



Botswana Stock Exchange Limited

NEWS

ISSUE NO. 26 • APRIL - JUNE 2024

INSPIRE INCLUSION Driving Gender Diversity



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Meet the BSE Management Team



Mr. Kopano Bolokwe
Chief Executive Officer (Ag.)



**Mrs. Masego
Pheto -Lentswe**
Head of Cleaning & Settlement



Mr. Tsametse Mmolai
Head of Listings and Trading



**Ms. Thapelo
Moribame**
Head of Market Development



Ms. Mpho Mogasha
Head of Finance & Administration



Mr. Kopano Mogorosi
Head of Information Technology



Mrs. Boikobo Mokoka
Head of Risk & Compliance



Mr. Thapelo Otukile
Head of Legal Services & Board
Secretary



It is with great pleasure that I welcome you to the

26th Edition of the BSE News!



Dear Valued Stakeholders

This edition of BSE News is dedicated majorly to recognizing a decade of progress in so far as gender diversity, equality and inclusion is concerned, particularly within the capital market ecosystem.

Thus, on 9 March 2024, we joined 121 other Exchanges and Central Counterparties around the world to **#RingTheBellForGenderEquality** on the 10th Anniversary of this global initiative spearheaded by The World Federation of Exchanges – an event that signifies commitment to fostering gender equality in the workplace, marketplace and communities. This was a way of us creating a space for women to share perspectives and expectations on how organizations and the broader society could increasingly accelerate the progress of women in many fronts.

Certainly, it was an honor to be in the midst of the trailblazing women and the female audience that graced this Bell Ringing occasion, and so to see and re-imagine the future through their lenses as they challenged and redefined the norms that could push for true women inclusion.

The event was led by our Chair, Ms. Neo Sesame Mooki, the first female Chair of the BSE Limited, under the theme **“Invest in Women: Accelerate Progress”**. I am deliberately and thoughtfully using the word “Chair” in this context, in sync with global

trends, as I would ordinarily have resorted to “Chairperson” as mandated in our statutory documents.

According to Bloomberg News analysis of 2,000 regulatory filings with the Securities Exchange Commission (USA) spanning two decades, the number of S&P500 companies officially using the word “Chair” or “Chairperson”, instead of “Chairman”, has more than tripled, and an increasing number of companies have adopted gender-neutral language over the past three years as public pressure to prioritize diversity, equity and inclusion (DEI) grew. This shift is seen as commendable, and in light of this there is also an increasing number of companies that now recognize DEI as a risk factor in their integrated annual reports, and are committed to disclosing actions being taken to bridge the gap.

The BSE is among the progressive organizations in light of the DEI agenda, as for example more than 50 percent of our workforce are women, and 50 percent of our current executive management are women. Undoubtedly, it is embedded in our DNA that we provide platforms for women to reflect and set expectations for their desirable progression, while we, men, take heed as part of the audience.

The robustness and significance of this event reverberated in the distinguished change makers who spoke at the occasion, and I take this moment to sincerely thank them; the Key Note Speaker - Mme Mma Joy Phumaphi, a significant figure in both national gender advocacy and global finance who is also our Former Minister of Health; Mme Mma Esther Kanaimba-Senai, Group Manager – Public and Corporate Affairs at Debswana, the Chair of Women in Mining and Chair of the SOS Childrens Villages; Mme. Marang Selolwane, Director of Selolwane Global, a seasoned Media Practitioner and Entrepreneur; Mme Tshogofatso Tlhong, the Chief Investment Officer at Kgori Capital which is a women-led asset management firm; Mme Kamogelo Mowaneng, the CEO of Letlole La Rona, and also the youngest CEO of a BSE-listed company, and lastly Mme Segolame Thaga, the ever vibrant Director of Ceremonies, also doubling as Vice-President – Client Coverage under the Non-Bank Financial Institutions Sector at Stanbic Bank.

It was one such rare occasion to be deeply

immersed and to assimilate the diverse experiences and perspectives from our female counterparts.

There was an unblemished call for women to not only occupy space, but to dominate the space one is dreaming of; that if there is no seat at the table for women, they must find a way to get a seat at the table even if they have to create a different path to get it; that men jump in headfirst, thus it's time for women to dive into their potential with confidence. These are a few of the distinct and deeply permeating annotations, that I trust our female counterparts will leverage to soldier on persistently.

In closing, it is befitting that I underscore the leadership evolution at the BSE as it has been broadly announced to our stakeholders and the general public. It is an honor that I write this foreword as the Acting CEO of the BSE effective 1 May 2024.

I therefore, take this moment to express gratitude to the Board of Directors for the rigorous process they put in place in appointing the Acting CEO, enshrined with objectivity, credibility and integrity. I also express my sincere gratitude to our outgoing CEO, Mr Thapelo Tsheole, for his immense contribution to the development of the BSE, the capital market and the economy at large, and wish him prosperity in his next endeavor. I am confident in the capability of our team to take the BSE to our next phase of growth as we continue to be guided by a compelling vision to become a world-class securities exchange.

With the support of our Board, Shareholders and Staff, I am excited to drive this vision forward as we propel Botswana towards a high-income economy.

Thank you, and I hope you enjoy this read.

“Your Partner in Wealth Creation”

Mr. Kopano Bolokwe
Chief Executive Officer (Ag.)



HIGHLIGHTS FROM THE PREVIOUS EDITION

- ASEA celebrates 30 years
- Market performance report for the period 1st January to 31st December 2023
- Strengthening regional capital markets integration: a pathway to sustainable economic growth
- Listing of the inaugural sustainable bond
- Emerging Technologies on Botswana's capital markets
- Enhancing the capacity on women's financial inclusion to promote women's economic empowerment
- United Capital Fertilizer Zambia Company Limited lists a USD 32.0Mn bond
- Letshego seeks to cement position in Africa

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MARKET PERFORMANCE REPORT

FOR THE PERIOD 1st JANUARY TO 31st MARCH 2024

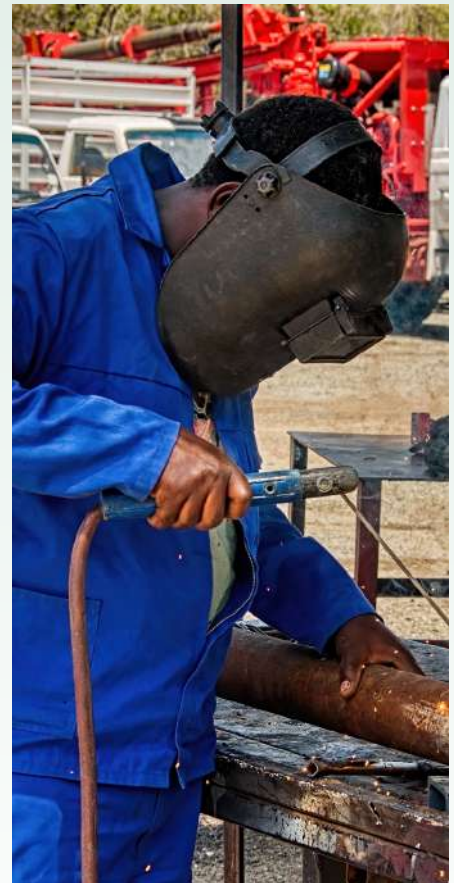


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Know Your Stock Market Terms

The excess return that is achieved by the investment portfolio when compared to the return achieved by the benchmark portfolio.



Alpha

The deduction of capital expenses over a specific period of time (usually over the asset's life). More specifically, this method measures the consumption of the value of intangible assets, such as a patent or a copyright.



Amortisation

Conducting in-depth research of a company's financial, economic, and governance information with the aim of determining the true value of that company.



Fundamental Stock Analysis

Shares in a company whose earnings are expected to grow at an above-average rate relative to the market.



Growth Stock

When a particular investment (or class of investments) performs particularly well, and it leads to an upward spiral that takes prices for above the levels which can be justified by any rational assessment of the real value of the future cash flows the investment may generate.



Bubble

A callable bond gives the issuer (borrower) the right to pay the bondholder (lender) before the stated maturity date.



Callable bonds

An investment strategy where a fund manager bases investment decision on the overall economic and political views of global markets.



Macro strategy

The Producer Price Index tracks the rate of change in the prices charged by the producers of goods.



Producer Price Index (PPI)

The dividend yield is the amount that a company pays to its shareholders relative to the share price each year.



Dividend yield

A bond issued in a currency other than the currency of the country or market in which it is issued.



Eurobond



Corporate Governance & Gender - The Boardroom Balance, Influence, and Impact

By Dumisani F. Ntini | Governance & Strategy Practitioner | #CorporateGovernanceCorner

It is vividly evident that there has been a noticeable shift in the realm of corporate governance, with women increasingly assuming leadership roles within boardrooms across the globe.

This trend marks a significant departure from the traditionally male-dominated sphere of organisational decision-making and reflects a broader societal recognition and appreciation of the value of diversity in governance frameworks and structures. Bearing in mind the emergence of women in corporate governance roles, as well as their heightened representation at decision-making levels within diverse organograms, we determine it clear that tracking this phenomenon is important for several reasons, including its implications for organisational performance, societal progress, as well as the promotion of gender equality.

We shall undertake a rudimentary examination of the differences in women's participation across regions such as Africa, Australia, and Asia. Such an inquiry offers valuable insights into the varying dynamics that shape corporate governance at a global level.

The inclusion of women in corporate governance brings numerous benefits to organisations and society at large. Research consistently demonstrates that diverse boards enhance decision-making processes by incorporating a broader range of perspectives and experiences. According to a study by McKinsey & Company, companies with gender-diverse executive teams are 25% more likely to experience above-average profitability than their counterparts with lower gender diversity.

This underscores the tangible economic advantages associated with gender-inclusive leadership structures. Furthermore, an identified trickle-down effect within organograms is the presence of women in corporate governance roles serving as a catalyst for gender equality initiatives within organisations. As role models and advocates, female board members and executives pave the way for greater female representation at all levels of the corporate hierarchy, thereby fostering a more inclusive and equitable workplace culture.

Monitoring the participation of women in corporate governance is essential for assessing progress towards gender parity and identifying areas for improvement. Data from reputable sources such as the International Labour Organization (ILO) and the World Bank enable policymakers, businesses, and advocacy groups to gauge the effectiveness of diversity initiatives and to tailor interventions accordingly.

Examining women's participation in corporate governance across different regions sheds light on the unique challenges and opportunities facing each area. In Africa, for instance, women's representation on corporate boards has historically lagged behind global averages. According to a report by the African Development Bank, women held only 14% of board seats in African companies as at 2022, significantly lower than the global average of 20.6%. This disparity reflects entrenched cultural norms, limited access to education and professional networks, as well as systemic barriers to women's advancement in the workplace. Venturing 'down under' it has been noted that Australia has made substantial progress towards gender equality in corporate governance. The Australian Institute of Company Directors reports that women now occupy 33% of ASX 200 board positions, surpassing the 30% target set by the Australian Institute of Company Directors. This progress can be attributed to legislative reforms, corporate governance guidelines, and concerted efforts by businesses to promote gender diversity.

Similarly, Asia presents a mixed picture of women's participation in corporate governance. While countries such as Singapore and Malaysia have made notable strides in augmenting female representation on boards and at executive levels, other nations such as Japan and South Korea, continue to grapple with low levels of gender diversity.

It is generally agreed that cultural norms, family expectations, as well as limited childcare support often hinder the career advancement of women living in these jurisdictions. Our brief comparison of women's participation in corporate governance across Africa, Australia, and Asia offers considerable insights into the contextual factors that influence gender dynamics in diverse workplaces. By examining disparities in representation, policy approaches, as well as cultural attitudes towards women's leadership, stakeholders are better positioned to gain a deeper understanding of the complex interplay between gender, culture, and corporate governance practices.

Considering the African lag highlighted by the African Development Bank's research, it is crucial for corporate governance designates, regardless of gender to understand the importance of gender diversity and how this can be augmented. Promoting gender diversity in corporate governance requires a concerted approach that encompasses policy reforms, organisational initiatives, and societal attitudes.

Possible approaches to this would include

policymakers implementing legislative measures mandating gender quotas on corporate boards as well as promoting transparency in board appointment processes. In addition to this, organisations could establish diversity and inclusion programmes targeted at nurturing inclusive workplace cultures and providing mentorship opportunities for aspiring female leaders. Despite the fairly dim representation statistics for Africa, there is encouraging research indicating that organisations with female representation in leadership roles tend to attract and retain greater talent, enhance innovation, and improve financial performance, underscoring the importance of gender diversity in inducing organisational success.

For the younger demographic aspiring to pursue careers that would have them serving in corporate governance roles, several avenues could potentially facilitate their journey towards leadership positions. Building a strong educational foundation in their chosen field lays the groundwork for a successful career trajectory. Seeking out internships, mentorship programmes, and networking opportunities enables young women to gain valuable experience, develop professional connections, and access support and guidance from established industry professionals. Furthermore, active participation in varied career-related as well as volunteer initiatives may enhance leadership skills, broaden networks, and showcase initiative and commitment—all qualities highly valued in corporate governance.

By proactively seeking out opportunities for skills development, mentorship, and networking, young women can position themselves for success in pursuing careers leading to corporate governance positions, contributing to greater gender diversity and inclusivity in the corporate sphere.

Having considered the stated aspects, it can be agreed that the emergence of women in corporate governance roles represents a positive step towards building more inclusive and effective organisations. By tracking women's participation globally and analysing regional variations, institutions can identify strategies to overcome barriers to gender equality and harness the full potential of diverse leadership teams. As we move towards Botswana's Vision 2036, encouraging greater gender diversity in corporate governance will remain a priority for driving sustainable growth, innovation, and for overall social progress.



P R E S S
R E L E A S E



Botswana Stock Exchange Limited Announces Leadership Evolution: Kopano Bolokwe steps in as Interim CEO

The BSEL Board is thrilled to unveil the appointment of Mr. Kopano Bolokwe as the Acting CEO, effective May 1, 2024, until the appointment of the substantive CEO.

This is following the resignation of current CEO Mr. Thapelo Tsheole, who has served as CEO of the BSEL for 9 years, under whose leadership, the BSEL has been transformed to be one of the leading stock markets in Africa, delivering stellar performance.

The appointment of Kopano is backed by Kopano's formidable track record in capital market innovation and his pivotal role in elevating BSEL's standing on the global financial stage.

Kopano, a luminary in the financial sector, has been at the forefront of BSEL's transformation since 2016, serving with distinction as the Head of Product Development. His visionary leadership has been instrumental in introducing ground-breaking

investment products, leading the establishment of equity and bond indices, and spearheading the successful evolution of the Botswana Bond Market Association.

Under his guidance, BSEL has seen the inception of the Sustainable Bond Segment, which not only augmented investment opportunities but also significantly improved Botswana's position in the Absa Africa Financial Markets Index.

