



# HOW WE SAFEGUARD VALUE

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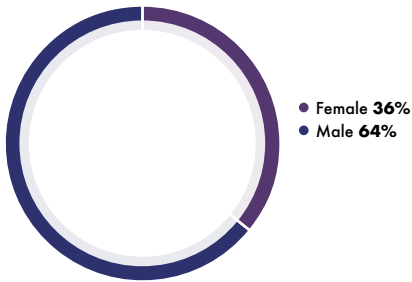




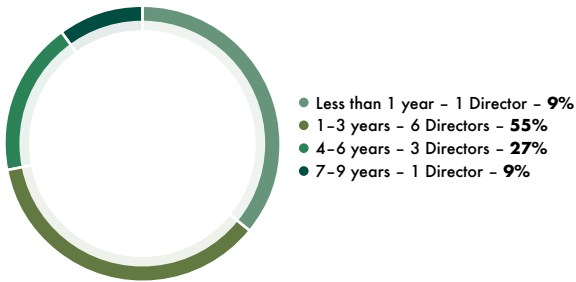
# Who governs us

**The constitution of the Company's Board as stipulated by its Articles of Association is 11 Directors. There are currently 10 Non-Executive Directors and 1 Executive Director.**

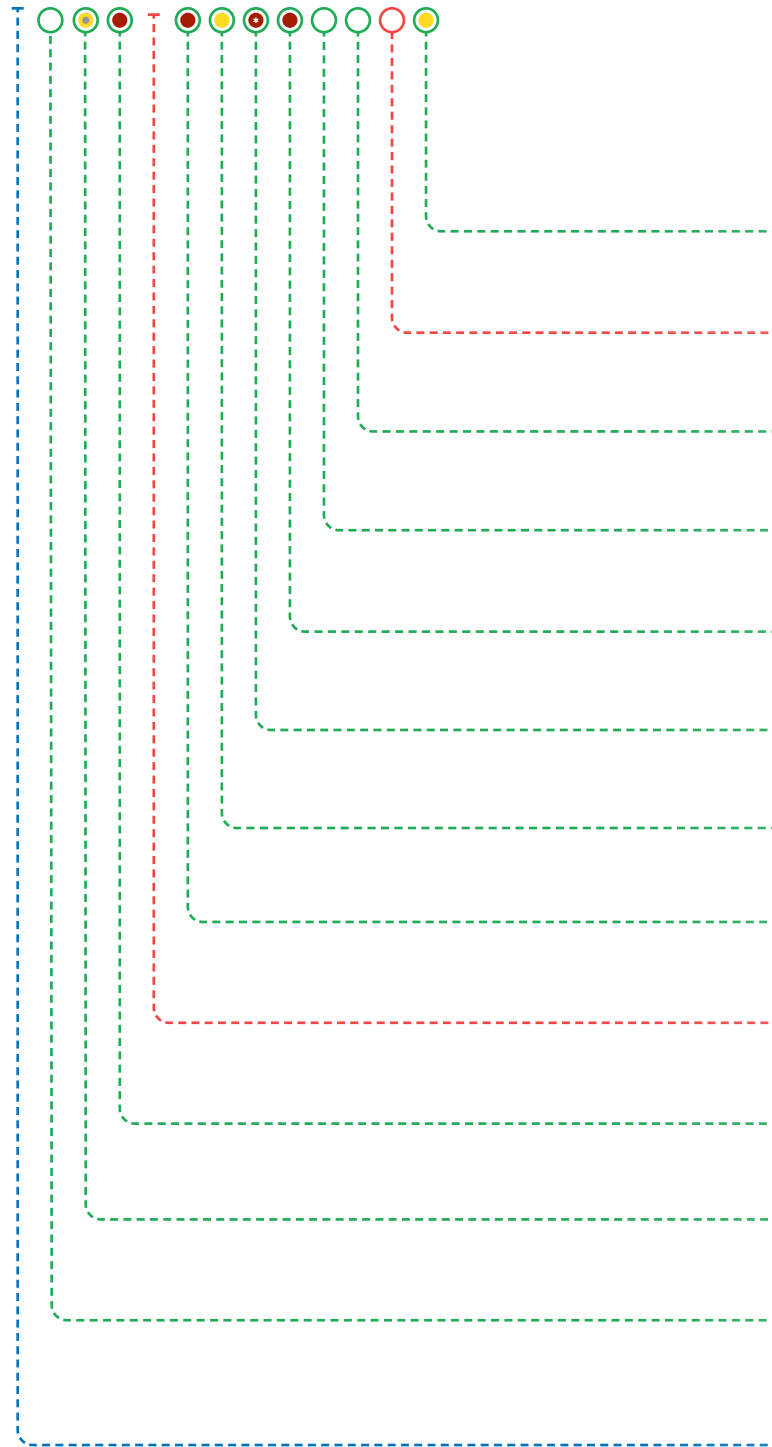
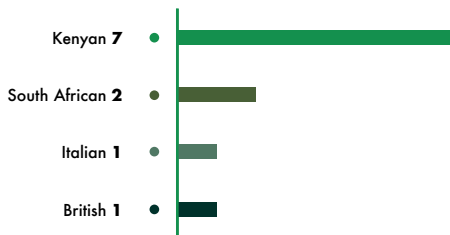
Gender diversity



Tenure



Nationality of Board members



*Peter Ndegwa is a permanent invitee to the Board Audit, Risk and Compliance (BARC) and the Nominations, Remunerations and Governance committee.*

*Dilip Pal is a permanent invitee to the BARC.*

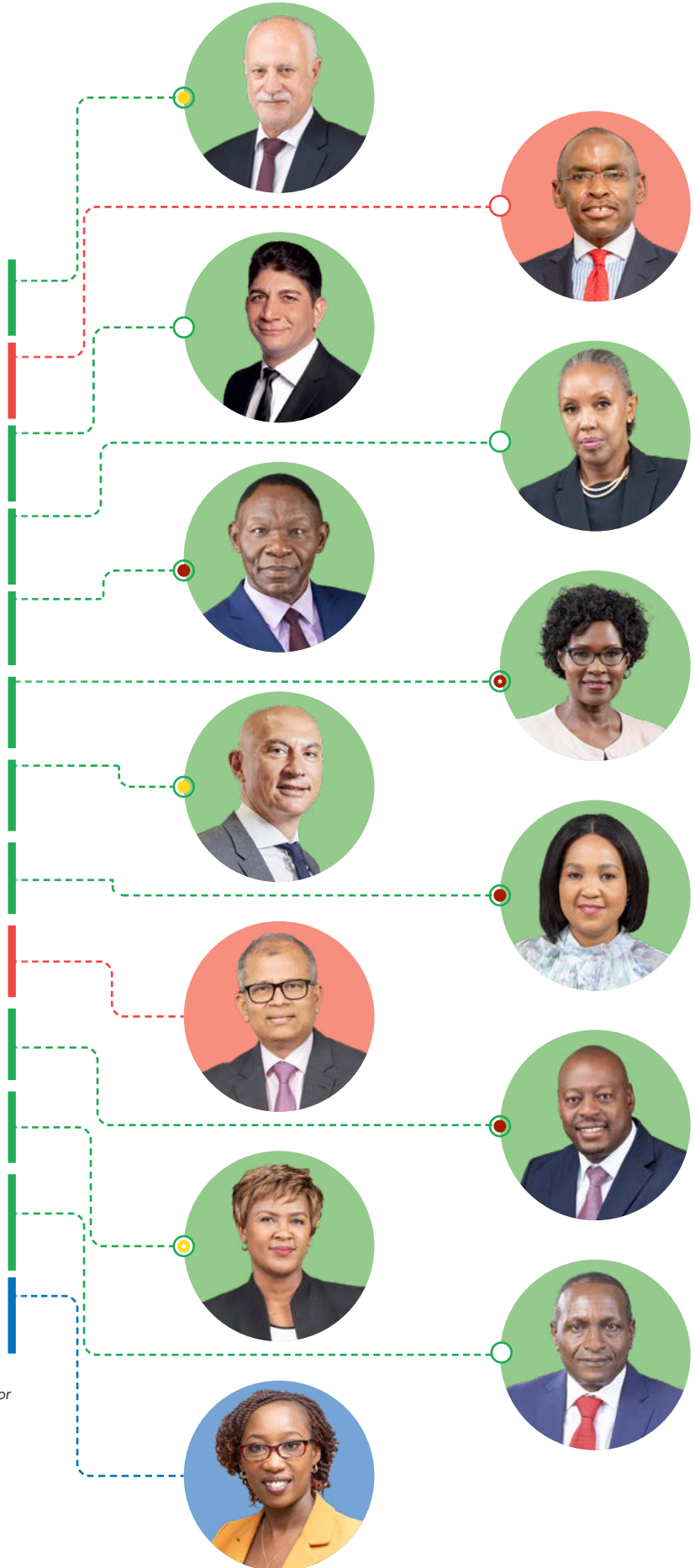
*Kathryne Maundu sits as the secretary in all Committees.*



**Legend**

- Non-Executive Director
- Executive Director
- Company Secretary
- Board Audit, Risk and Compliance Committee
- Nominations, Remuneration and Governance Committee
- \* Committee Chair

- - - - - **Michael Joseph**  
Chairman and Non-Executive Director
- - - - - **Peter Ndegwa**  
Executive Director and Chief Executive Officer
- - - - - **Mohamed Shameel Aziz Joosub**  
Non-Executive Director
- - - - - **Linda Watiri Muriuki**  
Non-Executive Director
- - - - - **Prof Bitange Ndemo**  
Independent Non-Executive Director
- - - - - **Rose Ogega**  
Independent Non-Executive Director
- - - - - **Francesco Bianco**  
Non-Executive Director
- - - - - **Raisibe Kgomaraga Morathi**  
Non-Executive Director
- - - - - **Dilip Pal**  
Chief Finance Officer and alternate to the CEO
- - - - - **Sitholizwe Mdlalose**  
Non-Executive Director
- - - - - **Winnie Ouko**  
Independent Non-Executive Director
- - - - - **Eng. Stanley Kamau\***  
Alternate Director to the Cabinet Secretary,  
National Treasury & Planning
- - - - - **Kathryne Maundu**  
Company Secretary



\* Eng. Stanley Kamau was appointed as alternate Director to the Cabinet Secretary, National Treasury & Planning in place of Mr Christopher Kirigua, OGW with effect from 28 June 2022. The appointment is subject to regulatory approval.



# Who governs us continued



**Michael Joseph (76)**  
Chairman and Non-Executive Director

**Nationality:**  
Kenyan and American

Michael is the current Chairman of the Board of Safaricom PLC. He is the former interim Chief Executive Officer of Safaricom PLC, a position held from 2 July 2019 to 31 March 2020. He joined the Board on 8 September 2008. Previously, Michael was the Chief Executive Officer of Safaricom from July 2000 when the Company was relaunched as a joint venture between Vodafone UK and Telkom Kenya until his retirement in November 2010. During his tenure, he steered the Company from a subscriber base of less than 20,000 to over 16.71 million subscribers. This phenomenal growth straddling nearly a decade was motored by the launch of many innovative products and services such as M-PESA. Today, Safaricom is one of the leading companies in East Africa and one of the most profitable companies in the region. He has extensive international experience in company start-ups, the implementation and operation of large wireless and wire-line networks, including operations in Hungary, Spain, Brazil, Peru, Argentina, Korea, the USA, Australia and the Middle East.

