

**CHARTER OF THE BOARD OF DIRECTORS OF REG, EDCL, AND
EUCL**

May 2026

**CHARTER OF THE
BOARD OF DIRECTORS OF REG, EDCL, AND EUCL**

Table of Contents

SECTION ONE: GENERAL PROVISIONS.....	4
1.1. Scope of the application.....	4
1.2. Purpose	4
1.3. Objective.....	4
1.4. Guiding Values	4
1.5. Review this Charter	5
1.6. Documents	5
1.7. Responsible persons.....	5
1.8. Statements of good governance	5
1.9. Interpretation of key terms.....	6
SECTION 2: BOARD OF DIRECTORS OF RWANDA ENERGY GROUP.....	6
2.1. Size and Composition of the Board of Directors of Rwanda Energy Group.....	6
2.2. Appointment and term of office of REG, EUCL and EDCL Board of Directors.....	6
2.3. Ceasing to hold office of Director	7
2.4. Fundamental duties of the Board of Directors	8
2.4.1. Duty to act within powers.....	8
2.4.2. Duty to act in the best interest of REG and its Subsidiaries	8
2.4.3. Duty to exercise reasonable care, skill and diligence	8
2.4.4. Duty of not using company information or opportunity at its detriment	8
2.4.5. Duty to exercise independent judgement at all times	9
SECTION 3: RESPONSIBILITIES OF THE BOARD OF DIRECTORS.....	9
3.1. Responsibilities of the Board of Directors of REG and its subsidiaries	9
3.2. Responsibilities of the Chairperson of the Board of Directors	10
3.3. Responsibilities of the Vice -Chairperson of the Board of Directors	11
3.4. Board Committees	11
3.4.1. The composition of Board Committees and appointment of members and Chairpersons of Board Committees.....	12
3.4.2. Terms of references of Board Committees	12
1. Audit and Finance Committee	12
2. Human Resource and Governance Committee	13
3. Planning, Risk Management and Investments Committee	14
SECTION 4: BOARD AND COMMITTEE MEETINGS	14
4.1. Convening the Board Meeting.....	14
4.2. Decision taking	15

BOARD OF DIRECTORS

4.3. Rapporteur of the Board of Directors meeting.....	15
4.4. Conflict of interests during Board meeting.....	16
SECTION 5: BOARD WORK PLAN, BOARD EVALUATION, AND BOARD REMUNERATIONS	16
5.1. Board annual work plan.....	16
5.2. Board Performance evaluation.....	16
5.3. Board remuneration	17
SECTION 6: INDUCTION AND CONTINUOUS TRAINING OF BOARD OF DIRECTORS	17
6.1. Induction of new Board member	17
6.2. Training of Board Members.....	17
SECTION 7: CONFLICT OF INTERESTS	17
7.1. Scope of conflict of interests for a board member	17
7.2. Acts of conflicts of interests	18
7.3. Disclosure of conflict interest	18
7.3.1. Disclosure the use of company information	19
7.3.2. Disclosure of interest in REG and its Subsidiaries transactions	19
SECTION 8: CODE OF CONDUCT AND ETHICS OF BOARD OF DIRECTORS.....	19
8.1. Honest and Ethical Conduct	19
8.2. Financial Records and Periodic Reports	20
8.3. Compliance with applicable Laws, Rules, and Regulations	20
8.4. Misuse of his/her position.....	20
8.5. Confidentiality	20
SECTION 9: ACCOUNTABILITY AND LIABILITY OF BOARD OF DIRECTORS.....	21
9.1. Accountability of Board of Directors	21
9.1. Liabilities of Board of Directors.....	21
9.1.1.Civil liability	21
9.1.2. Administrative liabilities.....	22
9.3. Liability Insurance of Board of Directors	23
SECTION 10: RELATIONSHIP BETWEEN THE BOARD OF DIRECTORS AND MANAGEMENT	24
10.1. Working relationship	24
10.2. Access to Information	25
SECTION 11: FINAL PROVISION.....	25
11.1. Matter not covered by this charter	25
11.2. Commencement	25

SECTION ONE: GENERAL PROVISIONS

1.1. Scope of the application

This Charter applies to the Board of Directors of Rwanda Energy Group Ltd (REG) and its subsidiaries, EDCL and EUCL. It governs the structure, duties, powers, responsibilities, and operations of the Board of Directors and its committees, in line with applicable laws, regulations, governance codes, and internal policies.

1.2. Purpose

This Charter defines the roles, duties, responsibilities, and operational procedures of the Boards of Directors of Rwanda Energy Group Ltd (REG) and its subsidiaries, EDCL and EUCL. It provides a corporate governance framework to promote accountability, strategic oversight, and compliance with applicable laws, corporate governance standards, and best practices.

The Charter aims to clarify Board mandates, support ethical and effective decision-making, align governance with the Group's mission and strategic goals, and strengthen Board performance and integrity.

1.3. Objective

The objective of this Charter is to establish a unified governance framework that guides the Boards of Directors of Rwanda Energy Group Ltd (REG) and its subsidiaries, in fulfilling their oversight, strategic, and fiduciary responsibilities.

Specifically, it seeks to:

- (1) Promote effective, transparent, and accountable leadership;
- (2) Ensure consistency in governance practices across the REG Group;
- (3) Strengthen compliance with legal and regulatory obligations;
- (4) Enhance decision-making in support of the Group's strategic objectives and public service mandate.

1.4. Guiding Values

To ensure the efficient implementation of this charter the following principles shall be adhered to by the Board of directors, Chief Executive Officer, Company Secretary, and any other actors.

- (1) Accountability;
- (2) Professionalism;
- (3) Inclusiveness;
- (4) Customer Oriented;
- (5) Integrity;
- (6) Respect for people;
- (7) Team work;

- (8) Efficiency; and
- (9) Sustainability.

1.5. Review this Charter

Recognizing the dynamic nature of business environments and the evolving landscape of corporate governance and in pursuit of governance excellence and the continuous enhancement of our organizational framework, this charter is intended to be flexible to deal with rapidly changing conditions; therefore, it may be reviewed whenever deemed necessary and updated in order to ensure that it remains relevant.

