CENTUM INVESTMENT COMPANY PLC

STAKEHOLDER ENGAGEMENT POLICY

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Stakeholder Engagement Policy

1. Introduction

1.1. Stakeholder engagement is a central cog to the achievement of Centum Investment Company Plc's (the "Company") long term goals. The Code of Corporate Governance, 2015 (the "Code") recognizes the place of stakeholder engagement observing that effective stakeholder management will positively impact the achievement of the Company's strategy and long-term growth. A proper corporate governance framework should recognize the rights of stakeholders and encourage active co-operation between the Company and stakeholders in creating wealth and sustainability of financially sound enterprises. It is with that realization that Centum Investment Company Plc's Stakeholder Engagement Policy is formulated.

2. Objectives of the Stakeholder Engagement Policy

This policy has four main objectives, namely:

2.1. To set out the overall framework for stakeholder engagement;

2.2. To define the Company's stakeholders;

2.3. To set out the parameters of communication with and between stakeholders and the Company;

2.4. To aid towards achievement of integrated reporting by providing a feedback mechanism and platforms of engagement with stakeholders.

3. Stakeholders

The Code defines stakeholders to mean any group who can affect, or be affected by the Company, its decisions and its reputation. It also defines a stakeholder as a party that has an interest in an enterprise or project defining primary stakeholders as investors, employees, customers and suppliers on the one hand and secondary stakeholders to include the community, government and trade associations.

As an investment company, the Company's stakeholders are far reaching and include:

3.1. Shareholders - the Company is listed in the Nairobi Securities Exchange and the Uganda Securities Exchange and recognizes that the composition of its shareholders continually changes. However, the Company is committed to constructively engage its diverse shareholders, collectively united by the objective of maximizing the Company's wealth and achieving its strategic goals.

3.2. Customers and Suppliers - the Company currently operates in eight major sectors, to wit: Financial Services, FMCGs, Real Estate, Power, Agribusiness, Education, Healthcare and ICT.

The multi-sectoral approach invariably means the Company engages different customers and suppliers in the Sub-Saharan region and beyond.

3.3. Employees - the Company's most valuable resource is in its human capital. The Company recognizes its employees and continuously implements programs aimed at keeping the employees engaged, aligned and satisfied hence the mantra "I am Centum."

3.4. Government - the Company envisions itself as a regional investment powerhouse; and indeed operates regionally with its concentration in the East African region. The Company is, therefore, governed by a multiplicity of laws and policies at a national, county, regional and international levels. Additionally, the Company does rank as a large taxpayer in Kenya based on its annual tax obligations. The Company also accedes to soft laws, policies and best practices guidelines, issued by local and international professional bodies such as the Institute of Certified Public Secretaries, the Chartered Institute of Arbitrators, among others. The pool of regulators calls for organized stakeholder engagement aimed at addressing the relationships between the Company and the regulators.

3.5. Others - Other stakeholders include the lenders (financial institutions), insurers, social services providers (health insurers, transport services, caterers), lessors & landlords, advocates, auditors, IT service providers and other consultants. This pool of stakeholders enables the Company achieve its value addition objective.

4. Stakeholder Engagement

4.1. Notwithstanding the suggestive list of stakeholders enumerated in paragraph 3 (above), The Company shall undertake an annual stakeholder identification and map out areas of interaction, with the underlying objective being to implement an inclusive (360^0) engagement approach.

4.2. The Company shall thereafter develop constructive engagement avenues for each stakeholder group; such engagement avenues include the following:

4.2.1. Implement bi-directional communication channels ensuring effective and optimal communication between the Company and the stakeholder groups;

4.2.2. Organize formal or informal interactive activities on a need basis including open or closed meetings, town hall sessions, cocktail parties, dinners, luncheons, briefings, discussion sessions, one on one meetings, roadshows, among others;

4.2.3. Participate in stakeholder group activities and events such as lobbying activities, awareness campaigns, joint press releases, among others;

4.2.4. Co-sponsor stakeholder group activities and events;

4.2.5. Maintain an investor relations and communications function dedicated to addressing stakeholders' matters including regularly circularizing Company information to stakeholders;

4.2.6. Observe stakeholder rights and duties for the mutual benefit of the stakeholders and the Company; and

4.2.7. Keeping the Company official website, facebook page, twitter handle and other social media tools active and responsive to stakeholder queries.

