



 **Safaricom**

# REPORT AND RECOMMENDATIONS OF THE COMMISSION ON SOCIETY'S OBLIGATIONS



SAFARICOM PLC

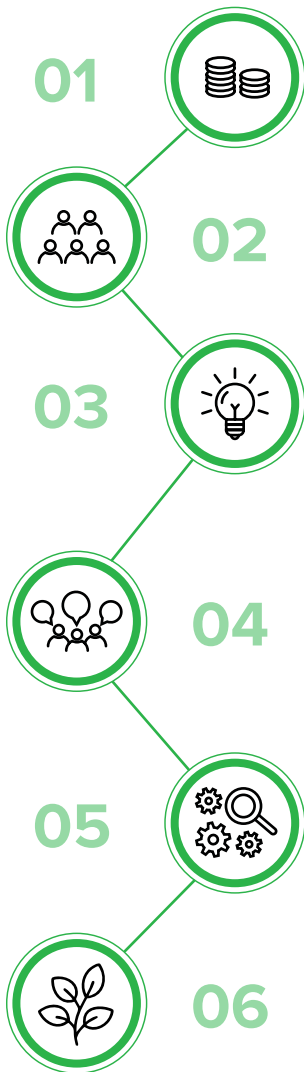
2025

ANNUAL  
REPORT  
OF FINANCIAL  
STATEMENTS

 **Safaricom**

# NAVIGATIONAL ICONS

# OUR SIX CAPITALS



## FINANCIAL CAPITAL

The pool of funds and assets that we maintain.

## HUMAN CAPITAL

Our employees, and all the competencies, abilities, experience and expertise that they bring to the Group.

## INTELLECTUAL CAPITAL

The policies, procedures, intellectual property (IP), and knowledge that exists and is cultivated in our organisation, including our vision, mission, purpose, reputation, and the value of our brand.

## SOCIAL AND RELATIONSHIP CAPITAL

The partnerships and relationships that we build and maintain with our stakeholders, including our employees, providers and suppliers, and our communities.

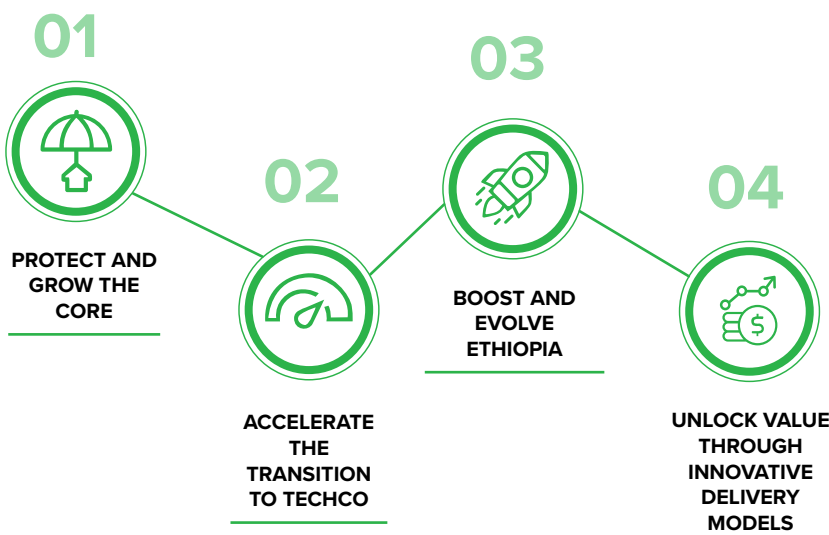
## MANUFACTURED CAPITAL

For more on our technology and services, see pages 14 and 18 respectively.

## NATURAL CAPITAL

The beneficial projects that help sustain the environment in which we operate.

# OUR FOUR STRATEGIC PILLARS



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## OUR STAKEHOLDERS

-  Governments and regulators
-  Customers
-  Investors and shareholders
-  Employees
-  Suppliers
-  Society and communities
-  Business partners
-  Media

## MATERIAL MATTERS

-  Our platforms
-  Environmental stewardship
-  Innovation and partnership
-  Governance, business ethics and risk
-  Our regulatory environment

## UN SDGS

-  Good health and wellbeing
-  Quality education
-  Affordable and clean energy
-  Decent work and economic growth
-  Industry, innovation and infrastructure
-  Reduced inequalities
-  Responsible consumption and production
-  Peace, justice and strong institutions
-  Partnerships for the goals

# A SNAPSHOT OF SAFARICOM

## Key Highlights

### SAFARICOM GROUP


#### M-PESA revenue

 Grew by  
**15.1% YoY**  
to KShs 161,131.2 million


#### Mobile data revenue

 Grew by  
**16.5% YoY**  
to KShs 78,521.4 million

#### Fixed Line and Wholesale revenue

 Grew by  
**12.3%**  
to KShs 16,798.7 million

#### Service revenue

 Grew by  
**10.8% YoY**  
to KShs 371,415.4 million


#### Voice revenue

 Grew by  
**1.8% YoY**  
to KShs 81,958.9 billion


#### Messaging revenue

 Grew by  
**1.9% YoY**  
to KShs 12,559.4 million

#### Three-month active customers

 Grew by  
**16.4% YoY**  
to 57.07 million

#### One-month active customers


 Grew by  
**17.7% YoY**  
to 44.36 million

### SAFARICOM KENYA


#### Service revenue

 Grew by  
**10.5% YoY**  
to KShs 364,282.7 million

#### Mobile data revenue

 Grew by  
**15.2% YoY**  
to KShs 72,863.2 million

#### M-PESA revenue

 Grew by  
**15.2% YoY**  
to KShs 161,118.6 million


#### Voice revenue

 Grew by  
**1.6% YoY**  
to KShs 80,784.7 million

#### Messaging revenue

 Grew by  
**1.6% YoY**  
to KShs 12,477.4 million


#### Fixed Line and Wholesale revenue

 Grew by  
**12.9% YoY**  
to KShs 17,065.0 million

#### Active customers

 Grew by  
**7.1% YoY**  
to 37.11 million

#### Active M-PESA customers


 Grew by  
**10.5% YoY**  
to 35.82 million

### SAFARICOM TELECOMMUNICATIONS ETHIOPIA (STE)


#### Service revenue

 Grew by  
**35.3% YoY**  
to KShs 7,548.6 million

#### Mobile data revenue

 Grew by  
**35.8% YoY**  
to KShs 5,658.2 million


#### Voice revenue

 Grew by  
**14.1% YoY**  
to KShs 1,174.3 million

#### Mobile incoming revenue

 Grew by  
**6.2% YoY**  
to KShs 367.0 million


#### Messaging revenue

 Grew by  
**93.9% YoY**  
KShs 82.0 million


#### Three-month active customers

 Grew by  
**103.2% YoY**  
8.84 million


#### Three-month active M-PESA customers

 Grew by  
**68.7% YoY**  
2.37 million

#### M-PESA 30-day M-PESA customers

 Grew by  
**104.9% YoY**  
to 1.21 million

#### One-month active customers

 Grew by  
**136.9% YoY**  
7.25 million

## Key Highlights



### HUMAN CAPITAL

6,777

Employees (Group)  
(2024: 6,661)

49%

Women in workforce  
(2024: 49%)

99.5%

Employees with certified 2 + 1 skills  
acceleration courses

3.6%

Employees with disabilities  
(2024: 3.3%)



### SOCIAL AND RELATIONSHIP CAPITAL

48.24 million

Three-month active Safaricom Kenya  
customers  
(2024: 44.67 million)

37.11 million

One-month active Safaricom Kenya  
customers (2024: 34.64 million)

8.84 million

Total Safaricom Ethiopia customers  
(2024: 4.35 million)

35.82 million

One-month active M-PESA  
customers (Kenya)  
(2024: 32.41 million)

298,890

M-PESA agents  
(2024: 262,016)

631.3k

Wealth Management customers  
KShs 9.6 billion Assets under  
Management (AUM) (launched in  
the year)

301,451

Fixed home customers  
(2024: 248,574)

1,825,449

Total merchants – Lipa na M-PESA  
(LNM) and Pochi tills  
(2024: 1,265,690)

69,874

Enterprise fixed business customers  
(2024: 59,461)



### MANUFACTURED CAPITAL

18,300km

Fibre-optic footprint  
(2024: 17,000km)

694,289

Homes passed  
(2024: 560,261)

97.9%

Proportion of Kenyan population covered by 4G  
(2024: 97.3%)

30%

5G coverage



### NATURAL CAPITAL\*

190.75 tonnes

e-waste generated and recycled  
(2024: 290.44 tonnes)

177,446kg

Solid waste collected  
(2024: 178,237kg)

98%

Waste recycled  
(2024: 98%)

59,204.59 m<sup>3</sup>

Water consumption  
(2024: 66,208 m<sup>3</sup>)

1,432

Sites using solar and hybrid clean power  
(2024: 1,432)

\*Assured data will be included in the 2025 Sustainability Report

# A SNAPSHOT OF SAFARICOM (continued)

## How we created value in the year

### FOR OUR CUSTOMERS...

FY2025	FY2024
<ul style="list-style-type: none"> <li>• 4G coverage to <b>97.9%</b></li> <li>• 2G coverage to <b>98.6%</b></li> <li>• <b>1,700</b> active 5G sites</li> </ul>	<ul style="list-style-type: none"> <li>• <b>97.3%</b> coverage</li> <li>• <b>97.6%</b> coverage</li> <li>• <b>803</b> active 5G sites</li> </ul>
We enabled:	
<ul style="list-style-type: none"> <li>• <b>4,500</b> Transactions per second- M-PESA Capacity</li> <li>• <b>37.15 billion</b> Transactions valued at <b>KShs 38.29 trillion</b></li> <li>• <b>23.36 million</b> 4G+ devices (4G 22.31 million + 5G devices 1.05 million)</li> <li>• <b>675,900</b> Active LNM merchants</li> <li>• Launched wealth management product with <b>KShs 9.6 billion</b> in Assets Under Management</li> </ul>	<ul style="list-style-type: none"> <li>• <b>3,500</b> Transactions per second- M-PESA Capacity</li> <li>• <b>28.68 billion</b> M-PESA transactions, valued at <b>KShs 37.70 trillion</b></li> <li>• <b>17.52 million</b> 4G+ devices (4G 16.85 million + 5G devices 0.67 million)</li> <li>• <b>633,000</b> active LNM merchants</li> <li>• Full industry P2P interoperability</li> </ul>
We added value through:	
<ul style="list-style-type: none"> <li>• <b>Customer segmentation:</b> Driving meaningful connections, tailored experiences &amp; personalised propositions</li> <li>• <b>Enhanced integrated propositions</b></li> <li>• <b>Digital content:</b> Driving engagement for home and mobile broadband customers</li> <li>• <b>Coverage &amp; Deepening Financial Inclusion</b></li> <li>• <b>Enhanced customer experience:</b> Introduced the first ever <b>1000Mbps</b> and enhanced value for existing packages</li> </ul>	<ul style="list-style-type: none"> <li>• Reduced voice and data rates</li> <li>• Reduced price of outgoing rate-per-minute by 12.7% YoY, and incoming rate-per-minute by 16.1% YoY</li> <li>• Double permanent bandwidth to fibre customers</li> <li>• 99.7% systems-availability and 50% reduction in network incidents</li> </ul>

## FOR OUR CUSTOMERS...

FY2025

FY2024

Deployed:

• **18,300km**

of fibre-optic cable +7.6% YoY

• **694,289**

Homes passed +23.9% YoY

• **69,874**

Enterprise fixed business customers

• **301.5k**

Home fixed customers (+21.3% YoY)

• **17,000km**

of fibre-optic cable

• **560,261**

Homes passed

• **59,461**

Enterprise fixed business customers

• **248.6k**

Home fixed customers

## FOR OUR SHAREHOLDERS...

We declared:

• **KShs 48.08 billion** in dividends

• **KShs 0.55** DPS interim dividend

• **KShs 0.65** DPS final dividend

• **KShs 1.20** FY25 Dividend per Share (DPS)

• **KShs 48.08 billion** in dividends

• **KShs 0.55** DPS interim dividend

• **KShs 0.65** DPS final dividend

• **KShs 1.20** FY24 DPS

We recorded:

• **572%**

in total shareholder returns (TSR) since listing

(TSR = (End-of-FY Price (IPO + Dividends)) ÷ Purchase Price (IPO))

• **38.92%**

of total NSE market capitalisation on the NSE

• Closing price of KShs 18.30 as at 31 March 2025

• **537%**

in total shareholder returns since listing (TSR) = (End-of-FY Price

(IPO + Dividends)) ÷ Purchase Price (IPO)

• **46.32%**

of total NSE market capitalisation on the NSE

• Closing price of KShs 17.75 as at 31 March 2024

# A SNAPSHOT OF SAFARICOM (continued)

## How we created value in the year (continued)

### FOR OUR EMPLOYEES...

FY2025

FY2024

#### We enabled:

- Employee engagement index stood at 85%
- An environment in which 99.9% of all employees obtained certification in an Artificial Intelligence Associate course in addition to two more digital courses relevant to their areas of expertise
- A M-F 51-49 gender split

- Employee engagement index stood at 83%
- An environment in which 75% of our employees completed at least one future skills course in Safaricom Business School and instructor-led training in:
  - Agile
  - Cybersecurity
  - Data science
  - Analytics
- A M-F 51-49 gender split

### FOR OUR SOCIETY...

FY2025

FY2024

#### We recorded:

- **1.8 million** Merchants (Lipa Mdogo Mdogo and Pochi)
- Invested **KShs 8.9 billion** through Safaricom & M-PESA Foundations, impacting **4.9 million** lives

- **1.3 million** Merchants (Lipa Mdogo Mdogo (LMM) and Pochi)
- Invested **KShs 2.6 billion** through Safaricom & M-PESA Foundations, impacting **3.9 million** lives

#### We attained in digitisation and partnerships:

- Public Sector Digital Transformation Enabled Government Revenue Collections, Universal Health Coverage & Deepening Financial Inclusion
- **KShs 14.2 million** in value disbursed to 20.6 million customers under the Hustler Fund initiative
- **8.5 million** bags of fertiliser distributed to 6 million farmers via M-PESA fertiliser distribution

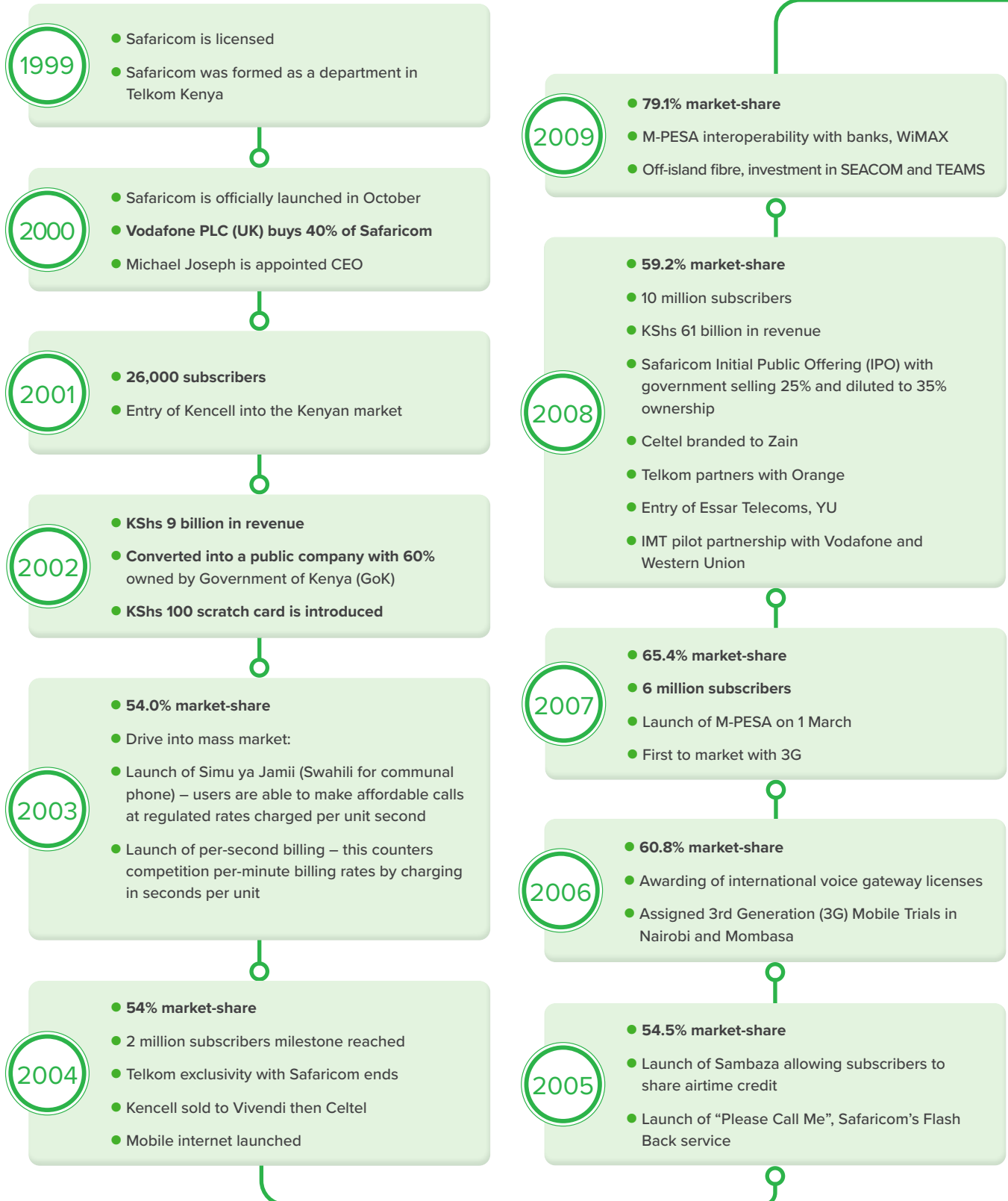
- **20,000** government workflows digitised and running on Safaricom infrastructure
- **KShs 49.5 million** in value disbursed to 21 million customers under the Hustler Fund initiative
- **8.2 million** bags of fertiliser distributed to 5.9 million farmers via M-PESA fertiliser distribution

#### We digitised country devolution with:

- **11** counties on the *My County* app
- **2** counties on an Integrated County Revenue Management System (CRMS)

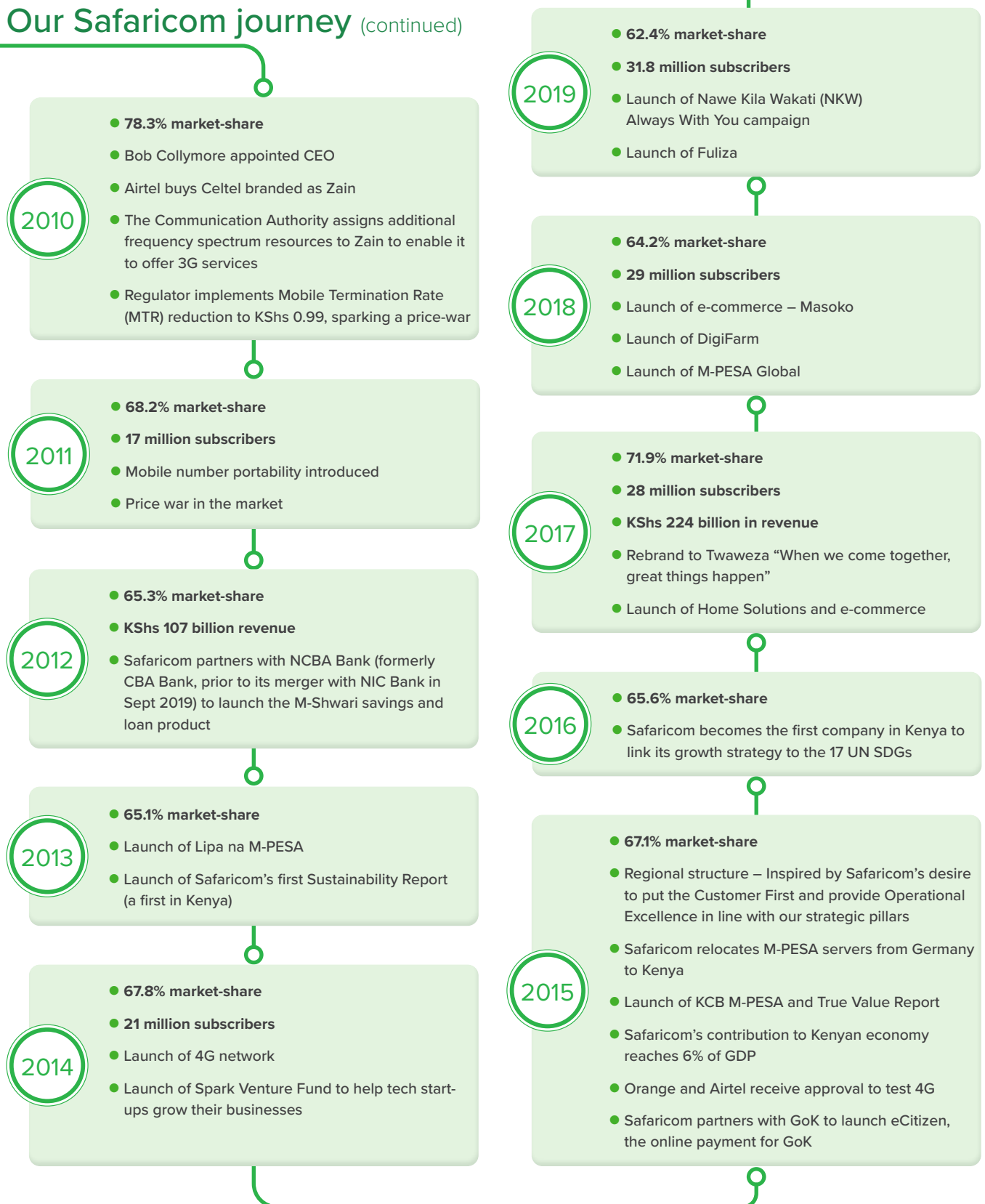
- **11** counties on the *My County* app
- **2** counties on the Integrated County Revenue Management System (CRMS)

