



BOARD CHARTER

OF THE BOARD OF DIRECTORS OF
KONZA TECHNOPOLIS DEVELOPMENT AUTHORITY



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BOARD CHARTER

I. INTRODUCTION

- I.1. Konza Technopolis is a key flagship project of Kenya's Vision 2030 economic development portfolio. Konza Technopolis Authority ("the Authority") is envisioned to develop a thriving sustainable smart city and a vibrant innovation ecosystem contributing to Kenya's knowledge Economy. The Authority is the implementing agency under the Ministry of Information Communications and Technology (MoICT).
- I.2. Konza Technopolis Strategic Plan has been developed to guide the Authority in the execution of its mandate as it focuses to deliver on strategic objectives and strategies for each of the following strategic objectives: -
 - i. To attract, onboard and retain key investors and create a strong brand;
 - ii. Convene, Connect Catalyze a conducive environment for technology startups and enterprises to thrive and scale in partnership with other actors in the Innovation Ecosystem;
 - iii. Deliver effective, responsible and efficient smart services for enhanced quality of life;
 - iv. Plan and develop smart and Sustainable "World Class" infrastructure;
 - v. Ensure effective, efficient and transparent city coordain, stewardship and agile governance;
 - vi. Develop adequate institutional capacity for efficiency, effectiveness, and sustainability; and
 - vii. Develop and institutionalize KoTDA values, principles and practices for the achievement of the Authority's vision.
- I.3. This Board of Directors Charter (the "Charter") defines the Board's roles and responsibilities as well as functions and structures in a way that supports the members in carrying out their strategic oversight function. It provides the Board members with an opportunity to think creatively and critically about how their strategic and operational plans align with Konza Technopolis Development Authority's (KoTDA's) strategic direction and expectations, with respect to governance.
- I.4. The Charter will help the Board in directing KoTDA to maximise the long-term value of services provided for all stakeholders. It is therefore imperative for Board members to understand their individual and collective roles with the purpose of helping KoTDA fulfil its mandate.
- I.5. The Board derives its authority from the following Acts and documents:
 - The Constitution
 - State Corporations Act
 - Legal Notice No. 23 of 2012
 - Mwongozo, Code of Governance for State Corporations
 - Government Circulars and Directives
 - Other relevant legislation and policy documents
- I.6. The Charter is complementary to the requirements regarding the Board and Board members contained in applicable Kenyan laws and regulations. In particular, the principles and policies contained in the Charter are in addition to and are not intended to change or interpret any statute, law or regulation.

- 1.7. The Board of Directors will review this Charter at least annually and, if appropriate, revise this Charter from time to time. This Charter is available to all members of the Board for application and is posted on KoTDA's website for the information of stakeholders.

2. STATEMENT ON GOOD GOVERNANCE

- 2.1. KoTDA has adopted high standards and applies strict rules of conduct, based on the best corporate practices. As part of this commitment, the Board adheres to good corporate governance by embracing the following principles:
 - 3.1.1. To observe high standards of ethical and moral behaviour;
 - 3.1.1. To act in the best interests of KoTDA;
 - 3.1.1. To remunerate and promote fairly and responsibly;
 - 3.1.1. To recognize the legitimate interests of all stakeholders; and
 - 3.1.1. To ensure that KoTDA acts as a good corporate citizen.
- 2.2. In general, Board members shall act in the best interest of KoTDA and uphold their fiduciary responsibilities and duty of care. This involves not disclosing confidential information, avoiding real and perceived conflicts of interest, and favouring the interests of KoTDA over other interests. They will act honestly and in good faith so as to create a culture built on principles of integrity, accountability and transparency.

3. GUIDING PRINCIPLES

- 3.1. In line with Section 3 of the Leadership and Integrity Act No. 19 of 2012 of the Laws of Kenya, the Board of Directors shall respect the values, principles and the requirements of the Constitution, including:
 - 3.1.1. The national values and principles provided for under Article 10 of the Constitution;
 - 3.1.2. The rights and fundamental freedoms provided for under Chapter Four of the Constitution;
 - 3.1.3. The responsibilities of leadership provided for under Article 73 of the Constitution;
 - 3.1.4. The principles governing the conduct of State officers provided for under Article 75 of the Constitution;
 - 3.1.5. The educational, ethical and moral requirements in accordance with Article 99 (1) (b) and 193 (1)(b) of the Constitution;
 - 3.1.6. In the case of County Governments, the objectives of devolution provided for under Article 174 of the Constitution; and
 - 3.1.7. The values and principles of Public Service as provided for under Article 232 of the Constitution.

