



Kenya Power

THE KENYA POWER & LIGHTING COMPANY PLC

MARKET DISCLOSURE POLICY

MARKET DISCLOSURE POLICY

Part B – Glossary

1. Abbreviations

- 1.1 **CMA** – Capital Markets Authority
- 1.2 **KPLC** - The Kenya Power and Lighting Company PLC
- 1.3 **NSE**- Nairobi Securities Exchange

2. Definitions

In this Policy, unless the context otherwise requires -

- 2.1 **Designated Spokespersons-** means senior officials authorized to speak on behalf of KPLC regarding Material Information, including the Chairman, Managing Director & CEO, Manager, Corporate, Communications and other specific delegated authority such as General Managers and Regional Managers.
- 2.2 **Disclosure Committee-** A standing committee comprising the General Manager, Legal, Regulatory Affairs & Company Secretary, General Manager Finance, and Manager, Corporate Communications responsible for market disclosure oversight.
- 2.3 **Material Information-** means any information relating to an issuer that may ordinarily affect the price of an issuer's securities or influence investment decisions of investors and includes, without limitation, information on—
 - a) a merger, acquisition or joint venture;
 - b) the re-organization of the capital structure of the issuer;
 - c) earnings and dividends, whether scrip or cash, of an unusual nature;
 - d) the acquisition or loss of a significant contract;
 - e) a significant new product or discovery;
 - f) a change in control or significant change in management;
 - g) a call of securities for redemption;
 - h) a public or private sale of a significant amount of additional securities;
 - i) the purchase or sale of a significant asset;
 - j) a significant labour dispute;
 - k) a significant dispute or determination thereof in respect of the issuer;
 - l) establishment of a programme to make purchases of the issuer's own shares;
 - m) a tender offer for another issuer's securities;
 - n) significant alteration of the articles of association of the issuer; or

- o) any other peculiar circumstances that may prevail with respect to the issuer or the relevant industry. In making determinations regarding peculiarity and materiality of circumstances, KPLC may consider whether there is a substantial likelihood that the information would be considered significant by a reasonable investor in making an investment decision.

Part C – Introduction

KPLC is committed to providing full, timely and accurate disclosure of Material Information to the public at all times. This Market Disclosure Policy demonstrates our commitment to transparency in our reporting obligations to our shareholders, investors and the general public.

The Policy explains how the Company complies with disclosure requirements and continuing obligations under the Capital Markets Public Offers, Listings and Disclosure Regulations, 2023 (POLD regulations) and manages communications with the public and financial markets.

The Policy also outlines how the Company will disclose Material Information in a timely, accurate, balanced, and equitable manner to stakeholders, including regulators, investors, shareholders, media, and the public.

Part D – Purpose and Objectives

1. Purpose

The purpose of the Policy is to promote transparency and investor confidence through structured, consistent, and legally compliant disclosure of material and non-material information about KPLC.

2. Objectives

The objectives of this Policy are:

- a) To establish the steps that KPLC will take when it has Material Information to release to the public.
- b) To outline the roles and responsibilities of various individuals or groups of individuals at KPLC relating to the release of Material Information.
- c) To ensure that Directors and employees of KPLC are aware of the Company's disclosure practices and policies and provide them with a reference guide.
- d) To prevent selective or inadvertent disclosure.

- e) To promote consistency with regulatory requirements on market disclosures.
- f) To ensure market integrity and protect KPLC's reputation.

Part E - Scope

This Policy applies to the Board of Directors, Management, employees, and any third party or agent authorized to communicate on Material Information on behalf of KPLC. It covers all methods of disclosure, including reports, press releases, presentations, website content, investor calls, media interviews, and social media.

