

CORPORATE GOVERNANCE REPORTING TEMPLATE FOR ISSUES OF SECURITIES TO THE PUBLIC

TO BE FILLED IN LINE WITH THE REQUIREMENTS OF THE CODE OF CORPORATE GOVERNANCE PRACTICES FOR ISSUERS OF SECURITIES TO THE PUBLIC, 2015

Company Name (in full)

KAKUZI PLC

Reviewer's Name

Stock Code : KAKZ

Sector: AGRICULTURE

Year -2022

Date of Financial Year End: 31 DECEMBER 2022

Chairman Signature

N Nganga

MD Signature

C J Flowers

Company Secretary Signature

J L G Maonga

Company Details to be Provided:

Company market to book ratio at end of financial year	1.27
No of outstanding shares at end of financial year	19,600,000
Closing price of stock at end of financial year	385
Net sales as per Income Statement at end of financial year	4,434,211,000
Net profit as per Income Statement at end of financial year	845,804,000
Total debt (short and long term) as per Balance Sheet at end of financial year	0
Total equity as per Balance Sheet at end of financial year	5,944,710,000
Total no. of Board members at end of financial year	8
No. of independent directors at end of financial year	3
No. of non-executive directors at end of financial year	5

Consecutive No.	Mandatory or 'apply or explain'	Part No.	Question	Kenya Code Reference	Application - FA, PA or NA - See Notes 1, 2, 3&4	Application or Explanation - Note 3 & 4	Source of Information
		A	INTRODUCTION				
1	M	A.1	Has the company developed and published a Board Charter which is periodically reviewed and which sets out the Board responsibility for internal control?	1.1.2, 2.6.2, 6.3.2	Full Application	The Company has developed a Board Charter, which has been published on the Group's website. The Board Charter is periodically reviewed to keep it up to date with changing circumstances, the current Charter was last reviewed on 17 August 2021. The Charter clearly defines the roles and responsibilities of the Board as well as the matters reserved for the Board, one of the roles is reviewing on a regular basis the adequacy and integrity of the Company's internal control.	1. Board Charter under the section 3.5 General Functions of the Board. 2. Website - https://www.kakuzi.co.ke/board-charter 3. Statement on Corporate Governance - Annual Report 2022 on page 21 4. Statement of Directors' Responsibilities - Annual Report 2022 , page 15
2	M	A.2	Do the Board Charter or company documents distinguish the responsibilities of the board from management in line with Code requirements?	1.1.2, 2.3.1, 2.3.2, 2.6.2	Full Application	The Board Charter and company documents clearly distinguishes the responsibilities of the board from management.	1. Board Charter 2. Statement on Corporate Governance - Annual Report 2022, pages 16 to 26, 3. Statement of Directors' Responsibilities - Annual Report 2022 page 15
3	A or E	A.3	Is there a statement indicating the responsibility of Board members for the application of corporate governance policies and procedures of the company?	1.1.6	Full Application	The statement indicating the responsibility of the Board members for the application of corporate governance is included in the Board Charter.	1. Board Charter 2. Statement on Corporate Governance - Annual Report 2022 Pages 16 to 26
4	M	A.4	How has the Board ensured all directors, CEOs and management are fully aware of the requirements of this Code?	1.1.6	Full Application	The company's Board and Senior Management periodically receive updates on the status of application of the requirements of the Code, through the Company Secretary, periodic governance audits and Board Nomination and Remuneration Committee deliberations. The Board has gone through continuing professional training throughout 2022 covering various areas of the Code. The training was conducted by an external consultant.	Board Charter, training schedule, Board minutes.
5	M	A.5	Do company documents indicate the role of the Board in developing and monitoring the company strategy?	Part II - Overview, 2.3	Full Application	One of the matters reserved for the Board covered in the Board Charter is strategy and management which provides for the approval of strategy and 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.	1. Board Charter 2. Board minutes 3. The Annual Report 2022: Chairman's Report - pages 6 to 8
6	M	A.6	Does the Company Strategy promote sustainability of the Company?	Part II - Overview, 2.4	Full Application	The Managing Director makes regular reports to the Board on the environment, performance and updates on the strategic initiatives as evidenced in all the Board minutes during the period of review.	Board minutes

