

CORPORATE GOVERNANCE REPORTING TEMPLATE FOR ISSUES OF SECURITIES TO THE PUBLIC

TO BE FILLED IN LINE WITH THE REQUIREMENTS OF THE CODE OF CORPORATE GOVERNANCE PRACTICES FOR ISSUERS OF SECURITIES TO THE PUBLIC, 2015

Company Name: EXPRESS KENYA PLC

Company Details to be Provided:

Reviewer's Name: DENNIS AROKA

Company market to book ratio at end of financial year:

No of outstanding shares at end of financial year: Issued and Fully Paid - 47,711,481 shares

Closing price of stock at end of financial year: Kshs. 3.70

Net sales as per Income Statement at end of financial year: Kshs . 27,494,322

Net profit as per Income Statement at end of financial year: Kshs. (103,425,707)

Total debt (short and long term) as per Balance Sheet at end of financial year: Kshs . 349,959,107

Total equity as per Balance Sheet at end of financial year: Kshs. 519,885,808

Total no. of Board members at end of financial year: 4

No. of independent directors at end of financial year: 1

Stock Code: XPRS

Sector: ALTERNATIVE INVESTMENT SEGMENT

Year - : 2024

Date of Financial Year End: 31ST DECEMBER 2023

Chairman Signature

CEO Signature

Company Secretary Signature

No. of non-executive directors at end of financial year: 2

(Handwritten signatures and stamps)
ESR KENYA LLP
SECRETARIES

Cons e No.	Mandatory or 'apply or explain'	Part No.	Question	Kenya Code Reference	Application - FA, PA or NA - See Notes 1, 2, 3&4	Application or Explanation - Note 3 & 4	Source of Information
		A	INTRODUCTION				
1	M	A.1	Has the company developed and published a Board Charter which is periodically reviewed and which sets out the Board responsibility for internal control?	1.1.2, 2.6.2, 6.3.2	PA	The Company has developed a Board Charter. The Board Charter is now published on the company's website. This was approved by the Board on 15 March 2024.	The Board Charter was approved by the Board on 15 March 2024 and is now published on the company's website.
2	M	A.2	Do the Board Charter or company documents distinguish the responsibilities of the board from management in line with Code requirements?	1.1.2, 2.3.1, 2.3.2, 2.6.2	PA	Board members are briefed of their responsibility and these responsibilities are also documented in the Board Charter.	The Board Charter was approved by the Board on 15 March 2024 and is now published on the company's website.
3	A or E	A.3	Is there a statement indicating the responsibility of Board members for the application of corporate governance policies and procedures of the company?	1.1.6	PA	Yes, this is indicated in the Board Charter and Manual	The Board Charter was approved by the Board on 15 March 2024 and is now published on the company's website.
4	M	A.4	How has the Board ensured all directors, CEOs and management are fully aware of the requirements of this Code?	1.1.6	PA	The Board has not put this into practice. No changes has taken place in the Board for a number of years	The Company has developed the required Policy. This is pending approval by the Board.
5	M	A.5	Do company documents indicate the role of the Board in developing and monitoring the company strategy?	Part II - Overview, 2.3	PA	This is covered in the Governance Statement in the Financial Statements.	Financial Statements.
6	A or E	A.6	Does the company strategy promote sustainability of the company?	2.3.6	FA	The strategy keeps changing in line with the changing business environment. Currently it is the shift to the lucrative real estate sector of the economy.	You can see this mentioned in our Annual Reports as well as in the minutes of the AGM.
7	M	A.7	Are all board committees governed by a written charter/terms of reference, disclosing its mandate, authority, duties, composition, leadership and working processes?	2.2.2	PA	Yes, the Company has developed Charters for the Full Board and Board Committees	The Charters were approved by the Board on 15 March 2024.

