



# Notice of an extraordinary general meeting of shareholders

Notice is hereby given of an Extraordinary General Meeting ("EGM") of shareholders of Absa Bank Botswana Limited ("Absa" or "the Company"), which will be held at/or about 10.00am on the 27th June 2024 at Protea Hotel Gaborone Masa Square, Plot 54353, New CBD, CNR 1st & Western Commercial Avenue, Gaborone, Botswana.

**The purpose of the meeting is to consider and if thought fit, to adopt, with or without amendment, the following:**

**Special resolution Seeking Shareholder approval: To amend the Constitution<sup>1</sup> in terms of Section 43(2) of the Companies Act, Cap 42:01.**

## Proxies

A member entitled to attend and vote at the above-mentioned meeting is entitled to appoint a proxy to attend, speak and to vote in his/her stead. A proxy need not also be a member. A proxy form is available at the end of the Company's 2023 Integrated Report. Proxy forms are also available at the office of the Company at Absa Bank Botswana Limited, Plot 74358, Building Four, Prime Plaza, Central Business District, Gaborone. Completed proxy forms must be deposited there not less than 48 hours before the meeting.

## By order of the Board

Yonta Leburu  
Company Secretary

Legal Advisors  
Desai Law Group

Sponsoring Brokers  
Imara Capital Securities

## Address

Building 4 Prime Plaza, Plot 74358  
Central Business District  
Gaborone Botswana



<sup>1</sup> Further details on the proposed amendments to the constitution can be viewed on the "EGM Circular" attached hereto.

# EGM Circular – Revised Absa Constitution 2024 – Explanatory notes

## Definitions

“Act”	Means the Companies Act [Cap 42:01] of the laws of Botswana, as may be amended;
“EGM”	the Extraordinary general meeting to be held on Thursday 27th of June 2024;
“Absa ” or “the Company”	Absa Bank Botswana Limited (registration number CO Registration number BW00001237900) incorporated in the Republic of Botswana, regulated in terms of the Banking Act Cap 46;04 and listed on the BSE;
“Board”	Board of directors of the Company;
“BSE”	the Botswana Stock Exchange;
“Central Bank”	the Bank of Botswana;
“Constitution”	the Constitution of Absa as amended as at a date hereof;
“Directors”	the Board of Directors of Absa;
“General Meeting”	the Annual General Meeting of Shareholders;
“Listings Requirements”	the listings requirements of the BSE;
“Resolutions”	the resolutions reflected in the Notice of Special Meeting incorporated within this Notice;
“Shareholders”	holders of Ordinary Shares of the Company;
“Special Resolution”	a resolution passed by 75% of the votes of all Shareholders present or represented by proxy at the extraordinary or general meeting, and eligible to vote on the matter.

### 1. Introduction

The purpose of this Circular is to furnish information to the Shareholders as to the proposed amendments to the Constitution of the Company by adopting a new Constitution. The resolution proposing the amendment will be tabled at the EGM scheduled for at or about 10.00am on the 27th June 2024 at Protea Hotel Gaborone Masa Square, Plot 54353, New CBD, CNR 1st & Western Commercial Avenue, Gaborone, Botswana.

### 2. Reasons for amendments

The Company seeks to amend the Constitution of the Company to effect the substantive changes outlined below.

The current Constitution was adopted in 2020 and requires revision to align it to current regulatory requirements, in particular the Guidelines on Corporate Governance for banks / financial institutions licenced and supervised by the Central Bank, pursuant to its authority set forth in the Bank of Botswana Act (CAP 55:01) on 14 November 2022 and implemented with effect from 15 May 2023. In particular, the main amendment is to increase the limit of Directors, from 12 to 15 and increase the limit of Non-Executive Directors from 9 to 13.

### 3. Proposed amendment of Constitution

At the EGM, the Shareholders will be asked to approve, by special resolution: the amendment of the Constitution of the Company in terms of section 43(2) of the Companies Act to align it to current regulatory requirements and good corporate governance practices by adopting a new Constitution, a draft of which has been sent to Shareholders simultaneously with the notice convening the EGM.

The resolution to approve the new Constitution will be incorporated in the notice convening the EGM.

