



SHAREHOLDERS' RIGHTS AND OBLIGATIONS

WEMA BANK PLC.

TABLE OF CONTENTS

1. Commitment	4
2. Shareholders' Rights.....	4
3. Shareholders' Obligations.....	5
4. Obligations of the Board.....	6

1. COMMITMENT

Wema Bank remains committed to the highest standards of Corporate Governance and understands and respects its fiduciary role and responsibilities to its shareholders. It is on this basis that the Bank has set out the following provisions to guide all internal and external parties concerned, as a governance covenant between the Bank and all its shareholders.

2. SHAREHOLDERS' RIGHTS

Towards the protection of shareholders and minority interests, the Board of Directors (the Board) shall be committed to and respect the following rights of the shareholders.

a) Right to Attend Meetings and Vote

- i. Every shareholder shall have a right to attend any general meeting of the Bank and to speak and vote on any resolution before the meeting, provided that all calls on shares or other sums payable by such shareholder to the Bank have been duly paid.
- ii. Shareholders shall have the right to elect, remove and replace directors and vote on certain fundamental corporate acts, in accordance with the Companies and Allied Matters Act and Articles of Association of the Bank.
- iii. Every shareholder personally present shall have one vote only on a show of hands. Votes may also be by poll as may be demanded.

b) Right to Information

- i. The shareholders shall have access to information relating to matters for which the management is accountable and should disclose to the shareholders.
- ii. The shareholders shall be provided, upon request, with periodic reports which disclose general personal and professional information about the

directors and officers of the Bank, and certain other matters such as the directors' and officers' holdings of the Bank's shares, dealings with the Bank, and the aggregate compensation of the directors and officers.

c) Right to Dividends

- i. All shareholders shall have the right to receive dividends, as may be declared by the discretion of the Board and upon regulatory approval.
- ii. The general meeting shall have power to decrease the amount of dividend recommended by the directors but shall have no power to increase the recommended amount.

d) Right to Dissent

The shareholders shall have the right to dissent and demand payment of the fair value of their shares in the manner provided for under the Companies and Allied Matters Act.

e) Right to Sue

The Shareholders shall, in accordance with the Companies and Allied Matters Act, have the right to institute legal proceedings in the name and on behalf of the Bank, if the Board refuses or neglects to do so.

f) Inspection of Corporate Books and Records

Subject to reasonable restrictions in accordance with the Companies and Allied Matters Act and jurisprudence, all shareholders shall be allowed to inspect the corporate books and records of the Company, including minutes of Board meetings and shares registry, and shall be furnished with annual reports, including financial statements during business hours, at no cost.

g) Right to Transfer Shares

The Shareholders shall have the right to transfer any portion of their shares, subject to the provisions of the Bank's Articles of Association and the Companies and Allied Matters Act.

3. SHAREHOLDERS' OBLIGATIONS

- i. All shareholders shall conduct themselves with decorum during all functions of the Bank, including general meetings and shall act in a manner so as not to expose the Bank to any civil or criminal liability. Shareholders shall act, at all times, in the best interest of the Bank.
- ii. Shareholders shall, prior to winding up, be liable to contribute the balance, if any, of the amount due and payable in respect of the shares held by them in accordance with the terms of the agreement under which the shares were issued or in accordance with a call validly made by the Bank pursuant to its Articles of Association.
- iii. Where any contribution has become due and payable by reason of a call validly made by the company pursuant to the articles or where, under the terms of any agreement with the company, a member has undertaken personal liability to make future payments in respect of shares issued to him, the liability of the member shall continue notwithstanding that the shares held by him are subsequently transferred or forfeited under a provision to that effect in the articles, but his liability shall cease if and when the company shall have received payment in full of all such moneys in respect of the shares.

4. OBLIGATIONS OF THE BOARD

- i. The Board shall promote shareholders' rights, remove impediments to the exercise of shareholders' rights, and implement frameworks to enable shareholders seek redress for violation of their rights.
- ii. The Board shall treat all shareholders fairly and ensure effective communication and relations with all shareholders.
- iii. The Board shall encourage the exercise of shareholders' voting rights and the resolution of collective action problems through appropriate mechanisms.
- iv. The Board shall ensure that minority shareholders are adequately protected from overbearing influence of controlling shareholders.

- v. The Board shall ensure that the bank promptly provides to shareholders documentary evidence of ownership interest in the bank such as share certificates, dividend warrants and related instruments. Where these are rendered electronically, the Board shall ensure that they are sent in a secure manner.