

**EXPRESS KENYA PLC.**

**BOARD INDUCTION MANUAL**

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## 1. INTRODUCTION

It is expected that all new Directors appointed in the Company will undergo an induction process.

The purpose of the induction process is to ensure that new directors have a broad understanding of the role, culture and operations of the Board. Effective induction for new Board members is crucial to ensure that new directors feel informed and able to participate as Directors.

The Board Chair will ensure that all new directors receive a comprehensive structured and tailored induction on joining the board and the new directors will need to commit to participate fully in the induction program.

Poorly designed or a lack of induction can be detrimental to board performance from a number of perspectives as follows:

- Conventional thinking places the onus on new director to get 'up to speed' rather than consider the effect one person can have on the cooperation, thinking and decision making in the boardroom.
- New directors want to make a good first impression but a lack of awareness and understanding can leave a new director feeling unable to contribute over a longer period of time and possibly feeling excluded.
- Valuable board time can be lost addressing a new director's knowledge-gaps relating to the array of new concepts, strategies and language.

Component parts of the induction may be phased and planned to best align with the timing of related activities of the board.

The induction process should aim at helping the director to:

- (a) Build an understanding of the nature of the organisation, its activities and the sector in which it operates
- (b) Build a link with the organisation's people
- (c) Build an understanding of the organisation's main relationships

## **2. MEETING WITH THE CEO**

The induction process will include an initial meeting which can be conducted by any current director and the CEO. The purpose of this meeting is to familiarise the new Director with the staff's operational role, to tour the facility and to meet staff.

The meeting should be undertaken prior to the new Director's first Board meeting.

## **3. DOCUMENTS TO BE PROVIDED TO THE NEW DIRECTOR**

Prior to the first meeting, the new director will be given a bound reference document including the following documents:

- Strategic Plan and mission statement, vision and values
- Up to date copies of the governing documents
- A copy of the Business plan
- A brief history of the organisation
- The annual report and accounts for the past three years, current annual budget and the most recent management accounts
- Details of any significant contractual obligations
- Details of any ongoing litigation presently being undertaken either by or against the organisation.
- Details of the Company's professional advisors e.g. Accountants, Auditors, Advocates and Corporate Secretaries and their contacts.
- Board structure and schedule of meetings
- The list and contact details of other board members and key employees
- Agenda and Minutes of the last six board meetings
- Conflict of interest policy and register of interest
- Board members code of conduct
- Board charter
- Corporate calendar which details important dates for the Company
- An organisational chart
- Internal telephone directory, email and web addresses
- Copies of insurance cover relating to their position (Professional Indemnity, Directors and Officers Liability etc.);

The new director will also be given a recent set of the Board Papers.

#### 4. THE INDUCTION PROCESS

The first meeting will address the following areas:

**a) Meeting the new director**

- Discuss the director's prior experience on Boards to identify skills, experience and learning needs
- Discuss what the director hopes to gain from their time on the Board
- Discuss any training/ information needs the Director identifies to support their role.

**b) Introduction to the Board**

- Current Board members
- Role of the CEO and other Board members
- Board Charter – highlight the principles and values that guide the operation of the Board
- Decision making process

**c) Board issues**

- Board support framework: Chair, Secretary etc
- Board and committee structure
- Board committee membership and board composition, succession plans for executive and non executive directors and policy on directors' re-election.

**d) Board meetings**

- Minutes of the previous six board meetings
- Board calendar
- Board procedures e.g. when board papers are sent out, location of meetings, how long meetings last etc

**e) Boardroom behaviours**

- Explanation by the Chair of his expectations of the Board in terms of its output and behaviours
- Culture, values and code of conduct and ethics

**f) Rules and regulations and guidelines**

- Relevant legislations as applicable to the Company
- Code of Corporate Governance

**g) Board procedures**

- Board, committees and individual director evaluation process
- Board training and development programme
- Special procedures (accounts sign-off, company disclosures)
- Procedure for obtaining independent professional advice

**h) Current issues:**

- Key governance issues affecting the Company
- Remuneration policy, trends and issues affecting the Company

- Voting and members/shareholders feedback from the last AGM
- Most recent Board evaluation report

**i) The nature of the Company, its business, activities in which it is engaged and its sector broadly:**

- Corporate history with a summary of significant events (incorporation, acquisition and divestments, restructuring etc.)
- Organisational chart indicating any major subsidiaries, associated companies, charitable bodies and joint ventures
- Business model
- Product and services
- Local, regional and global operations
- Strategy
- Key performance indicators, including KPIs on which incentive plans are measured
- Market analysis, recent operational and financial performance and current challenges
- Risk management and internal control procedures
- Financial and treasury issues e.g. accounts, audit, budgets, funding sources, credit rating metrics etc.
- Significant contracts
- Insurance policies
- Marketing and branding
- Details of any major litigation, either current or potential

**j) Building a link with the people:**

- Meetings with senior management
- Offices and Company facilities visits
- Internal organisation contact list

**k) The organisation's main relationships:**

- Key customers
- Key suppliers
- Key stakeholders
- Professional advisors

**l) Other useful documents:**

- Press cuttings, reports and articles about the Company
- Recent broker and analyst notes
- Notices of General Meetings held in the past three years

## 5. OTHER INDUCTION REQUIREMENTS


New Board members should be supported throughout the first six months of their appointment by members of the Board and the Chair.

New Board members will be required to sign a letter of agreement indicating that they are fully aware of their role and its implications and accept this position.

Whilst the induction process is designed to assist new Board members with their understanding of the Company, it should be anticipated that further training may need to be provided to assist the Board member to understand the financial and operational aspects of the Company. These could include some financial skills training or other appropriate training.

## 6. APPROVAL

Approved by a Board Resolution dated: 15<sup>TH</sup> MARCH 2024.



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BOARD CHAIRMAN

