LONGHORN
PUBLISHERS PLC
expanding minds

LONGHORN PUBLISHERS PLC

BOARD CHARTER

2026

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1. PREAMBLE

The Board of Directors ("the Board) of Longhorn Publishers Plc ('the Company) is at the core of Longhorn's system of corporate governance and is ultimately accountable and responsible for the performance and affairs of the Company.

Good corporate governance is regarded as critical to the success of the business of the Company, and the Board is unreservedly committed to applying the fundamental principles of good governance namely transparency, integrity, accountability and responsibility in all dealings and in respect and on behalf of the company.

The Board accordingly embraces the principles of good governance as set out in in the Code of Corporate Governance practices for public listed companies in Kenya.

If there is any conflict or ambiguity between this Board Charter and the Articles of Association ("the Articles") of the Company, the Articles will take precedence.

2. OBJECTIVES OF THE CHARTER

This Board Charter defines the governance parameters within which the Board exists, sets out specific responsibilities to be discharged by the Board and Directors collectively, as well as certain roles and responsibilities incumbent upon Directors as individuals.

Whilst this Board Charter of necessity includes references to minimum acceptable standards of conduct, in pursuit of the ideals underlying this Board Charter, it is critical the substance prevails over form.

3. BOARD STRUCTURE AND COMPOSITION

3.1 Size of the Board

In accordance with the Company's Articles of Association, the Board shall comprise not be less than seven and not more than nine Directors.

3.2 Board Composition

The Board shall comprise a balance of Executive and Non-Executive Directors, with a majority being Non-Executive Directors. Independent and Non-Executive Directors should be at least one third of the total number of Board members.

The Board composition shall be such that it will fairly reflect the Company's shareholding structure so that no individual or company of individuals' interests will dominate the Board's decision-making process.

The following issues shall be considered in determining the composition of the Board:-

a) Attainment of a desirable ratio of and balance between the number of Executive, Non-Executive and Independent Directors;
b) Ensuring that the Board collectively contains the skills, experience and mis of personalities appropriate to the strategic direction of the company and necessary to secure its sound performance;
c) experience, knowledge, skills, and personal attributes of current and prospective directors in relation to the needs of the Board as a whole;
d) Board succession planning;

The Nomination, Governance and Human Resource Committee shall, in line with its term of reference, from time to time review the general composition of the Board and make appropriate recommendations on the appointment of new Executive or Non-Executive and Independent Directors.

Irrespective of a Director's special expertise or knowledge and regardless of whether a Director is an Executive or Non-Executive Director; all members of the Board recognize that they are collectively responsible to shareholders for the performance of the Company.

The termination of an employment contract of an Executive Director will result ipso facto in the termination of their membership of the Board, unless the Board determines otherwise.

3.3 Board Recruitment/Appointment and Succession Planning

3.3.1 Board Recruitment/Appointment

There will be a formal and transparent process for all appointments to the Board.

A Directors' Recruitment/Appointment Policy should be established which should identify key principles and criterial for the recruitment and appointment of Directors.

The Board Nomination, Governance and Human Resource Committee shall be directly involved in in the sourcing of prospective Board members and the appointment of new Directors shall be the prerogative of the Board of Directors and shall be based on merit and against an objective criteria.

The Directors' Recruitment/Appointment Policy should also offer guidance on the criteria that shall be considered in the selection process shall include but not be limited to the following:-

- Integrity and good standing in society
- Financial literacy
- Leadership qualities
- Relevant technical skills
- Diversity
- Availability and willingness to commit time to the affairs of the company

The Board should, on a regular basis, consider whether its size, diversity and demographics make it effective. Diversity applies to academic qualifications, technical expertise, relevant industry knowledge, experience, nationality, age, race and gender.

Board members shall receive formal letters of appointment setting out the main terms and conditions relative to their appointment.

3.3.2 Board Succession Planning

The Board shall have a Board Succession Plan to ensure that the Board's needs are met on a continuous basis and based on emerging needs of Longhorn Publishers Plc. In recruiting new members, the Board shall establish the kind of skills that are needed by the Board as well as the nature of the emerging issues faced by Longhorn Publishers Plc and the strategy being pursued.

The main goal for a succession plan is to have a smooth transition as Directors leave the board and ensure that positions are filled, skills gaps addressed. Longhorn Publishers Plc's board members should also be aware of the possibility of unexpected departures from the Board and have a plan in place to fill the positions expeditiously should it become necessary. The Board Chair shall have regular candid discussions with Board members regarding their intentions in order to avoid surprises. The Board Chair shall ask Directors to reconfirm their commitment during the annual Board evaluation.

The Board shall develop a plan which shall include the Board members profiles, their length of service and their expiration of their current term. This shall help give a clear picture of upcoming vacancies which will need to be filled.

