

# CAPITAL HOTELS PLC

## BOARD CHARTER

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### **1.0 INTRODUCTION**

The Charter sets out the Board's role and responsibilities as well as the requirements for its composition and meeting procedures.

### **2.0 PURPOSE OF THE BOARD**

The main purpose of the Board is to provide entrepreneurial, strategic and ethical leadership to the Company ensure that Management is acting in the best interest of Owners and other Stakeholders through the Board's advisory and monitoring roles, and in the process enhance and sustain the prosperity of the Company over time.

#### **2.1 Matters Reserved for the Board**

The following matters are reserved for the Board to determine and/or approve.

##### **2.1.1 Capital Structure**

Subject to ensuring that all necessary approvals are sought and obtained from regulatory authorities, it is the responsibility of the Board to handle changes relating to CHP's capital structure including increase in share capital, reduction of capital and share buy backs.

##### **2.1.2 Corporate Structure**

Major changes to Capital Hotel's corporate structure shall be the responsibility of the Board to handle.

### **3.0 MEMBERSHIP**

#### **3.1 Composition of Board**

The Board shall not have more than thirteen members, majority of whom shall be non-executive Directors of the Company, with at least one being an Independent Non-Executive Director. The Board shall be headed by a Chairperson.

The Board will ensure that it will be sufficient in number and expertise at all times to lead and control the Company and to be responsible to shareholders for strategically setting the direction of the Company.

#### **3.2 Appointment, Tenure, re-election and Removal of Directors**

##### **3.2.1 Appointment of Directors**

The Nomination Committee shall assist with the process of identifying suitable candidates to be proposed to shareholders for appointment as Directors in line with the Act and Articles of the Company.

### **3.2.2 Re-Election of Directors**

Subject to satisfactory performance and the provisions of the Act and the Articles of the Company, Directors shall offer themselves for re-election at regular intervals of at least once every three years.

In order to guide the decision of shareholders, names and sufficient biographical details of Directors nominated for re-election shall be accompanied by performance evaluation results and any other relevant information.

### **3.2.3 Removal of Directors**

Removal of Directors shall be in accordance with the provision of the Act.

### **3.2.4 Tenure of Directors**

The Code prescribes tenures for Directors as categorized below:

#### **a. Managing Directors/CEO**

The tenure of the Managing Director/Chief Executive Officer shall not exceed two terms of five years each.

#### **b. Executive Directors**

The tenure of Executive Directors other than the Managing Director/Chief Executive Officer shall not exceed three terms of four years each.

Where an Executive Director is subsequently appointed as the Managing Director/Chief Executive Officer of the Company, his tenure of office in that new capacity starts from the date he assumed the position of Managing Director/ Chief Executive Officer and he is entitled to two terms of five years each PROVIDED that no person shall serve as an executive Director of a Company for a combined period of more than 15 years in total.

#### **c. Non-Executive Directors**

The tenure of Non-Executive Directors shall not exceed three terms of four years each.

### **3.2.5 Casual Vacancy**

The Board of Directors shall have power to appoint new Directors to fill any casual vacancy arising out of death, resignation, retirement or removal.

Where a casual vacancy is filled by the Directors, the person shall be approved by the shareholders at the next Annual General Meeting, and if not so approved, he shall forthwith cease to be a Director.

The Directors may increase the number of Directors so long as it does not exceed the maximum allowed by the Articles of the Company, but the general meeting shall have power to increase or reduce the number of Directors generally.

### **3.3 Chairperson**

The Chairperson shall at all times be an Independent Non-Executive Director.

The Chairperson may be re-elected at the first meeting of the Board of Directors after the annual general meeting of the Company in which he was elected as a Director.

The Chairperson shall not sit on any Board Committee and shall not perform any executive function.

#### **3.3.1 Function of the Chairperson**

The functions of the Chairperson include:

- a. Providing overall leadership and direction for the Board and the Company;
- b. Getting the Board to agree an annual Board plan;
- c. Setting the agenda for Board meetings;
- d. Ensuring that the Board and its committees are composed of the relevant skills, competencies and desired experience;
- e. Ensuring that Board meetings are properly conducted and the Board is effective and functions in a cohesive manner;
- f. Ensuring that all Directors focus on their key responsibilities and play constructive role in the affairs of the Company;
- g. Ensuring that induction programs are conducted for new Directors and a continuing education program is in place for all Directors;
- h. Ensuring effective communication and relations with the Company's institutional shareholders and strategic stakeholders;
- i. Taking a lead role in the assessment, improvement and development of the Board;
- j. Presiding over general meetings of shareholders; and
- k. Confirming to Shareholders whether Board expectations have been met, particularly for the reporting period.