4. THE BOARD OF DIRECTORS

The Board of Directors is the body of appointed members who jointly oversee the activities of KoTDA. The Board is expected to provide strategic direction, exercise control and remain accountable through effective leadership, enterprise, integrity and good judgment. It should be diverse in its composition, independent but flexible, pragmatic, objective and focused on balanced and sustainable performance of KoTDA.

4.1. Size of the Board

4.1.1 The Board shall have a minimum of seven (7) members and a maximum of eleven (11) members.

4.1.2 The Board shall consist of:

- a) non-executive chairperson appointed by the President.
- (b) the Permanent Secretary to the Treasury;
- (c) the Permanent Secretary in the Ministry for the time being responsible for matters relating to information and communications technology;
- (d) two persons of opposite gender, being public officers, appointed by the Minister in consultation with the Public Service Commission;
- (e) not more than seven other members, two of whom shall be of the opposite gender and not being employees of the Authority nor public officers, appointed by the Minister in consultation with the Public Service Commission by virtue of their qualifications, knowledge or experience in matters relating to the development of special economic zones, information and communications technology, science parks infrastructure, economics or taxation; and
- (f) the Chief Executive Officer appointed in accordance with Legal Notice No. 23 of 2012

4.2. Board Composition

4.2.1. The Board should ensure that:

- a) Its composition complies with requirements in the Constitution of Kenya and any applicable legislation;
- b) Its members can act independently;
- c) Each Board member understands the broad outline of KoTDA's policies;
- d) Each Board member is in good standing professionally and has sufficient expertise to perform his or her role as a Board member; and
- e) At least one member is a financial expert, meaning that he or she has expertise in financial management and accounting.

4.2.2. The Board will, in consultation with the committee responsible for governance, and taking into consideration the nature of KoTDA's mandate, prepare its profile including size, composition and members' expertise for stakeholder information.

4.3. Appointment of Board Members

4.3.1. The relevant appointing authority shall select and appoint Board members. Every appointment shall be by name and by notice in the Kenya Gazette but shall cease if the Board member:

- a) Serves the appointing authority with a written notice of resignation; or,
- b) Is absent, without the permission of the Chairperson, from three consecutive meetings; or,
- c) Is convicted of an offence and sentenced to imprisonment for a term exceeding six months or to a fine exceeding twenty thousand shillings; or,
- d) Is incapacitated by prolonged physical or mental illness from performing his duties as a member of the Board; or,
- e) Conducts himself in a manner deemed by the appointing authority to be inconsistent with membership of the Board.

4.3.2. Any removal of a Board member under (4.3.1) above, shall be through formal revocation.

- 4.3.3. The Corporation Secretary will ensure that a record of the appointment letter, gazette notice and written acceptance by the Board member are kept in the personal file of the Board member.

4.4. Independence of Board Members

All Board members, including those nominated by stakeholders, should recognize that they owe their duties to KoTDA and not their nominating stakeholder.

4.5. Term Limits

- 4.5.1. Board members shall hold office for a period not exceeding three (3) years, and are eligible for reappointment for one more term not exceeding three (3) years. A Board member may be appointed for a cumulative term not exceeding six (6) years. The renewal of a Board Member's tenure for a second term should be subject to an acceptable evaluation as determined during Board evaluations.
- 4.5.2. The appointing authority shall ensure staggering of Board appointments so that the respective expiry dates of the members terms fall at different time to ensure continuity.

4.6. Resignation from the Board

- 4.6.1. A Board member may resign at any time by giving notice, in writing, to the appointing authority, copied to the Chairperson of the Board and the CEO of KoTDA.
- 4.6.2. The resignation shall take effect upon receipt of notice by the appointing authority or at any later time specified therein; and unless otherwise specified in the notice, the acceptance of such resignation shall not be necessary to make it effective.

