

EAAGADS LIMITED
BOARD NOMINATIONS AND GOVERNANCE COMMITTEE
TERMS OF REFERENCE

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1) **Constitution**

The Nominations and Governance Committee (the Committee) is formally constituted by the Board of Directors (the Board) of Eaagads Limited (the Company) and has delegated authority from the Board in respect of the functions and powers set out in these terms of reference.

2) **Mandate**

The role of the Committee is to assist the Board by:

- a) Reviewing the structure, size and composition of the Board.
- b) Recommending suitable individuals for nominations to fill vacancies on the Board and its committees.
- c) Reviewing the required skills mix and expertise that the executive directors as well as independent and non-executive directors bring to the Board.
- d) Reviewing the succession plans for members of the Board.
- e) Evaluating the effectiveness of the Board and the effectiveness of the Directors in the discharge of their responsibilities.
- f) Reviewing executive appointments, succession and development plans for the senior leadership team as required for the delivery of the long- term business strategy.
- g) Reviewing and recommending to the Board remuneration offered to the Independent and Non-Executive Directors.
- h) Assisting the Board in exercising oversight responsibilities relating but not limited to environmental and corporate sustainability, philanthropy, carbon footprint assessment, corporate social responsibility, corporate governance, social risk management, social investments, and social impact related matters, relevant to the Company (collectively, the "ESG matters").
- i) Undertaking any other exercise referred to the Committee by the Board.

3) **Chairperson**

- a) The Chairperson of the Committee shall be appointed by the Board and must be an independent non-executive director.
- b) In the absence of the Committee Chairperson, the members of the Committee present shall elect one of themselves, to be appointed to chair a meeting of the Committee.

4) **Membership**

- a) The members of the Committee shall be appointed by the Board upon recommendation of the Committee for a period of up to three (3) years, which may be extended for a maximum of two (2) terms of three (3) year periods respectively, provided that the member continues to meet the criteria for membership of the Committee.
- b) The Committee shall comprise of four non-executive directors, comprising mainly of independent directors.
- c) The Chairperson of the Board may be a member of the Committee but will not chair the Committee.
- d) A member of the Committee may relinquish their membership in the Committee by giving sixty (60) days prior notice to the Chairperson of the Board and the Company Secretary. The Committee shall review and recommend to the Board for approval, the appointment of a director to fill such vacancy.
- e) The Board may revise the composition, structure and size of the Committee in its own discretion, but taking into account any recommendations of the Committee and the Capital Markets Authority's (CMA) guidelines on Corporate Governance.

5) **Attendance at meetings**

- a) The representative of Coffee Management Services Limited (CMS) of the Company shall be a permanent invitee to the meetings.
- b) Any other individuals (including representatives of external advisers) may be invited to attend all or any part of a meeting as and when appropriate in the opinion of the Committee Chairperson or the majority of its members.
- c) The Company Secretary shall act as the secretary of the Committee and attend all Committee meetings in that capacity.

6) **Quorum**

The quorum necessary for a meeting of the Committee shall be two members of the Committee. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the Committee.

7) **Meetings**

- a) Unless varied by these terms of reference, meetings and proceedings of the Committee shall be governed by the Company's Articles of Association. The Committee may establish additional procedures to govern its meetings.
- b) The Committee will meet as often as necessary but must meet at least twice in the calendar year.
- c) The Chairperson of the Committee must call a meeting of the Committee if so requested by any Committee member.
- d) The Committee may invite other Directors or other persons, such as internal specialist or external advisors, to attend if considered appropriate by the Chairperson of the Committee. However, no Director invited shall be entitled to vote at such meetings or form part of the quorum unless he or she is a member of the Committee.
- e) Each member of the Committee shall have one (1) vote which may be cast on matters considered at the meeting.
- f) A member of the Committee shall excuse himself/herself from a meeting in which he/she has a conflict of interest of any matter subject to the discussions and deliberations of the Committee.
- g) The Chairperson of the Committee may ask any attendees of a meeting of the Committee to leave the meeting to allow discussions of matters relating to them.
- h) A member of the Committee may participate and attend a meeting of the Committee by electronic means and the member shall be deemed, for all intents and purposes of the meeting, to be present, entitled to vote and/or be counted for purposes of establishing a quorum.
- i) Unless otherwise agreed, the notice, agenda and any supporting papers, shall be circulated to each member of the Committee and any invitee(s), no fewer than five (5) working days prior to the date of the meeting.