	B	BOARD OPERATIONS and CONTROL					
8	M	B.1	Has the Board established a Nomination Committee comprised mainly of independent and non-executive Board members?	2.1.2, 2.2.2	PA	The Board currently has only 4 members hence not in a position to constitute separate committees hence all obligations are conducted by the Full Board	Our Annual Reports on Corporate Governance has this information in detail.
9	M	B.2	Is the chairperson of the Nomination Committee an independent director?	2.2.3	PA	The chairman of the company is both an independent and non-executive director.	Our Annual Reports on Corporate Governance has this information in detail.
10	M	B.3	Has the board adopted and published procedures for nomination and appointment of new Board members?	2.1.1, 2.1.7	PA	The Full Board considers only persons of caliber, credibility and who have the necessary skills and expertise to exercise independent judgement on issues that are necessary to promote the company's objectives and performance in its area of business.	The policy for nomination and appointment of Board members was approved by the Board on 15 March 2024.
11	M	B.4	Is the Board size adequate for the exercise of the company business?	2.1.4	PA	The Board has four members	Annual Return 2023
12	A or E	B.5	Has the board adopted a policy to ensure the achievement of diversity (including age, race and gender) in its composition?	2.1.2, 2.1.3, 2.1.5, 2.5.1	FA	The board has achieved the correct composition that is inclusive of race, age and gender achieving the desired diversity.	The policy for nomination and appointment of Board members was approved by the Board on 15 March 2024.
13	M	B.6	Do the Board members represent a mix of skills, experience, business knowledge and independence to enable the discharge of their duties?	2.2.1	FA	The Board consists of members with diverse skills, expertise and experience	Our Annual Reports on Corporate Governance has this information in detail.
14	M	B.7	Has the board adopted and applied a policy limiting the number of board positions each Board member may hold at any one time?	2.1.6	FA	The current Board members are in compliance with the provisions in regard to the number of Board positions held.	Our Annual Reports on Corporate Governance has this information in detail.
15	M	B.8	Have any Alternate Board members been appointed? If so, have the Alternate Director/s been appointed according to regulation and Code requirements?	2.1.6, 2.1.7	FA	The company has no alternate directors and as such, does not run the risk of multiple directorship.	Our Annual Reports on Corporate Governance has this information in detail.
16	M	B.9	Are independent directors at least one-third of the total number of Board members?	1.1.2, 2.1.3, 2.4.1	FA	The company has fulfilled this requirement	Our Annual Reports on Corporate Governance has this information in detail.
17	A or E	B.10	Does the Board have policies and procedures to annually assess the independence of independent Board members?	2.4.1	P.A.	This is a function of the audit committee which ensures that independent directors are rotated every six to nine years. Currently the committee is dormant.	Our Annual Reports on Corporate Governance has this information in detail.
18	M	B.11	Do all independent Board members have a tenure of less than 9 years?	2.4.2	P.A.	Some of the Board members have served for more than 9 years.	The company's records at the companies registry has evidence of this.
19	M	B.12	Is the Board comprised of a majority of non-executive board members?	2.1.3	P.A.	The board comprises of a 50:50 ratio of both Executive and Non-Executive Board members	Our Annual Reports has this information in detail under Meet the Team.
20	M	B.13	How does the Board ensure a smooth transition of Board members?	2.1.8	P.A.	Due to the few Board members, there has been a challenge to a smooth transition.	Our Annual Reports on Corporate Governance has this information in detail.