4.7. Chairperson of the Board

- 4.7.1. The Chairperson of the Board is primarily responsible for the activities of the Board and its committees. The role of the Chairperson includes approving the agenda for board meetings, chairing the meetings, facilitating the effective contribution of all Board Members, promoting constructive and respectful relations between Board Members and ensuring that a record of proceedings of all Board activities is kept. The Chairperson should act as the spokesperson for the Board and is the principal contact for the CEO.
- 4.7.2. The Chairperson ensures that:
- a) The Board satisfies its duties and responsibilities;
 - b) Board members when appointed participate in an induction programme and are thereafter continually developed based on identified development needs;
 - c) Board members receive all information required for them to perform their duties;
 - d) The Board develops and adheres to an annual work plan;
 - e) The Board has sufficient time for consultation and decision-making;
 - f) The Board constitutes committees and that the committees function properly;
 - g) The performance of the Board, Board members, the CEO and the Corporation Secretary is evaluated annually;

- h) Problems relating to the performance of individual Board members are addressed;
- i) Internal disputes and conflicts of interest concerning individual Board members are addressed; and,
- j) The Board has appropriate contact with the management by promoting constructive and respectful relations between the Board and the Management.

4.8. Chief Executive Officer

4.8.1. The CEO is an ex-officio Board member with no voting rights. The CEO and the Board play separate and distinct roles but work together to achieve organizational goals.

4.8.2. The Board is responsible for appointing the CEO, through a competitive process, and for removing them. The Board should also assist the CEO in selecting the management team and put in place a succession plan for both the CEO and the team.

4.8.3. The CEO is responsible for overseeing the execution of the Board's directions and policies to ensure desirable outcomes. The CEO therefore serves as the link between the Board and the Management.

4.8.4. The Board should provide the CEO with:

- a) Defined performance goals and authority levels;
- b) An attractive remuneration package;
- c) Regular formal performance review feedback;
- d) Constructive informal feedback on job performance;
- e) Reward for exceptional performance; and
- f) Prompt response to request for guidance or assistance.

4.8.5. The CEO should:

- a) Demonstrate commitment to KoTDA's vision, mission, core values and mandate;
- b) Achieve set performance objectives and targets;
- c) Put in place effective administrative structures, processes and systems;
- d) Provide regular, thorough and prompt communication to the Board on key technical, financial and administrative matters;
- e) Effectively represent KoTDA to stakeholders and enhance its public image; and,
- f) Promptly respond to Board member's requests for information.

4.9. Corporation Secretary

4.9.1. The Board should be assisted by a suitably qualified, competent and experienced Corporation Secretary. The Corporation Secretary should satisfy the requirements of Chapter Six of the Constitution on leadership and integrity and be a Certified Public Secretary in good professional standing.

4.9.2. The Board should empower the Corporation Secretary to efficiently and effectively execute his or her duties and responsibilities. The Board is responsible for the appointment and removal of the Corporation Secretary.

4.9.3. The principal duties of the Corporation Secretary are:

- a) Providing guidance to the Board and Board members individually on their duties, responsibilities and powers and how these should be exercised in the best interests of KoTDA;
- b) Ensuring that board procedures are followed and reviewed regularly, and that the Board complies with the Law, rules and regulations;
- c) Assisting the Chairperson in organizing Board activities, including providing information, preparing agenda, issuing notices and preparing for meetings, board evaluations and board development programs;
- d) Providing secretarial services to the Board including ensuring that the Board work plan is prepared and adhered to, circulating board papers on E-board platform and/or email in advance of the meeting, keeping a record of attendance at meetings, keeping safe custody of the seal and a record of its usage, and preparing the Board for its annual retreats;
- e) Ensuring that the minutes of the Board and Board committees are promptly prepared and circulated;
- f) Keeping the Board abreast of and informed on, current governance thinking and practice; and,
- g) Coordinating the governance audit process.

4.10. Relationship Between Board and Management

The Board and Management should execute their mandate in an environment of mutual trust and respect having regard to the principles of good governance. In this regard, the Board shall provide clear and distinct lines of responsibility and accountability and maintain effective channels of communication.