8) **Authority**

- a) The Committee is authorised by the Board to seek any information it requires from and require the attendance at any of its meetings of, any Director or member of Management, and all employees are expected to cooperate with any request made by the Committee.
- b) The Committee is authorised by the Board to obtain through the Chairman of the Board, at the Company's expense, outside legal or other independent professional advice and counsel including independent consultants and to secure the attendance of advisors with relevant experience and expertise if it considers this necessary.
- c) To incur any expenditure it considers appropriate in connection with the above (the Company to make available the necessary funds).

9) **Reporting**

- a) The Chairperson of the Committee shall report the proceedings, findings and recommendations of the Committee to the next board meeting after each meeting of the Committee.
- b) The Committee's activities shall be disclosed in the annual report, and the process used to make appointments shall be disclosed in the annual report, together with the Board's policy on diversity.
- c) The Chairperson of the Committee shall attend the Company's Annual General Meeting (AGM) prepared to respond to any questions, which may be raised by shareholders on matters within the Committee's area of responsibility.

10) **Responsibilities**

With regard to matters relating to Nominations the Committee shall be responsible for the following:

Structure, Size and Composition of the Board

- a) Regularly reviewing the structure, size and composition of the Board as per the Articles of Association and making recommendations to the Board with regard to any appropriate changes. The Committee shall take into account all factors it deems necessary including relevant legal and regulatory requirements, the provisions and recommendations of the Capital Market Authority's (CMA) Code of Corporate Governance.

- b) Review the functions and responsibilities of the Board and Committees to ensure appropriate composition of the Committees of the Company by taking into account the specific needs of the Company, the Board and Committees.
- c) Providing advice to the Board with respect to the necessary and desirable competencies of the directors.
- d) Making recommendations to the Board for the appointment and removal of Directors.
- e) Vetting any appointed alternate directors.
- f) Review and assess the independence of the independent directors and recommend to the Board for shareholder's approval on their re-election.
- g) In a timely manner, making recommendations to the Board whether or not Directors, whose term of office is expiring, should be proposed for re-election at the Company's next AGM.

New Directors

- a) Developing the Board policy and procedure for the selection and appointment of directors, of the Company and with due regard to the benefits of diversity, including gender diversity.
- b) Identifying individuals who may be qualified to become directors, having regard to such factors as the Committee considers appropriate, including judgment, skill, diversity, experience with business and other organizations of comparable size, the interplay of the candidate's experience with the experience of other Board members, the extent to which the candidate would be a desirable addition to the Board and any Board committees, the CMA's Code on Corporate Governance and the Companies Act, 2015 (the Companies Act) requirements;
- c) In the case of candidates for the position of Independent director, the Committee shall evaluate their ability to discharge their responsibilities and functions as would be expected from an Independent director.
- d) In the case of candidates for the Chairperson of the Board, the Committee should prepare a job specification and the proposed Chairperson's other significant commitments should be appropriately disclosed to the Board and any changes to such commitments should be reported to the Board as they arise.
- e) In identifying the most suitable candidates, the Committee shall use the most optimal means whether through open advertising or using the services of external professional advisers to facilitate the search.
- f) Ensuring that an effective induction program for new Directors is in place, and regularly reviewing its effectiveness.
- g) Ensuring that the Directors receive ongoing development (education) on their duties, responsibilities and understanding of the business and are provided with appropriate and timely training, on an ongoing basis.
- h) Ensuring that each new Director receives a formal letter of appointment setting out clearly what is expected of them in terms of time commitment, committee service and involvement outside board meetings.

Board Committees

Identifying Directors qualified to fill vacancies on Board committees and making recommendations to the Board accordingly, having regard to such factors as the Committee considers appropriate including the Charter/Terms of Reference of the particular Board committee, the Director's experience, the interplay of the Director's experience with the experience of other Committee Members, and the CMA guidelines on Corporate Governance and the Companies Act requirements.

