



BOARD CHARTER

REAL PEOPLE KENYA LIMITED

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1. INTRODUCTION

- 1.1. The board of directors of Real People Kenya Limited (“the Company”) acknowledges the need for a board charter as recommended in the Code of Corporate Governance Practices issued by the Capital Markets Authority in Kenya.
- 1.2. This board charter is subject to the provisions of the Companies Act, the Company's Memorandum and Articles of Association and any other applicable laws or regulatory provisions.
- 1.3. The Board shall review and assess the adequacy of this Charter annually or more frequently if required.

2. PURPOSE OF CHARTER

- 2.1. This Charter sets out:
 - 2.1.1. The roles, functions, obligations, rights, responsibilities and powers of the Board; and
 - 2.1.2. The policies and practices of the Board in respect of its duties, functions and responsibilities.

3. COMPOSITION OF THE BOARD

- 3.1. The Company shall maintain a unitary Board, which shall comprise executive and non-executive directors with a majority of non-executive directors of whom at least a third shall be independent.
- 3.2. The Chairperson of the Board shall be a non-executive director.
- 3.3. The Board shall appoint the Chief Executive Officer (“CEO”) and set the terms of his/her employment.
- 3.4. Diversity and the demographics of the operating environment shall be considered in relation to the composition of the Board, which shall also reflect the responsibilities that it is vested with and the duties that it has to discharge and perform.

4. MEMBERSHIP OF THE BOARD

- 4.1. The office of the Chairperson of the Board and the CEO shall be separate. There shall at all times be a clearly defined division of responsibilities in both offices to ensure a balance of authority and power.
- 4.2. The members of the Board shall be expected to:
 - 4.2.1. Acquire a working knowledge and understanding of the Company's business and the laws, regulations and customs that govern the activities of the business;
 - 4.2.2. Keep abreast of changes and trends in the Company' business and the economic, political, social and legal climate in general;
 - 4.2.3. Make independent and sound business decisions and recommendations; and
 - 4.2.4. Exercise stewardship at all times and uphold the highest ethics in conduct.

- 4.3. The size of the board shall be sufficient to ensure the presence of a wide range of skills, knowledge and experience without compromising common purpose, involvement, participation and a sense of responsibility amongst the members necessary to meet the Company's strategic objectives.
- 4.4. The period of office of directors shall be as follows:
 - 4.4.1. New directors shall hold office only until the next annual general meeting at which they will retire and be available for re-election;
 - 4.4.2. All Non-executive directors are subject to retirement by rotation and re-election by shareholders at least once every three years, consistent with the memorandum and articles of association;
 - 4.4.3. The termination of service of any executive director for whatever reason shall result in the resignation of that director from the board.
- 4.5. Appointments to the Board shall only be on recommendation by the Remuneration and Nominations Committee and the process shall be formal and transparent. The Board shall decide on any appointment to the Board.
- 4.6. On appointment to the Board, non-executive directors shall receive a formal letter of appointment setting out clearly what is expected of them in terms of their roles and responsibilities, time commitment, Committee service and involvement outside Board meetings. This Board Charter shall be attached to all letters of appointment and be specifically incorporated by reference.
- 4.7. An induction programme aimed at an understanding of the Company, its operating environment and the markets in which it trades shall be conducted for all newly appointed directors.
- 4.8. The retirement age for an executive director shall be 65 years and for a non-executive director 70 years. The Board shall be entitled to re-elect a non-executive director who has passed the age of 70 years.
- 4.9. The Board shall establish a Remuneration and Nominations Committee with the objects, inter alia, of ensuring directorship continuity, overseeing the succession planning of directors and the regular review of the performance of the Board, the Board members and Board Committees, and matters relating to director and executive remuneration.
- 4.10. Any director shall be at liberty to accept appointments to other boards, provided that such appointments do not violate the Director Board Service Limitation Policy.