On an annual basis, the Board will review and assess its composition and performance to ensure that:-

- The mix of membership is appropriate and compatible with the requirements of both the Board and the Company;
- Non-Executive Directors commit adequate time and contribute effectively to the Board.

The Board shall have a plan for continuing leadership development and succession planning for the position of the Chairman of the Board.

3.3.3 Multiple directorship

Every Director of the company except a corporate Director shall not hold such position in more than three public listed companies at any one time to ensure effective participation in the Board.

In a case where the corporate Director has appointed an alternate Director, the alternate Director so appointed shall be restricted to appointment in to two public listed companies at any one time.

An Executive or Managing Director of the company shall be restricted to holding one other directorship position in another listed company.

3.3.4 Alternate directorship

Any Director may, with the consent of the Board (such consent not to be unreasonably withheld), appoint any person to be an Alternate Director of the Company, and may at any time remove any alternate Director so appointed by him from office. An alternate Director so appointed shall not be entitled to appoint an alternate to himself and shall not as such be entitled to receive any remuneration from the Company. Every person acting as an Alternate Director shall be an officer of the Company, and he shall not be deemed to be the agent of the Director by whom he was appointed. Pursuant to the provisions of the Company's Articles of Association:-

- An Alternate Director shall be entitled to receive notices of all meetings of the Board and to attend and vote as a Director at any such meeting at which the Director appointing him is not personally present, and generally to perform all the functions of his appointor as a Director in his absence, including that of being counted as part of a quorum at such meeting.
- An Alternate Director shall automatically cease to be an alternate director if his appointor ceases for any reason to be a Director.

- Every appointment and removal of an Alternate Director shall be effected by notice in writing to the Company under the and of the Director making or revoking such appointment.
- A Director or any other person duly appointed as an Alternate Director may act to represent more than one Director, and a Director appointed as an Alternate Director shall be entitled at Board meetings to one vote for every Director whom he represents in addition to his own vote (if any) as a Director.

3.4 Directors

In discharging their role, Directors of the Company must satisfy the following primary requirements. A Director must always act:-

- in good faith, and in a professional manner, having due regard to their fiduciary duties and responsibilities to the Company;
- independently, in what they personally believe to be the best interests of the Company as a whole;
- with the degree of care, diligence and skill that may reasonably be expected from a person of their knowledge and experience;
- intra vires i.e within the scope of their authority as prescribed by the Memorandum and Articles of Association of the Company; an d as a member of the Board.

3.4.1 Term Limits and Independence

Subject to the provisions in the Articles of Association of the Company, at each annual general meeting of the Company, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest one-third, shall retire from office.

The Directors to retire in every year shall be those who have been longest in office since their last election, but as between persons who became Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. A retiring Director shall be eligible for re-election.

The Company at the meeting at which a Director retires in a manner as aforesaid may fill the vacated office by electing a person thereto, an in default the retiring Director shall if offering himself for re-election be deemed to have been re-elected, unless at such meeting it is expressly resolved not to fill such vacated office or unless a resolution for the re-election of such Director shall have been put to the meeting and lost.

Independent Directors shall serve for a period not exceeding nine years.

3.4.2 Removal of Directors

The office of Director may be vacated by statute, death or under the provisions of the Articles of Association of the Company as follows:-

- ceases to be or is prohibited from being a Director by virtue of any provision of the Statutes; or
- becomes bankrupt; or
- becomes incapable by reason of mental disorder of exercising his functions a Director; or
- resigns his office by notice in writing to the Company; or
- is called upon, in writing, to resign by all the remaining Directors; or
- is absent, without the previous sanction of the Directors, for a period for more than six months from meetings of the Directors held during such period and the Directors resolve that his office be vacated accordingly.
- the Company may be ordinary resolution, of which special notice has been given in accordance with the Companies' Act, remove any Director before the expiration of his period of office.

4. BOARD ROLES AND RESPONSIBILITIES

4.1 Duties, Role and Functions of the Board

In line with the Companies Act 2015, the Board shall comply with the following stipulated duties:-

1. Duty to act within powers whereby the Directors are required to only exercise power for which it is given and Directors to act only in accordance with the Company's Articles of Association of the Company, any resolutions or agreement.
2. Duty to promote the success of the Company whereby Directors are required to act in good faith and in ways that would promote company's success for benefit of members having regard to:

- Long term consequences of decisions;
- Interests of employee;
- Need to foster company business relationships with suppliers, customers and others;
- Impact of company operations on the community
- Company's desirability to maintain high standards; and

- Need to act fairly as between Directors and members/shareholders.

3. Duty to exercise independent judgement.
4. Duty to exercise reasonable care, skill and diligence and where a Director has a special skill, the standard of care and skill expected will be measured against his/her skill. If care and skill are not exercised, a Director can be liable for negligence.
5. Duty to avoid conflicts of interest.
6. Duty not to accept benefits from third parties.
7. Duty to declare interest in proposed or existing transaction or arrangement.

