AVA Capital Plc is registered and regulated by the Securities and Exchange Commission, Nigeria.

# CHARTER OF THE BOARD OF DIRECTORS OF AVA CAPITAL PLC

## 1. Introduction

This Board Charter ("Charter") governs the operations of the Board of Directors ('the Board') of AVA Capital Plc ('AVA Capital' or 'the Company') in the application of sound principles of Corporate Governance. The Board shall review and reassess this Charter every three years or such other period as the circumstances may warrant.

The Board shall adopt, regularly monitor, and determine any modifications to this Charter as may be necessary. This Charter shall be read in conjunction with the provisions of the Codes of Corporate Governance applicable to AVA Capital, provided that in the case of any conflict in the provisions of the codes regarding any matter, the Board shall defer to the more stringent provision.

The Company operates as part of a group structure comprising subsidiaries (together, the "Group"). While this Charter applies specifically to AVA Capital Plc, the Board shall exercise oversight over the Group in accordance with applicable laws and governance standards, recognising the separate legal status and fiduciary responsibilities of each subsidiary and its board of directors.

## 2. Purpose

This Charter has been adopted by the Board as a definitive statement on corporate governance by which it will manage its affairs.

## 3. Responsibilities of the Board

3.1 The Board shall be accountable and responsible for the performance and affairs of AVA Capital. The Board shall define the Company's strategic goals and objectives and ensure the effective deployment of human and financial resources towards the attainment of these goals.

3.2 The Board shall ensure the proper management of the Company through oversight of Management performance to ensure protection and enhancement of shareholders' value and fulfillment of the Company's obligations to its employees and other stakeholders.

3.3 The Board shall ensure that the Company observes high ethical standards and carries on its business in accordance with its Memorandum and Articles of Association and in conformity with the Laws of the Federal Republic of Nigeria.

3.4 The delegation of any duty or authority to Management shall, however, not in any way diminish the overall responsibility of the Board for the affairs and performance of AVA Capital.

3.5 The Board shall provide strategic direction and oversight for the Group, including its subsidiaries, ensuring alignment with the Group's strategy, governance standards, and risk appetite, without prejudice to the fiduciary duties of directors of each subsidiary.



Address:
No. 1B, Professor Olagoke Olabisi Street, Lekki Phase 1, Lagos.

Tel:
+234 0700-0000-AVA

Website:
www.avacapitalplcgroup.com

4. **Duties of the Board**

The duties of the Board shall include the following:

4.1. Formulation of policies and overseeing of the management and conduct of the business;

4.2. Succession planning and the appointment, training, remuneration, performance appraisal, and replacement of Board members and Senior Management;

4.3. Overseeing the effectiveness and adequacy of Internal Control systems;

4.4. Overseeing the implementation of the Company's communication and information dissemination policy;

4.5. Ensuring effective communication with shareholders;

4.6. Ensuring the integrity of financial reports and approval of Financial Statements;

4.7. Ensuring maintenance of ethical standards;

4.8. Ensuring compliance with the applicable laws and regulations;

4.9. Reviewing and approving the Annual Calendar of Board activities on the recommendation of the Chairman and Managing Director/Chief Executive Officer ('MD/CEO');

4.10. Reviewing and determining the philosophy underlying Directors' remuneration;

4.11. Setting limits of authority, specifying the threshold for large transactions requiring the Board's prior approval;

4.12. Ensuring that management systems are implemented to identify and manage environmental and social risks as well as their impacts;

4.13. Overseeing the Internal Audit function and approval of the Internal Audit plan as well as appointment and removal of the Audit Executive on the recommendation of the Board Audit Committee, and providing oversight over information technology governance;

4.14. Ensuring that the Internal Audit function is sufficiently skilled and resourced to address the complexity and volume of risk faced by the Company; and

4.15. Appointing, re-appointing, or removing the Company's external auditors on the recommendation of the Statutory Audit Committee.