5. Dispute Resolution

The Company commits to the rule of law, fair play and justice for all. In maintaining fidelity to these virtues, the Company shall always strive to keep their end of the bargain and uphold fairness in all transactions including in resolution of disputes.

This policy sets out guidelines applicable in the resolution of disputes.

5.1. Internal Dispute resolution

5.1.1. Internal disputes refer to the disputes arising between the Company and/its employees, directors and or affiliates of the Company.

5.1.2. The Company - employee disputes

5.1.2.1. These shall be resolved in accordance with the contractual agreement between the Company and the concerned employee.

5.1.2.2. The dispute resolution shall specifically be guided by the disciplinary matters section of the Human Resource Manual.

5.1.2.3. In addition to the guidelines outlined in the disciplinary section of the HR Manual, the Company and employees, remain under the province of the laws of Kenya particularly the Employment Act, 2007, and would therefore be guided by the provisions of the Act in resolving any employer-employee disputes.

5.1.2.4. Where the law allows, every dispute must first be resolved through negotiation between the parties, followed by arbitration with courts of competent jurisdiction serving as a last resort.

5.1.3. The Company - director disputes

5.1.3.1. Company - director disputes shall be resolved in accordance with the provisions of the Companies Act, 2015 as read together with the contractual agreement between the director and the Company; and any other written laws of Kenya.

5.1.3.2. Notwithstanding the provisions of clause 5.1.3.1 9 (above), the Company-director disputes shall be resolved by the Board of Directors under the leadership of the Board Chairperson.

5.1.3.3. The Board of Directors' decision on the dispute shall be final and conclusive in as far as the Company is concerned provided that either party may refer the disputed matter to arbitration by an independent party with the courts serving as the last resort.

5.1.4. The Company - affiliate disputes

5.1.4.1. The Company shall define the dispute resolution mechanism in the contractual agreements with its affiliates.

5.1.4.2. Company - affiliate disputes shall be resolved by the Board of Directors through the Chief Executive Officer in consultation with the Company's Chief Legal Adviser.

5.2. External Dispute resolution

5.2.1. External disputes refer to the disputes between the Company and any of the external stakeholders.

5.2.2. It is in the Company's interests that disputes are resolved in an amicable, pragmatic and fair manner. The Company therefore undertakes to approach external disputes resolution in good faith, fairness and without prejudicing other parties' interest.

5.2.3. The Company shall take the following approach in resolution of external disputes:

5.2.3.1. Negotiate in good faith with the other party;

5.2.3.2. If the parties fail to reach an agreement, refer the matter to an arbitrator, appointed by both parties. In the event the parties are unable to settle on an arbitrator, then reference shall be made to the chairperson of the Chartered Institute of Arbitrators Kenya, who shall appoint an arbitrator. The arbitration shall be governed by the Arbitration Act, 1995 and other written laws of Kenya; and the award of the Arbitrator shall be final.

5.2.3.3. For cross border disputes, where applicable the Company commits to international arbitration forums with a bias toward the London Court of International Arbitration (LCIA).

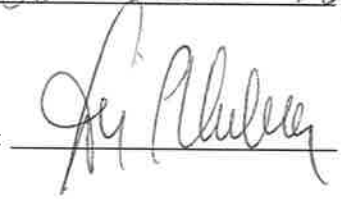
6. Conclusion

6.1. This policy provides a guideline on stakeholder engagement. Its application should be complimented by the Companies Act, 2015; the Code of Corporate Governance for Issuers of Securities to the Public, 2015; the Company governance documents including the Board Charter, and all other written laws of Kenya.

6.2. The Company remains alive to the dynamic nature of its business. As such, this policy is subject to change and should be revised on a bi-annual basis.

Adopted by the Board

Date: 22nd November, 2018

Chairman: 

Thank you!