The Board should also as part of its role specifically exercise leadership, enterprise, integrity and judgement in directing the affairs of the Company so as to achieve continuing prosperity for the Company and its shareholders, and shall at all times act in the best interests of the Company in a manner based on transparency, integrity, accountability and responsibility.

The Board must specifically:-

a) define and chart out the Company's vision, mission and values. The Board has ultimate responsibility for the attainment of the Company's objectives;
b) determine the business strategies and plans that underpin the corporate strategy;
c) discuss and approve strategic plans and annual budgets;
d) retain full and effective control over the Company, and monitor management's implementation of the strategic plans and financial objectives as defined by the Board;
e) define levels of materiality, reserving specific powers to itself and delegating other matters, with the necessary, written authority, to management
f) continually monitor the exercise of delegated power by management;
g) ensure that a comprehensive system of policies and procedures is in place and that appropriate governance structures exist to ensure the smooth, efficient and prudent stewardship of the Company;
h) ensure that the business of the Company is managed with a view to ensuring that the Company is ethical in all its dealings and exercises corporate social responsibility;
i) ensure compliance by the Company with all relevant laws and regulations, audit and accounting principles, and such other principles as may be established by the Board from time to time;
j) identify key risks, opportunities and strengths relating to the Company;
k) ensure that the Company's organisational structure and capability are appropriate for implementing the chosen strategies;

l) determine monitoring criteria to be used by the Board;
m) set policies on internal control and obtain regular assurance that the internal control system is functioning effectively and effective in managing risks;
n) appoint Board members who will add value to the Board processes;
o) appoint the Managing Director, Heads of Departments, External Auditors, Company Secretary and other key consultants;
p) review and approve annual audited accounts and related reports;
q) communicate key policies and strategy issues to senior management;
r) identify all stakeholders and ensure effective communication with shareholders and stakeholders.
s) establish a sustainability or ESG committee and oversee the development and implementation of the company's ESG strategy.

4.2 The Role of the Chairman

There should be a clear division of responsibilities between the running of the Board and the running of the Company's business.

The Chairman's primary role is to direct the Board's business and act as its facilitator and guide, ensuring that the Board is effective in its tasks of setting and implementing the Company's direction and strategy.

The specific responsibilities of the Chairman include:-

a) providing leadership to the Board;
b) chairing Board and general meetings, which involves determining the agenda in consultation with the Managing Director and the Company Secretary and ensuring that the Directors receive accurate, timely and clear information and ensuring that the Board has an effective decision making framework;
c) keeping track of the contribution of individual Directors and ensuring visible participation;
d) facilitating effective Board management (engaging the Board in assessing and improving its performance and overseeing the induction and development of Directors);
e) monitoring the activities of Board committees.

The Board shall appoint the Chairman and an appropriate framework shall be put in place to ensure that no one Company or individual has undue influence over the Chairman's appointment.

The Board, through its Nomination, Governance and Human Resource Committee, shall on a regular basis assess the succession plans for the position of the Chairman of the Board of Directors.

4.2.1 Multiple Chairmanship

In line with the Code of Corporate Governance for Public Listed Companies in Kenya, the Chairman of the company shall not hold such a position in more than two (2) public listed companies at any one time, in order to allow him to devote sufficient time to the steering of the Board of Directors.

4.3 The role of the Managing Director

The Board shall appoint the Managing Director and set the terms and conditions of his/her employment.

The Managing Director's duties and responsibilities shall include but not be limited to the following:-

1) ensuring that the policies spelt out by the Board in the overall corporate strategy are fully adhered to and implemented subject to continuous review to accommodate changing market conditions and operating environment;
2) providing the Board with the support of necessary for the identification and hiring of competent persons to direct and manage key functions and operations of the company;
3) managing and coordinating the activities and operations of the company;
4) ensuring that the company's Human Resource Policy and Code of Conduct are adhered to by all employees of the company;
5) establishing and maintaining efficient and adequate internal control and internal audit systems;
6) ensuring development of the senior management team as part of succession planning for his/her position;
7) designing and implementing appropriate management information systems in order to facilitate efficient and effective communication, procedures and operations of the company; and
8) ensuring that the Board is regularly and adequately appraised on the operations and performance of the company through presentations of relevant Board papers, which must cover but not limited to, the following areas:-

- actual performance compared with the past performance and the budget, together with explanation of all the variances and viability of all places of business as profit centres;

- all insider transactions that benefit directly or indirectly any officer and significant shareholder of the Company;
- report on violations of the Capital Markets Act and other relevant regulations as well as updates on actions being undertaken to ensure compliance with all regulations;
- pertinent matters from the external and internal audits and Audit & Risk Committee reports;
- ensuring that the Company complies with all the relevant laws and regulations in carrying out the business of a public listed company in Kenya.