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7	M	A.7	Are all board committees governed by a written charter/terms of reference, disclosing its mandate, authority, duties, composition, leadership and working processes?	2.2.2	Full Application	The board has four committees, Nomination & Remuneration Committee, Audit & Risk Committee, Legal Risk Committee and Independent Human Rights Advisory Committee that assist it in discharging its duties and responsibilities. These committees operate in accordance with written terms of reference approved by the board, disclosing the mandate, authority, duties, composition and leadership.	1. Board Charter 2. Terms of References of the four Committees 3. Board Minutes
		B	BOARD OPERATIONS and CONTROL				
8	M	B.1	Has the Board established a Nomination Committee comprised mainly of independent and non-executive Board members?	2.1.2, 2.2.2	Full Application	The Board has put in place a Nomination and Remuneration Committee consisting of three (3) directors. However, on 29 November 2021, S. Waruhiu and Daniel Ndonge ceased to be independent non-executive directors having served as Directors for nine consecutive years. The Board continues to view them as independent (see B.9 below).	1. Board Charter 2. Board Nominations and Remuneration Committee Terms of Reference; and 3. Statement on Corporate Governance in the Annual Report 2022, pages 16 to 26
9	M	B.2	Is the chairperson of the Nomination Committee an independent director?	2.2.3	Partial Application	The Nomination & Remuneration Committee chair, Mr Stephen Waruhiu, who was appointed as a Director on 29 November 2012, ceased to be an independent Director on 29 November 2021 having served for nine consecutive years.	Board Minutes, Nomination and Remuneration Committee, Annual Report 2022 page 23
10	M	B.3	Has the board adopted and published procedures for nomination and appointment of new Board members?	2.1.1, 2.1.7	Full Application	The Board Charter states that the board is responsible for approval of changes to the structure, size and composition of the Board, including appointments of Directors, and if considered appropriate, selection of the Chairman and the independent Non-executive Directors. The Board delegates the screening process involved to the Nominations and Remuneration Committee. The procedures for nomination are included in the terms of reference of the Nominations and Remuneration Committee. Further, the Articles of Association provides for rotation of Directors at every AGM.	Board Charter and Nominations and Remuneration Committee terms of reference and Statement on Corporate Governance in the Annual Report 2022 pages 16 to 26 Articles of Association
11	M	B.4	Is the Board size adequate for the exercise of the company business?	2.1.4	Full Application	The Company had eight Directors as at end of the Financial year 2022. Subsequent to year end, on 1st April 2023, one more Director has been appointed. This number is considered adequate to meet the requirements of the Company.	1. Board Charter 2. Company's Articles of Association; 3. Statement on Corporate Governance in the Annual Report 2022 pages 16 to 26 4. Board Minutes
12	A or E	B.5	Has the board adopted a policy to ensure the achievement of diversity (including age, race and gender) in its composition?	2.1.2, 2.1.3, 2.1.5, 2.5.1	Partial Application	The Company has formally documented the diversity policy of the Board. The Board recognises that opportunities exist to consider diversity and has considered this on the appointment of the new Director subsequent to the year end.	Statement on Corporate Governance in the Annual Report 2022 page 17
13	M	B.6	Do the Board members represent a mix of skills, experience, business knowledge and independence to enable the discharge of their duties?	2.2.1	Full Application	The Board is well composed in terms of the range and diversity of skills, experience and industrial knowledge and has an appropriate balance of executive, non - executive and independent Directors.	Company's Website - https://www.kakuzi.co.ke/management , Annual report 2022, page 17
14	M	B.7	Has the board adopted and applied a policy limiting the number of board positions each Board member may hold at any one time?	2.1.6	Full Application	Section 5.8 of the Company Board Charter provides guidelines to directors with regard to other directorships in line the the CMA Code. A review of the other listed Company Directorships of the Directors indicated that all the Directors have complied with the Code, which limits the number of Directorships in listed companies a member of the Board holds at any given time.	Board Charter, List of other Directors as per Directors annual declarations
15	M	B.8	Have any Alternate Board members been appointed? If so, have the Alternate Director/s been appointed according to regulation and Code requirements?	2.1.6, 2.1.7	Not Applicable	There are no Alternate Directors Appointed	Annual Return