### 4. Recommendation by the Board

The Board considers that the resolution in relation to the proposed amendments to the Constitution is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of such resolution to be approved at the EGM as set out in the notice of the EGM.

### 5. Announcement

The results of the business that is to be voted on at the EGM will be announced on the BSE and in the press within 48 hours of the EGM.

### 6. Documentation available for inspection

Copies of the amended Constitution will be available for inspection during normal business hours on business days from Thursday 6 June 2024 at the Registered Office of the Company.

## EGM Circular - revised Absa constitution 2024

### - Explanatory notes continued

Clause in existing Constitution	Current Constitution	Proposed Amendments
1.2	The current Constitution lists 23 objects of the company.	<p>While clause 1.2 is in compliance with the banking laws and regulations, we propose amending and reducing the wording at clause 1.2 to provide as follows:</p> <p>"1.2.1 The objects of the Company shall include:</p> <p>1.2.1.1 conducting "banking business" in accordance with the Banking Act; and</p> <p>1.2.1.2 conducting any activities or taking any action connected to or supportive of the banking business, in line with the strategic objectives of the Company and in accordance with the laws of Botswana."</p> <p>This amendment will allow the Company to adopt and or adjust its objectives as and when required to suit the environment and or the strategies of the company as these may evolve.</p>
2.1.12	The Companies Act has been referred to as simply the "Act".	We recommend referring to the Companies Act, as "the Companies Act". This will ensure that there is always certainty as to which Act is being referred to in the body of the Constitution.
2	Not applicable	<p>We propose including the following new definitions:</p> <p><b>"Bank of Botswana Act"</b> means the Bank of Botswana Act, [Cap 55:01], as may be amended;</p> <p><b>"Banking Requirements"</b> means, collectively, the Bank of Botswana Act, the Banking Act, the Licensing Policy, the Corporate Governance Guidelines and any other regulations, guidelines or requirements which may be issued under the Bank of Botswana Act or the Banking Act;</p> <p><b>"Central Bank"</b> means the Bank of Botswana established under the Bank of Botswana Act;</p> <p><b>"Companies Act"</b> means the Companies Act [Cap 42:01] of the laws of Botswana, as may be amended;</p> <p><b>"Corporate Governance Guidelines"</b> means the Guidelines on Corporate Governance for banks / financial institutions licensed and supervised by the Central Bank issued by the Central Bank, pursuant to its authority set forth in the Bank of Botswana Act (CAP 55:01) on 14 November 2022, as may be amended;</p> <p><b>"Independent Non-Executive Director"</b> shall have the meaning assigned to it under the Corporate Governance Guidelines and, to the extent not already covered under the Corporate Governance Guidelines, as may from time to time be designated under and in terms of applicable governance regulations such as, but not limited to, King IV™ (as defined in clause 35 below) and any code of best practice on corporate governance adopted or recommended by the Securities Exchange;</p>
2	<p>The current Constitution provides the following definitions for the below terms:</p> <p><b>"Annual Meeting"</b> means the meeting of Shareholders held pursuant to Act;</p> <p><b>"Banking Act"</b> means the Banking Act, [Cap 46:04] of the laws of Botswana;</p> <p><b>"Company"</b> means Absa Botswana Limited;</p> <p><b>"General Meeting"</b> means any meeting of the members or subscribers of the Company, other than a meeting of an interest group;</p> <p><b>"Major Transaction"</b> has the same meaning assigned to it in the Companies Act means:</p> <p>1.1.1. the acquisition of, or an agreement to acquire, whether contingent or not, assets the value of which is more than half the value of the Company's assets before the acquisition; or</p> <p>1.1.2. the disposition of, or an agreement to dispose of, whether contingent or not, assets of the Company the value of which is more than half the value of the Company's assets before the disposition; or</p> <p>1.1.3. a transaction that has or is likely to have the effect of the Company acquiring rights or interests or incurring obligations or liabilities the value of which is more than half the value of the Company's assets before the transaction;</p>	<p>We propose that the following terms are reworded as follows:</p> <p><b>"Annual Meeting"</b> means the annual meeting of Shareholders held pursuant to the Companies Act; <b>[Note: this provides clarity that the meeting referred to is the annual meeting contemplated under the Companies Act]</b></p> <p><b>"Banking Act"</b> means the Banking Act, [Cap 46:04], as may be amended; <b>[Note: last part included to provide clarity that the reference to the Act includes future amendments of that Act]</b></p> <p><b>"Company"</b> means Absa Botswana Limited, registration number BW00001237900;</p> <p><b>"General Meeting"</b> means any meeting of the Shareholders of the Company; <b>[Note: this allows the term to be clear that it refers to a shareholder meeting]</b></p> <p><b>"Major Transaction"</b> has the same meaning given in the Companies Act; <b>[Note: this is to ensure that the term and the provisions connected thereto are fully in compliance with the Companies Act]</b></p> <p><b>"Ordinary Resolution"</b> means a resolution of Shareholders approved by a simple majority of the votes of those Shareholders entitled to vote and voting on a question; <b>[Note: this broadens the term to include resolutions passed at meetings, as contemplated in the constitution]</b></p> <p><b>"Personal Representative"</b> means....</p> <p>2.1.24.3 in relation to any other individual Shareholder, a person appointed or deemed to have been appointed to administer property under either the Administration of Estates Act [Cap 31:01], as may be amended, or the Insolvency Act [Cap 52:02], as may be amended, a manager appointed or deemed to have been appointed thereunder, and a done of an enduring power of attorney; <b>[Note: amended to include full citations of the Acts]</b></p>