## Our Safaricom journey



# A SNAPSHOT OF SAFARICOM (continued)

## Our Safaricom journey (continued)



2020

- **64.8% market-share**
- Launch of 'FOR YOU' customer promise
- Acquisition of M-PESA brand via joint venture with Vodacom
- Partnership with Visa

2021

- **64.4% market-share**
- Peter Ndegwa takes over as CEO effective 1 April 2020
- Michael Joseph is appointed Chairman of the Board
- Launch of new strategy and Agile organisation
- Launch of 5G trials
- Launch of device financing with Lipa Mdogo Mdogo

2022

- **65.3% market share**
- M-PESA celebrates achieving 30 million monthly-active customers
- M-PESA celebrates 15 years of Transforming Lives
- Launch of M-PESA Consumer Super App and Business App
- Awarded Telecommunications licence in Ethiopia
- Launch of Halal Pesa, the first Sharia-compliant digital financing product, in partnership with Gulf Bank

2025

- **65.2% market share (Dec 2024)**
- M-PESA turned 18 years
- Safaricom turns 24 years
- M-PESA Foundation @15
- Safaricom holds its 3rd Annual Investor Forum
- Customer segmentation revamped how we engage with customers; Youth, Strivers, Aspirers and Achievers
- Launch of Ziidi Money Market Fund Powered by M-PESA, licensed by Capital Markets Authority
- Safaricom Recognised as Top Employer 2025 in Kenya & Africa (four years in a row).

2024

- **65.9% market share**
- Safaricom joins UN Global Compact Forward Faster Initiative
- Safaricom Foundation Celebrates 20 years of Transforming Lives
- Launch of M-PESA in Safaricom Ethiopia (STE)
- Safaricom PLC hosts second Investor Day in Addis Ababa, Ethiopia
- Kenya Sets up First Smartphone Assembly Plant in East Africa, East Africa Device Assembly Kenya (EADAK)
- Safaricom expands 5G coverage to 35 counties
- Launch of merchant overdraft product for businesses by Safaricom and Kenya Commercial Bank (KCB)

2023

- **65.7% market-share**
- 33.11 million active subscribers
- Merchant interoperability, Paybill/Buy Goods
- Launch of M-PESA GlobalPay Virtual Visa Card
- Commercial launch of operations in Ethiopia
- Commercial launch of 5G Services
- Launch of M-PESA Go for Teens (10–17 years)
- Launch of the Hustler Fund – Phase 1, in partnership with Government
- Safaricom hosts the inaugural investor day in Nairobi
- Adil Khawaja appointed Chairman of the Board
- Solarised over 1,400 network sites resulting energy savings of 22%
- Partnered with the government to roll out the Women Enterprise Fund (WEF) on M-PESA
- Launch of County App in Makeni and Kitui Counties





# ABOUT OUR REPORT

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# ABOUT OUR REPORT

## Our reporting scope and boundary

This Annual Report is the primary report of Safaricom PLC (the Company) and its subsidiaries (together, the Group) to its stakeholders, and is a concise, material and honest assessment, reviewed and authorised by our Board of Directors (the Board) of how we create long-term value and how we deliver on our purpose of Transforming Lives. The report provides an overview, in terms of the six capitals of our strategy and business model, risks and opportunities, operational and governance performance and activities for the financial year 1 April 2024 to 31 March 2025. Our intention in this report is to describe both our financial and non-financial activities and performance during the year.

In compiling the report, we have reflected the integrated thinking that we apply to our business activities, and we have endeavoured to demonstrate our commitment to the principles of integrated reporting as aligned with our ability to create value in the short, medium and long term, which we define as less than twelve months, one to five years, and beyond five years, respectively.

## Materiality

We consider material matters to be those issues that could substantively affect our ability to create value over time, and as part of our commitment to understand and provide information on those material matters, we undertake a structured process involving senior decision-makers within the Group to identify and prioritise them.

This process includes a considered review of our business model and strategy, our operating environment, and the interests of our key stakeholders as expressed by them during our normal business engagements with them.

Through research and analysis, and our engagement with stakeholders, we strive to identify and gain insight into the environmental, social and governance issues that present significant risks, and or provide opportunities, to our business, and our ability to create and deliver value for our stakeholders.

In providing the basis for a broader understanding of the risks and opportunities inherent in our business, our process of determining the material matters that pertain to our activities is central in both guiding our decision-making and underpinning our strategy.

## Our approach to the preparation of our integrated report

Integrated thinking is intrinsic to how we manage our business, our strategy development and reporting practices. Our strategy, with its four strategic pillars, has been developed to ensure that we manage the key resources and relationships that enable us to create value

over time. Considered assessment of our four strategic pillars informs our strategy and the materiality process used to determine the content and structure of this report, whose drafts, concepts and structure have been systematically reviewed and supported by the ultimate assurance of independent assurance providers.

## Our reporting frameworks

This report is prepared in accordance with the International Financial Reporting Standards (IFRS) Framework and the International Integrated Reporting Framework. Our reporting process is guided by the principles and requirements of IFRS, the Nairobi Securities Exchange (NSE) Listings Requirements and the Kenyan Companies Act, 2015 (the Act).

## Forward-looking statements

This report contains certain forward-looking statements in respect of our strategy, performance and operations, and refers to certain global, regional and domestic political, social and or macro-economic conditions. By nature, these forward-looking statements involve risk and uncertainty as they relate to future events and circumstances which are difficult to predict, and therefore beyond our control. The conditions described could thus cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

## Assurance

Both our Board Audit, Risk, Environmental, Social and Governance Committee and our Nominations Committee provide internal assurance to the Board on an annual basis on the execution of our strategic priorities. The Group's financial, operating, compliance and risk management controls are assessed by its internal audit function, which is overseen by the Board Audit, Risk and Compliance Committee. Our annual financial statements are assured by our external auditors, Ernst & Young LLP.

## Directors' statement of responsibility

The Board has a statutory duty to provide oversight in promoting the business success of the Group for the benefit of its stakeholders. In fulfilling this duty, the Board has due regard for the long-term implications and consequences of their decisions, as well as the legitimate interests of all the Group's stakeholders and the impact of our operations on the community and the environment. The Board acknowledges its overall responsibility for good corporate governance across the Group and ensures that the Group's governance policies and mechanisms are appropriate to its structure, business and risks.

As a fundamental principle of its commitment to full and transparent compliance with all laws, regulations and standards applicable to it, the Board ensures adherence to the standards and practices of good corporate governance, and to the principles, practices and

recommendations set out under the Code of Corporate Governance for Issuers of Securities in Kenya (the Code) as well as the Act.

The Board has established internal procedures and monitoring systems to promote compliance with applicable laws, regulations and standards, and is supported by qualified legal and compliance professionals.

The Board has applied its collective mind to the contents of this report and believes that it fairly represents the Group's material matters and that it offers a balanced view of our strategy, business model, financial and non-financial activities and value-creation. On the recommendation of the Board Audit, Risk and Compliance Committee and the Nominations and Remuneration Committee, the Board approved the Safaricom PLC Consolidated Audited Financial Statements on 8 May 2025.

Signed on behalf of the Board



**Adil Arshed Khawaja (MGH)**  
Chairman



**Dr. Peter Ndegwa (CBS)**  
Chief Executive Officer





# WHO WE ARE

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## WHO WE ARE

«  
**As a purpose-led technology company providing a wide range of services and solutions, we are the leading telecommunications company in East Africa with operations in Kenya and Ethiopia. Our product and service offering covers the full range of mobile, data and financial services, and enables business & personal platforms as well as ecosystem partnerships. In providing these products and services, we form an integral part of Kenya and Ethiopia's communication landscape, commerce and society.**  
»

We are a purpose-led technology company that uses innovation to drive social and socio-economic empowerment in society. Our purpose is to Transform lives in the communities and societies we serve in, connecting people to people, people to opportunities and people to information. With over 44.36 million active customers (Group), we play a central role in the society in which we operate, supporting over one million jobs both directly and indirectly.

For more on our operating environment, see page 90. —»

Safaricom Kenya has 371 million one-month active customers, and generated service revenue of KShs 364.3 billion in FY2025 while Safaricom Telecommunications Ethiopia Limited has 7.3 million one-month active customers and generated service revenue of KShs 7.5 billion in Ethiopia. Safaricom PLC is listed on the Nairobi Securities Exchange (NSE).

## Technology partner for the digital future

With our culture of customer obsession, and commitment to the communities within which we operate, our vision is to be Africa's leading purpose-led technology company. Our priorities over the next five years are to deliver consumer, enterprise and public sector as well as a growing range of financial services and platforms at a level that meets the aspirations and needs of individuals, businesses of all sizes and government functions, while at the same time acting on our commitment to uplift diversity, equality and inclusion for all.

For more on our strategy, see page 58. —»

## Access, opportunity and sustainability

We realise our commitment to enabling Kenyans to access quality healthcare, education, skills and sustainable employment, by providing resources, opportunity, hope and dignity to communities through the work of our M-PESA and Safaricom Foundations.

At the same time, as signatories to the UN Global Compact (UNGC) since 2006, we have, since 2012, been reporting on our approach to sustainability and progress. Aligning this approach with the aims of United Nations Sustainable Development Goals (UNSDGs) we have been translating our sustainability ideals into effective and relevant actions that are helping to change the lives of many for the better.

Participation in the UN Global Compact at this level, enhances our ability to take leading role helping to bring about a new era of sustainability by working together with committed companies, relevant experts and stakeholders in meaningful action platforms. In doing so, we have also adopted the principles of nine of the United Nations Sustainable Development Goals, (UNSDGs).

For more on our foundations and sustainability efforts, see pages 135 and 135 respectively. —»



## Our vision – Where we see ourselves going

Becoming Africa's leading purpose-led technology company by 2030.



## Our Culture – How we conduct our journey

Purpose-driven, customer-obsessed, innovative and collaborative.



## Our mission – What we aim to accomplish

To accelerate delivery of scalable tech solutions in order to be Africa's leading purpose-led technology company by 2030.



## Our Beliefs

- **Purpose:** we transform lives
- **Collaboration:** we are partners in one ecosystem
- **Customer obsession:** we are simple
- **Innovation:** we are a market shaper



## Our purpose – Why we exist

Transforming Lives: Safaricom transforms lives by enhancing the ability of people, businesses and society to create an exciting future.



## WHO WE ARE (continued)

### Our Group Structure Investment in subsidiaries



Please see Note 23 of the Financial statements for more details. —●>>

### Investment in associates

The East African Marines Systems Limited (TEAMS)

East Africa Device Assembly of Kenya (EADAK)

### Investment in joint venture

M-PESA Africa Limited

### Our stakeholders

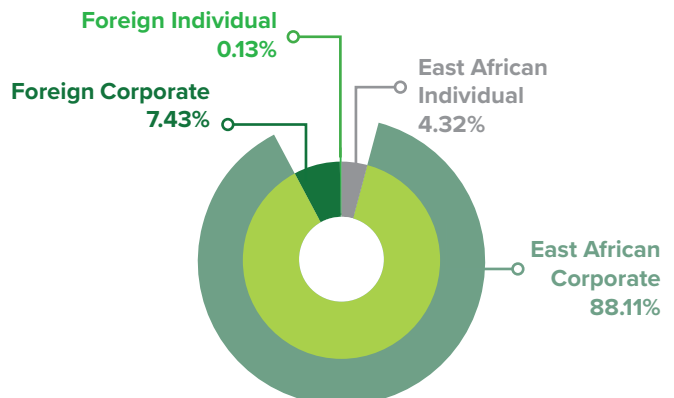
- GR Governments and regulators
- Cu Customers
- IS Investors and shareholders
- E Employees
- S Suppliers
- SC Society and communities
- BP Business partners
- M Media

### Our principal shareholders

For a list of the 10 largest shareholders in the Company (ordinary shares only) and the respective number of shares held as at 31 March 2025.

Please see Appendix on page 292 —●>>

### Foreign and East African shareholder split



## Our SDG guiding framework

We strive to align all our business activities with relevant UNSDGs so that our purpose of Transforming Lives remains the foundational guiding principle of everything we do.

BUSINESS ACTIVITY	SDG ALIGNMENT
Deliver connectivity and innovative products and services to meet the needs of Kenyans	
Enable access through our technologies and partners	 
Explore opportunities in health	
Explore opportunities in education	
Explore opportunities in energy	
Manage our operations responsibly and ethically	 
Stimulate growth and generate value for our company, society and economy	

### Societal commitment

Through M-PESA and a range of strategic partnerships we work to bring relevant solutions and a network that will meet both immediate and future needs within our society. To this end, we provide a wide range of connectivity and financial services including voice, mobile data, devices, fixed services, IoT and M-PESA. Our goal is to develop sustainable solutions to some of society's most pressing challenges by establishing ourselves as a digital-first and insights-led organisation.

## How we realise our SDG commitment

### PARTNER

#### World Food Programme

**Platform**  
M-PESA

**Channel**  
Chakula Chap Chap

#### Beneficiaries/Impact

- Thousands of refugees
- Digitised food delivery for over 100,000 households

#### Various entities together with 60 health care providers

**Platform:**  
Safaricom network

**Channel**  
Relevant voice, data, healthcare solutions

**Beneficiaries/Impact**  
● Over 100,000 Kenyans

### Government

**Platform**  
Safaricom network

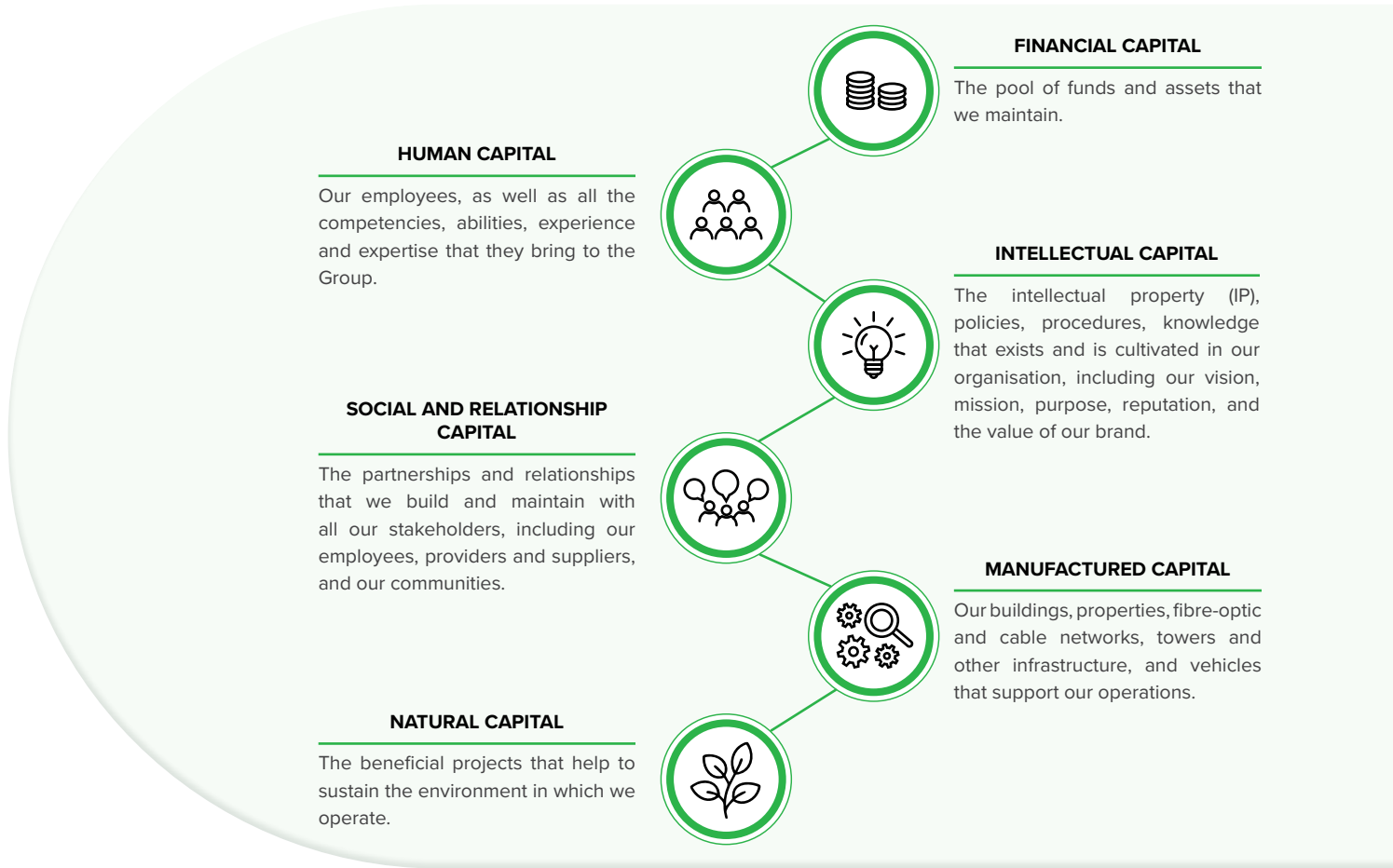
**Channel**  
Digitisation of primary schools, connecting health centres, streamlining payments to farmers

#### Beneficiaries/Impact

- Learners
- Patients
- Farmers

# WHO WE ARE (continued)

## Our six capitals



## Our services and solutions

As a leading telecommunications company, we provide a wide range of products, services and platforms. These include:

● **Mobile services, including:**

- Voice
- SMS
- Mobile data
- Other connectivity services, embracing capabilities such as internet of things (IoT) and content

● **Financial services (M-PESA), including:**

- Consumer payments
- Business payments
- Global payments
- Withdrawal services
- Credit
- Other solutions including insurance, wealth management, and savings

● **Business solutions, including, among others:**

- Cloud services
- Hosting solutions
- Fixed services
- Kifaru Net

● **Value-added services, including:**

- Skiza Tunes – a ringback tunes service
- Bonga points – a loyalty points programme
- Stori Ibambe – a platform for mobile content creators

● **Devices**

For full details on these and related products and services, please visit our website at <https://www.safaricom.co.ke/personal/all-products>

## Our brand - Celebrating 25 Years of Transforming Lives

**Safaricom champions Kenya and is committed to enabling Kenyans through superior products and services. We strive to be a force for good and a catalyst of Kenyan progress. We focused on strengthening that position and perception as we entered our 25th anniversary year, and the 18th anniversary of M-PESA.**

Prevailing challenging economic conditions are resulting in increases in the prices of essential goods, and we recognise that this results in heightened value-seeking behaviour among consumers. We therefore embarked on several campaigns during the year under review.

The overall aim was to refresh the brand and focus on the positive attributes of our products and services, the benefits and advantages they offer.

