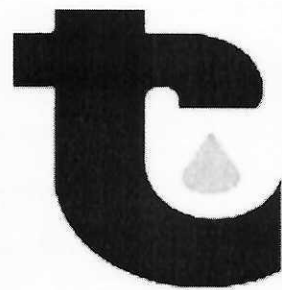


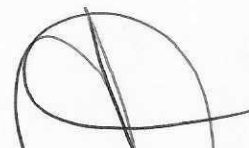
TANA AND ATHI RIVERS DEVELOPMENT AUTHORITY



Tana & Athi Rivers
Development
Authority

BOARD CHARTER

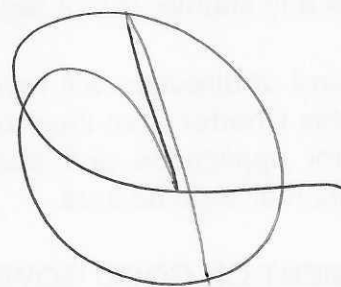
(2021)



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A. INTRODUCTION

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 the organization's strategic direction and expectations, with respect to governance.

The Charter will help the Board in directing the organization to maximize 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 the organization fulfill its mandate.

The Charter has been adopted by the organization, acting in accordance with *Mwongozo, Code of Governance for State Corporations* („the Code"), and 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.

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 shall be posted on the organization's website for the information of stakeholders.

B. STATEMENT ON GOOD GOVERNANCE

The organization 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:

1. To observe high standards of ethical and moral behavior;
2. To act in the best interests of the organization;
3. To remunerate and promote fairly and responsibly;
4. To recognize the legitimate interests of all stakeholders; and
5. To ensure that the organization acts as a good corporate citizen.

In general, Board members shall act in the best interest of the organization and uphold their fiduciary responsibilities and duty of care. This involves not disclosing confidential information, avoiding real and perceived conflicts of interest, and favoring the interests of the organization 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.

C. GUIDING PRINCIPLES

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:

1. The national values and principles provided for under Article 10 of the Constitution;
2. The rights and fundamental freedoms provided for under Chapter Four of the Constitution;
3. The responsibilities of leadership provided for under Article 73 of the Constitution;
4. The principles governing the conduct of State officers provided for under Article 75 of the Constitution;
5. The educational, ethical and moral requirements in accordance with Article 99 (1) (b) and 193 (1)(b) of the Constitution;
6. In the case of County Governments, the objectives of devolution provided for under Article 174 of the Constitution; and
7. The values and principles of Public Service as provided for under Article 232 of the Constitution.

D. THE BOARD OF DIRECTORS

The Board of Directors is the body of appointed members who jointly oversee the activities of the organization. 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 the organization.

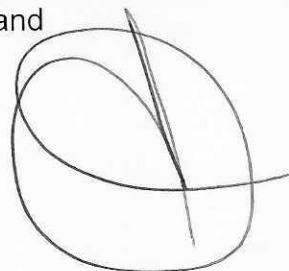
1. Size of the Board

The Board shall have a minimum of twelve (12) members and a maximum of seventeen (17) members as per current TARDA Act.

2. Board Composition

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 the organization's policies;
- d) Each Board member is in good standing professionally and has sufficient expertise to perform his or her role as a Board members and



- e) At least one member is a financial expert, meaning that he or she has expertise in financial management and accounting.

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

3. Appointments of Board Members

The relevant appointing authority shall (i) select and (ii) 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.

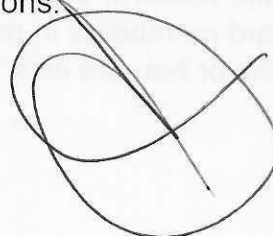
Any removal of a Board member under (i) above, shall be through formal revocation. The Corporation Secretary will ensure that a record of the appointment letter, gazette notice and written acceptance by the Board member are kept in the personal file of the Board member.

4. Independence of Board Members

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

5. Term Limits

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.



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.

6. Resignation from the Board

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 the organization.

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.

7. Chairperson of the Board

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 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 Organization.

The Chairperson ensures that:

- a) The Board satisfies its duties and responsibilities;
- b) Board members when appointed participate in an induction program 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; and
- j) The Board has appropriate contact with the management.

8. Chief Executive Officer

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. 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.

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.

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.

The CEO should:

- (a) Demonstrate commitment to the organization'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 the organization to stakeholders and enhance its public image;
- (f) Promptly respond to Board member's requests for information.

9. Corporation Secretary

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.

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.

The principle 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 the organization;
- (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 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 annual general meetings where applicable;
- (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.

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.

11. Committees of the Board

To effectively discharge its mandate, the Board shall establish committees with specific terms of reference.

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 may, from time to time, rotate Board members between the committees.

