

KAKUZI

Growing Together

KAKUZI PLC BOARD CHARTER

2024



TABLE OF CONTENTS

1. PURPOSE	3
2. BOARD STRUCTURE	3
2.1 BOARD COMPOSITION	3
2.2 ELECTION, RE-ELECTION, APPOINTMENT OR RE-APPOINTMENT OF DIRECTORS	5
2.3 RESIGNATION OR REMOVAL OF A DIRECTOR	5
3. GOVERNANCE ROLES	6
3.1 ROLES AND FUNCTIONS OF THE BOARD	6
3.2 ROLES OF THE CHAIRPERSON	10
3.3 ROLES OF THE COMPANY SECRETARY	12
3.4 ROLES OF THE MANAGING DIRECTOR	12
3.5 ROLE OF THE DIRECTORS	13
4. BOARD PROCESSES	13
4.1 BOARD WORK PLAN	13
4.2 BOARD MEETINGS	13
4.3 BOARD PAPERS	15
4.4 BOARD COMMITTEES	15
4.5 BOARD INTERACTIONS WITH MANAGEMENT	16
4.6 ACCESS TO INFORMATION AND INDEPENDENT ADVICE	16
4.7 RELATIONSHIP WITH SHAREHOLDERS AND STAKEHOLDERS	16
5. BOARD EFFECTIVENESS	16
5.1 BOARD EVALUATION	16
5.2 DIRECTOR DEVELOPMENT	17
5.3 BOARD REMUNERATION	17
5.4 DIRECTOR PROTECTION	18
5.5 SUCCESSION PLANNING	18
5.6 TERM LIMITS	18
5.7 DIRECTOR AGE LIMITS	18
5.8 OTHER DIRECTORSHIPS	18
6. DOCUMENT CHANGE HISTORY	19



1. PURPOSE

The Board of Directors (the Board) of Kakuzi PLC (the Company), is committed to ensuring that the business runs in a professional, transparent, just and equitable manner to protect and enhance shareholder value and satisfy the interests of other stakeholders. This Board Charter recognizes and aims to adopt related best practices and guidance from the provisions of the Code of Corporate Governance Practices for Issuers of securities to the Public, 2015 (the Code), Companies Act, 2015, the Company's Memorandum and Articles of Association and any applicable law or regulatory provision. The document is in no way intended to replace or amend the Company's Memorandum and Articles of Association in any way whatsoever.

The purpose of the Board Charter is to promote the highest standards of Corporate Governance and to set out the role, composition and responsibilities of the Board of Directors. The Board Charter serves not only as a reminder of the Board's roles and responsibilities but also as a general statement of intent and expectation as to how the Board discharges its duties and responsibilities.

2. BOARD STRUCTURE

2.1 Board Composition

a) Board Size

The Board shall be of such a number that it meets the requirements of the Company's business. The size of the Board shall be optimal to allow interactive and inclusion of broader expertise and skills that promote the effectiveness of the Board and the formation of its committees.

In line with Article 26 of the Company's Articles of Association, the Board members shall comprise no less than two (2) and no more than nine (9) members.

b) Independence

Independent Directors are essential for protecting the interests of shareholders and can make significant contributions to the Company by bringing in the quality of detached impartiality. The total number of Independent Non-Executive Directors, should at least be one- third of the Board.

The Board will disclose compliance with this requirement to the shareholders annually.

Director's Independence status will also be reviewed and determined annually as per prevailing legislative and regulatory requirements.