1.6. Documents

Key documents include:

- (1) Organic Law N° 002/2022.OL of 12/12/2022 on public finance management;
- (2) Organic Law N° 001/2020.OL of 08/06/2020 establishing general provisions governing public institutions;
- (3) Law N° 007/2021 of 05/02/2021 governing companies as amended to date;
- (4) Presidential Order No. 067/01 of 28/08/2024 on State-owned companies;
- (5) Code of Corporate Governance for State-owned and State-controlled companies of 2025;
- (6) REG Group Internal Policies and Procedures.

1.7. Responsible persons

- (1) Board of Directors
- (2) Chief Executive Officer
- (3) Managing Directors of REG Subsidiaries
- (4) Company Secretary

1.8. Statements of good governance

- (1) The Board exercises ethical leadership, enterprise, fairness, integrity, transparency and sagacious judgment in directing REG and its Subsidiaries and always acts in their best interest to achieve continued prosperity;
- (2) The Board is responsible for taking into consideration the legitimate interests and expectations of the Group's stakeholders in its deliberations, decisions and actions;
- (3) The Board is responsible for ensuring that Executive Management actively cultivate a culture of ethical conduct and for ensuring that integrity permeates all aspects of the Group's operations;
- (4) The Board aligns its conduct and the conduct of Executive Management with the values that drive the Group's business and ensure that these values are adhered to in all aspects of the Group's business;

- (5) The Board ensures that the ethical standards set out in this Charter are integrated into all aspects of the Group's strategies, policies and operations;
- (6) Each Board member owes strict fiduciary duties to the Group and its shareholders, must act in the best interest of the Group and promote the image of the Group at all times.

1.9. Interpretation of key terms

The following terms shall have the following meaning:

- (1) **Board Charter:** refers to a document outlining the roles, duties, responsibilities and powers of the Board of Directors, various Board committees and their roles, separation of roles between the Board and the Management, and the policies and practices of the Board in respect of corporate governance matters.
- (2) **Group:** means Rwanda Energy Group Limited (REG Ltd) as holding company and its Subsidiaries namely: Energy Development Corporation Limited (EDCL) and Energy Utility Corporation Limited (EUCL).
- (3) **Management:** members of REG group Management Team and Subsidiaries Senior Management
- (4) **Independent Director:** In this Charter, a Director is considered independent if he or she is free of financial or material interests with REG, its Management, and stakeholders that could influence his or her judgement when making decisions on the Board. An Independent Director who is free of such conflicts of interest can act objectively in the best interests of the REG and its Subsidiaries.
- (5) **Non-executive Director:** means an individual not involved in the day-to-day management and not a full-time salaried employee of REG or its subsidiaries.
- (6) **Stakeholder:** This term typically encompasses groups other than shareholders, such as employees, creditors, customers, suppliers, and affected communities.

SECTION 2: BOARD OF DIRECTORS OF RWANDA ENERGY GROUP

2.1. Size and Composition of the Board of Directors of Rwanda Energy Group

The Board of Directors of Rwanda Energy Group (Holding Company) is the same for its Subsidiary Companies EUCL and EDCL (Group Board of Directors).

Group Board of Directors is composed of not less than seven (7) directors and not more than eleven (11) directors and at least two thirds (2/3) of them must be independent, and in any case it must be an odd member. And at least thirty percent (30%) of members of REG, EDCL, and EUCL Board of Directors must be women.

2.2. Appointment and term of office of REG, EUCL and EDCL Board of Directors

The members of Group Board of Directors, its Chairperson and Vice-Chairperson are appointed by Shareholder (s) for a period of five (5) years renewable once based on the performance. This number may be adjusted by the Shareholder in accordance with all applicable laws, and regulations.

The supervising authority of a REG submits the proposed list of members of the Board of Directors to the organ in charge of public investments, which reviews it and submits it to the Cabinet for approval.

The Member of Group Board of director must fulfill at least the following requirements:

- 1) being at least sixteen (16) years of age;
- 2) being a discharged bankrupt, if applicable;
- 3) not being subject to a disqualification by a court's order;
- 4) not having been sentenced in the immediately preceding five (5) years to a penalty under the Law governing companies or the Law regulating Capital Market or for economic crimes;
- 5) not having a mental disability as certified by a recognized medical doctor;
- 6) The Chairperson of the Board does not chair the Board of another State Owned Company or State-controlled company;
- 7) must not hold or perform a remunerated activity in that company;
- 8) does not hold a Board position in more than two (2) other State Owned Company or State-controlled companies;
- 9) must be a person with integrity, sufficient skills and experience relevant to the sector in which REG is operating;
- 10) at least one (1) member holds a professional qualification in audit or accounting and be in good standing with their respective professional body.

2.3. Ceasing to hold office of Director

A member of Group Board of Directors may cease to hold office of Director in any of the following circumstances:

- 1) When he/she is dismissed by the Shareholder at any time by a special resolution provided that it is in the interest of the Company;
- 2) when his/her term of office expires;
- 3) when he or she resigns in writing. In such case, the signed written notice of resignation is delivered to registered address of REG and such a notice is effective from the time of receipt or from such later time as is specified in the notice.
- 4) when he/she is disqualified from being a director;
- 5) he or she is no longer able to perform his or her responsibilities due to illness or disability ascertained by a recognized medical doctor;
- 6) he or she is sentenced to a term of imprisonment equal to or exceeding six (6) months in a judgement rendered in last instance;
- 7) he or she is absent in meetings for three consecutive times without valid reasons;
- 8) When a Member of the Board, fails to attend at least 75 per cent of the Board's meetings annually
- 9) he or she is dismissed following a gross negligence or acts incompatible with the function of an administrator;

- 10) he or she jeopardizes the interests of the REG or its subsidiaries;
- 11) he or she dies; or
- 12) when REG and its Subsidiaries are wound up or their structures are modified.

In case a member of the Board of Directors of REG Group ceases to be a member before the expiration of his or her term of office, the competent authority appoints his or her substitute to complete his or her predecessor's term of office.

2.4. Fundamental duties of the Board of Directors

In the performance of its role and responsibilities, the Group Board of Directors is required to act in the best interest of the Company keeping in mind the fiduciary duties of the individual Board members.

2.4.1. Duty to act within powers

The Group Board of Directors has the duty to manage the business and affairs of REG and its subsidiaries. It is endowed with all powers necessary for this management except where the company's incorporation documents or other laws expressly reserve those powers to the shareholders or any other person.