21	M	B.14	Has the Board established an effective Audit Committee according to Code requirements?	2.2.4, 6.5.1, 2.1.7	P.A.	The Board has an Audit Committee with an independent Chairman. However, the Committee has not been very active due to low activities in the Company.	Our Annual Report on Corporate Governance has this information in detail.
22	M	B.15	Are the functions of the Chairperson and the Chief Executive Officer exercised by different individuals?	2.3.3	F.A.	Dr. Chris Obura is the chairman of the board while Mr. Hector Diniz is the Chief Executive Officer	This can be found on all our Annual Reports as well as in the company's records at the companies registry.
24	A or E	B.17	Has the Board established procedures to allow its members access to relevant, accurate and complete information and professional advice?	2.3.5	PA	The committees are properly constituted with members who have the necessary skills and responsibilities allocated to them. The company also engaged independent legal service providers to support the company.	Our Annual Report on Corporate Governance has this information in detail.
25	M	B.18	Has the Board adopted a policy on managing conflict of interest?	2.3.8	PA	The Conflict of Interest policy has been developed and was approved by the Board on 15 March 2024.	The policy was approved by the Board on 15 March 2024.
26	M	B.19	Has the Board adopted a policy on related party transactions to protect the interests of the company and all its shareholders and which meets the requirements of the Code?	2.3.7	PA	The policy has been developed.	The policy was approved by the Board on 15 March 2024.
27	M	B.20	Has the company appointed a qualified and competent company secretary who is a member in good standing of ICPSK?	2.3.9	FA	ESR Kenya LLP is the company secretary.	ICPSK Reg. No. 1024
28	A or E	B.21	Has the Board adopted policies and processes to ensure oversight of sustainability, environmental and social risks and issues?	2.3.2, 2.3.6	PA	The policy has been developed and was approved by the Board on 15 March 2024.	The policy was approved by the Board on 15 March 2024.
29	A or E	B.22	Has the Board developed an annual work-plan to guide its activities?	2.6.3	N.A.	A detailed work plan should be implemented. Currently due to the financial challenges, the company is having only the quarterly	Board calendar
30	M	B.23	Has the Board determined, agreed on its annual evaluation process and undertaken the evaluation of the performance of the Board, the Board Committees, the CEO and the company secretary?	2.6.4, 2.8	PA	Board Evaluation documents have been developed.	The Board evaluation policy was approved by the Board on 15 March 2024.
31	A or E	B.24	Has the Board established and applied a formal induction program for in-coming members?	2.7.1	N.A.	There is currently no induction programme for new members. Board members have not changed for a long period.	The Board induction policy was approved by the Board on 15 March 2024.
32	A or E	B.25	Do Board members participate in on-going corporate governance training to the extent of 12 hours per year?	2.7.3	N.A.	Board members have not attended any corporate governance training. This is encouraged, however due to the current financial status, such has not been provided	The company's financial performance has not allowed for Board member to be trained.
33	A or E	B.26	Has the Board set up an independent Remuneration Committee or assigned to another Board committee the responsibility for determination of remuneration of directors?	2.9.2	N.A.	The Board has suspended the payment of remuneration of all the directors due to poor financial performance. All directors are working on pro bono basis.	The company's financial performance has not allowed for Directors to be paid remuneration.

34	M	B.27	Has the Board established and approved formal and transparent remuneration policies and procedures that attract and retain Board members?	2.9.1	N.A.	The Board suspended the payment of directors fees and remuneration due to poor financial performance.	The company's financial performance has not allowed for Directors to be paid any fees and remuneration.
35	M	B.28	How does the Board ensure compliance with all applicable laws, regulations and standards, including the Constitution and internal policies?	2.10, 2.10.1, 2.10.2	FA	The Board engage professionals to ensure compliance with the applicable laws, regulations and standards i.e Company Secretary and Advocate.	Page 1 of F. statement has details of professionals
36	M	B.29	In the past year, has the Board organized a legal and compliance audit to be carried out on a periodic basis?	2.10.3	NA	No legal and compliance audit has been conducted on the Company as this has not been provided in the budget due to financial challenges.	The company's financial performance has not allowed for a budget to carry out the audit.
37	A or E	B.30	Has the Board subjected the company to an annual governance audit?	2.11.1	NA	No governance audit has been conducted on the Company.	The company's financial performance has not allowed for a budget to carry out the audit.
		C	RIGHTS of SHAREHOLDERS				
38	M	C.1	Does the governance framework recognize the need to equitably treat all shareholders, including the minority and foreign shareholders?	3.0 Overview, 3.2.1	FA	Yes, all shareholders are treated equitably.	Annual Reports and accounts. AGM Notice. The Companies Act compliance. Company website
39	M	C.2	Other than at the AGM, how does the Board facilitate the effective exercise of shareholders' rights?	3.1.1	F.A.	Shareholders have open access to the Company offices and information required to be disclosed to the shareholders is published. The Shareholders are able to communicate to the Company through email and phone calls	Annual Reports and accounts. The Companies Act compliance. Company website
40	M	C.3	How does the Board facilitate shareholders participation at the AGM?	3.1.1	FA	Timely information is given to the shareholders on the issues to be decided during the AGM to enable them prepare to participate in the meeting. There is always a question and answer segment towards the end of the AGM. During the AGM, members are free to vote and (dis)approve various meeting agendas as presented by the board. Minutes of the previous AGM also have to be adopted unanimously	AGM minutes Annual Reports
41	A or E	C.4	Are minority and foreign shareholders holding the same class of shares treated equitably?	3.2.1	FA	Yes, all shareholders are treated equally and given a right to appoint a proxy and participate and vote during the AGM	Articles of Association

