

EXPRESS KENYA PLC.

The Nomination, Evaluation and Remuneration Committee

Terms of Reference

Table of Contents

1. Duties of the Nomination, Evaluation and Remuneration Committee	3
2. Composition and membership of the Nomination, Evaluation and Remuneration Committee	3
3. Chair of the Nomination, Evaluation and Remuneration Committee	4
4. Quorum for Committee meetings.....	4
5. Nomination, Evaluation and Remuneration Committee procedures.....	4
6. Nomination, Evaluation and Remuneration Committee Resolutions	4
7. Matters dealt with by the Committee	5
i) Nomination and Evaluation role	5
ii) Remuneration role.....	6
8. Notice of meetings.....	6
9. Documentation, communication and reporting.....	7
10. Review	7
11. Approval.....	7

1. Duties of the Nomination, Evaluation and Remuneration Committee

The Nomination, Evaluation and Remuneration Committee shall support the Board in discharging its responsibilities for:

- a) The composition and effectiveness of the Board and its Committees;
- b) The remuneration of the Chairman, the Chief Executive Officer and the other Directors.
- c) The principles and policies relating to the remuneration of the Company's staff, whatever their employment status.

2. Composition and membership of the Nomination, Evaluation and Remuneration Committee

- a) The Nomination, Evaluation and Remuneration Committee shall comprise at least three directors 50% of which will be independent non-executive directors and will report its composition in its annual reports and accounts.
- b) The members of the Nomination, Evaluation and Remuneration Committee shall be appointed by the Board.
- c) Prospective members will submit expression of interest that will be assessed by the current members and the Chair of the Board. The Chair of the Committee will recommend appointments.
- d) The members of the Nomination, Evaluation and Remuneration Committee shall be appointed for a three-year term, as shall be determined by the Board, with the option for this to be renewed for an additional two-year period (or as otherwise determined by the Board).
- e) The members of the Nomination, Evaluation and Remuneration Committee may be removed at any time by the Board.
- f) The Nomination, Evaluation and Remuneration Committee will meet a minimum of three times a year and at other times in the year as considered appropriate by the Nomination, Evaluation and Remuneration Committee Chair or at the request of the Board.

- g) The Committee will meet towards the end of the Financial year to consider replacing directors or extending positions and agree its contribution to the annual report.
- h) The Company Secretary will act as the secretary for the committee and facilitate the Committees contact with the Company's staff, particularly those most involved in the Company's governance. This includes the Chair, the CEO, the Head of Finance and the Head of HR.

3. Chair of the Nomination, Evaluation and Remuneration Committee

The Nomination, Evaluation and Remuneration Committee Chair shall be a non-executive member of the Board who will be appointed by the Committee members and ratified by the Board.

4. Quorum for Committee meetings

- a) The quorum for any meeting of the Nomination, Evaluation and Remuneration Committee shall be two thirds of the members of the Committee.
- b) The members of the Nomination, Evaluation and Remuneration Committee may participate in a meeting of the Committee from separate locations by means of tele conference or other means which allows for virtual communication where all members hear each other and shall be entitled to vote and be counted in the quorum accordingly.
- c) Only the Committee members have the right to attend meetings. Others may be invited including the CEO, Head of Human Resource and other members of the executive.

5. Nomination, Evaluation and Remuneration Committee procedures

The Committee shall determine its own procedures.

6. Nomination, Evaluation and Remuneration Committee Resolutions

- a) The Nomination, Evaluation and Remuneration Committee shall reach decisions by a simple majority of those voting on the issue in question. If the numbers of votes for and against a certain proposal are equal, the Nomination, Evaluation and Remuneration Committee Chair shall have a casting vote.

- b) Any resolution evidenced in writing or by electronic or voice recognition means, by such member or members of the Nomination, Evaluation and Remuneration Committee as would have been necessary to pass such resolution had all members of the Audit and Risk Committee been present at a meeting to consider such resolution, shall be valid and effective as if it had been passed at a meeting of the Audit and Risk Committee duly convened and held, provided that notice and details of the proposed resolution have been given in advance to each member of the Audit and Risk Committee.

7. Matters dealt with by the Committee

i) Nomination and Evaluation role

The Committee shall:

- a) Review the effectiveness of the Board annually.
- b) Evaluate the skills, experience and knowledge of the current Board members when seeking new directors in order to attract individuals who will bring what is needed to enhance the effectiveness of the Board.
- c) Oversee the recruitment of high quality candidates for the Board and its committees.
- d) Support Board induction, development and appraisal processes.
- e) Annually review the time commitment required from non-executive directors and ensure that this is included in the letters of appointment.
- f) Satisfy itself that effective succession planning is in place for executive directors and other senior members of the executive to ensure the Company has the right skills and experience to meet its challenges and opportunities.

The Committee shall make recommendations on:

- a) The effectiveness of the Board and its committees.
- b) Plans for the succession of executive and non-executive directors, including the CEO and the Chair.
- c) Membership of the Board Committees.
- d) Appointments and reappointments of non-executive directors.
- e) Any issue relating to the continuation of office of any non-executive director.

ii) Remuneration role

The Committee will:

- a) Work with the executive to determine a policy to govern the remuneration of the Chair, the CEO and others as designated including non-executive directors.
- b) Agree the overall principles of pay across the Company.
- c) Recommend and monitor the level and structure of remuneration of senior management and review the remuneration policy regularly.
- d) Take in control all relevant legal and regulatory requirements.
- e) Aim to ensure that the executive has appropriate incentives and rewards for personal contributions to the success of the company, to encourage enhanced performance, including approving the performance-related pay schemes and the overall annual amount.
- f) Have regard to remuneration trends and policies in similar organizations.
- g) Ensure that contractual terms and any payment on termination are fair to the individual and the Company, that failure is not rewarded and duty to mitigate loss is recognized.
- h) Agree any changes in employee benefits.
- i) Agree the approach to voluntary exit or redundancy schemes.

The Committee will make recommendations to the Board about:

- a) The Company's remuneration policy and principles of pay across the Company, including for non-executive directors.
- b) The level and structure of the remuneration of senior managers in the Company.
- c) Any changes to employee benefits.
- d) The approach to voluntary exit or redundancy schemes.

Changes to the Nomination, Evaluation and Remuneration Committee's duties are subject to approval by the Board.

8. Notice of meetings

The Nomination, Evaluation and Remuneration Committee meeting agenda and papers should be circulated at least one week prior to the Audit and Risk Committee meeting.

9. Documentation, communication and reporting

- a) Minutes of the Nomination, Evaluation and Remuneration Committee to be kept and filed by the Audit and Risk Committee Secretary and held at the Company's registered office.
- b) The Nomination, Evaluation and Remuneration Committee reports to the Board.

10. Review

- a) The Committee will review its terms of reference every three years and its effectiveness annually and recommend any changes to the Board.
- b) The Chair of the Board will assess the performance of the Chair of the Nomination, Evaluation and Remuneration Committee at least annually.

11. Approval

Approved by a Board Resolution dated: 15th March 2024.

.....


BOARD CHAIRMAN