## EGM Circular - revised Absa constitution 2024

### - Explanatory notes continued

Clause in existing Constitution	Current Constitution	Proposed Amendments
	<p><b>"Ordinary Resolution"</b> means written a resolution of Shareholders approved by a simple majority of the votes of those Shareholders entitled to vote and voting on a question;</p> <p><b>"Personal Representative"</b> means...</p> <p>2.1.24.3 in relation to any other individual Shareholder, a person appointed or deemed to have been appointed to administer property under either the Administration of Estates Act, or the Insolvency Act, a manager appointed or deemed to have been appointed thereunder, and a done of an enduring power of attorney;</p> <p><b>"Securities"</b> has the same meaning assigned to it in the Securities Act;</p> <p><b>"Solvency Test"</b> means a full enquiry into the financial state of the Company which will be satisfied if:</p> <p>1.1.1 the Company is able to pay its debts as they become due in the normal course of business; and</p> <p>1.1.2 the value of the Company's assets is greater than the sum of the value of its liabilities, including contingent liabilities</p> <p>For the purpose of the definition of the solvency test regard is to be had to the matters referred to in the Act</p> <p><b>"Special Resolution"</b> means a written resolution of Shareholders approved by a majority of 75 percent, or if a higher majority is required by this Constitution, that higher majority, of the votes of the Shareholders entitled to vote and voting on the resolution.</p>	<p><b>"Securities"</b> has the same meaning assigned to it in the Securities Act [Cap 56:08], as may be amended; <b>[Note: amended to include full citation of the Act]</b></p> <p><b>"Solvency Test"</b> has the meaning given in the Companies Act; <b>[Note: this is to ensure that the term and the provisions connected thereto are fully in compliance with the Companies Act]</b></p> <p><b>"Special Resolution"</b> means a resolution of Shareholders approved by a majority of 75 percent of the votes of the Shareholders entitled to vote and voting on the resolution. <b>[Note: this broadens the term to include resolutions passed at meetings, as contemplated in the constitution]</b></p>
5.2	<p>The current Constitution provides that:</p> <p>"Shares in the Company (including different classes of Shares) may be issued which have any one or more of the following features:"</p>	<p>We propose redrafting the sentence to read better as follows:</p> <p>"Shares in the Company (including different classes of Shares), which have any one or more of the following features, may be issued:"</p>
7.3.1.3	<p>This clause provides that, before the Board issues Shares, it shall:</p> <p>"have obtained a resolution of Shareholders' approval for the issue of shares."</p>	<p>We propose this is amended to provide that the Board shall:</p> <p>"have obtained an Ordinary resolution of Shareholders' approval for the issue of shares"</p>
7.6	<p>The current Constitution provides that:</p> <p>"A copy of the Directors' certificate given in respect of the consideration for the issue of Shares shall be filed with the registrar..."</p>	<p>We propose this is amended to provide that the Board shall:</p> <p>"A copy of the Directors' certificate given in respect of the consideration for the issue of Shares shall be filed with the registrar of companies..."</p>
8	<p>The current Constitution provides that:</p> <p><b>8. "Commission"</b></p> <p>8.1 The Company may pay a commission, not exceeding 5%, to any person in consideration of his subscribing or agreeing to subscribe, whether absolutely or conditionally, for any Shares in the Company, or procuring or agreeing to procure subscriptions, whether absolute or conditional, for any Shares in the Company at any rate not exceeding five per centum of the price at which the said Shares are issued.</p>	<p>We propose amending clause 8 as follows by deleting sub-clauses 8.1 and 8.2 and amending the title of the clause and sub-clause 8.3 (since the Bank does not usually pay commission to subscribers of its shares):</p>

