
DIRECTORS INDEPENDENCE POLICY

1. Preamble

Home Afrika PLC is committed to adopting the highest standards of corporate governance. Those standards require that majority of the members of the Board of Directors (including the Chairman) are independent of Home Afrika PLC, and that all members of the Risk & Audit Committee, and a majority of members of the Nomination and Governance Committee, of the Board, are similarly independent. This policy has been developed after consideration of corporate governance standards in Kenya.

2. Definitions

For purposes of this policy:

- i. *"Company"* includes Home Afrika PLC and its subsidiaries;
- ii. *"executive officer"* means the Company's Managing Director, Chief financial officer, principal accounting officer or principal budget controller, any employee of the Company in charge of a principal business unit, department or function, any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the company; and
- iii. *"immediate family member"* means any child, stepchild, parent, stepparent, spouse, domestic partner, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law and any individual sharing the household (other than a tenant or employee) of a specified person who might control or influence a principal owner or a member of management, or who might be controlled or influenced by a principal owner or member of management, because of the family relationship;
- iv. *"Independent Director"* means a member of a board of directors who does not have a material or pecuniary relationship with the company or related persons, is compensated through sitting fees or allowances, does not own shares in the company and after nine years of service, a continuing independent director assumes the position of a non-executive director

3. Determination of Independence

An Independent Director is one who:

- i. has not been employed by the company in an executive capacity within the last three years;
- ii. is not associated with an advisor or consultant to the company or a member of the company's senior management or a significant customer or supplier of the company or with a not-for-profit entity that receives significant contributions from the company; or within the last three years, has not had any business relationship with the company (other than serving as a director) for which the company has been required to make the disclosure;
- iii. has no personal service contract with the company, or a member of the company's senior management;
- iv. is not employed by a public listed company at which an executive officer of the company serves as a director;
- v. is not a member of the immediate family of any person described above, or has not had any of the relationships described above with any affiliate of the company;

- vi. is not a representative of a shareholder or beneficial shareholder who has the ability to control or significantly influence management;
- vii. is free from any business or other relationship which could be seen to interfere materially with the individual's capacity to act independently;
- viii. does not have a direct or indirect interest in the company (including any parent or subsidiary in a consolidated group with the company) which is either material to the director or the company. A holding of five per cent (5%) or more is considered material;
- ix. does not hold cross-directorships or significant links with other directors through involvement in other companies or bodies; and
- x. has not served for more than nine years since they were first elected.

4. Evaluation of Director Independence

All directors and proposed directors are required to disclose circumstances and relationships applicable to them that could reasonably be perceived as a material relationship as described in this policy.

If an independent director's circumstances change in the course of the year such that he or she may potentially have a material relationship as described in this policy, the director must promptly advise the Chair of the Governance and Nominations Committee.

The test of whether a relationship or business is "material" will be based on the nature, circumstances and activities of the Director having regard to the guidelines above. Materiality will be considered from the perspective of the Company, the persons or organizations with which the Director has an affiliation and from the perspective of the Director.

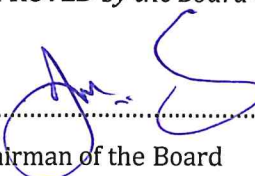
All Directors, independent or not, are expected to bring an independent judgement to bear on Board decisions.

5. Term Limits

The tenure of an independent Board member shall not exceed a cumulative term of nine years. Upon completion of the nine years, an independent Board member may continue to serve on the Board subject to re-designation as a non-independent member.

This Policy shall be amended from time to time as the need arises, which amendments shall be approved by the Board of Directors.

APPROVED by the Board of Directors on the [28th] day of JULY 2021


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Chairman of the Board

28th July 2021
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Date

Seconded By: 
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Director

28th July 2021
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Date