5. **Access to Corporate Information under Conditions of Confidentiality**

5.1 Any non-public, confidential, or proprietary information concerning the Company may only be used by a Director in connection with his or her role as a Director of the Company and may not be used, directly or indirectly, for any other purpose (including any purpose adverse to the Company).

5.2 A Director may not disclose confidential information outside the Company or share confidential information with any third party or person (including family, relatives, or business or social relations), except with the prior written authorization of the Company or as may be otherwise required by law. A Director shall not affirm or deny statements made by others, either directly or through electronic means, if such affirmation or denial would result in the disclosure of confidential information.

5.3 All electronic devices, including iPads, laptops, and mobile phones given to Directors to facilitate the performance of their functions as Directors of the Company, are expected to be treated with utmost confidentiality. These devices, including information contained therein and passwords to gain access thereto, are intended solely for the Director's use and are not expected to be shared with any third party.

5.4 Confidential information includes all non-public information, entrusted to or obtained by a Director by reason of his or her position as a Director of the Company, including but not limited to:

5.4.1 Non-public information that might be of use to competitors or harmful to the Company if disclosed.

5.4.2 Non-public information about the Company's financial condition, business strategies and projections, proprietary information, information technology, customers, suppliers, and joint venture partners.

5.4.3 Non-public information regarding the proceedings of the Board and its Committees, including deliberations amongst Directors and top management officers relating to business issues concerning the Company.

5.4.4 In line with their confidentiality obligations, Directors are to avoid the improper use of confidential information and therefore:

a. Directors shall only use confidential information for the benefit of the Company and not for personal benefit or the benefit of other persons or entities.

b. Directors shall not disclose confidential information to any person or entity during or after their service as a Director of the Company, except with the written authorization of the Board, the Chairman, or Chief Executive Officer.

## 6. Group Governance and Subsidiary Oversight

6.1 The Board shall establish and maintain a Group Governance Framework to ensure effective oversight, coordination, and control of subsidiaries.

6.2 The Board shall approve:

- The Group's overall strategy and objectives;
- Entry into or exit from material subsidiaries or business lines;

- Significant investments, divestments, and capital allocations relating to subsidiaries.

6.3 The Board shall ensure that each subsidiary:

- Has an effective and properly constituted board;
- Adopts governance policies aligned with the Group Governance Framework;
- Maintains adequate systems of internal control and risk management.

6.4 The Board shall define and periodically review a schedule of matters reserved for its approval ("Reserved Matters"), which subsidiaries must escalate for approval.

6.5 The Board shall ensure the establishment of clear reporting lines from subsidiary boards and management to the Company.

6.6 Where there is substantial overlap between the membership of the Board and that of its subsidiaries, the Board may implement coordinated governance processes to enhance efficiency, provided that legal and fiduciary distinctions between entities are preserved.

6.7 The Board shall ensure that all subsidiary directors, including those who are not members of the Board of the Company, receive sufficient Group-level information to enable informed decision-making.

## 7 Composition and Structure of the Board

7.1 The membership of the Board shall be in accordance with the provisions of the Memorandum and Articles of Association of the Company and the provisions of the Codes of Corporate Governance applicable to the Company from time to time.

7.2 The Board shall be headed by the Chairman and shall comprise a mixture of Executive and Non-Executive Directors, the majority of whom shall be Non-Executive Directors, at least one of whom shall be Independent.

7.3 The Board shall remain independent of Management and shall carry out its functions objectively and effectively.

7.4 The Board may delegate some of its powers to the MD/CEO as it may deem appropriate or necessary to ensure the smooth operation of the Company.

## 8 Officers of the Board

The following are the officers of the Board:

8.1 The Chairman

8.1.1 The position of the Chairman of the Board and the MD/CEO shall remain separate and shall be held by different individuals.