Kopano's academic and professional credentials are equally impressive. He holds a Master of Business Administration from the University of Botswana, is a Chartered Alternative Investment Analyst (CAIA) Charterholder, and has completed the Chartered Financial Analyst Level II exams. Currently, he is enriching his expertise further by pursuing a Doctorate in Management.

His international exposure,

exemplified by his role as a research analyst in New York and his achievements with the African Securities Exchanges Association, underscores his global perspective on financial markets.

Beyond his academic and professional accolades, Kopano's contribution to BSEL's strategy, risk management, and innovation has been profound. His strategic input into national financial policies, his leadership in promoting sustainable finance, and his role in driving the commercial success of data sales and products at BSEL have all been noteworthy.

The BSEL Board expresses its unwavering support for Kopano and looks forward to his leadership in continuing to enhance the exchange's value proposition to our stakeholders and the global investment community.

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Analysis of barriers to women economic empowerment in Botswana

By Tshiamo Tabane

Botswana has initiated some laws/acts to ensure gender diversity and improved participation of women in the economy. Recent research by the World Bank shows that in its bid to have an increased number of women participating in the economy and give females equal rights, Botswana initiated the following acts;

- 1970 Succession Act intended to ensure equal rights of male and female spouses when it comes to inheritance rights. It has emerged that the Act gives surviving female spouses an opportunity to easily access their deceased partners' assets and business.
- The 1992 amendments to the Employment Act which revoked restrictions that hindered women to work at night and in some industries. The Act is intended to improve women's access to job opportunities and increase the number of females working in lucrative and major economic sectors such as mining.
- Abolition of Marital Power Act intended to give married women the right to choose where to live, be head of family, get a job, sign contracts, register

a company, run a business and open bank account without consent from their husbands. The Act, according to World Bank gives female spouses equal rights when it comes to managing and controlling immovable property and assets in marriage.

The Acts which improved participation of women in the economy brought tangible effects on gender equality and women economic empowerment in Botswana, according to World Bank. It has emerged that as a result of the laws Botswana rankings in the World Bank Women, Business and the Law 2024 index improved by more than 25 points, increasing from 38.1 points to 63.8 points. "As a result of these reforms, since the early 2000s, the average Women, Business and the Law score for Botswana has improved by more than 25 points, rising from 38.1 to 63.8."

The World Bank Women, Business and the Law index study report shows that Botswana scored 63.8 out of 100 on legal frameworks which measured effectiveness of laws related to women's rights, 52.5 out of 100 on progress on implementation of the legal frameworks,

13.3 out of 100 on supportive frameworks that facilitate implementation of the legal frameworks and 57.5 out of 100 on expert opinions regarding outcomes following implementation of the legal frameworks.

- Remaining gender gaps and social norms that continue to result with exclusion of women in participating in the economy.

The study report shows that despite the improvement on points scored on legal frameworks that measures effectiveness of legal indicators related to women's rights, Botswana still ranks low at 154 out of 190 countries featured in the 2024 World Bank Women, Business and the Law index. "Despite this progress, Botswana's average score is still lower than the average global score of 77.1 and the regional average score for Eastern and Southern Africa of 74.1."

According to the study report there are remaining gender gaps and social norms that continue to result with exclusion of women and girls in participating in the economy in Botswana. Lack of legal provisions mandating equal

remuneration for men and women performing work of equal value, aligning maternity leave policies with international legal standards, and protecting women from harassment at work are important remaining gaps in the country's legal framework. Surrounded by the economies that are in the top ten highest scoring economies on the continent — Namibia, South Africa, and Zimbabwe — Botswana can leverage momentum for reform in the region and address remaining legal barriers to women's full economic participation."

In the report the World Bank noted that in Botswana and other many countries there is a gap between the legal rights that women have on paper and the reality they face on the ground, where implementation of their rights often falls shockingly short. "It reveals that women have just two-thirds of the rights of men in the workplace. Even worse, economies have, on average, established less than two-fifths of the systems needed for full implementation. For example, 98 of the 190 economies assessed have enacted legislation mandating equal pay for women for work of equal value.

Yet only 35—fewer than one in five—have adopted pay transparency measures or enforcement mechanisms to address the pay gap. The result is that women earn, on average, just 77 cents for every dollar paid to men."

The Bank stated that the first of the new indicators included in the 2024 study report—women's safety—pegs the global average score at just 36 and added that this means that women have a third of the legal protection they need from domestic violence, sexual harassment, child marriage, and femicide. "Of the 190 economies studied, 151 have laws in place prohibiting sexual harassment in the workplace, but only 39 have laws prohibiting it in public spaces such as mass transit. How can we expect women to prosper at work when it is dangerous for them just to travel to work?"

The Bank noted that most economies including Botswana also scored poorly on laws regulating childcare, the second new indicator. It emerged that in Botswana and other countries featured in the study women spend nearly two and a half more hours a day on unpaid care work than men, much of it involving childcare. "Less than half of all economies provide some financial support or tax breaks for parents with young children. And less than a third do quality standards to govern childcare services. All this means that only half

of women participate in the global workforce, compared with nearly three-quarters of all men."

According to the Bank women also face significant obstacles in a variety of other areas including entrepreneurship. "Globally, only 44 percent of the legal provisions that support the entrepreneurship of women are in place. Across the world, women hold just one out of every five corporate board positions. Less than one in five economies mandate gender-sensitive criteria for public procurement processes, meaning women are largely cut out of a nearly US\$10 trillion a year economic opportunity."

-Relationship between the exclusion of women & girls in economy and other trends including income inequality, unemployment and poverty.

The United Nations Development Program (UNDP) Botswana 2023 study report titled "Inequality in Botswana" indicated that as a result of gender inequality women in Botswana are more vulnerable to poverty and make up the majority of the unemployed. UNDP Botswana noted that while equal rights are granted to women and men under Botswana constitution, access to employment by gender remains significantly different as women participation in the labour force stands at 56.5% while men are at 64.6%. "Additionally, the unemployment rate is higher among women (23.5%) than men

(21.7%). Moreover, the average monthly earnings of women employees are 68% of those of men employees (International Labour Organization, 2019). The main reason explaining the gender pay gap appears to be the segregation of women in lower-paid and lower valued sectors of the labour market."

A recent research paper titled "Tackling Legal Impediments to Women's Economic Empowerment," published by the International Monetary Fund (IMF) in 2022 revealed that empirical evidence shows that women's economic empowerment and the closing of gender gaps in key areas, is associated with positive macroeconomic outcomes, including higher economic growth, lower inequality, increased productivity, better financial sector outcomes and greater financial stability.

"Conversely, the economic disempowerment of women, gaps in access to education, health, and financial services, and legal barriers to women's economic participation, can all negatively impact macroeconomic and financial stability and countries' ability to achieve strong and sustainable economic growth. For example, it is estimated that global GDP could increase by US\$12 trillion by 2025 through reducing gender gaps and promoting women's economic empowerment, such as participation in the workforce or presence in leadership positions," reads the research paper in part.



Commentary and interactions can be sent to ctketlhoafetse@gmail.com and Twitter @chilo_ket.

BSE CELEBRATES INTERNATIONAL WOMEN'S DAY 2024!

On 8th March, 2024 the Botswana Stock Exchange (BSE) conducted a commemorative ceremony to celebrate International Women's Day 2024 during the March 2024 Opening Bell Ceremony under the theme, 'Invest in Women: Accelerate Progress' at the BSE Offices.

The Guest of Honor was the esteemed Chairperson of the Botswana National Gender Commission, Ms. Joy Phumaphi, who delivered the keynote address, sharing insights and perspectives on the importance to invest in women for societal advancement.

The theme, "Invest in Women: Accelerate Progress", encapsulates a profound call to action with multifaceted significance. At its core, it highlights the crucial role that women play in driving societal advancement and emphasizes the necessity of dedicating resources, support, and attention to furthering their empowerment. By framing the narrative around investment, it emphasizes the tangible benefits that result from prioritizing initiatives that uplift women, both economically and socially.

In her Welcome Remarks, BSE Chairperson, Ms. Neo Mooki, highlighted the importance of this year's theme -

"The theme for this year's International Women's Day resonates deeply with our values at the BSE. We understand that investing in women is not just the right thing to do; it is the smart thing to do. When women are empowered and given equal opportunities, they contribute to economic growth, drive innovation, and foster a more resilient and prosperous society. By investing in women, we can unlock their full potential and accelerate progress towards achieving our collective goals of sustainable development and gender equality."

In her address, the Chairperson of Botswana National Gender Commission, Ms. Joy Phumaphi, emphasized the need for change, "Despite much efforts,

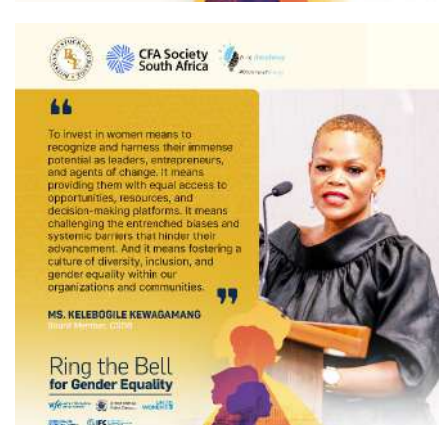
challenges persist, and there is still much work to be done. Gender disparities continue to exist in various aspects, including employment, education, and political representation.

Women and girls continue to face discrimination, violence, and marginalization, hindering their ability to fully participate and benefit from the fruits of development. Addressing these challenges requires sustained commitment, collaboration, and investment from all stakeholders."

In closing, CSDB Board Member, Ms. Kelebogile Kewagamang, praised the role that women play in society, "In our nation, women have long been pillars of strength, resilience, and leadership. From the boardroom to the classroom, from rural communities to urban centers, women have been driving positive change and shaping the future of our country. As such, let us reaffirm our commitment to leveling the playing field and empowering women to reach their full potential!"

Additionally, the BSE also facilitated a riveting panel discussion under the topic, 'Intentional Investment in Women: Shaping the Next Era of Botswana's Prosperity.'

This discussion was moderated by Ms. Esther Kanaimba-Senai, Chairperson of SOS Children's Villages Botswana. She was joined by the following panelists; BSE Chairperson, Ms. Neo Mooki, Chairperson of Botswana National Gender Commission, Ms. Joy Phumaphi, CEO of Letlole La Rona, Ms. Kamogelo Mowaneng, Chief Investment Officer of Kgori Capital, Ms. Tshegofatso Tlhong, CFA and Creative and Culture Specialist as well as Founder of Tsatsi Wear, Ms. Marang Selolwane.



BSE Celebrates International Women's Day 2024!





BSE RINGS THE BELL FOR GENDER EQUALITY

By Victor Baatweng

The Botswana Stock Exchange (BSE) made a resounding statement on March 8th, joining hands with over 100 stock exchanges globally in celebrating International Women's Day through bell ringing ceremonies. These events aimed to highlight the indispensable role that both the public and private sector plays in driving forward gender equality initiatives.

International Women's Day, observed since 1975 on March 8th, represents a significant milestone in acknowledging the achievements of women across all sectors and recognizing their pivotal contributions as leaders and catalysts for change worldwide.

In Botswana, the BSE took center stage by organizing a ceremony at its headquarters, which saw a diverse attendance including industry luminaries, finance students, gender advocates, and members of the general public.

The ceremony, directed by Segolame Thaga, served as a platform to shine a spotlight on the BSE's remarkable achievement of boasting a workforce where 61 percent are women, with an impressive 50 percent representation in management positions.

The BSE's dedication to fostering gender equality goes beyond mere statistics; it is deeply ingrained in its ethos, reflecting a commitment to cultivating a workplace environment that is not only balanced and equitable but also conducive to maximizing the potential of its talented workforce.

Ms. Neo Sesame Mooki, the Chairperson of the BSE board, emphasized the exchange's role as a trailblazer in bridging the gender disparity gap. Under her leadership, the BSE has embarked on initiatives aimed at championing diversity and empowering women, positioning itself as a beacon of progress and inspiration in the financial sector.

"As BSE chairperson I am proud of our efforts to champion women's causes. Diversity is our strength and it's our

asset. I am heartened by the BSE strides towards creating a world order where women lead", Mooki said.

Mooki's pride in the BSE's endeavors to champion women's causes underscores the exchange's unwavering commitment to promoting gender equality as a core value, recognizing diversity as a strength that drives organizational success.

By championing diversity and empowering women, the BSE not only sets a gold standard for other institutions to emulate but also reaffirms its pivotal role in driving forward the agenda for gender equality and women's empowerment in Botswana and beyond.

But why is gender diversity so crucial?

From a business standpoint, the rationale is compelling. According to a comprehensive 2020 McKinsey report, organizations boasting more than 30 percent female executives tend to outperform those with fewer or no women in leadership roles.

Moreover, companies in the top quartile for gender diversity have been found to be more profitable, highlighting the correlation between diversity at the top echelons and financial success.

By embracing gender diversity and inclusion, firms can harness a diverse range of perspectives and insights, fostering innovation and driving sustained growth in an ever-evolving marketplace.

Addressing the attendees at the BSE bell ringing ceremony, Ms. Joy Phumaphi, Chairperson of the Botswana Gender Commission, commended the exchange's unwavering commitment to gender equality. Phumaphi underscored the transformative impact of the BSE's initiatives in inspiring positive change and advancing financial inclusion.

She emphasized the significance of the ceremony in promoting financial literacy among women and empowering them to actively participate in the stock market, thereby enabling greater financial autonomy and independence.

"This ceremony is an opportunity to share with women the value of understanding and investing in the stock market", Phumaphi said.

In a world where gender imbalances remain a pressing concern, Phumaphi hailed the BSE's steadfast dedication to equality as a shining example of proactive measures and inclusive policies. She urged the exchange to explore the possibility of establishing a national financial literacy program, designed to equip women and children with the essential skills needed for effective financial management and investment decision-making.

"We do not want women to just have access to the resources, we want them to know how to use them and manage them effectively", Phumaphi said.

The 2024 ceremony witnessed the BSE forging strategic partnerships with a host of esteemed organizations, including the World Federation of Exchanges, UN Women, World Bank Group, CFA Society of South Africa, Sustainable Stock Exchanges Initiative, and the United Nations Global Compact.

As part of the event's agenda, the BSE hosted an insightful panel discussion moderated by Esther Kanaimba – Senai (SOS Children's Village), featuring prominent women figures such as Marang Selolwane (Tsatsi Wear), Tshogofatso Tlhong (Kgori Capital), and Kamogelo Mowaneng (Letlole La Rona), who offered invaluable insights into the importance of gender diversity and inclusion in driving sustainable economic growth and development.



The Future is Female: How the Investment Management industry can enable and unlock potential

By Tshgefatho Tlhong

Mosadi ke Thari ya Sechaba; she carries the nation on her back and is the core of our society.