The Board has adopted a definition of independence as per the Code. An Independent Board member shall observe the following criteria and measures:

- Has not been employed by the Company in an executive capacity within the last three years;
- Is not associated with any of the following:
 - i) An adviser or consultant to the Company;
 - ii) A member of the Company's senior management;
 - iii) A significant customer or supplier of the Company;
 - iv) A not-for-profit entity that receives substantial contributions from the Company;
 - v) Has not had any business relationship with the Company other than serving as a Director within the last three years. The Director must disclose any of the above scenarios to the Company where necessary.
- Has no service contract on a personal capacity with the Company, or a member of the Company's senior management;
- Is not employed by a public listed company at which an Executive officer of the Company serves as a director;
- Is not a member of the immediate family of any person described above, or has not had any of the relationships described above with any affiliate of the Company;
- Is not a representative of a shareholder who can control or significantly influence management;
- Is free from any business or other relationship which could be viewed as material interference with the individual's capacity to act independently;
- Does not have a direct or indirect interest in the company (including any parent or subsidiary in a consolidated group with the Company) which is either material to the Director or the Company. A holding of five per cent or more is considered material;
- Does not hold cross-directorships or significant links with other Directors through involvement in other companies or bodies; and
- Has not served for more than six years since they were first elected.

The Chairperson shall be notified as soon as possible of any situation or condition that may affect the Board's evaluation of their independence.

c) Board Diversity

The Board is committed to diversity in all aspects of its business and activities and at all levels of the Company, including its Board of Directors. The Board believes that having Directors of diverse gender, age, race, and ethnicity, along with varied skills and experiences, contributes to a balanced and effective Board, that is well-positioned to address the changing needs of the Company.

The Board, with the assistance of the Nomination and Remuneration Committee, shall determine and regularly review the composition of the Board having regard to the optimum number and skill mix of Directors, subject to the limits imposed by the Company's Articles of Association and the terms served by existing Non-Executive Directors.

The Board takes into account the following factors when evaluating the suitability of prospective Board nominees:

- A potential nominee's general understanding of disciplines relevant to the success of a large, global, and complex publicly-traded company in today's business environment;
- Understanding of the Company's business and industry;
- Professional background and leadership experience;
- Experience on the Boards of other large publicly traded companies;
- Personal accomplishments;
- Ethics, integrity, and values;
- Independence;
- Geographic, gender, age, ethnic, and racial diversity.

2.2 Election, Re-election, Appointment or Re-appointment of Directors

The Board is responsible for the long-term success of the Company, and its first responsibility is to provide direction and leadership within a framework of prudent and effective controls. The Board is therefore responsible for identifying its members and recommending them for election by the shareholders. The Board delegates the screening process involved in the Nomination and Remuneration Committee which will also consider recommendations on appointments from other Directors and the shareholders.

2.3 Resignation or Removal of a Director

- a) In line with, and in addition to article 27 of the Company's Articles of Association. A Director shall vacate office if they:
- Are removed from office pursuant to section 139 of the Companies Act 2015 by way of an ordinary resolution of the Company at a meeting;
 - Become bankrupt or make any arrangement or composition with their creditors generally;
 - Are convicted of an offence involving dishonesty or fraud;
 - Become prohibited or disqualified from being a Director by reason of any order made under the Companies Act 2015, the Capital Markets Act or any other applicable regulatory guidelines;
 - Become of unsound mind;
 - Resign from office by notice in writing to the Company;
 - Have been absent, without the permission of the Board, for two consecutive meetings of the Board or six months, whichever is longer and it is resolved by the Board to vacate his or her office;
 - Breach the Directors' Code of Conduct and Ethics;
 - Fail to perform effectively as a Director as evidenced in the annual performance evaluation and refuse or neglect to develop or upgrade their skills or competencies;
- or
- Breach any other criteria as shall be determined by the Board.
- b) In addition to the above, a Director may be removed from office if they have been found guilty of (civil or criminal) any matter associated to fraud, gross misconduct, a

criminal act or any unethical or other conduct that may affect the reputation of the Company.

The Board shall disclose resignation of a serving Board member in:

- The Company's Annual report;
- Two newspapers with a national reach; and
- The Company's website.