In order to accomplish this successfully, we worked to understand the challenges posed by the macro-economic and social environment in which we operate, and within the parameters of the market segmentation that we have established.

### Enhancing our customers' trust

Specific to Kenya, the year started on a low with the unprecedented demonstrations that rocked the country in June 2024. This challenged us to reset how we engage with our customers to ensure we sustain customer trust and give reassurance on data privacy.

To reiterate our commitment to customers on data privacy, we prioritise the privacy of our customers and are dedicated to upholding our customers' trust through protecting their privacy. Safaricom safeguards all data in line with our obligations and the law.

During the period, we received various awards such as the Top Employer in Kenya and Africa. M-PESA was also voted as the most loved brand by women, and awarded the Privacy Information Management System Certification by International Organization for Standardization (ISO). These recognitions highlight our dedication to our employees, our goal to be the number-one trusted tech company brand, and our unwavering commitment to preserving our customers' privacy and provide worry-free experiences.

For more on the environment in which we operate, see page 90

## Our awards and accolades

### PEOPLE



**Top Employer in Kenya and Africa** for the fourth year running

Awarded by The Top Employers Institute (TEI).

### BRAND



**Overall Marketing Company** of the Year

Awarded by Marketing Society of Kenya

### DIVERSITY AND INCLUSION



**Most Inclusive Corporate Leader**

by National Council for Persons with Disabilities (NCPWD)

**Best Most Inclusive Listed Company - 5th time in a row** awarded by Dalma Trust

### REPORTING



**FiRe Awards Winner** – Integrated Reporting

**1st Runner-up**

Industrial, Commercial and Services category

Awarded by FiRe Awarded by ICPAK

### PRIVACY INFORMATION AND SYSTEM MANAGEMENT



Awarded ISO 27701 Privacy Information Management System (PIMS) certificate after comprehensive evaluation by the British Standards Institute (BSI)

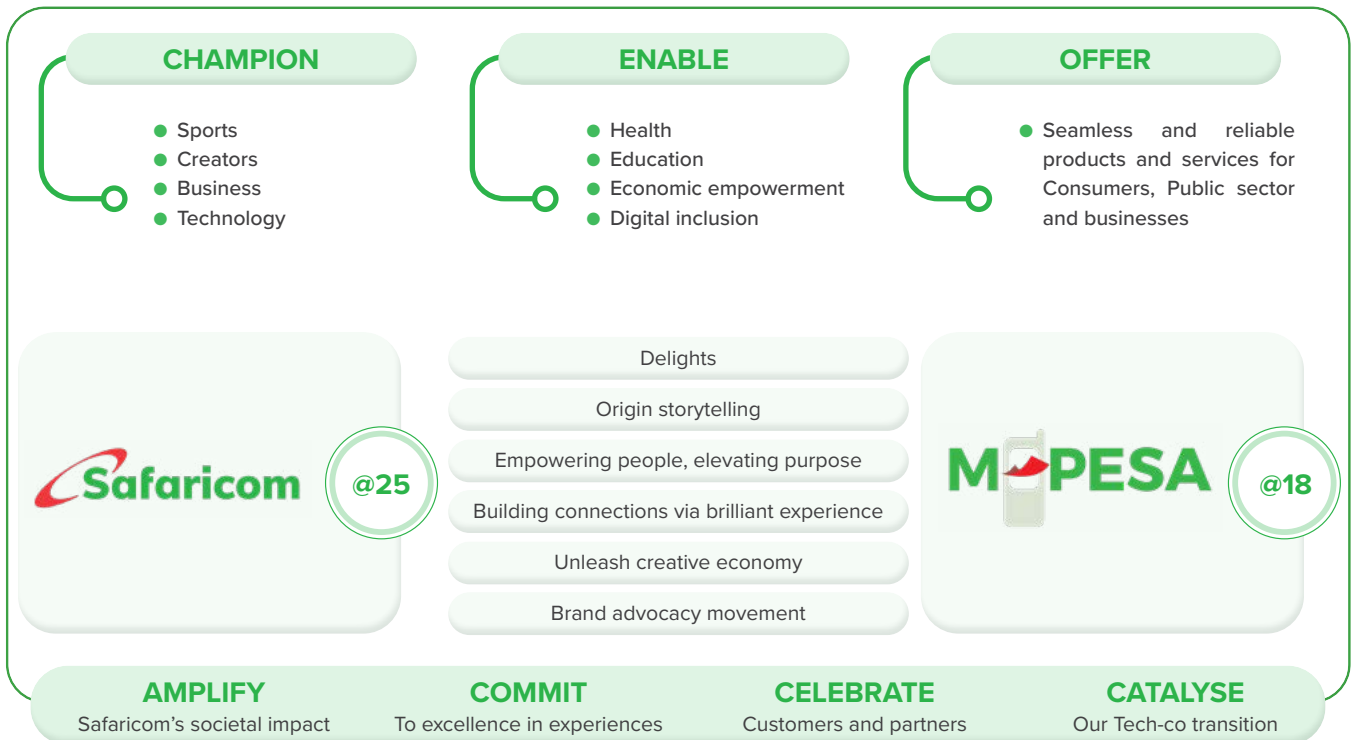


# WHO WE ARE (continued)

## Our brand in our 25<sup>th</sup> year Our blueprint for sustained growth...

THE CUSTOMER IS BOSS	SUPERIOR FUNCTIONAL DELIVERY	STRONG BRAND PORTFOLIO	CONTINUOUS INNOVATION	BREAKTHROUGH MARKETING
The customer is at the heart of all we do, informing innovation and engagement strategies	Superior products and services with unmatched functional delivery and customer experience	A portfolio of strong (sub)brands across key tech-co verticals that leverage the strength of the Safaricom and M-PESA master brands	Innovation-driven growth, with technology at the core	Compelling story telling and brand engagements that drive connection, amplifying our points of superiority and differentiation to build a distinct and relevant brand

### TRANSFORMING LIVES



The strong brand health metrics reflected in our Safaricom Brand Tracker results of March 2025 are a testament to the success of our efforts during the year under review, and of Kenyans' enduring connection with Safaricom, reflecting a high level of trust, loyalty, and a deep market affinity.

## Safaricom Brand Tracker

METRIC	
M-PESA brand love	Safaricom brand love
<b>86%</b>	<b>74%</b>
M-PESA value delivery	Brand trust
<b>90%</b>	<b>79%</b>

## Looking ahead

In the short, medium and long term, we will continue to refine our understanding of our customers, using our segmentation model, and cutting-edge technological tools, including artificial intelligence (AI). In this we will leverage both on our strategic transformation towards become a leading technology company, and on our commitment to the people and communities we serve.

In addition, in the short to medium term, we will maintain our focus on the telling of transformational stories, through innovative lifestyle and aspirational products and services, while maximising the use of social media platforms, as well as the financial and transactional opportunities and benefits that our pioneering platforms offer.



## WHO WE ARE (continued)

### Our brand in our 25<sup>th</sup> year

#### Appreciation from the CEO, Dr. Peter Ndegwa

In October 2024 Safaricom turned 24 years and we kicked off our silver jubilee celebrations with Kenyans across the country through the Sambaza Furaaha (translated to “spread happiness” in English) campaign.

As we gear up to celebrate 25 years of connecting Kenyans later this year, I want to extend my heartfelt gratitude to each and every one of our customers, shareholders, dealers, our dedicated staff, our regulators and our key stakeholders for their support and commitment to uphold us true to our purpose all these years.

To all our staff, your passion, hard work, and commitment have made Safaricom what it is today. From connecting Kenyans to empowering communities, your contributions have been invaluable. Your dedication to our customers and your unwavering belief in our mission have inspired us all. Let's continue to innovate, grow and make positive impact on the lives of Kenyans. Asante sana for being part of our Safaricom family.



Celebrations with our customers across various counties during the Sambaza Furaha campaign celebrating 24 years of transforming lives done in October to December 2024.



# WHO WE ARE (continued)

## The Spirit of Safaricom

**The Spirit of Safaricom underpins our culture, providing the framework and reference for our beliefs, behaviours and language. It supports our culture, which in turn determines the way we view and behave with regard to each other within our organisation, and the way that we view and behave with regard to our customers and other stakeholders beyond our organisation. As such, it forms an essential component of our human, intellectual and social and relationship capital.**



**HUMAN CAPITAL**

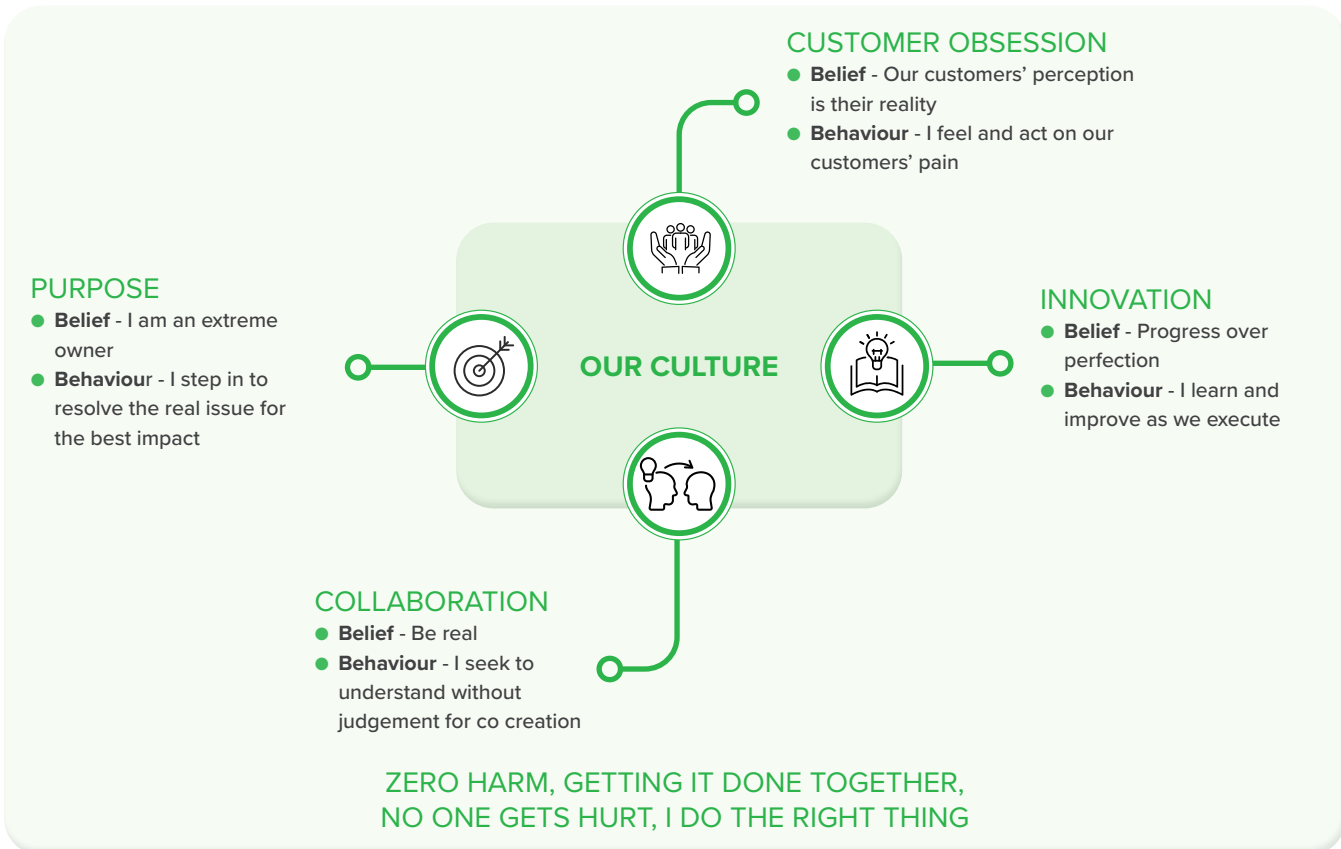


**INTELLECTUAL CAPITAL**



**SOCIAL AND RELATIONSHIP CAPITAL**

## Our guiding beliefs and behaviours



## Customer Obsession

Customer Obsession plays a critical strategic role in business planning and execution within our agile environment. It shapes our Customer Experience strategy by aligning customer feedback with the business mission, while also fostering a customer-obsessed culture across the organisation.

Customer Obsession helps prioritise customer experience initiatives and ensures that Agile tribe efforts are consistently anchored in the delivery of superior customer experiences without compromising commercial outcomes. Through a structured cadence, the Customer Obsession team acts as a strategic compass, guiding iterative efforts to stay focused on creating and maximising customer value.

### Customer experience

During the year under review, as we continued to drive a Customer Obsessed culture, we also entrenched Customer Obsession as a way of working, by creating non-negotiable standards of experience, which were entrenched in the different teams that impact experience. We introduced a customer experience-ready gate for all products and platforms. We also introduced a framework to help eliminate customer pain emanating from already existing products.



## The challenges we faced

### CHALLENGE

#### Customers' perception of value in relation to cost

##### What it means

Customers are in a tough socio-economic environment, and they demand cheaper products and services and more value.

Safaricom is focused on delivering quality and value to our customers at competitive prices while enhancing affordability.

#### Increased competition from other players\*

##### What it means

Increased media consumption has the capacity to skew customer perceptions, while AI use requires the provision of consistent ethical reassurance that data and resources are safe with Safaricom, thereby promoting a worry-free experience.

\*For more on the environment in which we operate, see page 90

## WHO WE ARE (continued)

### Our strategic role

Through a structured cadence, the Customer Obsession team acts as a strategic compass, guiding iterative efforts to stay focused on creating and maximising customer value.

Customer Obsession thus plays a critical strategic role in business planning and execution within our agile environment by:

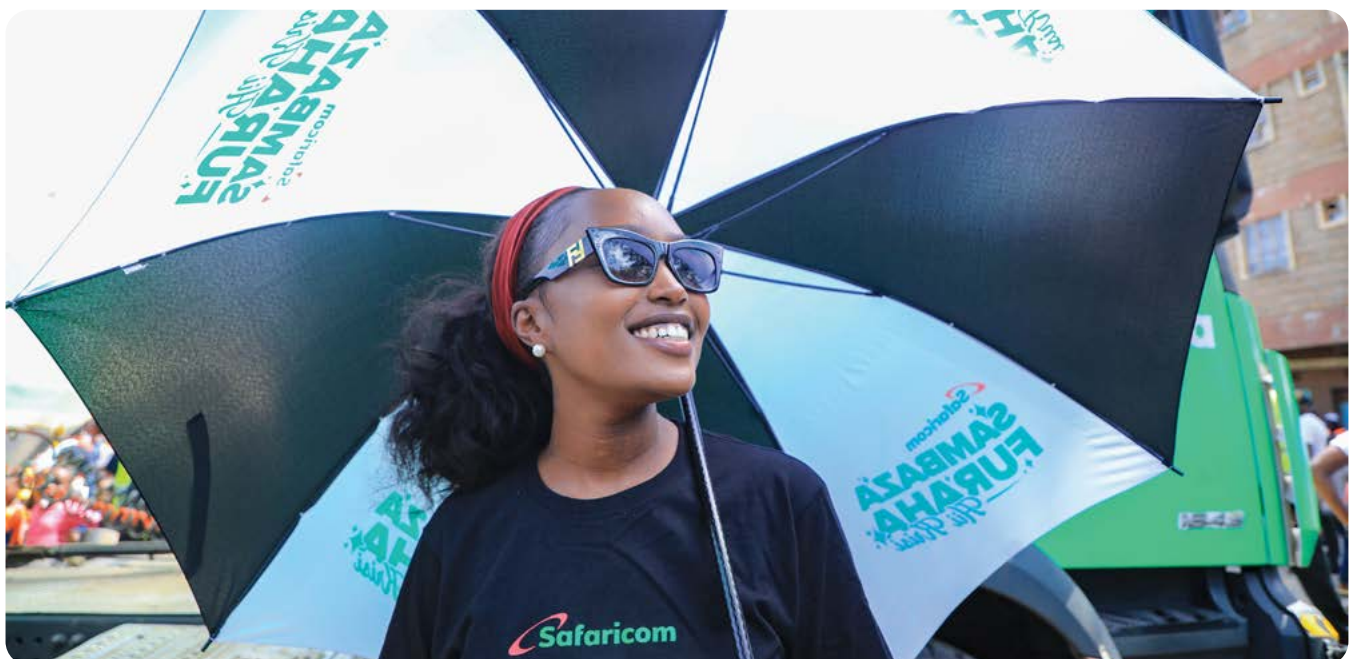
- Shaping customer experience strategy through alignment of customer feedback with the business mission
- Fostering a customer-obsessed culture across the organisation
- Helping to prioritise customer experience initiatives and ensuring that Agile tribe efforts are consistently applied in the delivery of superior customer experiences without compromising commercial outcomes

During the year under review, we introduced several metrics to measure our success:

METRIC	WHAT IT IS
<b>Journey Net Promoter Score (NPS) (jNPS)</b>	Measures the customer loyalty and satisfaction at key touchpoints with a focus on delivering a frictionless experience
<b>Benchmark NPS (bNPS)</b>	Measures Safaricom with other industry players on various parameters
<b>Touchpoint NPS (tNPS)</b>	Looks at the customer's interaction and experience against various touch points
<b>Journey Management Maturity Index (JMMI)</b>	Measures our capability to design, manage, optimise, and govern customer journeys
<b>Information Technology (IT) for customers</b>	Measures how effectively technology solutions are designed, deployed, and managed to enhance customer experiences

### Looking ahead

In the short term, we will continue focusing on resolving the top customer pain issues, while in the medium and long term, we will aim to leverage on technologies to deliver a seamless customer experience, positioning superior customer experience as a key differentiator.







# MESSAGE FROM THE CHAIRMAN



# MESSAGE FROM THE CHAIRMAN

«  
**In a year which marked the culmination of five years of strategic and operational achievement, it is very pleasing to see that the vision that drove our efforts during that period have borne a set of immensely impressive results. The hard work, dedication and commitment that has gone into the implementation of that strategy, and the ultimate outstanding outcomes it has yielded, is a source of great pride in the resilience, strength and solidity of Safaricom.**  
»

Since launching our Vision 2025 strategy in FY2021, we have attained a remarkable Group revenue growth of 47.8%, or an 8.1% compounded annual growth rate that has taken us from KShs 251 billion in FY2020 to KShs 371 billion in the year that we are reviewing in this report.

During this five-year period, we invested heavily, with a Group capex of KShs 388.5 billion (FY21 to FY25). Our investment in network infrastructure has enabled us not only to increase capacity but to improve customer experience, a goal which lies at the heart of our purpose of Transforming Lives.

Moreover, during this period, we supported Kenya as the technology partner of choice in delivering major public sector programmes in social protection, health, agriculture, and financial inclusion amongst others.

## Resilience in a tough year

While it has been a period not without its challenges, we have successfully navigated through demanding times that included tough macro-economic headwinds and constrained consumer wallets for our customers in the period.

In the last year, the potential reputational damage arising out of the Finance Bill 2024 related protests, as well as the ways we meet



the competitive threat from traditional and emerging players and associated increased regulatory scrutiny, has demonstrated the inherent and enduring strength of our brand, offerings and vision.

## Strategy to Vision 2030

As we transition into our new strategic cycle, the Board has full confidence in our management team to implement, execute and deliver on that strategy. The Board reiterates its commitment to providing all the support and guidance required as Safaricom continues to grow in an ever-challenging operating environment.

## Delivering value to our shareholders

I am pleased to affirm that the achievements we have recorded during the year under review, enable us to create real value for our shareholders. The Board has proposed a final dividend of KShs 0.65 per ordinary share, to be approved at our annual general meeting (AGM) in July 2025. This means that the total dividend for FY2025 will amount to KShs 1.20, and as such, remains fully aligned with our dividend policy.

It is greatly encouraging to note that we have maintained our dividend payout despite the start-up losses incurred in Ethiopia, and in the wake of the currency reforms that took place in that country during the year.

It is impressive too, that as we close out our Vision 2025 strategy, our shareholders will have received a cumulative KShs 255 billion in dividends over the past five years. I have no doubt that this successful growth trajectory will continue as we set our strategic sights on 2030.

## Changes to the Board

As we embark on the focused execution of the new strategy that will take us to our goal of becoming Africa's leading purpose-led technology company by 2030, I would like to honour and appreciate the contribution and dedication of departing Board members Rose Ogega, Winnie Ouko, Francesco Bianco and Dr. Karen Kandie for their outstanding service and commitment to the Board. As we say farewell to these three Board members, I would like to acknowledge their outstanding service and commitment, and on behalf of the Board, I wish them every success in their future endeavours.