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.

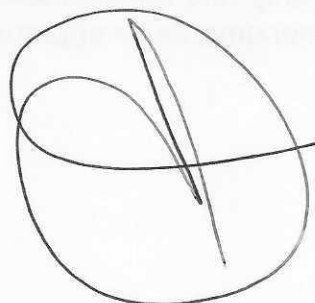
The Chairperson of each committee, in consultation with the Board, will determine the frequency of committee meetings as is necessary to fulfill the Committees functions.

The Chairperson of each committee will develop the committee's agenda. The Board will however determine the procedure and process within which committees may take independent professional advice at the organization's expense.

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.

The Board has established the following standing committees: -

- *Governance, Audit and Risk Committee*



- *Finance and Supply Chain Committee.*
- *Planning & Natural Resources Conservation Committee.*
- *Human Resources and Administration Committee.*

The organization 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 by the Board.

12. The Terms of Reference for The Committees

12.1 Governance Audit & Risk Board Committee.

12.1.1 Objective

The Governance Audit & Risk Committee will formulate and oversee implementation of systems and process of accountability, risk management and internal controls, ethical practices and effective management of stakeholder interest.

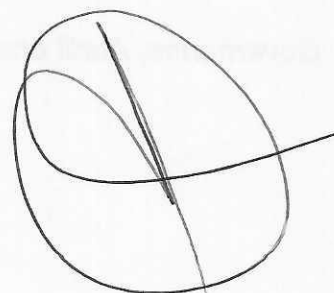
12.1.2 Membership

Membership shall consist of a maximum of six (6) members Quorum shall consist of four (4) members.

12.1.3 Delegated Authority

The Governance Audit & Risk Committee has the delegated authority from the Tana & Athi Rivers Development Authority Board to undertake the following:

- a) Promptly address issues in governance and accountability;
- b) Monitor the integrity of the financial statements, including the Authority's annual report relating to its financial performance, and review and report to the Board on significant financial reporting issues;
- c) Review the Authority's Quality & Risk Management framework and its linkage to the Authority's Risk Management strategy;
- d) The Committee shall in its decision making, give due regard to any relevant legal or regulatory requirements, and associated best practice guidance, as well as to the risk and reputation implications of its decisions (liaising where relevant with other Committees);
- e) Oversee the Creation and management of strategic alliances for the furtherance of the Authority's mandate;
- f) Drive effective participation of the Authority in the legislative process at the county and national level; and Monitor the Authority's legislation and propose amendments as appropriate; and



- g) Review reports on risk management, regulatory compliance, business resilience, contentious matters and other ad hoc reports covering such other matters relating to systems and process of accountability, risk management and internal controls, ethical practices and effective management of stakeholder interest as the Full Board may request from time to time.

12.1.4 Reporting Mechanism

The Secretary to the committee will be the Head of Internal Audit Division who shall be reporting to the Committee on all systems and process of accountability, risk management and internal controls in the Authority.

12.1.5 Meetings

The Governance, Audit & Risk Committee shall meet at least once in every quarter or as when necessary.

12.2 Finance and Supply Chain Committee

12.2.1 Objective

The Finance and Supply Chain Committee will formulate and oversee the financial and procurement in all projects and plans. It will also oversee formulation and monitor policies for implementation being undertaken by the Authority.

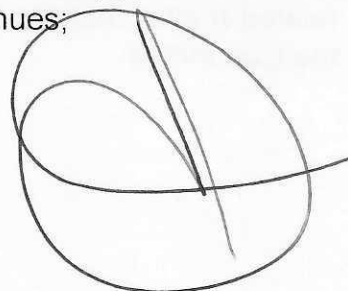
12.2.2 Membership

Membership shall consist of a maximum of Seven (7) members. Quorum shall consist of Four (4) members.

12.2.3 Delegated Authority

The Finance and Supply Chain Committee has the delegated authority from the Tana & Athi Rivers Development Authority Board to undertake the following:

- a) To review and recommend to Full Board all the Policies under the Department of Corporate Services.
- b) Review and recommend annual budget and the procurement Budget and continuously review the adherence to budget provisions;
- c) To review the Annual Report on behalf of the Full Board every year;
- d) Assess and ensure effectiveness of processes in place for preparation and audit of the annual financial statements;
- e) Review on behalf of the Full Board Financial performance on quarterly basis;
- f) Review and monitor the implementation of funding of the Strategic Plan;
- g) Monitor and review the Authority's investments opportunities and recommend strategies to optimize the investment revenues;



- h) To deal with any other finance and accounts; resource mobilization, investment & business development and related matter that the Full Board considers appropriate to be referred to the Finance and Supply Chain Committee.