#### Qualifications:

- BSc (*cum laude*) in Electrical Engineering from the University of Cape Town
- Michael has an honorary doctorate degree (Doctor of Letters) from Africa Nazarene University bestowed to him in recognition of his contribution to the growth of Safaricom from very humble beginnings to becoming one of the most innovative, influential and profitable companies in the East African region

#### Key appointments:

- Michael Joseph is currently the Chairman of Kenya Airways PLC; the M-PESA Foundation and the M-PESA Foundation Academy.
- He is also a keen conservationist and serves as Chairman of Lewa Wildlife Conservancy, a leading conservancy in Northern Kenya.
- Michael is a member of the IEEE and IEE (UK).
- He is also a Director in Global Partnership for Ethiopia (GPE).



**Peter Ndegwa (53)**  
CEO and Executive Director

**Nationality:**  
Kenyan

Peter is the CEO of Safaricom PLC, a leading communications company in Africa and pioneer of M-PESA, the world's most developed mobile payment system. Peter is the first Kenyan to serve as a CEO of Safaricom.

He is an experienced board-level leader with a wealth of experience in general management, commercial and business strategy, sales and finance operations, having spent over 25 years in various roles within the financial services and fast-moving consumer goods (FMCG) sectors in Africa and Europe.

In his most recent role, Peter was responsible for Diageo PLC operations in 50 countries in Western and Eastern Europe, Russia, the Middle East, and North Africa regions. Previously, he served as CEO in Guinness Nigeria PLC and Guinness Ghana Breweries PLC, transforming the two operations to deliver double-digit growth by investing in people, introducing new brands and re-organising the businesses. As a chief executive in several markets within the Diageo group, Peter demonstrated the ability to transform businesses and organisations to deliver superior results.

Peter served for eight years across a range of senior Executive Director roles at East Africa Breweries Limited (EABL) (a Diageo subsidiary) based in Nairobi. Serving as the Group CFO, Group Strategy Director, sales Director, and as an Executive Director on the EABL board, he was part of the team that saw the EABL business more than double in value – and winning the coveted Most Respected Business Award in East Africa for five years in a row.

Peter is credited with the development of an affordable beer strategy for EABL, resulting in the production of new brands such as Senator beer which became one of the most successful innovations by Diageo.

He has a real passion for delivering value to customers (with his principle of customer first), investing in talent, and getting things done. He started his career at PwC, the global consulting firm, where he worked for 11 years. Peter draws his inspiration from his early upbringing, laying the foundations for his strong value set, from his teachers and the legendary Dr Geoffrey Griffin – the late founder of Starehe Boys Centre – his alma mater, and from his parents.

#### Qualifications:

- MBA from the London Business School, bachelor's degree in Economics from the University of Nairobi
- Certified Public Accountant – Member of the Institute of Certified Public Accountants of Kenya (ICPAK)

#### Key appointments:

Peter holds other Directorships within the Safaricom Group which include:

- DigiFarm Kenya Limited
- Safaricom Money Transfer Services Limited
- M-PESA Africa Limited
- He is also a Director in Global Partnership for Ethiopia (GPE).



**Rose Ogega (62)**  
Independent Director

**Nationality:**  
Kenyan

Rose has extensive experience spanning over 25 years in advising and managing both large, complex organisations and emerging start-up ventures. In recognition of her contribution to the economic development of the country, she was awarded the Moran of the Burning Spear in 2005.

Rose is the managing Director of Bloom Consultancy Limited. She is currently a member of the Aspen Global Leadership Network, the Institute of Directors of Kenya, the African Leadership Initiative and the Institute of Certified Public Accountants of Kenya. She is a Certified Hogan Lead Assessor, an executive coach and a member of the Academy of Executive Coaches.

**Qualifications:**

- Bachelor of Commerce in Accounting and Finance, University of Nairobi
- Certified Public Accountant – Fellow of the Institute of Certified Public Accountants of Kenya (ICPAK)

**Key appointments:**

As part of her board experience, Rose Ogega has served as a member of the board at Barclays Bank of Kenya; UAP Old Mutual Holdings; as the chairperson of the advisory board of Women Enterprise Fund (WEF) and as the chairperson of the Institute of Certified Public Accountants of Kenya (ICPAK).



**Bitange Ndemo (62)**  
Independent Director

**Nationality:**  
Kenyan

Prof. Ndemo is a noted ICT industry expert who currently lectures on entrepreneurship and research methods at the University of Nairobi's Business School. Most of his research centres on the link between ICT and small and medium enterprises in Kenya.

He was awarded the prestigious presidential Chief of the Burning Spear of Kenya (CBS) for his distinguished services in 2006.

Prof. Ndemo was previously a Permanent Secretary of Kenya's Ministry of Information and Communication where he was credited with facilitating many transformative ICT projects, a Senior advisor to UN's Global Pulse (Big Data initiatives) and the UNCDF's Better than Cash Alliance and UNICEF's Innovation Council.

He is an Open Data/Big Data evangelist and dedicated to simplification (visualisation) of data for ordinary citizens to consume. He writes two columns every week for the *Business Daily* and *Nation on-line*.

**Qualifications:**

- Prof. Ndemo holds a PhD in Industrial Economics from the University of Sheffield in the UK
- MBA from the University of St. Thomas (Minnesota) in the United States
- Bachelor of Science degree in Finance from the University of Minnesota

**Key appointments:**

As part of his board experience, Prof. Ndemo chaired the Kenya Distributed Ledgers and Artificial Intelligence Taskforce that developed the country's road map for digital transformation.

- He is a member of the OECD Expert Panel for Blockchain.
- World Economic Forum Global Blockchain Council (part of the World Economic Forum's Global Fourth Industrial Revolution Councils).



## Who governs us continued



**Mohamed Shameel Aziz Joosub (51)**  
Non-Executive Director

**Nationality:**  
South African



**Raisibe Morathi (53)**  
Non-Executive Director

**Nationality:**  
South African

Shameel is the Chief Executive Officer of Vodacom Group Limited, a position he has held since 2012. He has extensive telco experience having operated at a senior level in various companies across the group for the last 22 years, including Managing Director at Vodacom South Africa and Chief Executive Officer at Vodafone Spain. Shameel holds board positions at Vodacom Group Limited, Safaricom Plc, and a number of subsidiary boards across the group. Shameel served on the Vodacom Group Board from 2000 until March 2011, when he was seconded to Spain. He was re-appointed to the Vodacom Group Board in September 2012 after his return from Spain. Shameel also sits on the board of Business Leadership South Africa. He was appointed to the Vodafone Group Exco in April 2020.

#### Qualifications:

- Master of Business Administration degree from the University of Southern Queensland
- Bachelor of Accounting Science (Honors)
- Associated General Accountant and Commercial and Financial Accountant (SA)
- Advanced Management Programme from Harvard University

#### Key appointments:

- Shameel Joosub is the CEO of Vodacom Group, South Africa.
- He is a Director in M-PESA Africa Limited.

Raisibe is the Chief Financial Officer of Vodacom Group, South Africa. She joined Vodacom from Nedbank Group Limited where she had been the Group Chief Financial Officer since September 2009.

Raisibe has spent over 26 years in the financial services industry in South Africa and has acquired experience in banking and insurance.

Raisibe has previously served as an Executive Director of Sanlam Limited and prior to that as an executive of the Industrial Development Corporation. Her experience spans Investment Banking, Private Equity, Corporate Lending and Insurance. In her career she also served in various boards of listed and non-listed companies in her executive capacity or a shareholder representative. She has extensive experience in audit committees where her experience includes serving as a member of the committee or chairperson.

#### Qualifications:

- Masters in Philosophy (GIBS)
- Chartered Accountant (SA)
- Advanced Management Programme (INSEAD) France
- Higher Diploma in Taxation from Wits University

#### Key appointments:

- Chief Financial Officer and Executive Director of Vodacom Group.
- She is a Director in M-PESA Africa Limited.



**Dilip Pal (56)**  
 Chief Finance Officer and alternate Director to Peter Ndegwa  
**Nationality:**  
 Indian

Dilip, who joined Safaricom as the Chief Finance Officer in November 2020, has more than 31 years of experience in finance, spanning various industries including telecoms, financial services, fast-moving FMCG and Engineering in international and multi-cultural environments. Dilip has a proven track record of building competent teams, improving performance, business turnaround, simplification, and digitisation.

His division is responsible for the overall financial planning, management, and oversight of the organisation.

Previously, he was the CFO of DTAC Thailand, a part of the Telenor Group, since 2017. Prior to DTAC, he was the CFO of Grameenphone Bangladesh, a role that he held for three years. Before Grameenphone, Dilip held various finance roles in Vodafone India in Mumbai, rising to the role of EVP Finance. He has also held senior finance roles in other organisations, namely Hutchinson Essar, Hindustan Coca Cola Beverages and Tata Tinplate.

Dilip has held board positions in various institutions including Carousell, Singapore (leading online classified company of South Asia), Tele Assets, Thailand (DTAC subsidiary), Accenture Bangladesh (joint venture of Accenture and Telenor), Indus Tower (JV with Bharti Airtel and Idea) and Vodafone Essar Spacetel Limited (Vodafone India subsidiary).

**Qualifications:**

- Masters in Commerce from Calcutta University
- Bachelor of Commerce from Goenka College of Commerce
- Chartered Accountant from the Institute of Chartered Accountants of India
- Cost Accountant from the Institute of Cost and Works Accountants of India

**Key appointments:**

- In his capacity as the CFO, he is a director in the Safaricom subsidiaries including: Comtec Training and Management Services Limited; Comtec Integration Systems Limited; Flexible Bandwidth Services Limited; One Communications Limited; Instaconnect Limited; East Africa Tower Company Limited; DigiFarm Kenya Limited; Safaricom Money Transfer Services and M-PESA Africa Limited.
- He is also a Director in Global Partnership for Ethiopia (GPE).



**Francesco Bianco (50)**  
 Non-Executive Director  
**Nationality:**  
 Italian

Francesco is the global talent, capabilities and organisational Development Director at Vodafone and an Alternate Non-Executive Director in the Vodacom Group Board. Francesco has had a vast career in human resource (HR), spanning over 15 years. He originally joined Vodafone Italy in 2000 and has extended his career portfolio internationally in other HR Director roles.

**Qualifications:**

- Bachelors' degree in Law – Padova University
- Business Strategy Executive Programme – Maastricht University

**Key appointments:**

- Alternate Director at Vodacom Group.





## Who governs us continued



**Linda Watiri Muriuki (58)**  
Non-Executive Director

**Nationality:**  
Kenyan

Linda serves as the senior partner at IJA Associates. She is a practicing Advocate of the High Court of Kenya with over 27 years' experience ranked by Chambers and Partners in 2015 and 2016. Linda is a Commissioner of Oaths, Notary Public, Certified Public Secretary (Kenya), a member of the Institute of Directors (K) and The Law Society of Kenya, a Chevening Scholar and an Eisenhower Fellow of Kenya.

#### Qualifications:

- Advocate of the High Court
- Registered Certified Public Secretary with the Institute of Certified Secretaries – Kenya (ICS)
- BA Economics degree from York University, Canada
- LLB (Honours) from the University of Leeds, United Kingdom
- Master's Degree as a Graduate of the Global Executive Masters of Business Administration from United States International University in collaboration with Columbia University New York, USA

#### Key appointments:

- Linda currently serves as a Non-Executive Director of East Africa Reinsurance Company Limited.
- She previously served as a Non-Executive Director of Old Mutual Life Assurance Company Limited from 2004 to 2010 and the Capital Markets Authority from 2015 to 2017.
- She is also a Director in Global Partnership for Ethiopia (GPE).



