

LIMURU TEA PLC

(formerly THE LIMURU TEA COMPANY LIMITED)

P. O. BOX 20-20200,
Kericho, Kenya
Telephone: 0722307394/5

30th April 2020

Chief Executive,
Capital Markets Authority,
Embankment Plaza, 3rd Floor,
Longonot Road, Upperhill,
P.O. Box 74800-00100.

Nairobi

Advance copy by email:

ceoffice@cma.or.ke

financialanalysis@cma.or.ke

Dear Sir,

RE: CORPORATE GOVERNANCE REPORTING FOR ISSUERS OF SECURITIES TO THE PUBLIC – LIMURU TEA PLC.

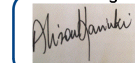
We refer to the above stated subject and to Circular NO.CMA/MRT/004/2017 dated 13 June 2017.

We hereby enclose the Corporate Governance Report for Limuru Tea Plc. for the year ended 31 December 2019 duly filled and signed together with attachments referred to in the Report as set out in Annexure I of this letter.

Kindly acknowledge receipt.

**Yours faithfully,
for LIMURU TEA PLC**

DocuSigned by:



Alison I.N. Kariuki

COMPANY SECRETARY

Encl.

ANNEXTURE I : INDEX OF DOCUMENTS ATTACHED TO THE REPORT

1. Governance of Limuru Tea Plc;
2. Code of Business Principles;
3. Code of Business Principles Policy – Avoiding Conflicts of Interest;
4. Code of Business Principles – Reporting Avenues;
5. Minutes of Training 9th November 2017;
6. Company’s Strategy;
7. Board Composition;
8. Annual Report for the Financial year ended 31st December 2019;
9. Diversity Policy;
10. Board Evaluation Results for 2019;
11. Related Party Transactions Policy;
12. Unilever Sustainable Agriculture Code;
13. Board Workplan 2020;
14. Published abridged version of the financial statements;
15. Induction Programme;
16. Training attendance & correspondence with CMA;
17. Remuneration Policy approved by Shareholders in AGM held on 25 May 2018;
18. Board Communication & Disclosure Policy;
19. AGM Notices for AGM conducted in 2019 published in the Annual Report and two newspapers; and
20. Audit Committee Minutes – meetings held on 2019;
21. Code of Business Principles Policy – Responsible Risk Management
22. Code of Business Principles Policy - Use of Information Technology
23. Responsible Sourcing Policy – procurement policy
<http://www.unilever.com/responsible-sourcing-policy/> updated from time to time

CORPORATE GOVERNANCE REPORTING TEMPLATE FOR ISSUES OF SECURITIES TO THE PUBLIC
 TO BE FILLED IN LINE WITH THE REQUIREMENTS OF THE CODE OF CORPORATE GOVERNANCE PRACTICES FOR ISSUERS OF SECURITIES TO THE PUBLIC, 2015

Company Name (in full)	LIMURU TEA PLC.	Company Details to be Provided:
	Company market to book ratio at end of financial year	2,400
Reviewer's Name	No of outstanding shares at end of financial year	2,400,000
	Closing price of stock at end of financial year	Ksh. 450.00
Stock Code	Net sales as per Income Statement at end of financial year	Ksh. 91,049,000
Sector	Net profit as per Income Statement at end of financial year	Ksh. 1,900,000
Year -	Total debt (short and long term) as per Balance Sheet at end of financial year	NIL
Date of Financial Year End	Total equity as per Balance Sheet at end of financial year	Ksh. 194,026,000
	Total no. of Board members at end of financial year	6
Chairman Signature	No. of independent directors at end of financial year	2
	No. of non-executive directors at end of financial year	3
CEO Signature		
Company Secretary Signature		

DocuSigned by:
Dr. Richard Konir
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 DocuSigned by:
Gerridina Johanna Maria Ten Den
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 DocuSigned by:
Shiraz Faruki
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Consecutive No.	Mandatory or 'apply or explain'	Part No.	Question	Kenya Code Reference	Application - FA, PA or NA - See Notes 1, 2, 3&4	Application or Explanation - Note 3 & 4	Source of Information
A INTRODUCTION							
1	M	A.1	Has the company developed and published a Board Charter which is periodically reviewed and which sets out the Board responsibility for internal control?	1.1.2, 2.6.2, 6.3.2	FA	The Company's Board Charter, which was last reviewed in March 2019, sets out the Board's responsibility for internal controls, it is available on the Company's website.	Governance of Limuru Tea Plc
2	M	A.2	Do the Board Charter or company documents distinguish the responsibilities of the board from management in line with Code requirements?	1.1.2, 2.3.1, 2.3.2, 2.6.2	FA	The Company's Board Charter differentiates the main duties and responsibilities of the Directors from the Management.	Governance of Limuru Tea Plc