## EGM Circular - revised Absa constitution 2024

### - Explanatory notes continued

Clause in existing Constitution	Current Constitution	Proposed Amendments
	<p>8.2 Such commission may be satisfied by payment in cash or by the allotment of Shares, or partly in one way and partly in the other as shall be authorised or sanctioned by the Company in General Meeting.</p> <p>8.3 The Company may also on any issue of Shares pay such brokerage as may be lawful."</p>	<p><b>8. "Brokerage commission"</b></p> <p>The Company may on any issue of Shares pay such brokerage commission to any party as may be lawful.</p>
9	<p>The current Constitution provides that:</p> <p>9 <b>"TRANSFER OF SHARES"</b></p> <p>Subject to the provisions of this Constitution, Shares may be transferred by entry of the name of the transferee in the register in accordance with the share transfer system which operates in relation to the trading of Securities on the Securities Exchange.</p>	<p>We propose amending this clause 9 as follows to comply with appendix 3C of the Listings Rules:</p> <p><b>"TRANSFER OF SHARES / SECURITIES"</b></p> <p>9.1 Subject to the provisions of this Constitution, Shares and securities of the Company shall be freely transferable and may be transferred by entry of the name of the transferee in the register in accordance with the share transfer system which operates in relation to the trading of Securities on the Securities Exchange.</p> <p>9.2 Any securities registered in the name of a deceased or insolvent shareholder shall be forfeited if the executor fails to register them in his own name or the name of an heir.</p>
10.1.1	<p>The current Constitution provides that:</p> <p>"The Board may authorise a distribution by the Company at a time, and of an amount, and to the Shareholders, it thinks fit if it is satisfied on reasonable grounds that the Company will, immediately after the distribution, satisfy the Solvency Test."</p>	<p>We propose redrafting the sentence to read better as follows:</p> <p>"The Board may authorise a distribution by the Company at any time, and of an amount, and to the Shareholders, it thinks fit provided it is satisfied on reasonable grounds that the Company will, immediately after the distribution, satisfy the Solvency Test."</p>
19.2.2	<p>This clause provides that a special meeting of shareholders:</p> <p>"shall be called by the Board on the written request of Shareholders holding not less than five percent of the voting rights entitled to be exercised on the issue."</p>	<p>We propose this clause is amended to provide that the meeting:</p> <p>"shall be called by the Board on the written request of Shareholders holding not less than sixty percent of the voting rights entitled to be exercised on the issue, as prescribed under and in terms of section 106 (2) of the Companies Act."</p>
19.3.3	<p>The current constitution provides that:</p> <p>"A facsimile of such signed resolution is as valid and effectual as the original signed document."</p>	<p>We propose that the clause is amended to provide for scanned copies as well, as follows:</p> <p>"A facsimile <b>or scanned copy</b> of such signed resolution is as valid and effectual as the original signed document."</p>
19.6.2 and 33.3	<p>Clause 19.6.2 provides that:</p> <p>"Not less than ten days' notice of a meeting of the Board shall be given to every Director, the Securities Exchange, members and auditor of the Company and published in the X-News and a national newspaper and the notice shall include the date, time and place of the meeting and the agenda to be discussed. The agenda may be varied at any time prior to the meeting provided notice of amendment is given to all Directors and alternate Directors at least three business days prior to the meeting."</p> <p>While clause 33.3 also provides that:</p> <p>"A copy of every balance sheet, including every document required by law to be annexed thereto, which is to be laid before the Company in Annual Meeting, together with a copy of the Directors' report and the auditors' report (if auditors have been appointed) shall, not less than ten clear working days before the date of the meetings, be sent to every member (whether he is or is not entitled to receive notices of General Meetings of the Company), every holder of debentures of the Company (whether he is or is not so entitled) and all other persons so entitled, but this paragraph shall not require a copy of such documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders any shares or debentures."</p>	<p>We propose this clause is amended to provide that notice of a GM shall be made twenty-one clear days before such a meeting in line with section 5.9 of the Listings Rules, as follows:</p> <p>"Not less than twenty-one clear days' notice of a meeting of Shareholders shall be given to every Director, the Securities Exchange, the Shareholders and the auditor of the Company and published in the X-News and a national newspaper and the notice shall include the date, time and place of the meeting and the agenda to be discussed. The agenda may be varied at any time prior to the meeting provided notice of amendment is given to every Director, the Securities Exchange, the Shareholders and the auditor of the Company at least seven business days prior to the meeting."</p> <p>We propose this clause is amended as follows in line with section 5.9 of the Listings Rules:</p> <p>"A copy of the annual report for the relevant financial year which shall include the audited financial statements reported upon by the Company's auditor, which is to be laid before the Company in Annual Meeting, shall, not less than twenty-one clear days before the date of the meetings, be sent to the Securities Exchange and every Shareholder (whether he is or is not entitled to receive notices of General Meetings of the Company), every holder of debentures of the Company (whether he is or is not so entitled) and all other persons so entitled, but this paragraph shall not require a copy of such documents to be sent to any person of whose address the Company is not aware or to more than one of the joint holders any shares or debentures."</p>

