | 51-52 | |

| GRI Standard | Disclosure | Location (Page) | Omission |
|---|---|---|---|
| GRI 201: Economic Performance 2016 | 201-1 Direct economic value generated and distributed | 53 | - |
| | 201-2 Financial implications and other risks and opportunities due to climate change | 49 | |
| | 201-3 Defined benefit plan obligations and other retirement plans | 41 | |
| GRI 203: Indirect Economic Impacts 2016 | 203-1 Infrastructure investments and services supported | 51 | |
| | 203-2 Significant indirect economic impacts | 51-52 | |
| GRI 204: Procurement Practices 2016 | 204-1 Proportion of spending on local suppliers | - | To be included in the next report |
| GRI 207: Tax 2019 | 207-1 Approach to tax | 54 | |
| | 207-2 Tax governance, control, and risk management | 54 | |
| | 207-3 Stakeholder engagement and management of concerns related to tax | 54-55 | |
| | 207-4 Country-by-country reporting | 55 | |
| GRI 302: Energy 2016 | 302-1 Energy consumption within the organization | 45 | |
| | 302-2 Energy consumption outside of the organization | - | To be included in the next report |
| GRI 303: Water and Effluents 2018 | 303-1 Interactions with water as a shared resource | 46 | |
| | 303-2 Management of water discharge-related impacts | 46 | |
| | 303-5 Water consumption | 46 | |
| GRI 305: Emissions 2016 | 305-1 Direct (Scope 1) GHG emissions | 49 | |
| | 305-2 Energy indirect (Scope 2) GHG emissions | 49 | |
| GRI 306: Waste 2020 | 306-1 Waste generation and significant waste-related impacts | 47 | |
| | 306-2 Management of significant waste-related impacts | 47 | |
| | 306-3 Waste generated | - | To be included in the next report |
| | 306-4 Waste diverted from disposal | - | |

CABS

WE'LL HELP YOU GET THERE



CABS
A MEMBER OF THE OLDMUTUAL GROUP

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