At the same time, I would like to welcome our new Board members. Mr. Edward Okaro, Ms. Rita Kavashe, Mr. Lawrence Kibet (EBS) and Mr. James Wambugu have joined the Board, subject to approval by shareholders at the AGM. All of them are leaders in their fields and come with impeccable credentials as they join forces with us on our new strategic journey to Vision 2030.

## Valuing our stakeholders

We have always placed immense value on the needs, responses and input of our stakeholders. We continue to maintain excellent relationships with them. Both the Board and management continue to engage constructively with policymakers and regulators, as well as with all our stakeholders, to ensure that we can meet our obligations, and, most importantly, diligently serve our customers, who remain at the centre of everything we do.

## Supporting Kenya & Ethiopia governments

The Board appreciates the commitment from the governments of both Kenya and Ethiopia to creating an environment that fosters growth and innovation in the telecommunications and technology sectors.

On behalf of the Board and the Group, I would like to express our sincere gratitude to the two governments for their strong and ongoing support.

Indeed, the support extended by both governments has played a pivotal role in enabling us to achieve these results and to be a leading corporate citizen capable of delivering positive change to the lives of millions.

## Acknowledgements

I am immensely proud of what we have achieved this year, and I would like to thank all our stakeholders for their support. That support has not only been an essential part of our being able to deliver not only an outstanding financial performance, it has enabled us to make such a strong finish on the strategic journey on which we set out together five years ago.

Finally, I would like to thank our CEO Peter Ndegwa and his management team for their effective, diligent and inspired leadership in executing our strategy and delivering these excellent results.



**Adil Arshed Khawaja (MGH)**  
Chairman

# UJUMBE KUTOKA KWA MWENYEKITI

«  
**Katika mwaka ambao ulikuwa wa mwisho katika kipindi cha miaka mitano ya mafanikio ya kimkakati na uendeshaji shughuli, inaridhisha kuona kwamba ndoto kuu iliyoongoza juhudi zetu kipindi hicho imepata mseto wa mafanikio mazuri sana. Bidii, uadilifu, na kujitolea, ambavyo vimekuwepo kwenye utekelezaji wa mkakati huo, na matunda ya kuridhisha ambayo yamezalishwa, ni chanzo cha fahari kuu katika ukakamavu, nguvu na uthabiti wa Safaricom.**  
»

Tangu kuzinduliwa kwa mkakati wetu wa Ruwaza ya 2025 katika mwaka wa kifedha (FY) wa 2021, tumeandikisha ukuaji wa kuridhisha sana katika mapato ya Kundi wa 47.8%, au ukuaji ambatani wa 8.1% kila mwaka, ambao umetutoa katika mapato ya KShs 251 bilioni katika FY2020 hadi KShs 371 bilioni katika mwaka tunaouangazia kwenye ripoti hii.

Katika kipindi hiki cha miaka mitano, tuliwekeza sana, ambapo matumizi yetu ya Kundi katika mali, mitambo na teknolojia yalikuwa KShs 388.5 bilioni (FY21 hadi FY25). Uwekezaji wetu katika miundo mbinu ya mtandao umetuwezesha sio tu kuongeza uwezo wetu bali pia kuboresha utoaji huduma kwa wateja, lengo ambalo ni la msingi katika lengo letu kuu la Kubadilisha Maisha.

Kadhalika, katika kipindi hicho, tuliisaidia Kenya kama mshirika wa kiteknolojia anayependwa zaidi katika utekelezaji wa mipango mingi ya sekta ya umma katika mafao kwa jamii, afya, kilimo na ujumuishaji wa kifedha miongoni mwa mengine.

## Uthabiti katika mwaka mgumu

Wakati imekuwa ni kipindi kisicho na yake changamoto, tumefanikiwa kusogeza kupitia nyakati ngumu ambazo zilijumuisha upepo mgumu wa uchumi mkuu na mikoba ya watumiaji kwa wateja wetu katika kipindi hicho.



Katika mwaka huo uliopita, hatari ya kuharibiwa kwa sifa zetu kutokana na mambo yaliyohusiana na maandamano ya Mswada wa Kifedha wa 2024, pamoja na jinsi tunavyokabiliana na hatari za kiushindani kutoka kwa wahusika wa zamani na wengine wanaoibuka na pia uangalizi wa karibu zaidi kutoka kwa mamlaka zinazosimamia sekta, ni mambo yaliyodhihitisha uthabiti na nguvu ya nembo yetu, bidhaa na huduma zetu, na azma yetu kuu.

## Mkakati wa Ruwaza ya 2030

Tunapongia kwenye mzungumko mpya wa kipindi cha mkakati, Bodi ina imani kamili katika uwezo na kujitolea kwa kundi letu la wasimamizi kutekeleza mkakati huo. Bodi inakariri kujitolea kwake kutoa usaidizi na ushauri wote unaohitajika kadiri Safaricom inavyoendelea kukua katika kipindi cha mazingira ya kibiashara yanayoendelea kuwa na changamoto hata zaidi.

## Kuhakikisha Thamani kwa Wenye-hisa

Nina furaha kukariri kwamba mafanikio tuliyoyapata katika mwaka tunaoungazia yalituwezesha kuunda thamani halisi kwa wenye-hisa wetu. Bodi imependekeza mgawo wa faida wa mwisho wa KShs 0.65 kwa kila hisa ya kawaida, pendekezo la kuidhinishwa katika mkutano mkuu wa kila mwaka (AGM) Julai 2025. Hii ina maana kwamba mgawo wa faida wa jumla kwa FY2025 utakuwa KShs 1.20, na kwa hivyo, utakuwa umeambatana kikamilifu na sera yetu ya mgawo wa faida.

Inatia moyo sana kuona kwamba tumeendelea kulipa mgawo wa faida licha ya hasara ya kuanzisha biashara tuliyoiipata nchini Ethiopia, na mageuzi ya sarafu nchini humo ambayo yalifanyika katika mwaka huo.

Inaridhisha pia, kwamba tunapofunga mkakati wa Ruwaza ya 2025, wenye-hisa wetu watakuwa wamepokea kwa jumla kiasi cha KShs 255 bilioni kama mgawo wa faida katika miaka hiyo mitano iliyopita. Sina shaka kwamba mkondo huu wa ukuaji wa kuridhisha utaendelea tunapoangazia malengo yetu ya kimkakati ya 2030.

## Mabadiliko kwenye Bodi

Tunapoanza utekelezaji wa mkakati wetu mpya ambao utatuelekeza hadi kwenye lengo letu la kuwa kampuni ya inayoongozwa na malengo ya kiteknolojia inayoongoza Afrika kufikia 2030, ningependa kutoa heshima zangu na shukrani kwa mchango na kujitolea kwa wanachama wa Bodi wanaoondoka Rose Ogega, Winnie Ouko, Francesco Bianco na Dkt. Karen Kandie kwa utumishi wao na kujitolea kwao kwenye Bodi. Tunapowaaga wanachama hawa watatu wa Bodi, ningependa kutambua utumishi wao wa kipekee na kujitolea kwao, na kwa niaba ya Bodi, nawatakia kila la heri katika shughuli zao za baadaye.

Wakati huo huo, ningependa kuwakaribisha wanachama wetu wapya wa Bodi, Bw. Edward Okaro, Bi. Rita Kavashe, Bw. Lawrence Kibet (EBS) na Bw. James Wambugu ambao wamejiunga na Bodi, wakisubiri kuidhinishwa na wenye-hisa katika Mkutano Mkuu wa Kila Mwaka (AGM). Wote ni viongozi kwenye fani zao na wanaleta sifa, ujuzi na uzoefu usio na doa wanapojiunga nasi katika safari yetu mpya ya kimkakati ya kuelekea kwenye Ruwaza ya 2030.

## Kuwathamini Wadau

Daima tumekuwa tukithamani sana mahitaji, majibu na mchango wa wadau wetu. Tumeendelea kudumisha uhusiano mzuri sana nao. Bodi na wasimamizi wameendelea kushauriana kwa njia ya maana na watunzi wa sera na mamlaka zinazosimamia sekta yetu, Pamoja na wadau wengine wote, kuhakikisha tunatimiza wajibu wetu ipasavyo, na muhimu kabisa, kuwahudumia kwa uadilifu wateja wetu, ambao tumewaweka kwenye mstari wa mbele katika kila tulifanyalo.

## Kuzisaidia Serikali za Kenya na Ethiopia

Bodi linathamini sana kujitolea kwa serikali za Kenya na Ethiopia kuunda mazingira ambayo yanachochea ukuaji na uvumbuzi na ubunifu katika sekta za teknolojia na mawasiliano.

Kwa niaba ya Bodi na Kundi, ningependa kutoa shukrani zetu za dhati kwa serikali za mataifa hayo mawili kwa uungaji mkono wa imara na unaoendelea.

Kwa kweli, uungaji mkono kutoka kwa serikali zote mbili umetekeleza mchango muhimu katika kutuwezesha kupata matokeo haya mazuri na kuwa raia shirika anayeongoza na anayeweza kuhakikisha mabadiliko ya manufaa kwenye maisha ya mamilioni ya watu.

## Shukrani

Ninajivunia sana yale tuliyofanikiwa kuyatimiza katika mwaka huu, na ningependa kuwashukuru sana wadau wote kwa usaidizi na uungaji mkono wao. Uungaji mkono huo sio tu kwamba umekuwa kiungo muhimu katika kutuwezesha kupata matokeo mazuri sana ya kifedha, bali pia umetuwezesha kumaliza vyema safari ya kimkakati tuliyoiianza kwa pamoja miaka mitano iliyopita.

Nikihitimisha, ningependa kumshukuru Afisa Mkuu Mtendaji wetu Peter Ndegwa na kundi lake la wasimamizi kwa uongozi wao bora, wa uadilifu na wa kujitolea na kutia moyo katika utekelezaji wa mkakati wetu na kuhakikisha matokeo haya mazuri sana.



**Adil Arshed Khawaja (MGH)**  
Mwenyekiti



A woman with long braids, wearing a blue long-sleeved top, a yellow crop top, and purple cargo pants, is smiling and taking a selfie with a green smartphone. She is standing in front of a wall covered in colorful graffiti. The background is a mix of blue and purple lighting, suggesting an outdoor setting at dusk or night.

# MESSAGE FROM THE GROUP CEO

## MESSAGE FROM THE GROUP CEO

«  
**The year ended 31 March 2025 marks the final year of our five-year strategy cycle and was also the foundational year for the Vision 2030 strategy cycle. Despite a challenging environment, we delivered robust performance, with results from Kenya and Ethiopia within the guidance previously provided.**  
»

The financial year in which we are reporting marked significant milestones in Safaricom's journey. As we entered the year-long countdown to our silver jubilee, we celebrated 24 years of serving our customers and communities. M-PESA, which turned 18 in March 2025, continued to solidify its role in financial inclusion and economic empowerment, and the M-PESA Foundation marked 15 years of transforming lives.

### Adapting to our operating environment in Kenya

In a year of heightened geopolitical tensions that included wars in Ukraine and the Middle East, and other related geopolitical pressures continued to exert pressure on African economies. As we entered the new year, the potential for further impact arising from the imposition of trade tariffs made itself felt.

Domestically, the reduction of Mobile Termination Rates (MTRs) and fixed termination rates (FTRs) to KShs 0.41 per minute, that came into force from 1 March 2024, had direct implications for our business. The Central Bank of Kenya launched the National Payments Strategy 2022-2025 in February 2022, which is currently under implementation and is aimed at enhancing the country's payments journey, participation of the industry in both the regional and global levels and realising the vision of a secure, fast, efficient and collaborative payments system that supports financial inclusion and innovations that benefit Kenyans. We continue to support this industry wide-strategy that will supplement the efforts we have made through M-PESA in driving financial inclusion to date.



Within what fundamentally remained a relatively stable macro-economic environment, however, we maintained our market leadership, despite intensifying competition from both emerging and traditional players.

## Meeting our strategic goals in Kenya

The culminating year of our Vision 2025 strategy yielded a strong performance in line with our strategic goals. We saw M-PESA revenue growing by 15.2% YoY with increased usage and growth in customers. Distribution via our micro and MSME merchant ecosystem showed our agent network expanding by 14.1% YoY. Moreover, we empowered more than 55,000 businesses through OpenAPI to assist with bill payments and other collection services while enabling our digital economy through 106,000 developers.

In addition, we saw impressive growth in customers and merchants, by over 10.5% and 6.8% respectively, while our M-PESA Super App grew not only in performance, but in adoption, and engagement as well. With 1.6 million revenue-generating customers, we recorded a total of KShs 2.3 trillion transaction value via the app across 896.2 billion transactions. Revenue generated via the app amounted to KShs 6.0 billion.

Our Business App achieved notable growth and performance in active incremental users, downloads, agents and merchants evenly balanced. In the area of savings and investments, we successfully launched Ziidi, with Mali also recording impressive results.


On the consumer side, we grew mobile data by driving penetration of 4G+ devices to 23.4 million, a 33.3% increase YoY, while, 5G devices saw an increase in adoption by 57.0% YoY, with the number of smartphones rising by 19.4% YoY to 27.4 million.

In our Fixed Business we enhanced Home Internet speeds and introduced a new ultra-fast 1000Mbps (1 GB) per second Platinum plan, at KShs 20,000 monthly, making Safaricom the first to deliver home internet at giga speed, ideal for gamers, content creators and virtual reality applications, among others.

Finally, in addition to revolutionising digital experience with 5G internet for business, we launched new Business Fibre plans for Small and Micro Enterprises (SMEs).

## Resilient Group Performance in FY2025

Our FY2025 results reflect the resilience of our business. Our double digit topline growth is a clear indication of the quality and relevance of the products we have built up over time, and which demonstrate the effectiveness of our imperative of customer obsession, mediated through the Spirit of Safaricom.

**For more on customer obsession and the Spirit of Safaricom, see pages 25 and 24 respectively** 

Our Kenya business remains robust, with our voice business healthy and stable even when compared to global declines. We are encouraged by the uptake we saw during the year of 4G devices, with over 23 million customers now using that platform, and the increase of devices on our network.

We also continued to invest in our network coverage, working to transition customers from 2G to 4G devices, while accelerating 5G, fixed wireless and fibre rollout. We continued to expand our extensive M-PESA reach through our 300,000-strong agent network across the country.

At Group level, we did not merely grow – we accelerated, with double-digit growth in both revenue and net income. It is extremely gratifying to note a growth of 10.8% YoY in service revenue, and an increase in total revenue of 11.2% YoY to KShs 388.7 billion. Moreover, our Ethiopia business gathered momentum, contributing 9.3% of our Group revenue growth.

## Digitisation Partner of Choice for Enterprises and the Public Sector in Kenya

One of the objectives of our Vision 2030 strategy is to become the digitisation and financial services partner of choice for enterprises and the public sector for our Kenyan operations. To this end, we have expanded our cybersecurity solutions and strengthened the Safaricom Business brand. In the year, we launched “Grow with Safaricom Business” initiative, focused on empowering SMEs with affordable, technology-driven solutions. Over 5,000 SMEs have joined our knowledge-building forums. We also opened the first-ever Safaricom Business Retail Shop in Eastleigh town in Nairobi County, specifically targeting SMEs.

We continue to work to enable national and county governments to collect and disburse funds efficiently, to advance financial inclusion, and to make citizen services more accessible. Through the Inua Jamii Programme for Government Cash Transfers to elderly citizens, we supported in disbursement of KShs 4.3 billion to 1.7 million beneficiaries.

## MESSAGE FROM THE GROUP CEO (continued)

### Digitising the health ecosystem in Kenya

In partnership with other industry players, we have led the public sector in digitising the healthcare ecosystem in Kenya and in the year, we commenced the development of an Integrated Healthcare Information Technology System (IHITS System) to support digitisation of public health facilities. This will enhance universal care access to deepen access to health financing and digitisation of health commodities in supply chain effectively improving drugs safety and availability. It will also drive point of care digitisation and health systems interoperability to enable health data portability.

### Safaricom Ethiopia

In Ethiopia, our focus during the year remained on overcoming obstacles and leveraging opportunities to enhance our service offerings, market presence in order to stay on track to break even in FY2027. With over 3,100 sites, we now cover 50% of the country's population, of whom almost 9 million are actively using our services.

We have been encouraged by market adjustments to Ethiopia's foreign exchange reforms, and by the country's resilient Gross Domestic Product (GDP), supported by economic reforms, stability, and sectoral growth. The steps taken by the authorities, including regulator licensing of the first two investment banks and the Ethiopian Securities Exchange launch in January 2025, bode well for the effectiveness of our strategic approach by boosting investor confidence, enhancing liquidity, and creating value for issuers and investors.

Nevertheless, we have had to manage the impact of Birr depreciation in the year and have taken measures to mitigate the short- and medium-term impact of the foreign exchange reforms.

Other challenges included ongoing increases in fuel prices as the government reduced subsidies, and continuing security concerns in some parts of the country affecting sites and access to power connections.

Nevertheless, we remain focused on sustainable growth in Ethiopia, leveraging the country's youthful population and the opportunities represented by low penetration of connectivity and fintech.

To this end, we are building strong relationships across the industry and micro, MSMEs with the view of coming together to provide value to Ethiopians. We are committed to improving financial inclusion amongst various communities through our engagements in agriculture and health.

### Celebrating 25 Years of Transforming Lives in Kenya

We marked 24 years of transforming lives in the Kenyan society this year and we celebrated this with Kenyans across the country through some elevated brand campaigns. We made a concerted effort to bring our brand closer to our customers with meaningful interactions and events following the Finance Bill 2024 protests. We also developed a comprehensive customer education and awareness programme targeting all segments, but especially the youth and achievers, to reaffirm our commitment to data privacy, which was a key concern amongst our customers during and after the protests.

Importantly, we were awarded the ISO 27701 Privacy Information Management System certificate following a rigorous review undertaken by the British Standards Institute.

We were also recertified in and awarded the highest level of the Payment Card Industry Data Security Standard (PCI DSS), a strong endorsement that cements our commitment to customer data privacy.

### Customer segmentation in Kenya

FY2025 also saw us broadening our understanding of customers by segmenting our market, the better to gain insights into their needs and aspirations. In reaching out to our customers during the year, we focused on:

- Humanising our brand through physical engagements;
- Localised relevance through region-based activations;
- Community impact by strengthening authenticity and brand affinity;
- Demonstrating our appreciation of our partners through engagements with our agents

### Working for the good of our people and communities

By aligning business goals with community needs, and driven by our Environmental, Social, and Governance (ESG) principles, we believe that we contribute towards the acceleration of sustainable growth. Working as a force for good is central to our ethos, values and purpose of Transforming Lives. This is at the heart of our mission and is expressed in an unwavering commitment that fuels every decision we make.

During our now concluded five-year strategy cycle, our M-PESA and Safaricom Foundations have invested over KShs 18 billion into transforming more than 13 million lives. This is done through various programmes in education, health, environment and economic empowerment, and during the year under review, I am proud to note that this proactive approach continued with great success.

## Identifying opportunities for the Group as we look ahead

In the short term, we will be focusing on the following strategic priority areas in FY2026.

- Driving delivery adoption and commercial scale of technology solutions
- Delivering frictionless, safe, and secure digital first customer experiences
- Accelerating path to profitability in Ethiopia
- Enhancing our culture and brand
- Defending and growing core market share in Global System for Mobile Communications (GSM) business, mobile money and broadband
- Living our Safaricom Spirit including zero harm culture

In the medium to long term, we will focus on our Vision 2030 strategy cycle, as we work to protect and grow the core business, accelerate our transition into a technology company, boost and evolve our Ethiopia business and unlock value through innovative delivery models. Our customers, whom we view as 'a segment of one' will remain at the centre of everything we do, with the delivery of superior experience being our key differentiator.

We will seek to develop more use cases for M-PESA in Ethiopia where we are emphatically on a path to profitability and a sustainable funding model. As we grow our private enterprise and public sector business, our aim will be to become Africa's leading purpose-led technology company by 2030.

## Acknowledgements

We have delivered outstanding results in FY2025, an achievement that is a testament not just to the way we work, but to the collaboration, respect and engagement of all our stakeholders.

To our customers – we greatly value your continued support as we celebrate 25 years of being part of your lives. I would like to thank you for your loyalty and embracing our brand, and we look forward to reaching many more milestones together with you, as we strive to deliver on our value propositions.