**Sitholizwe Mdlalose (42)**  
Non-Executive Director

**Nationality:**  
British

Sitho is currently the Managing Director of Vodacom Tanzania a position that he has held since August 2021. He transitioned to the role of Managing Director of Vodacom South Africa with effect from 1 July 2022.

He joined Vodafone Group in January 2007 and worked in various roles in the United Kingdom, including as Finance Manager, Head of Internal Audit Unit and as Senior Finance Manager: Africa, Middle East & Asia Pacific Regions, for over six years. He thereafter relocated to South Africa in August 2013 and joined Vodacom Group where he continued to hold various leadership roles including Chief Finance Officer for International Business. He was then Interim Group Chief Finance Officer and Finance Director for Vodacom South Africa, before being appointed to MD, Vodacom Tanzania in 2021.

#### Qualifications:

- Bachelor of Accountancy (B.Compt) degree, from the University of South Africa
- A qualified Chartered Accountant (ACCA), Institute of Chartered Accountants in England and Wales
- He has successfully undertaken the Senior Executive Programme at Harvard School of Business

#### Key appointments:

- As part of his board experience, Sitho has been a Director in M-PESA Africa Limited.



**Winnie Ouko (52)**  
Independent Director

**Nationality:**  
Kenyan

Winnie has over 25 years of professional finance, strategy and board-level experience, serving corporates and non-profits in Africa, Europe and the US. She is the founder and CEO of Lattice Consulting (member of Larive International, nl), a Kenya-based boutique advisory firm committed to propelling its clients to growth via strategy and finance advisory and corporate training.

Winnie's career includes a stint as an associate Director at Standard and Poor's in New York and PricewaterhouseCoopers in Nairobi. She is a fellow of the Aspen Global Leadership Network, and is a leadership adviser with Adaptive Change Advisors, (NY).

**Qualifications:**

- MBA from Cornell University (NY)
- Bachelor of Commerce from the University of Nairobi
- Certified Public Accountant (ICPAK)

**Key appointments:**

- Winnie sits on the board of the Kenya Pooled Water Fund.
- She has served on the board of Absa (Kenya), chairing the audit, risk and compliance committee.
- She has been a Trustee for the Worldwide Fund for Nature, Switzerland (which oversees 70+ programmes and country offices around the world), chairing the Audit and Risk Committee.



**Eng. Stanley Kamau (63)**  
Alternate Director to the Cabinet Secretary, National Treasury & Planning

**Nationality:**  
Kenyan

Eng. Kamau, is currently the Director General, Public Investments and Portfolio Management Directorate at the National Treasury that is responsible for coordinating, managing and providing leadership in government investments and public enterprises, assets and liabilities in Government, public investment management and government pensions. In his current role, he has led reforms that include the successful swap of Government shares in National Bank of Kenya to Kenya Commercial Bank, on-going restructuring of Kenya Airways, restructuring of balance sheets for several commercial state corporations, on-going government privatization programme and reforms in prudent financial management of state corporations.

**Qualifications:**

- Bachelor of Science Degree in Civil Engineering from the University of Nairobi
- A registered engineer with Engineers Registration Board of Kenya

**Key appointments:**

- Eng. Kamau has served and continues to serve as an Alternate Director/Board member in various state corporations.



# Who governs us continued



**Kathryne Maundu (43)**

Company Secretary

**Nationality:**

Kenyan

Kathryne is a Partner at Stamford Corporate Services LLP. She is recognised as a leading expert in corporate governance matters having advised leading corporates in the public and private sectors for over 15 years. She is an Advocate of the High Court of Kenya; a member of the Law Society of Kenya; a registered practicing Certified Public Secretary; and an Accredited Governance Auditor with the Institute of Certified Secretaries – Kenya. She has been recognised as a leader in society and named as Top 40 under 40 Women in Kenya.

#### Qualifications:

- Certified Company Secretary with the Institute of Certified Secretaries – Kenya
- Accredited Governance Auditor with the Institute of Certified Secretaries – Kenya
- Advocate of the High Court

#### Key appointments:

- Kathryn is a Council member of the Institute of Certified Secretaries – Kenya (ICS); a member of the Women on Boards Network; a member of the Women Corporate Directors (Kenya Chapter) and a Director with the Anti-Doping Agency of Kenya.



# Who leads us

## Kenya Management Team



**Peter Ndegwa**  
Chief Executive Officer

**Nationality:**  
Kenyan

### Key appointments:

Peter holds other Directorships within the Safaricom Group which includes:

- Digifarm Kenya Limited
- Safaricom Money Transfer Limited
- M-PESA Africa Limited

### Qualifications:

- MBA from the London Business School, Bachelor's degree in Economics from the University of Nairobi.
- Certified Public Accountant - Member of the Institute of Certified Public Accountants of Kenya (ICPAK)

Peter is the CEO of Safaricom PLC, a leading communications company in Africa and pioneer of M-PESA, the world's most developed mobile payment system. Peter is the first Kenyan to serve as a CEO of Safaricom.

He is an experienced board-level leader with a wealth of experience in general management, commercial and business strategy, sales and finance operations, having spent over 25 years in various roles within the financial services and fast-moving consumer goods (FMCG) sectors in Africa and Europe.

In his most recent role, Peter was responsible for Diageo PLC operations in 50 countries in Western and Eastern Europe, Russia, the Middle East, and North Africa regions. Previously, he served as CEO in Guinness Nigeria PLC and Guinness Ghana Breweries PLC, transforming the two operations to deliver double-digit growth by investing in people, introducing new brands and reorganizing the businesses. As a chief executive in several markets within the Diageo group, Peter demonstrated the ability to transform businesses and organizations to deliver superior results.

Peter served for eight years across a range of senior Executive Director roles at East Africa Breweries Limited (EABL) (a Diageo subsidiary) based in Nairobi. Serving as the Group CFO, group Strategy Director, sales Director, and as an Executive Director on the EABL board, he was part of the team that saw the EABL business more than double in value – and winning the coveted Most Respected Business Award in East Africa for five years in a row.

Peter is credited with the development of an affordable beer strategy for EABL, resulting in the production of new brands such as Senator beer which became one of the most successful innovations by Diageo.

He has a real passion for delivering value to customers (with his principle of customer first), investing in talent, and getting things done. He started his career at PwC, the global consulting firm, where he worked for 11 years. Peter draws his inspiration from his early upbringing, laying the foundations for his strong value set, from his teachers and the legendary Dr Geoffrey Griffin – the late founder of Starehe Boys Centre – his alma mater, and from his parents.



**Dilip Pal**  
Chief Finance Officer

**Nationality:**  
Indian

### Qualifications:

- Masters in Commerce from Calcutta University
- Bachelor of Commerce from Goenka College of Commerce
- Chartered Accountant from the Institute of Chartered Accountants of India
- Cost Accountant from the Institute of Cost and Works Accountants of India

Dilip, who joined Safaricom as the Chief Finance Officer in November 2020, has more than 31 years of experience in finance, spanning various industries including telecoms, financial services, fast-moving FMCG and Engineering in international and multi-cultural environments. Dilip has a proven track record of building competent teams, improving performance, business turnaround, simplification, and digitisation.

His division is responsible for the overall financial planning, management, and oversight of the organisation.

Previously, he was the CFO of DTAC Thailand, a part of the Telenor Group, since 2017. Prior to DTAC, he was the CFO of Grameenphone Bangladesh, a role that he held for three years. Before Grameenphone, Dilip held various finance roles in Vodafone India in Mumbai, rising to the role of EVP Finance. He has also held senior finance roles in other organisations, namely Hutchinson Essar, Hindustan Coca Cola Beverages and Tata Tinplate.

Dilip has held board positions in various institutions including Carousell, Singapore (leading online classified company of South Asia), Tele Assets, Thailand (DTAC subsidiary), Accenture Bangladesh (joint venture of Accenture and Telenor), Indus Tower (JV with Bharti Airtel and Idea) and Vodafone Essar Spacetel Limited (Vodafone India subsidiary).

Dilip has a Master's in Commerce from Calcutta University and a Bachelor of Commerce from Goenka College of Commerce. He is a Chartered Accountant from the Institute of Chartered Accountants of India and a Cost Accountant from the Institute of Cost and Works Accountants of India.



# Who leads us continued

## Kenya Management Team continued



**Sylvia Mulinge**  
Chief Consumer Business Officer

**Nationality:**  
Kenyan

### Qualifications:

- Sylvia is an accredited executive coach and a Bachelor of Science degree alumni from the University of Nairobi where she graduated with the highest distinction of First Class Honors.

Sylvia is currently the Chief Consumer Business Officer responsible for Mobile Data, Mobile Voice, Fixed Data and Digital Services. She is also in charge of Consumer Value Management, Brand Marketing & Communications and Brand Experience.

Sylvia Mulinge was previously the Chief Customer Officer, responsible for leading Safaricom's obsession on Customer Experience as a key differentiator of its overall company strategy. She was in charge of Consumer Business, Brand Marketing, Brand Experience, Digital Transformation, Sales & Distribution, Operations and Commercial Planning & Pricing.

She joined Safaricom in February 2006 from Unilever and rose from the role of Prepay Product manager to Head of Retail, Director of Enterprise Business before transitioning to manage the Consumer Business as Director of Consumer Business, a role she held for 3 years before transitioning to her current role as Chief Customer Officer. She has held various leadership roles for the last 8 years.

A mentor and a leader in both her private and professional life, Sylvia is the recipient of several awards, which include her appointment to the Presidential Award Scheme, being named one of Kenya's Top 40 under 40 Women for three consecutive years and a Young Global Leader (YGL) award recipient in 2015. She also sits on a number of Local Boards and is a Vice Chair of the UN Women Unstereotype Alliance.



**Sitoyo Lopokoiyit**  
Managing Director, M-PESA Africa and  
Acting Chief Financial Services Officer

**Nationality:**  
Kenyan

### Qualifications:

- Sitoyo holds a Bachelor of Commerce (Hons) degree in marketing from the University of Nairobi (2000) and an MSc in Information Technology Management and Organizational Change from Lancaster University in UK.

Sitoyo Lopokoiyit is the Managing Director, M-PESA Africa and acting Chief Financial Services Officer at Safaricom.

He joined Safaricom PLC on 1st April 2018, having previously served as M-Commerce Director at Vodacom Tanzania PLC Ltd from October 2015. As the Chief Financial Services Officer, he is responsible for growing M-PESA to a fully-fledged financial platform. He is in charge of New Business Ventures, Product Management & Development for both Consumer and Enterprise.

During his time at Vodacom, he oversaw the delivery of several transformative products and services; led the turnaround strategy and execution for M-PESA which has resulted in an accelerated growth of M-PESA in Tanzania. Some of the initiatives he led include; delivery of G2 platform, M-PESA APP, interoperable transactions for both peer to peer transfers and merchant payments, Business to Business payments, M-PESA CVM and Merchant Payments.

Prior to joining Vodacom Tanzania PLC, he was the Head M-PESA Strategy and Business Development at Safaricom.

Sitoyo has over 10 years' senior managerial experience from different fields; oil & Gas (Chevron and Total Kenya Ltd) and in the Retail industry with Uchumi supermarkets in Kenya. He has worked extensively in the East Africa Region as well as in Mauritius and Reunion.



**Paul Kasimu**  
Chief Human Resources Officer

**Nationality:**  
Kenyan

### Qualifications:

- He holds a first degree in Economics and Sociology (University of Nairobi) and a Master of Science in Management and Organizational Development (USIU-Africa). He is a past Chairman of the Institute of Human Resource Management, Kenya; Vice-Chair of Amref-Kenya Board; and member of the United States University – Africa (USIU-A) University Council.