She is the neck that supports gives mobility to the head of the household, she multiplies whatever she is given, she births and nurtures of new life. Women are also the financial backbone of the family.

According to Structural transformation and the gender pay gap in Sub-Saharan Africa (2023), statistics on impact of women versus male incomes in the household show that women contribute 70-90% of household income in Sub-Saharan Africa.

Further studies by the SIGI 2021 Regional Report for Africa (2021) confirm that approximately 90% of employed women work in the informal sector, a slightly higher proportion compared to men, where the figure stands at 83%. We can all attest that women lead participation

in economic groups such as metshelo; additionally, majority of neighborhood tuck-shops, street-food vendors, hairdressers, clothing and accessory distributors are run by women.

Locally, we are seeing women ascending the corporate ladder, breaking the 'glass ceiling' and 'redesigning the building' as they go along. Kgori Capital stands as a testament to the potential and power of female leadership in investment management with a management team majority-led by women, including our Managing Director, Sharifa Noor, myself as the Chief Investment Officer, and our Operations Manager, Sheila McHarg. We can attest to the positive impact of diversity in decision-making and strategy formulation.

This diversity not only brings different perspectives to the table, but also fosters a more inclusive and dynamic work environment.

Globally and regionally, there is a move to create Funds that are specifically tailored towards providing funding to women entrepreneurs due to the untapped market this segment presents and the societal impact that can be generated from investing in women-led businesses.

That said, work still needs to be done locally to enable female entrepreneurs in both the formal and informal sectors of the economy. I hope this serves as a Call to Action to institutional investors to develop products that intentionally speak to the nuanced needs of this segment of the economy; to walk the journey with this specific set of entrepreneurs as they formalize, grow and scale their businesses. This is also a Call to Action to asset owners to require such impact investing by their service providers as they deploy and put their money to work.



Lastly, I also want to encourage women entrepreneurs to partner with funders as they develop models, structures and products; those on the ground know their needs best and know the best risk mitigation measures that can safeguard investor interests. All three pieces of this puzzle are needed to create and deploy meaningful solutions that make the desired impact on society.

Even as we support and unlock potential via funding of women-led business ventures, there is another side of the coin. Many, especially those within the informal sector, lack pension savings and knowledge on how to access long-term investment products so they can invest for their future and ultimate retirement. As we venture into the future, empowering women in investment and financial literacy is crucial.

Here are simple steps you can follow to start building your investment portfolio:

1. Draw up a plan; it doesn't have to be anything fancy or long, simple bullet points will suffice.

- What are your short to medium-term plans and desires (1 to 3 years) and how much will you need to achieve them? Do you want to pay off expensive debt, build an emergency fund (3 to 6 months' worth of living expenses), or have an investment account where you park your business's excess cash, would you like to purchase land/a home/car, get married or take a trip with friends?

- What are your long-term plans (3 years +) and how much will they cost? Do you want to develop your primary residence or investment property, would you like to set money aside for future school fees or do you want to build a portfolio of investments that you can draw a salary from once you stop working and/or retire.

2. Once the plan is ready and you know how much money you need to actualize the future you want, review your income and expenses to see how you can create room to enable you to consistently put money

aside for your investments.

3. Look into products that can help you achieve your goals.

- Your short and medium-term investments should provide you with a return, while also providing you with easy access to your money when the need arises. I prefer placing these funds in a money market fund rather than a savings account because you earn a higher interest rate and your cash is available to you in 48hrs. For these needs, Kgori Capital offers a money market fund called the Enhanced Cash Fund that invests in a mix of fixed deposits, commercial paper and bonds. The fund generated a return of 9.0% for 2023 and is currently yielding between 7% and 8%.

- Long-term investing involves putting your money to work and leaving it there. These are funds that you forget about and DO NOT TOUCH. This also encompasses severance packages, a crucial component in investing for future financial security beyond one's working years. For these needs, Kgori offers the Kgori Capital Balanced Fund that is intended for long-term investors, with a moderate risk profile, who want exposure to local and international markets.

This fund generated a return of 20% for 2023.

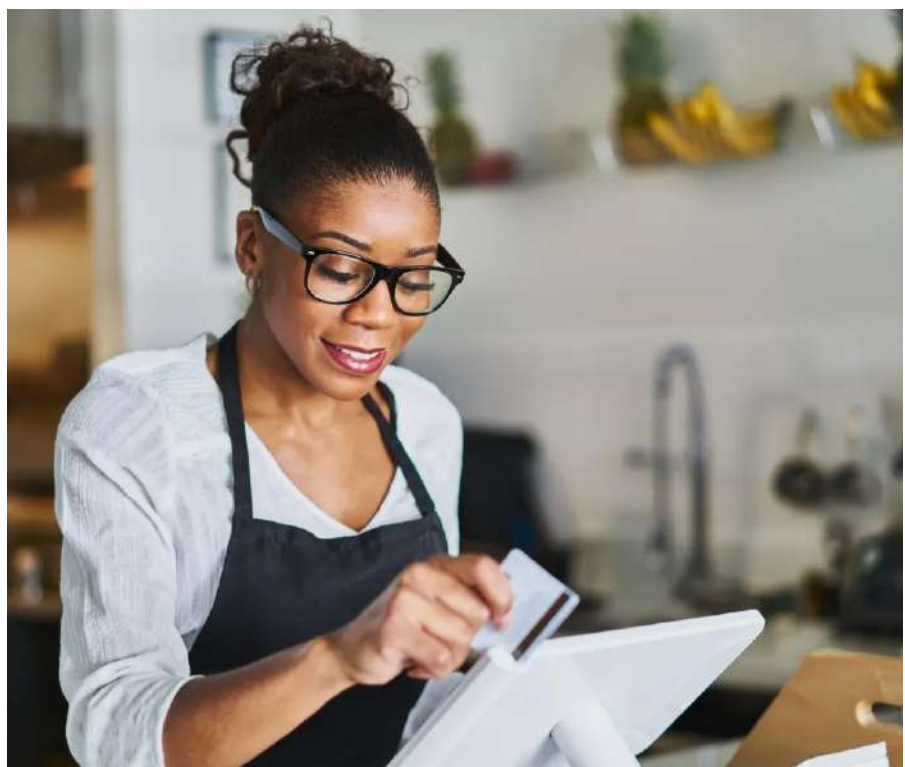
4. Pay someone to cover your risks, this will minimize the need to tap into your investments when there is an emergency.

This is where insurance products come into play. Health insurance (partial cover for doctor visits only is a good start) to cover any unexpected medical bills and funeral cover. Insurance for your house and its contents, your car (3rd party liability cover is a good start) and electronic devices.

Life insurance to take care of your loved ones when the time comes to depart this earth (I recommend a Whole Life policy because you are covered for your entire life but you can cease paying premiums at retirement).

5. Patience and consistency. These virtues, plus compound interest over the long-term, is what builds financial security and wealth.

As we look ahead, the future is undoubtedly female as we make intentional efforts to enable and unlock the enormous potential that remains untapped in the girl-child. By empowering women with financial knowledge and promoting female leadership in industry, we can create a more equitable and prosperous future for all.





Local businesses optimistic despite challenging economic conditions

By Tshiamo Tabane

Companies operating in this country expect improvements in trading conditions in 2024, following government interventions expected to support economic activity, according to a new survey conducted by Bank of Botswana (BoB).

The survey has found that Botswana based businesses targeting the domestic and export markets are optimistic that trading conditions in 2024 could improve and remain favorable during the entire year.

The survey recently conducted by BoB, on quarterly basis collected information on the local business community's perceptions about the prevailing state of their target markets, economy and

expectations during the first quarter of 2024 and the remaining 9 months to December 2024. It covered businesses in various economic sectors, among them, agriculture, forestry & fishing, mining & quarrying, manufacturing, water & electricity, construction, wholesale and retail, transport & storage, accommodation, food services, information & communications technology, finance, insurance, pension, fund and real estate.

In the survey results, BoB indicated that its researchers found that firms started showing optimism in business conditions during the fourth quarter of 2023. "They anticipated improvements in investment in plant, machinery, buildings, vehicles, equipment, stocks,

profitability and goods and services exported, in the fourth quarter of 2023, compared to the third quarter of 2023. These, in combination with expectations of increased growth in all sectors, except construction and real estate, contribute to the improved confidence about overall business conditions. Moreover, business conditions are expected to improve further during the entire year."

The researchers noted that while confidence among domestic market-oriented firms declined slightly in the first quarter of 2024, compared to the fourth quarter of 2023, the level of optimism improves remarkably during the whole of 2024, consistent with the anticipated continued domestic economic recovery. Firms expect GDP to increase by 3.6



percent in both the fourth quarter of 2023 and the first quarter of 2024. "Confidence in the domestic market-oriented firms is mainly driven by firms within the Mining and Quarrying; Retail, Accommodation, Transport and Communications; Manufacturing; Agriculture; and Finance, Professional and Administrative Activities sectors. Meanwhile, optimism about business conditions among export-oriented firms increases in the first quarter of 2024 and in the year ending December 2024."

The researchers noted that all sectors except Agriculture, which is neutral, are optimistic that in 2024 the business conditions will improve, possibly supported by government interventions to support economic activity, including the potentially expansionary two-year Transitional National Development Plan (TNDP) and reforms to further improve the business environment. "Overall, firms were more optimistic about business conditions in the fourth quarter of 2023 compared to the third quarter of 2023."

Going forward business conditions are expected to improve further in the first quarter of 2024 and in the 12-month period to December 2024, supported by the anticipated improvement in profitability, goods or services exported and business investment. These improvements possibly reflect government interventions to support economic activity, including the potentially expansionary two-year TNDP, as well as reforms to further improve the business environment, which are expected to boost growth prospects."

The researchers noted that reforms, such as the promulgation of the Credit Information Act and Movable Property Act, both have the potential to make credit more accessible and added that other reforms such as the Temo Letlotlo; Village Connectivity; Government Online Services and the Development Manager Model, which will be used for the efficient and effective implementation of projects across the country improved optimism among local companies.

The researchers indicated that firms expect lending rates and the volume of borrowing from all markets (domestically, in South Africa and elsewhere) to increase in the 12 month-

period to December 2024. The increase in borrowing volumes, according to the researchers, is consistent with the expected rise in investment, inventories, goods and services exported, possibly supported by the firms' anticipation that domestic economic performance will improve during the period. The survey results shows that firms in the domestic-oriented markets perceived access to credit from commercial banks in Botswana to be relaxed, hence they prefer to borrow domestically compared to other markets. Meanwhile, firms, in the export-oriented markets prefer to borrow from South Africa compared to borrowing domestically and elsewhere.

Approximately 43 percent of the surveyed firms indicated that their choice of credit market was predicated on accessibility, while 33 percent indicated that their borrowing decisions were influenced by availability of appropriate credit facilities. Meanwhile, 12 percent of the firms cited affordability of suitable loan products, while another 12 percent cited a combination of accessibility, availability, or affordability of the required loan products as determinants of their preferred credit market.

The survey also found out that firms mainly prefer to finance their business operations from retained earnings followed by loans, equity and composite (combination of financing), in that order. Retained earnings and loans as a preferred source of financing was prevalent among companies in Finance, Professional and Administrative Activities; Manufacturing; Construction and Real Estate and Retail, Accommodation, Transport and Communications and Mining and Quarrying sectors, according to the survey.

In the survey report the firms noted that cost pressures during the fourth quarter of 2023 were high, mainly attributable to increase in some input costs, such as materials, utilities, and transport arising from supply constraints related to the Ukraine-Russia and Israel-Hamas wars. "However, firms' expectations about domestic inflation decreased, compared to the previous survey, and have remained within the Bank's 3 - 6 percent objective range, averaging 5.4 percent for 2023 and 5.4 percent for 2024. This suggests that inflation

expectations are well anchored, which is good for maintenance of price stability," reads the survey report in part.

The survey report noted that in the fourth quarter of 2023, most firms in the Retail, Accommodation, Transport and Communications, Manufacturing, Construction & Real Estate and Finance, Professional & Administrative Activities considered the Pula exchange rate to be unfavorable to their business operations.

This is mainly because these firms import raw materials from South Africa hence they would prefer a much stronger Pula against the South African rand. In addition, firms, in Retail, Accommodation, Transport and Communications, and Mining & Quarrying sectors cited 'Other' challenges as a second major impediment to doing business in Botswana. Such challenges include the supply constraints emanating from the Russia/Ukraine and Israel/Hamas wars; and the new citizen economic empowerment policies, which some firms considered unfavorable to foreign direct investment. "On the positive side during the fourth quarter of 2023, the firms indicated that adequate water and electricity supply, favorable political climate, effective regulatory framework, availability of skilled labor and domestic and international demand were considered supportive to doing business in Botswana."





Stock Market TitBits: Capital Gains

Capital Gains are experienced when an investor sells their shares at a higher price than the original purchase price. This is attributed to forces of supply and demand. If more people want to buy a stock (demand) than sell it (supply), then the price moves up. Conversely, if more people wanted to sell a stock than buy it, there would be greater supply than demand, and the price would fall.

In terms of valuation, investors should be mindful not to equate a company's share price with its value. The value of a company is its market capitalization, which is the share price multiplied by the number of shares issued. The most important factor that affects the value of a company is its earnings. Earnings are the profit a company makes, and in the long run no company can survive without them. Hence, it is a metric that most investors can utilize to deduce the viability of investing into a company.

Key Considerations;

1. The BSE or listed companies do not regulate share price movements. At the most fundamental level, supply and demand in the market determine share prices.
2. Earnings are what affect investors' valuation of a company, but there are other indicators that investors use to predict

the movement of share prices. Remember, it is investors' sentiments, attitudes, and expectations that ultimately affect the movement of share prices.

3. The valuation of listed company is deduced from its current share price and number of issues shared in the market. Multiplying both will give you the company's market capitalization which is the company's valuation.

4. There are many theories that try to demystify the movement of share prices, unfortunately, there is no one theory that can fully explain the movement of share prices.

Channels to monitor BSE listed companies' share prices;

1. BSE Daily Market Report
2. BSE Website
3. BSE App (Available on the App Store & Google Playstore)
4. BSE licensed Brokers
5. BSE Social Media Platforms – Facebook, Twitter, LinkedIn, Instagram, Youtube
6. Television
7. Radio
8. Newspapers/Publications

BSE PRODUCTS

At present, products that can be listed and accessed by investors on the BSE include Shares, Bonds, Exchange Traded Funds (ETFs), Botswana Depository receipts (BDRs) and Commercial Paper (CP). These products have different risk profiles offering different returns to satisfy the needs of various investors.