3. GOVERNANCE ROLES

3.1 Roles and Functions of the Board

a) Functions of the Board

The functions of the Board are separate from those of the Company's management. Whereas the management functions are mainly around execution, i.e. planning, organizing, staffing, coordinating, controlling, reporting and budgeting; the functions of the Board include:

- Defining the Company's mission, vision, its strategy, goals, risk policy plans and objectives, including approval of its annual budgets;
- Overseeing the corporate management and operations, management accounts, significant capital expenditures and review organizational performance and strategies at least quarterly;
- Identifying the corporate business opportunities as well as principal risks in its operating environment, including the implementation of appropriate measures to manage such risks or anticipated changes impacting on the corporate business;
- Developing an effective Board Succession Policy and process for appointing the Company Secretary ;
- Reviewing regularly the adequacy and integrity of the Company's internal control, acquisition and divestitures and management information systems, including compliance with applicable laws, regulations, rules and guidelines;
- Establishing and implementing a system that provides necessary information to the shareholders, including shareholder communication policy for the company;
- Monitoring the effectiveness of the corporate governance practices under which the company operates and propose revisions as may be required from time to time;
- Taking into consideration the interests of the Company's shareholders in its decision-making process.
- Establishing the Board committees including; Audit and Risk Committee, Nomination and Remuneration Committee and Legal Risk Committee and appoint chairpersons of committees;
- Determining the procedure and process within which the committee may be allowed to engage independent professional advice at the company's expense; and
- Reviewing the effectiveness and performance of Board committees annually.



b) Matters reserved to the Board of Directors

The following are those matters reserved to the Board for its decision, subject always to shareholder approval where required, in compliance with statutory and regulatory obligations.

Strategy and Management

- Matters relating to the overall management of the Company.
- Approval of the Company's long-term objectives and overall strategy.
- Approval of the annual capital budgets, and any modifications or additions thereto.
- Overall review of the Company's operations to ensure:
 - i) Competent and prudent management;
 - ii) An adequate system of internal control;
 - iii) Appropriate accounting;
 - iv) Compliance with statutory and regulatory obligations including the rules of Kenya's Listing Authority and the London Stock Exchange; and
 - v) Adherence to the Company's Statement of Business Principles and code of ethics.
- Review of the Company's performance in relation to its strategy, objectives, business plans and budgets, and ensuring that any necessary corrective action is taken.
- Extension of the Company's activities into a new business or geographic areas.
- Any decision to cease to operate all or any material part of the Company's business.

Structure and Capital

- Changes relating to the Company's capital structure or the Company's status as a Public Limited company.
- Material changes to the Company's corporate structure.
- Changes to the structure of the Company's management and control.

Financial Reporting and Controls

- Approval of Interim Financial Statements and Annual Report and Accounts, including the Directors' Report (incorporating the corporate governance statement) and the Directors' Remuneration Report.
- Approval of interim and recommendation of final dividends.
- Approval of treasury policies, including the structure and policy of Company borrowings, foreign exchange exposures and banking arrangements.
- Approval of any significant changes in accounting policies or practices following consideration and recommendation by the Audit and Risk Committee.
- Appointment, reappointment or removal of the external auditors and their remuneration (subject to final approval at the AGM) following a recommendation from the Audit and Risk Committee.



Internal Controls

- Approval of internal (including financial) control procedures following consideration and recommendation by the Audit and Risk Committee.
- Through the Audit and Risk Committee, to ensure that a sound system of internal control and risk management, is maintained. This will include:
 - i) Receiving reports on, and reviewing the effectiveness of, the Company's risk and internal control processes in the light of its strategy and objectives;
 - ii) Undertaking an annual assessment of these processes; and
 - iii) Approving an appropriate internal control statement for inclusion in the Annual Report and Accounts.