The Chairperson is responsible for ensuring that the Directors receive accurate, timely and clear information. Management has an obligation to provide such information and Directors shall seek clarification or amplification where necessary.

The Chairperson shall hold meetings with the Non-Executive Directors without the executives present. Led by an Independent Non-Executive Director, the Non-Executive Directors shall meet without the Chairperson present at least annually.

The position of the Chairperson and the CEO shall be separate and held by two Individuals at all time. (S.5.1(b) of SEC Code

### **3.4 The Managing Director/ Chief Executive Officer**

The Managing Director (MD) or Chief Executive Officer (CEO) shall be the Head of the Management and is answerable to the Board.

The MD/CEO shall be knowledgeable in relevant areas of the Company's activities, and shall demonstrate industry, credibility and integrity and have the confidence of the Board and Management.

The MD/CEO shall not be the only Executive Director on the Board of Directors of the Company.

The MD/CEO and the Senior Management shall establish a culture of integrity, compliance, conformance and performance which shall be imbibed by personnel at all levels of the Company.

#### **Functions of the MD/CEO**

The functions and responsibilities of the MD/CEO shall include the following:

- a. Day-to-day running of the Company;
- b. Guiding the development and growth of the Company;
- c. Acting as the Company's leading representative in its dealings with its stakeholders.
- d. The Board may delegate some of its powers to the MD/CEO as it may deem appropriate to ensure smooth operation of the Company.

The remuneration of the MD/CEO shall be determined by the remuneration Committee and approved by the Board and may include a component that is long-term performance related, stock options and bonuses, the details of which must be disclosed in the Company's annual reports.

### **3.5 The Executive Directors**

Executive Directors shall be persons knowledgeable in relevant areas of the Company's activities in addition to possessing such other qualifications as may be needed for their specific assignments or responsibilities.

Executive Directors shall be involved in the day-to-day operations and management of the Company. In particular, they shall be responsible for their Departments and shall be answerable to the Board through the MD/CEO.

Executive Directors shall not be involved in the determination of their remuneration. The levels of remuneration of Executive Directors shall be such that will attract, retain and motivate Directors of the quality required to run the Company successfully.

An Executive Director may be appointed non-executive Director of other companies, provided such appointments are not detrimental to his/her immediate responsibilities as an executive Director and are in accordance with Board-approved policy.

Where the Board permits an executive Director to serve as a Non-Executive Director in another entity (other than in a group structure), there shall be a disclosure in the annual report as to the value of his remuneration for such appointment and the policy of the Company as to its retention or otherwise.

An Executive Director shall not take on more than one Non-Executive Directorship in a listed Company nor the Chairpersonship of such a Company unless the Company is a subsidiary or associate of the Company of which he/she is an Executive Director.

Under no circumstances shall Executive Directors sit on the Nomination and Governance Committee, Remuneration Committee or Audit Committee (whether Statutory or Board Audit Committee).

### **3.6 Non- Executive Directors**

Non-Executive Directors shall be appointed on the basis of their experience, specialist knowledge and personal qualities and are expected to bring these qualities to bear on issues of strategy, performance and resources.

Non-Executive Directors shall constructively challenge and contribute to the development of the strategy of the Company and satisfy themselves that the financial information provided by the Company is accurate and that the Company has in place a robust and adequate internal controls and risk management systems.

Non-Executive Directors shall be responsible for the performance evaluation of the MD/CEO.

Non-Executive Directors, led by an Independent Non-Executive Director, shall be responsible for performance evaluation of the Chairperson, taking into account the views of Executive Directors.

Non-Executive Directors shall have unfettered access to Executive Directors, the Company Secretary and the Internal Auditor, while access to other Senior Management (other than Executive Directors) shall be through the MD/CEO.

Non-Executive Directors shall declare any conflicts of interest on appointment. In the event that they become aware of any potential or actual conflicts of interests after appointment to the Board, they shall disclose these to the Board.

Non-Executive Directors shall be provided with appropriate facilities and administrative support for the effective discharge of their duties. Adequate and comprehensive information on all Board matters shall be provided to them in a timely manner.

### **3.7 Independent Non-Executive Directors**

The main purpose of Independent Non-Executive Directors is to bring a desired degree of objectivity that sustains investors' trust and confidence by representing a strong independent voice on the Board.