5. DIRECTOR INDEPENDENCE AND TENURE

- 5.1. The Board shall establish and regularly review a policy on the independence of directors. This policy shall:
 - 5.1.1. Specify the criteria for determining director independence.
 - 5.1.2. Require an annual assessment of each non-executive director's independence.
 - 5.1.3. Identify and explain any circumstances that might appear to affect a director's independence.
- 5.2. Non-executive independent directors shall serve for a maximum tenure of six years, after which they must retire from the Board.

6. ROLE OF THE BOARD

- 6.1. The Board shall assume ultimate accountability and responsibility for the performance and affairs of the Company and shall in so doing effectively represent and promote the legitimate interests of the Company and its shareholders. The Board, at all times, shall retain full and effective control over the Company and shall direct and supervise the business and affairs of the company.
- 6.2. In addition, the Board has a responsibility to the broader stakeholders that include, inter alia, the present and potential beneficiaries of the Company products and services, clients, suppliers, lenders, employees and the wider community to achieve continuing prosperity for the Company.
- 6.3. Directors, both executive and non-executive, carry full fiduciary responsibility and owe the following duties to the Company and its stakeholders:
 - 6.3.1. Duty of Loyalty: Directors must always act in good faith and in the best interests of the company. This duty requires directors to avoid conflicts of interest, disclose any conflicts that may arise, and act honestly and fairly in all dealings related to the company.
 - 6.3.2. Duty of Care: Directors must exercise reasonable care, skill, and diligence in carrying out their duties. This duty requires directors to inform themselves of all relevant information and make informed decisions in the best interests of the company.
 - 6.3.3. Duty of Skill: Directors are expected to possess the necessary skills and expertise to fulfill their responsibilities effectively. If a director lacks certain expertise, they may be required to seek advice or guidance from qualified professionals to ensure informed decision-making.
 - 6.3.4. Duty to Act within Powers: Directors must act within the powers granted to them by the Company's constitution (such as its articles of association), this charter and by relevant laws and regulations. Directors must also ensure that their actions are aligned with the Company's stated objectives and purposes.
 - 6.3.5. Duty to Promote the Success of the Company: Directors have a duty to promote the long-term success of the company and consider the interests of all stakeholders, including employees, customers, suppliers, and the wider community. This duty requires directors to consider the potential impact of their decisions on all stakeholders, not just shareholders.
- 6.4. The Board shall exercise leadership, enterprise, integrity and judgement in directing the Company's affairs to achieve continuing prosperity within the context of transparency and accountability.
- 6.5. The Board shall oversee, approve, monitor and review corporate strategy, major plans of action, Company policies, appropriate systems, annual budgets and business plans.
- 6.6. The Board shall establish performance objectives to enable it to measure management's performance and the progress of the Company in attaining set goals, objectives and targets.
- 6.7. The Board shall develop clear definitions of the levels of appropriate materiality or sensitivity in order to determine the scope and delegation of its authority and to ensure that it reserves specific powers and authority for itself. All delegated authority shall be in writing and shall be evaluated on a regular basis.
- 6.8. The Board shall manage potential conflicts of interest of Board members, management, the shareholders and wider stakeholders.
- 6.9. The Board shall oversee the Company's values and ethics and shall ensure that an appropriate corporate code of conduct is in place.