42	A or E	C.5	Is there evidence that the Board proactively provides information to shareholders and the media, (and in a timely basis) on corporate affairs and corporate governance?	3.1.1, 3.4.1	FA	Any changes in the Board and AGM Notices are put in press and updated on the Company's website. Important information about the Company is communicated to the Shareholders through the press.	Press, Notices sent to CMA, Company website
		D	STAKEHOLDER RELATIONS				
43	A or E	D.1	Does the Board have a stakeholder-inclusive approach in its practice of corporate governance and which identifies its various stakeholders?	4.1.1	FA	The Board has identified all the stakeholders and the Company engages them i.e financiers, suppliers, business partners and service providers	Engagement meetings
44	A or E	D.2	Has the Board developed policies, procedures and strategies to manage relations with different/key stakeholder groups?	4.1.2, 4.1.3, 4.1.5, 4.2.1	PA	The Board has developed suitable policies to manage relations with the stakeholders	The policy was approved by the Board on 15 March 2024.
45	A or E	D.3	How does the Board take into account the interests of key stakeholder groups prior to making decisions?	4.1.4	FA	The Board takes in to account the legitimate expectations of its stakeholders in its decision making. Formal meetings are held with stakeholders	stakeholders meetings
46	M	D.4	How does the Board ensure effective communications with stakeholders?	4.2, 4.2.1	FA	Communications are done through formal meetings and press	stakeholders meetings, company website and Press
47	M	D.5	Has the Board established a formal dispute resolution process to address internal and external disputes?	4.3.1	PA	The Board has established a dispute resolution process policy. This will be approved in the first quarter of 2024.	The policy was approved by the Board on 15 March 2024.
		E	ETHICS AND SOCIAL RESPONSIBILITY				
48	A or E	E.1	Does the Board ensure that all deliberations, decisions and actions are founded on the core values (responsibility, accountability, fairness and transparency) underpinning good governance and sustainability?	5.1.1	FA	The Board ensures that the decisions are made for the benefit of all the stakeholders	Board minutes
49	M	E.2	Has the Board developed a Code of Ethics and Conduct (which includes sustainability) and has it worked to ensure its application by all directors, management and employees?	2.6.1, 5.2.2, 5.2.3, 5.2.4	P.A.	The Company has reviewed the Code of Ethics for the staff to incorporate Board members	The policy was approved by the Board on 15 March 2024.
50	A or E	E.3	How does the Board ensure that compliance with the Ethics Code and Conduct is integrated into company operations?	5.2.3	P.A.	The staff are required to sign the code on appointment.	Code of ethics and conduct
51	A or E	E.4	Does the Board incorporate ethical and sustainability risks and opportunities in the risk management process?	5.2.1	PA	The Board has established a risk management process	The policy was approved by the Board on 15 March 2024.
52	A or E	E.5	How is the company performance on ethics assessed, monitored and disclosed to internal and external stakeholders?	5.2.4, 5.2.5	N.A.	Assessment on the company's performance in ethics has not been done	
53	A or E	E.6	Has the company established and implemented a whistle blowing policy?	5.2.5	PA	The Company has developed a whistle blowing policy	The policy was approved by the Board on 15 March 2024.
54	A or E	E.7	Has the Board/or management developed policies on corporate citizenship and sustainability and strategies for company use?	5.3.1, 5.4	PA	The Company has put in place policies on corporate citizenship and sustainability and strategies	The policy was approved by the Board on 15 March 2024.