8.1.2 The Chairman shall primarily be responsible for the effective operation of the Board and shall ensure that the Board works towards achieving the

Company's strategic objectives. The Chairman shall not be involved in the day-to-day operations of the Company, which shall be the responsibility of the MD/CEO and the Management team.

8.1.3 The MD/CEO shall not go on to become the Chairman of the Company. If, in exceptional circumstances, the Board decides that a former MD/CEO or an Executive Director should become the Chairman, a cool-off period of three years should be adopted. The tenure of such a former MD/CEO as Chairman shall be for a maximum of 4 years and no more.

8.1.4 The Chairman of the Board shall be a Non-Executive Director and shall have the following functions:

a. Provide overall leadership and direction for the Board;

b. Approve the Annual Board Activities Calendar;

c. Set the agenda for board meetings in conjunction with the MD/CEO and the Company Secretary;

d. Play a leading role in ensuring that the Board and its committees have the relevant skills, competencies, and desired experience;

e. Ensure that Board meetings are properly conducted and that the Board is effective and functions in a cohesive manner;

f. Ensure that the Directors receive accurate and clear information about the affairs of the Company promptly to enable them take sound decisions;

g. Act as the main link between the Board and the MD/CEO, as well as advise the MD/CEO on the effective discharge of his duties;

h. Ensure that all Directors focus on their key responsibilities and play constructive roles in the affairs of the Company;

i. Ensure that induction programmes are conducted for new directors and continuing education programs are in place for all directors;

j. Ensure effective communication with the Company's institutional shareholders and strategic stakeholders;

k. Take a leading role in the assessment, improvement, and development of the Board; and

l. Preside over General Meetings of Shareholders.

8.2 The Managing Director/Chief Executive Officer (MD/CEO)

8.2.1 The MD/CEO shall be the head of the Management team and shall be answerable to the Board.

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

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

8.2.4 The MD/CEO shall give direction to the achievement of the Company's philosophy, strategy, financial objectives, and goals, accepting responsibility for the success or failure of the Company.

8.2.5 The MD/CEO shall be accountable to the Board of Directors on matters of corporate governance.

8.2.6 The MD /CEO shall be responsible for the Company's consistent achievement of its financial objectives and goals.

8.2.7 The MD/CEO shall ensure that the Company's philosophy, vision, mission, and values are disseminated and practiced throughout the Company.

8.2.8 The MD/CEO shall ensure that the Company has a long-range strategy that maximizes its opportunities.

8.2.9 The MD/CEO shall ensure that the allocation of capital reflects the Company's risk Management philosophy.

8.2.10 The MD/CEO shall ensure that the Company's risks are controlled and managed effectively, optimally, and in line with the Company's strategies and objectives.

8.2.11 The MD/CEO shall provide supervision to the Executive Directors.

8.2.12 The MD/CEO shall serve as the Chief Spokesman of the Company and ensure that it is properly presented to its various publics; and

8.2.13 The MD/ CEO shall exercise such powers and carry out such other functions as may be delegated by the Board of Directors.

8.3 Executive Directors

Directors who are contracted as Management employees of the Company shall be deemed to be Executive and shall:

8.3.1 Be knowledgeable in relevant areas of the Company's activities in addition to possessing such other qualifications needed for their specific assignments or responsibilities.

8.3.2 Be involved in the day-to-day operations and management of the Company. They shall be responsible for the departments they head and shall be answerable to the Board through the MD/CEO.

8.3.3 Not be involved in the determination of their remuneration.

8.3.4 Not receive the sitting allowances or director's fees paid to Non-Executive Directors.

8.4 Non-Executive Directors

Non-Executive Directors are Directors not in the employment of the Company. These may include former employees of the Company.

8.4.1 They shall always constitute at least a majority of the Board.

8.4.2 They shall bring independent judgment as well as necessary scrutiny to the proposals and actions of Management and Executive Directors, especially on issues of business strategy, performance evaluation, and key appointments.

