

2024 AGM Thematic Questions and Answers



	Question	Answer	Safaricom Investor Relations/Image Registrar's contact (where applicable)
THEMATIC AREA: DIVIDENDS			
1	Payment rate: What is the final dividend payout amount per share?	<p>An interim dividend of KShs 0.55 per share was paid on or about 31 March 2024.</p> <p>A final dividend of KShs 0.65 per share for the financial year ended 31 March 2024 as recommended by the directors will be payable on or about 31st August 2024 to the shareholders on the register of members as at the close of business on 31st July 2024. This brings the total dividend to KShs 1.20 per share for the financial year ended 31 March 2024.</p>	Kindly contact our Company Registrars- Image Registrars limited who are located at 5th floor, Absa towers (formerly Barclays Plaza) Loita Street, Nairobi or send an email to safaricomshares@image.co.ke or call them on 0709 170 000 or 0709 170 041
2	Book Closure	The dividend will be payable on or about 31 st August 2024 to the shareholders on the register of members as at the close of business on 31 st July 2024.	
3	Can the dividends be paid via M-PESA number?	Yes, you can receive your dividend payments via M-PESA by reaching out to the Company Registrars to provide the required opt in form and also contact your broker to update your CDSC account details.	Kindly contact Company Registrars - Image Registrars limited who are located at 5th floor, Absa towers (formerly Barclays Plaza) Loita Street, Nairobi or send an email to safaricomshares@image.co.ke or call them on 0709 170 000 or 0709 170 041
4	Dividends: How is dividend calculated? When are you increasing dividends? Why are we given little dividends, yet we are top in making profits? Why do you pay interim dividend instead of paying all the dividend once? What is the period required to payout the dividends after the declaration of the results?	<p>The dividend payout ratio has been consistent at 80% as per our policy and is applied on the Net Income for the Group excluding Minority interest and hyperinflationary impact based on the financial performance of the company in the year under review.</p> <p>Safaricom Group Net Income (excluding non-controlling interests) for FY24 was fairly flat compared to prior year due to the impact of Ethiopia start-up losses. This has therefore translated to the same dividend payout as last year.</p> <p>An Interim dividend of KShs 0.55 per share was paid on or about 31 March 2024 in support of our shareholders during the tough macroeconomic times.</p>	

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		The law requires us to pay dividends within 90 days after approval at the AGM. Safaricom pays the final dividend within 1 month after approval at the AGM taking into consideration the administrative activities that need to happen to facilitate the disbursements. With regards to the Interim dividend, this is paid within a month after approval by the Board and is at the Board's discretion. Cheques go through the postal offices and may take a while before getting to the shareholders, but we encourage shareholders to choose more efficient modes of payment such as EFT, RTGS or M-PESA to avoid any delays in receiving their dividends. Get in touch with the Image Registrars should you wish to amend your payment method.	
5	Cross border payments: Ugandan shareholders continue to receive dividends in Kenya Shillings instead of Uganda Shillings.	Dividends can be paid to your bank account or via cheque as per your request. We advise you to visit your stockbroker to update your preferred mode of payment to your account and to your preferred currency.	Kindly contact Company Registrars - Image Registrars limited who are located at 5th floor, Absa towers (formerly Barclays Plaza) Loita Street, Nairobi or send an email to safaricomshares@image.co.ke or call them on 0709 170 000 or 0709 170 041
6	Shareholding: How do I inquire about my outstanding dividends? Has not received dividend for some time.	Kindly contact our Company Registrars - Image Registrars limited who are located at 5th floor, Absa towers (formerly Barclays Plaza) along Loita Street, Nairobi or send an email to safaricomshares@image.co.ke or call them on 0709 170 000 or 0709 170 041	Kindly contact our Company Registrars- Image Registrars limited who are located at 5th floor, Absa towers (formerly Barclays Plaza) Loita Street, Nairobi or send an email to safaricomshares@image.co.ke or call them on 0709 170 000 or 0709 170 041
7	How can I increase my shares? Is there any interest on my dividends or shares?	To purchase more shares, you need to contact your stockbroker. In case you don't have their details, you can reach out to the company registrars – Image Registrars limited via email - safaricomshares@image.co.ke or call them on 0709 170 000 or 0709 170 041. No interest is earned on dividends paid out or shares.	Kindly contact our Company Registrars- Image Registrars limited who are located at 5th floor, Absa towers (formerly Barclays Plaza) Loita Street, Nairobi or send an email to safaricomshares@image.co.ke or call them on 0709 170 000 or 0709 170 041