55	M	E.8	Does the Board consider not only the financial performance but also the impact of the company's operations on society and the environment?	5.3.2, 5.3.3	N.A.	There are no CSR activities in place	CSR
56	A or E	E.9	Does the Board monitor and report activities leading to good corporate citizenship and sustainability to demonstrate they are well coordinated?	5.4.1	PA	The Company has put in place policies on corporate citizenship and sustainability and strategies	The policy is pending approval by the Board.
		F	ACCOUNTABILITY, RISK MANAGEMENT AND INTERNAL CONTROL				
57	M	F.1	Does the Audit Committee and the Board consider and review the financial statements for integrity of the process and for truthful and factual presentation?	6.1, 6.1.1a	F.A.	Yes. This is done	Meetings held with the external auditors through out the audit for either parties to address issues that may arise.
58	M	F.2	Does the Annual Report contain a statement from the Board explaining its responsibility for preparing the accounts and is there a statement by the external auditor about his/her reporting responsibilities?	6.1.2	F.A.	Yes. This is done	This can be found in our Annual Reports & Accounts
59	A or E	F.3	Does the board or audit committee have a process in place to ensure the independence and competence of the Company's external auditors?	6.1.1b	F.A.	The board ensures independence and competence of the company's external auditors. This practice includes having them appointed to continue in the next year during the AGM. The board does not interfere with the workings of the external auditors	This can be seen in the Notice to the AGM and in the Annual Reports & Accounts where the external auditor gives his report
60	M	F.4	Do the shareholders formally appoint the external auditor at the AGM through a formal and transparent process?	6.1.3	F.A.	This is done annually in the AGM where they adopt to appoint the external auditor to continue in his position or otherwise	Can be seen as an agenda item in the Notice of the AGM, AGM Minutes.
61	A or E	F.5	Is the Company working towards the introduction of integrated reporting (incorporating financial and non-financial information) or is the company's Annual Report prepared on an integrated basis using a framework available from the Integrated Reporting Council, The Global Reporting Initiative, G4 Sustainability Guidelines and/or Sustainability Accounting Standards Board standards?	6.1.5	F.A.	The company is fully compliant and has always incorporated the integrated reporting framework and currently working on bettering this report.	This can be seen in our Annual Report & Accounts prepared annually.
62	A or E	F.6	Has the Board established an effective risk management framework which is inclusive of key risks as well as foreseeable risks, environmental and social risks and issues?	6.2.1	N.A.	The Company has no risk management framework.	The TOR of the Audit and risk committee was approved on 15 March 2024
63	M	F.7	Has the Board established and reviewed on a regular basis the adequacy, integrity and management of internal control systems and information systems (including for compliance with all applicable laws, regulations, rules and guidelines)?	6.3.1, 6.3.2, 6.3.3	P.A.	The role of the internal Auditor supports the Board on this function however there is no staff as of now.	The company's financial performance has not allowed for a budget to put in place the policy.