4.11. Committees of the Board

- 4.11.1. To effectively discharge its mandate, the Board shall establish committees with specific terms of reference.
- 4.11.2. The Board shall appoint into committees, members with requisite skills and competence to discharge allocated responsibilities. In the event that a committee lacks specific skills within its membership, the Board may, with the approval of the oversight body, co-opt skilled non-Board members to serve on the committee, provided that the chair of a committee shall not be a co-opted member or the Chairperson of the Board. The Board shall, annually, rotate Board members between the committees.
- 4.11.3. The Board remains collectively responsible for the decisions and actions taken by any committee. A committee may only perform the tasks delegated to it by the Board and may not exceed the authority or powers of the Board. The Board shall have the power to review the performance of each Committee against the agreed Terms of Reference or any set targets.
- 4.11.4. The Chairperson of each committee, in consultation with the Board, will determine the frequency of committee meetings as is necessary to fulfill the Committee's functions. The Chairperson of each committee, in consultation with management, will develop the committee's agenda. The Board will however determine the procedure and process within which committees may take independent professional advice at KoTDA's expense.
- 4.11.5. The committees will promptly report to the Board any actions taken for ratification and any major developments that they become aware of. The

Board shall, as set out in the terms of reference of the respective committees, receive a report of the committee's findings and actions.

4.11.6. The Board has established the following standing committees:

- a) Audit & Risk Assurance Committee;
- b) Corporate Services Committee;
- c) Technical & Infrastructure Development Committee;
- d) Business Development, Innovation, Research & Strategy Committee; and,

4.11.7. The Board may establish any other ad hoc committees to handle any special business. The Terms of Reference of any committee of the Board shall be developed and approved by the Board in consultation with the oversight office (SCAC).

4.11.8 The Chairperson of the Board shall not be a member of any Committee save for an ad hoc committee.

5. PRACTICES OF THE BOARD

5.1. Board Responsibilities

5.1.1. The basic responsibility of the Board members is to exercise their best judgment and to act in a manner that they reasonably believe to be in the best interest of KoTDA and its stakeholders. In discharging that obligation, the members should be entitled to rely on the honesty and integrity of KoTDA's management, staff and its external professional advisors and auditors.

5.1.2. In furtherance of its responsibilities, the Board will:

- a) Determine KoTDA's mission, vision, purpose and core values;
- b) Review, evaluate and approve, on a regular basis, long-term plans for KoTDA;
- c) Review, evaluate and approve KoTDA's budget and financial forecasts;
- d) Review, evaluate and approve major resource allocations and capital investments;
- e) Ensure that the procurement process is cost-effective and delivers value for money;
- f) Review and approve the operating and financial results of KoTDA;
- g) Ensure effective, accurate, timely and transparent disclosure of pertinent information on KoTDA's operations and performance;
- h) Ensure that effective processes and systems of risk management and internal controls are in place for the identification, evaluation and mitigation of strategic risks, external environment and any other risks. The Board shall have the overall responsibility of monitoring, approving and effective overseeing of the authority's enterprise risk management framework and reviewing the efficacy of the systems put in place by Management to manage risks;
- i) Review, evaluate and approve the overall organizational structure, the assignment of senior management responsibilities and plans for senior management development and succession;
- j) Review, evaluate and approve the remuneration structure of KoTDA;
- k) Ensure development, implementation, review and monitoring of compliance with KoTDA's Code of Conduct and Ethics by receiving from the relevant Committee a quarterly report on the level of adherence by Employees

- l) Review on a quarterly basis the attainment of targets and objectives set out in the agreed performance measurement framework with the Government of Kenya;
- m) Review periodically KoTDA's strategic objectives and policies relating to sustainability and social responsibility/investment;
- n) Protect the rights of stakeholders and optimize stakeholder value;
- o) Enhance KoTDA's public image and ensure engagement with stakeholders through effective communication;
- p) Monitor compliance with the Constitution, all applicable laws, regulations and standards; and,
- q) Review, monitor and ensure that KoTDA is effectively and consistently delivering on its mandate.

5.2. Responsibilities of Individual Board Members

Each Board member shall:

- a) Exercise the highest degree of care, skill and diligence in discharging their duties;
- b) Act in the best interest of KoTDA and not for any other purpose;
- c) Act honestly at all times and must not place themselves in a situation where their personal interests conflict with those of KoTDA;
- d) Exercise independent judgment;
- e) Devote sufficient time to carry out their responsibilities, regularly update their knowledge and enhance their skills;
- f) Promote and protect the image of KoTDA;
- g) Owe their duty to KoTDA and not to the nominating or appointing authority; and
- h) Owe KoTDA the duty to hold in confidence all information available to them by virtue of their position as a Board member.