Paul Kasimu, the Chief Human Resources Officer, is a passionate HR professional and an accredited Executive Coach. He has expertise in implementing HR Strategy, leadership and talent development, and employer branding. Paul has experience across Africa and the UK in the public sector, financial, airline, FMCG, and telecoms sectors.

He is responsible for talent and organizational effectiveness. Paul oversees Talent Acquisition & Capability, Corporate Centres, Essential Services & Facilities, Health, Safety & Wellness and responsible for driving the Corporate Culture.

Paul joined Safaricom in July 2017 from the East African Breweries where he was the Group HR Director, a role he held since May 2011. He held similar roles, for a combined 9 years, at Kenya Airways and Barclays Bank.

Paul was the Chairman of the Institute of Human Resource Management in Kenya for 7 years (2008 to 2015) and led in the enactment of the 2012 Human Resources Professionals Act. Some of his accolade includes being named the Manager of the Year at the Company of the Year Awards (COYA) in Kenya (2008).



**Nicholas Mulila**  
Chief Corporate Security Officer

**Nationality:**  
Kenyan

**Qualifications:**

- Mr. Mulila holds a Master of Business Administration Degree in Strategy and a Bachelor of Commerce Degree (Accounting Option) from the University of Nairobi.
- He is a Professional Accountant and Company Secretary, a member of the Institute of Certified Public Accountants of Kenya (ICPAK) as well as the Institute of Certified Secretaries of Kenya (ICSK), member of the American Society for Industrial Security International (ASIS) and a member of the Institute of Directors (Kenya).

Nicholas Mulila is the Chief Corporate Security Officer at Safaricom PLC responsible for the Business Risk Management Strategy, Cyber Security Management, Revenue Assurance, AML/CTF Program, Insurance, Ethics & Compliance and Physical Security.

He joined Safaricom in 2001 as a Senior Management Accountant in the Finance Division and has risen steadily through the ranks to serve the company in various capacities including Principal Business Planning & Forecasting Accountant, Head of Corporate Strategy, Head of Commercial Planning & Pricing, Executive Business Analyst, Director Risk Management and is currently Chief Corporate Security Officer.

Nicholas has 20 years' experience in Strategy Formulation and Execution, Financial Management, Business Analysis, Risk Management and Corporate Governance.

Prior to joining Safaricom, Nicholas had worked for General Motors (EA) and Eastern Produce (K) Ltd., where he held various positions in Finance.



**Morten Bangsgaard**  
Chief Technology Information Officer

**Nationality:**  
Danish

**Qualifications:**

- Morten is a Danish citizen and holds a Master's in Economics and Mathematics from Aarhus University, Denmark.

Morten, the Chief Technology Information Officer, has over 26 years of experience in various roles in the telecommunications industry. He will head the newly created Technology and Information organisation.

He joined Safaricom in January 2021 from Maxis, Malaysia—the country's largest mobile operator—where he worked for six years (2014-2020). At Maxis as the CTIO, Morten was responsible for the development and operations of the Maxis telecommunications and IT networks. He was instrumental in planning and leading large IT transformation projects, the building of enterprise fibre network, cybersecurity and cloud and network digitalisation.

Before Maxis, Morten was at TDC Denmark—a Danish telecommunications company—for a decade where he was responsible for planning, designing and building mobile, fixed and coax networks. He joined TDC in 2004 as a Strategy Consultant and Head of Market Support. While at TDC, Morten became the Vice President Head of Network Development and Strategy in 2007; he would later be appointed Executive VP and CIO in 2008, VP Technology & IT in 2013 and Senior VP Network Planning and Build, a role he held until he joined Maxis in 2014. Before working at TDC in 2004, Morten held several roles at Ericsson Denmark, Sweden and the UK for 10 years.



**Nicholas Kamunyu**  
Chief Channels Officer

**Nationality:**  
Kenyan

**Qualifications:**

- Nicholas has a Diploma in Business Management, A.C.C.A, and a Master of Business Administration from the United Kingdom. He also has an Executive Development Certification from Stellenbosch, South Africa.

Nicholas is the Chief Channels Officer, responsible for sales and distribution as well as all customer care and retail centres. He is also responsible for market development, regional sales and operations, terminals and the management of our dealers and agents.

Nicholas was previously the Franchise Director at Coca Cola, Nigeria.

He has over 23 years' experience in finance and commercial roles across various local and international corporations. His career begun in the United Kingdom at Carluccio's, Searcy Tansley & Co. where he started in an accounting role before growing to the role of Financial Controller. He then transitioned to Medicsight Inc. where he held a similar role.

Nicholas then joined Coca Cola Beverages Africa (CCBA) where he was Finance Director in Uganda then Mozambique. In 2011, he was promoted to Sales and Marketing Director at CCBA Kenya, a role he held till May 2013. Upon leaving CCBA, he joined Carlsberg Kenya as the General Manager from 2013 to 2016, when he joined Sema Mobile. In 2018, he joined Coca Cola, Nigeria as Franchise Director.





# Who leads us continued

## Kenya Management Team continued



**Stephen Kiptinness \***  
Chief Corporate Affairs Officer

**Nationality:**  
Kenyan

### Qualifications:

- Bachelor of Laws (LL. B Hons) from the ILS Law College, University of Pune, a Diploma in Computer Science, a Certificate in Human Resource Management, a Post graduate Diploma in Law and a Master of Laws (LL.M) in Information Technology & Telecommunications Law from the London School of Economics.

Stephen is responsible for Safaricom's reputation management, public policy, legal and regulatory affairs. He is in charge of steering the development and implementation of Safaricom's corporate investment strategy as well as overseeing internal and external communications. He also leads the development of a roadmap that will embed purpose in everything we do at Safaricom and among our stakeholders.

Stephen has more than 27 years of cumulative legal experience. He joined Safaricom from Kiptinness & Odhiambo Associates LLP where he was a Senior Partner heading the Technology and Intellectual Property practice for the last 10 years. Before starting his practice, Stephen worked at Telkom Kenya Orange, heading Regulatory Affairs for 3 years, from 2009 to 2012.

Prior to his role at Telkom Orange, he held various legal roles including Legal Officer and subsequently Senior Legal Officer at the Communications Authority of Kenya, and Legal Manager at the Commonwealth Telecommunications Organisation, having commenced his legal career as a Trainee Advocate at Oraro & Co. Advocates. Stephen also teaches at the University of Nairobi School of Law.

Stephen is an Advocate of the High Court of Kenya, a Member of the Law Society of Kenya and is a Certified Public Secretary with Institute of Certified Secretaries.

\* Stephen Kiptinness was appointed Chief Corporate Affairs Officer effective 1 May 2022 and replaced Stephen Chege who exited on 30 April 2022

\*\* Michael Mutiga was appointed Chief Business Development & Strategy Officer effective 1 May 2022 and replaced Joe Ogutu who exited on 30 April 2022

\*\*\* Joseph Wanjohi was appointed Ag. Chief Enterprise Business Officer effective 1 June 2022 and replaced Kris Senanu who exited on 31 May 2022



**Michael Mutiga \*\***  
Chief Business Development and Strategy Officer

**Nationality:**  
Kenyan

### Qualifications:

- He holds a Bachelor of Law Degree from the University of Nairobi, and Master in Law degree from Temple University. He is an Advocate and a Certified Public Secretary and sits on the Board of Junior Achievement.

Michael leads Safaricom's business development and transformation agenda. He is responsible for Strategic Partnerships, Mergers and Acquisitions, Safaricom's funding strategy and asset optimization.

With over 20 years' experience in Corporate and Investment Banking, Michael joined Safaricom from Citibank where he was a Managing Director and Head of Corporate Finance for Sub-Saharan Africa from 2019. Prior to this role, he was head of Corporate and Investment Banking for Citibank Kenya and was appointed a Senior Credit Officer in 2018. Michael was with Citibank for 15 years and has held various senior local and regional leadership roles.

Prior to joining Citibank, Michael worked in Barclays/Absa Capital, where he grew from a Management Associate to the Regional Coverage Head – East Africa, Investment Banking Division Africa, a role he held until he joined Citibank in 2006.

Through his career, Michael has managed numerous significant transactions, earning him 'Corporate Banker of the Year' 5 separate times at the Annual Banking awards, as well as leading his team to winning 'Corporate Bank of the Year' in Kenya a similar number of times, amongst other industry recognitions. He was also listed for three years as a Top 40 under 40.



**Joseph Wanjohi \*\*\***  
Ag. Chief Enterprise Business Officer

**Nationality:**  
Kenyan

### Qualifications:

- Bachelor of Commerce Degree in Marketing.

Joseph joined Safaricom in 2003 as the Sector Manager for Manufacturing and Energy. Since then, he has held various roles as Senior Manager Multinationals, Corporate Sales, Energy, Media and ICT before being appointed to his current role of Head of Enterprise Sales in 2017.

## Ethiopia Management Team



**Stephen Chege \***  
 Chief Corporate Affairs Officer  
 Nationality:  
 Kenyan



**Anwar Soussa**  
 Chief Executive Officer



**Kris Senanu \*\***  
 Chief Enterprise Business Officer  
 Nationality:  
 Ghanaian/Kenyan



**Joseph Ogutu \*\*\***  
 Chief Special Projects Officer and  
 Ag. Chief Business Development &  
 Strategy Officer  
 Nationality:  
 Kenyan

Anwar comes with a wealth of international cross-functional experience in the telecommunications industry with a special focus on countries with an emerging telecoms sector.

He was appointed Chief Executive Officer of Safaricom Ethiopia in July 2021 reporting to the Board of Safaricom Telecommunication Ethiopia PLC. Anwar leads the executive leadership team with the goal of helping bring about transformational economic and social impact as well as positively affect the lives of over 112 million people with enhanced communication technologies and world class mobile financial services.

Before joining Safaricom Telecommunications Ethiopia PLC as the CEO, he managed Vodacom DRC and was the Chairperson of Vodacash (M-PESA) since 2017.

Anwar cemented Vodacom DRC as the largest Vodacom operation outside of South Africa by driving major strides in operational performance, crossing the \$500M USD in service revenue mark for the first time in 2020.

Prior to joining Vodacom DRC, Anwar served as the Chief Executive Officer of Airtel in Uganda and Chad. He has also worked in various senior leadership capacities at MTN and Digicel, as well as with other international telecom operators.

Anwar holds a Master's degree in Marketing from Concordia University in Montreal, Canada and a Bachelor's degree in Business Administration from the American College of Greece (Deree).

\* Stephen Chege ceased to be Chief Corporate Affairs Officer effective 30 April 2022 and replaced by Stephen Kiptinness effective 1 May 2022

\*\* Kris Senanu ceased to be Chief Enterprise Business Officer effective 31 May 2022 and replaced by Joseph Wanjohi who took up the role in an acting capacity

\*\*\* Joseph Ogutu ceased to be Ag. Chief Business Development & Strategy Officer effective 30 of April, having attained retirement age and was replaced by Michael Mutiga effective 1 May 2022



# Who leads us continued

## Ethiopia Management Team continued



**Masahiro Miyashita**  
Chief Strategy Officer

Miyashita, a Japanese national, has vast experience in telecommunication having worked for Sumitomo Corporation for over 30 years as the General Manager of the Smart Communication Platform Business Division. He also sits on the board of multiple telecom companies in various countries such as Myanmar, Guam (USA), Uzbekistan, Russia, China and Japan to supervise management and strategy.