Transactions and Contracts

- Approval of investments and capital projects, if the Board has not previously considered the investment or project as part of the budget approval process or if there have been material and adverse changes to the project since budget approval.
- Approval of contracts proposed to be entered into by the Company or any subsidiary, not in the ordinary course of business.
- Approval of any acquisition of any investment, asset or business by the Company or any of its subsidiaries which would involve the commencement of activity of a different nature or character to any activity from time to time carried on by the Company or any of its subsidiaries (no matter what its value).
- Approval of any acquisition or disposal of any interest in equity securities by the Company or any of its subsidiaries of the voting shares of a company or the making of any takeover offer for any listed Company.
- Approval for the Company or any of its subsidiaries to enter into any joint venture or partnership (in whatever legal form) with any other person or company of persons (other than the Company and its subsidiaries).
- The consideration and, if necessary, defense against any offer to purchase the Company or a majority of its shares.
- The issuance by the Company or any subsidiary of any letter of comfort, material guarantee or any material indemnity in respect of the obligations of another group company or in respect of the obligations of a non-Company company (the standard of "materiality" being determined by the Board).
- Approval of appointments of external advisers concerning matters, not in the ordinary course of business.

Communication

- Approval of resolutions and related documentation to be put forward to shareholders at general meetings.
- Approval of all circulars to shareholders and listing particulars.
- Approval in principle of press releases concerning matters decided by the Board.
- Ensuring satisfactory dialogue with shareholders.
- Managing corporate communication to the general public and shareholders.



Board Membership and Board Committees

- Approval of changes to the structure, size and composition of the Board, including appointments of Directors, and if considered appropriate, selection of the Chairperson and the independent Non-Executive Directors based on the recommendations of the Nomination and Remuneration Committee.
- Approval of the terms and conditions of service of the Non-Executive Directors based on the recommendations of the Nomination and Remuneration Committee.
- Ensuring adequate succession planning for the Board and senior management.
- Determining the continuation in office of Directors; at the end of their term of office or at any other time, subject to the law and the terms and conditions of the relevant service contract.
- Appointment or removal of the Company Secretary.

Delegation of Authority

- Approval of terms of reference and membership of the Nomination & Remuneration, Legal Risk Committee and Audit & Risk Committees and review of the Chairpersonship and composition of those Committees from time to time.
- Receiving and considering reports from the Committees of the Board on their activities.
- Authorizing from time to time ad hoc committees of the Board to conduct specific business.
- Giving general authorization to the Executive Directors to conduct day-to-day business and such other matters as the Board may determine subject to the Company's Articles of Association.

Corporate Governance

- Undertaking annually a formal evaluation of its performance, that of its Committees and individual Directors and disclosing in the Annual Report and Accounts the evaluation process.
- Determining the independence of Directors.
- Reviewing the Company's overall corporate governance arrangements.
- Receiving and considering reports on views expressed by the Company's shareholders.

Policies

Considering, reviewing and approving policies and strategies, as and when necessary, relating to the following:

- Share dealing
- Charitable and political donations

- Health and safety
- Environmental matters
- Business Principles and Code of Ethics
- Corporate Social Responsibility.
- Whistleblowing
- Staffing and Remuneration
- Shareholders Communication
- Limit of Board Positions a Board member may hold
- Policies and procedures to assess the independence of Board members annually
- Managing Conflict of Interest
- Human Rights Policy
- Board Succession Policy
- Board Diversity Policy

Miscellaneous

- The prosecution, defence or settlement of litigation involving claims or costs being material to the interests of the Company.
- Material changes to the rules of the Company's pension schemes.
- This list of matters reserved for the approval of the Board.
- Any other matters considered by the Board to be of material importance to the Company.
- The making of any political donation by the Company or any of its subsidiaries.

3.2 Role of the Chairperson

The Chairperson is accountable to the Board. The position of the Chairperson shall be held by a Non-Executive Director, who shall also be an individual different from the individual who holds the position of the Managing Director. Other than the Managing Director and (in respect of the limited matters set out herein and other issues directly relating to the Board) the Company Secretary, no Executive reports to him other than through the Board.

