

TOMIL TRUST LIMITED - BOARD CHARTER

1. PURPOSE

The Board has two broad purposes – compliance and performance:

COMPLIANCE : conform with or exceed all legal requirements.

Legal

- Monitor constitution.
- Comply with directors' responsibilities.
- Comply with laws.

Accountability

- Monitor financials
- Compliance audits

PERFORMANCE: assist the company to perform to its best potential.

Strategy and Policy

Approve Vision/Mission and ensure it is embedded into the company's operations.

Approve strategic plan and policies and monitor regularly.

Accountability

- Overall performance of the company.
- Board evaluation, Succession planning.
- Report outcomes to stakeholders.
- Manage MD.

Risk management

- Ensure up to date and effective risk profile and management strategy.

- Monitor critical risks.

This Board Charter (Charter) sets out the role, responsibilities, structure and processes of the Board of **TOMIL TRUST LIMITED** (TTL), hereinafter referred to, where the context so admits, as ('the Company').

2. ROLES AND RESPONSIBILITIES

- (i) The role of the Board is to provide leadership and strategic guidance for TTL, in addition to overseeing management's implementation of the Company's strategic initiatives. The Board is accountable to the shareholders for the performance of the Company's business. In performing its role, the Board aspires to excellence in corporate governance standards.

(ii) KEY RESPONSIBILITIES:

- (a) Approve the strategic direction of TTL.
- (b) Approve TTL's annual budgets and financial statements and monitoring financial performance against forecast and prior reports.
- (c) Establish policies for strengthening the performance of the Company including ensuring that management is proactively seeking to build the business through innovation, initiatives, technology, new products and the development of its business capital.
- (d) Approve TTL's risk management strategy and monitor the effectiveness of risk management processes by the executive management, including through appropriate reporting and oversight, ensuring that appropriate internal control mechanisms are in place and are being implemented in accordance with regulatory requirements.
- (e) Select, appoint and terminate the appointment of the external auditors in line with existing corporate guidelines and other regulatory requirements
- (f) Establish Board committees, only when they are efficient and necessary, to assist and facilitate the Board in exercising its authority for a more effective discharge of its roles and responsibilities.

- (g) The Board may also establish ad hoc board committees from time to time to consider matters of special importance or to exercise the delegated authority of the Board.
- (h) Review and approve the Board's remuneration policy, covering the sitting and Committee fees.
- (i) Ensure the company's financial statements are true and fair and otherwise conform with the law.
- (j) Appoint the CEO/MD, setting the terms of his or her employment contract and where necessary, terminating the CEO's employment with the Company.
- (k) Ensure that the company has appropriate corporate governance structures in place, including adherence to high standards of ethics and corporate behavior.
- (l) Review succession plans for the MD/CEO, the Executive Directors and other top management executives.
- (m) Initiate a Board self evaluation program to ensure effective and high performance levels are maintained.
- (n) Appointment and removal of a Company Secretary will be subject to Board's approval.

3. ROLE AND DELEGATION TO MANAGEMENT

The Board will link the company's governance and management functions through the MD. All board authority conferred on the management is delegated through the MD so that the authority and accountability of management is considered to be the authority and accountability of the MD. The MD is responsible for:

- The implementation and execution of the strategic business objectives, goals and plans of TTL as approved by the Board
- The efficient and effective operations of the Company (day to day)
- Bringing material and other relevant matters to the attention of the Board in an accurate and timely manner for approval or otherwise.

Accountability of the MD to the Board

The MD is accountable to the Board for the achievement of the Company's goals and targets. At each of the normal quarterly meetings, the Board should expect to receive from the MD the operational and other reports and proposals referred to in 4 (5) below.

Other responsibilities include but are not limited to:

- ✓ The development (in conjunction with the Board), and implementation of short, medium and long term corporate strategies for the Company, preparing business plans, proposals and reports with senior management, and reporting/presenting to the Board on current and future initiatives.
- ✓ Management of a team of executives responsible for all functions contributing to the success of the Company.

4. BOARD SIZE AND COMPOSITION

Generally, the qualifications for Board membership are the ability and intelligence to make sensible business decisions and recommendations, the ability to see the wider picture, the ability to ask hard questions, preferably some experience in the financial sector, high ethical standards, and a total commitment to furthering shareholders value and the achievement of the Company's goals.

- (1) The Board shall comprise of a maximum of 5..... And a minimum of ...3.... Directors (so that a quorum can be formed to transact business at meetings).
- (2) Membership of the Board shall be disclosed in the Company's Annual Report.
- (3) The Board will determine and regularly review the composition of the Board, having regard to the optimum number and skills mix of Directors, subject to the limits imposed by the constitution.
- (4) The Board shall meet regularly to discharge its duties effectively. The Board shall meet not less than four (4) times a year, that is, at least, once per

quarter. Each board member is expected to attend not less than 75% of the meeting annually.