12.2.4 Reporting Mechanism

The Secretary to the committee will be the Director, Department of Corporate Services who shall be reporting to the Committee on all finance & accounts; resource mobilization; business development of the Authority.

12.2.5 Meetings

Finance and supply chain Committee shall meet at least once in every quarter or as when necessary.

12.3. Planning & Natural Resources Conservation Committee

12.3.1 Objective

The Planning & Natural Resources Conservation Committee will formulate and oversee implementation of all projects, plans and policies regarding resource planning and conservation of natural resources being undertaken by the Authority.

12.3.2 Membership

Membership shall consist of a maximum of Seven (7) members. Quorum shall consist of Four (4) members.

12.3.3 Delegated Authority

The Planning & Natural Resources Conservation Committee has the delegated authority from the Tana & Athi Rivers Development Authority Board to undertake the following:

- a) To monitor, review and where necessary make recommendations to the Full Board for approval of concept papers on projects in line with implementation of the Authority's strategic plan and natural resource conservation.
- b) To review and recommend to Full Board all the Policies under the Department of Natural Resources Conservation, Planning & Natural Resource Development to improve efficiency and effectiveness of the processes and controls of the Authority;
- c) Review and monitor the implementation of programs, projects, performance contract, the Strategic Plan and natural resources conservation.
- d) To deal with any other planning and natural resources conservation and related matter that the Full Board considers appropriate to be referred to the Committee.

12.3.4 Reporting Mechanism

The Secretary to the committee will be the Director, Department of Natural Resources Planning and Development who shall be reporting to the Committee on all natural resources planning and development matters being undertaken by the Authority.

12.3.5 Meetings

The Planning and Natural Resources Conservation Committee shall meet at least once in every quarter or as when necessary.

12.4 Human Resource & Administration Committee

12.4.1 Objective

The Human Resource & Administration Committee will formulate and oversee the human capital utilization and administration in all projects and plans. It will also oversee formulation and monitor policies for implementation being undertaken by the Authority.

12.4.2 Membership

Membership shall consist of a maximum of six (6) members. Quorum shall consist of four (4) members.

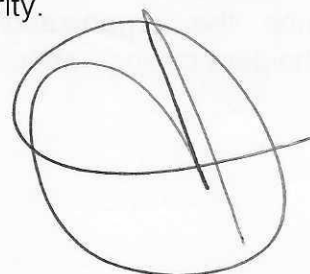
12.4.3 Delegated Authority

The Human Resource & Administration Committee has the delegated authority from the Tana & Athi Rivers Development Authority Board to undertake the following:

- a. To review and recommend to Full Board all the Policies under the Department of Corporate Services.
- b. Review the human resource policies from time to time to best serve the Authority's human resource strategies.
- c. To guide the Full Board on all the matters concerning top talent recruitment, retention, remuneration and general welfare of the staff;
- d. To deal with any human resource & administration related matter that the Full Board considers appropriate to be referred to the Human Resource & Administration Committee.

12.4.4 Reporting Mechanism

The Secretary to the committee will be the Director, Department of Corporate Services who shall be reporting to the Committee on all human resource and administration of the Authority.



12.4.5 Meetings

Human Resource & Administration Committee shall meet at least once in every quarter or as when necessary.

E. PRACTICES OF THE BOARD

1. Board Responsibilities

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 the organization and its stakeholders. In discharging that obligation, the members should be entitled to rely on the honesty and integrity of the organization's management, staff and its external professional advisors and auditors.

In furtherance of its responsibilities, the Board will:

- (a) Determine the organization's mission, vision, purpose and core values;
- (b) Review, evaluate and approve, on a regular basis, long-term plans for the organization;
- (c) Review, evaluate and approve the organizations 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 the organization;
- (g) Ensure effective, accurate, timely and transparent disclosure of pertinent information on the organization's operations and performance;
- (h) Ensure that effective processes and systems of risk management and internal controls are in place;
- (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 the organization;
- (k) Adopt, implement and monitor compliance with the organizations Code of Conduct and Ethics;
- (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 the organization's strategic objectives and policies relating to sustainability and social responsibility, investment;
- (n) Protect the rights of shareholders and optimize shareholder value;
- (o) Enhance the organization'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 the organization is effectively and consistently delivering on its mandate.

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 the organization 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 the organization;
- (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 the organization;
- (g) Owe their duty to the organization and not to the nominating or appointing authority;
- (h) Owe the organization the duty to hold in confidence all information available to them by virtue of their position as a Board member.

3. Principles of Public Service

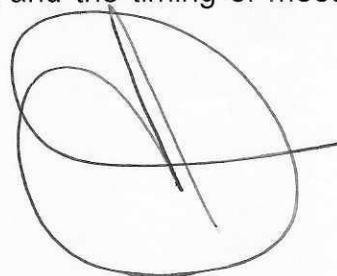
The Board, in performing its functions, shall be guided by the principles of Public Service as provided in Chapter Thirteen (13) of the Constitution of Kenya, which include:

- (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.