The Board shall ensure documentation of succession plan for the Managing Director and other key positions in the Management, in order to manage unplanned and sudden departures, which could disrupt the Company's operations and therefore undermine the shareholders' interests.

The Nomination, Governance and Human Resource Committee will on a regular basis review such plans and make recommendations as appropriate to the management and/or to the Board of Directors.

4.4 The Role and Responsibilities of the Company Secretary

The Company Secretary will be appointed by the Board, must be registered with the Institute of Certified Secretaries (ICS) and should be a member in good standing.

The Company's Secretary roles and responsibilities include but are not limited to the following:

- Providing guidance and advice to the Board, and within the company, on matters of good governance;
- Providing the Board as a whole and Directors individually with detailed guidance as to how their responsibilities should be properly discharged in the best interests of the Company;
- Facilitating the induction training for new Directors and assisting with Director's professional development as required. This includes identifying and facilitating ongoing Board education;
- In consultation with the Managing Director, ensure effective information flows within the Board and its committees and between Senior Management and Non-Executive Directors. This includes distribution of Board papers and minutes and communication of resolutions from Board meetings;

- Seeing to the proper development of Board meetings and providing Directors with clear advice and information;
- Ensuring compliance by the Company of provisions of the Company's Act, the Capital Markets Act, Nairobi Securities Exchange listing guidelines and any amendments thereof;
- Assisting in the Board and Committees' regular evaluation;
- Guiding the Company in taking the initiative to not only disclose corporate governance matters as required by law, but also those of material importance to the decision-making of institutional investors, shareholders and other stakeholders;
- Keeping safe custody of the common seal of the Company and accounting to the Board for its use;
- The Company Secretary should maintain and update the register of conflicts of interest by the Directors.

5. BOARD OPERATIONS

5.1 Annual Board Work Plan

The Board shall prepare a work plan setting out the activities planned for each financial year. Each year's work plan shall be presented to and approved by the Board before commencement of the relevant year or failing that, within the first two months of the relevant year.

The Board work plan shall as a minimum focus on:-

- the dates of board, committee, and the annual general meeting;
- dates for other key activities where board members are expected to be in attendance;
- principal areas of focus for board and committee meetings
- dates for Board and committee evaluation.

5.2 Board meetings

a) Frequency

Board meetings will be held at least four times a year and special meetings shall be convened as necessary.

Board meetings shall take place physically or virtually as agreed upon by the Board. A schedule of meetings will be provided to the Directors as part of the Annual Board Work Plan.

b) Notification of meetings and Agenda Items

The Board has sole authority over its agenda and exercises this through the Chairman. The Chairman in consultation with the Managing Director and the Company Secretary will set the agenda for the meetings. Any member may, through the Chairman, request the addition of any item to the agenda.

The Company Secretary shall be responsible for ensuring that proper notices of Board meetings are issued while the Managing Director will arrange for circulation of relevant papers. Documents for meetings will be circulated to the Directors at least seven days in advance of a Boad Committee Meeting.

Directors and committee members are expected to review the materials circulated in advance of the meetings.

c) Quorum for meetings

The quorum necessary for the transaction of the business of the Board shall be (5) five Directors present either personally or by alternate.

The quorum for Committee meetings is as stipulated in the respective Committee's charter/terms of reference.

d) Minutes

The Company Secretary will be responsible for keeping minutes, which provide an accurate record of the names of all person present, resolutions and proceedings of all Board meetings.

Each Board Committee will appoint its own secretary who will be responsible for taking minutes at its meetings and the maintenance of the minutes. A report from the Committee Meetings will be presented at the Board meeting held subsequent to the Committee meetings and Board approvals, as may be necessary, will be sought from the Board.

5.3 Board Committees

The Board shall constitute such committees as it shall deem necessary for the running of the affairs of the Board, provided that the Board shall ensure that at all times, there shall be an Audit Committee and a Nomination Committee in compliance with the requirements set out under The Capital Markets Code of Corporate Governance for Public List Companies in Kenya and the Regulations made thereunder ("CMA Code").

To assist it in carrying out its responsibilities, the Board has established the following committees:-

a) **Operations and Strategy Committee**
The objective of the Committee is to assist the Board in discharging its responsibilities in relations to strategy and general operational oversight.

b) **Nomination, Governance and Human Resource Committee**
The Nomination, Governance and Human Resource Committee is responsible for assessing and nominating members to the Board of Directors of the Company; making recommendations regarding the composition of the Board of Directors, operations and performance of the Board; overseeing the Company's CEO succession planning process; ensuring good corporate governance of the company.

The Committee is also responsible for making recommendations to the Board regarding incentive-compensation plans, the evaluation of management performance and establishing whether the Human Resource plans and initiatives will enable the Company to achieve its strategic objectives.

c) **Audit and Risk Committee**
The objective of the Committee is to assist the Board in discharging its responsibilities in relation to financial reporting and regulatory conformance.

d) **Special Committees**
The Board may, from time to time, as necessary, form ad-hoc or special committees to deal with specific matters, for a defined term.