(5) At each normal meeting, the Board will consider:

- An Operational/ Performance Report from the MD.
- A report from the Chief Financial Officer.
- Reports on the activities from individual management committees.
- Specific proposals for capital expenditure and acquisitions.
- Major issues and opportunities for the Company.

(6) The Board shall encourage enhanced performance of the Company and effectively review and challenge management's performance.

5. OFFICERS OF THE BOARD

I. The Chairman

- i. The Board will appoint one of its members to be the chairman in accordance with the relevant provisions of the Companies and Allied Matters Act (CAMA), 1990.
- ii. The chairman shall represent the Board and communicate the Board's position where necessary.
- iii. The chairman is responsible for the leadership of the Board and ensuring its effectiveness on all aspects of its role and setting its agenda.
- iv. The chairman is responsible for the efficient organization and conduct of the Board's functions, including establishing the agenda for the board meeting in conjunction with the MD, chairing Board meetings and ensuring that the Board behaves in accordance with the Code of Conduct for Directors and Executives.
- v. The chairman is responsible for ensuring that the directors receive accurate, timely and clear information, in a form and of a quality appropriate to enable them discharge their duties. All Directors are entitled to request for additional information, where they consider such information, necessary to make informed decisions.
- vi. The chairman is responsible for ensuring that governance and strategy issues are discussed with major shareholders.

- vii. The chairman is responsible for ensuring that the Directors continually update their skills and knowledge required to fulfill their role both on the Board and the Board committees.
- viii. The chairman is responsible to ensuring that new Directors receive a full, formal and tailored induction on joining the Board. The letter of appointment should set out the director's expected time commitment.
- ix. The chairman is responsible for facilitating the effective contribution of all directors at Board meetings ; and
- x. The chairman is responsible for the promotion of constructive and respectful relations between the directors and between the Board and management.

II. Company Secretary

The responsibilities of the Company Secretary include:

- a. The co-ordination of all Board businesses, including agendas, board papers, minutes, communication with regulatory bodies and all statutory and other filings
- b. All Directors shall have access to the Company Secretary, the minutes of the Board meetings and other statutory books of the Company

III. Code of Conduct

- i. A Director must act honestly, in good faith and in the best interest of the Company as a whole.
- ii. A Director must not make improper use of information acquired as a Director.
- iii. A Director must not take improper advantage of the position of a director.
- iv. A Director must not allow personal interests, or the interest of any associated person, to be in conflict with the interests of the Company.
- v. A Director has an obligation to be independent in judgment and actions, and to take all reasonable steps to be satisfied as to the soundness of all decisions taken by the Board.
- vi. Confidential information received by directors in the course of the exercise of their duties as a director of the Company, remains the property of the

Company and it is improper to disclose it or allow it to be disclosed, unless the disclosure has been authorized by the Company or the person from whom the information is provided or is required by law.

- vii. A Director should not engage in a conduct likely to bring discredit upon the Company
- viii. A Director has an obligation at all times, to comply with the spirit, as well as the letter, of the law and with the principles of this Code of Conduct.

6. Board Procedures

- The Board will be disciplined in carrying out its role, with the emphasis on strategic issues and policies.
- Members will always act within the limitations imposed by the Board on its activities.
- Members will use their best endeavours to attend Board meetings and to prepare thoroughly for them.
- Members 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 table.
- Members, who are unable to attend a meeting will advise the chairman at the earliest date possible and confirm in writing to the company secretary.
- Board discussions will be open and constructive, recognizing that there will sometimes be genuinely held differences of opinion. The chairman will nevertheless seek a consensus in the board, and, may where considered necessary, call for a vote.
- All discussions and their records will remain confidential, unless there is a specific direction from the board to the contrary, or disclosure is required by law.

7. Reporting



Proceedings of all meetings are minuted and signed by the chairman of the meeting alongside with the company secretary



Minutes of all Board meetings are circulated to directors by the company secretary and approved by the Board at the subsequent meeting



Resolutions are first put to the Board in draft form, and once passed or approved are recorded in s Resolutions Register

8. Review of Charter

- a) The Board will review this charter annually to ensure that it remains consistent with the Board's objectives and responsibilities.
- b) The company secretary is responsible for reviewing this charter annually and shall identify all sections of the charter, (if any), requiring amendments and forward same to the Board for consideration.

9. Publication Of The Charter

Key issues of this charter are to be outlined in the Company's Annual Report. A copy of the Charter will also be made available on the Company's website.