



VICTORIA FALLS STOCK EXCHANGE LIMITED

Practice Note 2

Issued pursuant to section 3 (1) (h) of Securities and Exchange (Victoria Falls Stock Exchange Listings Requirements) Rules, 2020 (“the VFEX Listing Rules”)

SUSTAINABILITY INFORMATION AND DISCLOSURE

1. Definitions

Terms used in this Practice Note which are defined or interpreted in the VFEX Listing Rules shall have the same meaning as in the VFEX Listing Rules.

2. Sustainability Information and Disclosure

In line with sections 398 to 403 of VFEX Listing Rules Issuers must disclose, in their Chairman’s statement of the Annual Report, sustainability information and the organisation’s strategy for addressing sustainability issues.

Since the publication of the VFEX Listing Rules in 2020, the VFEX allowed for a transitional period for Issuers to adopt the

aforesaid requirement and offered area specific trainings before enforcement of the requirement. Despite this reprieve, other Issuers have already made efforts to adopt and report on sustainability.

3. Mandatory Adoption of Sustainability Reporting

In light of the training sessions that have been conducted by the VFEX over the years, the VFEX now requires all issuers to adopt sustainability reporting. This requirement is effective from the financial period commencing 1 January 2024 going forward.

4. Minimum Disclosure Requirements

The VFEX, having taken into account the Global Reporting Initiatives (“GRI”) Standards and IFRS Sustainability Standards, has developed the following core sustainability disclosure metrics for adoption as a minimum starting point. Issuers are, however, not limited to these core disclosure metrics and may provide additional information including sector specific metrics. Additionally, Issuers are still required to conduct materiality assessments.

(a) Economic Disclosures

Topic	Metric	Unit	Standards	Description
Economic Performance	Economic Value Generation and Distribution	USD	GRI201, IFRS 1	Income and Expenditure using historical cost figures.
Indirect Economic Impacts	Funding to income generating projects for local communities	USD	GRI203-2	Amounts spent or donated toward initiatives or projects meant to benefit local community, help alleviate poverty, create small jobs, construction of clinics, schools etc.
Defined Contribution Schemes	Defined Contribution Pension Plans	USD	GRI201-3	Amounts contributed towards company based pension schemes and national social security (NSSA).
Procurement	Procurement spending	USD	GRI204-1	Amounts spent on local suppliers and foreign suppliers.
Tax	Tax payments country -by- country	USD	GRI207-1, GRI207-4; IAS12.	Description of approach to managing tax affairs and taxes paid. If operating in multiple countries, use total tax paid in each country. If operations are in one country, disclose aggregate taxes paid by tax head.

(b) Environmental Disclosures

Topic	Metric	Unit	Standard	Description
Materials	Materials used	Tonnes, Kgs or Litres	GRI301	Materials used in manufacturing primary goods or provision of primary services.
Energy consumption	Total energy consumed	Litres, MWh or KWh	GRI302	Total consumption of petrol, diesel, coal, and electricity etc.
Water Consumption	Water consumed	Cubic metres, Litres	GRI303	Waste generated from operations in tonnes.
Waste	Waste generated	Tonnes	GRI306	Waste generated in tonnes.
Emissions	GHG Emissions by Scope 1 and Scope 2. Scope 3 if necessary or required.	tCO2e	GRI305; TCFD; IFRS S2	Tonnes of carbon dioxide (tCO2e) equivalence for Scope 1: Direct Emission from conversion of Petrol and Diesel including emissions from operated assets or equipment; Scope 2: Indirect emission from third party generated electricity. Scope 3: Other emission outside normal operating environment.

(c) Social Disclosures

Topic	Metric	Unit	Standard	Description
Employment	Recruitment and turnover	Headcount	GRI401-1	Head count of employees recruited and turnover (departures) excluding contractor employees. Disclose company employees and contractor employee separately.
Occupational Health and Safety	Fatalities and incidences	Number of cases	GRI403-9;	Number of fatalities as a result of work related injuries across the organisation, and the number of work related injuries.
Training and Education	Average training hour per employee	Total Training Hour/Total number of employees	GRI404-1	Total number of hours of training divided by total number of employees excluding contractor employees.
Gender Diversity	Employees by Gender	Percentage (%)	GRI405-1; SASB 330.	Percentage of existing total employees by gender (male and female).
Local Community	Development programmes supported	USD	GRI413-1	Amount donated or contributed towards communities or society needs. Disclosure SDGs contributed towards.

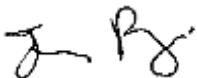
(d) Governance Disclosures

Topic	Metric	Unit	Standard	Description
Board Composition	Board Diversity	Number of Directors	GRI2-9, IFRS S1.	The number of male and female directors and classified between independent, non-independent non-executive, executive and non-executive directors.
Board Committees	Delegation of responsibility	Board Committees	GRI2-13	Committees of the Board and responsibilities.
Collective knowledge of the highest Governance Body	Board Members Qualification and experience	Board Members and Executives Skills	GRI2-17; IFRS S1.	Board members' qualification (s), skills, experience, and other commitments (Directorship in other companies).
Profile Disclosure	Information about the Issuers	Issuer details	GRI2-1	Legal name, ownership, head office address, location of operations, nature of business, products and services, and markets.
Compliance with laws and regulation	Compliance	Number of non-compliance incidences or litigations	GRI2-27	Provide a compliance statement. Disclose significant litigations or fines incurred.

5. Effective Date

This Practice Note takes effect from 1 January 2024.

For and behalf of the Victoria Falls Stock Exchange Limited



Justin Bgoni

Chief Executive Officer

Date of Issue: 13 November 2023