

1 INTRODUCTION

The Board of Directors (the Board) of Longhorn Publishers Limited (LPL) have an obligation to act in the best interests of LPL, its shareholders and other stakeholders, and to avoid situations in which there may be a potential conflict of interest.

LPL recognises that conflicts of interest may arise where a Board Member's personal, business, or family interests and/or loyalties conflict with those of LPL.

A Conflict of Interest may cause LPL's interests not to be properly safeguarded or represented. It may also result in inappropriate gain (financial or otherwise) by a Director, failure by a Director to discharge his or her responsibilities impartially, or a negative impact on the integrity in LPL's decision-making process and its reputation.

The existence of a Conflict of Interest may not, in and of itself, be evidence of wrongdoing. In fact, for many professionals, it is virtually impossible to avoid having conflicts of interest from time to time.

Disclosure of an Interest or a Conflict of Interest does not in itself resolve a conflict. However, it enables the necessary steps to be taken to determine what measures are needed to manage and resolve any conflict.

2 TYPES OF INTEREST THAT NEED TO BE DECLARED

Conflicts of interest can occur in a number of different situations, and interests may be financial or non-financial, direct or indirect.

2.1 Direct financial gain or benefit

Direct financial gain would arise through the engagement of the Board Member by LPL as an employee, consultant or advisor, or provider of goods or services. This will also apply to any company of which the Board Member is a director or shareholder and which is being considered for a contract by LPL.

2.2 Indirect financial gain or benefit

Indirect financial interests arise for example when a close relative, such as partner or spouse, is employed by LPL. If the Board Member is wholly or partially dependent upon the financial support of his/her spouse/partner, they may be seen to be benefiting financially from the appointment.

2.3 Non-financial interests, direct or indirect

Direct or indirect non-financial interests may arise for example where a family member, close friend or business associate of the Board Member stands to gain financially or reputationally through working for or being associated with LPL. Even if the Board Member will not gain financially from that situation a conflict of interest could arise.

LPL recognises that it is not possible to define all the circumstances which may lead to a potential conflict of interest. It is therefore the responsibility of each individual Board Member to declare any matters which they feel may present actual or potential conflicts, or the perception of such conflicts.

3 POLICY AND PROCEDURES

- 3.1 Responsibility for disclosing an Interest and a Conflict of Interest lies with each individual Director and this shall be communicated and reinforced in Directors' service contracts by way of reference to LPL's policies and procedures or by way of direct notification to a Director.
- 3.2 Each Director must disclose an Interest and a Conflict of Interest in writing on appointment and promptly on the occurrence of any circumstances which change an Interest or Conflict of Interest or create a new Interest or Conflict of Interest and, in order to remind themselves of these Interests, re-confirm all Interests on each anniversary of his/her appointment.
- 3.3 Each disclosure must contain all relevant information in sufficient detail about an Interest and a Conflict of Interest to enable an adequately-informed decision to be made about the management of any Conflict of Interest.
- 3.4 Such disclosure must also contain the measures taken to demonstrate that a specific Conflict of Interest is being, or has been, appropriately identified, managed and resolved.
- 3.5 LPL shall maintain a register of Interests at its Registered Office as well as a duplicate copy at its office of operation.
- 3.6 Disclosure of all Interests and Conflicts of Interest must be made using the Declaration of Interest and Conflict of Interest Form in Annex 1.
- 3.7 The Chairman of the Board must, on becoming aware of an unresolved Conflict of Interest, determine an appropriate plan of action to manage and resolve such a conflict.
- 3.8 The relevant Director must give every assistance to make such a plan and resolve such a conflict.
- 3.9 If a Director is not sure what to declare, or whether/when their declaration needs to be updated, it is prudent to make the earliest and broadest disclosure possible so that decision-makers can make informed decisions to achieve the purpose of this policy.