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16	M	B.9	Are independent directors at least one-third of the total number of Board members?	1.1.2, 2.1.3, 2.4.1	Full Application	Two of the three independent Directors (Mr D Ndonye and Mr S Waruhiu) attained, in November 2021, 9 years of service as Directors since their appointment which is the maximum term limit for a director to remain independent, as per the Code. Notwithstanding their long term service, given their extensive business experience and not being connected with any Director nor substantial shareholder of the Group, the Board is of the opinion that they continue being independent as the Board reviews the way forward. Subsequent to the year end, on 1st April 2023, the Board has appointed a new independent Director	Annual Report page 16 and 17, Company's Website
17	A or E	B.10	Does the Board have policies and procedures to annually assess the independence of independent Board members?	2.4.1	Full Application	The Nomination and Remuneration Committee have been tasked with the role of reviewing the constitution of the Board annually and ensure that it upholds the principles and practices of good Corporate Governance .	Nomination and Remuneration Committee terms of reference, Annual Report
18	M	B.11	Do all independent Board members have a tenure of less than 9 years?	2.4.2	Partial Application	Out of the three(3) independent non-executive directors, two (D.Ndonye and S.Waruhiu) attained 9 years of service as directors since their appointment on 29 November 2012, which is the maximum term limit for a director to still remain independent.	Board Minutes, Annual Report, Company's Website
19	M	B.12	Is the Board comprised of a majority of non-executive board members?	2.1.3	Full Application	The Board has a balance of executive and non-executive directors with 6 out of 8 directors being non-executive. Subsequent to year end, with the appointment of a new independent director on 1st April 2023, the Board consists of 7 non executive Directors and 2 executive Directors	Annual Report, Company's Website
20	M	B.13	How does the Board ensure a smooth transition of Board members?	2.1.8	Full Application	The Board has an adequate number of directors and in line with the Articles of Association of the Company, a term limit of three (3) years is set for each Director and one third of all Directors – excluding the Managing Director - being the longest serving Directors, retire at each AGM.	Articles of Association, AGM Minutes
21	M	B.14	Has the Board established an effective Audit Committee according to Code requirements?	2.2.4, 6.5.1, 2.1.7	Full Application	The Board has set up an Audit Committee with clear Terms of References consisting of three(3) non-executive directors all of whom were independent Non-Executive directors. However, towards the end of the year 2021, two of the directors (D.Ndonye and S.Waruhiu) attained 9 years of service as directors since their appointment which is the maximum term limit for a director to still remain independent.	Board minutes, Annual Report, Audit Committee terms of reference
22	M	B.15	Are the functions of the Chairperson and the Chief Executive Officer exercised by different individuals?	2.3.3	Full Application	The Chairperson and Managing Director positions are held by two different individuals. The current Chairman is Mr. Nicholas Nganga and the Managing Director is Mr. Christopher Flowers.	Board Minutes, Annual Report, Company's Website
23	M	B.16	Is the Chairman of the Board a non-executive board member?	2.3.4	Full Application	The Chairman of the Board, Mr. Nicholas Nganga is a non-executive director.	Company's Website, Board Minutes, 2022 Annual Report
24	A or E	B.17	Has the Board established procedures to allow its members access to relevant, accurate and complete information and professional advice?	2.3.5	Full Application	The Board Charter allows approval of appointments of external advisors in relation to matters not in the ordinary course of business and encourages management to, from time to time, bring managers into Board meetings who can provide additional insight into the items being discussed because of personal involvement in these areas. The board has also set up a IHRAC whose majority members are independent advisors.	Board Charter, IHRAC TORs,
25	M	B.18	Has the Board adopted a policy on managing conflict of interest?	2.3.8	Full Application	At every Board/ Board Committee meeting, Directors declare any conflict of interest and declarations are recorded in a conflict of interest register. The conflict of interest requirements are embedded in the Code of Conduct and Ethics policy as well as the Director's letters of appointment. The Board is however yet to document a conflict of interest policy.	Board Minutes, Code of Conduct and Ethics policy, conflict of interest register
26	M	B.19	Has the Board adopted a policy on related party transactions to protect the interests of the company and all its shareholders and which meets the requirements of the Code?	2.3.7	Full Application	The company has in place a Code of Conduct which speaks to these requirements and all the related party transactions are disclosed in the Annual report. In addition there is both a Related Party transactions Policy and a Transfer Pricing Policy which covers related party transactions.	2022 Annual Report, Code of Conduct and Ethics policy, Transfer Pricing Policy, Related Party Transactions Policy