An Independent Non-Executive Director shall be independent in character and judgment and accordingly shall be free from such relationships or circumstances with the Company, its Management, or substantial shareholders which may, or appear to, impair his ability to make independent judgment.

An Independent Non-Executive Director is a Non-Executive Director who:

- a. Is not a substantial shareholder of the Company (that is, one whose shareholding, directly or indirectly, does not exceed 0.1% of the Company's paid up capital) or a nominee of a substantial shareholder of the Company or otherwise related to such a substantial shareholder of the Company;
- b. Is not a representative of a shareholder that has the ability to control or significantly influence Management;
- c. Has not been an employee of the Company or group within the last five years;
- d. Is not an extended family member of any of the Company's advisers, Directors, senior employees, consultants, auditors, creditors, suppliers, customers or substantial shareholder;
- e. Does not have, and has not had within the last five years, a material business relationship with the Company either directly, or as a partner, shareholder, Director or senior employee of a body that has, or has had, such a relationship with the Company;
- f. Does not render any professional, consultancy, or other advisory services to the Company or the group, other than in a capacity of a Director;
- g. Does not receive, and has not received additional remuneration from the Company apart from a Director's fee and allowances, and does not participate in the Company's share option or a performance-related pay scheme, nor is a member of the Company's pension scheme;
- h. Has not served on the Board for more than nine years from the date of his first election; and
- i. Does not hold cross-Directorships or significant links with other Directors through involvement in other companies or bodies.

The above-mentioned criteria for establishing the independent status of an Independent Non-Executive Director are not intended to be exhaustive, but shall be

considered as examples of some of those relationships or circumstances which may impair, or appear to impair, an independent Non-Executive Director's independent judgment.

An Independent Non-Executive Director shall declare annually his continued independence. The Board shall undertake an annual evaluation of the independent status of each independent Non-Executive Director of the Company.

The independent status of Independent Non-Executive Directors of a Company shall be clearly disclosed in the Company's annual report, corporate governance report, and on the website of the Company.

The reclassification of an existing Non-Executive Director into an Independent Non-Executive Director on the same Board is not allowed.

Independent non-executive Director(s) may request the Company to provide them with external professional advice in the discharge of their responsibilities. Where an Independent Non-Executive Director resigns from the Board before the expiration of his term, he shall disclose to the appropriate regulator(s) the reasons for such resignation not later than 30 days after the date of the resignation.

### **3.8 Company Secretary**

Without prejudice to the provisions of the Act, the Company Secretary shall be persons with relevant qualification and competence necessary to effectively discharge the duties of his office. He shall be appointed through a rigorous selection process similar to that of new Directors.

The Company Secretary has the primary duty of assisting the Board and Management in implementing good corporate governance practices and culture.

The Company Secretary has both functional and administrative responsibilities. The functional responsibility is to the Board to which he reports directly through the Chairperson, while the administrative responsibility is to the Company and the MD/CEO to whom he reports as the Head of Executive Management.

In addition to his statutory functions, the Company Secretary shall carry out the following duties and responsibilities:

- a. Provide the Board and Directors individually, with detailed guidance as to how their responsibilities shall be properly discharged in the best interest of the Company;
- b. Coordinate the orientation and training of new Directors;

- c. Assist the Chairperson and MD/CEO in coordinating activities regarding the annual Board plan and with the administration of other strategic issues at the Board level;
- d. Compilation of Board papers and ensuring that the Board's discussions and decisions are clearly and properly recorded and communicated to the relevant persons;
- e. Notify Board members of matters that warrant their attention;
- f. Provide a central source of guidance and advice to the Board and the Company, on matters of ethics, conflict of interest and good corporate governance.

Under the direction of the Chairperson, the Company Secretary's responsibilities include ensuring good information flows within the Board and its committees and between Senior Management and Non-Executive Directors.

The Company Secretary shall be properly empowered by the Board to discharge his duties and responsibilities.

The appointment and termination of the appointment of the Company Secretary shall be a matter for the Board.

## **4.0 MEETINGS**

### **4.1 Frequency**

The Board will hold quarterly meetings. Additional meetings may be held at the request of the chairperson or any one of the Directors upon the agreement of other Directors.

#### **4.1b Virtual Meetings**

Virtual meetings are permissible in accordance with the Guidelines on Companies virtual Board, Committees and Management Meetings issued by the Nigerian Stock Exchange (NSE) on 15<sup>th</sup> April. 2020.