2.4.2. Duty to act in the best interest of REG and its Subsidiaries

The Board member has the fundamental duty, when exercising his/her powers or performing duties as a director, of acting in good faith in a manner that he/she believes on reasonable grounds is in the best interests of REG and its subsidiaries, and use reasonable diligence in the discharge of the duties of his or her office.

2.4.3. Duty to exercise reasonable care, skill and diligence

A member of the Group board of directors, when exercising powers or performing duties as a director, exercises the care, diligence and skills reasonably to be expected of a director acting in like circumstances. He or she also exercises the power for a proper purpose.

2.4.4. Duty of not using company information or opportunity at its detriment

A member of Group board of directors has a duty to act with loyalty to the company. This duty includes but is not limited to the following:

- 1) not to use property of REG and its Subsidiary for the director's personal benefit;
- 2) not to disclose or use confidential information of REG and its Subsidiary for the director's or any other person's personal benefit;
- 3) not to take business opportunities of REG and its Subsidiary;
- 4) not to compete in business with REG and its Subsidiary including but not limited to competing individually or as a director of another company which competes in business with the company.

A member of Group board of directors must not make improper use of his or her position as a director employee of REG or its Subsidiary or of any information acquired solely by virtue of his or her position, to gain directly or indirectly, a personal benefit for himself or for any other person or to cause detriment to REG or its subsidiary other than for the purposes of the REG or its subsidiary.

2.4.5. Duty to exercise independent judgement at all times

A member of Group board of directors must not limit his or her discretion when exercising his or her powers.

SECTION 3: RESPONSIBILITIES OF THE BOARD OF DIRECTORS

3.1. Responsibilities of the Board of Directors of REG and its subsidiaries

The Group Board of directors must fulfil the following key responsibilities to ensure effective and efficient organizational performance:

- 1) To approve internal Policies and Procedures governing REG and its Subsidiaries and ensure the compliance with laws;
- 2) To monitor the use of property and management of staff members of REG and its subsidiaries;
- 3) To monitor the implementation of recommendations of an internal and external auditor;
- 4) To monitor the execution of the performance contract of the management;
- 5) To provide advice to the management team on a range of the issues of strategic importance of REG and its subsidiaries;
- 6) To regularly review the adequacy and integrity of the risk management and internal control frameworks and policies;
- 7) To exercise oversight over the conduct of business activities;
- 8) To assess the performance of the Chief Executive Officer of REG as well as Managing Directors of the Subsidiaries;
- 9) To establish an internal audit and management control mechanism within REG and its subsidiaries;
- 10) To set-up committees of the Board of Directors;
- 11) To ensure accuracy and completeness of the financial information transmitted;
- 12) To approve REG Strategies Plan, business plan, action Plan and monitor their implementation;
- 13) To oversee management's execution of the Board of Directors strategies and to monitor its performance;
- 14) To ensure that REG and its subsidiaries maintains a positive image within the sector and the economy as a whole;
- 15) To approve quarterly report of the executive organ ;
- 16) To review annual financial statements of REG and its subsidiaries;
- 17) To approve the organizational structure, salaries and fringe benefits of employees;
- 18) To establish a charter that sets out the key operating parameters of the Board of Directors and operating procedures for its committees.
- 19) To ensure that REG and its subsidiaries communicate with shareholders and other stakeholders effectively;

- 20) To approve the hiring and termination of REG and its subsidiaries' Senior Staff that are at a Director level and above;
- 21) To ensure that procedures and practices in place protect REG and its subsidiaries's assets and reputation;
- 22) To serve the legitimate interest of the shareholders, REG and its subsidiaries and account to them fully;
- 23) To communicate to the Chief Executive Officer or the Managing Director the Government Policy and Strategy and objectives for the sector;
- 24) To periodically review and approve Business Plans as aligned to the Strategic Plan and monitor their implementation;
- 25) To review and approve annual budgets including monitoring alignment with the Business plans of REG and its subsidiaries;
- 26) To approve expenditures off-budget, exceptionally requested by the Chief Executive Officer and any significant capital expenditure exceeding set thresholds/with long-term financial commitments for REG and its subsidiaries and sector as shall be from time to time be defined by REG and its subsidiaries' Financial Manuals;
- 27) To approve resource mobilization propositions made by the Chief Executive Officer, including their funding and any relevant terms and conditions thereto;
- 28) To establish a comprehensive and technologically competent risk management policy and strategy with all the relevant implementation arrangements to ensure sustainable development and service delivery in the sector;
- 29) To monitor compliance with obligation to operate the subsidiary companies within the set regulatory framework with respect to Quality of Services goals and tariffs and other set parameters;
- 30) To establish a Board Business calendar that sets out the dates for regular meetings and other special events like strategic plan and Business Plan reviews, Board performance Reviews, Chief Executive Officer or Managing Director performance review, etc;
- 31) To review comprehensive REG and subsidiary's work plan with clear activities, and outputs presented by the Chief Executive Officer or Managing Director and this is done at least twice a year;
- 32) To prepare an Annual Statement of activities of REG and its subsidiaries to inform the Government on progress achieved in realizing goals and objectives and submit it not later than three (3) months after the end of every financial year.

3.2. Responsibilities of the Chairperson of the Board of Directors

The Chairperson of the Group Board of Directors of REG and its subsidiaries has the following key responsibilities:

- 1) To convene and chair shareholders' meetings and meetings of the Board of Directors;
- 3) To approve the agenda of the meeting of the Board of Directors;
- 4) To transmit to the organ in charge of public investments the information relating to performance results;
- 5) To submit to the concerned organ, the annual audited financial statements and audit reports;