- 6.10. The Board shall be responsible for ensuring that succession plans are in place for the Board as a whole, the Chairperson, CEO, non-executive directors, Board Committee members, executive management and key posts (as determined by the Board from time to time) in the Company.
- 6.11. The Board shall ensure that technology and systems used in the organisation are appropriate for it to run the business properly and competitively through the efficient use of its resources.
- 6.12. The Board shall manage and protect the Company's financial position with the aid of its Audit and Risk Committee, and in so doing shall ensure that:
 - 6.12.1. The financial statements are true and fair and contain proper disclosures and conform with the law;
 - 6.12.2. Appropriate internal controls and regulatory compliance policies and processes are in place; and
 - 6.12.3. Non-financial aspects relevant to the business of the Company are identified and monitored.
- 6.13. The Board shall implement and maintain an effective risk management framework and ensure that key risk areas and key performance indicators of the business are identified and monitored.
- 6.14. The Board shall ensure that the Company complies with all relevant laws, regulations and codes of business practice.
- 6.15. The Board shall be satisfied that the Company has a sound communication policy and that it communicates regularly, openly and promptly with its shareholders and all relevant stakeholders, with substance prevailing over form.
- 6.16. The responsibility for the day-to-day management of the Company shall vest with executive management within the powers and authorities delegated to it by the Board. The Board shall afford executive management strategic direction and support in the execution of its duties.
- 6.17. Board members shall have unrestricted access to all Company information, records, documents and property. The Company Secretary shall assist the Board or any member thereof in providing any information or document that may be required.
- 6.18. Board members shall monitor the social responsibilities of the Company and promulgate policies consistent with the organisation's legitimate interests and good business practices and shall thus: subscribe to fair, equitable and non-discriminatory employment practices;
 - 6.18.1. Preserve and protect the natural environment; and
 - 6.18.2. Enhance and promote the rights and participation of communities they serve.
- 6.19. The Board shall oversee the Company's sustainability strategy and performance, including Environmental, Social, and Governance (ESG) matters.

7. BOARD PROCEDURES

- 7.1. The conduct of directors shall be consistent with their duties and responsibilities to the Company and consequently, indirectly to the shareholders.
- 7.2. Directors' responsibilities, rights, obligations and duties are set out in the memorandum and articles of association, the Companies Act and Common Law.

- 7.3. Directors shall comply with all relevant legislation and shall be required to maintain strict confidentiality of all information relating to the business of the Company.
- 7.4. The Board shall be disciplined in fulfilling its function, with the emphasis being placed on strategic issues and policy.
- 7.5. The Board's discussions shall be open and constructive. The Chairperson shall seek a consensus in the Board but may, where necessary, call for a vote. Discussions and records shall remain confidential unless a specific directive is received from the Board to the contrary.
- 7.6. The Board shall have sole authority over its agenda. Any director may request the Company Secretary to include an item on the agenda for discussion by and the decision of the Board.
- 7.7. At each meeting the Board shall, at a minimum, consider these matters laid out in the meeting agenda.
- 7.8. The Board shall, during the cycle of its activities:
 - 7.8.1. Approve the annual budget and business plan.
 - 7.8.2. Approve the annual and half-yearly financial statements and statutory reports and shareholders and public announcements.
 - 7.8.3. Consider, and if appropriate, declare or recommend the payment of dividends.
 - 7.8.4. Review the performance of Board members and Board committees.
 - 7.8.5. Review the directors', Chairman's and CEO's remuneration.
 - 7.8.6. Review policies and practices in general (such as remuneration, donations and sponsorships, authority levels and the like), as appropriate.
- 7.9. Non-executive directors may meet separately with management, without executive directors in attendance.

8. BOARD COMMITTEES

- 8.1. The Board is authorised to establish committees, in which non-executive directors shall play an important role, to assist it in the execution of its duties, powers and authorities. The Board shall delegate to each of the committees established, such authority as is required to enable such committees to fulfil their respective functions.
- 8.2. The delegation of authority to Board committees or management shall not mitigate or discharge the Board and its directors from their duties and responsibilities.
- 8.3. The Board shall constitute the following committees: – Audit and Risk Committee, Remuneration and Nominations Committee.
 - 8.3.1. Each committee shall have formal terms of reference that shall be approved by the Board.
 - 8.3.2. The Chairperson of each committee shall report back to the Board at each Board meeting on a general principle of transparency and full disclosure.

- 8.3.3. Board committees and members are authorised to obtain independent outside professional advice as and when considered necessary. The Company Secretary shall assist the Board committees and members in obtaining any such professional advice.
- 8.3.4. The Board shall be able to impose or revoke any delegation of authority, by which any committee or individual shall operate, at any time by recording its decision in the board minutes.