3	A or E	A.3	Is there a statement indicating the responsibility of Board members for the application of corporate governance policies and procedures of the company?	1.1.6	FA	The Board Charter clearly states that the Board is committed to comply with the provisions of the Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 (the "Corporate Governance Code") and the ("Corporate Governance Regulations") as issued by the Capital Markets Authority.	Governance of Limuru Tea Plc
4	M	A.4	How has the Board ensured all directors, CEOs and management are fully aware of the requirements of this Code?	1.1.6	FA	Directors and Management were sensitized on the Code of Corporate Governance on 9 November 2017, as per the minutes of the training for the Board. The Directors who have joined since, have undergone induction and have been provided with copied of the Code.	Minutes of Training
5	M	A.5	Do company documents indicate the role of the Board in developing and monitoring the company strategy?	Part II - Overview, 2.3	FA	The Board Charter states that the Board has the final responsibility for the management, direction and performance of the Company and its business. The identification and management of risk is fundamental to carrying through the Company's strategy and to achieving its long-term goals.	Governance of Limuru Tea Plc
6	A or E	A.6	Does the company strategy promote sustainability of the company?	2.3.6	FA	The Board Charter states that the Company has a simple but clear purpose – to make sustainable living commonplace. The Company believes this is the best long-term way for the business to grow. It also states that the Company is committed to making continuous improvements in the management of its environmental impact and to the longer-term goal of developing a sustainable business. The Company's Strategy iconfrms that the Mission of the Comapny is being 'Serious about a <u>Sustainable</u> and Profitable Tea business, Passionate about taking Care of our People and Communities'; and the Vision of the Company is 'To be a truly <u>sustainable</u> Tea Plantation; Providing Future Proofed Tea solutions and Enhanced Livelihoods'.	Governance of Limuru Tea Plc & the Company's Strategy
7	M	A.7	Are all board committees governed by a written charter/terms of reference, disclosing its mandate, authority, duties, composition, leadership and working processes?	2.2.2	FA	The Board has two Committees i.e. Audit Committee and Nominations Committee. The Committees have specific Committee Terms of Reference, set out in the Board Charter.	Governance of Limuru Tea Plc
		B	BOARD OPERATIONS and CONTROL				
8	M	B.1	Has the Board established a Nomination Committee comprised mainly of independent and non-executive Board members?	2.1.2, 2.2.2	PA	The Board has an established a Nomination Committee which has independent and non-executive Board members. Bearing in mind the constraints of increasing the Board size, the company is considering reconfiguring its board so as to incorporate an additional independent Director, the process will involve a recruitment exercise so as to identify the most suitable candidate conversant with the sector The Company requests for ample time to comply since the recruitment exercrise is a lengthy process.	Board Composition
9	M	B.2	Is the chairperson of the Nomination Committee an independent director?	2.2.3	FA	The Chairperson of the Nominations Committee is independent and non executive.	Board Composition
10	M	B.3	Has the board adopted and published procedures for nomination and appointment of new Board members?	2.1.1, 2.1.7	FA	Apendix 5 of the Board Charter outlines the selection criteria and appointment procedures for Directors . The Board Charter is published on the Company's website.	Governance of Limuru Tea Plc
11	M	B.4	Is the Board size adequate for the exercise of the company business?	2.1.4	FA	The Board is comprised of six Directors which is sufficient given the size of the organization full consideration taken to ensure a balance the skills, knowledge, experience, diversity and independence. The Profiles of the Directors have been published in the Annual Report which is published on the Company's website	Board Composition & Annual Report
12	A or E	B.5	Has the board adopted a policy to ensure the achievement of diversity (including age, race and gender) in its composition?	2.1.2, 2.1.3, 2.1.5, 2.5.1	FA	There is a Board Diversity Policy in place, which was adapted on 9 March 2018 and addresses diversity in various criteria and clearly discloses the measurable objecives for the diversification of the Board.	Diversity Policy