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27	M	B.20	Has the company appointed a qualified and competent company secretary who is a member in good standing of ICPSK?	2.3.9	Full Application	The current Company Secretary, Mr J Maonga, is a member of ICPSK and is in good standing.	Board Minutes , ICPSK Records
28	A or E	B.21	Has the Board adopted policies and processes to ensure oversight of sustainability, environmental and social risks and issues?	2.3.2, 2.3.6	Full Application	The Board is committed to sustainability, with one of the strategic pillars being sustainability. The company, in line with the guidelines issued by the NSE in partnership with the Global Reporting Initiative (GRI), issued an ESG (Environmental, Social and Governance) Report 2021 which is published on the company's website.	Annual Report, company's website - https://www.kakuzi.co.ke/esg2021/ , 2021 ESG Report
29	A or E	B.22	Has the Board developed an annual work-plan to guide its activities?	2.6.3	Full Application	The Board sets the date of consequent Board meetings and Committee meetings as well as the date of the Annual General meetings. The Board Work Plan shall be enhanced to include key areas/activities of focus of the meetings	Board Minutes
30	M	B.23	Has the Board determined, agreed on its annual evaluation process and undertaken the evaluation or the performance of the Board, the Board Committees, the CEO and the company secretary?	2.6.4, 2.8	Full Application	The Nomination and Remuneration Committee is responsible for determining the process for evaluating Board performance. In line with the Code, the Board contracted an external consultant to conduct a Board evaluation in 2021, which covered evaluation of the board as a whole, peer members evaluation, company secretary and board committees. Another Board evaluation is planned for in 2023.	Board Charter, Nominations and Remuneration Committee terms of reference, Board Evaluation Report, Board Minutes, Annual Report
31	A or E	B.24	Has the Board established and applied a formal induction program for incoming members?	2.7.1	Full Application	There is an induction program which is carried out by the Managing Director on behalf of the Board. A formal induction programme is however not documented.	Board minutes
32	A or E	B.25	Do Board members participate in ongoing corporate governance training to the extent of 12 hours per year?	2.7.3	Full Application	Board trainings were conducted by an external consultant on 18 March 2022, 13 May 2022 and 12 August 2022 covering a total of 12 hours.	Board Training Plan, Board Minutes, Corporate Governance Statement in the Annual Report of 2022 page 24
33	A or E	B.26	Has the Board set up an independent Remuneration Committee or assigned to another Board committee the responsibility for determination of remuneration of directors?	2.9.2	Full Application	The Board has set a Board Nomination and Remuneration Committee whose responsibility includes determination of remuneration of directors.	2022 Annual Report, Terms of reference of Nominating and Remuneration Committee
34	M	B.27	Has the Board established and approved formal and transparent remuneration policies and procedures that attract and retain Board members?	2.9.1	Full Application	The Board approved the Remuneration Policy and remuneration report on page 30 of the Annual Report 2021, the same was approved in the 94th Annual General Meeting. The 2022 Annual report includes the Remuneration Report on page 27.	Annual Report, Nomination and Remuneration terms of reference and minutes, the Board Remuneration Policy.
35	M	B.28	How does the Board ensure compliance with all applicable laws, regulations and standards, including the Constitution and internal policies?	2.10, 2.10.1, 2.10.2	Full Application	The Company has identified several local and international laws and regulations and performs regular compliance assessment checks under the various divisions of the Company. A Compliance Register that identifies the areas of compliance and the level of compliance by the Group is presented to the Board regularly. The Board has mandated the Audit and Risk Committee to review the effectiveness of the system for monitoring compliance with company policies, statutory requirements, regulations, reporting standards, and the results of management investigations and follow up including disciplinary action of any instance of non-compliance. The board's Legal risk committee is also tasked with reviewing the Company legal audit and advising the Board on the findings, non-compliances and required action plan to remedy such non-compliance.	Board Minutes, compliance register, legal and compliance audit report
36	M	B.29	In the past year, has the Board organized a legal and compliance audit to be carried out on a periodic basis?	2.10.3	Partial Application	In compliance with the CMA Code of Corporate Governance Practices for Issuers of Securities to the Public, 2015, an internal legal and compliance audit was carried out for the year ended 31 December 2021 with the objective of ascertaining the level of adherence to applicable laws, regulations and standards. An external legal and compliance audit is being considered in 2023.	Legal and Compliance Audit Report
37	A or E	B.30	Has the Board subjected the company to an annual governance audit?	2.11.1	Full Application	The Company carried out a governance audit for the year ended 31 December 2021. The next Governance audit is planned for in 2023.	2022 Annual Report pages 25. The 2021 Governance audit report in in the 2021 Annual report pg 29.
		C	RIGHTS of SHAREHOLDERS				