I would also like to thank our stakeholders and partners. We remain committed to collaborating to deliver value, safeguard and digitise our products and services. We always have the customer at the forefront, and with enhanced customer experience and engagement.

I would also like to express my gratitude to all our shareholders. We appreciate your trust, and as we enter a new strategic cycle, we commit to securing your investment as we scale our business.

I would like to thank our Board members for their wise and capable leadership. Their unwavering support and guidance throughout the year is greatly appreciated. Their input and insights have played a key role in steering the Company towards achieving its strategic goals and driving meaningful change.

I am also grateful to the Governments of Kenya and Ethiopia who have enabled us to continue providing services that transform our communities. Their support throughout the years has been an essential component of our achievements.

Lastly, but by no means least, I would like to thank our employees. Their diligence, talent and commitment are at the centre of our success. I know that with their ongoing commitment, we will remain true to our purpose of Transforming Lives through our belief and behaviour, as we work together towards achieving our Vision 2030 strategy to be Africa's leading purpose-led technology company by 2030.



**Dr. Peter Ndegwa (CBS)**  
Chief Executive Officer



# UJUMBE KUTOKA KWA AFISA MKUU MTENDAJI WA KUNDI

«  
**Mwaka uliokamilika 31 Machi 2025 ulikuwa mwaka wa mwisho kwenye mzunguko wetu wa mkakati wa miaka mitano na ulikuwa pia mwaka wa kuweka msingi kwa mzunguko wa mkakati wa Ruwaza ya 2030. Licha ya mazingira magumu, tuliandikisha matokeo mazuri, ambapo matokeo yetu kutoka Kenya na Ethiopia yaliambatana na makadirio yaliyokuwa yametolewa awali.**  
»

Mwaka wa kifedha tunaouangazia ni mwaka ambao Safaricom ilipiga hatua kubwa na muhimu katika safari yake. Tulipoingia kwenye kipindi cha mwaka mmoja cha kujiandaa kuadhimisha miaka 25 tangu kuanzishwa kwetu, tulisherehekea miaka 24 ya kuwahudumia wateja wetu na jamii. M-PESA, ambayo ilitimiza miaka 18 mwezi Machi 2025 iliendelea kuimarisha mchango wake katika ujumuishaji wa kifedha na uwezeshaji wa kiuchumi, na wakfu wa M-PESA Foundation uliadhimisha miaka 15 ya kubadilisha maisha.

## Kubadilika na mazingira ya uendeshaji shughuli nchini Kenya

Katika mwaka wa kiwango cha juu cha wasiwasi na mivutano ya kisiasa kimataifa, ambao ni pamoja na vita Ukraine na Mashariki ya Kati, na shinikizo nyingine husika, haya yote yaliendelea kutoa shinikizo kwa Uchumi katika mataifa ya Afrika. Tulipoingia katika mwaka mpya, athari zaidi kutokana na kuongezwa kwa ushuru wa uagizaji bidhaa za nje ya nchi zilianza kudhihirika.

Ndani ya nchi, kupunguzwa kwa ada inayotozwa na mitandao ya simu kwa simu zinazopigwa kutoka mtandao mwingine kwa kutumia simu za rununu na kwa simu za kutumia nyaya hadi KShs 0.41 kwa kila dakika, ambayo ilianza kutekelezwa 1 Machi 2024, kuliathiri biashara yetu moja kwa moja. Benki Kuu ya Kenya ilizindua Mkakati wa Kitaifa wa Malipo 2022-2025 mnamo Februari 2022, ambao unatekelezwa kwa sasa na unalenga kuimarisha safari ya malipo nchini ili kuimarisha ushiriki katika ngazi za kikanda na kimataifa kwa lengo la kutimiza maono ya mfumo wa malipo salama, wa haraka, bora na shirikishi ambao unasaidia ujumuishaji wa



kifedha katika Kenya. Tunaendelea kuunga mkono mkakati mpana wa tasnia hii ambao utaongeza juhudi tulizofanya kupitia M-PESA katika kuendesha ujumuishaji wa kifedha hadi sasa.

Katika mazingira pana ya kiuchumi ambayo kwa kiwango kikubwa yalikuwa thabiti, tulidumisha uongozi wetu sokoni licha ya kuongezeka kwa ushindani kutoka kwa wadau wanaoibuka na wale wa zamani.

## Kutimiza malengo yetu ya kimkakati nchini Kenya

Mwaka huo wa mwisho wa mkakati wa Ruwaza ya 2025 uliandikisha matokeo mazuri kuambatana na malengo yetu ya kimkakati. Mapato kutoka kwa M-PESA yaliongezeka 15.2% mwaka baada ya mwaka kutokana na ongezeko la matumizi na wateja pia. Usambazaji kupitia mfumo wetu wa wafanyabiashara wa biashara ndogo zaidi, na biashara ndogo ndogo na za wastani (MSME) uliwezesha mtandao wetu wa maajenti kuongezeka kwa 14.1% mwaka baada ya mwaka. Isitoshe, tuliwezesha zaidi ya baishara 55,000 kupitia OpenAPI kusaidia katika malipo ya bili na huduma nyingine za kupokea malipo, huku pia tukiwezesha uchumi wa dijitali kupitia watengenezaji wa mifumo ya kompyuta na simu 106,000.

Kadhalika, tulishuhudia ukuaji mkubwa katika idadi ya wateja na wafanyabiashara, kwa zaidi ya 10.5% na 6.8% mtawalia. M-PESA Super App nayo ilikua, sio tu kwa utendaji kazi wake bali pia katika idadi ya wanaoitumia na wanavyoitumia. Tulikuwa na wateja 1.6 milioni wenye kutuletea mapato walioitumia, na miamala ya thamani ya KShs 2.3 trilion ilifanywa kupitia programu tumishi hiyo, hii ikiwa ni miamala 896.2 bilioni. Mapato yaliyozalishwa na programu tumishi hiyo yalifikia KShs 6.0 bilioni.

Programu tumishi yetu ya Business App nayo ilipata ukuaji mkubwa ambapo inaridhisha katika idadi ya wanaoitumia, wanaoipakua, maajenti na wafanyabiashara. Katika uwekaji akiba na uwekezaji, tulifanya uzinduzi wa kufana wa Ziidi. Mali pia iliandikisha matokeo mazuri.

Kwa upande wa watumiaji, tulikuza data ya simu kwa kuendelea kupenya kwa Vifaa vya 4G+ hadi milioni 23.4, ongezeko la 33.3% kutoka mwaka uliopita, huku vifaa vya 5G vilionekana ongezeko la kupitishwa kwa 57.0% mwaka baada ya mwaka, pamoja na idadi ya simu mahiri kupanda kwa 19.4% mwakani hadi milioni 27.4.

Katika biashara yetu ya kutoa huduma za mtandao kupitia nyaya, tuliongeza kasi katika huduma ya Home Internet, na pia kuanzisha huduma mpya ya kasi zaidi ya Platinum yenye kasi ya 1000Mbps (1 GB) kwa kila sekunde, kwa bei ya KShs 20,000 kila mwezi. Hii imeifanya Safaricom kuwa ya kwanza kutoa huduma za mtandao manyumbani kwa kasi ya giga. Hii inawafaa sana wanaoshiriki michezo ya kompyuta mtandaoni, watengenezaji maudhui na wenye kutumia program za uhalisia bandia yaani virtual reality, miongoni mwa wengine.

Mwisho kabisa, kando na kufanya mageuzi makubwa katika matumizi ya dijitali kupitia huduma ya mtandao ya 5G kwa ajili ya biashara, tulianzisha huduma mpya za Business Fibre kwa ajili ya biashara ndogo ndogo (SMEs)

## Utendaji wa Kikundi Ustahimilivu nchini Kenya

Matokeo ya mwaka wa kifedha wa 2025 ni kiashiria cha uthabiti wetu. Ukuaji wetu wa zaidi ya asilimia kumi katika jumla ya mapato ni thibitisho la ubora na ufaafu wa huduma na bidhaa zetu ambazo tumeziandaa kwa miaka mingi na ambazo zinadhihirisha nguzo yetu ya kuangazia mteja katika kila jambo, tukiongozwa na Moyo wa Safaricom. Kwa maelezo zaidi kuhusu kuangazia mteja na Moyo wa Safaricom.

Biashara yetu nchini Kenya bado ni imara, ambapo biashara ya upigaji simu inanawiri na ni imara hata zaidi ukilinganisha na kushuka kwake kimataifa. Tumetiwa moyo na kukumbatiwa kwa vifaa vinavyotumia 4G ambako tulishuhudia mwaka huo, ambapo kwa sasa zaidi ya wateja 23 milioni sasa wanatumia teknolojia hiyo. Kumekuwa pia na ongezeko la vifaa kwenye mtandao wetu.

Tuliendelea pia kuwekeza katika mtandao wetu, ambapo tunajaribu kuwahamisha wateja kutoka kwenye vifaa vya 2G hadi vifaa vya 4G. Vilevile, tunaongeza kasi uwekaji wa mtandao wa 5G, huduma ya mtandao wa intaneti inayotumia mawimbi ya redio na faiba. Tuliendelea kupanua upatikanaji wa huduma za M-PESA kupitia maajenti wetu 300,000 kote nchini.

Katika ngazi ya Kundi, sio tu kwamba tulikua – bali tuliongeza kasi ya ukuaji, ambapo mapato na mapato halisi vyote viwili viliongezeka kwa zaidi ya asilimia kumi. Inaridhisha sana kuona kwamba tulipata ukuaji wa 10.8% mwaka baada ya mwaka katika mapato kutoka kwa huduma, na ongezeko la 11.2% mwaka baada ya mwaka hadi KShs 388.7 bilioni kwenye jumla ya mapato. Aidha, biashara yetu nchini Ethiopia ilishika kasi na kuchangia 9.3% ya ukuaji wa mapato ya Kundi.

## Mshirika wa Dijitali Anayependwa na Biashara na Sekta ya Umma Nchini Kenya

Mojawapo ya malengo katika mkakati wetu wa Ruwaza ya 2030 ni kuwa mshirika wa dijitali na kifedha anayependwa zaidi na biashara na sekta ya umma nchini Kenya. Ili kutimiza hili, tumepanua huduma zetu za usalama wa mtandaoni na pia kuimarisha nembu yetu ya Safaricom Business. Katika mwaka huo, tulizindua mkakati wa “Kua na Safaricom Business” unaoangazia kutoa huduma nafuu za kiteknolojia kwa SMEs. Zaidi ya SMEs 5,000 zimejiunga katika majukwaa yetu ya kustawisha ujuzi. Tulifungua pia duka letu la kwanza kabisa la rejereja la Safaricom Business katika mtaa Eastleigh, Kaunti ya Nairobi, kwa lengo maalum la kuangazia SMEs.

# UJUMBE KUTOKA KWA AFISA MKUU MTENDAJI WA KUNDI (mwendelezo)

## Mshirika wa Dijitali Anayependwa na Biashara na Sekta ya Umma Nchini Kenya

(mwendelezo)

Tumeendelea kuwezesha serikali ya kitaifa na serikali za kaunti kukusanya na kusambaza fedha kwa njia bora zaidi, kuimarisha ujumuishaji wa kifedha na kufanya huduma kwa raia kufikika kwa njia rahisi. Kupitia mpango wa serikali wa kutoa pesa kwa wazee wa Inua Jamii, tulisaidia kusambazwa kwa KShs 4.3 bilioni kwa wanufaika zaidi ya 1.7 milioni.

## Kufanya Dijitali Mfumo wa Afya Kenya

Kwa ushirikiano na wadau wengine, tumeongoza sekta ya umma katika kufanya dijitali mfumo ikolojia wa huduma za afya Kenya na katika mwaka huo tulianza kuunda Mfumo Kamilifu wa Habari na Teknolojia wa Huduma za Afya (IHTS System) wa kusaidia kufanywa dijitali kwa huduma katika vituo vya afya vya serikali. Hii itawezesha huduma kufikia watu wengi na pia kuongeza upatikana wa ufadhili wa afya na kufanywa dijitali kwa huduma za afya katika mfumo wa usambazaji. Hii itaboresha usalama wa dawa na upatikanaji wake. Kadhalika, itachochea kufanywa dijitali kwa huduma vituoni na kuwezesha upatikanaji wa habari na maelezo kutoka kituo cha afya hadi kingine.

## Safaricom Ethiopia

Nchini Ethiopia, kipaumbele chetu katika mwaka huo kilisalia kukiuka vizuizi na kutumia fursa kuboresha huduma zetu na uwepo wetu sokoni ili kutuwezesha kuendelea na safari yetu ya kutaka kuanza kutengeneza faida FY2027. Tuna zaidi ya vituo 3,100 vya mitambo ya mawasiliano, na tunafikia zaidi ya 50% ya raia nchini humo. Kati ya hao, karibu 9 milioni wanatumia huduma zetu mara kwa mara.

Tumetiwa moyo na mabadiliko sokoni kutokana na mageuzi kuhusu sarafu za kigeni nchini Ethiopia, na uthabiti wa ukuaji wa Pato la Taifa (GDP) nchini humo, ukisaidiwa na mageuzi ya kiuchumi, uthabiti, na ukuaji wa sekta. Hatua zilizochukuliwa na mamlaka, ikiwa ni pamoja na utoaji lesenei kwa benki za kwanza mbili za uwekezaji na uzinduzi wa Soko la Hisa la Ethiopia Januari 2025, zinaendana vyema na azma yetu ya kimkakati kwa kuinua imani ya wawekezaji, kuongeza mtiririko wa fedha, na kuunda thamani kwa wawekezaji.

Licha ya hayo, tumelazimika kudhibiti athari za kushuka kwa thamani ya Birr katika mwaka na tumeweza kuchukuliwa hatua za kupunguza athari za muda mfupi na wa kati za mageuzi ya fedha za kigeni.

Changamoto nyingine zilikuwa ni pamoja na kupanda kwa bei ya mafuta ambako kunaendelea. Hii ni baada ya serikali kupunguza ruzuku. Pia, kuna changamoto ya usalama katika baadhi ya maeneo nchini humo. Usafiri maeneo hayo umeathirika, ufikiaji wa mitambo ya mawasiliano kuwa wa changamoto, na pia upatikanaji salama wa nguvu za umeme kuwa tatizo.

Hata hivyo, bado tunaangazia kupata ukuaji endelevu nchini Ethiopia, kwa kutumia idadi kubwa ya kizazi changa nchini humo na fursa zinazotokana na upenyaji wa chini wa huduma za mawasiliano na mtandao na pia huduma za kifedha kupitia teknolojia.

Ili kutimiza hili, tunajenga uhusiano na ushirikiano imara kote katika sekta yote na pia uhusiano na biashara ndogo ndogo na za wastani (MSMEs) kwa lengo la kuja pamoja na kutoa thamani kwa Waethiopia. Tumejitolea kuimarisha ujumuisha wa kifedha katika jamii mbalimbali kupitia uhusiano wetu nao katika kilimo na afya.

## Kuadhimisha Miaka 25 ya Kubadilisha Maisha Nchini Kenya

Tuliadhimisha miaka 24 ya kubadilisha maisha katika jamii ya Wakenya mwaka huu na tulisherehekea hili na Wakenya kote nchini kupitia kampeni za chapa bora. Tulifanya juhudi kubwa kuleta chapa yetu karibu na wateja wetu kwa mwingiliano na matukio muhimu kufuatia maandamano ya Muswada wa Fedha wa 2024. Pia tulitengeneza a mpango wa kina wa elimu na uhamasishaji kwa wateja ikilenga makundi yote, lakini hasa vijana na waliofaulu, ili kuthibitisha kujitolea kwetu kwa faragha ya data, ambayo ilikuwa jambo la msingi miongoni mwa wateja wetu wakati na baada ya maandamano.

Muhimu zaidi, tulitunukiwa Taarifa ya Faragha ya ISO 27701 Cheti cha Mfumo wa Usimamizi kufuatia ukaguzi mkali iliyofanywa na Taasisi ya Viwango ya Uingereza.

Pia tuliidhinishwa na kutunukiwa kiwango cha juu zaidi cha Kiwango cha Usalama wa Data katika Sekta ya Kadi ya Malipo (PCI DSS), hatua inayounga mkono kujitolea kwetu kuweka fragha ya wateja.

## Mtazamo wetu wa kuangazia makundi

Mwaka wa kifedha 2025 pia tulipanua ufahamu wetu wa wateja kwa kugawa soko katika makundi ili kupata ufahamu wa kina kuhusu mahitaji na matamano yao. Katika kujaribu kuwafahamu vyema wateja mwaka huo, tuliangazia:

- Kuongeza utu kwenye nembo yetu kupitia kukutana moja kwa moja;
- Ufaafu wa kimaeneo kupitia hafla za kutangaza huduma na bidhaa za kuangazia kanda;
- Manufaa kwenye jamii kupitia kuongeza nguvu uhalisia wetu na mvuto wa nembo, na
- Kudhihirisha shukrani kwa washirika wetu kupitia kushiriki pamoja na maajenti wetu

## Kufanya kazi kwa manufaa wa watu wetu na jamii

Kwa kuambatanisha malengo ya biashara na mahitaji ya jamii, na kwa kuongozwa na maadili ya Mazingira, Jamii, na Utawala (ESG), tunaamini kwamba tunachangia katika kuongeza kasi ukuaji endelevu. Kufanya kazi kuhakikisha mema ni nguzo kuu katika maadili yetu na lengo letu la Kubadilisha Maisha. Hili limo katika kiini cha lengo letu kuu na hudhahirishwa katika kujitolea kwetu ambako huongoza kila maamuzi tunayoyafanya.

Wakati wa mzungumo wa mkakati wa miaka mitano ambao umemalizika sasa, kwa pamoja Wakfu wa M-PESA na Wakfu wa Safaricom uliwekeza KShs 18 bilioni katika kubadilisha maisha ya watu 13 milioni. Hii ni kupitia mipango mbalimbali katika elimu, afya, mazingira na uwezeshaji wa kiuchumi, na katika mwaka tunaouangazia, nina fahari kueleza kuwa mtazamo huu wetu umeendelea kuwa na mafanikio makubwa.

## Kutambua fursa tunapotazama mbele

Katika kipindi kifupi, tutakuwa tukiangazia maeneo yafuatayo ya kupewa kipaumbele kimkakati mwaka wa kifedha wa 2026;

- Kuongeza usambazaji, ukumbatiaji na matumizi makubwa ya suluhu za kiteknolojia
- Kuhakikisha huduma laini na salama za dijitali zinazoangazia mteja kwanza
- Kuongeza kasi safari yetu ya kuanza kupata faida Ethiopia
- Kuimarisha utamaduni wetu na nembo yetu
- Kuhifadhi na kuongeza udhibiti wetu sokoni wa matumizi ya mawasiliano ya simu za kawaida (GSM), huduma za pesa kwa njia ya simu na utoaji wa huduma za mtandao wa intaneti
- Kuishi kwa kutekeleza Moyo wa Safaricom, pamoja na utamaduni wa kutosababisha madhara kamwe

Katika kipindi cha wastani na kipindi kirefu tutaangazia kutekeleza mzunguko wetu wa mkakati wa Dira ya 2030, tunapofanya kazi ya kulinda na kukuza biashara kuu, kuongeza kasi yetu. mpito katika kampuni ya teknolojia, kukuza na kuendeleza biashara yetu ya Ethiopia na kufungua thamani kupitia miundo bunifu ya uwasilishaji. Wateja wetu, ambao tunawaona kama 'sehemu ya mtu mmoja' watasalia katikati ya kila kitu tunachofanya, na uwasilishaji wa uzoefu wa hali ya juu. kuwa tofauti yetu kuu.

Tutajizatiti kuandaa sababu za na matumizi zaidi ya huduma ya M-PESA nchini Ethiopia, ambako tunafanya juhudi za kupata faida na kuwa na muundo endelevu wa ufadhili wa shughuli zetu. Lengo letu kuu ni kuwa kampuni inayoongoza barani Afrika ya teknolojia inayoongozwa na malengo ya kuunganisha watu ifikapo 2030.

## Shukrani

Tumeandikisha matokeo mazuri FY2025, na ni mafanikio yanayodhihirisha sio tu jinsi tunavyofanya kazi, bali pia ushirikiano, heshima na uhusiano wetu na wadau wetu wote.