13	M	B.6	Do the Board members represent a mix of skills, experience, business knowledge and independence to enable the discharge of their duties?	2.2.1	FA	The Board board members are diverse in skills and experience as set out in the Profiles of the Directors that has been published in the Annual Report . In line with the Company's Board Diversity Policy which was adapted on 9 March 2018 the Board has 50% Independent Non - Executive Directors and 50% Lady Directors.	Board Composition & the Diversity Policy
14	M	B.7	Has the board adopted and applied a policy limiting the number of board positions each Board member may hold at any one time?	2.1.6	FA	The Board Charter has a Policy Limiting Multiple Directorships, which provides that: (i) The Chairperson should not hold such position in more than two public listed companies at any one time; (ii) A Non-Executive Director should not hold such position in more than three public listed companies at any one time; and (iii) An Executive Director of a public listed company should not hold such position in more than two public listed companies at any one time.	Governance of Limuru Tea Plc
15	M	B.8	Have any Alternate Board members been appointed? If so, have the Alternate Director/s been appointed according to regulation and Code requirements?	2.1.6, 2.1.7	FA	The Board does not have Alternative Directors	The Board does not have Alternative Directors
16	M	B.9	Are independent directors at least one-third of the total number of Board members?	1.1.2, 2.1.3, 2.4.1	FA	The Board has 50% Independent Non - Executive Directors	Board Composition
17	A or E	B.10	Does the Board have policies and procedures to annually assess the independence of independent Board members?	2.4.1	FA	The Board Charter provides for an annual board evaluation to be conducted, a Board Evaluation for the year ended 31 December 2019 was conducted on 6 November 2019.	Governance of Limuru Tea Plc & Board Evaluation Results
18	M	B.11	Do all independent Board members have a tenure of less than 9 years?	2.4.2	FA	Yes. The board charter states that one of the criteria for judging the independence of Non-Executive Directors is that the Director should not serve for more than nine years since they were first appointed.	Board Composition
19	M	B.12	Is the Board comprised of a majority of non-executive board members?	2.1.3	FA	In line with the Company's Board Diversity Policy which was adapted on 9 March 2018 the Board has 50% Independent Non - Executive Directors which is sufficient given the size of the organization.	Board Composition & the Diversity Policy
20	M	B.13	How does the Board ensure a smooth transition of Board members?	2.1.8	FA	The Remit of the Nominations Committee as set out in its Terms of Reference is to ensure succession planning within and to the Board including evaluating and recommending termination of service of individual members of the Board as appropriate for the cause or for other proper reasons. As set out in Appendix 5 of the Board Charter which outlines the selection criteria and appointment procedures for Directors the Nominations Committee give full consideration to succession planning of Directors taking into account the challenges and opportunities facing the Company, and the skills and expertise needed on the Board in the future.	Governance of Limuru Tea Plc
21	M	B.14	Has the Board established an effective Audit Committee according to Code requirements?	2.2.4, 6.5.1, 2.1.7	FA	The Board has an established an Audit Committee which has independent and non-executive Board members. The Chairperson the Audit Committee is an independent and non-executive director and is an experienced Audit, Compliance and Risk Management professional.	Board Composition
22	M	B.15	Are the functions of the Chairperson and the Chief Executive Officer exercised by different individuals?	2.3.3	FA	The Board Charter clearly outlines the role of CEO and that of the Chairman and both are different individuals	Governance of Limuru Tea Plc & Board Composition
23	M	B.16	Is the Chairman of the Board a non-executive board member?	2.3.4	FA	The Chairman of the Board is Independent and Non-Executive	Board Composition