Succession Plans

The Committee will:

- a) Satisfy itself that processes and plans are in place for orderly succession for appointments to the Board and Board Committees and to ensure that this is reviewed periodically.
- b) Endeavour to ensure that the term of office of members of the Board is structured in a manner that ensures the Company retains institutional memory and to aid the process of inducting new Board members.
- c) Ensure that the CMS has put into place and is monitoring succession planning systems and policies for senior management, including processes to identify, develop and retain the talent of key senior managers while maintaining an appropriate balance of skills and experience and to ensure that this is reviewed periodically.

Performance

- a) Establishing procedures for the Committee to oversee the evaluation of the performance of the Board and each Director and the Company Secretary, including an assessment of whether each Director has devoted sufficient time to their duties.
- b) Conduct a critical evaluation of the activities of the Board and Board Committees on an annual basis. Ensure that the results of the review of the Board and its Committees and recommendations thereof are presented to the Board and acted upon.

With regard to matters relating to ESG, the Committee shall be responsible for the following:

- a) Review and make recommendations to the Board for the approval of an ESG Strategy including related targets.
- b) Advise the Board on the effectiveness of the Company's ESG strategy, clarity of the Company's purpose, the application of its values and its management of environmental and social risks and opportunities.
- c) Formulate and review appropriate set of ESG metrics/ targets against which the Company's performance shall periodically be measured against and reported to the Committee.
- d) Periodically review the Company's ESG Strategy in line with the Company's Strategy.
- e) Provide oversight of the execution of the ESG Strategy and the Company's progress and performance on its long-term ESG commitments and targets.
- f) Provide advice and direction to Management on the implementation of the ESG Strategy including the opportunities and risks to the Company's operations and reputation and its corporate responsibility.
- g) Ensure that ESG related policies are in place, advise the Board on the appropriateness of the ESG related policies and programmes required to implement the ESG Strategy.
- h) Regularly receive reports and consider updates from Management on the Company's ESG performance and review current and emerging ESG trends, relevant international standards and legislative requirements; identify how these are likely to impact the strategy, operations, and reputation of the Company; and determine if and how these are incorporated into or reflected in the Company's ESG policies and objectives.
- i) Oversee timely ESG Disclosures in accordance with best governance practices, legal and regulatory requirements and approve all internal and external ESG reporting including information to be included in the annual report.
- j) Obtain external professional advice and to secure the attendance of anyone the Committee considers has relevant experience, expertise, or knowledge on ESG matters.
- k) Review the results of any reviews or independent audits of the Company's performance in regard to ESG matters and review any strategies and action plans developed by Management in response to issues raised.
- l) Make recommendations to the Board on any of the matters listed above that the Committee considers appropriate.

2) Secretary

- a) The Company Secretary shall act as the secretary of the Committee and attend all committee meetings in that capacity.
- b) The Secretary shall:
 - Ensure that the Committee receives information in a timely manner to enable full and proper consideration of the issues on the agenda.
 - Ascertain at the beginning of each meeting, the existence of conflicts of interest and minute them accordingly.
 - Prepare the minutes of the Committee meetings.
 - Circulate the minutes and resolutions of the Committee meetings to all members of the Committee for approval.
 - Ensure that the minutes of the Committee meetings are properly kept and can be produced for inspection if required.
- c) Perform any other act as may be required under these Terms of Reference.

3) **Conflict of Interest**

- a) The Committee shall agree on a code of conduct to ensure that there is no conflict of interest in the performance of its duties.
- b) Members of the Committee will not participate in discussions and will not vote on any issue in respect of which there is an actual or perceived conflict of interest.
- c) Members will be required to declare any interest that could constitute a real, potential or perceived conflict of interest with respect to their role in the affairs of the Committee.
- d) The declaration must be made on appointment to the Committee and in relation to specific agenda items at the onset of each Committee meeting and will be updated as necessary.

4) **Other matters**

- a) The Committee shall have access to sufficient resources in order to carry out its duties.
- b) The Committee shall work and liaise with all other Board Committees.
- c) No member of the Committee may participate in any decision with respect to his or her position.

5) **Review of Terms of Reference**

- a) These Terms of Reference shall be reviewed by the Board annually, or at such other time as may be deemed necessary to ensure it remains relevant, objective and practical.
- b) Any proposed changes to these Terms of Reference shall be submitted to the Board of Directors for approval.

This Policy was approved and adopted by the Board on 2024.

Signed by the Chairman of the Board:

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Dr. Joseph Kangara Kimemia
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Dr. Joseph Kangara Kimemia

13 June 2024

Date