- 3.10 Directors should contact the Board Chairman or the Company Secretary for confidential guidance on disclosure.
- 3.11 If a Director willfully or knowingly fails to declare a known Interest or Conflict of Interest, then any other Director having such knowledge shall notify the Chairman of the Board of Directors, who will then cause the Interest or Conflict of Interest to be declared.
- 3.12 Any failure to disclose an Interest or a Conflict of Interest may be a disciplinary offence.
- 3.13 The Group Managing Director will monitor LPL’s proposed or ongoing transactions (e.g. contracts with vendors, collaborations with third parties etc) for potential conflicts of interest, and disclose any identified Conflict of Interest to the Board, whether discovered before or after the conflict has occurred.
- 3.14 LPL will establish appropriate due diligence procedures on customers, suppliers and other business partners which are similar to “Know-Your-Customer” policies and procedures to assess conflicts of interest.

4 MANAGEMENT AND RESOLUTION OF A CONFLICT OF INTEREST

- 4.1 Where one or more of the Directors has a Conflict of Interest, it will be considered by the other Directors.
- 4.2 A Director with the Conflict of Interest (and any other Director with a similar interest):
 - 4.2.1 Shall not count in the quorum nor vote on a decision in respect of the conflict;
 - 4.2.2 may, if the other Directors so decide, be excluded from the board meeting while the conflict is considered;
 - 4.2.3 shall serve as a resource to provide the other Directors with all relevant information required to enable them to make a decision.
- 4.3 For the avoidance of doubt, decisions where one or more of the Directors has/have a Conflict of Interest will be made only by non-conflicted Directors.
- 4.4 All decisions relating to a Conflict of Interest will be noted by the Board Chairman and recorded in the minutes of the meeting. The minutes must record:
 - 4.4.1 The nature and extent of the conflict;
 - 4.4.2 An outline of the discussion and who was present; and
 - 4.4.3 The actions taken and to be taken to manage and resolve the conflict.

- 4.5 The options for management and resolution of Conflicts of Interest can include one or more strategies, as appropriate, such as:
 - 4.5.1 Recusal from involvement in an affected decision-making process;
 - 4.5.2 Restriction of access by the affected individual to particular information;
 - 4.5.3 Divestment or liquidation of the Interest;
 - 4.5.4 Re-arrangement of the individual’s duties and responsibilities;
 - 4.5.5 Resignation by the individual from a function giving rise to the conflict;
- 4.6 LPL will establish a helpline with a whistle-blowing facility that will allow internal and external stakeholders to confidentially seek support as well as report Conflict of Interest situations.

5 MONITORING AND AUDIT

- 5.1 The LPL Group Managing Director and Company Secretary shall put in place measures to monitor and ensure ongoing compliance with this policy at least once quarterly and will report to the Board at least once annually, such report to include a summary of all Interests and Conflicts of Interest and their management and resolution.
- 5.2 Compliance with this policy will be reviewed at least once annually as part of the annual external audit.

6 COMPLIANCE WITH RELEVANT LAWS AND REGULATIONS

- 6.1 Any information disclosed under this policy must be processed in accordance with data protection principles as set out in the laws of Kenya. Data must be processed only for the purpose of ensuring that Directors act in the best interests of LPL and not for any other purpose.

LONGHORN PUBLISHERS LIMITED – Directors Conflict of Interest Policy

TEMPLATE CONFLICT OF INTEREST DECLARATION

I _____, as a member of the Board of Directors of Longhorn Publishers Limited, set out below my interests in accordance with Longhorn's Conflict of Interest Policy.

(NOTE: Please provide details in the table below of any interest and whether it applies to yourself or, where relevant, to a member of your immediate family, connected persons or other close personal connection.)

Category	Details
Current employment and any previous employment in which you continue to have a financial interest.	
Appointments, voluntary or otherwise, eg trusteeships and directorships.	
Membership of any professional bodies or special interest groups.	
Investments in unlisted companies, partnerships and other forms of business, major shareholdings and beneficial interests	
Gifts or hospitality offered to you by external bodies and whether this was declined or accepted in the last 12 months.	
Any contractual relationship with Longhorn	
Any other conflicts not covered above	

To the best of my knowledge the above information is accurate and complete.

I undertake to update as necessary the information provided and to review the accuracy of the information on an annual basis. I give my consent for it to be used for the purposes described in the Conflict of Interest Policy and for no other purpose.

Signed: _____

Date: _____