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38	M	C.1	Does the governance framework recognize the need to equitably treat all shareholders, including the minority and foreign shareholders?	3.0 Overview, 3.2.1	Full Application	The Company has provided a statement on their commitment to equitable treatment of all shareholders on page 16 of Annual Report. All shareholder are treated equitably and exercise their rights during AGMs . There is a balanced number of Directors on the Board.	AGM Minutes, Annual Report
39	M	C.2	Other than at the AGM, how does the Board facilitate the effective exercise of shareholders' rights?	3.1.1	Full Application	All shareholders receive relevant information through distribution of Annual Reports, Interim Reports, they are sent directly to the shareholders and placed on the Company's Website. The shareholders also can assess information from the Company Secretary and the Registrars (C&R Registrars).	Company's Website, Annual Reports
40	M	C.3	How does the Board facilitate shareholders participation at the AGM?	3.1.1	Full Application	Notices sent to all Shareholders and the AGM is kept in an easily accessible place in Nairobi. Further, Notices are published in two National papers, placed on Company's website and sent to the Exchanges	AGM Notice & Agenda, AGM Minutes, Annual Reports, Company's Website
41	A or E	C.4	Are minority and foreign shareholders holding the same class of shares treated equitably?	3.2.1	Full Application	All shareholder are treated equitably through timely dissemination of information to all shareholders through the website and publications in accordance with the CMA Listings Requirements.	Annual reports, AGM Minutes, Company's website
42	A or E	C.5	Is there evidence that the Board proactively provides information to shareholders and the media, (and in a timely basis) on corporate affairs and corporate governance?	3.1.1, 3.4.1	Full Application	All shareholders receive relevant information on the Company's performance through the distribution of annual reports and accounts, and half-yearly results as a matter of best practice. The reports are available across multiple communication channels such as the Company's website and newspapers.	Annual reports, Press Statements, Company's Website, Stock Exchange press releases, social media
		D	STAKEHOLDER RELATIONS				
43	A or E	D.1	Does the Board have a stakeholder-inclusive approach in its practice of corporate governance and which identifies its various stakeholders?	4.1.1	Partial Application	The Group has put in place community relations policy which is in the Group's website covering the key stakeholders. For each of the stakeholders, effective modes of communication and engagement including education, informing, engagement and collaboration has been developed with timelines. A number of the activities conducted have been captured in the company's website.	Annual Report, Press Statements, Company's Website, Stock Exchange press releases, social media, 2021 ESG Report
44	A or E	D.2	Has the Board developed policies, procedures and strategies to manage relations with different/key stakeholder groups?	4.1.2, 4.1.3, 4.1.5, 4.2.1	Partial Application	A stakeholder policy and strategy identifying stakeholders and how relations with each group is managed is yet to be developed.	Annual Report, Board minutes
45	A or E	D.3	How does the Board take into account the interests of key stakeholder groups prior to making decisions?	4.1.4	Full Application	The Board considers the interest of stakeholders prior to making decisions through public notices and where required by law, AGM and special meetings organised, questionnaires such as the Operational Grievance Mechanism (OGM) questionnaires and employee satisfaction survey questionnaires in 2021.	Annual Report, Board minutes
46	M	D.4	How does the Board ensure effective communications with stakeholders?	4.2, 4.2.1	Full Application	By complying with the requirements of legislation, regulation and Company's Articles of Association on public notices to stakeholders. The Company has in place a comprehensive whistle blowing policy which has been published on the Company's website which is open to customers, staff, suppliers, managers, shareholders.	Company's Website - https://www.kakuzi.co.ke/corporate-governance Articles of Association
47	M	D.5	Has the Board established a formal dispute resolution process to address internal and external disputes?	4.3.1	Full Application	The company website provides the OGM(SIKIKA) policy and process to tackle any grievances reported. Each stakeholder contract /agreement contains guidelines on dispute resolutions.	Contracts and agreements, Company's website
		E	ETHICS AND SOCIAL RESPONSIBILITY				
48	A or E	E.1	Does the Board ensure that all deliberations, decisions and actions are founded on the core values (responsibility, accountability, fairness and transparency) underpinning good governance and sustainability?	5.1.1	Full Application	The Board is committed to ensuring that the business is run in a professional, transparent, just and equitable manner to protect and enhance shareholder value and satisfy the interests of other stakeholders	Board Charter, Statement on Corporate Governance in the Annual Report 2022 pages 16 to 26