### **4.2 Notice and quorum**

#### **Notice**

The notice of each meeting of the Board, confirming the venue, time and date, and enclosing an agenda of items to be discussed will, unless otherwise agreed by all concerned, be forwarded to each Director and any other person required to attend, not less than the time specified in the Companies and Allied Matters Act and/or the Articles.

#### **4.2.2 Quorum**

A quorum will consist of a simple majority of Board members (majority of whom must be nonexecutive Directors) present in person or via video conferencing, closed circuit television or any other telecommunication facilities. No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.



### **Where Quorum is not Present**

If within half an hour from the time appointed for the meeting a quorum is not present, the meeting if convened upon the requisition of members shall be dissolved, in any other case it shall stand adjourned to the same day in the next week, at the same time and place as the Directors may determine and if at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the members present shall be a quorum.

Each Director has one vote on a matter before the Board. A majority of the votes (of which the majority must be Non-Executive Directors) cast on a resolution is sufficient to approve that resolution.

In the case of a tied vote, the Chairperson shall have a second or casting vote.

Only Directors entitled to attend Board Meetings will have a right to vote at Board meetings.

## **4.2 Agenda**

The Board shall establish an annual work plan to ensure that all relevant matters are covered by the agendas of the meetings planned for the year. The annual plan must ensure proper coverage of the matters set out in this charter.

The number, timing and length of meetings as well as the agendas are to be determined in accordance with the annual plan.

The CEO and the Company Secretary shall, in consultation with the chairperson, draw up an agenda.

A detailed agenda, together with supporting documentation and relevant Board papers, shall be circulated at least seven days prior to each meeting.

Directors must be fully prepared for Board meetings to be able to provide appropriate and constructive input on matters for discussion.

## **4.3 Attendance Chairperson**

The Chairperson of the Board of Directors shall preside at every General Meeting of the Company.

If at any meeting the Chairperson is not present within fifteen minutes after the time appointed for holding the meeting or is unwilling to act as Chairperson, the members present shall choose one of their numbers to be Chairperson.

## **4.4 Members other than Chairperson**

Directors may invite any person to attend specific meetings or parts of a meeting, with the prior approval of the Chairperson.

Directors are expected to participate fully, frankly and constructively in Board discussions and other activities and to bring the benefit of their knowledge, skill and abilities to the Board.

Directors must attend at least two-third of all scheduled meetings of the Board, including meetings called on an ad hoc basis for special matters, unless prior apology, with reasons, has been submitted to the chairperson or Company Secretary.

#### **4.6 Minutes**

The secretary will keep appropriate records of all meetings of the Board as well as minutes of the proceedings and all decisions made.

The minutes of the meeting shall be completed within fourteen days of such meeting and shall be circulated to all Board members.

The minutes of the meeting shall be formally approved by the Board at its next scheduled meeting.

#### **4.7 Executive Sessions**

At any meeting of the Board, an opportunity shall be provided for any member to request that the Board meet in executive session during such meeting. “Executive session” shall mean a session at which the members of the Board meet without the attendance of officers or employees of CHP, Legal Counsel, Advisors or other non-members.

### **5.0 RESPONSIBILITIES**

The Board being central in corporate governance shall serve as the link between the stakeholders and the Company. The Board’s paramount responsibility is the positive performance of the Company in creating value for all its stakeholders.

**5.1** The Board shall exercise leadership, enterprise, integrity and judgment in directing the Company so as to achieve continuing survival and prosperity.

**5.2** The Board shall ensure the establishment and implementation of a succession plan, appointment, training and remuneration for both the Board and senior management of the Company.

**5.3** The Board is accountable to the shareholders and shall exercise the important role of identifying other stakeholders relevant to the business of the Company and incorporate their expectations in its decisions.

**5.4** The Board shall set the Company's values and standards (including ethical standards), and ensure that obligations to shareholders and other stakeholders are understood and met.

**5.5** Elect a chairperson of the Board that is an independent non-executive Director;

**5.6** The Board has the responsibility to establish a system to undertake formal and

rigorous annual evaluation of its own performance, that of its committees, the Chairperson and individual Directors.

