

EXPLANATORY NOTES

TO RESOLUTIONS TO BE PASSED AT THE 2026 ANNUAL GENERAL MEETING

ORDINARY BUSINESS

Agenda Item 1 - Report and audited Financial Statements 2025

Resolution 1:

THAT the Report of the Directors and the Financial Statements for the year ended 31st December 2025, as audited and reported by the Company's Auditors now submitted to this meeting be and are hereby approved and adopted.

Agenda Item 2 - Dividend

Resolution 2:

THAT the interim dividend of KShs 10/- per ordinary share paid on 26th September 2025 be and is hereby confirmed and that a final dividend of KShs 60/- per ordinary share net of Withholding Tax, to be paid on 12th June 2026 to Shareholders on the Register at the close of business on 8th May 2026 be and is hereby approved.

The Company paid an interim dividend of KShs 10/- per Ordinary Share on 26th September 2025. The Board recommends a final dividend of KShs 60/- per Ordinary Share, bringing the total dividend for the year to KShs 70/- per Ordinary Share. Subject to approval by Shareholders, the final dividend will be paid on 12th June 2026 to Shareholders on the register on 8th May 2026.

Agenda Item 3 – Directors

Resolution 3 (a): Resignation of a Director

THAT Philemon Kipkemoi resigned as a Director of the Company effective 31st March 2026.

Philemon Kipkemoi an Executive Director having served on the Board since April 2020, tendered his resignation as a Director of the Board, having left the BAT Group.

Resolution 3 (b): Resignation of a Director

THAT Dr. Martin Oduor-Otieno does not offer himself for re-election as a Director of the Company.

Dr. Martin Oduor-Otieno, who is a Non-Executive Director, having served on the Board for over 9 years, hereby steps down as a Director.

Resolution 3 (c): Directors seeking re-election pursuant to Article 102

THAT Paul Muthaura and Phyllis Wakiaga be and are hereby re-elected Directors of the Company.

In relation to the re-election of the aforementioned Directors, the Nominations & Governance Committee and the Board have determined that they continue to perform effectively and demonstrate commitment to their role, and that they are all respectable individuals in their respective fields and backgrounds. Their balance of knowledge and skills combined with the diversity and business experience they bring, makes a major contribution to the proper functioning of the Board and its Committees. Biographical details of the Directors seeking re-election are set out on pages 81 and 86 of the Annual Report.

Copies of the Directors' letters of appointment are available for inspection during normal business hours at the Company's registered office on any business day.

Agenda Item 4 - Re-election of Audit & Risk Committee Members

Resolution 4:

THAT Samuel Onyango, Marion Gathoga-Mwangi and Paul Muthaura be and are hereby elected to continue to serve as Members of the Board Audit & Risk Committee.



In accordance with the provisions of Section 769 of the Companies Act 2015, the Directors aforementioned, offer themselves for election to continue to serve as members of the Board Audit & Risk Committee.

Agenda Item 5 - Directors Remuneration

Resolution 5:

Resolution 5 is an advisory vote to approve the Directors' remuneration as stated on Note 32 (v) to the Financial Statements and to approve the Directors Remuneration Report as prescribed by Section 681 of Companies Act 2015 and the Capital Markets Authority, Code of Corporate Governance Practices for Issuers of Securities to the Public 2015. The Remuneration Report is set out on pages 111 - 114 of the 2025 Annual Report.

Agenda Item 6 - Re-Appointment of Auditors and Auditor's Remuneration

Resolution 6:

THAT in accordance with Section 721 (2) of the Companies Act, KPMG Kenya be re-appointed to continue in office as the External Auditor of the Company and that the Directors be and are hereby authorised to fix their remuneration.

With KPMG having expressed their willingness to continue in office as the Company's External Auditor in accordance with the provisions of Section 721 (2), it is proposed that Messrs KPMG Kenya be re-appointed as the External Auditor of the Company and that the Directors be authorised to fix their remuneration for the year ending 31st December 2026.

SPECIAL BUSINESS

Agenda Item 7 - Approval of Company Policies

Resolution 7:

THAT in accordance with the Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023, Thirteenth Schedule (r.53) Continuing Obligations Clause 8.21, the Board is hereby authorised to formulate, approve and oversee the implementation of the following Company policies, and to effect such amendments to the policies as may be required for their proper functioning:

- a) **Board Remuneration Policy**
- b) **Corporate Disclosures Policy**
- c) **Stakeholder Engagement Policy**
- d) **Dispute Resolution Policy**
- e) **Board Appointment Policy.**

The Capital Markets (Public Offers, Listings and Disclosures) Regulations, 2023 (the Public Offers, Listings and Disclosures Regulations) require that every issuer of securities to the public should establish formal and transparent policies and procedures which shall be approved by Shareholders for remuneration, effective communication with stakeholders, corporate disclosures, dispute resolution for internal and external disputes and ensuring attraction and retention of board members. The Company has therefore prepared the aforementioned policies (the Policies) to ensure compliance with the provisions of the Capital Markets (Public Offers, Listings and Disclosures Regulations, 2023 and the Board of Directors recommend that the Shareholders approve the Policies.