64	M	F.8	Does the Board annually conduct a review on the effectiveness of the company's risk management practices and internal control systems and report this to shareholders?	6.4.1	F.A	This is reported in the Financial statements	This can be seen in our Annual Report & Accounts prepared annually.
65	M	F.9	Has the Board established an effective internal audit function according to Code requirements and which reports directly to the Audit Committee?	6.5.2	NA	The Company does not have Internal auditor	This can be seen in our Annual Reports & Accounts prepared annually.
66	A or E	F.10	Does the Board disclose details of Audit Committee activities ?	6.5.2	P.A.	The committee was not active in the year	This can be seen in our Annual Reports & Accounts prepared annually.
		G	TRANSPARENCY and DISCLOSURE				
67	M	G.1	Does the company have policies and processes to ensure timely and balanced disclosure of all material information as required by all laws, regulations and standards and this Code.	7.0 Overview, 7.1.1	P.A.	The policies and processes should be reviewed on their effectiveness.	This is done every year within the Annual Reports and Accounts under the Corporate Governance segment
68	A or E	G.2	Does the Annual Report cover, as a minimum, disclosures as prescribed in 7.1.1 relating to the company's governance, the Board and the Audit Committee?	7.1.1	PA	The company's Annual Report covers the minimum disclosures relating to governance, the board and audit committees	This can be seen in the Annual reports
69	A or E	G.3	Does the Annual Report cover, as a minimum, disclosures as prescribed in 7.1.1 relating to the company's mission, vision and strategic objectives?	7.1.1	PA	The Annual Report discloses the company's mission, vision and strategic objectives	This can be seen in the Annual Report
70	A or E	G.4	Does the Annual Report cover, as a minimum, disclosures as prescribed in 7.1.1 relating to remuneration and whistleblowing?	7.1.1	P.A.	The board always discloses this information in its Annual Report under the notes to accounts.	This can be seen in the Annual Reports
71	A or E	G.5	As a minimum, does the company website disclose current information on all areas prescribed in 7.1.1 (Board Charter, Whistleblowing Policy, Code of Ethics and information on resignation of directors)?	7.1.1	P.A.	The company's website partially compliant as some of the policies are not there or updated on the website	Policies have been developed and were approved by the Board on 15 March 2024.
72	A or E	G.6	Does the Board disclose the management discussion and analysis as required in 7.1.1?	7.1.1	PA	The board discloses the management discussions and analysis	Annual Reports within the Chief Executive Officers Report
73	A or E	G.7	Has the Board provided disclosures as required in 7.1.1 on compliance with laws, regulations and standards; ethical leadership, conflict of interest, corporate social responsibility and citizenship?	7.1.1	P.A.	The board partially complies with the disclosures required under 7.1.1.	This is done Annually through our Annual Reports & Accounts
74	A or E	G.8	Has the Board made all required disclosures, including confirming requirements of 7.1.1 which include that a governance audit was carried out and that there are no known insider dealings?	7.1.1	P.A.	The board provides the disclosures required under 7.1.1. The governance audits however have not been undertaken	This is done Annually though our Annual Reports & Accounts
75	A or E	G.9	Has the Board disclosed the company's risk management policy, company procurement policy, policy on information technology as per 7.1.1?	7.1.1	NA	The Company is not compliant as it requires to implement some of the policies.	This is done Annually though our Annual Reports & Accounts, in the notes to accounts

76	M	G.10	Has the Board disclosed information on shareholders, including the key shareholders, including shareholding by directors and senior management and the extent of their shareholdings as required in 7.1.1 and on stakeholder who influence company performance and sustainability?	7.1.1	F.A.	This is always reported in our Annual Report for the 30 largest shareholders and includes shareholding by directors and senior management to the extent of their holdings	Annual Reports and Company's website.
77	M	G.11	Has the Board disclosed all related-party transactions?	7.1.1t	F.A.	The board has fully disclosed all related party transactions and this is always captured in our Annual Report in great details in the Notes to Account	Annual Reports
78	M	G.12	Does the Board include in its Annual Report a statement of policy on good governance and the status of the application of this Code?	1.1.3, 7.1.1r	PA	The board always discloses a statement of policy on good governance and the status of the application of the code.	Annual Reports

Note 1 The Reporting Template shall be used by companies to report on their application of the provisions of the Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 (the Code). The completion of the Reporting Template and its filing with the Capital Markets Authority (CMA) will fulfill the reporting requirements of the Code at 1.1.3 paragraph 2. All elements marked in green are mandatory and MUST be complied with. Failure to fully apply will result in regulatory sanctions. When completing column 'F' for MANDATORY ITEMS, 'FA' will mean 'Fully Complied With', 'PA' will mean 'Partially Complied With' and 'NA' will mean 'Not Complied With'.

Note 2 Column 'F' should be marked as follows: 'FA' - Full Application, PA - Partially Applied or 'NA' - Not Applied. Full application of this Code is required by the Code. Therefore anything less than 'full application' is considered 'non compliance or non-application' of the Code. A response of PA or NA is non-compliance and requires an explanation to be provided with a firm commitment to moving towards full compliance. See also Note 4.

Note 3 An explanation of how the Code provision is applied is required in column 'G' and shall be supported by evidence of how application has been achieved. If the provision is NOT applied, an explanation for why it is not applied or only partially applied is required in column 'G'. For each question, column 'G' must be completed.

Note 4 If an explanation is required because of non-application of any element of the Code, the explanation must be satisfactory, must be provided to relevant stakeholders including the Capital Markets Authority and shall include:
a: reasons for non-application
b: time frame required to meet each application requirement
c: the strategies to be put in place to progress to full application.