8.4.3 They shall be persons of high caliber with broad experience, integrity, and credibility.

8.4.4 Non-Executive Directors shall be provided with a conducive environment for the effective discharge of their duties. Adequate and comprehensive information on all Board matters shall be provided promptly.

8.5 Independent Directors

An Independent Director:

8.5.1 Shall bring a high degree of objectivity to the Board for sustaining stakeholder trust and confidence.

8.5.2 Shall not be a representative of a shareholder that can control or significantly influence Management.

8.5.3 Shall not have been employed by the Company or by any company of which it currently forms part, nor shall he have served in any executive capacity in the Company or for the preceding three financial years.

8.5.4 Shall not be a member of the immediate family of an individual who is, or has been in any of the past three financial years, employed by the Company or served in an executive capacity.

8.5.5 Shall not be a professional advisor to the Company, other than in a capacity of a Director.

8.5.6 Shall not be a significant supplier to and affiliate or customer of the Company.

8.5.7 Shall have no significant contractual relationship with the Company and shall be free from any business or other relationship which could materially interfere with his/her capacity to act independently.

8.5.8 Shall not be a partner or an executive of the Company's statutory audit firm, internal audit firm, legal or other consulting firm that has a material association with the Company, and shall not have been a partner or an executive of any such firm for three financial years preceding his/her appointment.

8.5.9 Shall be free of any relationship with the Company or its Management capable of impairing his ability to make independent judgment.

8.5.10 An assessment of the independence of the Board will be conducted as frequently as needed by the Human Resources and General-Purpose Committee of the Board.

8.6 Company Secretary

8.6.1 The primary duty of assisting the Board and Management in the implementation of this Charter and developing good corporate governance practices and culture is vested in the Company Secretary.

8.6.2 The Company Secretary shall report directly to the MD/CEO but shall also have a direct channel of communication to the Chairman.

8.6.3 The Company Secretary shall have the following statutory duties:

a. Attending the meetings of the Company, the Board of Directors and its Committees, rendering all necessary secretarial services in respect of the meeting and advising the Board on compliance by the meetings with the applicable rules and regulations;

b. Maintaining the registers and other records statutorily required to be maintained by the Company; and

c. Rendering proper returns and giving notification to the relevant statutory bodies.

8.6.4 In addition to the above 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 should be properly discharged in the best interest of the Company;

b. Coordinate the orientation and training of new directors;

c. Assist the Board in the determination of its annual goals and objectives and with the administration of other strategic issues at the Board level;

d. Compile and circulate Board papers and ensure that the Board's discussions and decisions are clearly and properly recorded and communicated to the relevant persons;

e. Notify the Board members of matters that require their attention; and

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.

8.6.5 The Board shall approve the appointment and termination of the Company Secretary. He shall be properly empowered by the Board to effectively discharge his duties and responsibilities.

## 9 Multiple Directorship

9.1 A prospective nominee to the Board shall disclose memberships on other Boards;

9.2 The Board shall consider the other directorships held by such a prospective nominee and determine whether the prospective nominee can contribute effectively to the performance of the Board and the discharge of its responsibilities before recommending such a person for appointment.

9.3 Serving directors should notify the Board through the Chairman of prospective appointments on other Boards.

9.4 Directors shall not be members of Boards of companies in the same industry to avoid conflict of interest, breach of confidentiality, and misappropriation of corporate information and opportunity.

## 10 Board Committees

10.1 The Board shall have the following Committees:

- Statutory Audit Committee;
- Finance, Investment, and Risk Management Committee; and
- Human Resources and General-Purpose Committee.

## 11 Functions of the Committees

11.1 **Statutory Audit Committee** – The Board will establish a Statutory Audit Committee (“the Committee”) to assist it in its oversight of AVA Capital’s system of internal control and mechanism for receiving complaints regarding AVA Capital’s accounting and operating procedures, the integrity of AVA Capital’s Financial Statements, and the financial reporting process, as well as the independence and performance of AVA Capital’s internal and external auditors.