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8	Share Price Performance: Why is the share price declining? What is the price per share? How do I trade at the NSE? What is the minimum number of shares I can purchase?	<p>Safaricom share price declined due to foreign investor sell-off as interest rates rose in developed countries. Other factors contributing to the decline are the current protests in the country.</p> <p>The price of one share is dependent on trading activity (supply and demand forces) at the NSE which varies daily. You can trade at the Nairobi Stock Exchange (NSE) by engaging your broker. The minimum number of shares you can purchase is 100 shares.</p>	<p>Kindly visit the company website via below link for more information on the Share Price Performance https://www.safaricom.co.ke/investor-relations-landing/stocks/shares</p>
THEMATIC AREA: GOVERNANCE			
9	Director's Appointment/Remuneration How do I become a director at Safaricom? How are directors appointed? How are directors paid?	<p>The Nominations and Remunerations Committee of the Board is tasked with the responsibility of recommending individuals for nomination as members of the Board and its committees and reviewing executive appointments, succession and development plans and proposing the remuneration structures of executive and non-executive members of the Board.</p> <p>Directors' remuneration is guided by the Company's remuneration policy which reflects a commitment to;</p> <ol style="list-style-type: none"> 1. Ensuring our remuneration policy and the way it is implemented drives behaviors that support our strategy and business objectives, 2. Maintaining a 'pay for performance' approach to remuneration which ensures our incentive plans deliver significant rewards, aligning the interest. 	<p>Please read more on this in the Corporate Governance section (page 142) of the Annual report available on our website. https://www.safaricom.co.ke/investor-relations-landing/reports/annual-reports</p> <p>For more information on the Director's Remuneration report, please refer to the 2024 Annual Report available on our company website with reference to page 155 and 170-172 of this year's Annual report. https://www.safaricom.co.ke/investor-relations-landing/reports/annual-reports</p>

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		Please read more about their earnings under the Director's Remuneration report on page 155, 170-172 of this year's Annual report.	
THEMATIC AREA: FINANCIAL PERFORMANCE			
10	Financial Report/Audited financial reports What is the profit after tax? What is the net turnover?	<p>KShs 42.66</p> <p>KShs 62.99 billion, Net income excluding non-controlling interests.</p>	<p>For more on FY24 financial performance, use the below link:</p> <p>https://www.safaricom.co.ke/investor-relations-landing/reports/financial-report/financial-results</p>
11	Business Performance - How is the business doing? Our Strategic Focus What is the future of Safaricom 5 years from today? How would you plan to improve the group business now and to the next level?	<p>The year ended 31 March 2024 recorded a strong performance amidst a challenging economic landscape that was characterized by currency fluctuations, inflationary pressures, geopolitical tensions, and global market volatility. A detailed overview of our business performance is covered in the CFO report in the Annual report pages 90 - 106. Our focus remains delivering value to our customers and shareholders while driving sustainable and inclusive growth.</p> <p>Our strategic focus for FY2025–FY2030 is to become Africa's leading purpose-led technology company. In FY2024, our focus was to scale technology solutions in order to be a purpose-led technology company by 2025.</p>	<p>For more information, please visit the company website via below link</p> <p>https://www.safaricom.co.ke/investor-relations-landing/reports/financial-report/financial-results</p> <p>or contact our Investor Relations team via investorrelations@safaricom.co.ke</p>
12	Safaricom Ethiopia What risks do we see on dividend earnings if any with the investment in Ethiopia?	<p>The investment in Ethiopia has been structured in a manner that does not affect our dividend payout ratio which remains at 80% of net income as per the dividend policy. Our dividend policy is to maintain a consistent payout ratio. The company will endeavor to look for investment opportunities that grow shareholder wealth and that is what</p>	<p>Please visit our website to view the quarterly information booklet giving progress update on Safaricom Ethiopia for Q1 of the current financial year - FY2025.</p>