24	A or E	B.17	Has the Board established procedures to allow its members access to relevant, accurate and complete information and professional advice?	2.3.5	FA	The Board Charter provides that:- Directors, both as a group and individually, are entitled to access or take independent professional advice, at the expense of the Company, on matters relating to the proper discharge of their office and the Company Secretary will arrange for advice to be obtained. However this does not extend to issues regarding their personal interests.	Governance of Limuru Tea Plc
25	M	B.18	Has the Board adopted a policy on managing conflict of interest?	2.3.8	FA	The Code of Business Principles has a Policy on managing conflict of interest. The 'Code of Business Principles' which contains the Policy on 'Conflicts of Interests' can be found on Appendix 3 of the Governance of Limuru Tea, the Company has also provided a more detailed extract of the Policy on 'Avoiding Conflicts of Interests' which is also annexed to the Governance of Limuru Tea this is also uploaded on the Company's Website.	Code of Business Principles
26	M	B.19	Has the Board adopted a policy on related party transactions to protect the interests of the company and all its shareholders and which meets the requirements of the Code?	2.3.7	FA	The Board has adopted a policy on related party transactions	Related Party Transactions Policy
27	M	B.20	Has the company appointed a qualified and competent company secretary who is a member in good standing of ICPSK?	2.3.9	FA	Company Secretary is a Certified Public Secretary	Board Composition
28	A or E	B.21	Has the Board adopted policies and processes to ensure oversight of sustainability, environmental and social risks and issues?	2.3.2, 2.3.6	FA	The Unilever Sustainable Agriculture Code in place addresses sustainability, environmental and social risks and issues	Unilever Sustainable Agriculture Code
29	A or E	B.22	Has the Board developed an annual work-plan to guide its activities?	2.6.3	FA	A Board Workplan for 2020 has been developed for the Board	Board Workplan 2020
30	M	B.23	Has the Board determined, agreed on its annual evaluation process and undertaken the evaluation or the performance of the Board, the Board Committees, the CEO and the company secretary?	2.6.4, 2.8	FA	The Board Charter provides for an annual board evaluation to be conducted, a Board Evaluation for the year ended 31 December 2019 was conducted on 6 November 2019.	Governance of Limuru Tea Plc & Board Evaluation Results.
31	A or E	B.24	Has the Board established and applied a formal induction program for in-coming members?	2.7.1	FA	There is a formal documented induction program for Directors in place, which was approved by the Board 9 March 2018	Induction Programme
32	A or E	B.25	Do Board members participate in on-going corporate governance training to the extent of 12 hours per year?	2.7.3	FA	More than 12 hours training was provided for financial year 2019 on 29th to 31st October 2019 the training was conducted by the Institute of Certified Secretaries. One of the Directors who was not able to attend this training attended other professional trainings over the year which the Board deemed to be sufficient.	Certificates of Participation in the Training
33	A or E	B.26	Has the Board set up an independent Remuneration Committee or assigned to another Board committee the responsibility for determination of remuneration of directors?	2.9.2	FA	The Board has established a Nominations Committee which determines the remuneration of Directors, as set out in the Committee's Terms of Reference	Governance of Limuru Tea Plc
34	M	B.27	Has the Board established and approved formal and transparent remuneration policies and procedures that attract and retain Board members?	2.9.1	FA	A Remuneration Policy is in place, which was approved and adopted by the Board on 9 March 2018 and approved by shareholders on 25 May 2018.	Remuneration Policy Minutes of AGM held on 25 May 2018
35	M	B.28	How does the Board ensure compliance with all applicable laws, regulations and standards, including the Constitution and internal policies?	2.10, 2.10.1, 2.10.2	FA	The Board is responsible for ensuring compliance with all applicable laws, regulations and standards, including the Constitution and internal policies	Governance of Limuru Tea Plc
36	M	B.29	In the past year, has the Board organized a legal and compliance audit to be carried out on a periodic basis?	2.10.3	FA	Legal & Compliance Audit was carried out and opinion of the Auditor is disclosed in the Annual Report	Annual Report