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49	M	E.2	Has the Board developed a Code of Ethics and Conduct (which includes sustainability) and has it worked to ensure its application by all directors, management and employees?	2.6.1, 5.2.2, 5.2.3, 5.2.4	Full Application	Code of Conduct and Ethics that is executed by relevant parties is in place	Code of Conduct and Ethics, website - https://www.kakuzi.co.ke/company-code-of-conduct-and-ethics
50	A or E	E.3	How does the Board ensure that compliance with the Ethics Code and Conduct is integrated into company operations?	5.2.3	Full Application	On appointment, the Directors and staff are provided with the code of ethics and required to sign and attest that they have read the Code of Conduct and Ethics and understood their obligations to comply with the principles. Every year The Managing Director conducts a staff training called "Kakuzi who we are", highlighting the values and the mission.	Code of Conduct and Ethics
51	A or E	E.4	Does the Board incorporate ethical and sustainability risks and opportunities in the risk management process?	5.2.1	Full Application	The company risk maps has identified health safety environmental risks(major risk) and strategic risks(major risk) within which loss of reputation risk is identified and monitored	Risk Map
52	A or E	E.5	How is the company performance on ethics assessed, monitored and disclosed to internal and external stakeholders?	5.2.4, 5.2.5	Full Application	The Legal Manager presents to the Board every six months the Anti-bribery report.	Board Minutes, Anti Bribery reports, Statement of Governance Report
53	A or E	E.6	Has the company established and implemented a whistle blowing policy?	5.2.5	Full Application	The Company has in place a comprehensive whistle blowing policy placed on the Company's website and is open to all stakeholders.	Company's Website - https://www.kakuzi.co.ke/whistle-blowing-policy , Annual Reports
54	A or E	E.7	Has the Board/or management developed policies on corporate citizenship and sustainability and strategies for company use?	5.3.1, 5.4	Full Application	The company has put in place a Community Relations Policy in place. The Company has published some of its CSR activities on its website and in the annual accounts.	Website, 2021 ESG Report
55	M	E.8	Does the Board consider not only the financial performance but also the impact of the company's operations on society and the environment?	5.3.2, 5.3.3	Full Application	The Board is committed to sustainability, with one of the strategic pillars being sustainability. The company, in line with the guidelines issued by the NSE in partnership with the Global Reporting Initiative (GRI), issued an ESG (Environmental, Social and Governance) Report 2021 which is published on the company's website.	CSI Projects, Company's Website, The Corporate Social Investment and Sustainability Report on Pages 9 to 12 of the 2022 Annual Report
56	A or E	E.9	Does the Board monitor and report activities leading to good corporate citizenship and sustainability to demonstrate they are well coordinated?	5.4.1	Full Application	A report on all Corporate Social Investment activities is tabled at all Board Meetings. The Board includes all the CSI activities in the Annual Report, 2021 ESG Report and on company website.	Internal Policies Manual, Company's Website, Annual report, 2021 ESG Report, The Corporate Social Investment and Sustainability report on pages 9 to 12 of the 2022 Annual Report
		F	ACCOUNTABILITY, RISK MANAGEMENT AND INTERNAL CONTROL				
57	M	F.1	Does the Audit Committee and the Board consider and review the financial statements for integrity of the process and for truthful and factual presentation?	6.1, 6.1.1a	Full Application	The Audit & Risk committee reviews the Financial Statements and recommends the same to the Board for consideration and approval.	Board and Audit and Risk Committee Minutes, Terms of Reference of the Audit and Risk Committee
58	M	F.2	Does the Annual Report contain a statement from the Board explaining its responsibility for preparing the accounts and is there a statement by the external auditor about his/her reporting responsibilities?	6.1.2	Full Application	The Board and External auditor reporting responsibilities is incorporated in the 2022 Annual report on pages 15 and 28 to 31 respectively	Annual report page 15 and 28 to 31
59	A or E	F.3	Does the board or audit committee have a process in place to ensure the independence and competence of the Company's external auditors?	6.1.1b	Full Application	The Independent auditors are recommended by the Board for appointment every year in the AGM. Audit scope is presented to the audit and risk committee annually for approval. The External Auditors provide the Board Audit and Risk Committee with a statement that they have complied with the relevant ethical requirements regarding independence, and include the same in the Annual Report pages 28 to 31	Audit & Risk Committee Minutes, Annual Report page 28 to 31
60	M	F.4	Do the shareholders formally appoint the external auditor at the AGM through a formal and transparent process?	6.1.3	Full Application	The External Auditors are formally appointed or reappointed at every AGM.	AGM Minutes
61	A or E	F.5	Is the Company working towards the introduction of integrated reporting (incorporating financial and non-financial information) or is the company's Annual Report prepared on an integrated basis using a framework available from the Integrated Reporting Council, The Global Reporting Initiative, G4 Sustainability Guidelines and/or Sustainability Accounting Standards Board standards?	6.1.5	Full Application	The Board has embraced integrated reporting with enhanced disclosures as evidenced by the 2022 Annual Report and the 2021 ESG Report	Annual Report, Company's website, 2021 ESG Report