## EGM Circular - revised Absa constitution 2024

### - Explanatory notes continued

Clause in existing Constitution	Current Constitution	Proposed Amendments
19.6	<p>This clause deals with notice for shareholder meetings however clauses 19.6.3 and 19.6.4 provide that:</p> <p>"19.6.3 An irregularity in the notice of a meeting is waived if all Directors entitled to receive notice of the meeting attend the meeting without protest as to the irregularity or if all Directors entitled to receive notice of the meeting agree to the waiver.</p> <p>19.6.4 Notice of a meeting may be given by any means, including by telephone, by email or by telefax. Notice given by a letter addressed to a Director at his or her last known residential address will be deemed to have been received by the Director the day following the date the letter is posted."</p>	<p>The clauses are proposed to be deleted as they are misplaced. The provision relating to irregular notice of a GM is in clause 19.8 and means of issuing a notice of a GM are in clause 16.6.2.</p>
20.3.5	<p>The current constitution provides that:</p> <p>"A body corporate which is a Shareholder may appoint a representative to attend a meeting of Shareholders on its behalf in the same manner as that in which it could appoint a proxy."</p>	<p>We recommend amending the clause to refer to a 'juristic' person as opposed to 'body corporates' as this is a broader term covering other legal entities (who may be shareholders) beyond body corporates.</p> <p>"A juristic person which is a Shareholder may appoint a representative to attend a meeting of Shareholders on its behalf in the same manner as that in which it could appoint a proxy."</p>
21.1	<p>This clause provides that:</p> <p>"The minimum number of Directors shall be 5 and the maximum number shall be 12, at least half of which shall be resident in Botswana."</p>	<p>We propose that this clause is amended to provide as follows:</p> <p>"The minimum number of Directors shall be <b>five</b> and the maximum number shall be <b>fifteen</b>, at least <b>two-thirds</b> of which shall be resident in Botswana."</p>
21.1	<p>This clause provides that</p> <p>the Board shall be constituted as follows:</p> <p>21.1.2.2 such number of non-executive Directors not exceeding 9 appointed from members of the public who have the necessary knowledge and experience to contribute successfully to the development of the Company. The majority of non-executive Directors shall be independent non-executive.</p>	<p>We propose that the clause be amended as follows to comply with paragraph 3.5 of the Corporate Governance Guidelines, the Board shall be constituted as follows:</p> <p>21.1.2.2 such number of non-executive Directors not exceeding thirteen appointed from members of the public who have the necessary knowledge and experience to contribute successfully to the development of the Company; and</p> <p>21.1.2.3 at least two-thirds of the Directors shall be Independent Non-Executive Directors.</p>
21.2.1	<p>This clause provides that:</p> <p>"Directors shall be the persons appointed from time to time as Directors by an ordinary resolution of Shareholders, who have not been removed or been disqualified or resigned from office under this Constitution"</p>	<p>We propose that the clause be amended as follows:</p> <p>"Subject to obtaining prior approval from the Central Bank in accordance with the Banking Requirements, a Director shall be a person appointed from time to time as such by an Ordinary Resolution of Shareholders."</p>
21.2.3	<p>This clause provides that:</p> <p>"A Director holds office until his or her resignation, retirement, disqualification or removal in accordance with this Constitution."</p>	<p>We propose that the clause be amended as follows:</p> <p>"Subject to the limitation in clause 21.6.4, a Director holds office until he or she resigns, retires, is disqualified or removed as a Director in accordance with the Companies Act, the Banking Requirements and or this Constitution."</p> <p>See clause 21.6.4 below for reference.</p>
21.3.1	<p>This clause provides that:</p> <p>In addition to the appointment or removal of Directors under clause 21.2 of this Constitution, a Director may be appointed or removed from office by an ordinary resolution.</p>	<p>We propose that this clause is deleted as it is a repetition of clauses 21.2.1 and 21.2.2.</p>