**Matthew Harrison-Harvey**  
Chief External Affairs and  
Regulatory Officer

Matthew has held several senior legal, regulatory, and external affairs roles within the Vodafone Group over the last 20 years. His has held roles as Legal, Regulatory, and External Affairs Director at Vodafone Qatar between 2008 and 2012, Managing Executive responsible for legal and regulatory affairs for Vodacom Group's international operations in Sub-Saharan Africa between 2013 and 2018, and Vodafone Group External Affairs Head of Africa Middle East and Asia Pacific Affairs and Relations between 2018 and June 2021, where he was instrumental in the development of Vodafone's Africa Digital Social Contract and the successful license bid in Ethiopia.



**Stanley Njoroge**  
Chief Finance Officer

Stanley has over 20 years of experience in finance with Diageo and Deloitte. His immediate former role before joining Safaricom was as the Finance & Strategy Director and a member of the Board at Guinness Nigeria PLC, a Diageo company. In total, he has 13 years of experience with Diageo in senior finance roles in different markets/businesses in Africa, Europe, and Asia.

Prior to joining Diageo, Stanley spent eight years in Deloitte in tax consultancy in Kenya and Ethiopia and has also worked at Barclays Bank Kenya as Head of Business Performance Analytics & Tax.

Stanley is a graduate of University of Nairobi and a qualified accountant.



**Pedro Rabacal**  
Chief Technology Officer

Pedro has been with Vodacom Group for 22 years, spending the last seven years before joining Safaricom Ethiopia, as the CTO for Vodacom Mozambique.

Prior to joining the Mozambique leadership team, Pedro led several key portfolios within Vodacom South Africa as well as Vodacom Group that pushed forward technology evolution from the early years of GPRS, on to 3G, 4G and recently the first deployment of 5G in Mozambique.

Before joining Vodacom, Pedro was the Regional CTO for the South African Telecommunications Regulator.





**Paul Kavavu**  
Chief Financial Services Officer

Paul, prior to joining Safaricom Ethiopia, was the Head of MPESA new Business Ventures at Safaricom PLC. He has 19 years of progressive experience in mobile money innovation, strategy formulation and execution, performance change management and negotiation across financial services, telecom, and banking industries.

He joined Safaricom in 2002 from Absa Bank, formerly Barclays Bank of Kenya. Paul holds a Bachelor of Commerce Degree from the University of Nairobi, is a Certified Public Accountant of Kenya, CPA (K) and Certified Oxford Fintech Program alumni.



**Julie Arndt**  
Chief Legal and Risk Officer

She has over 20 years' experience in the telecommunications industry within senior leadership in the legal and compliance functions as well as in the Human Resources area. She has a particular interest in legal compliance, quality management, internal audit, money laundering and financial crime management. Julie joined Vodacom in 2006 and has held various roles across the organisation including in group compliance, legal and human resources.

She holds a BA and LLB degree from the University of KZN, an LLM degree from the University of South Africa and a Higher Diploma in Computer Auditing from the University of the Witwatersrand. Julie is also a Certified Quality Auditor with the American Society for Quality and a certified coach with the NeuroLeadership Institute.



**Mokaya Mokaya**  
Chief Human Resource Officer

Mokaya has 17 years' experience in multiple HR core competency areas. These include Talent Management, Capability Development, Organizational Effectiveness, HR Business Partnership and Digital & Agile Change Management.

Mokaya joined Safaricom in 2007 in the HR function where he worked in various roles within the Capability Development & Recruitment function. In 2014, he took on a two-year assignment in Vodafone India as the Head of Organizational Effectiveness & Change Management. He later returned to Safaricom Limited PLC where he was the Head of Talent, Capability and Recruitment. In 2018, Mokaya moved to support the Commercial function as the Head HR Business Partner, a role he held until he was seconded to Safaricom Ethiopia as the Chief Human Resource Officer in 2021.

Mokaya holds a Bachelor of Arts Degree from the University of Nairobi. He is a member of the Institute of Human Resource Management and an International Coaching Federation (ICF) certified coach.



**Chris Lazarus**  
Chief Enterprise Business Officer

Chris has been part of Vodacom South Africa since 2005 as the Managing Executive for KwaZulu Natal Region, where he held various roles within the Consumer and Enterprise Business Units.

He has over two decades of experience in the Information and Communications Technology and Financial Services sectors.

Chris has an MBA from Henley Business School (UK), Advanced Executive Programme with the University of South Africa and Telecoms Certification from the North-West University (South Africa).



# Who leads us continued

## Ethiopia Management Team continued



**Koichi Kawase**  
Director, Project Management Office

Koichi has spent close to 30 years in Sumitomo Corporation taking on increasingly larger and varied management roles in the telecom companies in the emerging markets invested by Sumitomo Corporation.

He was appointed as Director of the Project Management Office of Safaricom Ethiopia in July 2021 and has been working together with other leadership toward the first critical milestone of the service launch, by supporting and monitoring the critical programs and projects across all the functions.

His experience in the emerging markets is represented by Chief Strategy Officer to Acting Chief Executive Officer in the largest telecommunication operator in Mongolia, called MobiCom Corporation, and Chief Commercial Officer in the largest telecommunication operator in Myanmar, called Myanmar Posts & Telecommunications, both affiliated companies of Sumitomo Corporation.

He has also led Digital and Fintech investment projects in Malaysia and Myanmar, and in his most recent assignment, was a Board member of the largest mobile distributor in Japan, and Executive Vice President and Board member of a device lifecycle management start-up company.

Koichi holds a bachelor's degree in economy from Aoyama Gakuin University in Japan.



**Charles Wanjohi**  
Chief Consumer Business Officer

Charles has over 19 years of commercial experience gained working for Multinationals focused on Sub-Saharan Africa, he carries a broad international perspective having worked in Kenya, South Africa, Bahrain, and experience working with 17 geographies across Sub-Saharan Africa.

His telco career spans more than 15 years across Celtel Kenya, Zain Kenya, Zain Group, Airtel Africa, Airtel Kenya, and Safaricom PLC, where he was the Director of Consumer Business. He also has proven capabilities in Telco Commercial Strategy & planning, transforming organizations from Product focus to Consumer segments focus, Shaping, creating, and managing high-performing Agile commercial organizations, Accelerating Data and Digital transformation, Telco pricing & Analytics Strategy.

Charles has a bachelor's degree in Commerce, is a Certified Public Accountant, and is an alumnus of the Vodafone Inspire Leadership program.



**Andarge Kabtimer**  
Chief Sales and Distribution Officer

Andarge has over 20 years' experience in various sectors in Ethiopia including FMCG, oil & gas, and financial institutions have worked with the Commercial Bank of Ethiopia, Shell, and Diageo in different senior roles.

He was the Commercial Operations and Sales Transformation Manager at Diageo – Meta Abo Brewery and a member of the Company's Leadership Team.

Andarge holds a Degree in Accounting from Addis Ababa University and a master's degree in Business Administration (MBA) from Indra Gandhi National Open University, India.

# Our corporate governance statement

**Safaricom PLC, through its Board of Directors is committed to implementing and adhering to good corporate governance and best practice.**

## Overview

The Company has instituted systems to ensure that high standards of corporate governance are maintained at all levels of the Company. Safaricom continues to endeavour to comply with the provisions of the Capital Markets Authority (CMA) Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 (the Code).

Over and above the annual self-assessment that the Company is expected to complete on its level of compliance of the Code, the Corporate Governance Statement as provided in this Annual Report will highlight to the Company's shareholders and various stakeholders, the performance to date. We remain committed to the highest standards of corporate governance and business ethics. Good corporate governance practices are essential to the delivery of long term and sustainable stakeholder and shareholder value.

The Company also adheres to other regulations promulgated by the CMA and the Nairobi Securities Exchange and the ethical standards prescribed in the Company Code of Conduct. In addition, Safaricom abides by the tenets of the Constitution of Kenya and all other laws as a law-abiding corporate citizen.

We continuously assess our governance operating model to ensure that robust internal governing bodies and proper systems/processes are in place to support the Board and Management to drive change, set strategic direction and formulate high-level goals and policies.

The Board of Directors of Safaricom is responsible for the governance of the Company. The Directors are committed to fulfilling their fiduciary responsibilities and have instituted various principles necessary to ensure that good governance is practiced with respect to dealings with the Company's shareholders, customers and other relevant stakeholders in line with the spirit of the Code of Corporate Governance for listed Companies.

## The Board of Directors

The Board is committed to ensuring that a strong governance framework operates throughout the Company, recognising that good corporate governance is a vital component to support management in their delivery of the Company's strategic objectives, and to operate a sustainable business for the benefit of all stakeholders. The Board recognises that the process of identifying, developing and maintaining high standards of corporate governance suitable for the Company is ongoing and dynamic to reflect changes in the Company and its business, the composition of the Board and developments in corporate governance.

## The role of the Board

The Board is collectively accountable and responsible for the Company's vision, strategic direction, its values, and governance. The responsibility for implementing strategy and day-to-day operations has been delegated by the Board to the Chief Executive Officer (CEO) and his Senior Leadership Team.

The primary role of the Board remains the provision of effective leadership to the Company towards:

- sustainable long-term success through the exercise of objective and informed judgement in determining the strategy of the Company;
- having the right team in place to execute the strategy through effective succession planning;
- setting up appropriate governance structures for the management of the business operations;
- monitoring business performance and maintaining an effective framework of controls to mitigate risks facing the business; and
- ensuring ethical behaviour and compliance with the laws and regulations.

The Board is solely responsible for its agenda. It is, however, the responsibility of the Chairman and the Company Secretary, working closely with the Chief Executive Officer, to come up with the annual Board work plan and the agenda for the Board meetings. The Board work plan for FY2022/2023 was approved by the Board at its meeting held on 28 October 2021.

## Key responsibilities of the Board include:

- Provide effective leadership in collaboration with the Executive management team;
- Approve the Company's mission, vision, its business strategy, goals, risk policy plans and objectives;
- Approving the Company's business strategy and ensure the necessary financial and human resources are in place to meet agreed objectives;
- Approve the Company's budgets as proposed by the Executive management team;
- Establish and agree an appropriate governance framework;
- Review the sufficiency, effectiveness and integrity of the risk management and internal control systems;
- Approve the Company's performance objectives and monitoring their achievement;
- Review and agree Board succession plans and approve Non-Executive Director appointments;
- Review periodic financial and governance reports;
- Approve the Annual Report, Company results and public announcements;
- Declaring an interim/recommending a final dividend;
- Approving Company Policies and monitoring compliance with the Standards of Business Conduct; and
- Ensuring that the relevant audits, e.g. financial, governance or legal and compliance are conducted.

The Board has established two principal Board Committees, to which it has delegated certain responsibilities, namely: the Audit, Risk and Compliance Committee and the Nominations and Remuneration Committee. The roles, membership and activities of these Committees are described in more detail later in this Report. Each Committee has its own terms of reference which are reviewed periodically and updated as appropriate.





# Our corporate governance statement continued

## Board size, independence and appointments

The constitution of the Company's Board is stipulated by the Company's Articles of Association. It comprises of 11 Directors, 10 of whom are Non-Executive Directors and one is an Executive Director (the CEO). As at 11 May 2022 (being the date of approval of the Financial Statements for the year ended 31 March 2022), three of the Non-Executive Directors were Independent as defined in the Code.

In line with the Company's Articles of Association, and their current shareholding, 3 out of the 10 Non-Executive Directors are appointed by the Government of Kenya and 4 out of the 10 Non-Executive Directors, are appointed by Vodafone Kenya Limited. The Non-Executive Directors, other than those appointed by Government of Kenya and Vodafone Kenya Limited, are subject to retirement by rotation and seek re-election (if they choose to) by shareholders in accordance with the Articles of Association.