Without limiting the obligations of the Chairperson as determined in his or her contract of employment, the Chairperson is responsible for:

Key responsibilities

- a) Setting the style and tone of Board discussions and creating the overall conditions for Board and director effectiveness.
- b) Ensuring that the Board as a whole is enabled to play a full and constructive part in the development and determination of the Company's strategy and overall commercial objectives.
- c) Ensuring that the development of the Company's businesses and the protection of the reputation of the Company receives sufficient attention from the Board.

Meetings

- a) Ensuring that the Board's agenda takes full account of the crucial issues facing the Company, the concerns of all Board members and that it primarily focuses on strategy, performance, value creation and accountability and that matters relevant to those areas are reserved for Board decision.
- b) Ensuring that members of the Board receive accurate, timely and precise information on the Company's performance; the issues, challenges and opportunities facing the Company; and in relation to matters which are reserved to it for decision.
- c) Ensuring that the Board determines the nature, and extent, of the significant risks the Company is willing to take to achieve its strategic objectives.
- d) Arranging, where appropriate, such informal meetings involving Directors, including between Non-Executive Directors, as may be required to ensure that sufficient time and consideration is given to complex, contentious or sensitive issues.

Induction, development and performance evaluation

- a) Ensuring that new Directors participate in a full, formal and tailored induction programme, facilitated by the Managing Director.
- b) Taking the lead in identifying and seeking to meet the development needs both of individual Directors and of the Board as a whole. The facilitation of this will be at the discretion of the Chairperson.
- c) Ensuring that the performance of the Board as a whole, each of its Committees, and each Director as regards their Board and/or Committee role(s), is formally and rigorously evaluated at least once a year.

Relations with shareholders

- a) Ensuring that there is adequate and appropriate communication of financial and other information by the Company to its shareholders, by the Managing Director and other executive management, and, when necessary by themselves and/or by the Non-Executive Directors of the Board.
- b) Ensuring that all members of the Board understand views of the major investors in the Company and that there is an open dialogue with shareholders.

Other responsibilities

In addition, the Chairperson should:

- a) Demonstrate ethical leadership.
- b) Promote the highest standards of integrity, probity and corporate governance throughout the Company and specifically at Board level.
- c) Ensure that the Board's approved procedures, including the Matters Reserved to the Board for its decision and each Committee's Terms of Reference, are appropriate and in compliance.
- d) Ensure that succession planning and the composition of the Board are regularly reviewed.
- e) Proposing, in conjunction with the Nomination and Remuneration Committee, the membership of the Board's Committees and their Chairpersons.

3.3 Role of the Company Secretary

The Board shall take on the services of an external Company Secretary to assist and advise the Board where necessary. Without limiting the obligations of the Company Secretary as determined in their contract of employment, the Company Secretary who is the Secretary of the Board and not a member of the Board is charged with the following responsibilities:

- a) The Company Secretary shall guide for the Board on effective communication between the organization and the shareholders.
- b) Ensuring that the Board complies with its obligations under the law and the Company's Articles of Association;
- c) Provide guidance to the Board on its duties and responsibilities and other matters of governance;
- d) Assist the Chairperson in ensuring that regular assessments, in liaison with the Nomination and Remuneration Committee, on the effectiveness of the Board and its committees, as well as the contribution of individual Directors, are carried out.

3.4 Role of the Managing Director

The Managing Director is accountable to the Board. The Managing Director has a critical and strategic role to play in the operational success of the Company. Without limiting the obligations of the Managing Director as determined in their contract of employment the principal functions shall include:

- a) Direct and control the work and resources of the Company and ensure the recruitment and retention of the required numbers and types of well-motivated, trained and developed staff to ensure that it achieves its mission and objectives.
- b) Prepare and recommend to the Board, a long term strategy and annual business plan and budgets and monitor progress against these plans to ensure that the Company attains its objectives as cost-effectively and efficiently as possible.
- c) Ensure the strategies and operating policies of the Company remain in line with the objectives of the Board.
- d) Provide strategic advice and guidance to the Chairperson and members of the Board, to keep them aware of developments within the industry and ensure that the appropriate policies are developed to meet the Company's mission and objectives and to comply with all relevant statutory and other regulations.
- e) Establish and maintain valid formal and informal links with major customers, relevant government departments and agencies, local authorities, key decision-makers and other stakeholders generally, to exchange information and views and to ensure that the Company is providing the appropriate range and quality of services.
- f) Develop and maintain an effective marketing and public relations strategy to promote the products, services and image of the company on the broader community.

- g) Represent the Company in negotiations with customers, suppliers, government departments and other key contacts to secure for it the most effective contract terms.
- h) Oversee, in conjunction with the Finance Director, the preparation of the Annual Report and Accounts of the Company and ensure their approval by the Board.
- i) Develop and direct the implementation of policies and procedures to ensure that the Company complies with all statutory regulations and regulatory needs of the majority shareholder.
- j) Coordinate the governance audit process; and
- k) Maintain and update the register of conflict of interest.

3.5 Role of the Directors

Each Board member shall have the fiduciary duty to:

- a) Exercise a reasonable degree of care, skill and diligence;
- b) Act in good faith and in the best interests of the company and not for any other purpose;
- c) Act honestly at all times and must not place themselves in a situation where personal interests conflict with those of the Company;
- d) Exercise independent judgement at all times;
- e) Devote sufficient time to carry out their responsibilities and enhance their skills;
- f) Promote and protect the image of the Company; and
- g) Owe the Company a duty to hold in confidence all information available to them by virtue of their position as a Board member.

4. BOARD PROCESSES

4.1 Board Work Plan

A work plan will be prepared setting out the activities of the Board planned for the next financial year. The work plan will cover among others, the timings for regular Board and Committee meetings, the AGM, special projects and principal areas of focus. The work plan shall be presented to and approved by the Board before the commencement of the relevant year.

4.2 Board Meetings

a) Regular and Special Meetings

The Board shall meet in accordance with a work plan established each year by the Board, and at such other times as the Board may determine. Regular Board meetings will be held at least four times a year or more frequently as circumstances dictate and special meetings may be held as necessary.

b) Board and Committee meeting Agendas

Meeting agendas shall be developed in consultation with the Chairperson. Board members may propose agenda items through communication with the Finance Director. The Chairperson in consultation with the Managing Director and the Finance Director will set the agenda.

c) Notice of Meetings

The Finance Director or the Company Secretary shall be responsible for issuing proper notices of Board meetings and will also arrange for the circulation of relevant papers. Documents for meetings will be sent at least four days in advance. Directors and committee members should review the meeting agenda and documentary materials in advance of the meetings.

d) Meeting Attendance

It is the duty of each Director to attend Board meetings regularly and participate effectively in the conduct of the business of the Board. In any given financial year, every Board member should attend at least 75% of the Board meetings of the Company.

e) Conduct of Meetings

Meetings of the Board of Directors shall be presided over by the Chairperson, or, if no such person has been designated or, in their absence, a Non-Executive Director chosen by a majority of the Directors present at the meetings. The Finance Director or the Company Secretary may act as secretary of all meetings of the Board. If both were absent for whatever reason, the Chairperson or person presiding shall appoint another person to act as secretary of the meeting. The Chairperson will always seek a consensus in the Board, failing which, where extremely necessary they will call for a vote. The Chairperson will have the casting vote in the event of a vote.

f) Quorum

The quorum necessary for the transaction of the Board activities may be fixed by the Directors and unless so set shall be 2 of the Directors presently holding office.