## EGM Circular – revised Absa constitution 2024

### – Explanatory notes continued

Clause in existing Constitution	Current Constitution	Proposed Amendments
21.4	<p>This clause provides that:</p> <p>“21.4.1 A person will be disqualified from holding the office of Director if he or she is removed under this clause of this Constitution or he or she:</p> <p>21.4.1.1 dies;</p> <p>21.4.1.2 is under 18 years of age;</p> <p>21.4.1.3 attains or is over the age of 70 years;</p> <p>21.4.1.4 is an un-discharged bankrupt;</p> <p>21.4.1.5 is prohibited by the Act from being a Director or officer or promoter or taking part in the management of the Company; or</p> <p>21.4.1.6 resigns in writing.”</p>	<p>We propose revising it to state as follows:</p> <p>“21.4.1 No person shall be appointed a Director of the Company:</p> <p>21.4.1.1 if that person is disqualified from becoming a director of a company under section 146 (2) of the Companies Act and the Banking Requirements; [Note: the instances referred to on the left are all captured under section 146 (2) of the Companies Act] and</p> <p>21.4.1.2 unless the Central Bank has approved the appointment of such person in accordance with the Banking Requirements after determination by the Central Bank that the relevant person is fit and proper in accordance with the Banking Requirements.</p>
21.5.1	<p>The current Constitution provides that:</p> <p>“The Board may appoint one or more of their number to an executive office including the office of the Chief Executive, Chief Financial Officer, Managing Director, joint managing Director, assistant managing Director or manager or any other officer in the management of the Company for such period and on such terms as they think fit...”</p>	<p>We propose this clause is amended as follows to cover executive Directors only:</p> <p>“The Board may appoint one or more of their number to an executive office including the office of the Managing Director, the Finance Director, and any other executive Director of the Company for such period and on such terms as they think fit...”</p>
21.6.1	<p>This clause provides that:</p> <p>At the first Annual Meeting of the Company, all the Directors save the Managing Director for the time being shall retire. Subject to clause 21.6.4, at every Annual Meeting thereafter at least one third of the Directors for the time being shall retire from office. The Directors so to retire in each year shall be those who have been longest in office.</p>	<p>We propose rewording it to state as follows, as the Company has passed its first AGM:</p> <p>Subject to clause 21.6.4, at every Annual Meeting at least one third of the Directors for the time being shall retire from office. The Directors so to retire in each year shall be those who have been longest in office.</p>
New clause 21.6.4	Not applicable	<p>We propose a new clause 21.6.4 which provides as follows, in compliance with paragraph 3.13 of the Corporate Governance Guidelines:</p> <p>“Notwithstanding anything contained in this clause 21.6, a non-executive Director shall not be a Director of the Company for a cumulative period of more than 10 years.”</p>
21.6.6	<p>This clause provides that:</p> <p>“Notwithstanding anything to the contrary contained in clause 21.6.2, any person employed under a contract with the Company, which contract has a condition thereof that the person shall be a Director of the Board, that person shall not be subject to retirement by rotation as envisaged in clause 21.6.2, but the period for which that person shall be a Director and hold office as such shall be determined by the terms and conditions of his contract with the Company, provided that less than half of the Directors may be appointed to any such position on the condition that they will not be subject to retirement by rotation.”</p>	<p>We propose revising the clause to state as follows:</p> <p>“Notwithstanding anything to the contrary contained in clause 21.6.2, any person employed under a contract with the Company, which contract has a condition thereof that the person shall be an executive Director of the Board, that person shall not be subject to retirement by rotation as envisaged in clause 21.6.2, but the period for which that person shall be a Director and hold office as such shall be determined by the terms and conditions of his contract with the Company.”</p>
21.7	<p>This clause provides that:</p> <p>“Every Director may, by notice given in writing to the Company, appoint any person (including any other Director) to act as an alternate Director in the Director's place, either generally or in respect of a specified meeting or meetings during the Director's absence or inability to act as a Director. Every Director may, at the Director's discretion, by notice in writing to the Company, remove that Director's alternate Director.”</p>	<p>We propose revising this clause to state as follows as, in our view, alternates also require approval by the Central Bank:</p> <p>“Subject to obtaining prior approval from the Central Bank, every Director may appoint any person (including any other Director) to act as an alternate Director in the Director's place, either generally or in respect of a specified meeting or meetings during the Director's absence or inability to act as a Director. Every Director may, at the Director's discretion, by notice in writing to the Company, remove that Director's alternate Director.”</p>