The functions of the Committee shall include the following:

11.1.1 Internal Audit Oversight

a. Monitor the Internal Audit function of AVA Capital, including its independence.

b. Oversee the development of a procedure for the receipt, retention and treatment of complaints received by AVA Capital, regarding risk management, accounting, internal accounting controls, unethical



Address:
No. 1B, Professor Olagoke Olabisi Street, Lekki Phase 1, Lagos.
Tel:
+234 0700-0000-AVA
Website:
www.avacapitalplcgroup.com

activity/breach of the Code of Corporate Governance or audit matters, including a means for AVA Capital's stakeholders (employees, customers, suppliers, applicants, etc.) to submit such complaints confidentially.

c. Investigate any matter brought to its attention within the scope of its duties with the authority to retain counsel or other advisors, if in its judgment it is appropriate, at the expense of AVA Capital.

d. Review the proposed Audit Plan(s) and the results of Internal Audits completed since the previous Committee meeting, as well as the focus of upcoming Internal Audit projects.

11.1.2 Statutory Audit and Financial Reporting

a. Review the results of the annual audit and discuss the audited Financial Statements with Management.

b. Review the Statutory Auditors' Management Letter when presented and ensure adequacy of management's response.

c. Review with the Chief Financial Officer annually the significant financial reporting issues and practices of AVA Capital, and ensure that appropriate accounting principles are applied, including financial controls relating to the "closing of the books" process.

d. Meet separately, and at least quarterly, with the Internal Auditor to discuss the adequacy and effectiveness of accounting and financial controls of AVA Capital.

e. Require Management to present and discuss, as soon as practicable, all reports received from regulators which may have a material effect on the financial statements or compliance policies of the company.

f. Assess and confirm the independence and competence of the Statutory Auditor annually, in line with AVA Capital's Statutory Audit Independence Policy. The report of this assessment should be submitted to the Board.

**10.2 Finance, Investment, and Risk Management Committee** – The Board shall establish a Finance, Investment, and Risk Management Committee ("the Committee") to assist the Board in discharging its oversight responsibilities in respect of the Company's financial management, investment strategy and performance, enterprise risk profile, risk management framework, and the risk-reward parameters approved by the Board.

The functions of the Committee shall include the following:

10.2.1. Financial Oversight

a. Review and recommend to the Board the annual budget, financial projections, and capital allocation plans.

b. Monitor the Company's financial performance against approved budgets and strategic objectives.

c. Review significant financial policies, treasury policies, and funding strategies before Board approval.

d. Oversee liquidity management, capital adequacy, and funding structure.

10.2.2. Investment Oversight

a. Review and recommend to the Board the Company's overall investment policy, including asset allocation, diversification parameters, concentration limits, and return objectives.

b. Oversee the implementation of the approved investment strategy and ensure alignment with the Company's risk appetite and strategic objectives.

c. Review and recommend major investment proposals, divestments, or capital commitments above thresholds determined by the Board.

d. Monitor investment performance, including portfolio returns relative to benchmarks and approved risk parameters.

e. Ensure that appropriate due diligence processes are in place for new investments and strategic transactions.

f. Oversee compliance with regulatory requirements relating to investment activities.

10.2.3. Enterprise Risk Management

a. Oversee the establishment and maintenance of a formal written Enterprise Risk Management (ERM) Policy defining risk categories, risk appetite, and acceptable risk limits.

b. Ensure that adequate policies and internal controls are in place to identify, assess, manage, and mitigate business, operational, financial, investment, and compliance risks.

c. Review and recommend for approval of the Board, at least annually, the Company's Information Technology (IT) data governance framework to ensure that IT data risks are adequately mitigated and relevant assets are managed effectively.

d. Periodically review risk reports from Management, Internal Audit, External (Statutory) Auditors, and supervisory authorities to ensure compliance with approved risk policies.