The Board shall retain oversight authority over such committees and disband them upon attainment of the objective for which they were established.

The Chairperson of any of the Board Committees must be a Non-Executive Director.

Each Committee Chair, in consultation with Committee members shall determine the agenda, and frequency of the meetings, and to the extent possible, the schedule of the meetings will be included in the Annual Board Work Plan.

The responsibilities of the Committees are laid out in their respective charters/Terms of Reference.

5.4 Conflicts of Interest

The Directors of the Company are under a fiduciary duty to act honestly and in the best interests of the company. Directors should avoid putting themselves in positions where their self-interests conflict with their duty to act in the best interests of the Company.

It is the Company's policy that Directors, their immediate families and companies where Directors have interests must not transact business with the Company without the express approval of the Board of Directors. Any business transacted with the Company must be at arm's length and:

- such business interests must be fully disclosed to the Board;
- such business interests must be considered and approved by the Board through an annual declaration.

All Directors shall be required to sign an annual declaration on possible or actual conflicts of interest as follows:

- That the Director did not have any personal or business interest in any matters that came up for discussion before the Board; or did not exert any undue influence on the officers of the Company to determine any matter under their consideration;
- That in the event a Director did not have an interest in any matter that came up for discussion before the Board, such interest was declared as per the provisions of the Charter;
- That a Director has not benefited in any way because of being a Director except in the normal course of business.

The purpose of such a declaration is to serve as an annual reminder to the Directors of the Company, their duty to conduct their affairs with the Company at arm's length and to avoid situations in which their interests may conflict with those of the Company.

5.4.1 Related Party/Insider Transactions

A potential conflict of interest exists if Longhorn intends to enter into a transaction with a related entity/party. The Board of Directors shall develop a

policy on how it will ensure that the rights of Longhorn's shareholders are protected during such transactions. A related party includes:-

a) The Board members and their affiliates or associates;
b) The Managing Director or any staff at Senior Management level including anyone who ordinarily reports to the Board or the Managing Director;
c) A company where a Board Member or staff at Senior Management level are significant shareholders owning or controlling more than 10% of the issued share capital;
d) Close relatives (father, mother, sons, daughters, spouses) of any natural person listed in number (a) above;
e) Any business which the natural persons listed in number (a) to (d) owns jointly or severally, 20% of the voting rights;
f) Any person whose judgment or decision could be influenced as a consequence of an arrangement or relationship between or involving themselves an nay of the persons in number (a) to (e);
g) Any of Longhorn's subsidiaries, joint ventures, affiliates, or associate companies.

A register shall be maintained to provide a formal record of interests that Directors and Management have with the Company.

The Company Secretary will maintain a register of all possible conflict of interest situations that are disclosed that are disclosed to the Board.

The following options may be considered in resolving conflicts of interest:

a) Disclosing the conflict and refraining from voting
A Director should disclose the nature and extent of a conflict and refrain from voting on a matter involving the conflict. This disclosure should be recorded in writing in the minutes of the Board of Directors.

b) Refraining from discussion
If a conflict is of a minor nature, it may be sufficient for a Director who has disclosed his or her interest to remain at the Board meeting and to simply refrain from discussing the matter.

c) Exclusion
If a conflict if more substantial, the Board may consider excluding a Director from those portions of Board meetings where the matter will be discussed.

d) Resignation

No person having a permanent conflict of interest shall be a member of the Board of Directors or the Executive management of the Company.

In the event that the conflict of interest is significant the Director will be asked to resign.

5.5 Code of Conduct and Ethics

The Company has developed an Anti-Bribery and Corruption Policy stipulating the ethical values, standards as well as specific guidelines that the Company adheres to, in its interaction with its internal and external stakeholders.

The Anti-Bribery and Corruption policy should be reviewed and updated on a regular basis.

The Board should ensure that proper mechanisms are in place to monitor and assess adherence to the prescribed Anti-Bribery and Corruption policy, and ensure that all Directors and employees adhere to the prescribed Anti-Bribery and Corruption policy.

5.5.1 Whistle-blowing policy

The Board has established whistle-blowing mechanisms that will encourage stakeholders to bring out information helpful in enforcing good corporate governance practices and adherence to the Anti-Bribery and Corruption policy for the overall benefit of the Company.

5.6 Policies

The Board is responsible for setting policies and providing strategic direction to the Company.

Specifically, the Board must:

a) Provide and adopt a clearly document framework of sound policies and procedures for all areas of Longhorn's operations and covering all the relevant risks.
b) Ensure that these policies and procedures are communicated to all staff involved in the implementation.
c) All policies and procedures should be reviewed on a continuous basis and revised as appropriate.
d) The Board is responsible for all approval and adoption of Board policies. Board committee charters, and any other codes relevant to the Directors.

e) The Board shall develop and maintain a shareholders' and stakeholders' Communication Policy.