Proposed candidates for the role of Independent Director, undergo a formal screening process conducted by the Nominations, Remuneration and Governance Committee of the Board before they are formally appointed. In between AGMs, in the event of any vacancy, the Board may appoint Directors to serve until the next AGM. Any such appointment of Independent Directors is brought to the attention of the shareholders through the notice of the AGM, and the Director, if they opt to seek re-election, is subjected to an election process by the shareholders, at the next AGM following their appointment.

## Separation of powers and duties of the Chairman and the Chief Executive Officer

The Chairperson and the Chief Executive Officer (CEO) have distinct and clearly defined duties and responsibilities. The separation of the functions of the Chairman (a Non-Executive Director) and the CEO (Executive Director) supports and ensures the independence of the Board and Management. The balance of power, increased accountability, clear definition of responsibilities and improved decision-making are attained through a clear distinction between the non-executive and executive roles.

A summary of each role can be found below:

### The Chairman

- Leads the Board, sets each meeting agenda and ensures the Board receives accurate, timely and clear information in order to monitor, challenge, guide and take sound decisions;
- Promotes a culture of open debate between the Non-Executive Directors and Executive Directors and holds meetings with the Non-Executive Directors, without the Executive Directors present;
- Regularly meets with the Chief Executive Officer and other Senior Management to stay informed;
- Ensures effective communication with shareholders and other stakeholders;
- Promotes high standards of corporate governance;
- Promotes and safeguards the interests and reputation of the Company; and
- Represents the Company to government, shareholders, regulators, financial institutions, the media, the community and the public.

## The Chief Executive Officer

- Is responsible for the day-to-day management of the business of the Company and to oversee the implementation of strategy and policies approved by the Board and serving as the official spokesperson for the Company;
- Provides coherent leadership of the Company, including representing the Company to customers, suppliers, governments, shareholders, financial institutions, employees, the media, the community and the public and enhances the Company's reputation;
- Leads the Executive Directors and senior management team in running the Company's business, including chairing the Executive Committee;
- Develops and implements the Company's objectives in line with the strategy having regard to shareholders and other stakeholders;
- Manages the Company's risk profile and ensures appropriate internal controls are in place;
- Ensures compliance with legal, regulatory, corporate governance, social, ethical and environmental requirements and best practice; and
- Ensures that there are effective processes for engaging with, communicating with, and listening to, employees and others working for the Company.

## The role of the Non-Executive Directors

The Board had 10 Non-Executive Directors as at 31 March 2022 and as at the date of this Annual Report.

The Non-Executive Directors come from broad industry and professional backgrounds, with varied experience and expertise aligned to the needs of the business.

The Non-Executive Directors help develop strategy and are responsible for ensuring that the business strategies proposed are fully discussed and critically reviewed. This enables the Directors to promote the success of the Company for the benefit of its shareholders, with consideration of, among other matters, the interests of employees, the fostering of business relationships with customers, suppliers and other stakeholders. The Non-Executive Directors oversee the operational performance of the business, scrutinise performance of Management and the Company, bring an external perspective to the Board, monitor reporting of performance and should be available to meet with major stakeholders as appropriate. To perform these tasks, they have access to relevant information, with updates provided on regulatory and other matters affecting the Company.

## The Company Secretary

The Company Secretary is a member in good standing with the Institute of Certified Secretaries (ICS). The Company Secretary provides a central source of guidance and advice to the Board on matters of governance, statutory compliance and compliance with the regulators.

### The role of the Company Secretary

- Providing a central source of guidance and advice to the Board, and the Company, on matters of statutory and regulatory compliance and good governance;
- Providing the Board and the Directors individually with guidance on how their responsibilities should be discharged in the best interests of the Company;
- Facilitating the induction training of new Directors and assisting with the Directors' professional development as required. This includes identifying and facilitating continuous Board education;
- In consultation with the CEO and the Chairman, ensuring effective flow of information within the Board and its committees and between senior management and Non-Executive Directors. This includes timely compilation and distribution of Board papers and minutes, as well as communication of resolutions from Board meetings;
- Guiding the Company in taking the initiative to not only disclose corporate governance matters as required by law, but also information of material importance to decision-making by shareholders, customers and other stakeholders;
- Coordinating the governance audit process;
- Assisting the Board with the evaluation exercise; and
- Keeping formal records of Board discussions and following up on the timely execution of agreed actions.

## Board operations

The Safaricom Board meets at least four times a year and the meetings are structured in a way that allows for open discussions.

Comprehensive Board papers are prepared and circulated to all Directors for all substantive agenda items prior to the meeting. This allows time for the Directors to undertake an appropriate review of the Board papers to facilitate full and effective discussions at the meetings. The submissions and notification period may be waived should any urgent and critical matters arise within the two-week period to the date of the meeting.

Where Directors are unable to attend a meeting, they are advised on the matters to be discussed and given the opportunity to make their views known to the Chairman or the Chief Executive Officer prior to the meeting.

The members of the Senior Leadership Team may be invited to attend the Board and/or Committee meetings if deemed necessary and as appropriate, to make presentations on their areas of responsibility. This serves as an opportunity to give the Directors greater insights into their business areas. Non-Executive Directors are also occasionally invited to attend the senior leadership's strategic and operations review meetings to gain further insights into different aspects of the business.

## The composition of the Board

The Directors who served during the year to 31 March 2022 are set out below:

Name	Nationality	Date of appointment
Michael Joseph	Kenyan/American	8 September 2008
Peter Ndegwa	Kenyan	1 April 2020
Mohamed Shameel Joosub	South African	31 August 2017
Linda Watiri Muriuki	Kenyan	31 August 2017
Bitange Ndemo	Kenyan	2 March 2017
Rose Ogega	Kenyan	12 February 2019
Francesco Bianco	Italian	20 March 2020
Sitholizwe Mdlalose	British	29 July 2020
Raisibe Morathi	South African	1 November 2020
Winnie Ouko	Kenyan	10 February 2021
Christopher Kirigua (Alt. to CS National Treasury)	Kenyan	10 February 2021

\* Christopher Kirigua ceased to be the Alternate Director to the Cabinet Secretary, National Treasury & Planning with effect from 28 June 2022. Eng. Stanley Kamau was appointed in his stead.



# Our corporate governance statement continued

A summary of Board meetings and attendance in the year under review is indicated below:

## Board meetings and Annual General Meeting attendance from 1 April 2021 to 31 March 2022

	Michael Joseph	Peter Ndegwa	Shameel Joosub	Bitange Ndemo	Linda Muriuki	Rose Ogega	Francesco Bianco	Raisibe Morathi	Sitholizwe Mdlalose	Winnie Ouko	Christopher Kirigua
14 April 2021 (Special)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
6 May 2021	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
29 July 2021	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
30 July 2021 (AGM)	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
28 October 2021	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
24 February 2022	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

### Board effectiveness

The effectiveness of the Board in its oversight and leadership role is enhanced by a robust support system. This is facilitated through the following:

### Board diversity

The Board recognises and embraces the benefits of diversity and views increasing diversity as an essential element in maintaining a competitive advantage. The Board also recognises the role of diversity in bringing different perspectives into Board debates, and offers better anticipation of the risks that are inherent in the business and the opportunities that the business pursues. The Non-Executive Directors come from broad industry and professional backgrounds, with varied experience and expertise aligned to the needs of the business. The areas of expertise of the current Board of Directors include: business management, telecommunications, banking and finance, electrical engineering, IT, mobile money, corporate communications, economics, marketing, project management, risk management, human resources, legal and governance.

### Balance of Non-Executive Directors and Executive Directors:

Non-Executive Directors comprise 91% Executive Directors comprise 9%.

### Length of tenure:

Less than 1 year – 1; 1 to 3 years – 6 Directors;  
4 to 6 years – 3 Directors; 7 to >9 years – 1 Director

### Gender split of Directors:

Male 64%; Female 36%

### Independence

As at the date of this Annual Report, three (3) of the Non-Executive Directors were Independent as defined by the Code; the Company has committed to commence the process of appointment of a fourth Independent Directors so that a third of the Board comprises of Independent Directors.

## Management of conflicts of interest

The Directors are obligated to fully disclose to the Board any real or potential conflict of interest, which comes to any Director's attention, whether direct or indirect. The statutory duty to avoid situations in which the Directors have or may have interests that conflict with those of the Company has been observed by the Board in the financial year under review. All business transactions with all parties, Directors or their related parties are carried out at arm's-length. An acknowledgement that should it come to the attention of a Director that a matter concerning the Company may result in a conflict of interest, obligates the Director to declare the same and exclude himself/herself from any discussion or decision over the matter in question.

The Board has formal procedures for managing conflicts of interest in accordance with the Companies Act 2015 and the CMA Code of Corporate Governance Practices for Issuers of Securities to the Public. Directors are required to give advance notice of any conflict issues to the Chairman or Company Secretary, and these are considered at the next Board meeting.

Declaration of conflicts of interest is also a standard agenda item which is addressed at the onset of each Board and Committee meeting. Directors who are conflicted, are excluded from the quorum and vote, in respect of any matters in which they have an interest. Conflicts on related party transactions were reported by Directors in the year under review.

## Director induction

On joining the Board, all new Directors receive a detailed induction. This provides an overview of the Company, the Company's operating environment and new developments thereof, accounting and financial reporting developments, as well as any regulatory changes. As part of the induction training, detailed presentations by management, are factored in, so that the Directors gain a good sense of the Company's operations and central functions. The induction process of a new Director is initiated by the Chairman of the Board and is progressed by the Chief Executive Officer, members of the Senior Leadership Team and the Company Secretary.

## Training and development

Board members undergo regular training and education to enable them to fulfil their responsibilities. Directors receive functional presentations built into the annual Board Work Plan to gain a good sense of the Company's operations and central functions. The Board and its Committees receive briefings and participates in deep dive sessions on various matters such as risks and their mitigations, legal and regulatory developments that directly impact the operations of the Company.

During the financial year under review, the Directors engaged in facilitator-led training from credible sources on areas of Governance. Topics discussed included: Data Protection and Privacy matters and Cybersecurity and Anti-money laundering and Counter Finance Terrorism. To better understand the business, in the period under review, the Board also held deep dive sessions on Data Privacy, the Network and IT and on Mobile Termination Rates. The main Strategy session was held in April 2022.

## Access to Independent Advice

The Board recognises that there may be occasions when one or more Directors considers it necessary to take Independent Advice on various matters such as legal or financial advice, at the Company's expense. This is provided for in the Board Charter and the Terms of Reference of each Committee.

## Governance Audit

In compliance with the CMA Code of Corporate Governance Practices for Issuers of Securities to the Public, 2015, the Board appointed Ms. Catherine Musakali of Dorion Associates LLP to conduct the Company's Governance Audit. The Governance Audit Report was adopted by the Board of Directors on 28 October 2021. In the opinion of the Governance Auditor, the Board has put in place a governance framework that is broadly in compliance with the legal and regulatory corporate governance requirements. The Company was issued with an unqualified opinion.

## Legal and Compliance Audit

In compliance with the CMA Code of Corporate Governance Practices for Issuers of Securities to the Public, 2015, an internal Legal and Compliance Audit was carried out for the year ended 31 March 2022 with the objective of ascertaining the level of adherence to applicable laws, regulations and standards in order to deliver long-term value to stakeholders. The findings from the audit confirmed that the Company was generally in compliance with applicable laws and regulations. Implementation of the recommendations from the external Legal and Compliance Audit conducted in 2021 are ongoing.