- 5.7** It shall, when necessary, appoint and/or remove members from the Board in line with CAMA;
- 5.8** The appointment and removal of the Head of the Internal Audit shall be the responsibility of the Board on the recommendations of the statutory Audit Committee.
- 5.9** The Board is responsible for the establishment of the Company's risk management framework as well as oversight over its implementation.
- 5.10** The Board shall be responsible for Information Technology governance.
- 5.11** The Board shall be responsible for the Company's internal control system, financial control and reporting to ensure that errors and misleading statements are detected and corrected.
- 5.12** Review the Company's goals and strategies for achieving them;
- 5.13** Approve the annual budget;
- 5.14** Approve the annual, half-yearly and quarterly financial statements, reports to shareholders and the public and ensure the integrity of financial reports and that the financial statements comply with laws and regulations;
- 5.15** Approve the Directors' statutory report to be published in the annual report;
- 5.16** Consider and approve a dividend on the recommendation of the Audit Committee from a sustainability, cash flow and affordability perspective;
- 5.17** Review the Board's performance, composition, structure and succession;
- 5.18** Review the Company's internal and external audit reports;
- 5.19** Review the performance of, necessity for, and composition of Board Committees;
- 5.20** The above mentioned responsibilities are not intended to be exhaustive.

## **6.0 REMUNERATION**

Executive Directors shall not receive any sitting allowances or Director's fees.

The remuneration of executive Directors shall be determined by the Board on the recommendation of the Nomination committee and shall be structured to link rewards

to corporate and individual performances as per their contracts of employment with the Company and the details thereof must be disclosed in the Company's annual report.

Non-Executive Directors shall be entitled to be paid sitting allowances, Directors' fees and reimbursable travel and hotel expenses as per their terms of engagement.

Fees for the Chairperson's and the other Directors' services to the Company may only be paid in accordance with a special resolution approved by the shareholders, at the annual general meeting of the Company. These payments, in addition to any other benefits made to Non-Executive Directors shall be disclosed in the Company's Annual Report.

## **7.0 WORK PLAN**

The Board shall annually develop a work plan to identify and set timeframes for the duties it is responsible for performing according to the Act and or Articles of Association of the Company. It shall regularly monitor its compliance with performing such duties within the timeframes specified in the work plan.

## **8.0 DELEGATION AND POWERS**

### **8.1 Delegation of Authority**

Unless otherwise provided in the Articles the Board of Directors may exercise their powers through Committees consisting of such members of the body as they think fit. The Board may delegate certain functions to well-structured committees but without abdicating its own responsibilities.

Delegation may be formal and may involve the following:

- a. Establishment of an annual review of formal terms of reference for each Board Committee;
- b. Appropriate constitution of committees with due regard to the skills required by each committee; and
- c. The establishment of a framework for the delegation of authority to management. These matters should be monitored and evaluated on a regular basis.

Board committees will observe the same rules of conduct and procedures as the Board unless the Board determines otherwise.

Board Committees will only speak and act for the Board when so authorized. The authority conferred on a Board committee will not derogate from the authority delegated to the CEO by the Board.

The Board shall clearly define the parameters of Ad-Hoc/Sub-Committees.

The Board shall reserve the right to make final approvals on the recommendations of its Committees.

### **8.2 Ability to Take Independent Professional Advice**

Directors may, if necessary, take independent professional advice at the Company's expense in accordance with procedure approved by the Board for this purpose. The Board shall have the authority to retain or replace the advisor, and approve fees and other retention terms for any such Consultant or Adviser that it deems necessary to assist in fulfilling its duties.

However, before the external advice is sought, consent needs to be obtained. In the case of:

- a) the Board – from the Chairperson;
- b) a Committee – from the Committee Chairperson
- c) an individual Director – from the Chairperson or the relevant Committee Chairperson, as the case may be;

The Board Chairperson or a Committee Chairperson, as applicable, may determine that any external advice received by an individual Director be circulated to the other members of the Board.

## **9.0 COMMITTEES OF THE BOARD**

The following are the Committees of the Board as currently constituted and their functions are detailed in their respective Committee Charters:

- a) Business, Finance and Purchasing Committee
- b) Nomination, Governance & Risk Committee

## **10.0 LIABILITY FOR ACTS OF THE COMPANY**

Any act of the members in general meeting, the Board of Directors, or of a CEO while carrying on in the usual way of the business of the Company, shall be treated as the act of the Company itself and the Company shall be criminally and civilly liable to the same extent as if it were a natural person. Provided that- (a) the Company shall not incur civil liability to any person if that person had actual knowledge at the time of the transaction in question that the general meeting, Board of Directors, or CEO, as the case may be, had no power to act in the matter or had acted in an irregular manner or if, having regard to his position with or relationship to the Company, he/she ought to have known of the absence of such power or of the irregularity; (b) if in fact a business is being carried on by the Company, the Company shall not escape liability for acts undertaken in connection with that business merely because the business in question was not among the business authorized by the Company's memorandum of Association.