BSE LISTED PRODUCTS	BENEFITS	BSE LISTED PRODUCTS	BENEFITS
<p>1 Shares are intangible assets that represent ownership in a company.</p>	<ul style="list-style-type: none"> ○ An investor has a claim to the profits of the company through dividend payments ○ As a shareholder, you have the right to vote matters that are pertinent to the performance of the company. This is usually during a company's Annual General Meeting (AGM) ○ Profits by benefitting from capital gains (share price appreciation) ○ Ease of buying and selling through the assistance of BSE licensed Brokers 	<p>4 Botswana Depository Receipts (BDRs) - A Depository Receipt is an investment instrument that represents shares of a foreign company.</p>	<ul style="list-style-type: none"> ○ BDRs offer local investors access to global investment opportunities without having to bear most of the trading and custodial costs which are normally associated with such cross-border transactions. ○ Investors are buying shares of a foreign listed company in their local market, of which they are aware of the processes and are familiar with trading, clearance and settlement procedures. ○ BDRs facilitate diversification into non-Botswana securities without many of the obstacles investors may have in purchasing and holding securities outside of the local market. ○ BDRs allow easy comparison to securities or similar companies trading on the BSE. ○ Distributions such as dividends can be paid out in foreign currency and the BDR itself can be listed and traded in foreign currency. ○ Right to receive distributions such as dividends accruing to the underlying shares represented by the BDRs. ○ BDRs enhance accessibility of research and of price and trading information of the underlying security. ○ Ability to exercise the voting rights directly under Sponsored BDR programs.
<p>2 A Bond is a fixed-income instrument that represents a loan agreement made by an investor to a borrower.</p>	<ul style="list-style-type: none"> ○ Receives regular cash flow through interest payments. ○ Compared to shares, bonds are a safer investment option because the principle amount is paid back once the bonds matures. ○ Bondholders have a higher claim on the issuer's assets in case of bankruptcy. 	<p>5 Commercial Paper (CP) - Is a short-term debt instrument issues with a tenor of less than 1 year and it is primarily used to raise working capital for shorter periods of time.</p>	<ul style="list-style-type: none"> ○ CP can be issued at short-notice. ○ CP diversifies the funding base for a corporation. ○ CP is often cheaper than equivalent bank funding. ○ CP programs can be arranged to provide borrowings of various maturities. ○ For investors yields on CP are market-determined and are often high than instruments of similar maturities.
<p>3 Exchange Traded Funds (ETFs) are instruments that track an index, price of a commodity or basket of assets and are listed on an Exchange. The instrument is backed by the underlying assets.</p>	<ul style="list-style-type: none"> ○ Diversification - ETFs give you an efficient way to diversify your portfolio, without having to select individual stocks or bonds. They cover most major asset classes and sectors, offering you a broad selection ○ Transparent - ETFs assume the risks of the underlying asset. ○ Cost Effective - Low management fees, no upfront fees or exit charges. ○ Liquid - Availability of Market-Makers ensure that there is constant tradability of ETFs. ○ Secure - ETFs are regulated & governed by the BSE Listings Requirements Trading Flexibility - ETFs are very versatile, letting you easily move money between specific asset classes, like stocks, bonds, or commodities. ○ They trade like stocks, meaning you can trade them anytime during market hours. ○ All commodity ETFs (NewGold ETF, NewPlat ETF & New Palladium ETF) comply with Shariah Law 		

DISCLAIMER FOR INVESTING: All forms of investment involve an element of risk. Past performance is not a guarantee of future returns, as such, information provided should not be misconstrued as financial advice.



Botswana's "Chema-Chema" fund strives to boost the informal Sector.

By Chilo Ketlhoafetse

The informal sector plays a significant role in Botswana's economy, having contributed 3.2% towards GDP in the 2022-2023 financial year according to the National Budget speech delivered in February 2024.

This is smaller than South Africa's contribution of 5.1% to its GDP, however, they have a more formally employed economy and allow a significant total share of employment from the informal sector as per research by Nzewi in the *Journal of Energy in South Africa* (2021). The Government of Botswana has since introduced an initiative called "Chema-Chema" aimed at transforming the informal sector and providing financial support to entrepreneurs and small businesses. The fund, with an initial capital injection of P200 million, is designed to boost economic growth, create job opportunities, and empower the informal sector.

Additionally, plans include establishing an Intellectual Property motshelo scheme and an Intellectual Property ideas incubation centre to support indigenous research and innovation.

According to the Minister of Finance and Economic Development's address,

Ms Peggy Serame articulated that the "Chema-Chema" fund will aim to address socioeconomic challenges faced by the informal sector, including limited access to capital, lack of formalization, and barriers to market entry. By providing debt financing, the fund seeks to empower informal sector workers to invest in their businesses, expand operations, and improve livelihoods.

With unemployment staggering at 25.4% as of 2022 (World Bank), this may have the potential to alleviate the challenge faced therein. However, the effectiveness of the fund in achieving these goals depends on its reach, impact, and sustainability. The feasibility of the "Chema-Chema" fund depends on several factors, including its implementation strategy, eligibility criteria, and repayment terms. While providing debt financing to informal sector workers can help address immediate financial needs, the success of the fund hinges on effective targeting and monitoring mechanisms.

Ensuring that funds are disbursed to individuals and businesses with viable plans for income generation is crucial to prevent misuse and default. Moreover,

the sustainability of the fund depends on its ability to generate returns through the repayment of loans.

According to a Household indebtedness survey report by the Bank of Botswana, it has been identified that as of December 2022, an estimated total household debt was P58.3 billion, which included P11.7 billion being micro-lender loans and P67.5 million being hire-purchase loans. It may be plausible that a portion of the informal sector may fall within this scope.

Although default rates in Botswana generally ranged between 1 and 7.3 per cent for non-performing loans, it is still worth questioning if the informal sector has the capacity for taking on debt within their enterprises and what models and metrics have been put into place to give confidence that this revolving fund would yield its purpose and still allow repayments. Given the informal nature of many businesses in Botswana, assessing creditworthiness, and enforcing repayment may pose challenges.

Additionally, the long-term sustainability of the fund relies on continuous government support and adequate



financial management to prevent the depletion of resources.

Kenya's lucrative East African landscape has seen it befitting to formulate the "Hustler fund" with a view of targeting most Kenyans with socio-economic reforms while also inducing economic activity through utilising the Bottom-up Economics model.

Bottom-up Economics is about investing the limited capital available where it will create the most jobs at the bottom of the pyramid and in the process spur Economic Growth in our country. The fund in essence offers seed capital to members of the informal sector with a view of transforming them into more formal SME's.

The Kenyan government has been quite deliberate with this piece of legislation as it has coupled other national initiatives that would work to support it while making sense of the transformation of Kenyan livelihoods. This includes, but not limited to, a mindset campaign change that advocates for entrepreneurship and economic diversification, capacity building within business studies for the community, credit societies, competition and market access, and even as far as new health care reforms.

However, in an article published by Business Daily Africa (2023), the Hustler fund had defaults close to Sh10 billion (approximately USD75.2 million) as of November 2023, just within a space of 11 months since the launch of one of the products within the fund which focussed on the maturing businesses that now entered the formalisation stage, for which the fund was meant to cushion against the tough economic climate.

An extensive study by Hassan (2014) at Kenyatta University has assessed the impact of credit access, the country's domestic household debt, integration with other government funding, and how these would impact the feasibility and sustainability of a government funding initiative aimed at the informal sector would be. While the fund has had some success in empowering beneficiaries, issues such as corruption, political interference, and inadequate oversight have raised concerns about its long-term viability.

Research conducted in other countries has shown mixed results regarding the effectiveness of similar initiatives targeting the informal sector. In some cases, access to credit has enabled informal sector workers to grow their businesses and increase income levels. However, challenges such as high-interest rates, limited financial literacy, and inadequate business support services have hindered the success of such programs in other contexts.

Several countries around the world have implemented initiatives aimed at supporting the informal sector through access to finance. For example, in India, the government has launched schemes such as the Mudra Yojana, which provides collateral-free loans to micro and small enterprises, including those in the informal sector. Research by Mahadule & Chib (2022) in India has found that the funding has benefitted women mostly with funding having been allocated to them and while these programs have helped expand access to credit, challenges related to loan repayment and financial sustainability persist.

It may be worth noting that South Africa on the other hand, has been implementing game-changing initiatives led by private sector through private equity financing, this has been facilitated by "SA SME Fund", and independent player mobilising various funding and going on taking total assets under management to over R2 billion. According to their 2022 annual report, their growth has been exponential as they have aimed to empower high-potential businesses and change the trajectory of economic growth in South Africa and has demonstrated significant performance.

Post the reporting period, the Fund's model has begun to deliver impact, resulting in the creation of two additional funds: "Fund of VC Funds" which has raised R500 million, becoming the first of its kind in South Africa to receive an investment from a pension fund. The "SMME Crisis Partnership Fund", which is a R300 million debt fund for SMEs in Gauteng townships, backed by a partnership between the Gauteng Provincial Government and the private sector and

adopts a model which government has assumed the risk through a R100 million first loss guarantee, proving attractive for partnerships in raising capital and creating various employment opportunities therein. The fund aims to replicate its model across other provinces. This is a perfect initiative that the Government of Botswana could benchmark on and lobby private sector players to partake in investment opportunities and building up the domestic market.

The author is of the sentiment that, Botswana is a relatively small market which can make room for testing initiatives which has the potential to yield returns. However, an assessment would need to be made and used as a reference for designing a criterion for which funding would be imbursemented to applicants without risking individuals' credit, which may close off future opportunities for accessing credit with CEDA and the like.

It may be worth considering facilitating the fund through LEA as it usually houses SMEs through business development and capacitation, thereby providing support with basic business needs and education which may help address some issues including financial literacy and business viability. The update of Botswana towards this would be very interesting to see and worries do exist that some may see this as a quick money scheme to collect funds without viable business propositions, more so that it has been common in the past that inadequate oversight of government initiatives has led to businesses dying within their first years of operation because of the lack of support therein.

Chilo Ketlhoafetse is a Master of Science graduate in Finance & Management from the University of Kent and a Chartered Accountant focusing on economic issues affecting the local and international business environment.

Commentary and interactions can be sent to cketlhoafetse@gmail.com and Twitter [@chilo_ket](https://twitter.com/chilo_ket). [The End]



Stanbic Bank



OPENING BELL

BSE - STANBIC BANK STOCK MARKET SIMULATOR LAUNCHED DURING APRIL 2024 OPENING BELL CEREMONY

The Botswana Stock Exchange (BSE), in partnership with Stanbic Bank Botswana launched the first-ever Botswana Stock Exchange Stanbic Bank Stock Market Simulator during the April 2024 Opening Bell Ceremony at the BSE Offices.

The launch of this platform marks an important step towards fostering financial literacy and promoting investment culture within Botswana. This technology-driven platform offers prospective investors a hands-on experience in stock trading, enabling them to learn key elements of trading, stock selection, and portfolio management in a virtual environment.

In his Welcome Remarks, the BSE CEO, Mr. Thapelo Tsheole - MComm, MBA, unpacked the objective of this innovative product, "the Botswana Stock Exchange Stanbic Bank Stock Market Simulator embodies our commitment to inclusivity and accessibility. It is designed to cater to individuals of all backgrounds and

levels of experience, from seasoned investors to those taking their first steps into the world of finance. Through user-friendly interfaces and comprehensive educational resources, we aim to demystify the stock market and make investing more approachable, vibrant and engaging for all."

The collaboration between the BSE and Stanbic Bank Botswana, with the latter's sponsorship of P1,485,000.00 over three years, exemplifies the power of partnership in addressing societal challenges. This joint effort not only facilitates the dissemination of financial education but also demonstrates corporate citizenship in action.

In his Address, the Chief Executive for Stanbic Bank Botswana, Mr. Chose Modise highlighted the importance of empowering Batswana, "this occasion represents a significant step towards democratizing access to financial markets and fostering a culture of informed investment decision-making. It is thus aligned with our

commitment to empowering individuals and communities through financial education and inclusion, whilst also building on the BSE's long-term efforts to drive greater market education. At Stanbic Bank, we say Botswana is our home; we drive her growth. Hence, let us share that purpose today!"

In addition to the agenda, the BSE Head of Market Development, Ms. Thapelo Tebogo Moribame, delivered a comprehensive presentation on the new innovation which covered accessibility for users and key functionalities.

Furthermore, the BSE also invited Mr. Patrick Phiri, the School Head for Lobatse Senior Secondary School to deliver the Closing Remarks. Lobatse Senior Secondary School are 4-time champions of the BSE Senior Secondary Schools Finance & Investment Competition; hence, they were availed an opportunity to discuss the impact of financial education amongst the student community.





IN PARTNERSHIP WITH



Stanbic Bank



BOTSWANA STOCK EXCHANGE STANBIC BANK STOCK MARKET SIMULATOR

DID YOU KNOW?

The Botswana Stock Exchange in partnership with Stanbic Bank Botswana has recently launched a technology driven platform, the Botswana Stock Exchange Stanbic Bank Stock Market Simulator. A platform that offers students and the general public an opportunity to learn trading skills in a financial risk free environment.

The platform gives access to:

- Virtual funds to trade with on the simulated BSE market.
- Daily leaderboard displaying portfolio rankings of all participants.
- Market watch list and charts to gauge trends.
- Set alerts on symbols in order to identify potential trade opportunities.
- Community forum that allows participants to have discussions on different topics of interest on the platform.

To access the Stock Market Simulator , visit the BSE website at www.bse.co.bw and click on the Stock Market Simulator Tab. For more information, contact the Market Development Department at marketdev@bse.co.bw or call **+267 3674400**.



The Stock Market Simulator mobile application is available on App Store and Google Play Store.