## Key deliberations by the Board

During the year under review, the key areas of focus for the Board's activities and topics discussed during the year were on the following matters:

- Approved the strategy and reviewed its implementation on a quarterly basis including ensuring necessary financial and human resources are in place to meet agreed objectives.
- Managing the challenges presented by COVID-19 was a key focus area for the Board. Key for the Board was protecting its people and sustaining the business and having in place a safe return to work protocol for employees.
- Approved the set-up of the entity in Ethiopia and discussed amongst other matters the funding and launch of the business in the market; the political and security risk in Ethiopia and mitigations thereof.
- Approved the FY2021/2022 budget.
- Monitored performance against the approved budget of the Company.
- Approved the half year results as well as the end of year results, press release and commentary.
- Approved the interim dividend for the year ended 31 March 2022 and made a recommendation to the shareholders on the approval of the final dividend.
- Approved the Audit fees for the external auditor.
- Approved the revised remuneration for the Non-Executive Directors.
- Monitored the political and regulatory trends and developments and their implications for the business.
- Discussed the role of the Company in the forthcoming General Elections and the Continuity and Resiliency Plan pre- and post- the General Elections.



# Our Corporate Governance Statement continued

- Discussed and improved the Board's understanding of key risks facing the Company.
- Discussed the risks and mitigations thereof that the business was exposed to including cyber threats, changing regulations.
- Approved the employee compensation, bonus and share grants.
- Discussed the governance audit and implementation of the recommendations thereof.
- Reviewed and monitored the significant litigation cases and their liability.
- Received regular reports of the proceedings of the Audit, Risk and Compliance Committee, the Nominations, Remuneration and Governance Committee and the Investment Committee.

## Directors' shareholding

Directors can purchase or sell shares of the Company in the open market. None of the Directors as at the end of financial year under review held shares in their individual capacity of more than 1% of the Company's total equity.

The breakdown of the Directors' personal shareholding in the Company as at 31 March 2022 is as follows:

Name of Director	2022	2021
Peter Ndegwa	895,500	895,500
Rose Ogega	2,000	2,000

## Board committees membership and meeting attendance

### Board committees

The Board has two standing committees: an Audit, Risk and Compliance Committee and a Nominations, Remuneration and Governance Committee. Each committee has formal and approved terms of reference. The Board periodically reviews the terms of reference for each of these committees to ensure they are in line with current legislation and best practice. The committees are provided with all necessary resources to enable them to undertake their duties effectively.

### Audit, Risk and Compliance Committee

#### Membership

The Audit, Risk and Compliance Committee consists of six Non-Executive Directors and reports to the Board after every committee meeting. In line with the Code of Corporate Governance for Issuers of Securities to the Public 2015, the committee is comprised of at least three Independent and Non-Executive Directors. It is chaired by an Independent Non-Executive Director with at least one committee member holding a professional qualification in audit or accounting and in good standing with a relevant professional body.

#### Current members:

Rose Ogega – Chairperson

Bitange Ndemo

Winnie Ouko

Christopher Kirigua

Raisibe Morathi

Sitholizwe Mdlalose

Kathryne Maundu – Secretary of the Committee

#### Permanent invitees:

Peter Ndegwa – Chief Executive Officer

Dilip Pal – Chief Financial Officer

Nicholas Mulila – Chief Corporate Security Officer

Denish Osodo – Director, Internal Audit

Ernst & Young – External Auditor

### Functions of the Audit, Risk and Compliance Committee

The Audit, Risk and Compliance Committee meets at least four times a year to discuss audit matters and four times to discuss risk matters. To fulfill its oversight responsibility, the committee receives reports from Management, the internal auditor and external auditors, as appropriate.

The responsibilities and role of the Audit, Risk and Compliance Committee includes:

- Monitor the integrity of the financial statements, including the review of significant financial reporting judgements;
- Provide advice to the Board on whether the Annual Report is fair, balanced and understandable and the appropriateness of the long-term viability statement;
- Review and monitor the external auditor's independence and objectivity and the effectiveness of the external audit;
- Review the system of internal financial control and compliance;
- Monitor the activities and review the effectiveness of the Internal Audit function; and
- Monitor the Company's risk management system, review of the principal risks and the management of those risks.

A summary of the attendance at meetings of the members of the Audit, Risk and Compliance Committee is shown below:

### The attendance of the Board Audit, Risk and Compliance Committee Meetings for 2021/2022

	Rose Ogega	Winnie Ouko	Christopher Kirigua	Bitange Ndemo	Raisibe Morathi	Sitholizwe Mdlalose
29 April 2021 (Risk)	✓	By invitation	By invitation	✓	By invitation	✓
5 May 2021 (Audit)	✓	By invitation	By invitation	✓	By invitation	✓
14 July 2021 (Risk)	✓	✓	✓	✓	✓	✓
28 July 2021 (Audit)	✓	Apology	✓	✓	✓	✓
14 October 2021 (Risk)	✓	✓	✓	✓	✓	✓
21 October 2021 (Audit)	✓	✓	✓	✓	✓	✓
8 February 2022 (Risk)	✓	✓	✓	✓	Apology	Apology
15 February 2022 (Audit)	✓	✓	✓	✓	✓	✓

\* Winnie Ouko, Christopher Kirigua and Raisibe Morathi became members of the Committee with effect from 6 May 2021.

\* Christopher Kirigua ceased to be a member with effect from 28 June 2022.

### Key Audit, Risk and Compliance Committee activities

During the financial year, the Committee substantively discussed the following matters:

- Reviewed the half year results and audited accounts and related reports
- Reviewed the interim and final dividend recommendations
- Reviewed the External Auditors' Management Letter
- Discussed the External Audit Service Plan for the year ending 31 March 2022
- Reviewed the Internal Audit plan for the year ending 31 March 2023
- Reviewed the Internal Audit Reports in every quarter
- Reviewed the provisions of the Internal Audit Charter
- Reviewed the Terms of Reference of the Committee
- Reviewed the Committee's work plan
- Reviewed the content of various policy documents
- Discussed in detail the Business Risk Updates including changes in the heat map; Cyber Security Management Updates, AML/CFT Program Updates and Business Ethics and Compliance Updates

- Discussed the risk status of Safaricom's subsidiaries
- Significant litigations cases and liability thereof
- Annual review of the external auditor's effectiveness and independence
- In camera sessions were held with the External and Internal Auditors

### Financial and business reporting

The Board is satisfied that it has met its obligation to present a balanced and understandable assessment of the Company's position throughout the Annual Report. It is appropriate to treat this business as a going concern as there is sufficient existing financing available to meet expected requirements in the foreseeable future.

The committee is assigned to review financial, audit and internal control issues in supporting the Board of Directors which is responsible for the Financial Statements and all information in the Annual Report.

### Risk management and internal control

The Board is responsible for maintaining sound risk management and internal control systems and determining the nature and extent of the risks that the Company is willing to take to achieve its strategic objectives. With the support of the Audit, Risk and Compliance Committee, the Board carries out a regular review of the effectiveness of its risk management framework and internal control systems, covering all material controls including financial, operational and compliance controls.

Risk registers, based on a standardised methodology, are used to identify, assess and monitor the key risks (both financial and non-financial) faced by the business. Information on prevailing trends, for example whether a risk is increasing or decreasing over time, is provided in relation to each risk and all identified risks are assessed at five levels (extremely serious/very serious/serious/minor/not significant) by reference to their impact and likelihood. Mitigation plans are put in place to manage the risks identified and the risk registers are reviewed on a regular basis.

The Board, with advice from its Audit, Risk and Compliance Committee, has completed its annual review of the effectiveness of the risk management framework and internal controls for the year under review. No significant failings or weaknesses were identified, and the Board is satisfied that, where specific areas for improvement have been identified, processes are in place to ensure that the necessary remedial action is taken and that progress is monitored.

### External Auditor

Messrs. Ernst & Young are the Company's external auditor. The Audit, Risk and Compliance Committee considers that its relationship with the auditor worked well during the period and was satisfied with their effectiveness. The external auditor is required to rotate the audit partner responsible for the Company's audit at least every five years. The current lead audit partner has been in position since 31 July 2020.



# Our Corporate Governance Statement continued

## Nominations, Remuneration and Governance Committee

### Membership

The Nominations, Remuneration and Governance Committee consists of five Non-Executive Directors and reports to the Board after every committee meeting. The current Chairperson is an Independent Non-Executive Director.

### Current members:

Winnie Ouko – Chairperson

Michael Joseph

Linda Muriuki

Francesco Bianco

Christopher Kirigua

Kathryne Maundu – Secretary of the Committee

### Permanent invitees:

Peter Ndegwa – Chief Executive Officer

Paul Kasimu – Chief Human Resources Officer

### Functions of the Nominations, Remuneration and Governance Committee

The Nominations, Remuneration and Governance Committee meets at least four times a year. The purpose of the committee is to assist the Board:

- To review the balance and effectiveness of the Board and remuneration of Directors and senior management as well as the succession planning at Board and senior leadership levels;
- Monitoring the size and composition of the Board and its succession plans;
- Recommending individuals for nominations 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.

A summary of the Nominations, Remuneration and Governance Committee meeting members attendance is shown below:

### The attendance of the Nominations, Remuneration and Governance Committee meetings for 2021/2022

	Michael Joseph	Winnie Ouko	Linda Muriuki	Francesco Bianco	Christopher Kirigua
4 May 2021	✓	By invitation	✓	✓	By invitation
26 May 2021 (Special)	✓	✓	✓	✓	✓
28 July 2021	✓	✓	✓	✓	Apology
27 October 2021	✓	✓	✓	✓	✓
26 January 2022 (Special)	NA	✓	✓	✓	✓
23 February 2022	✓	✓	✓	✓	✓

\* Winnie Ouko, Christopher Kirigua and Raisibe Morathi became members of the Committee with effect from 6 May 2021.

\* Christopher Kirigua ceased to be a member with effect from 28 June 2022.

### Key discussions by the Nominations, Remuneration and Governance Committee

During the financial year, the Committee substantively discussed the following matters:

- Discussed the review and implementation of the overall organisation structure
- Reviewed the results of the annual employee opinion survey
- Reviewed the Non-Executive Directors' Remuneration
- Reviewed the performance of the Chief Executive Officer
- Discussed the Performance Appraisal Framework for Senior Leadership Team
- Employee Compensation and Bonus Review for the year 2021/2022
- Discussed and approved the Share Grants Proposal for the year 2021/2022
- Reviewed the proposal on remuneration for Directors in the subsidiaries who are not employees of Safaricom PLC
- Reviewed the succession planning for the Senior Leadership Team
- Update on the status of implementation of the Board Evaluation Report
- Reviewed the Terms of Reference of the Committee
- Reviewed the Committee's work plan
- Undertook an evaluation of the independence of the Independent Directors
- Reviewed and made recommendation to the Board on the composition of the Board Committees
- Discussed various HR thematic areas including: Culture, Organisation effectiveness, Talent and Diversity

## Special committees

The Board is authorised by the Company's Articles of Association to form *ad hoc* or special committees to deal with specific matters for a defined term period. The Board retains oversight authority over such committees.

The Board Investment Committee which handles key projects for the Company and the Ethics Committee, which plays an oversight role on behalf of the Board with regard to matters of ethics, integrity and best business practices.