37	A or E	B.30	Has the Board undertaken an annual governance audit?	2.11.1	FA	Governance Audit was carried out and opinion of the Auditor is disclosed in the Annual Report	Annual Report
		C	RIGHTS of SHAREHOLDERS				
38	M	C.1	Does the governance framework recognize the need to equitably treat all shareholders, including the minority and foreign shareholders?	3.0 Overview, 3.2.1	FA	Board Communication & Disclosure Policy states that "the Board recognizes, respects, protects and upholds the rights of its Shareholders, as such the Company's governance framework aims to ensure the equitable treatment of all Shareholders, including the minority."	Governance of Limuru Tea Plc
39	M	C.2	Other than at the AGM, how does the Board facilitate the effective exercise of shareholders' rights?	3.1.1	FA	Board Communication & Disclosure Policy provides for the avenues of communication	Board Communication & Disclosure Policy
40	M	C.3	How does the Board facilitate shareholders participation at the AGM?	3.1.1	FA	The Board sends requisite notices to shareholders with audited financial statements, and published an abridged version of the financial statements in two newspapers of nation wide circulation to ensure shareholders prepare adequately for the AGM.	AGM Notices in the Annual Report and the Company Website Published abridged version of the financial statements
41	A or E	C.4	Are minority and foreign shareholders holding the same class of shares treated equitably?	3.2.1	FA	Board Communication & Disclosure Policy states that "the Board recognizes, respects, protects and upholds the rights of its Shareholders, as such the Company's governance framework aims to ensure the equitable treatment of all Shareholders, including the minority."	Board Communication & Disclosure Policy
42	A or E	C.5	Is there evidence that the Board proactively provides information to shareholders and the media, (and in a timely basis) on corporate affairs and corporate governance?	3.1.1, 3.4.1	FA	Yes, timely communication with CMA & Press Publications	Communication with CMA done in a timely manner
		D	STAKEHOLDER RELATIONS				
43	A or E	D.1	Does the Board have a stakeholder-inclusive approach in its practice of corporate governance and which identifies its various stakeholders?	4.1.1	FA	The Communication and Corporate Disclosures Policy which was approved and adopted by the Board on 9 March 2018 and approved by shareholders on 25 May 2018 highlights stakeholder engagement modalities and also states that Board has adopted stakeholder-inclusive approach in its practice of corporate governance because it recognized stakeholder contribution in achievement of the Company's strategy and long-term sustained growth	Board Communication & Disclosure Policy & Governance of Limuru Tea Plc
44	A or E	D.2	Has the Board developed policies, procedures and strategies to manage relations with different/key stakeholder groups?	4.1.2, 4.1.3, 4.1.5, 4.2.1	FA	The Communication and Corporate Disclosures Policy highlights stakeholder engagement modalities	Board Communication & Disclosure Policy
45	A or E	D.3	How does the Board take into account the interests of key stakeholder groups prior to making decisions?	4.1.4	FA	The Annual Report states that; in all its dealings, the Board has regard to the interests of the Company as a whole, including its shareholders, employees, customers and suppliers, together with its social and legal responsibilities in the communities in which it operates and to the environment.	Annual Report
46	M	D.4	How does the Board ensure effective communications with stakeholders?	4.2, 4.2.1	FA	Yes. The Communication and Corporate Disclosures Policy states that the Board will proactively engage the media on dissemination of important company information and issues relating to good corporate governance to inform and protect investors and other stakeholders.	Board Communication & Disclosure Policy

47	M	D.5	Has the Board established a formal dispute resolution process to address internal and external disputes?	4.3.1	FA	<p>The Code of Business Principles provides an avenue through which the Company can receive and resolve disputes</p> <p>In various contracts with its Suppliers, the Company provides a Dispute Resolution Mechanism where disputes can either be resolved - amicably by representatives of both Parties; through Arbitration; or Court.</p> <p>The Company also has a Disciplinary Policy through which it has laid down the process of addressing and employee related disciplinary issues. The company also relies on the internal Legal department to resolve contractual as well as contentions issues as they arise.</p>	Code of Business Principles
E ETHICS AND SOCIAL RESPONSIBILITY							
48	A or E	E.1	Does the Board ensure that all deliberations, decisions and actions are founded on the core values (responsibility, accountability, fairness and transparency) underpinning good governance and sustainability?	5.1.1	FA	The Board Charter provides that the Audit committee has responsibility for the oversight of the Company's conduct with regard to its corporate and societal obligations and its reputation as a responsible corporate citizen.	Governance of Limuru Tea Plc
49	M	E.2	Has the Board developed a Code of Ethics and Conduct (which includes sustainability) and has it worked to ensure its application by all directors, management and employees?	2.6.1, 5.2.2, 5.2.3, 5.2.4	FA	There is a Code of Business Principles has been published in the Board Charter on the website	Governance of Limuru Tea Plc
50	A or E	E.3	How does the Board ensure that compliance with the Ethics Code and Conduct is integrated into company operations?	5.2.3	FA	The Board Charter provides that the Board is responsible for ensuring that the policies of the Code of Business Principles are applied throughout the Company. The Chief Executive Officer is responsible for implementing these principles and is supported in this by the Code and Policy Committee, which is chaired by the Business Integrity Officer. Day to day responsibility is delegated to all senior management. They are responsible for implementing these principles, supported by the Business Integrity Committee. Assurance of compliance is given and monitored each year.	Governance of Limuru Tea Plc Mandate is delegated to the Business Intergity Officer by the CEO
51	A or E	E.4	Does the Board incorporate ethical and sustainability risks and opportunities in the risk management process?	5.2.1	FA	<p>The Board Audit Committee terms of reference provide that it is the duty of the Committee for reviewing and providing input to the Company on the management of current and emerging sustainability matters affecting the Company and providing external and independent oversight and guidance on the environmental and social impact of how the Company conducts its business.</p> <p>The Company has a Sustainable Agriculture Code that governs its operations and also has obtained Rainforest Alliance Certification. In the Annual Report the Chairman's Statement highlights the risks that the Company faces that are likely to affect its sustainability.</p> <p>In the Annual Report the Company has also highlighted sustainability and ethical opportunities in Environmental Conservation, Employee Welfare and Soil Conservation.</p>	Governance of Limuru Tea Plc
52	A or E	E.5	How is the company performance on ethics assessed, monitored and disclosed to internal and external stakeholders?	5.2.4, 5.2.5	FA	The Company's performance on ethics is assessed and monitored by the Board Audit Committee.	