g) Majority Action as Board Action

Every act or decision done or made by a majority of the Directors present at a meeting duly which quorum is present is the act of the Board of Directors, unless the provisions of law require a higher percentage or different voting rules for approval of a matter by the Board. Each Director commits to express their views clearly and openly. Where a Director holds the belief that a proposed Board decision is not in the best interest of the Company, they must use all means at their disposal to convince the Board of the validity of their

position. If a Director considers that a Board decision made is either ultra vires, unlawful or grossly negligent, they may cause their objection to be recorded in the minutes.

h) Committee Meetings

The frequency, length, agenda items of the meetings of each Committee are determined by the Committee Chair in consultation with the members of the Committee. Each Committee issues a schedule of agenda subjects to be discussed for the ensuing year at the beginning of each year (to the degree these can be foreseen). This progressive agenda should be shared with the Board.

i) Attendance by Management

The Board encourages management to, from time to time, to bring managers into Board meetings who can provide additional insight into the items being discussed because of personal involvement in these areas, or are managers with future potential that the senior management believes should be given exposure to the Board.

j) Minutes

The discussions and conclusions of the Board meetings shall be minuted, in a clear, accurate, consistent, complete and timely manner. The minutes shall record the decisions of the Board. The draft minutes shall be tabled at the following meeting for confirmation and signing. The minutes shall be entered into the minutes Register together with the attendance sheet.

4.3 Board Papers

At each Board meeting the Board shall consider:

- a) An operational report from the Managing Director;
- b) A report from the Finance Director;
- c) Specific proposals for capital expenditure and acquisitions;
- d) Reports from various Board Committees; and
- e) Significant issues and strategic opportunities for the organization.

4.4 Board Committees

The Board may discharge any of its responsibilities through Board Committees appointed from amongst its members subject to the applicable laws.

The Board has established three committees namely, Audit and Risk Committee, Nomination and Remuneration Committee and the Legal Risk Committee. . The Board may establish other committees from time to time. The Board shall appoint the Chairpersons of the

Committees and shall approve appropriate terms of reference for the Committees. The Committees shall report to the Board on matters referred to it by the Board and on the proceedings following each meeting of the committee. The report shall include findings, matters identified for specific recommendation to the Board, action points and any other issues as deemed appropriate. The committees shall liaise with each other in so far as it is expedient to perform their different roles effectively.

The Board remains collectively responsible for the decisions of any committee and shall review the effectiveness and performance of committees annually.

4.5 Board Interactions with Management

Directors may have access to and meet with management in the absence of Executive Directors. This should, however, be agreed upon collectively by the Board and facilitated by the Chairperson. It is assumed that Board members will use judgment to be sure that this contact is not in conflict with the Board agreed direction of the business operation of the Company and that the Managing Director is kept informed of such contact.

4.6 Access to information and Independent Advice

The Board may from time to time require independent legal, financial, governance or other expert advice. To facilitate this, the Board shall ensure members obtain external counsel, as may be necessary, at the Company's expense and shall invite senior management to provide technical guidance as needed. The Board shall establish procedures to allow its members access to relevant, accurate and complete information and professional advice to discharge its duties effectively.

4.7 Relationship with Shareholders and Stakeholders

The Board shall maintain an effective Communications Policy that enables both the Board and management to communicate effectively with shareholders, stakeholders and the general public.

5. BOARD EFFECTIVENESS

5.1 Board Evaluation

For improved Board effectiveness, the Board shall carry out an assessment of its performance, the performance of the Chairperson, that of its committees, individual members, the Managing Director and the Company Secretary and make relevant disclosures in the Annual Report and Accounts. The Board shall appoint an independent external party at least once every two years, to conduct the evaluation in part or in whole.

5.2 Director Development

a) Director Induction

The Board (through the office of the Chairperson and the Managing Director) and management shall ensure that each new Board member participates in an induction program that is tailored to effectively orient the member to the Company's business, strategy, objectives, policies, procedures, operations, senior management and the business environment. The induction shall also include all the necessary information that shall be required by a member for effective performance on the Board. New Board members shall also be introduced to their fiduciary duties and responsibilities as well as any other aspects that are unique to the business.

b) Non-Executive Director Continuing Education

The Board shall ensure adequate Board development through continuous training to keep the Board well informed on critical information pertinent to the business and corporate governance environment. The Board shall conduct an annual review to identify the training needs for each member regularly and facilitate upskilling as well as continuous development. At least twelve (12) hours of governance-related education will be conducted annually.