A summary of the attendance at meetings of the members of the Board Investment Committee is shown below:

	Michael Joseph	Shameel Joosub	Christopher Kirigua	Linda Muriuki	Raisibe Morathi	Sitholizwe Mdlalose
5 May 2021	✓	✓	By invitation	✓	By invitation	Apology
28 July 2021	✓	✓	✓	✓	✓	✓
15 February 2022	✓	✓	✓	✓	✓	✓

- \* Christopher Kirigua and Raisibe Morathi became members of the Committee with effect from 6 May 2021.
- \* Sitho Mdlalose ceased to be a member with effect from 6 May 2021.
- \* Christopher Kirigua ceased to be a member with effect from 28 June 2022

## Governance policies

Besides complying with the Code and the laws, the Company has committed to embed internal rules of engagement to support corporate governance. These internal guidelines are constituted in various policies and in the Code of Business Conduct to which every employee, supplier and the Board makes a commitment to comply with.

### Board Charter

The Board Charter is critical to Safaricom's governance framework, and offers guidance on matters including but not limited to the following:

- The separation of the roles, functions, responsibilities and powers of the Board and its individual members;
- Powers delegated to the Board committees;
- Matters reserved for final decision-making and approval by the Board;
- Policies and practices of the Board on matters of corporate governance, Directors' declarations and conflict of interest, conduct of Board and Board committee meetings; and
- Nomination, appointment, induction, ongoing training and performance evaluation of the Board and its committees.

The Charter is not a substitute or a replacement of any laws and regulations that govern the running of the Company.

The Board Charter is periodically reviewed to ensure that it remains current.

## Code of Ethics and Conduct

The Company pursues ethical decision-making and leadership to promote corporate social responsibility, fair business practices, sustainability and the triple bottom line that focuses on the society, the environment and profitability. The Board has implemented a Code of Ethics and Conduct which binds Directors and employees and is subscribed to by all members of the Company. Initiatives to ensure its application include training, monitoring, mechanisms for whistle blowing, taking disciplinary action, etc. The Code has been integrated into the Company's operations through the development of various policies and reporting mechanisms.

Safaricom Directors and employees are expected to act with honesty, integrity and fairness in all their dealings with one another and with stakeholders. When joining Safaricom, every employee is provided with a copy of the Code and must commit to abide by its requirements as part of the employment contract with the Company.

## Board policies

The Board has established policy and procedure documents to guide the Directors and Management in the implementation of their roles and responsibilities. A brief summary of the governance documents and their key provisions are listed below:

### Board remuneration policy

The policy sets out guidelines and criteria for the compensation of the Non-Executive Directors. The remuneration to be paid to the NEDs is guided by the findings of a survey conducted by an Independent Consultant and which is compared against the remuneration of a comparator organisations in the market. The findings of the survey are tabled and discussed in detail by the Board Nominations and Remuneration Committee. In order to ensure that the Company remunerated its Non-Executive Directors at the desired position to pay at least at the 75th percentile of the market.

### Whistle blowing policy

We have a whistle blowing policy that provides for an ethics hotline managed by an Independent, Accredited and external institution. Through the hotline, anonymous reports on unethical/fraudulent behaviour can be made without fear of retaliation from the suspected individuals.

Whistle blowing statistics are reported to the Ethics Committee and the Audit Committee on a quarterly basis. Staff members and business partners are also regularly sensitised on the need to report any suspected unethical business practices.

The whistle blowing policy provides a platform for employees, suppliers, dealers and agents to raise concerns regarding any suspected wrongdoing, and the policy details how such concerns are addressed. The Board ensures that risks arising from any ethical issues are identified and managed in the risk management process.

The whistle blowing policy has been uploaded on the Company's website.



# Our Corporate Governance Statement continued

## Conflict of interest policy

Directors are obligated to fully disclose to the Board any real or potential conflict of interest which come to their attention, whether direct or indirect. All business transactions with all parties, Directors or their related parties are carried out at arm's-length.

## Operational policies

There are broad operation policies that guide Management in execution of the Company's operations in an efficient and socially responsible manner. The policies cover various operational functions including: Human Resource, ICT, Risk Management, Financial Management, Sustainability, Environment, Safety and Health and Corporate Affairs.

## Corporate social responsibility

Safaricom recognises that Corporate Social Investment (CSI) issues are of increasing importance to its stakeholders and are fundamental to the continued success of the business. Thus, we have a CSI policy that ensures we operate our business in a responsible manner at all times for the benefit of our customers, staff, suppliers, and the wider community. We exercise CSI by partnering with and investing in communities to find sustainable solutions. We also encourage our employees to take part in CSI initiatives aimed at improving the standards of living of the communities that they come from. Our CSI activities are disclosed every year in the social impact section of this report, sustainability and foundation reports.

## Procurement policies

We have in place procurement policies that promote a fair and transparent procurement process, with emphasis on value for many and building mutually beneficial relationships with our suppliers. A Management Tender Committee oversees the award of tenders and there is appropriate risk assurance for procurement activities.

## Insider trading policy

As a listed company, Safaricom is obliged under the Companies Act 2015 to require that the Directors and certain other employees with inside information do not abuse or place themselves under suspicion of abusing insider information that they may have or be thought to have.

This is especially so in periods leading up to an announcement of financial results. To this end, the Company has a policy on insider trading. Directors and staff are made aware that they ought not to trade in the Company's shares while in possession of any material insider information that is not available to the public or during a closed period. To ensure compliance with the Companies Act, 2015 the Company communicates "open" and "closed" periods for trading in its shares to its employees and Directors on an annual basis. To the best of the Company's knowledge, there was no insider dealing in the financial year under review.

## Shareholder relations

We believe that good corporate governance is critical, not only at the corporate level but also at the national level. We require our partners to adhere to the highest level of integrity and business ethics in their dealings with us or with others.

In the financial year under review, we continued to achieve high levels of corporate governance by focusing on the following areas:

- Continuing to implement our strategy for the long-term prosperity of the business.
- Timely and relevant disclosures and financial reporting to our shareholders and other stakeholders for a clear understanding of our business operations and performance.
- Ensuring execution of strong audit procedures and audit independence.
- Strong internationally-recognised accounting principles.
- Focus on clearly defined Board and management duties and responsibilities.
- Focusing on compliance with relevant laws and upholding the highest levels of integrity in the Company's culture and practice.

## Relationship and communication with shareholders

Safaricom remains committed to relating openly with its shareholders by providing regular as well as *ad hoc* information on operating and financial performance and addressing any areas of concern. This is achieved through the following:

- Interim and Annual Results and publication of extracts of its financial performance in the daily newspapers, preparation of annual audited accounts and holding of the Annual General Meeting.
- Copies of the annual reports are made available to shareholders at least 21 days before the date of the AGM and they are free to raise questions to the Board during the meeting.
- The Company has a well-established culture on shareholder management which is handled by the Internal Investor Relations team, supported by the Company Secretary's office and the Shares Registrars, Image Registrars Limited.
- The Safaricom website has a specific web page dedicated to the information requirements of the shareholders and investment analysts.
- Investor briefing sessions are held immediately after the announcement of interim and full year results.
- Local and international investor road shows are held after interim and full year results announcements; representatives of the Company's senior leadership team in collaboration with known stock brokerage firms organise meetings with institutional investors, individual shareholder groups and financial analysts.
- The Board of Directors encourages shareholder participation at the Company's annual shareholder meetings.

The Company's AGM is an opportunity for shareholder engagement when the Chairman and the Chief Executive Officer explain the Company's full-year performance and receive questions from shareholders.

The Chairpersons of the Audit, Risk and Compliance Committee and Nominations, Remuneration and Governance Committees are normally available at the AGM to take any relevant questions. All other Directors also attend, unless illness or pressing commitments preclude them from doing so.

During the investor briefings that were held in the year under review, shareholders and stakeholders were keen to hear more on the Company's performance in light of COVID-19 pandemic, the Company's Strategy in light of the COVID-19 pandemic, M-PESA free fees, the Company's sustainability initiatives, capex guidance, regional expansion and the latest developments in industry regulation.





FOR THE YEAR ENDED 31 MARCH 2022

# Directors' Remuneration Report

## 1.1 Introduction

The key objective of the Board Nominations, Remuneration and Governance Committee (BNRGC) is to make sure that the Board comprises of individuals with the necessary skills, knowledge and experience to ensure that it is effective in discharging its responsibilities and to review the remuneration of Directors and senior management as well as the succession planning at Board and senior leadership levels.

The members of the Committee during the year are indicated on pages 162. The Committee's responsibilities have been set by the Board and are outlined in the Board Charter and the Terms of Reference of the Committee.

## 1.2 Directors' Remuneration Report

### 1.2.1 Report preparation

The Directors' Remuneration Report has been prepared to enlighten the shareholders on the remuneration payable to both the Executive and Non-Executive Directors. No changes have been made to the remuneration policy since its approval at the 2018 Annual General Meeting as it continued to support the strategy of the Company. It is the view of the Committee and the Board that the Company's reward arrangements best support our business effectiveness by only delivering above target payouts when this is justified through Company performance and the current policy will support the implementation of the Company's short-term and long-term objectives.

The Directors' Remuneration Report is unaudited except where otherwise stated.

### 1.2.2 Regulatory compliance

In March 2016, the Capital Markets Authority (CMA) issued the Capital Markets Code for Issuers of Securities (The Code) which became operational 12 months after its gazette. The Code outlines various compliance requirements with respect to the remuneration of Directors.

The Companies Act, 2015 which was enacted in September 2015 and became operational in June 2016, requires the Company to table a Directors' Remuneration report to its shareholders as part of its audited financial statements. The Committee has prepared this report in accordance with the requirements of the Code and the Companies Act 2015 (the Act).

### 1.2.3 Current policy

The Company's current remuneration policy reflects a commitment to the following principles:

- ensuring our remuneration policy, and the manner in which it is implemented, drives the behaviours that support our strategy and business objectives;
- maintaining a "pay for performance" approach to remuneration which ensures our incentive plans only deliver significant rewards if and when they are justified by business performance;

- aligning the interests of our senior management team with those of shareholders by developing an approach to share ownership that helps to maintain commitment over the long-term; and
- offering competitive and fair rates of pay and benefits.

### 1.2.4 Remuneration for Non-Executive Directors

The Company's Non-Executive Directors' (NEDs) are compensated in the form of fees but are not entitled to any pension, bonus or long-term incentives such as performance share plans. The package covers a Director's role in the Board, any Board Committee(s) and any other activities as identified in the approved compensation schedule and in line with the Non-Executive Directors' Remuneration policy. Elements of the compensation schedule include the following:

- Annual retainer fee for the Chairman and other Non-Executive Directors, which is paid on a quarterly basis;
- Sitting allowances for Board and Board Committee meetings;
- Expenses incurred with respect to travel, accommodation, pre-approved consultancy fees or other expenses incurred as a result of carrying out duties as a Director are reimbursed at cost.

The Company's policy is to remunerate its Non-Executive Directors at the desired position, to pay at least at the 75th percentile of the market. This ensures that the Company is competitive in sourcing and retaining its Directors.

The Non-Executive Directors' remuneration was last reviewed in 2018 and had remained as is, leading to the pay being below the 75th percentile. Consequently, the current compensation structure was determined following a benchmarking exercise with comparable entities that was undertaken in 2021 by PricewaterhouseCoopers (PwC) and which was discussed substantively by the Nominations, Remuneration and Governance Committee in July 2021. The Board approved the revised compensation package for the Non-Executive Directors on 23 August 2021 and the revised pay took effect from 1 April 2021.

Details of the fees for the Non-Executive Directors and remuneration of the Executive Directors paid in the financial year under review are set out on the financial statements part of the annual report.

## Going concern

The Board confirms that the financial statements are prepared on a going concern basis and is satisfied that the Company has adequate resources to continue in business for the foreseeable future. In making this assessment, the Directors consider a wide range of information relating to present and anticipated future conditions, including future projections of profitability, cash flows, capital and other resources.