5.7 Delegation of Authority

Management of Longhorn's day to day operations will be undertaken by the Managing Director, subject to specified delegations of authority approved by the Board. The Managing Director can delegate his authority to staff within the limits the authority delegated to him by the Board of Directors and consistent with other Board delegations from time to time.

Any key strategic matters or transactions outside the delegations of authority must be referred to the Board of Directors for approval.

5.8 Decision Making

Board discussions will be open and constructive, recognizing that genuinely held differences of opinion could in such circumstances, bring greater clarity and lead to better decisions.

Each Director commits to express their views clearly and to use all means at their disposal to convince the Board of the validity of their position should they hold the view that a proposed Board decision is not in the best interests of the Company.

The Chairman will, in the first instance, seek a consensus in the Board of Directors, failing which, he will call for a vote.

5.9 Independent Professional Advice

The Board shall approve a procedure on the basis of which, any Director may take independent professional advice, at the expense of the Company, where there is doubt as to whether a proposed course of action is consistent with their fiduciary duties and responsibilities.

The following points will act as a guide to the procedures to be followed:-

a) A Director must seek the approval of the Chairman prior to seeking the advice;
b) In seeking the prior approval of the Chairman, the Director must provide the Chairman with details of:
   i. The nature of the independent professional advice;
   ii. The likely cost of seeking the independent professional advice; and
   iii. Details of the independent adviser he or she proposes to instruct.

c) The Chairman, in consultation with the other Board members, may prescribe a reasonable limit on the amount that the Company will contribute towards the cost of obtaining such advice;
d) All documentation containing or seeking independent professional advice must clearly state that the advice is sought both in relation to the Company and to the Director in his or her personal capacity. However, the right to advice does not extend to advice concerning matters of a personal or private nature, including for example, matters relating to the Director's contract of employment with the Company (in the case of an Executive Director) or any dispute between the Director and the Company;
e) The Chairman may determine that any advice received by an individual Director will be circulated to the rest of the Board.

5.10 Confidentiality

Information concerning the Company, which is communicated to Directors in confidence in connection with their functions, is provided intuit personae (in consideration of the person).

Directors must personally take the necessary precautions to preserve the confidentiality of such information and not divulge it under any circumstances. This personal responsibility applies equally to representatives of legal entities, which are Directors.

5.11 Directors' Remuneration and Expense Policy

As the Board jointly and the individual Directors play a vital role in advancing the Company's strategic priorities and objectives and in providing oversight and supervision of the management of the business and affairs, appropriate remuneration for services performed by Directors is part of good governance.

Remuneration must reflect the importance and professional nature of Board work, attract and retain qualified individuals. The establishment of guidelines for the reimbursement of expenses by the Board and its Directors promotes accountability and transparency.

The Nominating, Governance and Human Resource Committee shall be responsible for reviewing Non-Executive Directors' remuneration and recommending the necessary changes to the Board of Directors as may be deemed necessary from time to time. In making these recommendations, due consideration must be given to the Board's expectations from Directors in terms of time commitments, degree of responsibility and financial condition of the Company.

The Committee may request management or external consultants to provide necessary information upon which the Board may make its determination. Directors' remuneration shall be presented for approval at the Annual General Meeting.

In determining the compensation for Non-Executive Directors, the Nomination, Governance and Human Resource Committee shall consider the following:-

- The level of fees currently earned by Directors in their professional capacity;
- The number of hours spent by Directors in preparing for and attending meetings, as well as travel to meeting venues;
- Current market rates applicable to organisations of similar size and in the same industry;
- The complexity of the company's operations and the extent to which Directors have to incur additional cost in research on industry developments, etc;
- The number of meetings in a year.

A Directors' Remuneration and Expense Policy shall be established which should identify key principles for the reimbursement of expenses incurred by Directors and payment of remuneration of Directors.

The Director's Remuneration and Expense Policy should also offer guidance on the following:-

- Annual Remuneration for the Directors;
- Annual Remuneration for the Chairman;
- Allowances for attendance at meetings of the Board, Board Committees and General Meetings;
- Expenses reimbursements for in-country and out of the country Company related business trips;
- Allowances for attending the Company's business meetings other than Board, Committee and General Meetings, as well as attending board trainings of particular interest and benefit to Longhorn where, in the opinion of the Board, the benefits to attend warrant a fee be paid;
- Other benefits to be provided as per the Board Remuneration Policy;
- Guideline on farewell gifts for Directors upon retirement/resignation;
- Guideline on the review of the allowances in terms of if review will be annually/bi-annual and the how the rate/percentage increase will be arrived at.