4. Board and Committee Meetings

Board meetings will be held four (4) times a year (quarterly) and not more than 4 months shall elapse between the date of one meeting and the date of the next meeting. Board meetings beyond six (6) times in a year should be authorized by the cabinet secretary.

A schedule of dates of the meetings will be agreed upon by the Board members and set out in the Board work plan. Notices for the location and the timing of meetings will be



issued prior to the meetings. The Board work plan may be adjusted if deemed necessary by the Board.

The quorum for a Board meeting will be five members where the total Board membership is eight to nine and four where the total membership is seven and below.

The quorum for Board committee meetings will not be less than three (3) members. Board members are expected to attend Board meetings and meetings of the committees on which they serve.

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.

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

5. Notice and Agenda for Meetings

Notice and agenda for Board and committee meetings will issue by the Corporation Secretary as directed by the Chairperson of the Board or relevant committee. 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.

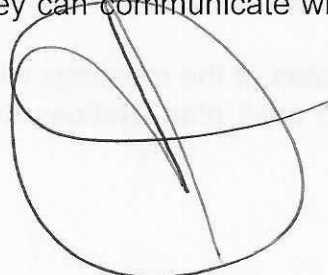
Save for the additional agenda items, the agenda for the meetings will be aligned to the Board's work plan which will establish a schedule of agenda subjects to be discussed during the year to the degree this can be foreseen.

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.

6. Venue of Meetings

Board and committee meetings are held at the registered office of the organization 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.

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, provided that all members have been given prior notification and they can communicate with each other simultaneously.



7. Attendance of Meetings

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. 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.

8. Procedure of Meetings

(a) 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.

(b) Constitution of the Meeting

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

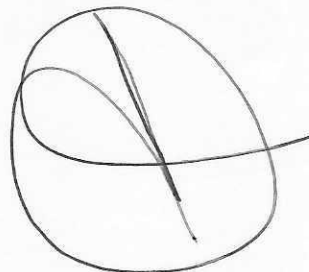
(c) Protocol of Board Meetings

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.

A special meeting of the Board or Board Committee will not discuss any matter other than that specified in the agenda.

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 the organization 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 also confirm whether each Board member or participant will attend 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;
8. The Chairperson should ensure that the agenda is suitable for tele/video conferencing.

(d) Decision-Making

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.

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.

(e) 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 added to the records of the organization. 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.

(f) 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.

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 the organization. However, there is no limitation of liability for negligence or breach of the member's duty of care to the organization or its stakeholders, or for acts or omissions not in good faith, or which involve intentional misconduct or violation of the law.

10. Conflict of Interest

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. Board members are required to avoid conflict of interest and deal at arm's-length in any matter that relates to the organization. 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.

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.

11. Confidentiality of the Board

Board members should maintain confidentiality of information they acquire by virtue of their position within the organization.

12. Notice of Other Directorships

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 the organization provided that a Board member shall not serve in more than three boards of State Corporations concurrently.

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 the organization's Board, impact the Board member's independence, or create an actual or apparent conflict of interest for the Board member.

13. Board Members Access to Employees

Board members should have full and free access to employees of the organization 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 the organization.

14. Independent Advisors

Board members may individually and collectively seek independent advice in connection with their duties in the corporation as and when required. Independent professional

advice for the purposes of this Charter shall include legal advice, advice on matters of governance, the advice of accountants and other professional financial 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 the organization.

15. Interaction with Stakeholders

Only designated representatives of the organization shall communicate on behalf of the organization with the Government, media, stakeholders and the general public.

16. Board Induction and Continuous Skills Development

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

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.

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

17. Board Remuneration

Board members shall be remunerated for their services in accordance with the prevailing relevant legislative provisions and/or guidance from the relevant authority. In line with best practice, the remuneration should include base pay, attendance allowances and bonuses.

18. Board Performance

The Board will conduct an annual evaluation to appraise its performance. This evaluation will be carried out in accordance with the Board Evaluation Tool.

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.

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

19. Board and Management Succession

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

20. Governance Audit

The Board should ensure that a governance audit of the organization is undertaken on an annual basis. The purpose of the governance audit is to ensure that the organization 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;
- (h) Corporate social responsibility and investment.

This Board Charter is effective from _____ day of _____



HON. JAMLECK KĀMAU E.G.H
CHAIRMAN - TARDA BOARD

10th Aug. 2021
DATE



MR. EMILIO MUGO
Ag. MANAGING DIRECTOR - TARDA

10/08/2021
DATE