9. BOARD AND DIRECTOR EVALUATION

- 9.1. The Board shall be responsible for undertaking regular performance assessments of the Chairperson, CEO, non-executive directors, the Board as a whole, and Board Committees in order to evaluate their effectiveness and performance.
- 9.2. The Board shall conduct an annual self-evaluation to determine whether it and its committees are functioning effectively.
- 9.3. The Remuneration and Nominations Committee shall oversee a formal evaluation process to assess the composition and performance of the Board, each committee, and each individual director on an annual basis.
- 9.4. The assessments may be done using a combination of evaluation by external consultants and self-evaluation by individual directors.
- 9.5. The results of the Board evaluation shall be shared with the full Board and will be used to assess and improve the Board's performance.

10. MATTERS RESERVED FOR BOARD DECISION

- 10.1. The Board shall define levels of materiality, reserving specific powers to itself and delegating other matters with the necessary written authority to management. Delegated matters shall be minuted and evaluated on a regular basis.
- 10.2. The following matters shall be reserved for decision by the Board on the basis of any recommendation that may be made from time to time by the Committees of the Board and/or management:

10.3. Strategic issues

- 10.3.1. Approval of the strategy, business plans and annual budgets and of any subsequent material changes in strategic direction or material deviations in business plans.
- 10.3.2. Evaluation of key assumptions and business indicators on which the Company's strategic objectives and policies are based.
- 10.3.3. Consideration and approval of any material departure from strategic objectives and policies, including significant re-alignment of the businesses in which the organization operates or is invested.
- 10.3.4. Consideration and approval any major transactions; and
- 10.3.5. Oversight of all the important policies regulating the Company's relations with its primary stakeholders and the significant issues arising from these relationships.

- 10.4. **Financial matters**, with the guidance of the Audit and Risk Committee

- 10.4.1. Adoption of any significant change or departure in the accounting policies and practices of the Company.
- 10.4.2. Establishment of loan facilities from any financial institution or other body.
- 10.4.3. Approval of annual financial statements, interim reports and all matters related thereto.
- 10.4.4. Approval of interim and annual dividends; and
- 10.4.5. Recommendation to shareholders of any increase or reduction in or alteration to the share capital of the Company and the allotment, issue or other disposal of shares of the company (except for shares allotted under any share incentive scheme).

10.5. Statutory and administrative, with the guidance of the relevant Board Committee.

- 10.5.1. Amendments to the Memorandum and Articles of Association of the Company.
- 10.5.2. Appointment, removal or replacement of the external auditor/s of the Company.
- 10.5.3. Convening general meetings of shareholders of the Company and approval of the notice of the general meetings of shareholders.
- 10.5.4. Prosecution, defence or settlement of legal or arbitration proceedings, where material, excluding those proceedings that are conducted in the ordinary course of business.
- 10.5.5. Appointment of responsible persons who may be required in terms of any Act in Kenya or elsewhere in respect of the Company.
- 10.5.6. Approval of the rules of and amendments to pension and provident funds having a material effect on the actuarial liabilities of those funds.
- 10.5.7. Granting general signing authorities and changes thereto pursuant to the memorandum and articles of association.
- 10.5.8. Establishing any overseas branch or duplicate register of shareholders of the Company.
- 10.5.9. Variation of the rights attaching to shares where such powers are vested in the directors.
- 10.5.10. Formulation of remuneration and employment policies and practices dealing with, inter alia, equal opportunity, diversity, transformation, compensation, benefits, recruitment, retention, retirement, retrenchment, talent, and all associated human resource issues.
- 10.5.11. Formulation of policies in relation to trade union relations and industrial relations; and
- 10.5.12. Formulation of policies in relation to the environment, health and safety, community relations and any such other policies relevant to the company's primary stakeholders.

10.6. Regulatory

- 10.6.1. Approval of terms and conditions of the Company's rights issues, public offers, capital issues or issues of convertible securities, including shares, or convertible securities issued for acquisitions.
- 10.6.2. Approval and authority to issue circulars to shareholders of the Company.

- 10.6.3. Approval and authority to issue prospectuses, listing particulars, rights offers or takeover or merger documents.
- 10.6.4. Recommendations to shareholders that they approve any ordinary or special resolutions.
- 10.6.5. Recommendations to the shareholders on a particular course of action proposed by the Company; and
- 10.6.6. The listing or termination of the listing of the Company's shares on any stock exchange.