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	<p>When is Ethiopia expected to break even and start reporting a profit?</p> <p>What other markets are you considering venturing into?</p> <p>Update on Ethiopia business operations</p>	<p>informed the bid for the telecommunications license in Ethiopia and other M&A activities.</p> <p>We launched operations in October 2022 and our plan is to breakeven in year four 4 (FY26).</p> <p>For now, our focus in on Ethiopia is accelerating network rollout, and the commercial momentum remains positive having attained 4.4mn 90 day active customers.</p>	
13	<p>Tax Considerations:</p> <p>How does tax considerations affect the dividend payments?</p>	<p>Dividends received from a publicly listed company are subject to withholding tax rate i.e. 5% for a resident and 15% for a non-resident and any overseas holding company attract 15% WHT.</p>	
14	<p>How come the dividend per share is unchanged this year?</p>	<p>The dividend payout ratio has been consistent at 80% as per our policy and is applied on the Net Income for the Group excluding Minority interest and hyperinflationary impact based on the financial performance of the company in the year under review.</p> <p>The qualifying distributable profits were fairly flat year on year due to the impact of Ethiopia start-up losses. This has therefore translated to a flat dividend payout.</p> <p>The Board remains committed to investing in the business for sustainable future growth and maintaining the dividend payout ratio of 80%.</p>	
15	<p>Annual report</p> <p>Is it possible to forward the latest audited accounts?</p>	<p>Yes, the 2024 Annual Report and audited financial statements are available on the company website via below link:</p> <p>https://www.safaricom.co.ke/investor-relations-landing/reports/annual-reports</p>	

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OTHER QUESTIONS			
16	<p>Where is the AGM venue?</p> <p>Is there merchandise for this year's AGM or an allowance?</p> <p>Are you providing bundles?</p>	<p>This year's AGM will be a virtual meeting and you can register, vote, and attend the session by following the steps noted in the 2024 AGM Notice and Agenda that is available on the company website via below link. No merchandise for this year's AGM since it's a virtual meeting.</p> <p>https://www.safaricom.co.ke/investor-relations-category/agm-and-notices/agm/agm-notices</p> <p>The AGM is a virtual meeting accessible via a weblink for those registered. There is no merchandise nor allowance for attending the meeting.</p>	<p>Kindly contact our Company Registrars- Image Registrars limited who are located at 5th floor, Absa towers (formerly Barclays Plaza) Loita Street, Nairobi or send an email to safaricomshares@image.co.ke or call them on 0709 170 000 or 0709 170 041</p>
17	<p>How can I get job at Safaricom?</p> <p>AGM Venue: When will you start holding physical AGM?</p> <p>What are the discussion topics?</p>	<p>The company has a competitive and transparent recruitment process for all levels of operation within the business ensuring the right skills and expertise are onboarded. The process is led by our able Human Resource team in conjunction with the relevant division and where required for top management, our CEO/Directors will take part in the process. Please visit our Career's portal on our website for available job opportunities.</p> <p>The virtual option has enabled us leverage on the digital platform to engage with many of our shareholders and investor community who would otherwise not attend the physical AGM with c80k in virtual attendance compared to the earlier 4-5,000 physical attendance. For now, we will continue holding virtual AGMs and will inform you well in advance should there be any changes. The 2024 AGM Notice and Agenda is available on our company website:</p> <p>https://www.safaricom.co.ke/investor-relations-category/agm-and-notices/agm/agm-notices</p>	<p>Kindly visit our career's portal on our website for more information on available job opportunities and how to apply. https://www.safaricom.co.ke/about/join-safaricom/careers</p>

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18	Dividend mode Wish to receive dividend through M-PESA How to change cheque payment to M-PESA? Change of address	<p>Kindly contact our Company Registrars- Image Registrars limited who are located at 5th floor, Absa towers (formerly Barclays Plaza) Loita Street, Nairobi or send an email to safaricomshares@image.co.ke or call them on 0709 170 000 or 0709 170 041.</p> <p>Kindly contact your stockbroker for guidance.</p>	
19	CDSC account What is my CDSC account?	<p>Kindly contact our Company Registrars- Image Registrars limited who are located at 5th floor, Absa towers (formerly Barclays Plaza) Loita Street, Nairobi or send an email to safaricomshares@image.co.ke or call them on 0709 170 000 or 0709 170 041</p> <p>You can also get in touch with the CDSC office directly.</p>	
20	Unclaimed Financial Assets (UFAA) already submitted to the Authority?	<p>Kindly contact our Company Registrars- Image Registrars limited who are located at 5th floor, Absa towers (formerly Barclays Plaza) Loita Street, Nairobi or send an email to safaricomshares@image.co.ke or call them on 0709 170 000 or 0709 170 041</p>	