Part F – Policy Commitments

KPLC undertakes to:

1. Communicate in a fair, timely, and accessible manner.
2. Monitor internal developments for disclosure triggers.
3. Avoid selective disclosure.
4. Maintain confidentiality until public release.
5. Uphold regulatory and legal standards for disclosure

Part G – Policy Statements

1. Role of the Disclosure Committee

The Disclosure Committee or their delegates shall:

- 1.1 Review and approve all Material Information before public disclosure, to assess the quality of the disclosures to be made, including, but not limited to, whether the information is accurate and complete in all material respects.
- 1.2 Monitor developments and issues within KPLC that may necessitate disclosure to the public.
- 1.3 Monitor the effectiveness of, and compliance with, this Policy.
- 1.4 Consult relevant parties on materiality judgments and disclosures.
- 1.5 Advise the Board through the Governance and Human Resource Committee on disclosure obligations.

The Disclosure Committee may seek appropriate expert advisory as it considers necessary in connection with this Policy.

2. Determination of Materiality

The Disclosure Committee will assess the peculiarity of circumstances and materiality of developments and recommend appropriate disclosures. In doubtful cases, the Company will err on the side of caution.

3. Disclosure of Financial Statements

- 3.1 KPLC shall ensure timely disclosure of financial statements by releasing them to the public within 24 hours of Board approval, which should be done within four months after the end of the financial year.
- 3.2 KPLC shall provide full and complete financial information to ensure transparency and informed decision-making by stakeholders.
- 3.3 Prior to public release, financial information shall be kept strictly confidential, after which it shall be disseminated in a manner designed to reach the widest possible audience.
- 3.4 All financial statements, along with any supplemental disclosures or presentations, shall be made available on KPLC's website to ensure easy and comprehensive public access.
- 3.5 KPLC shall provide balanced financial reporting that accurately reflects both positive and negative developments, while material disclosures shall be shared via nationally distributed news releases and, where appropriate, public analyst briefings.
- 3.6 Any inadvertent selective disclosure will be rectified through immediate public disclosure.

4. Other Disclosure Requirements

The Company shall make all the required disclosures in the annual report and the Company website within the stipulated timelines and as required under the CMA Code of Corporate Governance for Issuers of Securities to the Public, 2015 and the POLD regulations.

5. Spokespersons and Authorized Communications

- 5.1 In order to minimize the risk of selective disclosure and ensure a common message is communicated to the public, KPLC has Designated Spokespersons who shall speak on its behalf when Material Information may be disclosed.

- 5.2 Only Designated Spokespersons (i.e. the Chairman, Managing Director & CEO and Manager, Corporate Communications) may communicate with the public or stakeholders regarding Material Information.
- 5.3 The Designated Spokespersons may designate other Directors, officers, employees or agents to respond to specific inquiries as necessary or appropriate. Unless so designated, no Director, officer, employee or agent of KPLC may communicate on behalf of the Company, with regulators, investors, shareholders, analysts and the media with respect to any disclosure that may include Material Information about KPLC.

6. Investor Relations

Private meetings with analysts/investors must involve Designated Spokespersons and not to disclose material non-public information.

7. Quiet Periods

- 7.1 As a Company whose shares are listed at the NSE and in line with the continuing listing obligations, insider trading through disclosure of material or market sensitive information affecting the business that has not been made available to the public is expressly prohibited.
- 7.2 In this regard, Directors and employees of the Company are required to observe quiet periods:
 - a) commencing at end of half-year till publication of the half-year financial statements and
 - b) end of full-year and expiring upon release of the Company's performance to the public for the period.
- 7.3 During this time, any communication with shareholders, investors, analysts, other securities market professionals, the media and other members of the public, for example, public speaking engagements, shall be restricted to minimize the risk of implicitly or explicitly disclosing Material Information selectively to any person concerning earnings and other developments being formulated internally, but not yet publicly disclosed.
- 7.4 As a rule, no other news releases should be issued on the same day as an earnings release for KPLC.

