



**Kenya Power**

THE KENYA POWER AND LIGHTING COMPANY PLC

## **BOARD DIVERSITY AND INCLUSION POLICY**

Part A - Document Control Sheet			
Document	Board Diversity and Inclusion Policy		
Document Owner	General Manager, Legal, Regulatory Affairs and Company Secretary		
Division	Legal, Regulatory Affairs & Company Secretary		
Department	Board & Regulatory Affairs		
Lead Contact	Manager, Board & Regulatory Affairs		
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Document Approvals	Approver	Approval Reference	Approval Date
	Executive Committee	Not Applicable	Not Applicable
	Board of Directors	BM/164/23	Mon. 4 <sup>th</sup> Dec. 2023
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Revision Date	None		
Revision Type	Not Applicable		
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Revision Frequency	Three (3) Years		
Next Review Date	June 2027		
Superseded Documents	None		
Complementary Documents	<ol style="list-style-type: none"> <li>1. Corporate Governance &amp; Human Resources Committee Charter</li> <li>2. KPLC Memorandum and Articles of Association</li> <li>3. Board Charter</li> </ol>		

## **BOARD DIVERSITY AND INCLUSION POLICY**

### **Part B – Policy Statement**

The Kenya Power and Lighting Company Plc (the Company) is committed to fostering a culture of diversity and inclusion that reflects the diverse mixture of skills, professional and industry backgrounds, geographical experience, expertise, gender, tenure, ethnicity and diversity of thought of Kenya's society and equitable opportunities for all. The Company acknowledges that a culture of inclusion and diversity is cultivated through clear tone from the top, with the Board and Executive Committee championing diversity and inclusion in support of the Company's Values.

Through this Policy, the Company has established systems and is committed to continued improvement to ensure corporate governance is observed at all levels in compliance with the provisions of the law and applicable guidelines.

### **Part C – Policy Purpose and Objectives**

1. This Policy outlines the Company's dedication to promoting diversity within its Board of Directors, ensuring that it not only mirrors the various stakeholders the Company serves but also benefits from a diverse range of views, insights, perspectives and opinions in decision-making.
2. This Policy sets out the Company's commitment to the achievement of diversity in the composition of its Board of directors with the objectives of:-
  - 2.1 Ensuring an inclusive and diverse membership of the Board of directors of the Company
  - 2.2 Fostering optimal decision-making in the development and execution of the Company's strategy
  - 2.3 Promoting effective appointments to the Board on merit, against a set of objective criteria in the context of the skills, experience, independence and knowledge
  - 2.4 Having a Board that reflects the diverse stakeholders the Company serves.

### **Part D - Scope**

This Policy applies to the composition, recruitment, selection, responsibilities, diversity training, reporting, accountability, evaluation, review, compliance

with legal requirements and retention of Board members in the Company and it serves as a foundation for fostering an inclusive Board culture.

### Part E - Rationale

This Policy has been developed in accordance with -

1. The Constitution of Kenya, 2010
2. Code of Corporate Governance Practices for Issuers of Securities to the Public 2015
3. Companies Act, 2015
4. Code of Governance for Government Owned Entities ('Mwongozo')
5. Best Corporate Governance Principles

### Part F - Diversity Matrix

The Company shall employ the below diversity matrix to ensure a diverse and inclusive Board:

SR No.	Criteria	Consideration
1	Academic Qualifications, technical expertise experience and industry knowledge	Board members shall have the appropriate skills, experience and knowledge of the Company and its business to enable them to discharge their respective duties and responsibilities effectively
2	Nationality	Candidates for appointment to the Board shall not be discriminated against based on race, religion, ethnicity nationality, age, disability, or any other basis prescribed by law
3	Age	
4	Race/ethnicity	
5	Gender	The appointment of Board members shall be gender sensitive and shall not be perceived to represent a single or narrow constituency interest
6	Representation of majority and minority shareholders	The structure of the Board shall fairly reflect the Company's shareholding structure
7	Independence	The Board shall comprise a balance of executive and non-executive directors, with majority being non-executive directors Independent non-executive directors shall be at least one third of the total number of Board members.



## **Part G - Monitoring and Reporting**

1. The Company's Corporate Governance and Human Resources Committee shall be responsible for ensuring the Board has the right balance of skills, experience, knowledge, diversity, and independence.
2. The Corporate Governance and Human Resources Committee shall: -
  - 2.1 Regularly review Board composition, succession planning, talent development and the broader aspects of diversity
  - 2.2 Facilitate identification of suitable candidates for appointment to the Board against an objective criterion with regard to the benefits of diversity on the Board and taking into consideration the skills, experience, independence, knowledge, age and gender to advance the Company's strategy for the benefit of all its stakeholders
  - 2.3 Report annually in the corporate governance section of the Annual Report, the implementation of the Board Diversity and Inclusion Policy, the processes used in relation to Board appointments and the diversity of the Board. The report will also feature any measurable or specific diversity targets set for implementing this Policy and the progress attained towards achieving the set targets.

## **Part H - Responsibility for Implementation of the Policy**

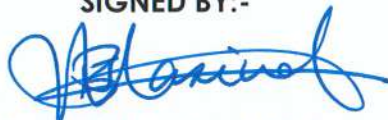
1. **Board of Directors**
  - 1.1 Approval and adoption of this Policy
  - 1.2 Provide oversight on implementation of this Policy.
2. **Managing Director and Chief Executive Officer**
  - 2.1 Ensure accountability for successful implementation of this Policy.
3. **General Manager, Legal, Regulatory Affairs and Company Secretary**
  - 3.1 Monitor and report progress of implementing this Policy
  - 3.2 Initiate changes to the Policy as need arises.

## **Part I - Triggers for Policy Review**

1. This Policy will undergo a review under the following circumstances: -
  - 1.1 Legal and regulatory changes
  - 1.2 Changes in business environment

- 1.3 After three years.
2. The Board of Directors of the Company will approve any revisions to the Policy.

SIGNED BY:-



**JOY BRENDA MASINDE**  
**CHAIRMAN, BOARD OF DIRECTORS**

Signature Date: 14<sup>TH</sup> JUNE 2024