## **11.0 INDUCTION OF NEW MEMBERS**

The Board shall establish a formal orientation programme to familiarize new Directors with Company operations, strategic plan, Senior Management and its business environment, and to induct them in their fiduciary duties and responsibilities.

At CHP's expense all Directors shall participate in periodic, relevant professional continuing education programmes in order to update their knowledge and skills and keep them informed of new developments in CHP's business and operating environment.

The Company Secretary will assist the chairperson with the induction and orientation of Directors.

The induction and ongoing training programmes of the Board will incorporate risk governance.

## **12.0 INSIDER TRADING**

Insider trading undermines investor confidence in the fairness and integrity of the securities market. Insiders are, therefore, precluded from buying and selling any security in breach of their fiduciary duty and other relationship of trust and confidence while in possession of material, privileged, non-public, and price-sensitive information about the security.

## **13.0 RELATED PARTY TRANSACTIONS**

The Company shall disclose all transactions between related parties, whether natural persons or body corporate, including whether such transactions have been executed at arm's length and on normal market terms.

## **14.0 POLICY ON CONFLICT OF INTEREST**

The Board shall hereby set a distinct policy on conflict of interest situations. This policy shall be guided by the following principles:

- a. Directors shall promptly disclose any real or potential conflict of interest that they may have by virtue of their membership of the Board.
- b. A Director shall not be present during the time any matter on which he has an interest is being discussed or decided.
- c. If a Director is not certain whether he is in a conflict of interest situation, the Director concerned shall discuss the matter with the Chairperson of the Board, the Company Secretary or the Chairperson of the Nomination and Governance Committee for advice and guidance.
- d. If any question arises before the Board as to the existence of a real or perceived conflict of interest, the Board shall by a simple majority determine if a conflict of interest situation exists. The Director or Directors potentially in the conflict of interest situation shall not be present during any discussion and voting on the issue.
- e. Directors who are aware of a real, potential or perceived conflict of interest on the part of a fellow Director, have a responsibility to raise the issue promptly for clarification, either with the Director concerned, the Chairperson of the Board or the Chairperson of the Nomination and Governance Committee.
- f. Disclosure by a Director of a real, potential or perceived conflict of interest or a decision by the Board as to whether a conflict of interest exists shall be recorded in the minutes of the meeting.
- g. No member of Executive Management (Director level and above) leaving the services of a relevant regulatory agency/institution, for any reason, shall be appointed as a Director or top management staff of an institution that has been directly supervised or regulated by the said regulatory institution until after three

years of the disengagement of such executive management staff from that regulatory institution.

#### **15.0 OTHER BOARD APPOINTMENTS**

Directors are at liberty to accept other Board appointments so long as the appointment does not conflict with the Company's business and does not detrimentally affect the Director's performance as a Director on the Board of Capital Hotels Plc.

The Chairperson, in advance of the appointment being accepted by the Director, may approve such Board appointments in writing.

#### **16.0 FAMILY, CROSS-MEMBERSHIP AND INTERLOCKING DIRECTORSHIP**

Not more than two members of the same or extended family shall sit on the Board of the same Company at the same time.

The Board shall discourage cross-memberships on the Boards of two or more Companies (unless within a group) and disallow it where this will lead to a conflict of interest situation among competing Companies.

#### **17.0 EVALUATION**

The Board shall conduct a self-assessment or self-evaluation annually.

At least once every three years, the Board may engage the services of external consultants to facilitate the performance evaluation of the Board, its Committees, and individual Directors. The name of the Consultant must be disclosed in the annual report. The Chairperson will assess the individual Board members and the Board shall evaluate that of the Chairperson.

#### **18.0 CHARTER REVIEW**

The Board shall review and assess the adequacy of this Charter annually and carry out any changes it may deem appropriate, including to account for best practice guidelines recommended by, and to ensure compliance with any rules or regulations disseminated by, the regulatory authorities to the extent appropriate for Capital Hotels Plc.

#### **19.0 WEBSITE POSTING**

This Charter shall be included on Capital Hotels Plc website and shall be made available in print upon request sent to Capital Hotels Plc Company Secretary.

#### **20.0 APPROVAL OF THE BOARD CHARTER**

The Board Charter was approved by the Board on 27<sup>th</sup> March, 2018.