The remuneration recommended by the Nomination, Governance and Human Resource Committee and agreed by the Board shall apply to all Directors and no Director should be involved in fixing their own individual remuneration.

5.12 Directors' Liability Insurance (Professional Indemnity)

The Company acknowledge that it is important to ensure that the Board of Directors are protected against legal liability, threat of litigation and potential damage to a Company's reputation especially due to increased responsibility and accountability.

Professional Liability insurance is an essential component of risk management. The Company has in place a Professional Indemnity cover to protect Directors/professionals carrying out the Company business in the event of claims made by clients or third parties.

The Indemnity cover should protect an individual in the event of claims being made against him/her for alleged wrongful acts in their capacity as a Director or Officer or against the Company.

The insurance will however not protect a Director where such protection is prohibited, for example in cases of willful neglect, willful default, dishonesty or a crime, breach of certain statutory prohibitions not involving a crime (such as unlawful distributions or wrongful trading), criminal fines and costs of litigation where an indemnity is not permitted.

5.13 Directors' Orientation and Continuous Training

Newly appointed Directors will receive a comprehensive, formal and tailored day induction programme to ensure familiarization with the Company's business and therefore be in a position to effectively contribute to the Board of Directors in the early days of their appointment.

The induction will cover the nature of the Company's business, the Group and Company organisation structures, The Company strategy Board practices and procedures, as well as training on the role, duties and responsibilities of Directors.

All Directors will also receive continuing training to extend and refresh their knowledge and skills which will add to their credibility and effectiveness in the discharge of their responsibilities. The Company shall provide the necessary resources for implementing these training programmes.

5.14 Performance Evaluation

The Board shall have in place a process for evaluating will be carried out on the Board's own performance, performance of the Chairman, individual Directors and that of its Committees.

The evaluation process should address as a minimum, the following key areas:

a) Management of Board and Committee meetings
- regularity of attendance at board meetings;
- active participation and discussion in decision making;
- sound business judgment'
- quality and timelines of management reports and their effectiveness in the decision making process of the Board.

b) The Direction and Performance of the Company
- How satisfactory is the Board's monitoring of the Company?
- Are important issues identified in a timely manner and appropriately addressed?
- Is an effective risk management process in place? Are risks identified and steps taken to management them?
- Is an impact assessment relating to key decisions made carried out?

c) Individual Board member contributions
- Is the Chairman discharging his duties effectively?
- Is there adequate participation by the Directors as well as recognition and effective use of individual Board members' particular skills?

d) Shareholders' and stakeholders' expectations
- Has the Board clearly defined the Company's stakeholders to which it is accountable and responsible?
- Is there full and accurate reporting on company affairs to the shareholders?
- Do company goals and strategic direction reflect shareholder expectations?

e) Legal responsibilities
- Does the Board have effective procedures in place to ensure that the organisation is meeting its legal responsibilities?

The results of the self assessment should be used to determine the strengths and weaknesses of the Board and where appropriate, new members should be appointed to the Board to address any key gaps identified, or resignation sought as may be necessary.

The results of the self assessment should also be used to determine the Directors' training needs.

5.15 Management Succession Planning

Succession planning reduces the risk of planned and unplanned departures of the members of the management team.

The Company shall conduct succession planning for risk mitigation and to make sure that it develops future talent to take over the roles of the Executive Directors. This will be done by identifying candidates internally who can be developed and who, in the Management's and Board opinion, have exhibited the competence to take up the role of the next Managing Director and other leadership positions in the Company.

Long term planning for the Executive Directors' development and succession is a critical function of the Board. The Boad, through its Nomination, Governance and Human Resource Committee shall identify and regularly update the qualities and characteristics necessary for effective Executive Directors. With these principles in mind, the Board shall periodically monitor and review the development and progression of potential internal candidates against these standards.

In consultation with the Managing Director, the Board shall ensure that plans are in place for contingencies or unexpected vacancies in the Managing Director or Senior Management positions.

6. TRANSPARENCY AND DISCLOSURE

The Board should promote timely and balanced disclosure of all material information concerning the Company. Some key areas requiring disclosure:-

6.1 General/standard reporting

1) **Details about Board members** – Current names of Board members should be disclosed with a summarized profile for each Director.
2) **Board & Governance structure** – The Board should disclose n tis annual report the composition and size of the Board of Directors incorporating the various classifications as Executive, Non-Executive and Independent Directors. In addition, it should disclose, the existing committees of the Board, Management and their mandate.