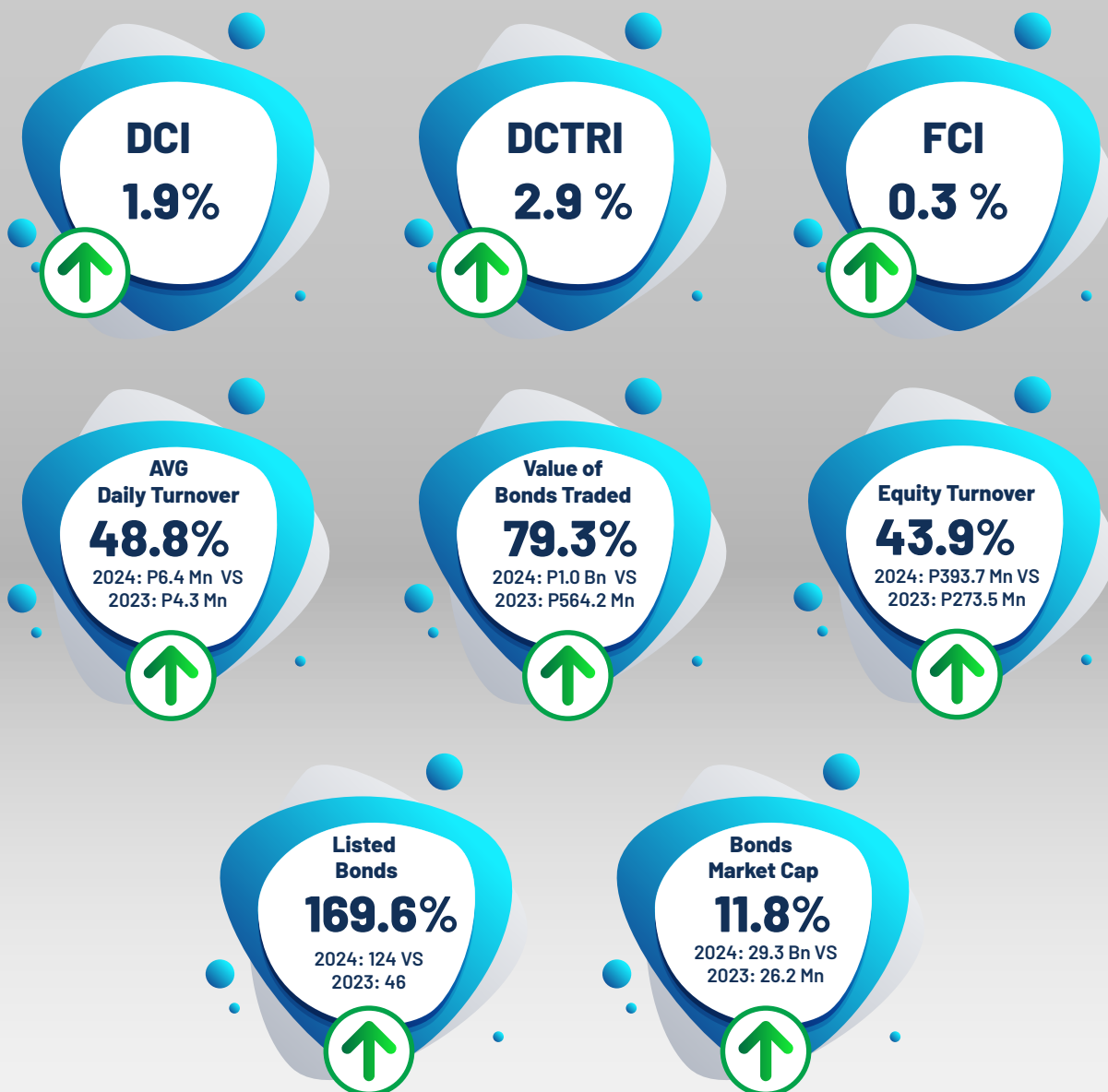




BSE

Market Performance Indicators

1st January - 31st March 2024



Market Performance Report

MARKET PERFORMANCE FOR THE PERIOD 1st JANUARY TO 31st MARCH 2024

1194.38
635.25 M

12.00
0.011
-14.00
-26.00

56.43
43.38
21.55
6.57

1. Equity Market Performance

1.1. Analysis of Equity Market Indices

During the period 1 January to 31 March 2024, the Domestic Company Index (DCI) appreciated by 1.9% in comparison to an increase of 3.0% during the corresponding period in 2023 and the Domestic Company Total Return Index (DCTRI) appreciated by

2.9% in comparison to an increase of 4.0% during the corresponding period in 2023.

The Foreign Company Index (FCI) appreciated by 0.3% in comparison to a marginal appreciation of 0.1% in the corresponding

period in 2023.

A synopsis of the overall performance of the market is presented in Figure 1.

Figure 1: Equity Market Performance Statistics

	1 Jan to 31 March 2023	1 Jan to 31 March 2024
Index Performance		
DCI	7,953.9	9,096.2
% Change	3.0	1.9
DCTRI	2,277.8	2,827.9
% Change	4.0	2.9
FCI	1,564.3	2,472.9
% Change	0.1	0.3
Liquidity		
Turnover (P' Million)	273.5	138.4
Average Daily Turnover (P' Million)	4.3	2.3
No. of Shares Traded (Million)	94.4	125.0
Market Capitalization		
Domestic Companies (P' Million)	42,287.5	42,855.6
Foreign Companies (P' Million)	349,104.9	349,002.3
Total (P' Million)	391,392.4	391,857.9
Market Indicators		
P/E Ratio (times)	13.3	9.3
Dividend Yield (%)	5.3	6.0
Price/Book Value (times)	1.3	1.3

1.2. Comparative Analysis of Equity Turnover

Trading activity during the review period in 2024 amounted to P393.7 Million, an increase of 43.9% from P273.5 Million in the corresponding period in 2023. Similarly, the Average Daily Turnover (ADT)

in 2024 recorded an increase of 48.8% to P6.4 Million from P4.3 Million recorded in 2023.

As shown in Figure 2 & Figure 3, during the corresponding period in 2023 a total equity

turnover of P273.5 Million and a total volume of 94.4 Million shares traded were recorded.



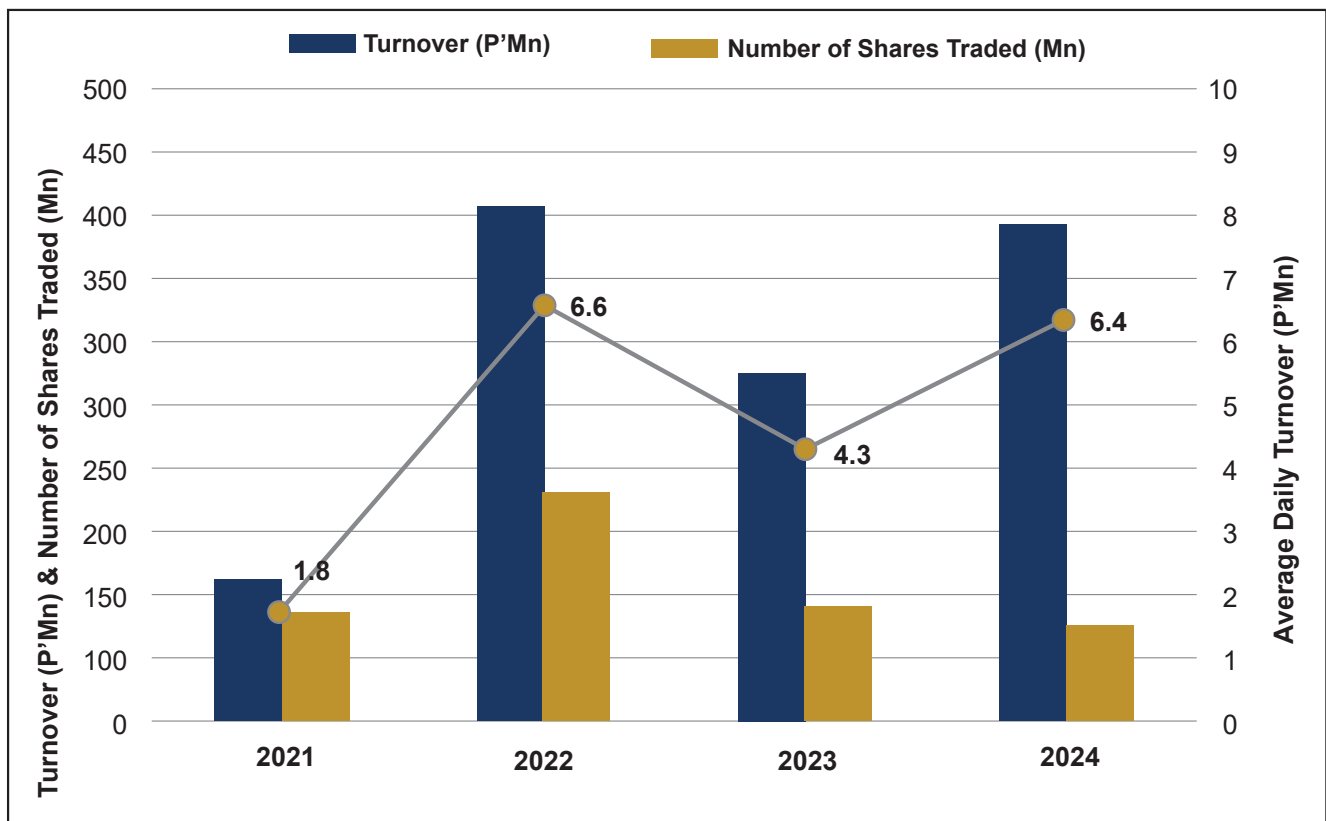
MARKET PERFORMANCE FOR THE PERIOD 1 JANUARY TO 31 MARCH 2024 (cont'd)

Figure 2: Liquidity: 2021-2024

Liquidity ^{NOTE}	2021	2022	2023	2024
Equity Turnover (P' Million)	113.7	407.8	273.5	393.7
Average Daily Turnover (P' Million)	1.8	6.6	4.3	6.4
No. of Shares Traded (Million)	87.5	177.6	94.4	76.2

Note: Year to 31st March

Figure 3: Trend in Liquidity, Equities: Year-to-31st March



Source: BSE

1.3. Companies Ranked by Turnover

The top 3 traded companies during the period under review were Sechaba (P132.2 Million), CA Sales (P69.1 Million) and FNBB (P36.9 Million).

The total turnover from these 3 companies accounted for 60.5% of total equity

turnover, with the leading counter Sechaba accounting for 33.6% of total equity turnover.

In comparison to the same period in 2023, the top 3 traded companies accounted for 58.6% of total equity turnover with the

leading counter Letlole La Rona accounting for 40.1% (P109.7 Million) of total equity turnover.

The rankings of companies by turnover thus far in 2024 is shown in Figure 4.



Market Performance

Figure 4: Companies Ranked by Turnover (BWP): Year-to-31st March 2024

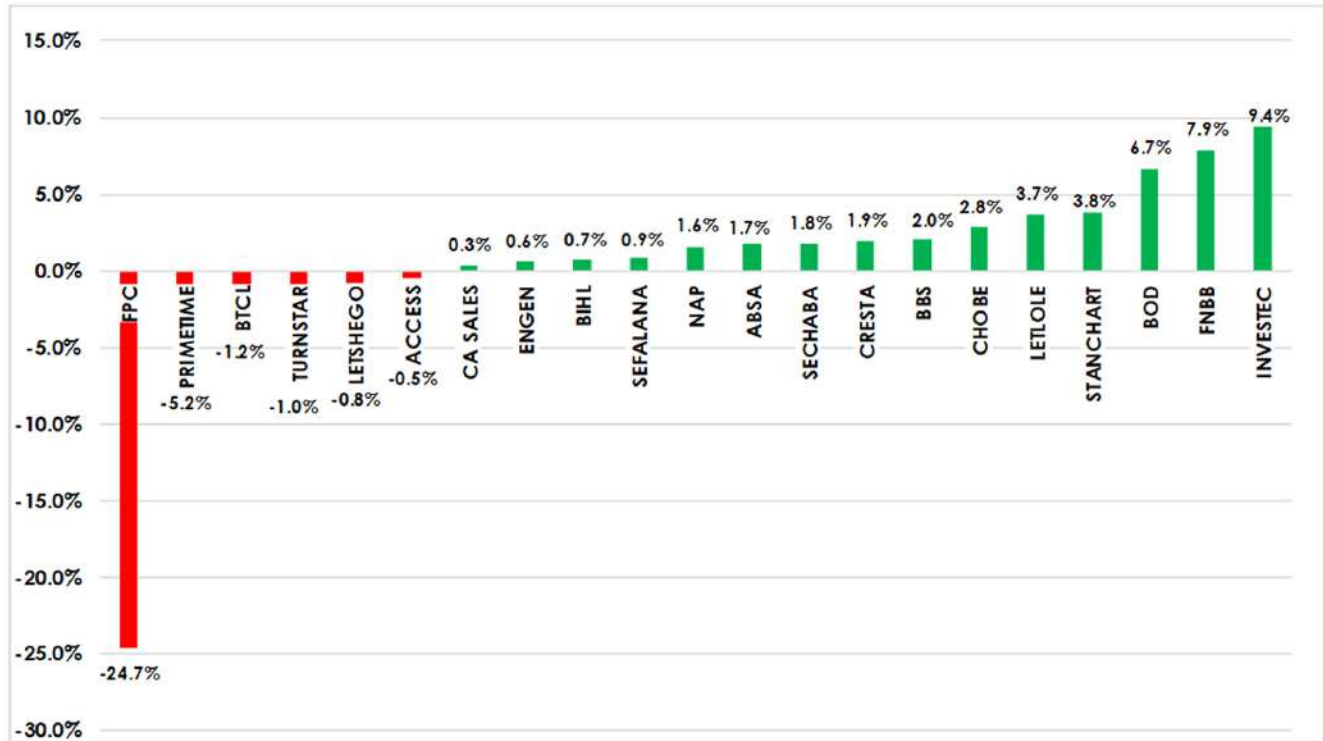
Company	JANUARY	FEBRUARY	MARCH	1 JAN - 31 MAR 2024
	Turnover	Turnover	Turnover	Turnover
SECHABA	118,209,878.11	190,083.50	13,833,595.46	132,233,557.07
CA SALES	92,291.01	57,341,507.13	11,653,693.29	69,087,491.43
FNBB	6,666,910.52	1,167,271.90	29,022,570.02	36,856,752.44
SEFALANA	10,916,206.85	481,575.74	20,930,579.23	32,328,361.82
TURNSTAR	4,923.72	124,584,963.16	4,437,687.84	29,027,574.72
ABSA	2,639,586.31	210,192.57	18,624,418.51	21,474,197.39
NAP	793,176.09	27,777.75	9,407,451.34	10,228,405.18
BIHL	5,700,451.82	1,228,047.74	2,584,218.17	9,512,717.73
LETSHEGO	74,298.63	1,170,562.23	5,701,065.49	6,945,926.35
ENGEN	20,211.55	40,175.77	6,342,574.19	6,402,961.51
ACCESS	20,500.00	24,981.30	6,154,298.17	6,199,779.47
BTCL	945,283.62	967,152.77	4,258,018.10	6,170,454.49
CHOBE	1,502,005.47	773,911.48	3,215,403.90	5,491,320.85
FPC	3,877,038.00	-	-	3,877,038.00
PRIMETIME	27,497.22	159,765.06	3,622,340.05	3,809,602.33
LETLOLE	16,962.73	256,648.47	2,841,316.80	3,114,928.00
SEED Co	-	-	3,008,701.50	3,008,701.50
STANCHART	493,905.72	79,561.57	1,868,819.23	2,442,286.52
RDCP	3,288.00	6,576.00	2,120,592.00	2,130,456.00
INVESTEC	-	-	1,458,715.20	1,458,715.20
CHOPPIES	129,341.28	5,902.89	981,826.08	1,117,070.25
G4S	-	-	433,307.00	433,307.00
BBS	139,238.89	64,229.88	52,407.00	255,875.77
CRESTA	22,939.46	42,795.05	-	65,734.51
MINERGY	246.80	2,331.60	8,000.00	10,578.40
SHUMBA	-	-	9,729.00	9,729.00
BOD	368.00	134.08	5,683.36	6,185.44
OLYMPIA	-	-	5,417.36	5,417.36
BOTALA	-	1,930.28	911.02	2,841.30
LUCARA	1,560.00	-	1,170.00	2,730.00
TLOU	-	-	909.00	909.00
ANGLO	-	-	-	-
TOTAL	152,298,109.80	88,828,077.92	152,585,418.31	393,711,606.03

Source: BSE



MARKET PERFORMANCE FOR THE PERIOD 1 JANUARY TO 31 MARCH 2024 (cont'd)

Figure 5: Share Price Performance: 1 January – 31 MARCH 2024



Note : Companies that did not experience share price movement are excluded from graph

Figure 5 shows the share price performance of listed companies during the period under review.

in share price, 15 appreciated in share price while 11 experienced no share price change.

price while Far Property Company (FPC) experienced the biggest decline in share price of 24.7%.