Kwa wateja wetu – tunathamini sana kuendelea kwenu kutuunga mkono tunaposherehekea miaka 25 ya kuwa sehemu ya Maisha yenu. Ningependa kuwashukuru sana kwa uaminifu wetu na kwa kukumbatia nembo yetu. Tunatazamia kufikia mengi makuu tukiwa pamoja nanyi, tunapojizatiti kutimiza ahadi yetu.

Ningependa pia kuwashukuru wadau wetu na washirika wetu. Tutaendelea kushirikiana nanyi kuhakikisha thamani, na kulinda na kufanya dijitali huduma na bidhaa, mteja akiwa mstari wa mbele kila wakati na tukiboresha utoaji huduma na uhusiano wetu naye.

Ningependa pia kueleza shukrani zangu kwa wenyehisa. Tunathamini sana imani yenu kwetu, na tunapoingia katika mzunguko mwingine wa mkakati, tunaahidi kulinda uwekezaji wenu tunapopanua na kukuza biashara yetu.

Nataka pia kuwashukuru wanachama wa Bodi kwa uongozi wao wa busara na hekima. Uungaji mkono wao na ushauri kipindi chote cha mwaka umetufaa sana. Mchango wao na ushauri wao vimechangia pakubwa katika kuiongoza Kampuni kuelekea kutimiza malengo yake ya kimkakati na kuongoza mabadiliko ya manufaa.

Nazishukuru pia Serikali za Kenya na Ethiopia kwa kutuwezesha kuendelea kutoa huduma zinazobadilisha Maisha ya jamii zetu. Uungaji mkono wao wa miaka mingi umekuwa kiungo muhimu katika mafanikio yetu.

Nikitamatisha, ningetaka kuwashukuru wafanyakazi wetu. Bidii yao, vipaji na kujitolea kwao ndivyo vilivyochangia ufanisi wetu. Ninafahamu kuwa kupitia kuendelea kujitolea kwao, tutaendelea kutekeleza lengo letu kuu la Kubadilisha Maisha kupitia imani na tabia zetu, tunapofanya kazi kwa pamoja kutimiza mkakati wetu wa Ruwaza ya 2030 na kuwa kampuni ya kuongozwa na malengo ya kiteknolojia inayoongoza Afrika ifikapo mwaka 2030.



Dkt. Peter Ndegwa (CBS)  
Afisa Mkuu Mtendaji

# 2025 INVESTOR FORUM IN MOMBASA, KENYA

## Theme: Becoming Africa's leading purpose-led technology company by 2030

The 2025 Investor Forum was held in Mombasa on 13th and 14th February 2025, for analysts and investors, hosted by Safaricom PLC to provide an update on the Group's Vision 2030 of becoming Africa's purpose-led technology Company. Combining showcases and storytelling, we provided a deep-dive on how we are delivering value adding and personalised digital services enabled by big data and AI that simplify and improve the daily lives of our customers and society.

We had a total of over **160 attendees, including 67 Investors & Analysts**, Safaricom PLC Board, Exco and Safaricom Ethiopia management team representatives. Majority of the 67 investors and analysts were 30 Kenyan based fund managers & analysts, 8 from the United States, 9 from South Africa, 4 from UK and 6 invited guests from the Central Bank of Kenya and 2 macro note speakers from Stanbic Bank and Standard Bank. Other countries represented were Singapore, Turkey, Malta, Mauritius, Tanzania and UAE.

Dr. Kamau Thugge, Central Bank Governor opened the session with a keynote address on recent market developments and outlook for the country followed by the ICT PS Eng. John Tanui who gave an address on the government's position on the ICT sector.

Main activities during the two days included presentations (delivered by Safaricom Plc CEO, Exco leaders from Brand, Public Sector, Enterprise, Financial Services, Consumer, Fixed Business, CFO and Safaricom Ethiopia CEO on the progress of Safaricom Ethiopia, business strategy and the outlook), experiential booths from Enterprise, Public Sector, Consumer, Financial Services, Technology Divisions and Safaricom Ethiopia.

### LOOKING FORWARD | Transition to Vision 2030

We have set an ambitious vision clearly articulating what we will be known for in 2030

#### Africa's leading purpose-led technology company

1

...delivering value adding and personalised digital services enabled by big data and AI that simplify and improve the daily live of our customers and society... as well as...

2

...becoming the digitisation and financial service partner of choice for enterprises and public sector through cutting edge and secure technology solution.

## Our Vision 2030

Safaricom aims to become Africa's leading purpose-led technology company by 2030. This vision includes delivering personalised digital services enabled by big data and AI to improve the daily lives of customers and society, as well as becoming the preferred partner for digitisation and financial services for enterprises and the public sector.

Our Vision 2030 includes a strong focus on sustainability and social impact, with initiatives in climate action, circular economy, conservation, digital and financial inclusion, diversity, equity, and inclusion, and sustainable community investments.



## The six big bets for Vision 2030

These are strategic initiatives that we believe will drive significant growth and transformation.



### CONSUMER

- 4G device acceleration
- Always-on safe secure
- Grow segmented and integrated propositions with embedded loyalty
- Scale content and digital platforms



### FS/M-PESA

- Super app acceleration-intuitive AI driven
- Innovation payments-credit/savings/insurance
- Enable enterprise and public sector



### FIXED

- 1 million homes and businesses connected
- Always-on broadband (fibre, wireless, satellite)



### ENTERPRISE

- Beyond connectivity
- Segmented execution



### PUBLIC SECTOR

- Digitisation partner of choice for public sector
- 3-4 large sectors fully digitised



### ETHIOPIA

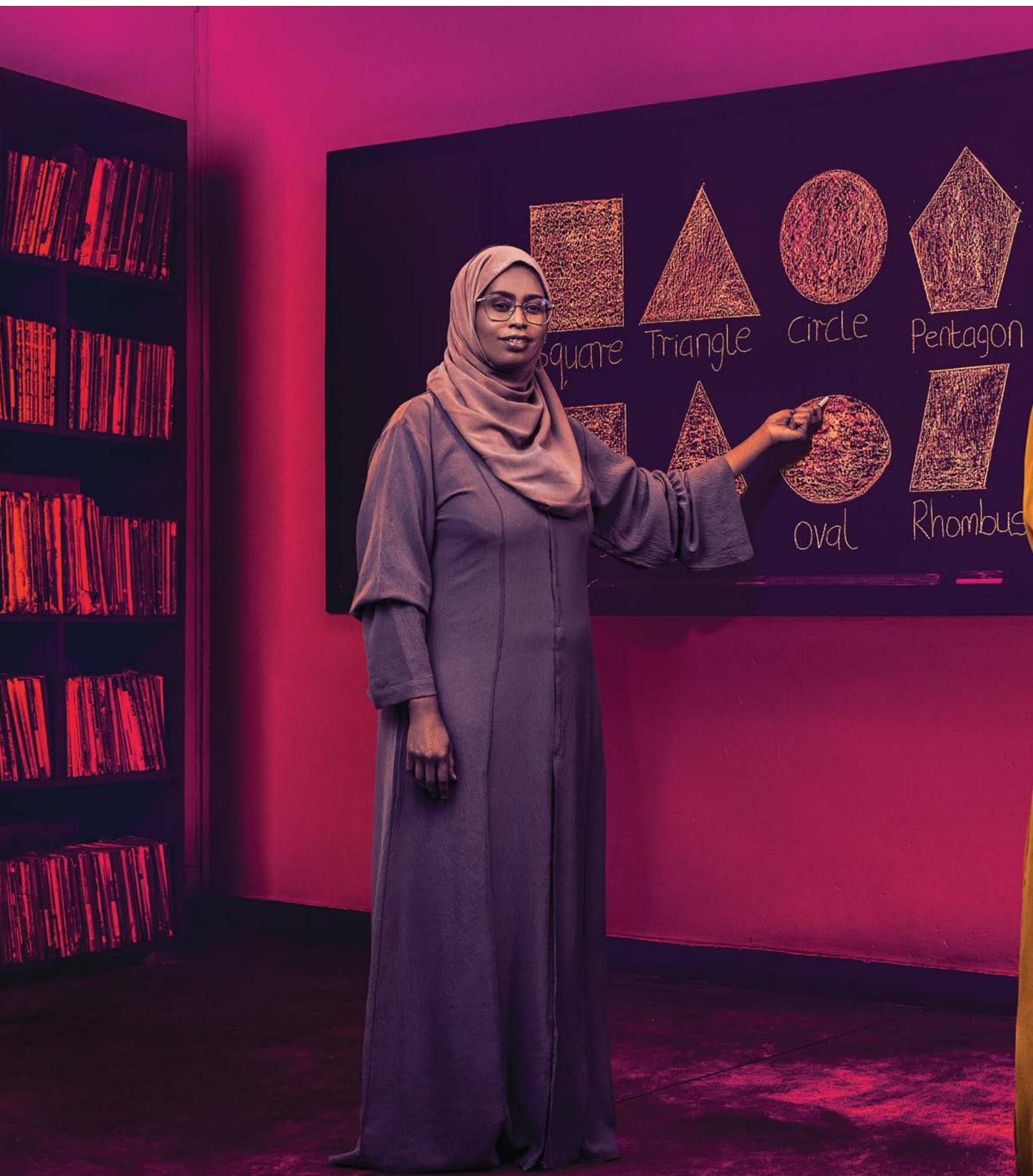
- Establish M-PESA use cases
- Scale business (customers, coverage)
- Sustainable funding
- EBITDA positive by FY27

## What success will look like

#1 Customer and network NPS	90% 4G penetration	#1 Trusted Tech-co brand
Double digit Topline growth	Level 5 Agile and digital Maturity	#1 Place to work
80% Sustainability index	70 million+ Consumers at group level	100% Secure licenses



Safaricom Enterprise team members Kenneth Muthama and Cynthia Kropac at the Enterprise My Sacco App showcase booth





# OUR STRATEGIC APPROACH

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# OUR STRATEGIC APPROACH

## Our material matters

Our material matters are those economic, governance, social and environmental issues that have the potential to impact the long-term sustainability of our business, and that may underlie certain risks, challenges and opportunities that we identify. Determining and assessing these material matters is therefore key both to our strategic approach, and to the way in which we implement our strategy. It therefore forms an important part of our intellectual capital, as well as helping to guide our relationships with our stakeholders.



INTELLECTUAL  
CAPITAL



SOCIAL AND  
RELATIONSHIP

In determining the internal and external factors that inform and influence our ability to create and deliver value, we follow a rigorous and ongoing assessment process, which includes consideration of the UN SDGs, as well as the concerns and insights arising from our interactions with our stakeholders.

For more on the UN SDGs, see page 17. >>



## How we classify and manage our material matters

1

### OUR PLATFORMS

#### Why it is important

Our platforms – networks, stations and digital ecosystems – are the core foundation of our business, facilitating inclusive, sustainable economic development and innovation to transform lives.

In keeping with our Customer Obsession focus, which means putting our customers first in everything we do, we monitor the critical components of our network – quality, availability and coverage – to ensure that we provide our customers with the best overall experience.

#### Our response

Our platforms reflect the value provided to the customer, as Safaricom is more than just a network.

Our network enables our platforms such as M-PESA and DigiFarm which we are constantly refining and enhancing in order to add new functionalities and capabilities with the overall aim of transforming our customers' experience and adding economic value.

We continue to roll out our Agile culture to ensure that we incorporate our customers' perspective as we respond to their rapidly-evolving needs.

This approach is aligned with our customer obsession principle as we transition from a telco to a technology company.

#### SDG alignment



The focus remains to leverage on mobile technologies to transform lives by improving access to quality and affordable healthcare services through products that digitise the health sector.

The Safaricom Foundation and M-PESA Foundations will continue with programmes in maternal and child health.



The focus is to continue expanding access to education through innovation solutions and leveraging on our network and through partnerships such as Shupavu 291, connectivity for schools and our various programmes under the Elimu pillar.



Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. The quality of the service we provide enables decent work and economic growth.



Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation. Facilitating increased accessibility and data connectivity by making affordable smartphones available to everyone in the market.



We work to reduce inequalities and promote financial inclusion across all sectors while promoting digital and gender inclusion.

The focus is to reduce inequalities by enabling equal access to opportunities for everyone, especially to vulnerable groups, using Safaricom leadership, network, solutions and technology.

#### Future focus areas

- Expand the number of 5G sites
- Connect one million homes with FTTH in the medium to long term
- Continue with public Wi-Fi provision
- Drive financial health, complementing the financial inclusion milestones so far achieved
- Drive the adoption of digital mobile financial solutions to consumers and merchants
- Further develop, in the long term, digitisation of the transport sector through a cashless parking solution with contactless vehicle verification

# OUR STRATEGIC APPROACH (continued)

## Our material matters (continued)

### How we classify and manage our material matters (continued)

2

#### ENVIRONMENTAL STEWARDSHIP

##### Why it is important

The way in which we live and work in the environment underpins our strategic focus on customers, colleagues, community and company.

As one of the major players in Kenya's economy, we have a particular responsibility not only to manage and minimise our impact on the environment, but to demonstrate best practice in the ways in which we achieve, as well as in reporting our environmental performance openly and transparently.

Aligned with our net-zero commitment, we manage our operations responsibly and work with our stakeholders to achieve this.

##### Our response


We pay careful attention to energy usage, and the carbon footprint of both our Group and our wider industry. We also endeavour to provide solutions to help other sectors reduce their emissions through digitisation.


We track greenhouse gas (GHG) emissions, energy efficiency, consumption and cost, waste and e-waste and emission reduction, constantly monitoring our progress.


We also make use of environmental impact assessments and audits, together with international third-party standards such as ISO 14001 environmental and ISO 50001 energy management systems in order to establish both negative and positive impacts and implement mitigation measures where required.

We collaborate with regulators to significantly increase access to information and communications technology (SDG9), while ensuring sustainable consumption and production patterns both within our own organisation and amongst our stakeholders (SDG12).

##### SDG alignment

 Our focus is to transition to the use of clean energy at our sites and leverage technology to provide clean energy solutions, including payment solutions for local and renewable energy. Our commitment is to be a net-zero-emitting company by 2050.

 98% recycling of solid waste from our facilities.

 We partner with licensed mini-grid providers in remote regions or grid-power-deficient areas where we are the anchor tenant.

##### Achievements

- 2,340,600 trees planted in 22,340.6ha with 4,416 Community Forest Associations engaged and 22,080 livelihoods impacted since project inception.
- E-waste: 190.753 tonnes of e-waste collected and recycled
- School greening programme: 41 schools in Laikipia and Nyandarua counties benefited from Safaricom school greening programme
- Recognition award by Sustainable inclusive business as a leading digital disruptor in circular economy

##### Future focus areas

- Review and update of science - based targets
- Revamp tree growing project to grow 1 million trees
- Attain CDP score of A
- Develop a clear climate transition plan
- 100% compliance to environmental regulatory requirements
- 1,500 sites transitioned to solar in FY26
- Grow e-waste collection and recycling by 20%

### 3

#### INNOVATION AND PARTNERSHIPS

##### Why it is important

As a purpose-led technology company, we consider innovation to be central to achieving our strategic objectives, retaining our competitive edge, ensuring that we continue to grow.

For us, innovation is not just about product innovation, but extends also to innovation related to financing, partnerships and engagement – solutions throughout the value chain that transform lives in many different ways.


Constant innovation is an important aspect of ensuring our continued success and resilience.

##### Our response

While each of our teams has specialised areas of expertise, they all share the understanding that the digital economy will be built not just by connecting individuals and businesses to technology, but to solutions, to solve societal challenges.

These insights, together with ongoing training, are complemented by predictive models to drive smarter business decisions and actions.

##### SDG alignment

 We transform lives in the areas of healthcare (SDG3) and education (SDG 4) through co-creation of innovative solutions (SDG9) by leveraging our expertise, technology and partnerships (SDG17) in order to reduce inequalities (SDG10) as we transform lives.

We are in a partnership in the licence which will assist in stimulating economic growth in Ethiopia.

##### Future focus areas

- Identify, develop and scale solutions through shared value partnerships
- Implementation of MSME marketplace
- Work to build a digital healthcare service for Kenya
- Develop capacity in user-interface (UI) and experience

### 4

#### GOVERNANCE, BUSINESS ETHICS AND RISK

##### Why it is important

Good corporate governance practices are essential to the delivery of long-term, sustainable stakeholder and shareholder value. The ability to generate long-term value is based on good corporate governance, which helps to regulate risk.

As a responsible corporate citizen, the implementation of strong governance structures, including a governance code, an ethical culture, and a robust risk management framework, is foremost in our minds.

##### Our response

Our focused adherence to governance and ethics underpins our risk management framework.


We work beyond our own business to stand together with society and drive behavioural change through effective collective action initiatives.


We include our business partners in ethics training, and play an active role in collaborative advocacy action that promotes ethics and integrity through quarterly fraud forums for financial institutions.


Our governance, business ethics and risk priorities for the year were:


- Further embedding a positive risk culture across our organisation
- Customer Obsession
- Data privacy and protection
- Cyber security
- Managing risks and uncertainties facing the business

##### SDG alignment

 Promotes sustained, inclusive economic growth

 We work to realise these goals through use of innovative digital technologies

 Creating strong, accountable institutions underpins a just society

 Strategic partnerships with the broader business community and regulatory authorities

##### Future focus areas

- Work at national level to mitigate the risks of cyber-attacks.
- Continue to implement safeguarding measures to ensure customers' data is protected in line with data protection laws in Kenya

# OUR STRATEGIC APPROACH (continued)

## Our material matters (continued)

### How we classify and manage our material matters (continued)

5

#### REGULATORY ENVIRONMENT

##### Why it is important

The regulatory environment plays a significant role in Safaricom's ability to operate effectively, as we reflect and respond to change in the socio-economic environment.

These two environments together have the capacity to impact our strategy, its expression in our business model, and consequently our decision-making.

##### Our response

We continuously and regularly identify and assess changes and monitor expectations to ensure that our decision-making is compliant, responsible, transparent and value-creating.

We worked with the Communication Authority (CA), who extended usage of the COVID-19 spectrum and secured 5G in order to reduce stress on the network caused by the spike in demand for data during the lockdown period.

This enabled us to continue serving our customers during a time when the country was transitioning to virtual services.

During the year under review, we maintained our focus on compliance, and this translated to minimal non-conformance, resulting in zero penalties or non-monetary sanctions.

##### SDG alignment



We were awarded part of the tender for the Universal Service Fund. We have completed the construction of the allocated 48 out of 55 sites under the Universal Service Fund in phase 2 and 8 out of 95 for phase 3, providing mobile connectivity to 204,181 people in underserved areas.

##### Future focus areas

Secure our social license to operate through:

- Maintaining and retaining 100% operating resources and licences
- 100% regulatory compliance to various laws, regulations.
- Continue with implementation of USF projects



Tree Planting Exercise by Safaricom Staff

## Managing risk

«  
**We view the management of risk as fundamental to the long-term sustainability of our business. The identification and prioritisation of the risks we face is therefore a key part of our intellectual and financial capital.**  
 »



**INTELLECTUAL  
CAPITAL**



**FINANCIAL  
CAPITAL**

## Our Enterprise Risk Management (ERM) process

The Board has overall responsibility and oversight of our ERM process, which takes into account the fact that the market within which we operate brings with it certain important risk implications relating to, among others, privacy, connectivity and rapidly advancing technology.

For more on our operating environment, see page 90. »

Our ERM enables us to drive a proactive and positive risk awareness culture across our organisation, and as such, is aligned to the ISO 31000 Enterprise Risk Management Standard. Our Enterprise Risk Management Framework, (ERMF) enables informed decision-making by management, which is enabled through a clear line-of-sight over risk.

The ERMF is continuously reviewed to ensure maximal diligence and effectiveness in the process of identifying, treating, reporting, monitoring, reviewing and continual improvement.

Our ERM process is founded on:

- Establishing the risk context and scope
- Identifying risks
- Measuring risks
- Managing risks
- Monitoring and reporting risks

### ESTABLISHING THE CONTEXT

We begin by defining the external and internal parameters to be taken into account when managing risk and setting the scope and risk criteria for the risk management policy.

External context includes our external stakeholders, our local, national and international operating environment and other external factors that influence our objectives. Internal context includes our internal stakeholders, governance approach, contractual relationships and our capabilities, culture and standards.



#### IDENTIFY RISK

Risk assessment conducted twice every year, in conjunction with the business units and other stakeholders.

We understand ad hoc risk assessments that are necessitated by the everchanging environment we operate in.



#### MEASURE RISK

We have a standardised risk scoring and categorisation process that makes references to our risk appetite that had been set by the Board.