5.3. Principles of Public Service

The Board, in performing its functions, shall be guided by the principles of Public Service as provided in Chapter Thirteen of the Constitution of Kenya, which include:

- a) High standards of professional ethics;
- b) Efficient, effective and economic use of resources;
- c) Responsive, prompt, effective, impartial and equitable provision of services;
- d) Involvement of stakeholders in policy making;
- e) Accountability for administrative acts;
- f) Transparent and timely provision to the public of accurate information;
- g) Fair competition and merit as the basis of appointments and promotions;
- h) Representation of Kenya's diverse communities; and
- i) Affording adequate and equal opportunities for appointment, training and advancement, at all levels of public service, of men and women, members of all ethnic groups and persons with disabilities.

5.4. Board and Committee Meetings

5.4.1. Board meetings will be held at least four (4) times a year and at most six times in a year., and not more than 4 months shall elapse between the date of one meeting and the date of the next meeting. Additional meetings above the maximum six meetings may be called upon as the need may arise upon approval by the Cabinet Secretary, in consultation with SCAC.

5.4.2 A schedule of dates of the meetings will be agreed upon by the Board members and set out in the Board Almanac. Notices of the location and

the timing of meetings will be issued prior to the meetings. The Board Almanac may be adjusted if deemed necessary by the Board.

5.4.3. The quorum for Board committee meetings shall be two-thirds of the members. Board members are expected to attend Board meetings and meetings of the committees on which they serve.

5.4.4. The Chairperson, CEO or Committee Chairpersons may from time to time invite senior managers, other employees and advisors to attend Board or Committee meetings whenever deemed appropriate.

5.4.5. The Board should set aside adequate time, annually, to discuss strategy and policy matters.

5.5. Notice and Agenda for Meetings

5.5.1. Notice and agenda of Board and committee meetings will issue from the Corporation Secretary as directed by the Chairperson of the Board or relevant committee no later than 14 days before the date of the meeting.. Each Board member is free to suggest the inclusion of items on the agenda by providing notice to the Chairperson at least fourteen (14) days' prior to the meeting, to enable preparation. Additional agenda items may be included in the agenda during the meeting subject to approval by the Board or the committee.

5.5.2. Save for the additional agenda items, the agenda for the meetings will be aligned to the Board's work plan which will establish a schedule of agenda subjects to be discussed during the year to the degree this can be foreseen.

5.5.3. Except for urgent cases, as determined by the Chairperson, detailed agenda accompanied by relevant supporting documents and recommendations will be provided to the Board members at least ten (10) days prior to a meeting. Board members should review these materials in advance of the meeting to enhance effectiveness.

5.6. Venue of Meetings

5.6.1. Board and committee meetings are generally held at the head office of KoTDA but may also take place elsewhere with relevant approvals. The time and venue of the meetings should be clearly communicated in the notice for the meeting.

1.1 5.6.2. In addition, meetings of the Board or committees may be held by video or conference call or by any other means of communication approved by the Board, in accordance with the laid down legislative requirements or Government Circulars, provided that all members have been given prior notification and they can communicate with each other simultaneously.

5.7. Attendance of Meetings

5.7.1. The CEO shall attend all Board meetings and, if requested by the Board, other members of the senior management shall also attend a Board meeting in whole or in part.

5.7.2. A Board member who is unable to attend a meeting will explain their absence to the Chairperson and notify the Corporation Secretary for the purpose of recording the apology.

5.8. Procedure of Meetings

5.8.1. Chairing of Meetings

Board meetings shall be chaired by the Chairperson of the Board or in the case of a committee meeting, the Chairperson of that committee. In the absence of the Chairperson, one of the Board members designated by the Board members present at the meeting, will chair.

5.8.2. Constitution of the Meeting

The Board meeting will be constituted in accordance with constitutive documents of KoTDA and shall include a confirmation that there is quorum for the meeting to proceed and recording of attendance.