BOARD OF DIRECTORS

- 6) To submit to the supervising authority of REG the annual activity report of the previous year and the analysis of the operational and financial results;
- 7) To manage the Performance of the Chief Executive Officer through an agreed work plan and supervising the execution of commitments in the Business Plan;
- 8) To uphold the functional complementarities and the mutual support between the Board and the Management;
- 9) To Conduct efficient meetings and guide the Board's decision-making process;
- 10) To ensure that the Board Committees are properly constituted and are operational in accordance with Corporate Governance best practices as adapted to the utility industry;
- 11) To lead the Board to ensure that it is ethical and effective and that it maintains high standards of corporate governance;
- 12) To ensure smooth succession arrangements for Chief Executive Officer and other Members of the Senior Management Team;
- 13) To ensure that the company discharges its obligations to the market and to stakeholders with efficiency and reliability to achieve financial sustainability;
- 14) To be proactive in dealing with conflicts of interest that may arise at both the Board Level and Senior Management Level;
- 15) To guide the Company Secretary on developing the Board's Annual Work Plan and setting the agenda for each Board meeting;
- 16) To encourage members to participate fully in deliberations, harnessing the collective skills of the Board and its committees;
- 17) To lead the annual Board evaluation process, with the Company Secretary's support;
- 18) To promote a positive image of REG and its subsidiaries;
- 19) To act as the liaison for communications with the Government department responsible for portfolio oversight or any other body that may be designated to carry out this function;
- 20) To perform any other duties related to the responsibilities of the Board of Directors as may be assigned to him or her by the Board of Directors.

3.3. Responsibilities of the Vice -Chairperson of the Board of Directors

The Vice-Chairperson of the Board of Directors of REG and its subsidiaries has the following key responsibilities:

- 1) To assist the Chairperson and deputize him or her in case of absence;
- 2) To perform any other duty that may be assigned to him or her by the Group Board of Directors.

3.4. Board Committees

The Group Board of Directors, for the effective and efficient delivery of its mandate, establishes relevant Board committees and sets out and approve the terms of reference for each Board Committee. These Board Committees play a significant role in enhancing transparency, accountability, and decision-making processes.

The Group Board of Directors has, at a minimum the following committees:

- 1) Audit and Finance Committee;
- 2) Human Resource and Governance Committee;
- 3) Planning, risk management and Investment Committee.

Additional committees may be established depending on the specific needs of the business. Whenever, deemed appropriate, the Group Board of Directors establishes ad-hoc committees to deal with ad hoc matters requiring focused attention for a limited period of time.

The Board of Directors use committees where this would enhance its effectiveness in key areas while retaining its overall responsibility. Board committees assist the Board of directors in discharging its duties and responsibilities more effectively and efficiently.

3.4.1. The composition of Board Committees and appointment of members and Chairpersons of Board Committees

The Group Board of Directors appoints the Chairperson and members of each Board committee. The Board committees are composed only of Board Directors and it is made of at least three (3) members.

The members of each committee must have the necessary skills and expertise to handle the responsibilities allocated to them. If some skills are not available for any committee's effectiveness, the Board of Directors may appoint external professionals to serve as advisers to the committee on such terms and for such a period as deemed appropriate, provided that such terms shall not be more favorable than those applicable to the full members of the committee. Such advisers will not be considered as members of the committee.

In cases where the Board of Directors requires specialized skills or expertise that are not available among its members, an external professional expert may be invited to provide the necessary support. In such circumstances, REG Group shall cover all related logistical expenses. However, where the engagement of the external expert involves the payment of professional fees, the applicable internal procurement procedures of REG/EDCL/EUCL shall be followed.

3.4.2. Terms of references of Board Committees

1. Audit and Finance Committee

The members of the Audit and Finance Committee must fulfill the following requirements:

- 1) Chairperson of the Audit and Finance Committee must be an independent non-executive Director.
- 2) All members of the Audit and Finance Committee must be non-executive Directors, and the majority of members shall be independent non-executive Directors.
- 3) At least one (1) member of the Audit and Finance Committee holds a professional qualification in audit or accounting and be in good standing with his/her respective professional body.

The Audit and Finance Committee undertakes the following key responsibilities:

- 1) Provide independent oversight of the effectiveness of assurance functions and services and the integrity of the financial statements before approval by the Board;
- 2) Ensure that the REG and its subsidiaries have an effective risk-based internal audit system, in

line with the principles of the Institute of Internal Auditors;

- 3) Ensure that the Director of Department in charge of Internal Audit or Chief Internal Auditor holds a senior position in REG, is professionally qualified, and is a member in good standing of the professional body responsible for regulating auditors;
- 4) Meet with external auditors at least once a year;
- 5) Monitor compliance with regulations and legal requirements;
- 6) Ensure that the REG and its subsidiaries have a strong control framework;
- 7) Monitor and periodically report on the application of the corporate Risk Policy;
- 8) Monitor related-party transactions; and
- 9) Monitor regularly the degree of compliance with the Code of Conduct and Ethics and the effectiveness of the whistle-blower system.
- 10) Review and recommend for approval audit reports and plans;
- 11) Review and recommend for approval financial statements reports;
- 12) Review and recommend for approval Imihigo drafts and the final reports;
- 13) Oversee and monitor the Chief Internal Auditor work;
- 14) Review and approve budgets, procurement plans and action plans; and
- 15) Any other tasks related to audit and finance aspect.

2. Human Resource and Governance Committee

The Members of Human Resource and Governance Committee must fulfill the following key requirements:

- 1) The Chairperson of the Committee must be an independent non-executive Director.
- 2) At least one-third of the members of the Committee, to the nearest whole number, must be independent and non-executive.

The Human Resource and Governance Committee undertakes the following key responsibilities:

- 1) Develop a Diversity and Skills Matrix setting out the desired skills, competencies, expertise, and other required diversity parameters, including academic qualifications, technical expertise, relevant industry knowledge, experience, age, and gender for potential board members;
- 2) Make recommendations to the Board of Directors on potential members of the Board to be appointed, the renewal of their terms, or their removal for good cause as appropriate;
- 3) Ensure that newly appointed members undergo an effective induction, and that a well-thought-out annual development plan (that takes into account any development needs for members of the Board and its committees) is developed and implemented;
- 4) Ensure that an evaluation of the Board, its committees, individual members, the Chairperson, the Chief Executive Officer, and Company Secretary is undertaken annually;

- 5) Review annually the policies and frameworks relevant to corporate governance and Environmental, social, and governance (ESG) and oversee corporate governance, climate action, and other sustainability matters;
- 6) Review and recommend for approval of policies and strategies;
- 7) Review and recommend for approval organization and salary structures staff;
- 8) Recommend for approval the appointment or dismissal of a Director of department or equivalent level;
- 9) Review and recommend quarterly Human Resources reports; and
- 10) Any other tasks related to Human Resources and Governance.