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62	A or E	F.6	Has the Board established an effective risk management framework which is inclusive of key risks as well as foreseeable risks, environmental and social risks and issues ?	6.2.1	Full Application	There exists a Risk Map that identifies various risks categories the company faces which is included/tabled as standing agenda in every Audit and Risk Committee meeting.	Board and Audit & Risk Committee Minutes
63	M	F.7	Has the Board established and reviewed on a regular basis the adequacy, integrity and management of internal control systems and information systems (including for compliance with all applicable laws, regulations, rules and guidelines)?	6.3.1, 6.3.2, 6.3.3	Full Application	Internal Audit is tasked with regular reviews to ensure that the internal controls are in place and adhered to. The Internal Control reports are presented to the Audit Committee on quarterly basis. The Company's Executive Head, Corporate Affairs ensures compliance with all applicable laws, regulations, rules and guidelines	Audit & Risk Committee Minutes, Internal Manuals
64	M	F.8	Does the Board annually conduct a review on the effectiveness of the company's risk management practices and internal control systems and report this to shareholders?	6.4.1	Full Application	The Board Audit and Risk Committee reviews all material controls, they receive regular reports from the internal audit department tasked with the review of controls. A report on Internal Controls and the Risk Management Systems is also included in the Annual Report on page 26.	2022 Annual Report, Board and Committee minutes
	M	F.9	Has the Board established an effective internal audit function according to Code requirements and which reports directly to the Audit Committee?	6.5.2	Full Application	The Group has an Internal Audit Department which is an independent function that reports directly to the Board Audit and Risk Committee and provides independent confirmation on compliance with the Group's business standards, policies and procedures. Where found necessary, corrective action is recommended.	2022 Annual Report, Internal Audit Charter
66	A or E	F.10	Does the Board disclose details of Audit Committee activities ?	6.5.2	Full Application	The function and annual activities of the Audit & Risk Committee are incorporated in the 2022 Annual report on page 23.	2022 Annual Report page 23, Audit and Risk Committee minutes
	G		TRANSPARENCY and DISCLOSURE				
67	M	G.1	Does the company have policies and processes to ensure timely and balanced disclosure of all material information as required by all laws, regulations and standards and this Code.	7.0 Overview, 7.1.1	Full Application	The company has established appropriate mechanisms to ensure timely disclosure of all material matters concerning the company. The website under News and Blog, highlights the press releases made regarding the company.	2022 Annual Report, Company's Website
68	A or E	G.2	Does the Annual Report cover, as a minimum, disclosures as prescribed in 7.1.1 relating to the company's governance, the Board and the Audit Committee?	7.1.1	Full Application	The 2022 Annual Report, pages 16 to 26, has a Statement on Corporate Governance which has disclosed matters relating to the Company's governance, Board structure and Audit & Risk Committee.	2022 Annual Report
69	A or E	G.3	Does the Annual Report cover, as a minimum, disclosures as prescribed in 7.1.1 relating to the company's mission, vision and strategic objectives?	7.1.1	Full Application	The Company's mission and vision are incorporated in the Annual Report on page 13 and in the ESG report as well as on the website. The Strategic goals are incorporated in the Annual Report on page 8	2022 Annual Report, ESG report and Company's website
70	A or E	G.4	Does the Annual Report cover, as a minimum, disclosures as prescribed in 7.1.1 relating to remuneration and whistleblowing?	7.1.1	Full Application	The Annual Report contains the Directors' Remuneration Report as required by the Code and the Companies Act, 2015 as well as details of the whistle blowing framework.	2022 Annual report
71	A or E	G.5	As a minimum, does the company website disclose current information on all areas prescribed in 7.1.1 (Board Charter, Whistleblowing Policy, Code of Ethics and information on resignation of directors)?	7.1.1	Full Application	The Company's website contains up to date information on the areas prescribed by the Code, including the Board Charter, whistleblowing Framework, Code of Conduct and Ethics and information on the Directors.	2022 Annual Report, Company's Website
72	A or E	G.6	Does the Board disclose the management discussion and analysis as required in 7.1.1?	7.1.1	Full Application	Factors which affected the Company's financial and operating conditions in 2022 are highlighted in the Chairman's Statement	2022 Annual Report
73	A or E	G.7	Has the Board provided disclosures as required in 7.1.1 on compliance with laws, regulations and standards; ethical leadership, conflict of interest, corporate social responsibility and citizenship?	7.1.1	Full Application	The Statement of Corporate governance has highlighted compliance with laws, regulations and standards; ethical leadership, Code of Conduct and Ethics, corporate social responsibility and citizenship on pages 14 to 26	2022 Annual Report
74	A or E	G.8	Has the Board made all required disclosures, including confirming requirements of 7.1.1 which include that a governance audit was carried out and that there are no known insider dealings?	7.1.1	Full Application	The Governance Auditors report is contained in the year 2021 Annual Report. The Statement on Corporate Governance Report has a caption on Governance Audit, page 25 and on insider dealings, Page 21.	2022 Annual Report
75	A or E	G.9	Has the Board disclosed the company's risk management policy, company procurement policy, policy on information technology as per 7.1.1?	7.1.1	Full Application	The financial risk management policies are highlighted on note 4 page 48 to 53 of the 2022 Annual Report. The Statement on Corporate Governance highlights the policies and procedures of the Procurement and ICT .	2022 Annual Report