The measurement takes into account both the probability of occurrence and potential impact should the risk crystallise.



#### MANAGING RISK

We manage risk by implementing appropriate mitigations and controls to eliminate the risk or reduce the impact of likelihood of the risk.

Effectiveness of control and oversights tested across the "three lines of defence".



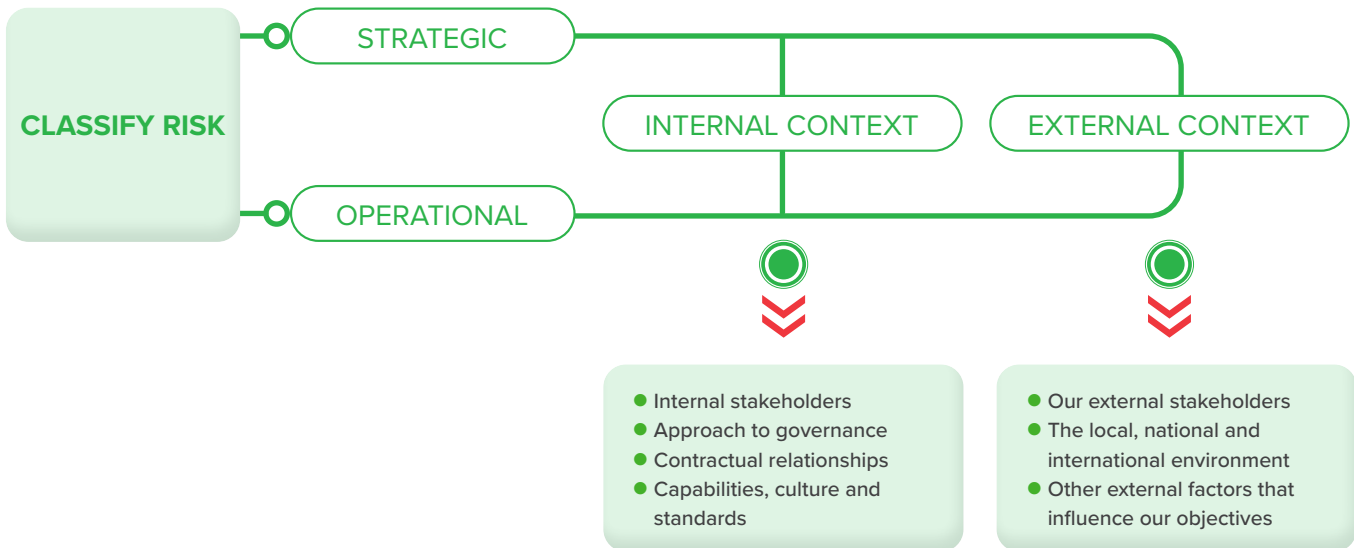
#### MONITOR AND REPORT

We have adopted a continual and iterative process to monitor risks, effectiveness of controls and provision of continuous reporting to our Board and Executive Committee on how effectively risks are being managed.

# OUR STRATEGIC APPROACH (continued)

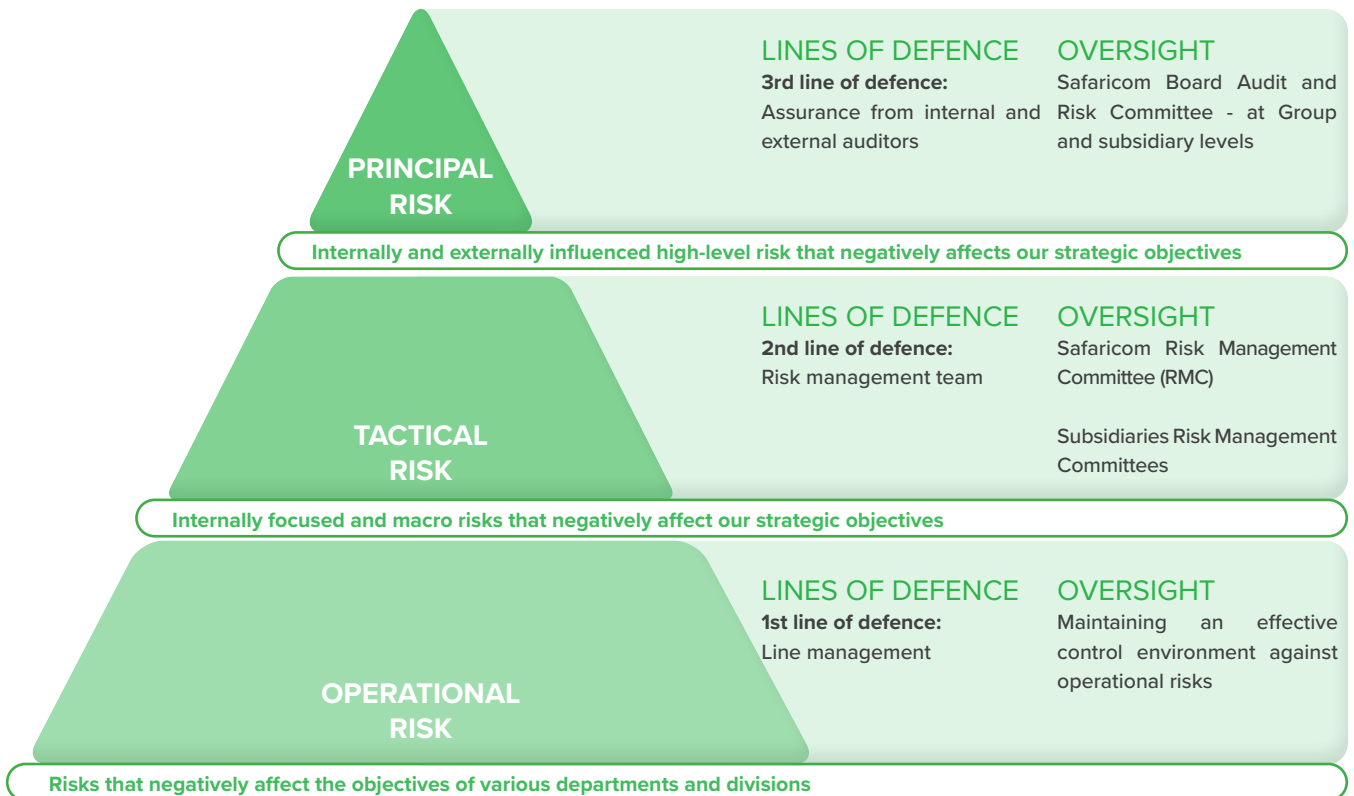
## Managing risk (continued)

Establishing the context – categorising, defining and scoping risks



## Our Three Lines of Defence (3LoD) system

Our 3LoD system ensures that risk management responsibilities are distributed across the Company. This enhances the ownership of risks, while strengthening and augmenting checks and balances.



## Monitoring of risks

The monitoring and review of risks is a planned part of the risk management process. It involves regular checking and surveillance of the risk landscape, with responsibilities clearly defined and an elaborate monitoring and review regime in place.

Our monitoring process ensures that appropriate and timely corrective measures are taken and weaknesses in the processes are addressed. The process involves regular review and update of the respective risk registers based on the existing Key Risk Indicators (KRIs).

The KRIs enable the organisation to respond to threats at an early stage and to take appropriate action. Monitoring and review determine whether:

- Risk measures adopted resulted in what was intended;
- Procedures adopted and information gathered were appropriate;
- Improved knowledge would have helped to reach better decisions, and
- Lessons are learned for the future assessment and management of risks

## Our top-10 risks

RANK	RISK	CHANGE	CATEGORY
1	Economic, market, and forex risk	↔	Strategic
2	Regulatory environment risk	↔	Strategic
3	Market disruption and competition	⬆	Strategic
4	Cyber threats, data privacy and reputational risks	⬆	Operational
5	Supply-chain disruptions/ Geopolitical risk	⬆	Strategic
6	Fraud and social engineering	⬆	Operational
7	Money laundering and terror financing (AML/TF) risk	⬆	Operational
8	Litigation exposure risk	⬆	Operational
9	Health and safety risk	↔	Operational
10	General insecurity and terrorism	⬆	Operational

Key:



No change YoY



Risk decreased YoY

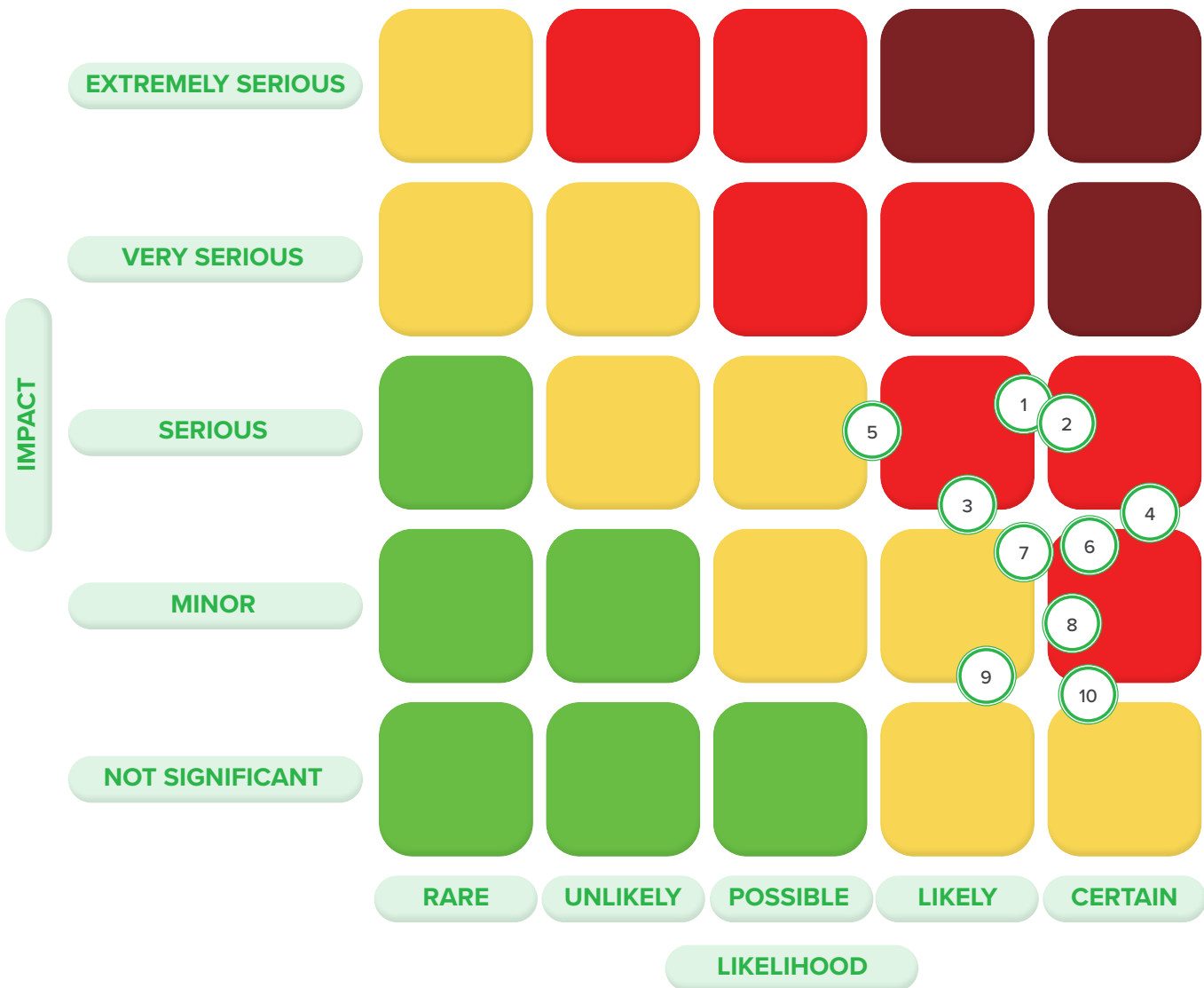


Risk increased YoY

# OUR STRATEGIC APPROACH (continued)

## Our risk heat map

Our risk heat map sets out the principal risks as identified through the risk management process that covers strategy and operations. It depicts the residual risk rating after mitigating controls have been instituted. The rating is calculated as the relation between the probability of the risk and its impact.



For full details of our risk management, including context, mitigation and associated opportunities, see page 181 in the Directors' Report. —

# Our risk outlook

## LOOKING AHEAD



**Risk type**  
Regulatory

**Term:**  
Short term

**Potential areas of concern:**  
Unsettled policy environment  
**Required responses:**  
Compliance challenges, operational uncertainties

**Potential areas of concern:**  
Growing public awareness and influence  
**Required responses:**  
Closer scrutiny, safeguarding customer interests, streamline operations

**Potential areas of concern:**  
Regulatory headwinds  
**Required responses:**  
Monitored as emerging or tactical risks

**Potential areas of concern:**  
Strategic regulatory positions  
**Required responses:**  
Drive business imperatives towards TechCo, focus on resilience and long-term viability



**Risk type**  
Economic

**Term:**  
Medium to long term

**Potential areas of concern:**  
Global economic outlook  
**Outlook:**  
Moderate inflationary pressures into 2025

**Potential areas of concern:**  
Factors for price hikes  
**Outlook:**  
Rising energy costs, labour shortages, trade disruptions

**Potential areas of concern:**  
Instability in resources  
**Outlook:**  
Goods and services dependent on raw materials

**Potential areas of concern:**  
Financial market fluctuations  
**Outlook:**  
Increased borrowing costs for emerging economies, debt sustainability

**Potential areas of concern:**  
Regulatory/policy changes  
**Outlook:**  
5.5% growth projection signaled by Central Bank of Kenya (CBK)

**Potential areas of concern:**  
Challenges related to heightened fiscal and external vulnerabilities manifested in public debt, elevated cost of living, forex volatility and tight financial conditions



**Risk type**  
Competitive

**Term:**  
Short to medium

**Potential areas of concern:**  
Low earth orbit (LEO) satellite services  
**What it means:**  
Increased risk competition that may threaten broadband revenue.

**Potential areas of concern:**  
Regulatory influences  
**What it means:**  
U.S. regulations in satellite and blockchain technologies

**Potential areas of concern:**  
Over-the-top (OTT) players  
**What it means:**  
Risk to mobile money services

**Potential areas of concern:**  
Fintech innovators  
**What it means:**  
Flexible, low-cost financial products



**Risk type**  
Technological

**Term:**  
Medium to long term

**Outlook:**  
Positive  
**Impact:**  
Beneficial advances in technology

**Outlook:**  
Negative  
**Impact:**  
Worrying risks in cyber security and data privacy

**Outlook:**  
Negative and positive  
**Impact:**  
Access to extraordinary breadth of knowledge, new tools of disruption and malware

# OUR STRATEGIC APPROACH (continued)

## Our strategic framework

Our strategy guides our business in realising our purpose of transforming lives, and as such, it is a fundamental part of our intellectual capital. The year under review marks the transition from our five-year strategy to Vision 2030, aiming to become Africa's leading technology company.

## The past five years...

...have seen the successful implementation of a strategy that has delivered notable outcomes in:

- **Mobile connectivity<sup>1</sup>**
  - Two times the growth in mobile data revenue
  - Stable voice business, with 58.4% growth in usage
  - Stable Average Revenue per User (ARPU) growth despite price reductions
  - Use of Customer Value Management (CVM) and AI in personalised offers
- **M-PESA/Financial Services<sup>2</sup>**
  - Value and velocity, with growth to three times transaction value, four times volume, 10.4 times free transactions
  - Footprint acceleration, with increases to more than four times merchants, and twice the number of agents
  - Expansion to services beyond payments
- **Enterprise and public sector<sup>3</sup>**
  - Tech partner of choice for the public sector
  - Major programmes in healthcare and financial inclusion
  - Scoping beyond connectivity

- **Fixed<sup>4</sup>**
  - Twice the number of homes passed and four times the number of homes connected
  - Rated #1 on customer share and customer experience
  - 4G/5G fixed wireless acceleration
  - Double digit growth
- **Ethiopia<sup>5</sup>**
  - Launched a greenfield operation
  - Accelerated commercial momentum in Ethiopia

<sup>1</sup> For more on Mobile connectivity, see page 98. —●>>

<sup>2</sup> For more on M-PESA and Financial Services, see page 109. —●>>

<sup>3</sup> For more on Enterprise and public sector, see page 118. —●>>

<sup>4</sup> For more on Fixed services, see page 101. —●>>

<sup>5</sup> For more on Ethiopia, see page 125. —●>>



## WHAT OUR STRATEGY DELIVERED IN FY2025...



### STRONG TOP LINE GROWTH

- Consumer business growth above inflation
- Double-digit growth in Financial Services (FS)



### TECHCO CAPABILITIES

- Agile structure ramped up to 75% of our business
- 2+1 skills transformation programme



### PURPOSE AND BRAND

- Safaricom @24 years of celebrations
- M-PESA @18
- M-PESA Foundation @15



### CUSTOMER FIRST – ENABLED BY AI

- Segment-led execution:
  - Emerald, Shine Kenya Campaign
  - Enterprise
  - Safaricom Hook for the Youth
  - Customer-base acceleration
  - 4G customers
  - 90-day customer base



### BIG DATA AND AI

- Scaled AI use cases:
  - Cluster-based pricing
  - Integrated propositions
  - Customer protection against fraud



# OUR STRATEGIC APPROACH (continued)

## Our strategic framework (continued)

### ...IS DEMONSTRATED IN THE NUMBERS FOR THE GROUP

	Total revenue	EBIT
Safaricom Kenya	11.4% YoY to KShs 381.2 billion	13.0% YoY to KShs 158.1 billion
Group Performance reported	11.2% YoY to KShs 388.7 billion	29.5% YoY to KShs 104.1 billion



### PROVIDING THE OPERATIONAL FOUNDATION FOR...



#### VISION 2030

In designing our new strategic vision to guide us through the next five years, we considered the macro-economic environment in which we operate, as well our differentiators in the marketplace. In addition, we continued to elicit feedback and input from our customers, framed by our responses and commitment to our society. Our aim in drafting this vision has been to craft a strategic framework to enable our transition to becoming Africa's leading purpose-led technology company by 2030.



### AFRICA'S LEADING PURPOSE-LED TECHNOLOGY COMPANY



Protect and grow the Core



Accelerate the transition to TechCo



Boost and evolve Ethiopia



Unlock value through innovative delivery models

Build end-to-end device play

Supercharge fixed broadband delivery

Deliver superior customer experience as a key differentiator

Future Fit Organisation and Operating model

TechCo Operation Powered by AI

TechCo Capabilities, People, Safety and Culture

Collaboration with Community, Industry and Regulators

\*\* Based on constant currency

Focusing on six strategic priorities to guide our decision-making and business implementations over the next five years



### CONSUMER

- 4G+ device acceleration
- Always-on, safe, secure
- Grow segmented and integrated propositions with embedded loyalty
- Scale content and digital platforms



### FINANCIAL SERVICES/M-PESA

- Super App acceleration – intuitive AI-driven
- Innovative payment use cases
- Beyond payments – credit/ savings/insurance
- Enable Enterprise and Public Sector



### FIXED

- 1 million+ homes and business connected
- Always-on broadband – fibre, wireless, satellite



### ENTERPRISE

- Beyond connectivity
- Segment-led execution



### PUBLIC SECTOR

- Digitalisation partner of choice
- 3-4 large sectors fully digitalised



### ETHIOPIA

- Establish M-PESA use cases
- Scale business – customers, coverage
- Sustainable funding
- Positive Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) by FY27

# OUR STRATEGIC APPROACH (continued)

## Our value-creating business model

Our value-creating business model is a fundamental part of our financial and intellectual capitals. It is predicated on the inputs of all our capitals, and founded on the four pillars of our strategy. It describes the way we grow our business sustainably, as well as the way we approach the needs of our customers and create value for all our stakeholders.