Address:
No. 1B, Professor Olagoke Olabisi Street, Lekki Phase 1, Lagos.

Tel:
+234 0700-0000-AVA

Website:
www.avacapitalplcgroup.com

e. Oversee the effectiveness and independence of the Risk Management function.

f. Re-evaluate the Risk Management Policy periodically to reflect material changes in the internal or external environment.

g. Review and recommend amended or new risk policies to the Board for approval.

10.2.4. Compliance with Laws and Regulations

a. Review the Company's adherence to its Code of Conduct and Ethics.

b. Review the adequacy and effectiveness of the Company's compliance programme.

c. Review the scope and depth of the Conduct and Compliance Unit's activities and assess the impact of compliance findings on the Company's overall risk profile.

d. Evaluate the adequacy and effectiveness of action plans implemented to address identified compliance weaknesses.

e. Review the risk management framework, policies, and processes annually to ensure their continued effectiveness.

f. Review with the Head, Legal, any significant legal matters, contingent liabilities, regulatory exposures, or other sensitive issues that may have a material impact on the Company's financial statements, internal control systems, investment portfolio, or regulatory compliance position.

**10.3. Human Resources and General-Purpose Committee** – The Board shall establish a Human Resources and General-Purpose Committee ("the Committee") to assist the Board in discharging its responsibilities relating to Board composition and succession, governance oversight, executive and employee remuneration, talent management, and organisational structure.

The functions of the Committee shall include the following:

10.3.1. Governance, Nomination, and Board Effectiveness Responsibilities

a. Review at least annually the size, structure, and composition of the Board, including succession planning for Directors and the Chairman, and recommend to the Board the appropriate balance of skills, experience, independence, diversity, and personal attributes required for effective discharge of its duties.

b. Develop and recommend to the Board criteria for Board membership and leadership positions, including competency frameworks and independence standards, subject to Board approval.



Address:
No. 1B, Professor Olagoke Olabisi Street, Lekki Phase 1, Lagos.

Tel:
+234 0700-0000-AVA

Website:
www.avacapitalplcgroup.com

c. Make recommendations to the Board on the experience and qualifications required for Board Committee membership; appointment and removal of Committee members; Committee structure and reporting lines; and operational governance matters affecting Board Committees.

d. Identify, screen, and recommend candidates for appointment to the Board, ensuring that nominees satisfy fit and proper person requirements; appropriate due diligence is conducted; nominees possess the competence and integrity required; and appointments will not adversely affect the reputation or regulatory standing of AVA Capital.

e. Ensure that all newly appointed Directors receive a formal letter of appointment clearly outlining their duties, responsibilities, fiduciary obligations, expected time commitment, and applicable governance standards.

f. Oversee the development and continuous improvement of the Board induction programme. New Directors shall receive a comprehensive induction pack including the Board Charter, Committee Terms of Reference, minutes of at least the previous four Board meetings, constitutional documents, and key strategic and risk documents.

g. Establish and periodically review the effectiveness of orientation and continuing education programmes to ensure Directors remain adequately informed of the Company's operations and strategy, regulatory developments, industry trends, and evolving governance standards.

h. Oversee the annual evaluation process for the Board as a whole, individual Directors, the Chairman, and Board Committees.

i. Monitor and assess Director independence in accordance with applicable law, regulatory requirements, and the Company's governance policies.

j. Review and recommend for Board approval of the organisational structure of the Company, significant structural changes, and governance framework documents, including the Board Charter, Committee Terms of Reference, Code of Ethics, Conflict of Interest Policy, Whistleblowing Policy, and related governance policies.

10.3.2. Remuneration and Compensation Responsibilities

a. Review and recommend to the Board the overall remuneration philosophy and policy of the Company, ensuring alignment with the strategic objectives, risk appetite, regulatory requirements, and long-term shareholder interests.



Address:
No. 1B, Professor Olagoke Olabisi Street, Lekki Phase 1, Lagos.