Of the 32 listed companies including BBS on the Serala OTC Board, 6 depreciated

The top gainer over the review period was Investec with a 9.4% growth in share

1.4. Investor Contribution to Equity Turnover

As can be observed in Figure 6, institutional investors were the biggest contributors to equity turnover with contributions of 93.2% and 3.2% for

local companies and foreign companies respectively.

Figure 6: Investor Contribution to Turnover: 1 January – 31 March 2024

Investor Category	Turnover (Pula)	Equity Turnover Contribution
Foreign Companies	12, 509, 474.63	3.2%
Foreign Individuals	2, 329, 029.96	0.6%
Local Individuals	10, 617, 268.25	2.7%
Local Companies	367, 067, 282.70	93.2%
Brokers	1, 188, 550.51	0.3%
Total	393, 711, 606.03	100.0%

Source: CSDB

**MARKET PERFORMANCE FOR THE PERIOD 1 JANUARY TO 31 MARCH 2024(cont'd)****2. Exchange Traded Funds (ETFs) Market**

During the period under review, ETF turnover amounted to approximately P11.6 Million recorded from 87,984 units traded.

This was in comparison to P564,170 recorded

from 2,988 units in 2023.

The NewPlat ETF and NewGold ETF gained 1.4% and 9.5% respectively while ADBF ETF lost 6.3% so far in 2024.

Figure 7 summarises the comparable ETF performance for 2023 and 2024 on a year-to-date basis.

Figure 7: Performance of ETFs: Year-to-31st March

ETF		Turnover (P'Mn)	Units Traded	Price Change (%)
NewGold	2024	11.8	6,850	9.5
NewPlat		9.8	81,115	1.4
NewPall		-	-	-
ADBF		0.002	19	(6.3)
Total		11.6	87,984	
NewGold	2023	0.518	2,242	10.0
NewPlat		-	-	-
NewPall		-	-	-
ADBF		0.002	22	(5.1)
Total		0.6*	2,988*	

* total figures include the trades from delisted ETFs

3. Bond Market Performance

As can be observed in Figure 8 the value of bonds traded during the period under review amounted to P1.0 Billion, an increase of 79.3% from P564.2 Million traded during the same

period in 2023.

As at end of March 2024, the listed debt instruments comprised of 7 Government

Bonds, 87 Corporate Bonds, 29 Commercial Papers and 1 Sustainable Bond with a total market capitalisation of approximately P29.3 Billion.

Figure 8: Analysis of Bond Market Performance

Category	2023	2024
Liquidity (P'Mn)		
Government Bonds	560.0	995.2
Corporate Bonds	4.2	16.5
Commercial Paper	-	-
Sustainable Bonds	-	-
Total	564.2	1,011.7
Market Capitalization (P'Bn)		
Government Bonds	22.0	24.0
Corporate Bonds	4.1	4.5
Commercial Paper	0.1	0.8
Sustainable Bonds	-	0.08
Total	26.2	29.3
Number of Bonds Listed		
Government Bonds	7	7
Corporate Bonds	37	87
Commercial Paper	2	29
Sustainable Bonds	-	1
Total	46	124

Source: BSE



BSE CONDUCTS COURTESY VISIT & DONATION CEREMONY AT MMEA PRIMARY SCHOOL

On 19th February, 2024, the Botswana Stock Exchange (BSE) paid a courtesy visit and conducted a donation ceremony at their adopted school, Mmea Primary School, marking the commencement of a 3-year adoption partnership under the Government-driven Adopt-a-School initiative.

This initiative aligns with the BSE Corporate Social Investment (CSI) Policy, the Dipoelo Programme, which prioritizes Education among other key areas such as Entrepreneurship, Community Development, Health, and Environmental/Sustainable Issues. The BSE's involvement emphasizes our commitment to contributing to enhancing the delivery of quality education in Botswana through public-private partnerships.

Mmea Primary School is located in Mmea village, a settlement found in Boteti District Council. The village is 20km on a gravel from Mokubilo village (122km from Letlhakane and 140km from Francistown). The school admits students from Mmea village, surrounding settlements, lands and cattle-posts. The school

has an enrolment of 337 learners (187 boys and 150 girls).

In terms of selection, Mmea Primary School was identified from over 60 applicants following an Expression of Interest in August 2023, primarily due to the significant challenges it faces, including being understaffed and under-resourced. The school's infrastructure inadequacies are apparent, with 10 classes held indoors while 6 are conducted outdoors. Further, a considerable portion of the student body lacks basic necessities like full uniforms, stationery, and textbooks, reflecting a broader socioeconomic issue within the community. With a pass rate of 48.8%, one of the lowest in the country, the school urgently required support to improve its educational output.

During the ceremony, the BSE donated essential school supplies and stationery to address immediate needs identified by the school management. This exercise aims to empower students by providing them with the necessary tools to create a conducive learning environment. Additionally, the

visit included a tour of the school premises by the BSE CEO, Mr. Thapelo Tsheole, and the BSE Market Development Team to gain firsthand insights into the challenges faced by the school administration.

Initiatives like 'Adopt-A-School' are crucial for the BSE as they exemplify the organization's commitment to corporate citizenship and sustainable development. By investing in education, particularly in underdeveloped schools like Mmea Primary School, the BSE contributes to the national agenda of enhancing the delivery of quality education. These efforts not only address immediate needs but also foster long-term socioeconomic development by empowering future generations with the skills and knowledge necessary for success in an increasingly competitive global landscape.

Since inception, the BSE has actively participated in the Adopt-A-School initiative by adopting 4 primary schools in the North-West District, Ghanzi District, South-East District and South District.







TACKLING GENDER DISPARITIES: A COMMUNITY-LED APPROACH IN BOTSWANA

Marang Selolwane

Gender equality stands not only as a moral imperative but also as a cornerstone for sustainable development and economic prosperity. Despite Botswana's commendable strides, especially in recent times, disparities endure, notably in the domain of economic empowerment.

To genuinely empower women and expedite strides towards gender parity, a holistic approach centered on economic empowerment is imperative which includes

collaborative efforts involving families, community leaders, and governmental bodies in tackling gender inequality from a community level.

By focusing on community-level interventions, there are practical strategies that can contribute to the realization of gender equality and empower women at the community level.

At the crux of empowering women and challenging gender stereotypes

lies inclusive education. By incorporating gender equality education into school curricula from an early age, Botswana can establish a framework conducive to nurturing a society that esteems gender equity.

This educational paradigm encompasses lessons designed to interrogate stereotypes, underscore the significance of gender equality, and acknowledge the historical struggles for gender parity. By dismantling gendered distinctions



and ensuring equitable access to a diverse array of activities, schools can directly confront entrenched stereotypes and foster gender equality.

This entails offering a broad spectrum of activities appealing to varied interests and abilities, irrespective of gender.

Furthermore, schools can actively advocate and facilitate mixed-gender participation in activities traditionally associated with specific genders. For instance, organizing mixed-gender sports teams or clubs can help dismantle barriers and foster collaboration between boys and girls. Additionally, educators and school personnel play a pivotal role in advancing gender equality within educational settings. By modeling inclusive behavior and language and intervening in instances of gender-based discrimination or exclusion, they can challenge gender stereotypes and biases both in the classroom and during recreational activities.

Through educational initiatives, young Botswana can develop critical thinking skills necessary to analyze and challenge gender biases prevalent in media, literature, and everyday interactions.

Community engagement is indispensable for cultivating an environment conducive to promoting gender equality. Unlike individualistic societies, African communities often function as tightly-knit networks prioritizing collective well-being over individual interests.

Engaging families, community leaders, and local organizations in discussions and initiatives aimed at gender equality can engender a ripple effect of empowerment. Given that traditional gender roles and expectations continue to shape various facets of life, involving community members in dialogue and action around gender equality becomes pivotal. Families, serving as the primary social unit, wield substantial influence in transmitting values and beliefs.

Engaging families in conversations about gender equality can precipitate shifts in attitudes and behaviors within households, ultimately fostering more equitable relationships and opportunities for women and girls. Community-led projects addressing gender-based challenges and empowering both girls and boys can effectively dismantle barriers and foster inclusivity.

The empowerment of the girlchild is critical to realising Botswana's greatest potential. Botswana can nurture a cadre of empowered women who challenge conventional gender stereotypes and enter traditionally male-dominated sectors by ensuring girls have fair access to education, healthcare, leadership, and skill-building opportunities. Scholarships and mentorship programmes can help ladies pursue their academic and leadership goals.

Furthermore, vocational training programmes in STEM subjects can help girls get the necessary skills for professions in historically male-dominated industries. The benefits of empowering women go beyond personal development to include societal improvement and economic success. Empowered girls are better equipped to fight for gender equality, resulting in more inclusive and equitable communities.

Engaging boys and men as allies in furthering gender parity is critical for long-term societal transformation. Implementing educational programmes in schools and communities that focus on gender equality and good masculinity can help to challenge stereotypes and encourage respect and empathy





among boys and men. Showcasing strong male role models who advocate for gender equality can motivate boys and men to mimic their behaviour and ideals.

Organising father-son bonding activities or seminars may lead to open talks about gender equality, consent, and respectful behaviour towards women and girls. Furthermore, establishing support groups or forums where men may discuss gender equality concerns creates a safe space for confronting harmful beliefs and behaviours. Diversity and inclusion programmes in the workplace that promote gender equality and respectful behaviour among male employees help to enhance gender equity in society as a whole.

Media competency plays a pivotal role in challenging gender norms and representations in media. By imparting media literacy skills, Botswana can empower young people to critically evaluate and deconstruct gender stereotypes portrayed in media. Encouraging youth to create media content challenging gender stereotypes fosters a more inclusive media landscape.

Incorporating media literacy education into school curricula ensures students receive systematic instruction on analyzing media content and recognizing gender biases from an early age.

Economic empowerment serves as

a potent instrument for advancing gender equality in Botswana and the core of it is policy. Policy advocacy is essential for driving systemic change and advancing gender equality. Advocating for policies and laws promoting gender equality and protecting the rights of women and girls creates an enabling environment for women's economic empowerment. Involving young people in advocacy efforts ensures their voices are heard, and their concerns are addressed at all levels of governance.

Policy advocacy challenges existing power structures and advocates for the redistribution of resources and opportunities, thereby addressing systemic inequalities and creating pathways for women and girls to thrive. By prioritizing initiatives empowering women economically and addressing systemic barriers, Botswana can unleash the full potential of its women and expedite progress towards a more equitable and prosperous future for all. Empowering women translates to empowering Botswana.

Lastly it is imperative to generate data that is specific to gender. This method enables a deeper comprehension of how individuals of different genders encounter diverse phenomena like economic opportunities, health outcomes, educational achievements, and social experiences. Gender-specific data unveils differences, disparities, and distinctive obstacles encountered by various gender groups, thus guiding

precise interventions, policies, and initiatives to tackle these issues efficiently. Furthermore, such data aids in monitoring advancements toward gender equality objectives and pinpointing areas necessitating additional efforts to guarantee fair outcomes for all genders.

A report commissioned by the United Nations has underscored significant deficiencies in gender-related data, revealing that by December 2020, a mere 35.3% of the requisite indicators for monitoring Sustainable Development Goals (SDGs) were accessible.

These gaps are conspicuously evident in critical domains like unpaid care and domestic responsibilities, gender and poverty, instances of physical and sexual harassment, women's access to assets such as land, and gender-related environmental concerns. Addressing these disparities in gender-related data is paramount for Botswana to fulfill its commitments to gender-related SDGs.

A multi-faceted approach involving policy advocacy, economic empowerment, education, community engagement, and media competency is essential for advancing gender equality in Botswana. By addressing systemic barriers and empowering women and girls, Botswana can create a more inclusive and equitable society, benefiting all its citizens.