53	A or E	E.6	Has the company established and implemented a whistle blowing policy?	5.2.5	FA	The Code of Business Principles provides for avenues through which employees, suppliers and stakeholders can report anonymously. Any breaches of the Code must be reported. The Board of the Company will not criticise management for any loss of business resulting from adherence to these principles and other mandatory policies. Provision has been made for employees to be able to report in confidence and no employee will suffer as a consequence of doing so. The whistle blowing policy is referred to as 'Confidential Reporting of Issues or Concerns' and is contained in the Code of Business Principles - it provides avenues for anonymous reporting through a telephone hotline, a web page as well as through Business Integrity Officers and line managers. This avenue of reporting is available to both external Stakeholders and employees and is annexed to the Governance of Limuru Tea and uploaded on the Company's Website.	Code of Business Principles
54	A or E	E.7	Has the Board/or management developed policies on corporate citizenship and sustainability and strategies for company use?	5.3.1, 5.4	FA	The Unilever Sustainable Agriculture Code in place addresses sustainability, environmental risks and issues	Unilever Sustainable Agriculture Code
55	M	E.8	Does the Board consider not only the financial performance but also the impact of the company's operations on society and the environment?	5.3.2, 5.3.3	FA	The Board charter states that, in all their dealings, the Board has regard to the interests of the Company as a whole, including its shareholders, employees, customers and suppliers, together with its social and legal responsibilities in the communities in which it operates and to the environment. In the Annual Report the Company has also highlighted its impact and initiatives undertaken in Environmental Conservation, Employee Welfare and Soil Conservation, the Company has also provided pictorals of some of these initiatives i.e. section of indigenous forest, Rongai Primary School, and a micro catchment to prevent sheet erosion.	Governance of Limuru Tea Plc Annual Report
56	A or E	E.9	Does the Board monitor and report activities leading to good corporate citizenship and sustainability to demonstrate they are well coordinated?	5.4.1	FA	The Audit Committee has responsibility for the oversight of the Company's conduct with regard to its corporate and societal obligations and its reputation as a responsible corporate citizen. In the Annual Report the Company has also highlighted its impact and initiatives undertaken in Environmental Conservation, Employee Welfare and Soil Conservation, the Company has also provided pictorals of some of these initiatives i.e. section of indigenous forest, Rongai Primary School, and a micro catchment to prevent sheet erosion.	Governance of Limuru Tea Plc Annual Report
		F	ACCOUNTABILITY, RISK MANAGEMENT AND INTERNAL CONTROL				
57	M	F.1	Does the Audit Committee and the Board consider and review the financial statements for integrity of the process and for truthful and factual presentation?	6.1, 6.1.1a	FA	The Board Charter states that one of the roles of the Audit Committee is the oversight of the integrity of the Company's financial statements and the review of the Company's half year and end of financial statements	Governance of Limuru Tea Plc & Annual Report
58	M	F.2	Does the Annual Report contain a statement from the Board explaining its responsibility for preparing the accounts and is there a statement by the external auditor about his/her reporting responsibilities?	6.1.2	FA	The Board Charter states that; the Directors are responsible for the preparation and presentation of the financial statements of Limuru Tea PLC and there is a statement by the external auditor about their reporting responsibilities.	Governance of Limuru Tea Plc & Annual Report
59	A or E	F.3	Does the board or audit committee have a process in place to ensure the independence and competence of the Company's external auditors?	6.1.1b	FA	The Board Charter states that one of the roles of the Audit Committee is; the oversight of performance, qualifications and independence of the External Auditors and the oversight of the work that can and cannot be performed by the External Auditors and the compliance thereof.	Governance of Limuru Tea Plc & Annual Report