Tel:
+234 0700-0000-AVA

Website:
www.avacapitalplcgroup.com

b. Review and recommend to the Board employee compensation frameworks, including salary structures, performance-based incentives, pension and retirement plans, share ownership or long-term incentive schemes, and other employee benefit programmes, benchmarking against comparable organisations.

c. Review and recommend to the Board remuneration of Non-Executive Directors, subject to applicable legal and regulatory requirements and shareholder approval where required.

d. Review and recommend for Board approval the total remuneration package of the Chief Executive Officer and other Executive Directors, ensuring that compensation that attracts, retains, and motivates high-calibre executives, maintains an appropriate balance between fixed and variable components, links variable compensation to clearly defined, measurable performance indicators, incorporates risk-adjustment mechanisms where appropriate, and promotes long-term sustainable performance.

e. Review the outcomes of performance evaluations of the Chief Executive Officer and senior management and make recommendations to the Board on compensation adjustments where appropriate.

f. Form and delegate authority to sub-committees where necessary, provided that such delegation does not derogate from the Committee's responsibility to report and make recommendations to the Board.

## 11. Board Meetings

11.1. To effectively perform its oversight function and monitor management's performance, the Board shall meet at least once every quarter.

11.2. Every Director is required to attend all Board meetings. To qualify for re-election, all Board members are required to attend at least two - thirds of all Board meetings and Board Committee Meetings, except there are cogent reasons which the Board must notify the shareholders of at the Annual General Meeting.

11.3. The Board shall have an Annual Retreat, which shall be an extended meeting focusing on long-range strategies of AVA Capital and shall normally be held at an off-site location.

11.4. Appropriate officers of AVA Capital may be invited by the Chairman of the Board or the MD/CEO to attend Board Meetings.

11.5. Before a regular Board meeting, with the direction of the Chairman of the Board and the MD/CEO, an agenda for the meeting and any information or material for review shall be sent to the directors. Directors may request that additional subjects be placed on the agenda.

11.6. Board papers shall be made available to them at least one week ahead of Board or Committee meetings.

11.7. The Board may meet, in person, telephonically, or by circulation of documents.

11.8. The Board may hold coordinated or concurrent meetings with the boards of one or more subsidiaries where there is substantial overlap in board membership, provided that:

- the quorum requirements of each entity are satisfied;
- conflicts of interest are identified and managed separately for each entity;
- deliberations clearly distinguish the capacity in which Directors act for each entity; and
- resolutions are recorded separately in the minutes of the meeting.

## 12. Quorum

12.1. The quorum of the Board meeting shall be as provided by the Memorandum and Articles of Association of AVA Capital.

12.2. The quorum necessary for the transaction of the business of the Board Committee shall be two (2) where there are not more than six board committee members, but where there are more than six board committee, the quorum is one-third of the number of members of the committee, and where the number of members of the committee is not a multiple of three, then the quorum is one third to the nearest number.

## 13. Notice of Meeting

Every Director shall be entitled to receive 14 days' notice in writing, subject to a shorter notice in the case of an Emergency meeting or where the directors so agree.

## 14. Board Appointment

14.1. There shall be a written, clearly defined, formal, and transparent procedure for appointment to the Board of Directors.

14.2. The Board shall ascertain whether nominees for the position of directors are fit and proper and are not disqualified from being directors.

## 15. Remuneration

Compensation for Non-Executive Directors shall be fixed by the Board and approved by shareholders in a General Meeting. Non-Executive Directors' remuneration shall be limited to Directors' fees, sitting allowances for Board and Board Committee meetings, and reimbursable travel and hotel expenses. Non-Executive Directors shall not receive benefits and salaries, whether in cash or in kind, other than those mentioned above. Non-Executive Directors shall not participate in AVA Capital's share option, performance-related pay scheme, or pension scheme.