5.3 Board Remuneration

The Board has put in place a Board Remuneration Policy approved by the Shareholders at an Annual General Meeting to provide guidelines concerning the remuneration of members of the Board of Directors. Efforts are made to ensure that the remuneration of the Board of Directors matches the level in comparable companies, whilst also taking into consideration Board members' required competencies, effort and the scope of the Board work, including the number of meetings.

In addition to the guidelines of the Board Remuneration Policy:

- The Board will approve the level of remuneration paid to Directors within any limitations imposed by Shareholders.
- The remuneration should be sufficient to attract and retain the Board Members needed to run the Company successfully while compensating for the responsibilities undertaken as a Director.
- Executive Director Remuneration will be as explicitly agreed in their contracts of employment, and they will not be entitled to any Director fees and allowances outside of said contracts.
- The Board should report to the shareholders on remuneration, and this should be included in the Annual Report and Accounts while any increase in fees and allowances paid to Non-Executive Directors shall be subject to shareholders' approval retrospectively.

5.4 Director Protection

In light of the various liabilities that may accrue against a Director for undertaking their responsibilities as articulated herein, the Company shall maintain Directors and Officers liability insurance as appropriate. Directors should ensure that they are fully aware of the terms of this insurance and limitations of liability and business judgement rule.

5.5 Succession Planning

The Board shall put in place an effective Succession Policy which shall be approved by the Board and reviewed periodically.

5.6 Term Limits

The Articles of Association of the Company requires one-third (1/3) of the Board members, excluding the Managing Director, to retire at every Annual General Meeting and be subjected to re-election by shareholders. An Independent Non-Executive Director shall not serve a term of longer than six (6) consecutive or cumulative years in that capacity but may, at the expiry of such term, assume the role of a Non-Executive Director. The Board shall at all times ensure that a succession plan is in place for Directors who are due for retirement and replacement.

5.7 Director Age Limits

In accordance with the CMA Corporate Governance Guidelines, an age limit of seventy years is recommended for Board members. Board Members who attain the age of seventy (70) years will retire as per their term limits at the Annual General Meeting but may be re-elected by the Shareholders to continue serving on the Board.

5.8 Other Directorships

Any member is while holding office, at liberty to accept other Board appointments so long as the appointment is not in conflict with the business and does not detrimentally affect the member's performance as a member. All other appointments must first be discussed with the Chairperson before being accepted. Conflict will be identified in line with the Code as follows:

- A Non-Executive director of the Company shall not hold such position in more than three public listed companies at any one time.
- In a case where the corporate Director has appointed an alternate director, the appointment of such an alternate director shall be restricted to two public listed companies at any one time.
- An Executive or Managing Director of the Company shall be restricted to one other directorship of another listed company.

- A Chairperson of the Company, a public listed company, shall not hold such position in more than two public listed companies at any one time, to allow the Chairperson to devote sufficient time to steering the Board.
- The Board, through the Nominations and Remuneration Committee, will review appointments for service on other company boards by members of senior management of the Company, prior to their acceptance of those appointments. This review may be delegated to the Managing Director.

6. DOCUMENT CHANGE HISTORY

Version No.	Approved by:	Date approved:	Effective date:	Next review:	Document Custodian:
1.0	Board of Directors	22 March 2018	22 March 2018		Finance Director
2.0	Board of Directors	17 August 2021	17 August 2021		Finance Director
3.0	Board of Directors	20 August 2024	20 August 2024		Finance Director



Signed on Behalf of the Board:

Nicholas Nganga
Chairman