## EGM Circular – revised Absa constitution 2024

### – Explanatory notes continued

Clause in existing Constitution	Current Constitution	Proposed Amendments
21. 9.2 and 21.9.3	<p>These clauses provide that:</p> <p>“The Board has, and may exercise, all the powers necessary for managing, and for directing and supervising the management of, the business and affairs of the Company, except to the extent that this Constitution or the Act expressly requires those powers to be exercised by the Shareholders or any other person.”</p> <p>“In the exercise of its powers the Board shall report to and be accountable to its Shareholders.”</p>	<p>We propose revising this clause to state as follows, as the Banking Act is clear the Board is accountable to the depositors via the Central Bank:</p> <p>“The Board has, and may exercise, all the powers necessary for managing, and for directing and supervising the management of, the business and affairs of the Company, except to the extent that this Constitution, the Companies Act and or the Banking Act expressly requires those powers to be exercised by the Shareholders or any other person.”</p> <p>“In the exercise of its powers the Board shall report to and be accountable to its Shareholders and the Central Bank, in accordance (i) with the Companies Act and the Banking Requirements and (ii) any other applicable legislative or regulatory requirement pertaining to the business and affairs of the Company.”</p>
23.1	<p>This clause provides that:</p> <p>“Subject to any agreement in writing between the Shareholders relating to funding of the Company as may have been entered into, the Board may borrow or raise money from time to time as follows:”</p>	<p>We propose revising this clause to state as follows as the agreement referred to in the clause is inapplicable in a listed environment:</p> <p>“Subject to the provisions of this Constitution and the Banking Requirements, the Board may borrow or raise money from time to time as follows:”</p>
21.2.1	<p>The current Constitution provides that:</p> <p>“Subject to the provisions of the Act a may create and issue secured or unsecured debentures, which may be effected by means of a pledge, cession, mortgage bond, collateral mortgage bond, notarial bond, notarial surety bond, collateral notarial bond or any form of collateral security over incorporeal rights, movable and immovable property, issued in favour of one or more debenture-holders or to a trustee for debenture-holders, on the basis that...”</p>	<p>We propose amending this clause to provide that it is also subject to the Banking Act as follows:</p> <p>“Subject to the provisions of the Companies Act and the Banking Act, the Company may create and issue secured or unsecured debentures, which may be effected by means of a pledge, cession, mortgage bond, collateral mortgage bond, notarial bond, notarial surety bond, collateral notarial bond or any form of collateral security over incorporeal rights, movable and immovable property, issued in favour of one or more debenture-holders or to a trustee for debenture-holders, on the basis that...”</p>
New clause 24.1.3	Not applicable	<p>We propose a new clause providing as follows, in accordance with King IV™, the Corporate Governance Guidelines and internal policies:</p> <p>“The chairperson of the Board shall not become a chairperson of any committee of the Board and shall not be a member of the audit committee of the Board.”</p>
24.4.1	<p>This clause provides that:</p> <p>“A quorum for a meeting of the Board shall be a minimum of three non-executive Directors”</p>	<p>We propose revising the clause to provide that:</p> <p>“A quorum for a meeting of the Board shall be a majority of the Directors.”</p>
24.5.5	<p>This clause provides that:</p> <p>A Director may not vote in respect of any transaction in which the Director is interested as defined in the Act, and if the Director does so the Director’s vote will not be counted and the Director will not be counted in the quorum present at the meeting.</p>	We propose deletion of this clause as it is a repetition of clause 28.2.