## 16. Performance Evaluation

16.1. The Board shall establish a system to undertake a formal and rigorous annual evaluation of its own performance, that of its Committees, the Chairman, and individual Directors.

16.2. The evaluation system shall include the criteria and key performance indicators and targets for the Board, its Committees, the Chairman, and each committee member.

16.3. The Chairman shall oversee the annual evaluation of the performance of the MD/CEO. The MD/CEO shall similarly perform an annual evaluation for the Executive Directors based on agreed criteria or performance indicators.

16.4. The result of the Board performance evaluation shall be communicated and discussed by the Board as a whole, while those of individual directors shall be communicated and discussed with them by the Chairman.

16.5. Where the performance of a Director is determined to be unsatisfactory, such Director shall undergo further training. Where such is not feasible or practicable, the Director may be removed in accordance with established procedures;

16.6. The Board shall engage the services of external consultants to facilitate the performance evaluation of the Board, its Committees, or individual directors.

16.7. The cumulative result of the performance evaluation of the Board and individual directors shall be used as a guide in deciding eligibility for re- election.

## 17. Orientation and Training

17.1. The Board shall establish a formal orientation programme to familiarize new directors with AVA Capital's operations, strategic plan, senior management, and its business environment, and to induct them in their fiduciary duties and responsibilities.

17.2. All Directors shall participate in periodic, relevant, professional continuing education programs to update their knowledge and skills and keep them informed of new developments in the company's business and operating environment. The objective of the training is to assist the directors in fully and effectively discharging their duties to AVA Capital. Such training shall be at AVA Capital's expense.

## 18. Conflict of Interest

A Director shall not put himself in a position where his interest conflicts or may be perceived to conflict with those of AVA Capital. A Director shall:

18.1. Promptly disclose any real or potential conflict of interest regarding any matters that may come before the Board or its Committees.

18.2. Abstain from discussions and voting on any matter in which the Director has or may have a conflict of interest.

18.3. Where a Director is not certain whether he is in a conflict-of-interest situation, such a Director shall discuss the matter with the Chairman of the Board or with the Company Secretary for advice and guidance.

18.4. If any question arises before the Board as to the existence of a real or perceived conflict, the Board shall, by a simple majority, determine if a conflict exists. The Director or Directors, potentially in a conflict-of-interest situation, shall not participate in any discussion and shall not vote on the issue.

18.5. Directors who are aware of a real, potential, or perceived conflict of interest on the part of a fellow Director have a responsibility to promptly raise the issue for clarification, either with the Director concerned or with the Chairman of the Board.

18.6. 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.

18.7. Where the interests of the Company and any subsidiary or affiliate diverge, Directors shall consider and document the interests of each entity separately and act in accordance with their fiduciary duties to the relevant entity.

## 19. Code of Ethics

19.1 As part of the corporate governance practices of AVA Capital, the Board shall formulate a code of ethics and business practices to which all Directors, Management, and employees of AVA Capital shall be required to abide. The Board shall monitor adherence and ensure that breaches are effectively sanctioned.

19.2 Directors shall comply with the duties and standards set out in the Company's Code of Ethics, including fiduciary duties, confidentiality, conflict of interest, and proper use of assets.

## 20. Tenure and Re-election

20.1. Subject to satisfactory performance and regulatory provisions, Non-Executive Directors shall be submitted for re-election at regular intervals of at least once every three years. To guide shareholders' decisions, the names and sufficient biographical details of directors nominated for re-election should be accompanied by performance evaluation results and any other relevant information.

20.2. The Board shall ensure periodic appointment of new directors to replace existing Non-Executive Directors.

## 21. Independent Advice

The Board shall be free to seek independent professional advice at the expense of AVA Capital.

## 22. Effective Date

This Board Charter becomes effective from the 4th day of February, 2026.

DR. ADEYINKA ADEDEJI
CHAIRMAN

DR. HAUWA BABAKOBI
DIRECTOR