60	M	F.4	Do the shareholders formally appoint the external auditor at the AGM through a formal and transparent process?	6.1.3	FA	The Board Charter states that one of the roles of the audit committee is making recommendations to the Board on the nomination of the External Auditor and the shareholders formally appoint the external auditor at the AGM through a formal and transparent process as evidenced by the agenda on the notice of AGM for 2019 circulated to shareholders. 2020 AGM has been rescheduled to a date that will be confirmed in view of the novel coronavirus (COVID-19) Pandemic and the announcement by the Kenyan Government on bold measures to contain the spread of the virus in Kenya, and further in view of the Capital Markets Authority circular no CMA/MRT/003/2020 dated 18th and 24th March 2020, stating that listed companies scheduled to hold their Annual General Meetings (AGMs) in May 2020, are advised to defer the meetings to a later date	Governance of Limuru Tea Plc & Annual Report
61	A or E	F.5	Is the Company working towards the introduction of integrated reporting (incorporating financial and non-financial information) or is the company's Annual Report prepared on an integrated basis using a framework available from the Integrated Reporting Council, The Global Reporting Initiative, G4 Sustainability Guidelines and/or Sustainability Accounting Standards Board standards?	6.1.5	FA	Intergrated reporting has been fully implemented	Governance of Limuru Tea Plc & Annual Report
62	A or E	F.6	Has the Board established an effective risk management framework which is inclusive of key risks as well as foreseeable risks, environmental and social risks and issues ?	6.2.1	FA	The Board Charter states that the one of the key roles of the Audit Committee is oversight of risk management and internal control arrangements. As evidenced by the Minutes of the Audit Committee the following risks are included in the Risk Framework and are discussed from time to time: Legal Risk, Financial Risk, Reputational Risk, Market Risk, Economic Risk, ER/IR Risk, Political Risk, Governance Risk, Credit Risk, Operational Risk, Environmental Risk, Ethical Risk - as such all socioeconomic Risks are discussed.	Governance of Limuru Tea Plc & Annual Report Audit Committee Minutes
63	M	F.7	Has the Board established and reviewed on a regular basis the adequacy, integrity and management of internal control systems and information systems (including for compliance with all applicable laws, regulations, rules and guidelines)?	6.3.1, 6.3.2, 6.3.3	FA	The Board Charter states that the Board has overall responsibility for the management of risk and for reviewing the effectiveness of the system of internal control and risk management approach and in compliance with all relevant rules and applicable laws.	Mandate is delegated by the CEO to the Internal Audit Department
64	M	F.8	Does the Board annually conduct a review on the effectiveness of the company's risk management practices and internal control systems and report this to shareholders?	6.4.1	FA	Company's risk management practices and internal control systems, reviewed by the Audit Committee	Mandate is delegated by the CEO to the Internal Audit Department Code of Business Principles Policy – Responsible Risk Management
65	M	F.9	Has the Board established an effective internal audit function according to Code requirements and which reports directly to the Audit Committee?	6.5.2	FA	There is an internal audit function in place which reports to the Audit Committee	Mandate is delegated by the CEO to the Internal Audit Department
66	A or E	F.10	Does the Board disclose details of Audit Committee activities ?	6.5.2	FA	The Annual Report and Board Charter highlights the Audit Committee activities and the composition of the Committee	Governance of Limuru Tea Plc & Annual Report
G			TRANSPARENCY and DISCLOSURE				

