



EAAGADS LIMITED

BOARD SUCCESSION POLICY

FOR SHAREHOLDER APPROVAL

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1. INTRODUCTION

- 1.1 The Capital Markets (Public Offers, Listings, and Disclosures) Regulations, 2023 (POLD Regulations, 2023) require issuers to establish transparent and clearly documented policies and procedures, including a policy guiding the attraction and retention of Board members which must be approved by the shareholders. Eaagads Limited (the "Company" or "Eaagads") is devoted to good corporate governance and to complying with applicable laws, regulations and codes of industry and international best practice.
- 1.2 The Board Nomination, Governance, and Remuneration Committee, as mandated by the Board Charter, its Terms of Reference, and the Capital Markets Authority Code of Corporate Governance for Issuers of Securities to the Public, 2015 (CMA Code), is responsible for annually reviewing the Board's required skills mix and expertise, and for formulating succession plans for both the Board and Senior Management.

2. PURPOSE STATEMENT

- 2.1 The Board Succession Policy (hereinafter referred to as the "Policy") seeks to ensure that Board and Senior Management succession planning remains current and compliant with the CMA Code, the Companies Act, 2015, and the Company's Articles of Association.
- 2.2 This Policy demonstrates the Company's commitment to have a Board that has individuals with the appropriate mix of knowledge, skills and experience including business and industry experience who collectively possess the expertise to address both current and emerging issues while upholding regulatory and governance responsibilities.

3. APPLICATION

- 3.1 This Policy mainly focuses on succession planning at the Board and Senior Management level.

4. SUCCESSION PLANNING FRAMEWORK

- 4.1 The key responsibilities of the Board Nomination, Governance, and Remuneration Committee (the "Committee") with respect to succession planning include:
 - 4.1.1 Reviewing the structure, size and composition of the Board.
 - 4.1.2 Recommending suitable individuals for nominations to fill vacancies on the Board and its committees.
 - 4.1.3 Reviewing the required skills mix and expertise that the executive directors as well as independent and non-executive directors bring to the Board.
 - 4.1.4 Reviewing succession plans for Board members and reviewing executive appointments as well as succession and development plans for Senior Management to support the delivery of the long-term business strategy.
- 4.2 The stewardship of the Company is vested in the Board and accordingly, it shall continually assess the leadership requirements of the organisation, both Executive and Non-Executive, to ensure its sustained ability to compete effectively in the marketplace.
- 4.3 The Board shall adopt the following approach in succession planning:
 - 4.3.1 **Pre-Board Appointment**- The Board through the Committee shall:
 - 4.3.1.1 Assess the Company's strategic objectives and leadership needs.
 - 4.3.1.2 Conduct a skills, experience, and diversity audit of the Board.
 - 4.3.1.3 Identify vacancies and competency gaps.

4.3.1.4 Define the qualifications and experience required for potential candidates.

4.3.1.5 Source and maintain a pipeline of internal and external candidates.

4.3.2 **Active Board Service-** The Board shall:

4.3.2.1 Recommend suitable candidates to the Committee for approval.

4.3.2.2 Onboard new members and provide continuous mentorship, leadership development, and a supportive environment.

4.3.2.3 Develop and review the succession plan annually.

4.3.3 **Post-Board Service-** The Board and the Company shall:-

4.3.3.1 Facilitate a smooth transition by handing over responsibilities to successors.

4.3.3.2 Document institutional knowledge from departing Board members.

4.3.3.3 Maintain an alumni network to provide opportunities for former Board members to serve in advisory capacities or to mentor incoming Directors.

5. BOARD SELECTION AND APPOINTMENT PROCESS

5.1 Criteria to be observed

Candidates for appointment to the Board shall:-

5.1.1 Have a reputation for integrity, honesty and service and adherence to high ethical standards;

5.1.2 Demonstrate business acumen, experience and ability to exercise sound judgement in matters that relate to the current and long-term objectives of Eaagads and should be willing and able to contribute positively to the decision-making process of the Company;

5.1.3 Have a commitment to understand the Company and its industry and to regularly attend and participate in meetings of the Board and its Committees as well as trainings organised by the Company;

5.1.4 Be able to engage constructively in Board deliberations and to challenge appropriately when serious concerns arise;

5.1.5 Maintain independence of judgment and be clear of any conflicts of interest that may hinder their ability to represent the interests of all the Company's shareholders and stakeholders or to fulfil their duties as a Director. Any actual or potential conflict of interest shall be promptly disclosed to the Board Chairperson and the Company Secretary;

5.1.6 Be considered for appointment without discrimination on the basis of race, religion, nationality, sex, sexual orientation, age, disability, or any other ground prescribed by law.

5.2 Appointment and Selection Procedure for Non-Executive Directors

5.2.1 The Committee shall on an annual basis review the current Board composition and succession plans, so as to identify any gaps and determine the necessary changes, having regard to the strategic direction of the Company.