3. Planning, Risk Management and Investments Committee

This committee undertakes the following key responsibilities:

- 1) Review and recommend for approval business plans, and investment plans;
- 2) Review and recommend for approval large scale contracts and loan agreements;
- 3) Review and recommend for approval any heavy investment and the roadmap to listing EUCL and EDCL on Rwanda Stock Exchange;
- 4) Review the risk management framework for identifying, monitoring and managing significant risks including fraud;
- 5) Satisfy itself that insurance arrangements are appropriate for the risk management framework, where appropriate;
- 6) Liaise with management to ensure there is a common understanding of the key risks to REG. The risks shall be clearly documented in a risk register, which will be regularly reviewed to ensure it remains up to-date;
- 7) Review and recommend risk quarterly reports;
- 8) Review effectiveness of REG's processes for identifying and escalating risks particularly strategic risks;
- 9) Any other task related to planning, risk and investment.

SECTION 4: BOARD AND COMMITTEE MEETINGS

4.1. Convening the Board Meeting

The Board and its committees where applicable meets at least quarterly for the proper and effective governance of REG and its subsidiaries. The agenda for the meetings of the Board and its committees should be mainly forward-looking and be drawn primarily from the annual work plan.

The Chairperson presides over the meetings of the Board, and in his or her absence or inability to chair, the Vice Chairperson chairs the meeting. For committee meeting, in case of the absence of the chairperson, the present members of the committee appoint one among them to chair the meeting.

The meeting is invited by Chairperson or Vice Chairperson in case of absence of Chairperson, at their own initiative or upon request in writing by at least a third of its members. The invitation is submitted in writing to the members of the Board of Directors at least fifteen (15) days before the meeting is

held. However, in case of emergency, a meeting of the Board of Directors may be convened in writing at least three (3) days before the meeting is held if all members agree.

The invitation to the meeting of the Board of Directors of REG and its subsidiaries indicates the venue, time and agenda of the meeting. The quorum for a meeting of the Board of Directors of REG and its subsidiaries is two-thirds (2/3) of its members.

If within half an hour from the scheduled time for the Board and Committees meeting a quorum is not present, the meeting is postponed, and another notice is made to reconvene the meeting within a period of not later than three (3) weeks' time. When the meeting is reconvened, directors are entitled to pass resolution(s) irrespective of whether the quorum is met or not; and no other item is added on the agenda.

4.2. Decision taking

The Group Board of Directors makes decisions by consensus. If not, majority votes of members present. In the event of a tie, the Chairperson of the meeting has the casting vote. However, where consensus is not achieved, a Board member may request that his/her objection be registered, but the decision of the Board shall be enforceable.

The Chief Executive Officer attends Board meetings but does not have right to vote. However, he or she does not participate in the meetings that make a decision on an issue that concerns him or her. Other members of the Executive Organ of REG and its Subsidiaries may also participate in the meetings of the Board of Directors upon invitation by its members.

The Company Secretary ensures the timely circulation of Board and committee papers, which should be circulated no later than seven (7) calendar days before the relevant meetings. The Company Secretary is the custodian of the minutes of the Board meetings, all of the committee's meetings, and the Annual General Meeting of the shareholders or its legal equivalent.

Minutes of the Board and Committees meetings are kept of the deliberations and resolutions of the Board of directors. The minutes of every meeting are to be signed by the Chairperson of the Board or Committee, and the Company Secretary after their approval in the next meeting. Board Minutes shall be kept at the Company's Registry and are Confidential.

The Board and Committees resolutions shall be drafted during the meeting and be signed by the Chairperson and the Company Secretary of the meeting immediately after the end of the meeting. A copy of document of resolutions of the meeting of the Board of Directors is submitted to the organ in charge of public investments and the supervising authority within five working days after its signature. Circular resolutions may be passed. Such resolutions are also to be documented and signed.

4.3. Rapporteur of the Board of Directors meeting

The company secretary of REG and its Subsidiaries is the rapporteur of the Board of Directors and Board committee's meeting. However, the company secretary does not attend a meeting considering an issue concerning him or her. In case of absence of his or her absence, the Chief Executive Officer becomes

the rapporteur. In case the Chief Executive Officer is also absent, present board members at the meeting elect among themselves a rapporteur.

4.4. Conflict of interests during Board meeting

A member of Group board of directors who has a direct or indirect interest in the issue to be considered immediately informs the Board of Directors about where that interest lies. A member of Group board of directors who disclosed his or her interest in the issue to be considered or who was informed thereof does not attend the meeting deliberating on that issue.

If it happens that many or all of the members of the Group board of directors have direct or indirect interest in the issues to be considered in such a decision on the issues, the issues are submitted to the supervising authority of the Group to decide thereon within thirty (30) days.

SECTION 5: BOARD WORK PLAN, BOARD EVALUATION, AND BOARD REMUNERATIONS

5.1. Board annual work plan

The Board of Directors of REG and its subsidiaries establishes an annual Board work plan that is broadly aligned with the Company's strategic objectives. This work plan is developed and approved by the Board each year, no later than the final meeting of the respective calendar year.

The annual Board work plan outlines all Board activities, along with those of its Committees, for the upcoming calendar year. The Board ensures that the work plan is forward-looking and effectively guides its focus on the Group's strategic priorities.

5.2. Board Performance evaluation

The Group Board of Directors establishes its performance criteria and undertakes an annual evaluation of its effectiveness. With the support of an independent consultant, the Board conducts a yearly assessment of its overall performance, the performance of the Chairperson, its committees, individual Board members, and the Company Secretary.

Following the evaluation, the Board deliberates on the findings and ensures the implementation of the agreed recommendations.

The performance evaluation process consists of a written assessment of the Board as a whole, its committees, individual members, the Chairperson, and the Company Secretary. Based on the results, the Board develops and implements a programme to address identified gaps. As part of this exercise, the Board also reviews the independence of the Independent Non-Executive Directors.

The Board discloses in the Annual Report whether a Board evaluation has been conducted. Where required by applicable laws and regulations, a report of the evaluation is submitted to the relevant authority or organs.

5.3. Board remuneration

The Group Board members are entitled to sitting allowances or any other benefits as determined by the applicable laws.

