



BOARD OF DIRECTORS EVALUATION AND ASSESSMENT POLICY

REAL PEOPLE KENYA LIMITED

S. No	Version	Revision Date	Author	Areas Revised	Scope	Document Owner
1.	1.0.0		Simon Owawa	Initial Draft	RPKL	Legal and Compliance Department

Board of Directors Induction Policy

1. Purpose
 - 1.1. The purpose of this Board Evaluation and Assessment Policy is to outline the framework and processes for assessing the performance of the Board of Directors of Real People Kenya Limited (RPKL) (the “Board”) and its committees, as well as individual directors.
 - 1.2. This policy is designed to ensure that the Board operates effectively, maintains high standards of corporate governance, and continuously improves its performance.

2. Objectives
 - 2.1. The objectives of the Policy are to:
 - 2.1.1. Evaluate the effectiveness, composition, and operation of the board as a whole.
 - 2.1.2. Assess the performance, skills, and independence of individual directors.
 - 2.1.3. Identify areas for improvement and implement actions to enhance board effectiveness.
 - 2.1.4. Promote transparency, accountability, and responsible corporate governance.

3. Evaluation Process
 - 3.1. **Annual Evaluation:** An independent and comprehensive evaluation of the Board, its committees, and individual directors shall be conducted annually.
 - 3.2. **Evaluation Methodology:** The evaluation may include a combination of assessments, such as questionnaires, interviews, self-assessment, peer reviews, and external consultants.
 - 3.3. **Evaluation Criteria:** The evaluation process shall consider factors, including but not limited to:
 - 3.3.1. Board and committee composition and structure.
 - 3.3.2. Board and committee responsibilities and performance.
 - 3.3.3. Board decision-making processes.
 - 3.3.4. Leadership and oversight roles.
 - 3.3.5. Director qualifications, skills, independence, and performance.
 - 3.3.6. Board culture and dynamics.
 - 3.3.7. Compliance with corporate governance regulations and best practices.
 - 3.4. **Confidentiality:** The evaluation process and individual feedback shall be treated with strict confidentiality to encourage open and honest participation.

4. Individual Director Assessment

- 4.1. The Chair of the Board will meet annually with each director individually to review their performance having regard to their skills, contribution and other factors identified in the board skills matrix.
- 4.2. The senior independent non – executive director will review the Chair's performance taking feedback from other directors. In the event the Chair is the seniormost independent non-executive director, then the second ranking seniormost independent non-executive director shall review the Chair's performance.
- 4.3. Underperforming directors may be asked to take on additional training or mentoring. Persistent issues may result in asking the director to resign.

5. Committee Evaluation

- 5.1. Board committees will be evaluated annually as part of the board evaluation process. Additionally, each committee will undertake a self-assessment of its performance at least every two years.
- 5.2. Committee evaluations will have regard to the responsibilities as enshrined in the Board Charter, the committee's respective charter and any specific targets set for the committee.

6. Evaluation Reporting and Actions

- 6.1. **Evaluation Report:** A comprehensive evaluation report shall be prepared summarizing the findings, recommendations, and actions arising from the evaluation process.
- 6.2. **Action Plans:** Any identified areas for improvement or issues shall be addressed through the development of action plans.
- 6.3. **Monitoring Progress:** Progress on implementing the action plans shall be reviewed periodically and reported to the Board.
- 6.4. **Continuous Improvement:** The Board shall use the evaluation findings to continuously improve its performance and effectiveness over time.

7. External Evaluation

- 7.1. **Periodic External Evaluation:** The Board shall consider engaging external consultants every few years (subject to availability of funds) to conduct an independent evaluation to assess Board and director performance objectively.
- 7.2. **Selection of Consultants:** The selection of external consultants will be based on their experience, expertise, independence, and reputation.
- 7.3. **Reporting and Recommendations:** The external evaluation report shall be considered along with the internal evaluation reports to identify potential areas for improvement.

8. Review

- 8.1. The Board shall review and update this policy after every **two years** to ensure its ongoing relevance and effectiveness.
- 8.2. Any changes to the policy shall be approved by the Board.

End

Signed By: Titus M. Karanja
Chair of the Board of Directors



07 May 2024