8. Inadvertent Disclosure and Corrections

- 8.1 If there is reason to believe that an unintentional breach of this Market Disclosure Policy might have occurred, resulting in the release of Material Information to a select group or individual, such breach shall immediately be reported to the Company Secretary, General Manager Finance or Manager Corporate Communications, and KPLC shall make immediate public disclosure of that information as soon as reasonably possible.
- 8.2 Parties in receipt of previously undisclosed Material Information will be advised that such information is material and has not been publicly disclosed.
- 8.3 Disclosure must be corrected immediately if KPLC subsequently learns that earlier disclosure by KPLC contained a material error at the time it was given and the correction would constitute Material Information. The Company Secretary shall, in consultation with the General Manager Finance and the Manager, Corporate Communications ensure that a news release is issued immediately to correct the error and that appropriate notifications are made to the NSE or whichever exchange KPLC's shares trade so that a halt to trading maybe instituted, if necessary.

9. Trading Restrictions and Blackout Periods

- 9.1 Directors and employees of the Company are prohibited from trading in securities of the Company with knowledge of Material Information affecting the Company that has not been publicly disclosed.
- 9.2 Except in the necessary course of business, no Director, officer or other employee of KPLC shall inform any other person of material non-public information about KPLC.
- 9.3 Questions regarding the application of this Market Disclosure Policy in any particular circumstance shall be directed to the Company Secretary.
- 9.4 This Market Disclosure Policy is in addition to all policies of KPLC, with respect to dealing in KPLC's shares, or with information about KPLC, and must be adhered to.

10. Prohibited Activities

- 10.1 Directors and employees must not participate in or comment on chat rooms or online forums concerning KPLC Material Information.
- 10.2 Any person who violates this Policy may face disciplinary action. The violation of this Disclosure Policy may also violate legal and regulatory requirements. If it appears that a Director, an officer or other employee may have violated such legal and regulatory requirements, KPLC may refer the matter to the appropriate authorities.

Part H – Risk Statement

Failure to comply with this Policy may result in market misinformation, insider trading thereby resulting in regulatory sanctions, reputational harm and legal liability. By implementing this Policy, KPLC mitigates the aforementioned risks related to non-compliance, insider trading, and shareholder dissatisfaction.

Part I – Responsibility for Implementation of the Policy

1. Board of Directors

- 1.1 Adoption and Approval of this Policy
- 1.2 Provide oversight on the Policy

2. Managing Director & Chief Executive Officer

- 2.1 Ensure accountability and adherence for successful implementation of this Policy
- 2.2 Ensure adequate resourcing for the Policy

3. General Manager, Legal, Regulatory Affairs & Company Secretary

- 3.1 Ensure compliance with the Policy
- 3.2 Periodically review the Policy and strategies to ensure its effectiveness
- 3.3 Approve manuals and procedures for implementation of the Policy

4. Manager, Corporate Communications

- 4.1 Coordinate disclosures
- 4.2 Monitor the market's reaction to information as it is released in order to assist KPLC in making future material judgments.

- 4.3 Report market feedback and his or her findings to the Disclosure Committee on a regular basis.

Part J - Monitoring and Evaluation

The Board and Regulatory Affairs Department shall monitor and evaluate the implementation of this Policy and shall guide in the review of the Policy and its implementing instruments to ensure its continual validity and effectiveness.

Part K - Triggers for Policy Review

The Policy will be reviewed under any of the following circumstances: -

- a) Every 3-year period from commencement or after the last review of the Policy
- b) Emerging issues, significant change in day-to-day operations and business
- c) Change in organizational structure
- d) Review of KPLC Corporate Strategy
- e) Legal and regulatory changes

Part L – Statutory, Legal and Regulatory Compliance Requirements

Laws and regulatory instruments affecting this Policy include the following –

- a) The Companies Act, 2015
- b) The Capital Markets Act
- c) The Capital Markets Public Offers, Listings and Disclosure Regulations, 2023
- d) Nairobi Securities Exchange (NSE) Listing Guidelines

Part M – Records & Reports

- 1. Market Disclosure Register
- 2. Compliance Reports
- 3. Copies of Released Information
- 4. Analyst/Investor Engagement minutes and logs

Part N – Distribution List

The Market Disclosure Policy shall be accessible to KPLC Board of Directors, all members of staff and third parties.

Dated at Nairobi on the day of 2025.

JOY BRENDA MASINDE
CHAIRMAN, BOARD OF DIRECTORS