5.8.3. Protocol of Board Meetings

- a) The Chairperson, having ensured that the meeting is properly constituted, will also ensure that at an appropriate time during the meeting, the minutes of the previous meeting are confirmed and matters arising therefrom handled.
- b) A special meeting of the Board or Board Committee will not discuss any matter other than that specified in the agenda.
- c) The conduct of Board meetings may also be undertaken through tele/video conferencing, in the case where some of the participants will not be physically present. The following guiding principles shall apply:
 1. The Corporation Secretary should ensure that the constitutive documents of KoTDA allow for tele/video conferencing.
 2. The Corporation Secretary shall ensure that the necessary arrangements are in place to facilitate effective and secure communication during the meeting.
 3. On sending out the notice of the meeting, the Corporation Secretary shall cite that the meeting is to be held at KoTDA's Principal office by both physically or through tele/video conferencing;
 4. At the start of the scheduled meeting and for the purpose of confirming quorum, a record of attendance shall be taken during which each Board member or participant will clearly state, for the record, their full name, location, type of device being used and give confirmation that they can clearly hear the others;
 5. All Board members or participants shall identify themselves for the record before speaking and must confirm that they can clearly hear and/or see each other in the course of the meeting;
 6. If a statement of a Board member or participant in the meeting via tele/video conferencing is interrupted or garbled, the Chairperson shall request for a repeat or reiteration;
 7. The Chairperson should ensure that resolutions are clarified for record purposes; and,
 8. The Chairperson should ensure that the agenda is suitable for tele/video conferencing means by all participants;
 9. The audio-visual tool must be secure and one which assures the participation only of Board members and persons expected to be in attendance; through appropriate security, identification, access and document sharing protocols;
 10. A record of the proceedings of the meeting shall be maintained by the Secretary; and

11. Board members participating via tele/video conferencing shall be entitled to sitting allowance only.

5.8.4. Decision-Making

- a) The Board members, with the guidance of the Chairperson, should work towards unanimous adoption of resolutions. However, Board members are entitled to voice dissenting opinions and have these recorded in the minutes when unanimity cannot be reached.
- b) Unless a unanimous decision is reached, a decision on any matter before the Board shall be by a majority of votes of the members present and in the case of an equality of votes, the Chairman or the person presiding shall have a casting vote. Directors agree to accept collective responsibility for the decisions of the Board.
- c) Resolutions of the Board will be made at Board meetings or approved in writing by circulation, provided that in respect to the latter the proposed resolution is submitted to all Board members and none of them objects to this form of adoption. Approval of resolutions by circulation shall be effected in writing by all Board members. Objection to this method of adoption or to the proposed resolution should also be in writing. Attached as **Appendix I** is the procedure for passing a Board Committee/Board resolution by circulation.

5.8.5. Resolutions and Minutes

Minutes must be drawn up for every Board and committee meeting with resolutions highlighted therein. The minutes should be circulated to the Board members as soon as possible after the meeting. Upon confirmation, the minutes should be signed by the Chairperson and the Secretary/Director and added to the records of KoTDA. Substantial corrections to previous minutes will be recorded in the minutes of the meeting where the corrections are made and adopted by the Board members. Urgent resolutions may be drawn up and signed immediately in the relevant meeting.

5.8.6. Implementation of Resolutions

Generally, the Board delegates to the CEO responsibility to implement the resolutions of the Board. The CEO may delegate some of these responsibilities to senior management. The Board is responsible for monitoring the implementation of the resolutions.

5.9. Liability of Board Members

A Board member shall not be liable for any act done in good faith in carrying out duties and responsibilities in KoTDA. However, there is no limitation of liability for negligence or breach of the member's duty of care to KoTDA or its stakeholders, or for acts or omissions not in good faith, or which involve intentional misconduct or violation of the law.

5.10. Conflict of Interest

5.10.1. A conflict of interest may arise where a Board member or close family member such as a spouse, child, parent or sibling has private interests that could improperly influence the performance of the Board member's official duties and responsibilities. Conflict may also arise where a Board member uses their office for personal gain.

5.10.2. Board members are required to avoid conflict of interest and deal at arms-length in any matter that relates to KoTDA. However, a Board member who

identifies an area of conflict shall be required to disclose any actual or potential conflict of interest to the Board. In so reporting, the Board member is required to provide all relevant information, including information which relates to their immediate family members by blood or marriage which is related to the area of conflict. When declared, the Board member shall abstain from decisions where the conflict exists.