3) **Audit Committee** – The Board should disclose in its annual report, whether it has an Audit Committee, the members, their qualifications, independence or lack thereof and the mandate of such committee.
4) **Code of Conduct and Ethics** – The Board should disclose the Company's code of ethics and conduct on its website.
5) **Company vision, mission, values and strategic objectives** – The Board should ensure that the annual report includes a statement on the Company's vision, mission values and strategic objectives and how these influence Board and Management behaviour towards maximization of shareholder value.
6) **Compliance with Laws, Regulations and Standards** – The Board should disclose the level of compliance with Laws, Regulations and Standards, any material departures from required compliance, the causes of non-compliance and the measures to address the non-compliance.
7) **Ethical leadership and corporate citizenship** – The Board should disclose the Company's policy on corporate social responsibility and investment. It should also disclose the Company's policy on conflict of interest.
8) **Environmental Social and Governance policies** -The Board should ensure that the Company discloses its policies and implementation thereof in its annual report and website.
9) **Evaluation Results** – Summary results of the evaluation exercise of the Board, the Chairperson, the CEO and Company Secretary should be published in the annual report and financial statements of the Company.
10) **Financial reporting** – This is a narrative which sets out:

    a) Management assessment of the factors that affected the Company's financial condition and results of operation over the period covered by the financial statements; and

    b) Known trends that are reasonably likely to have a material effect on the Company's financial condition and results of operations in the future.

    The Board should disclose whether it has complied with the International Financial Reporting Standards (IFRS) in preparing their financial statements. Any deviation from these financial standards should be disclosed.

11) **Information technology and corporate reporting** – The Board should disclose the Company's policy on information technology.
12) **Insider dealings** – The Board should institute structures to prevent insider dealings by its Directors and management. In addition, the Board should disclose all the insider dealings that come to its attention.

13) **Key company's risks and sustainability** – The board should disclose the Company's risk management policy. It should also disclose the key risks to which the Company is exposed.
14) **Key stakeholder groups** – The Board should disclose the key shareholders and the extent of their shareholding. As per IFRS requirements, consolidation and a discussion fo the basis for consolidation that would include mention of relevant subsidiaries. The Board should also disclose key stakeholders who may have an influence on the Company's performance and sustainability.
15) **Policy on corporate governance** – The Board should include in its annual report a statement on compliance with good governance practices. Provided that where the Company has not fully applied the recommended corporate governance practices, the Board should indicate the steps being taken to ensure the application of such practices.
16) **Procurement** – The Board should disclose the Company's policy on procurement.
17) **Related party transactions** – The Board should disclose all related party transactions. The disclosure of related party transactions should be further guided by the provisions of applicable laws.
18) **Remuneration structure** – The Board should annually disclose in its annual report, its policies for renumeration including incentives for the Board and senior management.
19) **Resignation of Board members** – Resignation by serving Board members should be adequately disclosed in the annual report at the end of the financial year. In addition, the Capital Markets Authority should be notified within 24 hours of the appointment or resignation of a Director.
20) **Whistle-blowing policy** – The Board should disclose the Company's Whistle Blowing Policy in its annual report and on its website.

6.2 Financial Reporting

The Board is responsible for:-

- Ensuring that qualified, competent, fit and proper persons are employed to undertake accounting and financial responsibilities;
- Ensuring the integrity and adequacy of the Company's accounting and financial systems;
- Ensuring that the Company complies with applicable accounting standard and regulatory frameworks.

The Board shall present to the shareholders, annually, a balanced and understandable assessment of the Company's financial position and prospects. The Directors should explain in the annual report their responsibility for preparing the accounts and there should be a statement by the auditors about their reporting responsibilities.

The Directors shall report whether the business is a going concern with supporting assumptions or qualifications as necessary.

6.3 Governance Audit

The Board shall ensure that a governance audit is carried out by a competent and reputable Governance Auditor accredited by the Institute of Certified Secretaries, based on the guidelines provided by the Capital Markets Authority. This is to ensure compliance with the Capital Markets Authority's code of Corporate Governance guidelines as well as to establish areas on improvement in good corporate governance practices.

6.4 Internal Control

The Board is responsible for the company's system of internal control. It shall set appropriate policies on internal control and shall regularly (at least annually) conduct a review of the effectiveness of the Company's system of internal controls.

The review shall cover all material controls, including financial, operational and compliance controls as well as risk management procedures. The Board shall further ensue that the system of internal control is effective in managing risks in the manner in which it has approved.

7. PROCESS OF REVIEW OF THE BOARD CHARTER

The Board shall review this Board Charter as and when necessary to ensure it remains relevant to the business objectives of the Company and to the company's operating environment.

The Managing Director shall initiate the review process in consultation with the Chairman of the Board and the Company Secretary.

This Charter was approved by the Board of Directors on 17th September 2026 and signed on its behalf by:

.....
Prof. Githu Muigai, EGH, SC
Group Chairman

.....
Ms. Emma Miloyo
Chair, Nominations, Governance and Human Resource Committee

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Charter Change Log

Version	Approved by	Date	Description of changes
Version 1	Board of Directors	2015	N/A
Version 2	Board of Directors	19 November 2020	Editorial changes and clarity of scope
Version 3	Board of Directors	September 2026	Under Board roles, included ESG and sustainability oversight