Marang Selolwane

Director

BA DRAMATIC ARTS | UNIVERSITY OF PRETORIA
BA HONOURS DRAMA AND FILM | UNIVERSITY OF WITWATERSRAND

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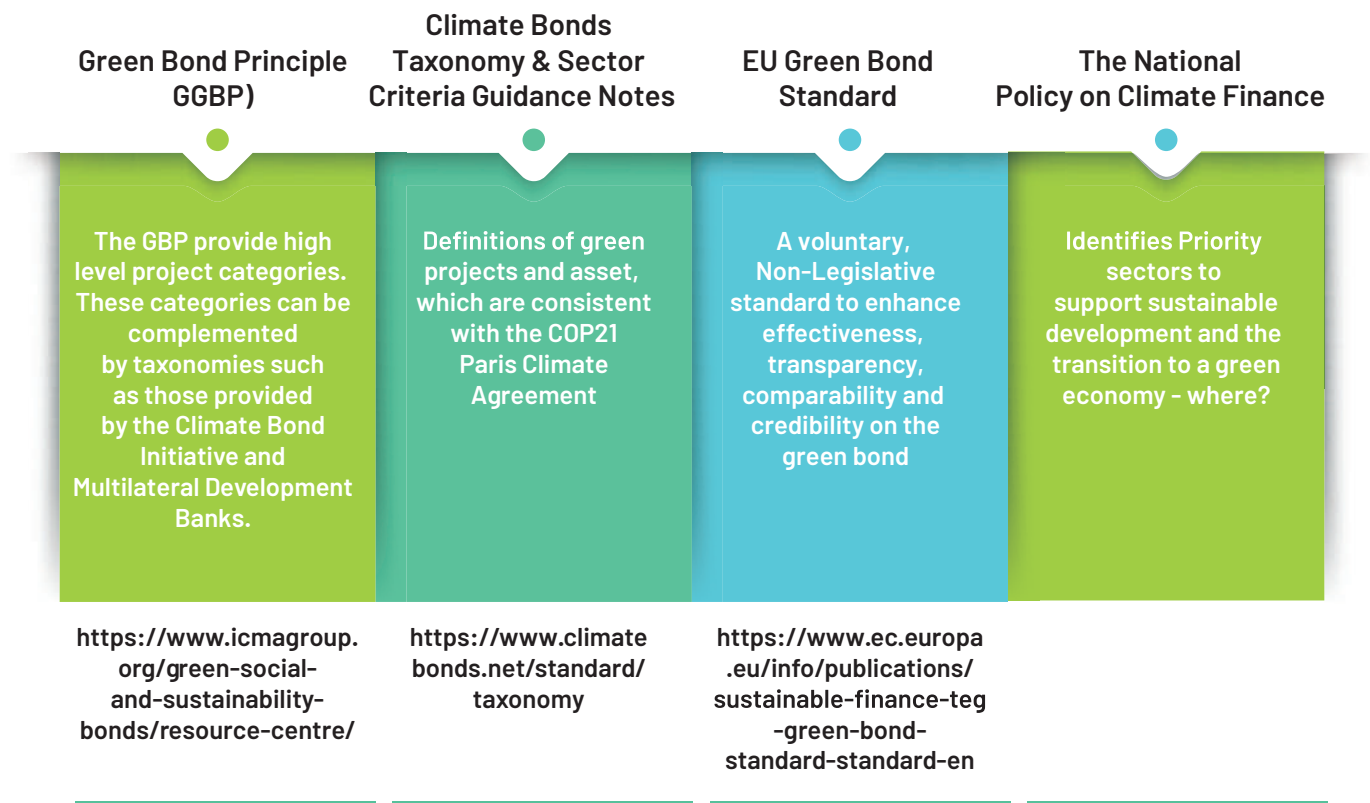
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Green Bonds Issuance Process

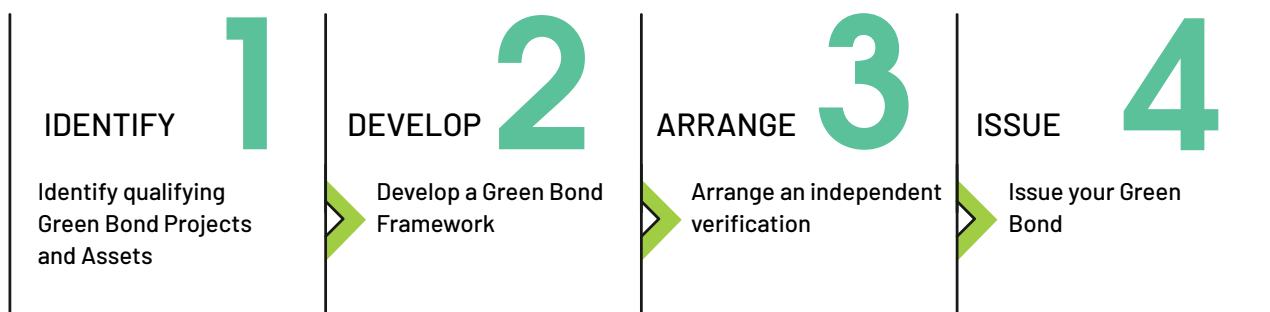
Green Bond Issuance Overview

The issuance of a Green Bond requires additional steps to the normal bond issuing process to ensure the credibility of the green label to investors. These steps provide investors with the transparency and disclosure on what is being financed by the green bond and to ensure it complies with international best practices and standards.

International Best Practices and Standards



Preparation- Pre-Issuance Phase





The following steps are involved in the pre-issuance of the green bond:

Step 1- Identify qualifying green projects and assets

The key feature of a Green Bond is that the proceeds are solely used for eligible green projects or assets. The 'greenness' of a company does not matter - it's about the physical assets or projects. References that list out eligible project categories that can be considered for a green bond and help guide the identification process can be found in the GBP's, the Climate Bonds Taxonomy or the EU Taxonomy.

Step 2- Develop a Green Bond Framework

The green bond framework sets out the issuer's policies and internal procedures governing the issuance of the Green Bond – See Section 4 for full details

Step 3 - Arrange an independent verification

A credible independent review and verification is a requirement and protects the issuer's reputation while providing investors with assurance. The verification process is typically performed by an external reviewer, who assesses the list of projects using the Climate Bonds Standard for Certification or the Green Bond Principles in the case of a Second Party Opinion.³ The verifier can also assist with identifying green assets

Who is an approved verifier under the Climate Bonds Standards?

An Approved Verifier under the Climate Bonds Standard is an external reviewer that is able to demonstrate the competency and experience in the following areas:

- a. Issuance of instruments in the capital markets and management of funds within issuing organisations.
- b. Technical characteristics and performance of low carbon projects and assets in the areas covered by the specific criteria available under the Climate Bonds Standard.
- c. Provision of Assurance Services in line with the International Standards on Assurance Engagements ISAE 3000

In addition to the 3 criteria laid out above, approval of Verifiers is also based on their geographical coverage and areas of technical competence:

- d. Geographical coverage of the approval is aligned with the coverage provided by the Verifier's insurance policies for professional indemnity / professional liability.
- e. Technical scope of the approval is determined by the Verifier's level of experience and expertise in the different technical sectors covered by the Climate Bonds Standard.

Refer to the Climate Bonds Initiative website for a comprehensive list of Approval Verifiers, along with their geographical scope and context: [<https://www.climatebonds.net/certification/approved-verifiers>].

Step 4 - Issue your Green Bond

The normal steps for issuing a vanilla bond applies.

- Structure the bond working with an investment bank or advisor
- Prepare bond documentation i.e. Information Memorandum
- Seek the required regulatory approval
- Market the Green Bond

Post-Issuance

For Certified bonds, the issuer must issue a post-issuance report signed off by an independent verifier. The post-issuance report is a one-off report which confirms that the proceeds have been applied and the systems (documentation, processes, systems, etc.) have been setup as described in the pre-issuance Green Bond Framework. See sample in annex ***

The annual report is a report that is published for the life of the bond to confirm:

- That the proceeds are still properly allocated to green projects
- The report is a self-declared document and does not require external signoff



BSE BOARD RETREAT 2024: CHARTING A BOLD FUTURE



The Botswana Stock Exchange Limited (BSEL) concluded its transformative Board retreat on March 12th, 2024, in the scenic Kasane, Chobe, marking a pivotal moment in the institution's journey towards fostering economic and capital markets growth and inclusivity in Botswana.

A Strategy Review and Vision for Growth

Over two days, the BSEL Board, under the visionary leadership of the current Chairperson, Ms. Neo Mooki, dedicated themselves to a comprehensive review and recalibration of the BSEL's strategic direction. "This retreat was a momentous occasion to reset our path forward," remarked the Chairperson. The Board unanimously committed to a reenergised strategy focusing on expanding the exchange, enhancing public understanding and engagement with the BSEL, and forging strong community partnerships. "Our goal is clear - to create a resilient, inclusive, and prosperous economic future for all Batswana," the Chairperson added.

Empowering Communities Through Philanthropy

A highlight of the retreat was the BSEL's Corporate Social Responsibility (CSR) initiative, supporting a women-led SME

in Chobe that crafts and sells baskets, contributing significantly to local community welfare. The BSEL proudly donated P20,000 to this cause, emphasizing its commitment to empowering women entrepreneurs.

In an act of leadership and philanthropy, the Chairperson has elected to donate all of her Board sitting remuneration towards good causes and charities in Botswana. A significant portion of the funds, including the P20,000 donated to the women-led SME in Chobe, originates from the Chairperson's recent Board sitting remuneration. This generous contribution underscores the Chairperson's commitment to making a tangible difference in the communities we serve.

"These women are not just artisans; they are the bedrock of our society, embodying resilience, creativity, and hope," the Chairperson stated, underlining the significance of this gesture towards promoting entrepreneurship and self-reliance among women.

Leadership Transition and the Way Forward

The Board also addressed the resignation of CEO Mr. Thapelo Tsheole, expressing their deep appreciation for his leadership and contributions to the BSEL's success.

The Board assures stakeholders of a seamless transition, with intention to announce the plans regarding the successor in early April 2024. "While we bid farewell to Mr. Tsheole, we look forward with optimism to the next chapter in the BSEL's story, confident in our direction and the collective resolve to continue our journey of growth and transformation," the Chairperson concluded.

The BSEL Board retreat has laid a robust foundation for the future, promising a period of renewed focus, strategic initiatives, and unwavering commitment to the economic empowerment of Botswana and its people.

About the BSEL

The BSEL is Botswana's national stock exchange, tasked with facilitating economic growth and development by providing a transparent, efficient, and inclusive platform for investment and wealth creation.

By Order of the Board





LOOKING TO INVEST IN BONDS?

DID YOU KNOW? YOU CAN INVEST IN BONDS LISTED ON THE BSE THROUGH THE BSE BROKERS.

A Bond is an investment product with which an investor can earn interest income through loan agreement and ultimately get their money back at the end of the loan agreement.

For example, a company may decide to issue a Bond with a value of P10,000.00, interest rate of 5% per year for a period of 5 years.

This means the investor lends the company P10,000.00 for a period of 5 years, over which period the investor shall receive interest payment of P500 every year, and receive the original P10,000.00 at the end of 5 years.

The main benefit of investing in Bonds is to earn interest income. Generally, are considered low-risk investment product.

Investing in Bonds also has risks, such as investment losses arising from the company's failure to pay interest or repay the principal amount borrowed. It is advisable to get expert advice from your broker.

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BOTSWANA STOCK EXCHANGE STANBIC BANK SENIOR SECONDARY SCHOOLS FINANCE AND INVESTMENT COMPETITION 2024

THE BOTSWANA STOCK EXCHANGE (BSE) INVITED ALL SENIOR SECONDARY SCHOOLS AROUND BOTSWANA TO PARTICIPATE IN THE BOTSWANA STOCK EXCHANGE STANBIC BANK SENIOR SECONDARY SCHOOLS FINANCE AND INVESTMENT COMPETITION 2024.

An exciting platform that offers students an opportunity to test their trading skills in a financial risk-free environment and cultivate a culture of investing at a young age.



The following Schools have enrolled for the competition:

SCHOOLS	LOCATION	SCHOOLS	LOCATION
1. Al - Nur School	Gaborone	9. Masunga Senior Secondary School	Masunga
2. Bothale Cambridge International School	Gaborone	10. Naledi Senior Secondary School	Gaborone
3. Francistown Senior Secondary School	Francistown	11. Pioneer Academy	Ghanzi
4. John Mackenzie School	Francistown	12. Regent Hill International Secondary School	Gaborone
5. Kweneng International Secondary School	Molepolole	13. St Joseph's College	Gaborone
6. Livingstone Kolobeng College	Gaborone	14. Swaneng Hill School	Serowe
7. Lobatse Senior Secondary School	Lobatse	15. The Dow Academy	Mochudi
8. Maru-a-Pula School	Gaborone		

Each participating school stands a chance to win a share of P55,000.00 in prizes!

Stay tuned: The Weekly Leaderboard featuring top 10 performing Schools will be updated every Friday and shared across BSE Social Media pages.

Happy Trading!!



The Stock Market Simulator mobile application is available on App Store and Google Play Store.



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WHAT IS THE STATE OF GENDER PARITY REGIONALLY?

By Victor Baatweng

International Women's Day, celebrated annually on March 8th, serves as a global platform to recognize and champion the achievements of women while advocating for gender equality and women's empowerment.

As the globe reflects on this year's International Women's Day, it is imperative to assess the progress made by various countries, including Botswana and her neighbours, in advancing women's rights and empowerment.

In recent years, Botswana has achieved notable milestones in women's empowerment. According to Ms. Wilhemina Makwinja, Chairperson of the Botswana Parliamentary Caucus on Women, the government has enacted legislation to promote gender equality, including the Economic Inclusion Act, to cater for the inclusion of women in the overall development of the country.

Additionally, initiatives like the Women Economic Empowerment Programme and the Women's Grant under the Department of Gender Affairs provide seed money for women's groups to help jumpstart women-led small business projects, though implementation challenges persist.

"The Women Economic Empowerment

Programme and the Women's Grant under the Department of Gender Affairs are two such examples albeit with implementation challenges.

These agendas provide seed money for women's groups to help jumpstart women-led small business projects", says Ms Makwinja.

Ms. Makwinja emphasizes the importance of women's presence in the business sector and in leadership positions, stating that it is paramount to the government's commitment to accelerating progress on women's empowerment.

She praises the current government led by His Excellency, Dr. Mokgweetsi Eric Keabetswe Masisi, for its intentional effort in ensuring women's visibility in leadership positions across various sectors.

Notable women in leadership positions, including the Permanent Secretary to the President and her deputy, Director of Public Service Management, Clerk of the National Assembly, Director General of the DCEC, BURS, and Commissioner of Botswana Police Service, exemplify the government's commitment to gender equality.

Is it all rosy?

Despite notable wins, it has become clear that challenges persist in Botswana's journey towards gender equality.

To date, Botswana women continue to face barriers such as gender-based violence, limited access to resources, and cultural norms that reinforce traditional gender roles. Addressing these challenges requires sustained efforts from the government, civil society, and the private sector to ensure that women have equal opportunities to thrive.

The country's Gender Commission acknowledges some progress in promoting women's empowerment and gender equality but highlights remaining disparities in many areas.

Ms. Joy Phumaphi, Chairperson of the Botswana Gender Commission, emphasizes the multifaceted nature of women's empowerment, encompassing various dimensions such as political representation, healthcare, social rights, and economic participation.

While Botswana has made strides in education and healthcare access, Phumaphi identifies areas needing



improvement, including healthcare, financial literacy, and political representation.

“Botswana has made great strides in making women ready by giving them equal access to education and health services which has been a key driver of growth and development in our country enabling us to reach middle income. But why have we been in the middle for so long?” Phumaphi rhetorically ask.

In her own assessment, the drawback that Botswana and its women are facing is due to many factors but key amongst them the grey areas identified in areas such as financial literacy, political representation and health care services. How are other countries doing?

Turning to Botswana’s neighbor, South Africa, often regarded as a regional powerhouse, significant strides have also been made in promoting gender equality and women’s empowerment since the end of apartheid.

The South African government has implemented progressive policies and legislation to promote gender equality, including the Promotion of Equality and Prevention of Unfair Discrimination Act and the Employment Equity Act. These laws aim to address historical injustices, combat gender-based discrimination,

and promote women’s participation in the workforce.

In addition to legislative measures, South Africa has prioritized women’s empowerment through targeted programs and initiatives. Affirmative action policies aim to increase women’s representation in leadership positions and improve their access to education and healthcare. Despite progress, challenges such as gender-based violence, economic disparities, and cultural norms persist, hindering women’s advancement.