- 5.10.3. The Corporation Secretary should keep a record of conflicts of interest declared, for accountability purposes, and as a rule of good practice on appointment and on regular intervals or at any time when circumstances change, all members shall in good faith disclose to the Board for recording, any other business or interest likely to create a potential conflict of interest.

5.11. Notice of Other Directorships

- 5.11.1. Board members should carefully consider the number of other boards on which they can serve, consistent with the time and energy necessary to satisfy the requirements of KoTDA provided that a Board member shall not serve in more than two boards of State Corporations concurrently. A Chairperson shall not hold such a position in any other State Corporation concurrently.
- 5.11.2. In furtherance of these considerations, Board members should notify the appointing authority in a timely fashion before accepting an invitation to serve on the Board of another public or private body. This prior notice is to allow discussion with the Chairperson of the Board and to obtain legal advice on whether such other service will interfere with the Board members service on KoTDA's Board, impact the Board member's independence, or create an actual or apparent conflict of interest for the Board member.

5.12. Board Members Access to Employees

Board members should have full and free access to employees of KoTDA but such access should be arranged through the CEO. The Board members will use their judgment to ensure that any such access does not disrupt the operations of KoTDA.

5.13. Independent Advisors

Board members may individually and collectively seek independent advice in connection with their duties in the Authority as and when required. Independent professional advice for the purposes of this Charter shall include advice on matters of governance, Special Economic zones operations, Investment, Innovation, Science, Engineering, Technology and knowledge economy, the advice of accountants and other professional financial and legal advisors on matters of law, accounting and other regulatory matters but shall exclude advice concerning the personal interests of the director concerned, such as matters relating to their appointment or disputes with KoTDA.

5.14. Board Induction and Continuous Skills Development

- 5.14.1. The Board will provide new Board members with an effective induction programme in order to familiarize them with their responsibilities as directors, general principles of corporate governance and Board practices. The induction programme will also provide the Board member with an orientation of KoTDA, strategic plans, financial status and policies, risk management, compliance programmes and the Code of Conduct and Ethics.

5.14.2. The Board will ensure that a competence needs assessment is carried out periodically and an annual development plan prepared to address identified gaps. In this regard, Board members will be provided with access to, or notice of, continuing development programs that are designed to keep members abreast of the latest developments in sector best practice, corporate governance and critical issues relating to the operation of public sector boards.

5.14.3. The Board will satisfy itself that its members are up-to-date with continuous professional development in their respective professional bodies.

5.15. Board Remuneration

Board members shall be remunerated for their services in accordance with the prevailing relevant legislative provisions, Government Circulars and/or guidance from the relevant authority. The remuneration should include attendance allowances, mileage allowances and bonuses, where applicable. In line with best practice, the remuneration of Board Members will be disclosed in the Annual Reports and Financial Statements of the Authority.

5.16. Board Performance

5.16.1. The Board will conduct an annual evaluation to appraise its performance. This evaluation will be carried out in accordance with the Board Evaluation Tool approved by the State Corporation's Advisory Committee (SCAC).

5.16.2. The Board evaluation provides an opportunity for Board members to identify strengths, collective skill gaps and individual areas of improvement. The Board will also review the performance of each committee against the agreed Terms of Reference.

5.16.3. The Board will also evaluate the performance of the CEO and Corporation Secretary.

5.17. Board and Management Succession

The Board will put in place a succession plan for both the Board and management and review the same regularly.

5.18. Governance Audit

The Board should ensure that a governance audit of KoTDA is undertaken on an annual basis. The purpose of the governance audit is to ensure that KoTDA conforms to the highest standards of good governance. The governance audit should cover the following parameters among others:

- a) Leadership and strategic management;
- b) Transparency and Disclosure;
- c) Compliance with Laws and Regulations;
- d) Communication with stakeholders;
- e) Board independence and governance;
- f) Board systems and procedures;
- g) Consistent shareholder and stakeholders' value enhancement; and
- h) Corporate social responsibility and investment.

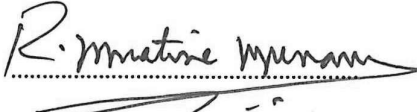
6. CHARTER APPROVAL

APPROVED by Board of Directors

This.....01st.....day ofAugust.....2024

SIGNED

DATE



.....1/8/2024.....

Prof. Raphael Munavu
Chairman, Board of Directors