10.7. Human Capital

- 10.7.1. Appointments to the Board, duly assisted by the Remuneration and Nominations Committee.
- 10.7.2. Approval of terms of reference of and changes in the composition of the Board.
- 10.7.3. Changes to directors' fees as recommended by the Remuneration and Nominations Committee.
- 10.7.4. Approval of any share incentive scheme, the rules applicable to any such scheme and any amendment to such rules as recommended by the Remuneration and Nominations Committee, for submission to shareholders, if applicable.

11. RELATIONSHIP WITH SHAREHOLDERS AND STAKEHOLDERS

- 11.1. The Board shall endeavour to familiarise itself with any issues of concern to shareholders and wider stakeholders.
- 11.2. The Board shall evaluate economic, political, social and legal issues on a regular basis, as well as any other relevant external matters that may influence or affect the development of the business or the interests of the shareholders and, if appropriate, obtain independent expert advice.
- 11.3. The Board shall encourage shareholders to attend annual general meetings. All directors shall also be encouraged to attend these meetings and at a minimum the Chairperson, CEO, Head of Finance , Chairpersons of the Audit and Risk, Remuneration and Nominations Committees and any director at the specific request of the Chairpersons, shall be present.
- 11.4. The Board as a whole has responsibility for ensuring that a satisfactory dialogue with shareholders takes place based on the mutual understanding of objectives.
- 11.5. The rights of other stakeholders shall be recognised and respected and their active cooperation will be encouraged, The Board shall develop and implement a stakeholder engagement policy to ensure active cooperation with stakeholders in creating a sustainable and financially sound enterprise. This policy shall:
 - 11.5.1. Identify key stakeholder groups.
 - 11.5.2. Outline engagement strategies for each group.
 - 11.5.3. Provide for regular review and reporting on stakeholder engagement activities.

12. CORPORATE GOVERNANCE

- 12.1. The Board is the focal point of corporate governance in the Company. It is ultimately accountable and responsible for the performance and affairs of the Company.
- 12.2. The Board shall be responsible for ensuring that an adequate and effective process of corporate governance is established and maintained and that it complies with the Companies Act and CMA guidelines.
- 12.3. The Board shall include a full report on its corporate governance in the annual report and its compliance with the Companies Act and CMA guidelines.
- 12.4. The Board shall review the Company's corporate governance practices annually to ensure they remain appropriate in light of changing circumstances.

13. RISK MANAGEMENT AND INTERNAL CONTROLS

- 13.1. The Board shall be responsible for the process of risk management. The Board shall also be responsible for disclosures on risk management in the annual reports and financial statements and shall ensure that risk assessments are undertaken at least annually for the purposes of making its public statement on risk management.
- 13.2. The Board shall be also responsible for reporting significant risks that affect decisions of stakeholders in their dealings with the Company and shall disclose these in the annual report.
- 13.3. The Board shall ensure that an effective, on-going process shall be in place to identify risks, measure their impact and proactively manage and monitor these and that at appropriate intervals it receives and reviews reports on the risk management process, The Company' risk profile and compliance with legislation pertaining to risk and risk management.
- 13.4. The Board shall oversee the establishment and maintenance of an effective system of internal control. This system should:
 - 13.4.1. Safeguard the Company's assets and investments.
 - 13.4.2. Support the achievement of the Company's strategic objectives.
 - 13.4.3. Ensure the reliability and integrity of financial and operational information.
 - 13.4.4. Ensure compliance with applicable laws, regulations, and internal policies.
- 13.5. The Board shall receive regular reports from the Audit and Risk Committee on the effectiveness of the Company's internal control systems.

14. ACCOUNTABILITY AND AUDIT

- 14.1. The Board shall establish an Audit and Risk Committee to review and monitor the financial reporting, audit requirements and internal control principles and to maintain an appropriate relationship with the company's auditors and for making all such related recommendations to the Board.
- 14.2. The Board shall present a balanced and understandable assessment of the company's financial position and its operations in the annual and interim reports.
- 14.3. The directors shall explain in the annual report their responsibility for preparing the accounts and there shall be a statement by the auditors about the directors' reporting responsibilities. The facts

and assumptions on which the Board relies to conclude that the Company will continue as a going concern in the forthcoming year shall also be reviewed and reported upon.