Similarly, Namibia, a neighboring country of Botswana and South Africa, has also made significant strides in promoting gender equality and women’s empowerment. The Namibian government has implemented policies and programs to address gender disparities and promote women’s participation in all sectors of society. Initiatives such as the Gender Equality and Women’s Empowerment Policy Framework aim to advance gender equality and empower women in Namibia.

According to the World Economic Forum’s Global Gender Gap Report 2021, Namibia ranks relatively high in gender equality compared to other countries in the region. It ranks 81st out

of 156 countries, with notable progress in political empowerment, economic participation and opportunity, and educational attainment for women. However, challenges such as gender-based violence and limited access to healthcare and economic resources persist.

Despite these challenges, Namibia has demonstrated a commitment to advancing women’s rights and empowerment. The country’s National Gender Policy Framework aims to mainstream gender considerations in all sectors of government and society, promoting gender equality and women’s empowerment as integral to sustainable development.

As it stands, Botswana, and its two neighbours - South Africa and Namibia face similar challenges in women’s empowerment, requiring a comprehensive approach to address root causes of gender inequality. Moving forward, prioritizing women’s empowerment through collaborative efforts between government, civil society, and the private sector is crucial to creating more inclusive and equitable societies where women can thrive and fulfill their potential.



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Stockbrokers Botswana is a registered member of the BSE and provides stockbroking services that cover a wide range of products listed on the BSE, including equities, bonds, and Exchange Traded Funds. Established in 1989 as the first stockbroking firm, the company has been instrumental in developing Botswana's capital market. In addition, the company has established strong and lasting relationships with domestic institutional and individual investors and the largest active emerging market investors in the SADC region.

IMARA CAPITAL SECURITIES

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Imara Capital Securities (Pty) Ltd (formerly Capital Securities) was established in 1999 and started stockbroking operations in March 2000 as part of the Capital Group of companies. Imara Capital Securities became a part of the Imara Group of companies following Imara Holdings Ltd, the Pan- African financial services provider's purchase of a majority stake in the company.

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Motswedi Securities is a leading Botswana citizen-owned stock brokerage firm. Formerly known as Investec Securities (Botswana) (Pty) Limited, Motswedi Securities were the second stock brokerage firm registered in Botswana, with trading activities commencing in 1998.

As member of the BSE, they offer quality service to individuals and institutions who seek to gain wealth by:

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On the primary issuance side, they pride themselves in having brought many quality listings to the BSE and continue to do so at present.



LISTINGS AND TRADING

VARIOUS METHODS OF LISTING ON THE BOTSWANA STOCK EXCHANGE

Introduction	<p>This is a method of listing a company without the company offering new or existing shares to the public. A company will use this method if the required number of shareholders already complies with the BSE Equity Listings Requirements. With this method, there is no capital inflow to the company or its shareholders arising from the listing.</p>
Offer for sale	<p>An offer for sale is a method of listing where existing shareholders of a company invite the public to subscribe to their shares already in issue. Offer for sale does not result in new issuance of shares but rather, already existing shareholders re-sell some of the shares they hold.</p> <p>This, is usually done to restructure the company shareholding so that the company can meet the public float or shareholding requirements of the BSE. It can also be used as an avenue for founding shareholders to cash in on their investment by reducing their shareholding in the company.</p>
Offer for subscription	<p>This is an invitation by the company to the public to subscribe for shares in the company. With this method, the company issues new shares and sells them to new investors other than its existing shareholders.</p> <p>This way the shareholding structure of a company is adjusted and the proceeds from the transaction accrue to the company as equity capital. This is employed by companies that list in order to raise capital to expand their operations.</p>
Placing	<p>Placing is a method of listing a company that involves marketing shares already in issue but not listed, to specified investors and does not involve an offer to the public or existing shareholders.</p> <p>It differs from Offer for Sale and Offer for Subscription in that the shares are offered to a select group of investors and not to the general public. Usually, placing is undertaken through a private placement with institutional investors as opposed to an Initial Public Offering (IPO).</p>
Initial Public Offering	<p>An IPO is when the securities of a company are offered to the public for the first time.</p>
Private Placement	<p>Private placement is an offer of securities to a small number of select and private investors as a way of raising capital</p>



BSE LISTED COMPANIES BY SECTOR

Financial Services and Insurance



Security Services



Retail and Wholesale



Property



Banking



Energy



Agriculture



Telecommunications



Mining



Tourism



Stock Market Terms

M B A U M G H L E S O L C S U O I V E R P I C O
 Y Y C 5 T D A A I U H H E A 5 L V B D L D M L T
 V L U D K 5 N N L N 2 U O 2 E G L H D A D B N W
 E N M I H K S A A S A P P E R A T I O H W M K W
 O R U 5 O U S H A R E S O U T S T A N D I N G K
 U E 2 B X E R Y G C O B I D S K E B K M U G C G
 P R N E 2 H B O K I T L 2 H E E E D H C A A W B
 W A N 2 5 Y D B V A L H A H U R O E C U N I P K
 U H A X E G N A H C X E Y A A D I A A V 5 I Y R
 B S W C N H G V Y R W R O H D C C Y S U 2 H D X
 W R G U M K G L 5 H R G S O C L T G 5 K W V H E
 E E U S E M W O K I I R Y W V T S A L O E K T L
 K P N M M H R A U W E G A P X H 5 X O G E V C N
 U S C L W D H E C P O K H T O E M Y P 5 K G H G
 T G M X M D B D S E V B R M U P T M E H L W I N
 U N W A H G A D O G U E M U L O V W N N O O T N
 X I I Y B Y N W X N E W X V B L S R 2 L W G R K
 5 N A P L E Y P I A B D A D N H Y N M H M H N L
 L R B O D S E O D H O B E L R D C A L B Y X W U
 I A W I O G Y X G C K I L B Y E R L 2 T B 2 O X
 R E V A C U R R E N T D I V I D E N D Y I E L D
 C I N C U X M S R H I W M K R U W N D X P 5 L S
 D M L O H T P H O A A L 5 P U A O Y U U V T C V
 L X E S N W R W E E T B H G I H K E E W 2 5 Y P

Source: WordMint

Current Dividend Yield
 Earnings per Share
 52 Week Low
 Day High
 Change
 Ask

Dividends per Share
 Previous Close
 Exchange
 Day Low
 Open
 Bid

Shares Outstanding
 52 Week High
 PE Ratio
 Volume
 Last



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"Financial Inclusion is the concept of ensuring that the mass majority are availed of economic and financial products and services to meet their needs. Hence, as the BSE, it is our obligation to pursue strategies that will enable the general public to access our various offerings in terms of investment options for retail clients and capital-raising opportunities for prospective issuers. In time, such endeavours will contribute towards the overall growth of our economy."

- BSE Board Member, Mrs Itumeleng Mareko



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WEBINAR ON EXCHANGE TRADED PRODUCTS A FOCUS ON ACTIVELY MANAGED CERTIFICATES (AMCs) & ACTIVELY MANAGED EXCHANGE TRADED FUNDS (AMETFs)



Tuesday
19th March, 2024

Live on
ZOOM

08:30hrs-
10:45hrs



Welcome Remarks

Mr. Thapelo Tsheole
CEO, BSE



Speaker - AMETFs

Ms. Iva Madjarova, CFA
Head of Institutional
Business, Sygnia Limited



Speaker - AMCs

Ms. Adele Hattingh
Manager, Business Development
and Exchange Traded Products,
JSE Limited



Speaker - ETP Landscape

Mr. Kopano Bolokwe
Head of Product
Development, BSE



Vote of Thanks

Ms. Rosinah Tshoganetso, CFA
Listings Specialist, BSE



Facilitator

Ms. Otsile Pilane
Product Development
Specialist, BSE



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THE TANZANIA CAPITAL MARKETS ROUNDTABLE AND SADC SUSTAINABILITY WORKSHOP



Background

The Committee of SADC Stock Exchanges (CoSSE) and FSD Africa, jointly organized a three-day Tanzania Capital Markets Roundtable and Sustainability Workshop, held from February 28 to March 1, 2024, at the Serena Hotel in Dar es Salaam, which was a significant gathering of key stakeholders in the financial sector including key industry leaders, regulators, exchanges, government official, and potential issuers of sustainable and green bonds.

The event aimed to delve into various aspects of sustainable finance, innovative climate financing instruments, given the critical role played by capital markets in mobilising both public and private capital.

The Workshop

The first day of the workshop commenced with a welcome address by Keneilwe Baitshenyetsi, CoSSE Coordinator, who set the tone for the event and provided the overview of the session's objectives. Opening remarks were noted from Mr. Euan Davidson, Head of the British High Commission's Economic Section who underscored the pressing need for financing across both public and private sectors, emphasizing that capital markets serve as indispensable vehicles for addressing these urgent needs. And Mr. Kopano Bolokwe, Head of Product Development at the BSE, on behalf of the CoSSE Chairperson, who emphasized and signified the need for a collective commitment to advancing sustainable finance in the SADC region.

The Guest of Honour, Minister of Education, Science and Technology of the United Republic of Tanzania, Hon. Prof. Adolf Mkenda delivered the opening remarks on behalf of the Minister of Finance. In his opening, Hon Prof. Adolph Mkenda highlighted the importance of the conference in shaping the development of capital markets in the region. He commended the efforts of organizers and participants in promoting sustainable finance and addressing climate change challenges.

The morning session proceeded with a focus on developmental challenges in Africa, FSD Africa's work on sustainable finance, and an exploration of innovative financing instruments.

Notable sessions also included TED-style talks and discussions on opportunities for innovative climate finance, thematic debt instruments, the role of guarantors in sustainable issuances, supporting financial inclusion and Sustainability, and the role of government, regulators, issuers, institutional investors, arrangers and SPO providers in supporting SADC achieve its NDC and Paris Agreement commitments.

Through these TED-style talks and discussions, distinguished experts demonstrated innovative solutions across the financing lifecycle of green projects, stimulating a discussion on how to scale-up existing instruments to attract investors, enhance creditworthiness, reduce borrowing costs, support access to capital, and accelerate green economic development in Africa.

Ms. Grace Mdemu, an Associate

in Capital Markets at FSD Africa, who moderated the TED-style talks and discussions, further shared insightful remarks highlighting the groundbreaking issuance of East Africa's first Subnational Water Infrastructure Revenue Green Bond by Tanga Urban Water and Sanitation (Tanga UWASA) in the Tanga region. Grace shed light on the significance of leveraging domestic capital markets to raise green finance for sustainable water infrastructure projects, underscoring the crucial role of supportive leadership in fostering such initiatives.

The day concluded with a panel discussion on capital raising using themed instruments, featuring prominent panelists from various financial institutions.

The panel session discussion was moderated by Mr. Vimal Parmar, Senior Specialist, Capital Markets with esteemed panelists from regulators (Dar-Es-Salaam Stock Exchange (DSE), Capital Markets Securities Association (CMSA)), investors (British International Investments (BII)), Kelp Blue Namibia and Zambia National Commercial Bank Plc (ZANACO).

The panel session discussed the role of various regulators in promoting sustainable bond issuances, the opportunities in raising sustainable finance by potential issuers, and the process involved. The session also provided invaluable insights on the considerations that investors look for when investing in such instruments either through anchoring them or crowding in other investors.

The second day delved into the key components of a sustainable finance framework, emphasizing the



use of proceeds, project evaluation, management, and reporting.

The day included a training session by Sustaynalitics with a focus on second-party opinions and their role in the sustainable bond issuance process. The day included presentation of the Jamii bond issuance, a case study by NMB. It entailed discussions and Q&A sessions, highlighting challenges, opportunities and success stories based on the business case.

The final day began with an insightful workshop and group discussions by potential SADC issuers with regulators and other market players. Practical exercises incorporated learnings from the previous days, enhancing the understanding of the issuance process and capital raising in the market.

During the Q&A session, participants engaged in a thorough exploration of green bonds and sustainable finance, discussing various aspects and implications of these financial instruments for environmental and social sustainability.

One notable query revolved around the utilization of green bond funds and the challenges faced in identifying suitable projects. While

discussions highlighted sectors like agriculture, green buildings, and transportation as potential areas for fund allocation, specific data on fund uptake and project identification hurdles were lacking. A more detailed exploration of these challenges could have provided deeper insights into the practical implications of green bond investments. The event concluded with closing remarks, expressing gratitude for the participants' active engagement.

Conclusion

The Tanzania Capital Markets Roundtable and Sustainability Workshop provided a valuable platform for knowledge exchange, collaboration, and exploration of sustainable finance solutions. By harnessing the collective expertise, innovation, and commitment of stakeholders, the workshop laid the groundwork for future progress and impact in advancing sustainable finance objectives, which will ultimately promote sustainable/green bond issuance in the region.

FSD Africa and CoSSE would like to acknowledge the contributions of all sponsors, participants, speakers, and organizers. The knowledge shared during this workshop is expected to play a pivotal role in

shaping the future of sustainable finance in the Tanzanian and SADC markets. We express our sincere gratitude to everyone involved in making this event a success and we specially thank the Key Speakers and Panelists listed below:

- Ms. Mary Njuguna on behalf of Dr. Evans Osano, Director, Capital Markets, FSD Africa
- Hon. Dr. Mwigulu Nchemba, Minister of Eductaion on behalf of Hon. Dr. Mwigulu Nchemba, Minister of Finance
- Euan Davidson, Head of Economic Section, British High Commission
- Mr. Kopano Bolokwe, Head of Product Development at the BSE, on behalf of Mr. Thapelo Tsheole, Chairman CoSSE
- Vimal Parmar, Senior Capital Markets Specialist
- Grace Mdemu, Associate, Capital Markets – Green Finance
- Keneilwe Baitshenyetsi, CoSSE Co-ordinator
- Aziz Chacha, Treasurer – NMB Bank Tanzania
- Mary Mniwasa, Dar es Salaam Stock Exchange
- Ivor Chambwe, Zanaco Zambia
- Cayne Moffat, Kelp Blue
- Dimitri Da Gama Rose, British International Investments





EVENT PARTNERS:



About CoSSE

Formed in 1997, CoSSE is a collective and cooperative body of the 14 stock exchanges in the Southern African Development Community (SADC) region. CoSSE is mandated to accelerate the development of the SADC capital markets through cooperation and collaboration between SADC stock exchanges and other key SADC institutions and stakeholders.

The Botswana Stock Exchange hosts the CoSSE Secretariat, which has close working relations with the SADC Secretariat, and SADC Structures such as the Committee of Central Bank of Governors (CCBG), Committee of Insurance, Securities and Non-Banking Financial Authorities (CISNA), the Committee of Ministers of Finance and Investment (CoMFI) and the Committee of Senior Treasury Officials (CoSTO).

For more information about CoSSE, visit our website at:

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