SECTION 6: INDUCTION AND CONTINUOUS TRAINING OF BOARD OF DIRECTORS

6.1. Induction of new Board member

Induction of new Board members of REG and its Subsidiaries is coordinated by Ministry of Finance and Economic Planning. However, the supervisory authority of REG and its Subsidiaries may organize induction for new board members of REG and Subsidiaries for specific programs, strategies and initiatives.

6.2. Training of Board Members

Annually, the Board of Directors of REG and its Subsidiaries conducts a capacity assessment for the board during their evaluation and the result of these assessments used to draw up a capacity building plan for the board.

Training requests from individual Board members of REG and its Subsidiaries is considered by the Board in a formal Board meeting following the capacity building plan or if the training is considered relevant. This exercise is facilitated by the Ministry responsible for matters of Finance.

A board member of REG and its Subsidiaries is expected to pursue individual capacity building and seeks to be certified directors by recognized institutions. Upon registration of the Institute of Directors, REG and its Subsidiaries pays directors registration (for new directors) and annual subscription fees for all board members.

Chairperson of the board of Directors of REG and its Subsidiaries ensures that all board members continually update their skills and knowledge so as to be able to fulfil their fiduciary roles. REG and its subsidiaries provide the resources needed to build and strengthen their Directors' knowledge and capabilities.

SECTION 7: CONFLICT OF INTERESTS

7.1. Scope of conflict of interests for a board member

A conflict of interest, used in relation to members of the Board of Directors and its committees, occurs when a direct or indirect incompatibility exists, in fact or in appearance, between the interests of such member and those of the company. It applies to financial, economic, and other interests in any opportunity from which the company or such member may benefit, as well as use of the property of the company, including information. The conflict of interests may affect, or appear to affect, a Board Member's objectivity, judgment or ability to act in the best interests of REG and its subsidiaries. A conflict of interest may be real, potential or perceived in nature.

- 1) A real conflict of interest arises where a Board Member has a private or personal interest, for example, a close family connection or financial interest.
- 2) A potential conflict of interest may arise when a Board Member has a private or personal interest such as an identified future commitment.
- 3) A perceived or apparent conflict of interest may exist when a reasonable, well-informed person has a reasonable belief that a Board Member has a conflict of interest, even if there is no real conflict.

7.2. Acts of conflicts of interests

No Group Board member of Directors must engage directly or indirectly in any business activity that competes or conflicts with REG and its Subsidiaries' interest and shall abide by the provisions provided by this charter.

A Board member avoids all possible conflicts of interest and does not enter into or procure the entering into any contract with REG or its Subsidiaries with respect to which that Board member or any of his or her associates has any connection, association or financial interest.

No Member of Group Board of Directors must use his or her position, or knowledge gained there from, in such a manner that a conflict between the interest of the Company or any stakeholders and his or her personal interests arises. Member of Group Board Members, his/her families, or organizations in which they have a financial interest may not be hired by the Company.

No Board member of REG and its Subsidiaries, his or her associates shall be allowed to enter into any business activity with REG or any of its Subsidiaries. A Board member of REG and its Subsidiaries must avoid any investment, interest or association that interferes, might interfere or appear to interfere with his or her independent exercise of judgment in the Group's best interest. These activities include, but are not necessarily limited to the following:

- 1) any company in which that Board member is a director or secretary or has a controlling interest; or
- 2) any company in which the Board member has control of 25% or more of the voting power on appointments to the board of directors or entitlement to dividends in the company, whether such control is exercised individually or jointly.

Board Members shall not directly or indirectly offer or accept cash payments, gifts, gratuities, privileges or other personal rewards, which are intended to influence the activities or affairs of the company (REG). Board Members may, however, give or receive modest gifts or hospitality as a matter of general and accepted business practice, provided the foregoing does not include cash or other negotiable instruments and provided further proper accounting of any such expenses is made. These gifts should be declared in public for everyone to see.

Any member of Group board of directors must not use any information acquired by virtue of their position to gain a personal advantage (or an advantage for someone else) or to cause detriment to the company. This duty means all information should be used solely for REG and its Subsidiaries' interests.

7.3. Disclosure of conflict interest

Any member of Group Board of Directors must declare any real or perceived conflict of interest with the company upon his/her appointment and thereafter annually, declare any real or perceived conflict of interest that may subsequently arise, not take part in any discussions or decision-making regarding any subject or transaction in which they have a conflict of interest, and not influence in any manner whatsoever decision-making on any matter in which they have interest.

7.3.1. Disclosure the use of company information

Any member of REG and Subsidiary Board of Directors may disclose, use or acts on the basis of any information if particulars of the disclosure, use or act are entered in the register of interests, and he/she is authorised to do so by the Board of directors and the company receives fair value thereof.

7.3.2. Disclosure of interest in REG and its Subsidiaries transactions

A member of Group board of directors who is interested in a transaction or proposed transaction with REG or its Subsidiary, is immediately after becoming aware of the transaction or proposed transaction cause to be entered in the register of interests, the annual report of REG or its Subsidiary and disclose it to the board the nature and extent of his or her interest and where the interest can be quantified and the monetary value of that interest.

SECTION 8: CODE OF CONDUCT AND ETHICS OF BOARD OF DIRECTORS

Members of the Board of Directors of REG and its Subsidiaries are committed to observing and promoting the highest standards of ethical conduct in the performance of their responsibilities on the board of REG and its Subsidiaries. Board members pledge to accept this charter as a minimum guideline for their ethical conduct and the following principles shall apply:

8.1. Honest and Ethical Conduct

All Board members of REG and its Subsidiaries must maintain the highest standards of honest and ethical conduct, including:

- 1) encouraging and rewarding professional integrity in all aspects of REG and its Subsidiaries including in its dealings with customers, shareholders, government organizations, and other stakeholders;
- 2) providing a mechanism to facilitate reporting of fraudulent behavior or other deviations from the Group's policies and procedures without fear of reprisal or alienation for making such a report;
- 3) not engaging in any conduct or transaction that conflicts with the interests of REG and its Subsidiaries or that may result in the Group engaging in any improper or illegal activity, including but not limited to money laundering, fraud, bribery, corruption or financing of terrorism;
- 4) refraining from engaging in any activity, practice, conduct or business related to betting and gambling; and
- 5) engaging only in transactions which are prudent and in line with REG and its Subsidiaries' risk appetite.