## EGM Circular – revised Absa constitution 2024

### – Explanatory notes continued

Clause in existing Constitution	Current Constitution	Proposed Amendments
24.7.2 and 37.	<p>Provides that:</p> <p>Any such resolution may consist of several documents (including facsimile or other similar means of communication) in like form each signed or assented to by one or more Directors. A fax transmission of a Director's signed resolution shall be acceptable evidence that such resolution has been signed by the Director whose signature appears on the fax transmission.</p>	Generally amended clause to provide for email transmissions in addition to facsimile.
32	<p>The current Constitution provides that:</p> <p>"32.2...The duties of the auditors shall be regulated in accordance with the statutes."</p> <p>32.3 "Subject to the provisions of the statutes, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that at the time of his appointment he was not qualified for appointment."</p>	<p>We propose that the reference to 'statute' in the clause is replaced with 'applicable laws'</p> <p>"32.2...The duties of the auditors shall be regulated in accordance with the applicable laws."</p> <p>32.3 "Subject to the provisions of the applicable laws, all acts done by any person acting as an Auditor shall, as regards all persons dealing in good faith with the Company, be valid, notwithstanding that there was some defect in his appointment or that at the time of his appointment he was not qualified for appointment."</p>

#### By order of the Board



Yonta Leburu  
Company Secretary

Legal Advisors  
Desai Law Group

Sponsoring Brokers  
Imara Capital Securities

#### Address

Building 4 Prime Plaza, Plot 74358  
Central Business District  
Gaborone Botswana





# Extraordinary general meeting proxy form

Please complete in block letters.

I / We \_\_\_\_\_

of \_\_\_\_\_

being a shareholder (s) of Absa Bank Botswana Limited, hereby appoint

\_\_\_\_\_

or failing him/her \_\_\_\_\_

or failing him/her \_\_\_\_\_

as my/our proxy to vote for me/us on my/our behalf at the Extraordinary General Meeting of the Company to be held at 10.00am on the 27th June 2024 at Protea Hotel Gaborone Masa Square, Plot 54353, New CBD, CNR 1st & Western Commercial Avenue, Gaborone, Botswana, which will be held for purposes of passing the proposed resolutions and to vote for / against the resolutions and or abstain from voting in respect of the following:

	For	Against	Abstain
Special resolution 1			

As witness my hand this \_\_\_\_\_ day of \_\_\_\_\_ 2024

Signature

\_\_\_\_\_

Witness

\_\_\_\_\_

## Note:

- Each shareholder entitled to attend and vote at this meeting is entitled to appoint one or more proxies to act in the alternative to attend, vote and speak in his stead. A proxy need not be a shareholder of the company.
- Any alteration or correction made to this form of proxy (including the deletion of alternatives) must be initialled by the signatory/ signatories.
- This form of proxy should be signed and returned to the business address of the Company, Head Office Fifth Floor, Building 4, Prime Plaza, Plot 74358, Gaborone, Central Business District or emailed to **investor@dss.co.bw** no later than 48 hours before the meeting.