67	M	G.1	Does the company have policies and processes to ensure timely and balanced disclosure of all material information as required by all laws, regulations and standards and this Code.	7.0 Overview, 7.1.1	FA	The Board Communication and Corporate Disclosure policy states that the Board will disclose and make a public announcement of all material information within 24 hrs of happening of any event in line with the CMA Public Offers Regulations	Board Communication & Disclosure Policy
68	A or E	G.2	Does the Annual Report cover, as a minimum, disclosures as prescribed in 7.1.1 relating to the company's governance, the Board and the Audit Committee?	7.1.1	FA	The Annual Report has details on Board Members and Board Committees including their activities, Board Composition and Governance Report	Annual Report
69	A or E	G.3	Does the Annual Report cover, as a minimum, disclosures as prescribed in 7.1.1 relating to the company's mission, vision and strategic objectives?	7.1.1	FA	The annual report highlights the mission, vision and strategic objectives of the company The Annual Report has highlighted the Strategic Initiatives that the Company would undertake during the year.	Annual Report
70	A or E	G.4	Does the Annual Report cover, as a minimum, disclosures as prescribed in 7.1.1 relating to remuneration and whistleblowing?	7.1.1	FA	The annual report has disclosed remuneration for all directors and whistleblowing	Annual Report
71	A or E	G.5	As a minimum, does the company website disclose current information on all areas prescribed in 7.1.1 (Board Charter, Whistleblowing Policy, Code of Ethics and information on resignation of directors)?	7.1.1	FA	The website has a Board Charter, the Code of Business Principles in the website also provide for avenues through which employees, suppliers and stakeholders can report anonymously. The Company has also provided an avenue for Whistle Blowing i.e. 'Confidential Reporting of Issues or Concerns' - which is annexed to the Governance of Limuru Tea this was also uploaded on the Company's Website	Website https://www.unilever-ewa.com/investor-relations/limuru-tea-financial-reports-and-accounts/
72	A or E	G.6	Does the Board disclose the management discussion and analysis as required in 7.1.1?	7.1.1	FA	The Board's disclosure on matters affecting the Company's business are highlighted in the Annual Report	Annual Report
73	A or E	G.7	Has the Board provided disclosures as required in 7.1.1 on compliance with laws, regulations and standards; ethical leadership, conflict of interest, corporate social responsibility and citizenship?	7.1.1		The Board Charter has made disclosures on corporate citizenship, conflict of interest and adherence to rules	Governance of Limuru Tea Plc
74	A or E	G.8	Has the Board made all required disclosures, including confirming requirements of 7.1.1 which include that a governance audit was carried out and that there are no known insider dealings?	7.1.1	FA	The Board made all required disclosures	Annual Report
75	A or E	G.9	Has the Board disclosed the company's risk management policy, company procurement policy, policy on information technology as per 7.1.1?	7.1.1	FA	The company has disclosed its risk management, procurement and Information technology policies <u>IT Policy</u> - The Published Unilever Code of Business Principles as adopted by Limuru Tea Plc in its Board Charter has a detailed Policy on Use of Information Technology <u>Procurement Policy</u> - The Published Unilever Responsible Sourcing Policy as adopted by Limuru Tea Plc is the Procurement Policy.	Limuru Tea Plc and Unilever Website
76	M	G.10	Has the Board disclosed information on shareholders, including the key shareholders, including shareholding by directors and senior management and the extent of their shareholdings as required in 7.1.1 and on stakeholder who influence company performance and sustainability?	7.1.1	FA	Annual Report discloses information on shareholders, directors and senior management holdings. It also has details of the Company's Distributors and Suppliers	Annual Report
77	M	G.11	Has the Board disclosed all related-party transactions?	7.1.1t	FA	Related party transactions have been disclosed in the Annual Report	Annual Report
78	M	G.12	Does the Board include in its Annual Report a statement of policy on good governance and the status of the application of this Code?	1.1.3, 7.1.1r	FA	The Annual Report states that Limuru Tea Plc is committed to comply with the provisions of the Code of Corporate Governance Practices for Issuers of Securities to the Public. It also states that besides complying with external corporate governance regulations, the Company has embedded internal rules of engagement to support corporate governance. These internal guidelines are constituted in the Governance of Limuru Tea Plc.	Annual Report

Note 1 The Reporting Template shall be used by companies to report on their application of the provisions of the Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 (the Code). The completion of the Reporting

- Note 2 Column 'F' should be marked as follows: 'FA' - Full Application, PA - Partially Applied or 'NA' - Not Applied. Full application of this Code is required by the Code. Therefore anything less than 'full application' is considered 'non compliance or
- Note 3 An explanation of how the Code provision is applied is required in column 'G' and shall be supported by evidence of how application has been achieved. If the provision is NOT applied, an explanation for why it is not applied or only partially
- Note 4 If an explanation is required because of non-application of any element of the Code, the explanation must be satisfactory, must be provided to relevant stakeholders including the Capital Markets Authority and shall include:
- a: reasons for non-application
 - b: time frame required to meet each application requirement
 - c: the strategies to be put in place to progress to full application.