8.2. Financial Records and Periodic Reports

Board members of REG and its Subsidiaries establish, manage, and maintain the Group's transaction and reporting systems and procedures to ensure:

- 1) business transactions are properly authorized and recorded in accordance with generally accepted accounting principles and REG and its Subsidiaries' established financial policy;
- 2) business and financial records are retained or properly disposed of in accordance with the REG and its Subsidiaries' financial policies and applicable laws and regulations; and
- 3) full, fair, accurate, timely, and understandable disclosure of information in the Group's annual reports and financial statements made available to stakeholders and the general public;
- 4) accounting records and reports are completed and accurate. Board members must never make entries or allow entries to be made for any account, record or document of the Group that are false and would obscure the true nature of the transaction or the financial statements as a whole, or would mislead on the true authorization limits or approval authority of such transactions;
- 5) all records and computer files or programmers of the Group, including personnel files, financial statements and customer information are accessed and used with integrity and only for legitimate purposes as originally intended.

8.3. Compliance with applicable Laws, Rules, and Regulations

Board members of REG and its Subsidiaries establish and maintain mechanisms to:

- 1) monitor REG and its Subsidiaries' compliance with all applicable laws, regulations, and administrative rules; and
- 2) identify, report, and promptly correct any deviation from applicable laws, regulations, and administrative rules.

8.4. Misuse of his/her position

A Board member of REG and its Subsidiaries must not:

- 1) use the name or facilities of REG or its Subsidiaries for personal advantage in political, investment, retail purchasing transactions, or in similar types of activities;
- 2) solicit or otherwise accept inducements either directly or indirectly whether in cash or in kind in order to provide any favours to a customer in the provision of REG and its Subsidiaries services or any other conduct of the business of REG and its Subsidiaries to which they are entrusted either jointly or individually;
- 3) engage in exchanging favours with employees and directors of other institutions or give them any non-public information in return for similar facilities.

8.5. Confidentiality

Confidentiality of relations and dealings between the Group and its stakeholders is paramount in maintaining the Group's reputation. This includes ensuring that confidential information regarding customers, employees, suppliers, and security operations is communicated to other Group

representatives on a “need to know” basis only. Board members of REG and its Subsidiaries must take precaution to protect the confidentiality of stakeholder’s information and transactions.

No Board member, during or upon and after service with the Group (except in the proper course of his duty and/or with the Group’s written consent) divulges or makes use of any secrets, copyright material, or any correspondence, accounts of the Group or its stakeholders.

No Board member, in any way uses information so obtained for financial gain or in furtherance of a private interest.

- 1) Any information about REG and its Subsidiaries Stakeholders may be used or made available to third parties only with prior written consent of the Group or when disclosure is required by internal policies or other relevant laws.
- 2) Board members of REG and its Subsidiaries may not during or after their service on the Board divulge any confidential information to any third party which came to their knowledge by virtue of their office as Board members.

SECTION 9: ACCOUNTABILITY AND LIABILITY OF BOARD OF DIRECTORS

9.1. Accountability of Board of Directors

Members of Group Board of Directors are accountable to the supervising authority of REG and its Subsidiaries and other relevant organs for matters relating to their responsibilities.

The Group Board of Directors must:

- 1) be fully accountable to the Government of Rwanda as shareholder for corporate performance;
- 2) safeguard the rights of the shareholder, ensuring that an effective shareholder dispute resolution mechanism is in place, and that shareholder receive adequate and timely information to enable it to take informed decisions;
- 3) ensure effective communication with stakeholders and engage them appropriately; and
- 4) oversee the process for making timely and balanced disclosure of all material information concerning REG and its Subsidiaries.

9.1. Liabilities of Board of Directors

9.1.1. Civil liability

Without prejudice to provisions of criminal laws, any member of Group Board of Directors getting individually or collectively involved in the mismanagement of or causing a loss to REG or its Subsidiary is liable for his/her fault, apart from a member of the Board of Directors who, during a meeting, dissents from a decision taken, with his or her dissent being entered in the minutes of that same day’s meeting.

A shareholder of REG or its subsidiary any other interested person may bring an action against a board member who fails to disclose his or her interest in a transaction in accordance with applicable laws. The court which the action is referred to considers the action, and may order that:

- 1) a board director be disqualified from continuing to serve as a director of REG and its Subsidiaries;

BOARD OF DIRECTORS

- 2) such a board director be disqualified from representing or holding a position on the Board of Directors or management of REG and its Subsidiaries for a period of at least one (1) year;
- 3) such a board director, as well as other board directors who improperly approved the transaction knowing of the interest, are liable to the company or the shareholders for damages caused to them resulting from such misconduct which is unfair or prejudicial to them.
- 4) a board director is liable to repay profits earned by such director as a result of the transaction;
- 5) a transaction entered into in the manner that a board member fails to disclose his or her interest is made void.

9.1.2. Administrative liabilities

If the board of directors of REG and its Subsidiaries approve non-complying annual accounts, every director who is a party to their approval and who knows that they do not comply or is reckless not to know whether they comply or not, commits a fault and is liable to an administrative fine of between five hundred thousand Rwandan francs (FRW 500,000) and two million Rwandan francs (FRW 2,000,000).

If a copy of the annual accounts which have not been signed as required by laws, is issued, circulated and published, REG and its Subsidiaries, its director or secretary commit a fault and are liable to an administrative fine of between five hundred thousand Rwandan francs (FRW 500,000) and two million Rwandan francs (FRW 2,000,000).

Where the board of directors of REG and its Subsidiaries, in a determined period, do not deliver to the Registrar General:

- 1) a copy of signed and approved annual accounts;
- 2) a copy of the auditor's report on those accounts;
- 3) a copy of the directors' report relating to the same accounting period as those annual accounts, commit a fault;

each of the board of directors is liable to a fine of one million Rwandan francs (FRW 1,000,000) to ten million Rwandan francs (FRW 10,000,000).

Every board director of REG and its Subsidiaries may be liable to a fine of not less than five hundred thousand Rwandan francs (FRW 500,000) and not more than one million Rwandan francs (FRW 1,000,000) in case REG and its Subsidiaries fails to comply with the obligation to register a business activity in the relevant registers.