- 14.4. The Board shall establish formal and transparent arrangements for maintaining a relationship with external and internal auditors and ensure that timely and accurate disclosure is made of any information that would be of material importance.

15. REMUNERATION

- 15.1. The remuneration of the directors shall be reviewed by the Selection and Remuneration Committee and approved by the Board.
- 15.2. Non-executive directors shall receive:
 - 15.2.1. A basic fee as remuneration.
 - 15.2.2. A basic fee for serving on a Board committee.
 - 15.2.3. Additional remuneration as Chairman of a Board committee; and
 - 15.2.4. Additional remuneration for any special service as a director.
- 15.3. The non-executive directors and chairperson shall be paid a level of fees appropriate to their office, which shall be reviewed annually by the Board after taking independent advice, if necessary.
- 15.4. No additional fees shall be paid to executive directors as executive directors other than in accordance with service/employment contracts.
- 15.5. No director should be involved in deciding his or her own remuneration.
- 15.6. The Board shall develop and disclose a remuneration policy that:
 - 15.6.1. Aligns executive remuneration with the Company's long-term interests and risk policies.
 - 15.6.2. Ensures transparency and fairness in setting remuneration levels.

16. MEETINGS AND BOARD ATTENDANCES

- 16.1. Meetings of the Board shall be held at such venue and at such time as the Board deems appropriate, but it shall normally meet at least four times a year or at the request of management or of the Chairperson of the Board, or of the Board members.
- 16.2. Directors shall use their best endeavours to attend Board meetings and to prepare thoroughly for each meeting. Directors are expected to participate fully, frankly and constructively in board discussions and other activities and to bring the benefit of their particular knowledge, skills and abilities to the Board. Directors who are unable to attend shall advise the Company Secretary.
- 16.3. The Chairperson may for good reason request executive directors to leave the Boardroom for any part of the Board meeting. This is especially so during deliberations relating to executive performance or remuneration.
- 16.4. Executive management, as appropriate, may attend Board meetings to facilitate communication between executive management and the Board.

- 16.5. Professional advisors, officers or members of staff whose input may be required or who may be invited for the purpose of inter alia capacity building for potential directors, may be invited to the meetings, at the discretion of the Chairperson.
- 16.6. The Chairperson may excuse any of the attendees from the meeting, or from any item on the agenda, who may have or may be considered by the Board to have a conflict of interest.
- 16.7. No invitee or shareholder observer shall have a vote at meetings of the Board.

17. PROCEEDINGS OF MEETINGS

- 17.1. The Company's memorandum and articles of association shall govern meetings and proceedings of the Board.
- 17.2. The company secretary, in conjunction with the Chairman and CEO, shall draw up an annual calendar of meetings, with an outline of the cyclical business to be considered at each meeting. It shall be presented for advance agreement by the Board.
- 17.3. Unless under exceptional circumstances, at least 5 working days' notice shall be given of a meeting of the Board. Such notices shall, where possible, include the agenda and any supporting papers. Agenda and any supporting papers will not be circulated later than 48 hours before special Board meetings.
- 17.4. The Company Secretary, in conjunction with the Chairperson and CEO, shall prepare an agenda raising all relevant issues requiring attention to ensure that effective proceedings are facilitated.
- 17.5. The Company Secretary shall ensure that the agenda and meeting papers are circulated to Board members at least 5 working days before the date set down for the meeting. The Company Secretary shall maintain a record of Board submissions and Board members will arrange with him/her to obtain access to records of Board documentation and minutes if required by them in the course of discharging their duties as Board members of the organisation.
- 17.6. Each Board meeting shall include at least the following matters:
 - 17.6.1. Reports on:
 - 17.6.1.1. Strategic initiatives and progress in relation thereto;
 - 17.6.1.2. Matters of material or potentially material impact and/or risk.
 - 17.6.2. Documents requesting approval of:
 - 17.6.2.1. Minutes of previous meetings;
 - 17.6.2.2. Any matters requiring specific approval by the Board.
 - 17.6.3. Reports by:
 - 17.6.3.1. Key operational personnel;
 - 17.6.3.2. Head of Finance.
 - 17.6.3.3. Chief Commercial Officer.
 - 17.6.3.4. Legal and Compliance Officer.