Consecutive	Mandatory or 'apply or	Part No.	Question	Kenya Code Reference	Application - FA, PA or	Application or Explanation - Note 3 & 4	Source of Information
76	M	G.10	Has the Board disclosed information on shareholders, including the key shareholders, including shareholding by directors and senior management and the extent of their shareholdings as required in 7.1.1 and on stakeholder who influence company performance and sustainability?	7.1.1	Full Application	Disclosure of top 10 major shareholders and shareholding distribution schedule is listed on page 87 of the 2022 Annual Report. The directors shareholding is listed on Page 13 of the 2022 Annual Report	2022 Annual Report
77	M	G.11	Has the Board disclosed all related-party transactions?	7.1.1t	Full Application	Related parties transactions are disclosed on note 27, page 84 and 85 of the 2022 Annual Report.	2022 Annual Report
78	M	G.12	Does the Board include in its Annual Report a statement of policy on good governance and the status of the application of this Code?	1.1.3, 7.1.1r	Full Application	The statement of the policy on good governance is incorporated in the Annual Report and the status of the application on the various parameters highlighted.	2022 Annual Report, Statement on Corporate Governance on pages 16 to 26

Note 1

The Reporting Template shall be used by companies to report on their application of the provisions of the Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 (the Code). The completion of the Reporting Template and its filing with the Capital Markets Authority (CMA) will fulfill the reporting requirements of the Code at 1.1.3 paragraph 2. All elements marked in green are mandatory and MUST be complied with. Failure to fully apply will result in regulatory sanctions. When completing column 'F' for MANDATORY ITEMS, 'FA' will mean 'Fully Complied With', 'PA' will mean 'Partially Complied With' and 'NA' will mean 'Not Complied With'.

Note 2

Column 'F' should be marked as follows: 'FA' - Full Application, PA - Partially Applied or 'NA' - Not Applied. Full application of this Code is required by the Code. Therefore anything less than 'full application' is considered 'non compliance or non-application' of the Code. A response of PA or NA is non-compliance and requires an explanation to be provided with a firm commitment to moving towards full compliance. See also Note 4.

Note 3

An explanation of how the Code provision is applied is required in column 'G' and shall be supported by evidence of how application has been achieved. If the provision is NOT applied, an explanation for why it is not applied or only partially applied is required in column 'G'. For each question, column 'G' must be completed.

Note 4

If an explanation is required because of non-application of any element of the Code, the explanation must be satisfactory, must be provided to relevant stakeholders including the Capital Markets Authority and shall include:

- a: reasons for non-application
- b: time frame required to meet each application requirement
- c: the strategies to be put in place to progress to full application.