The board of directors of REG and its Subsidiaries who are directly involved in the control and management of REG and its Subsidiaries are jointly liable for any tax liabilities incurred by REG or its Subsidiary if it is evident that they intentionally or negligently caused the company to incur the tax liabilities.

9.2. Criminal liabilities

Any board of directors of REG and its Subsidiaries, who is not in charge of REG and its Subsidiaries' commercial recovery, who fraudulently: (1) misappropriates, (2) conceals REG and its Subsidiaries' assets in whole or in part; (3) ascribes debts to REG and its Subsidiaries which they do not owe; (4)

conceals records of REG and its Subsidiaries; (5) does not provide incorporation documents of REG and its Subsidiaries or any modifications under terms and conditions required by the law; (6) declares information contrary to incorporation documents of REG and its Subsidiaries; (7) causes bankruptcy of REG and its Subsidiaries; (8) due to the absence of a balance sheet or by means of a false balance sheet, allocates among shareholders' dividends not drawn from real profits; (9) engages in overspending of the assets of REG and its Subsidiaries; (10) spends large amounts of money in games or any other transactions of pure chance; (11) purchases and sells below market price or takes large amounts of loans, put negotiable instruments into circulation or adopts any other ruinous means of procuring funds; commits an offence.

Upon conviction, he or she is liable to imprisonment for a term of one (1) year to three (3) years and a fine of five hundred thousand Rwandan francs (FRW 500,000) to five million Rwandan francs (FRW 5,000,000).

Any board of directors of REG and its Subsidiaries who: (1) by usurpation of function or other fraud induces a person to give credit to the company; (2) with intent to defraud creditors of the company: (a) gives, transfers, or causes a charge to be given on movable or immovable property of the company to another person; (b) causes property to be given or transferred to any person; (c) caused or was a party to an execution being levied against any property of the company; commits an offence.

Upon conviction, he or she is liable to a fine of one million Rwandan francs (FRW 1,000,000) to ten million Rwandan francs (FRW 10,000,000).

When a member of the Board of Directors of REG or its subsidiaries commits an offense provided for by the Law n° 54/2018 of 13/08/2018 on the fight against corruption, that board member is subject to the highest applicable penalty for the offense, due to the presence of aggravating circumstances.

9.3.Liability Insurance of Board of Directors

A Board Member of REG and its Subsidiaries is not held liable for any act performed in good faith in a manner that he or she believes on reasonable grounds to be in the best interests of REG and its Subsidiaries.

REG and its Subsidiaries do not indemnify its board of director, in respect of any liability for his or her acts or omission in respect of his or her capacity as director or for costs incurred by him or her in any proceedings. Any indemnity given in breach of applicable laws is void.

Subject to any restriction of REG and its Subsidiaries incorporation documents, REG and its Subsidiaries may indemnify its board of director in respect of any costs incurred by him or her in a legal action when: (1) brought by REG or its Subsidiaries against its board of director in that capacity; (2) in which judgment is given in his or her favor, or is acquitted, or relief is granted to him or her.

In addition, REG and its Subsidiaries may indemnify its board of directors in respect of any liability or costs incurred by him or her in any legal proceedings when: (1) brought by any person other than REG or its subsidiaries against them in their respective capacities; (2) which do not result from a failure by

the director to act in good faith in a manner that he believes on reasonable grounds to be in the best interests of the company.

REG and its subsidiaries may provide insurance coverage for its members of the Board of Directors for any liability or costs incurred in the course of legal proceedings arising from the execution of their official duties.

SECTION 10: RELATIONSHIP BETWEEN THE BOARD OF DIRECTORS AND MANAGEMENT

10.1. Working relationship

The Board of directors of REG and its Subsidiaries and the Group Management execute their respective mandates in an environment of mutual trust and respect having regard to the principles of good corporate governance. The Board maintains effective channels of communication.

Under the direction of the Board, the Management ensures that the Group's activities are consistent with the strategy and risk appetite set by the Board, as well as policies approved by the Board of directors from time to time.

REG and its Subsidiaries board of directors set and enforce clear lines of responsibility and accountability throughout the organization which define the key responsibilities and authorities for the Board itself and for Management. In this regard, the Board of directors provide clear objectives and policies within which Management should operate. These cover all aspects of operations, including strategic planning, services dedicated to customers, asset and liability management etc.

The Board holds Management accountable for:

- 1) the day-to-day management of the Company while ensuring that integrity permeates all aspects of the Company's operations;
- 2) the preparation of budgets, business plans and management accounts and implementation of the approved strategy, annual business plans and Board decisions;
- 3) the implementation and adherence to policies, practices and standards as laid down by the Board;
- 4) the establishment of systems to facilitate efficient operations and communication;
- 5) the development of planning processes to facilitate achievement of targets and objectives;
- 6) all staff matters including recruitment, retention, development and training;
- 7) ensuring adherence to the all relevant laws, regulations, codes, guidelines and standards as approved time to time;
- 8) maintaining of all required records to ensure the integrity of reporting; and
- 9) implementing the approved enterprise risk management framework and adequate systems of internal controls.

The Board of directors of REG and its Subsidiaries ensures that appropriate Management Committees are set up in line with approved internal policies, laws and regulations to help Management effectively perform its role.

10.2. Access to Information

The role of the Board is oversight, while the role of management is implementation. As part of the oversight role the Board, collectively or individually, must have unrestricted access to accurate information related to REG and its subsidiaries.

In pursuance of this oversight role any Board, or Committee member, may request any information which he or she legitimately requires in order to execute their role and responsibility as a Director or member of a Committee. Access to the relevant executive manager may also be required to fully access required information related to REG and its subsidiaries.

SECTION 11: FINAL PROVISION

11.1. Matter not covered by this charter

Subject to the provisions of this Charter, the regulations governing Stated owned companies in Rwanda are applicable to REG, and where applicable to EDCL, and EUCL in case of loopholes in the present charter.

11.2. Commencement

This Charter comes into force on the date of its signature by REG-EUCL-EDCL Board of Directors. And all prior provisions of REG Policies and Procedures contrary to this Charter are repealed.

This charter was approved by the Board of Directors of REG-EUCL-EDCL on 18/02/2026 and is signed on/...../2026, on its behalf by:

Company Secretary

Chairperson of the Board of Directors