- 17.6.4. Board Committees documentation:
 - 17.6.4.1. Reports from the relevant chairmen;
 - 17.6.4.2. All minutes tabled for information.
 - 17.6.5. Governance matters of a general or of an ad-hoc nature.
 - 17.7. The quorum for any meeting of the Board shall be as determined by the memorandum and articles of association.
 - 17.8. Each Board member is responsible for being satisfied that, objectively, he/she has been furnished with all the relevant information and facts before making a decision.
 - 17.9. A director may not vote nor be counted in the quorum on any matter in which he/she has an interest. Additionally, he/she may be recused from any meeting at the discretion of the Chairman when such matters are discussed.
 - 17.10. Executive directors shall distinguish between their roles as directors and managers. If these roles conflict they shall withdraw from the relevant discussion and voting. An executive director when acting as a director, as opposed to when acting as a manager is not accountable to the CEO in the hierarchal sense for their actions or vote.
 - 17.11. Decisions will be made by majority of votes, and in case of an equality of votes, the Chairman shall have a second or casting vote.
 - 17.12. Minutes of meetings shall be taken by the Company Secretary and shall be circulated to all directors of the Boards within a reasonable time of the relevant board meeting. The minutes shall record the proceedings and decisions taken, the details of which shall remain confidential.
 - 17.13. A record shall be kept of the attendance of directors at Board meetings.
 - 17.14. The Board shall make a statement in the annual report on its terms of reference and activities, the processes used in discharging its responsibilities and duties, the membership of the various Board Committees, the number of Board and Committee meetings and the attendance of members over the course of the year.
- 18. PROFESSIONAL OR BUSINESS SERVICES PROVIDED BY DIRECTORS**
- 18.1. Non-executive directors may not generally provide any professional services to the Company.
 - 18.2. The Company may, however, for the purpose of a special assignment engage the services of a director with a specific field of expertise to undertake a specific task. In such event the scope of the task will be defined and agreed upon and a disclosure thereof shall be made to the Board at the next meeting date.
 - 18.3. The terms of the engagement shall be competitive, clearly recorded and all legal requirements with regards to disclosure shall be complied with.
 - 18.4. The Board shall formulate a Related Party Transactions Policy to govern such services. For avoidance of any doubt:
 - 18.4.1. All transactions between the Company and its directors, including the provision of professional or business services, shall be considered related party transactions.

- 18.4.2. Related party transactions shall be reviewed and approved by the Audit and Risk Committee prior to engagement.
- 18.4.3. The review process shall ensure that the transaction is in the best interest of the Company and its shareholders, and that the terms are fair and reasonable.
- 18.4.4. Full disclosure of all related party transactions, including the nature, value, and terms of the transaction, as well as the director's interest, shall be made in the Company's financial statements and annual report.
- 18.4.5. Directors involved in a related party transaction must recuse themselves from voting on the approval of such transactions.
- 18.4.6. The Company shall maintain a register of all related party transactions, which shall be regularly reviewed by the Board.
- 18.4.7. Any material changes to the terms of a previously approved related party transaction must be re-approved following the same process.
- 18.4.8. The Company reserves the right to seek independent professional advice to assess the fairness and reasonableness of any related party transaction involving the provision of services by a director.

19. DIRECTOR INDUCTION AND ONGOING DEVELOPMENT

- 19.1. All new directors shall participate in a comprehensive induction program designed to familiarise them with the Company's business, strategy, operations, risks, and governance practices.
- 19.2. The Board shall ensure that directors continually update their skills, knowledge and familiarity with the Company through ongoing training and development programs.
- 19.3. The Remuneration and Nominations Committee shall oversee the development and implementation of the director induction and ongoing education programs.