5.2.2 A report on the outcome of the assessment shall be provided to the rest of the Board either by circulation or at the next Board meeting.

5.2.3 In the event of vacancies in the Board, the Committee in consultation with the Chairman and other Members of the Board, shall recommend the name(s) of the

candidate(s) (whether internal or external) who possess the appropriate qualifications and attributes for being considered for such position(s).

- 5.2.4 In determining the process for the identification of suitable candidates, the Committee may procure an appropriately qualified independent third party acting on a brief prepared by the Committee, which identifies the skills sought and undertakes a search.
- 5.2.5 The Committee shall:
- 5.2.5.1 screen the candidates;
 - 5.2.5.2 ensure due diligence is conducted to confirm that the candidates are not disqualified from serving as Directors;
 - 5.2.5.3 ensure that the candidates' backgrounds have been investigated in compliance with the Listing Requirements of the Capital Markets Authority;
 - 5.2.5.4 make recommendations on appointments to the Board having due regard to the issues of diversity and the appropriate balance of executive, non-executive and independent directors as prescribed by the Board's Diversity Policy;
 - 5.2.5.5 ensure that the candidate is free from any conflict of interest between the duties owed to the Company and their personal interests;
 - 5.2.5.6 ensure that only candidates who have, in the judgement of the Chairman of the Board, sufficient time to effectively fulfil the role of a Board member will be appointed as non-executive directors to the Board; and
 - 5.2.5.7 make recommendations to the Chairman of the Board on candidates it considers appropriate with a report confirming the above.
- 5.2.6 Once the Committee has considered candidate profiles, interviews by the Chairman of the Committee and members of the Committee shall be arranged.
- 5.2.7 Once the process is complete, the Committee shall recommend a candidate, whose details and resume shall be circulated to the Board for approval.
- 5.2.8 Once a candidate is appointed, a formal procedure is initiated by the Company Secretary who ensures:
- 5.2.8.1 that prior notification is made to the CMA and NSE and that an announcement is made in the daily newspapers and the publication is uploaded on the website of Eaagads;
 - 5.2.8.2 that appropriate returns are filed with the Companies Registry;
 - 5.2.8.3 that the director (s) receives a formal letter of appointment setting out his/her roles and responsibilities as a member of the Board;
 - 5.2.8.4 that the new Director undergoes a comprehensive induction programme;
 - 5.2.8.5 that the new director resigns and subjects him/herself to re-election at the next Annual General Meeting following the appointment in accordance with the Articles of Association.

5.3 Positions at the Senior Management and other critical positions

- 5.3.1 The Board through the Committee shall conduct an annual review of any existing or anticipated vacancies at the Senior Management level and other critical positions.
- 5.3.2 The Board shall develop and adopt an appropriate action plan, prioritising the identification and shortlisting of internal candidates, either from within the same function or through lateral transfers across other functions or affiliate entities.
- 5.3.3 Where no suitable internal candidates are available, the plan may be extended to include the sourcing of qualified external candidates possessing the requisite skills, experience, leadership capabilities, and expertise for the role.

5.4 Positions at other levels

- 5.4.1 Senior Management, through the respective Heads of Department, shall develop succession plans for critical roles within their functions and submit them to the Board for review and approval before implementation.

6. ATTRACTION AND RETENTION

6.1 Eaagads has put in place the following retention strategies for Directors:

- 6.1.1 Non-Executive Directors are remunerated in the form of an annual retainer and sitting allowances for Board and Committee meeting attendance while Executive Directors receive salary and benefits as set out in their employment contracts.
- 6.1.2 Non-Executive Directors are provided with support and reasonable travelling expenses, including any relevant tax incurred in carrying out their duties.
- 6.1.3 Non-Executive Directors have the benefit of indemnity in relation to liability incurred in their capacity as a Director of the Company.
- 6.1.4 Directors have access to any company information, records, and books through the Management or Company Secretary.
- 6.1.5 The Company, through the Company Secretary, shall organise ongoing professional development programmes for Directors to ensure they stay updated on their responsibilities, governance best practices, and emerging matters relevant to the business and regulatory landscape.
- 6.1.6 Board members shall be provided with the necessary resources to effectively carry out their duties.
- 6.1.7 The Company supports Board members' development by providing performance feedback from the annual Board evaluation and biennial governance audits.
- 6.1.8 Eaagads is committed to promoting a positive organisational culture, and the Company prioritises workplace policies that promote respect, professionalism, transparency, accountability, and inclusivity.

7 REVIEW

This Policy will be reviewed annually to ensure its continued relevance. Any necessary revisions will be made in line with best practice and be presented to the Board for approval.

8 APPROVAL

This Policy was adopted by the Shareholders of Eaagads Limited on 2025.

Signed by the Chairman of the Board

Ms. Muthoni Runji-Pertet

Date

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