20. ROLE OF THE CHAIRPERSON

- 20.1. The Chairperson of the Board shall be appointed by the Board itself and shall be an independent non-executive director. The Chairman is primarily responsible for the functioning of the board.
- 20.2. The Chairperson is responsible for ensuring the integrity and effectiveness of the Board and its Committees.
- 20.3. The Chairperson is required to:
 - 20.3.1. Provide overall leadership to the Board, without limiting the principle of collective responsibility for Board decisions;
 - 20.3.2. Ensure that all the board members are fully involved and informed of any business issue on which a decision has to be taken;
 - 20.3.3. Ensure that executive members play an effective management role and participate fully in the operation and governance of the Company;

- 20.3.4. Exercise independent judgement, act objectively and ensure that relevant matters are placed on the agenda and prioritised properly;
- 20.3.5. Avail himself / herself to the CEO between Board meetings to provide counsel and advice;
- 20.3.6. Ensure that the performance of the CEO is evaluated frequently; and
- 20.3.7. Act as the main informal link between the Board and management, particularly the CEO.

21. ROLE OF THE CEO

- 21.1. The Board appoints the CEO.
- 21.2. The CEO's responsibility is to focus on the operations of the organisation, ensuring that it is run efficiently and effectively and in accordance with the strategic decisions of the Board.
- 21.3. The CEO is accountable to the Board for, amongst other things:
 - 21.3.1. Development and recommendation to the Board of the strategy and vision of the organisation and the annual business plans and budgets that support the organisation's long-term view;
 - 21.3.2. Achievement of performance goals, objectives and targets;
 - 21.3.3. Maintenance of an effective management team and management structures;
 - 21.3.4. Ensuring that appropriate policies are formulated and implemented to guide activities;
 - 21.3.5. Ensuring that effective internal organisation and governance measures are deployed; and
 - 21.3.6. Serving as the chief spokesperson of the Company.

22. THE COMPANY SECRETARY

- 22.1. The Company Secretary is accountable to the Board for:
 - 22.1.1. Ensuring that board procedures are followed and reviewed regularly and that applicable rules
 - 22.1.2. Guiding Board members as to how their responsibilities should be properly discharged in the best interests of the organisation;
 - 22.1.3. Keeping abreast of, and informing, the Board of current and new developments regarding corporate governance thinking and practice; and
 - 22.1.4. Maintenance of statutory records in accordance with legal requirements.

23. DUTIES OF INDIVIDUAL BOARD MEMBERS AND DISCLOSURE OF INFORMATION

- 23.1. Board members act jointly when discharging their duties and no Board member has authority to act on behalf of the Company unless specifically authorised or requested by the Board. Board members are jointly and severally liable and accountable for Board decisions and actions.

24. ETHICAL STANDARDS AND COMPLIANCE

- 24.1. In addition to clause 6.9 above, the Board shall ensure that a code of ethics and Conduct is developed and implemented. This code shall:

- 24.1.1. Commit the Company to the highest standards of professional and ethical behaviour, business conduct, and sustainable business practices.
- 24.1.2. Be developed in a participatory way to ensure buy-in from employees and relevant stakeholders.
- 24.1.3. Include appropriate measures for its implementation.
- 24.2. The Board shall oversee the establishment of an ethics management program, which shall include:
 - 24.2.1. A formal ethics risk assessment.
 - 24.2.2. The development and implementation of an ethics strategy.
 - 24.2.3. A system for monitoring and reporting on ethics performance.
- 24.3. The Board shall ensure the Company has an effective compliance function and program that covers all applicable laws, rules, codes, and standards.

25. REVIEW OF CHARTER

- 25.1. This Charter shall be reviewed by the Board at least once in two years and amended as appropriate to reflect changes in the regulatory environment, governance practices, or business of the Company.

26. APPROVAL OF THE CHARTER

This Charter was approved by the Board on **31st October 2024**

Signed By: Titus M. Karanja

Chairman of the Board of Directors



DATE: 31.10.2024