PROTECT AND GROW THE CORE



ACCELERATE THE TRANSITION TO TECHCO



BOOST AND EVOLVE ETHIOPIA



UNLOCK VALUE THROUGH INNOVATIVE DELIVERY MODELS

OUR STRATEGIC PILLARS

## OUR SIX CAPITAL INPUTS

- KShs 0.73 trillion market capitalisation (FY2024: KShs 0.71 trillion)
- KShs 148.9 billion Free cash flow – 15.8% YoY (FY2024 65.82: KShs 76.13 billion)



FINANCIAL CAPITAL

- A deliberately shaped Agile culture
- Marketing campaigns and initiatives
- IT systems and enterprise architecture
- Strong balance sheet, diversified portfolio
- Market and data analysis
- Investment in training and development
- Strong corporate governance



INTELLECTUAL CAPITAL

- 5,879 full-time Kenya employees and contractors +1.8% YoY (FY2024: 5,774)
- An experienced and ethical leadership team
- Digital operating model and agile ways of working
- Strong Employee Value Proposition (EVP) and unique reward propositions
- Commitment to equal opportunities, safety and well-being
- Digital leadership upskilling and reskilling



HUMAN CAPITAL

- 48.24 million customers (FY2024: 44.67 million, 8.0% YoY)
- 35.82 million one-month active M-PESA customers +10.5% YoY (FY2024: 32.41 million)
- 298,890 M-PESA agents +14.1% YoY (FY2024: 262,016)
- Informed engagement with regulators
- Effective brand promise
- Investor confidence
- Long-standing supplier partnerships
- A trustworthy brand that resonates with consumers
- 3.6% employees with disabilities (FY2024: 3.3%)
- KShs 332 million invested in employee training (FY2024: KShs 112 million)



SOCIAL AND RELATIONSHIP CAPITAL

- 18,300 km fibre footprint, +7.6% YoY (FY2024: 17,000km)
- KShs 91.3 billion capex (Group) -2.4% YoY (FY2024: KShs 93.5 billion)
- 6,973 2G base stations, of which 6,970 are 3G, and 6,937 4G
- Optimised capital allocation and diversification of revenue growth areas
- Neon Ray 2 – Kenya's most affordable 4G smartphone at KShs 7,499



MANUFACTURED CAPITAL

- 700, 800, 900, 1,800, 2,100, 2,600 and 3,500MHz radio bands
- \*260,114.69MWh electricity consumed (FY2024: 244,883,870MWh)
- \*59,204.59 m<sup>3</sup> water used (FY2024: 66.208m<sup>3</sup>)
- \*10,366,015.23 litres fuel used (FY2024: 9,685,424 litres)



NATURAL CAPITAL

\* These numbers are not assured and more details on the assured numbers will be available in the 2025 Sustainability report.

# OUR STRATEGIC APPROACH (continued)

## Our value-creating business model (continued)

### SUPPORTING OUR VALUE-CREATION ACTIVITIES



#### MEDIATED THROUGH...



#### OUR VISION

- To be a purpose-led technology company



#### OUR TRANSFORMATIONAL GOAL

- We are a customer-obsessed, digital-first, insights-led organisation that enables platforms and ecosystem partnerships



#### OUR STRATEGIC ENABLERS

- Data and analytics
- Network and IT
- Mergers & Acquisitions (M&A) and partnerships
- People and organisation



#### OUR SERVICES TO CUSTOMERS

- GSM:
  - Voice, messaging, mobile data
- Financial services:
  - Transfer, payments, wealth management, insurance and credit.
- Fixed services:
  - FTTH, FTTB, ICT, IOT
- Digital platforms:
  - Agriculture
  - Health
  - E-commerce

## DELIVERING OUTPUTS (SAFARICOM KENYA)

- Service revenue KShs 364.3 billion: +10.5% YoY (FY2024: KShs 329.8 billion)
- EBITDA KShs 205.78 billion: +10.1% YoY (FY2024: KShs 163.29 billion)
- Proposed dividend KShs 48.08 billion, 0.0% YoY (FY2024: KShs 48.08 billion)



FINANCIAL CAPITAL

- Better response to changing consumer needs
- Brand reinforcement and market communication
- Accelerated deployment of new technologies
- Agile project management
- Effective controls and processes
- Improved business practices



INTELLECTUAL CAPITAL

- Fair and transparent pay and benefits
- M:F 51:49 workforce ratio (FY2024: 51:49)
- 45% women in senior leadership positions +6.1% (FY2024:42.4%)
- 27.1% women in technology (FY2024: 27.1%)
- 3.6% employees with disabilities (FY2024: 3.3%)
- KShs 332 million invested in employee training (FY2024: KShs 112 million)



HUMAN CAPITAL

- Kenya's best 4G network covering 98% of the population (FY2024: 97.3%)
- 506,887 homes connected to fibre-optic network +36.3% YoY (FY2024: 371,989)
- 32,807 businesses connected to fibre-optic network: +0.7% YoY (FY2024: 32,580)
- Smartphone penetration grew to 73.7% (FY2024: 66.2%)



MANUFACTURED CAPITAL

- One month active customers grew 7.1% YoY (FY2024: 34.64 million)
- 35.8 million one-month M-PESA customers: 10.5% YoY (FY2024 32.41 million)
- 4.3% of procurement spend with local suppliers (FY2024: 6.1%)
- KShs 1.20 dividend per share: 0.0% YoY (FY2024: KShs 1.20)



SOCIAL AND RELATIONSHIP

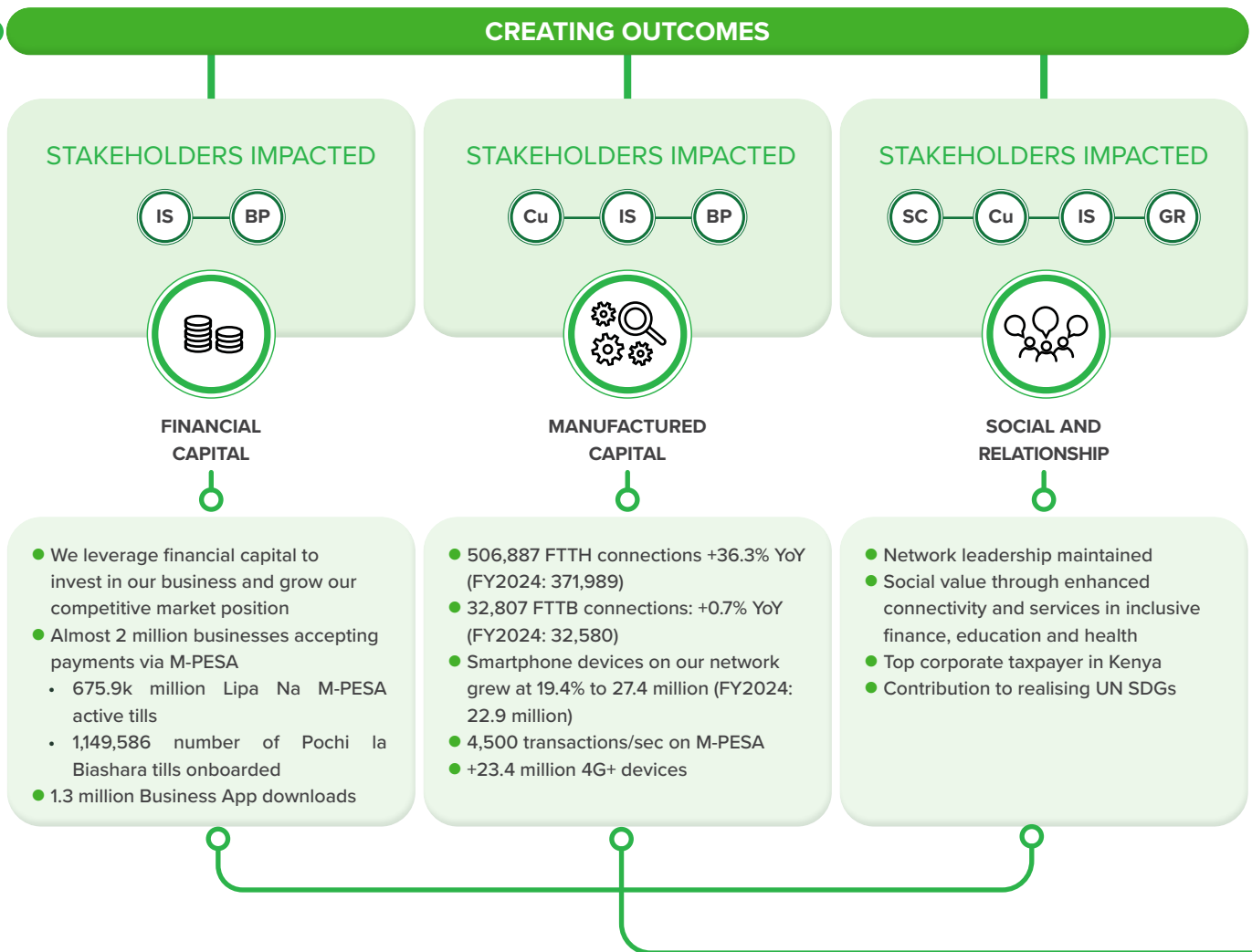
- 260,144 Kwh electricity consumed (FY2024: 234,883 KWh)
- 59,204. 59 m<sup>3</sup> water consumed (FY2024: 66,208m<sup>3</sup>)
- 10,366,015.23l fuel consumed (FY2024: 9,685,424l)



NATURAL CAPITAL

# OUR STRATEGIC APPROACH (continued)

## Our value-creating business model (continued)



- IS Investors and shareholders
- BP Business partners
- Cu Our customers
- SC Society and communities
- GR Governments and regulators

WITH TRADE-OFFS...

...BETWEEN OUR CAPITALS OR PORTIONS OF THEM

Initiative/Investment

Significant people-related investments and initiatives

Capitals impacted – short term



Capitals positively impacted – long term



Realised benefit

People and capabilities required to deliver our strategy and performance targets

...OVER TIME

Initiative/Investment

Network infrastructure, data centres, distribution infrastructure and software applications – sources of competitive differentiation

Capitals impacted – short term



Capitals positively impacted – long term



Realised benefit

- Business capacity and reputation augmented
- Country's natural capital negatively affected

...BETWEEN OUR CAPITALS AND THOSE OWNED BY OTHERS, OR BY NO OTHER ENTITIES

Initiative/Investment

Use of fossil fuels and related emissions and certain other business activities

Capitals impacted – short term



Capitals positively impacted – long term



Realised benefit

- Business capacity augmented
- Country's natural capital negatively affected

Initiative/Investment

Addition of devices to the network and other physical interventions

Capitals impacted – short term



Capitals positively impacted – long term



Realised benefit

- Negative impact of discarded waste

# OUR STRATEGIC APPROACH (continued)

## Our approach to stakeholder management

### GOVERNMENT AND REGULATORS

#### Material relationships:

Provide access to spectrum and operating licences, the basis for creating value. Impose regulatory requirements with potential cost implications.

#### Means of engagement:

Participation in consultations and public forums

- Submission and engagement on draft regulations and bills
- Engagements when submitting regulatory returns
- Publication of policies and research engagement papers
- Partnering on key areas including education, health, and gender-based programmes

#### Material interests:

Ensuring the wide spectrum of interests is managed as a strategic resource, contributing to national broadband access and the digital economy, especially in underserved and rural markets. Others include:

- Protecting consumer interests on service quality, costs, and privacy
- Regulatory compliance on issues such as mobile termination rates, price, returns, security, safety, health, and environmental sustainability
- Contribution to the tax base

- Promoting opportunities for job creation and socio-economic development

#### How we engaged

- Proactively advocated for an enabling regulatory environment through submission of outlooks & comments during public participation exercises.
- Implemented effective internal policies and procedures towards ensuring compliance with regulatory obligations.
- A successful engagement with the regulator led to the approval of various products and services currently being sold in the market to meet the needs of customers.
- Participated in the 1st African Preparatory meeting for World Radiocommunication Conference 2027 (WRC-27) in Maseru, Lesotho, where stakeholders gathered to discuss allocation of spectrum for various technologies, while ensuring efficiency and equitable access for all.
- We continue to implement Universal Service Fund (USF) infrastructure projects that aim to provide mobile network coverage in unserved and underserved areas across the country.

### CUSTOMERS

#### Material relationships:

Investing in tools and products that are designed to give our customers variety and control through relevant products and services.

#### Means of engagement:

- Care Centre, Retail and Franchise outlets
- Digital Channels MySafaricom App, Web (myaccount.safaricom.co.ke), Zuri ChatBot, SMS, IVR and USSD channels
  - Online via Facebook and X platforms
  - Safaricom PLC website [www.safaricom.co.ke](http://www.safaricom.co.ke)
  - Journey & Touchpoint Net Promoter Score (NPS) feedback to measure experience and get real time feedback

#### Material interests:

- Relevant and better value offerings
- Simpler and quicker access to Customer Care
- Easy to use, intuitive DIY and Self-Care services
- Managing the challenge of data-usage transparency by using tools like My Data Manager and Subscription Manager
- Visibility and control on subscribed services

- Secure and trusted digital solutions to enable worry free transactions
- Privacy of information and content protecting our loved ones through parental control and anti-malware protection.
- Feedback on service-related issues via CARE in line with our Customer Obsession agenda

#### How we engaged

- Digitised and simplified customer journeys on Zuri, App and Web
- Growth in the number of customers interacting with our digital channels
- Automation of Franchise and M-PESA Additional Tills
- Deployed on Partner Portal, eight commercial reports for partners, boosting transparency with partners
- Development of key journeys on the revamped Partner App
- Deployed a solution to enable our partners to swap their M-PESA tills, and automated the process to request additional tills
- Enabled customers to access SIM swap services at our franchise outlets without the need to visit a Safaricom shop or call the Care Centre

## INVESTORS AND SHAREHOLDERS

### Material relationships:

Provide sustainable financial capital required to grow and feedback to inform our management and reporting practices.

### Means of engagement:

- Investor engagements which include roadshows, conferences and meetings
- Annual and interim results announcements
- Annual General Meetings with shareholders to update them on our business strategy
- Investor relations section on the company website

### Material interests:

Sound investment to ensure sustainable growth and risk management and to ensure that we take advantage of the opportunities that arise.

### Others include:

- Responsible allocation of capital and sustainable investment
- Sound corporate governance practices
- Transparent executive remuneration
- Stable dividend policy

### How we engaged

- Held the third Investor Forum on 13-14 Feb 2025 in Mombasa, Kenya
- Continued with the investor engagements aimed at growing the investor portfolio and held the first East Africa roadshow in Dar es Salaam, Tanzania
- Annual Report declared the 2024 FiRe Awards overall winner in Integrated reporting category
- Successfully paid the 2025 interim and 2024 final dividend payment to all bona fide Safaricom shareholders in FY2025, as per the dividend policy.

## EMPLOYEES

### Material relationships:

Our employees' engagement, determination and skills drive our ability to realise our purpose of 'transforming lives'.

### Means of engagement:

- Internal website
- Newsletters, internal magazine and electronic platform communication
- Employee surveys
- Employee hotline
- Leadership coaching and mentorship forums
- CEO mailbox

### Material interests:

- Clear career paths through individual development plans and performance reviews to assist in career development

- Improved knowledge sharing across the Company
- Simplicity, agility and engagement
- Building the coaching and mentoring capability of leaders
- Better understanding of reward structures
- Competitive remuneration

### Means of engagement:

- 99.9% of staff certified in the 2+1 programme in AI and one digital course in their expertise
- Awarded Top Employer in Kenya and Africa (as part of Vodacom Group) by the Top Employer Institute
- Continuous communication, education and awareness forums for all Staff to support personal and financial development.

# OUR STRATEGIC APPROACH (continued)

## Our approach to stakeholder management (continued)

### SUPPLIERS

#### Material relationships:

- Impact on our ability to offer quality and cost-effective products and services and to provide cutting-edge technology
- Innovation is one of our key pillars, and it is essential for suppliers to be involved in our innovations.

We encourage them to partner with us in delivering innovative products and services that embrace technology.

#### Means of engagement:

- Annual Supplier NPS to rate how our suppliers perceive and understand our processes as well as get feedback and address gaps.
- Quarterly Supplier performance feedback sessions
- Supplier Day/supplier forum and Special Interest Group (SIG) Forums
- Virtual forums to share updates on various areas
- Occupational Safety and Health (OSH) quarterly forums for high-risk suppliers
- Feedback to non-successful SIGs on tender outcomes to ensure they know the areas to improve on in future tenders.

#### Material interests:

- Timely communication on outcomes on various activities such as our tender process
- Remain accessible to partners for feedback and their performance
- Closer relations and frequent engagements with the sourcing team to know the opportunities available, to prepare concise tender documents and submit these on time
- Financial solutions: Support in getting good rates from the banks to enable delivery on contractual obligations and ensure working capital to run their businesses

#### How we engaged:

- Performance evaluations are still virtual as this offers flexibility and convenience to all parties involved, especially to foreign vendors.
- Sourcing Team engagements with suppliers are also mostly virtual with a few in-person sessions.
- 21 physical visits were made to suppliers' premises for those with contingent workforce, to audit compliance with labour and human rights. Corrective measures were recommended, and support provided where gaps were identified.
- Special Interest Group (SIG) quarterly forums held for SIG suppliers to update them on strategy, SIG performance status, and upcoming opportunities, and to provide an avenue for networking and meeting with the sourcing team, SIG sponsor and other internal stakeholders.
- A hybrid supplier forum was held to share company strategy and focus, communicate important policy changes such as safety rest, and provide opportunities for networking and engagement.
- Special in-person sessions with Tier 1 vendors as well as Original Equipment Manufacturers (OEMs) to share our Special Interest Groups supplier strategy and encourage them to subcontract to this group and support them in attaining accreditation and certification as partners.
- Virtual financial clinics held with six banks with whom we have signed Memorandum of Associations (MoUs), to update suppliers on their products, rates, limits and requirements to access the facilities.



## COMMUNITIES

### Material relationships:

Transforming lives through sustainable development initiatives that strengthen the socio-economic context in which we operate.

### Means of engagement:

- Safaricom Foundation partnering with communities
- M-PESA Foundation investing in projects with corporate social investment
- Public participation in projects and initiatives that give back to society

### Material interests:

- Access to digital service platforms, mobile voice and data services
- Access to basic services such as finance, health, education, water and environmental conservation
- Investment in infrastructure
- Responsible expansion of infrastructure

### How we engaged

- Continued implementation of our 2023-2026 strategy focusing on health, economic empowerment, education, with an integrated disaster response and access to water and employee engagement
- Participation in the Global Africa Business Initiative (GABI) conversations
- Our Foundations initiated implementation across 389 projects funded through distinct streams, including:
  - 31 strategic regional projects tailored to address regional priorities
  - 45 community-driven initiatives under the Pamoja framework
  - 313 grassroots projects as part of the Ndoto Zetu Phase VI campaign
- Collectively, these projects have contributed to improving access to essential services, creating sustainable livelihoods, and fostering resilience in underserved communities
- In line with our purpose of Transforming Lives through integrated SDGs, in FY2025 we invested KShs 7.9 billion in 47 counties, impacting 4.9 million lives. This investment was made in various projects in:
  - Education: Launched Wezesha Technical and Vocational Education and Training (TVET) programme
  - Health: Uzazi Salama programme in Narok and Kilifi counties impacting 709,000 mothers and newborns
  - Economic Empowerment: Launched Wezesha Agri III
  - Sustainable Philanthropy: Launched phase 6 of Ndoto Zetu initiative investing KShs 100 million
  - Environment, water and livelihoods: Continued to implement fencing of Kakamega forest and conserving of the last remaining roan antelope in Ruma National Park
- M-PESA foundation as part of their Humanitarian response allocated KShs 30 million to support 15,000 people affected by devastating floods in Tana River, Nairobi, Nyandarua, and Kisumu Counties, impacting over 3,000 households
- Secured another KShs 15 billion Sustainability Linked Loan in September 2024, bringing the total loan facility to KShs 30 billion, after having announced the closure of a similar amount last year
- This funding will unlock our ability to create more diversified investments, support our investments in innovative technologies and allow us to manage our ESG footprint
- The Safaricom Foundation-funded Digital Skills Programme, launched in partnership with the Ministry of Education, made significant progress in enhancing digital education for teacher trainees. It successfully refurbished ICT labs in eight teacher training colleges, directly benefiting 14,408 people. These upgraded facilities are now fully operational, enabling trainees to access modern digital learning tools
- The initiative, executed in collaboration with the Kenya Institute of Curriculum Development (KICD), Teachers Service Commission (TSC), and the Centre for Mathematics, Science and Technology Education in Africa (CEMASTEA), is set to expand further, with an additional eight colleges slated for ICT infrastructure upgrades in the next phase
- The M-PESA Foundation Academy supported 464 students on campus in FY2025, delivering a transformative learning experience tailored to their potential.

# OUR STRATEGIC APPROACH (continued)

## Our approach to stakeholder management (continued)

STAKEHOLDER GROUP

### BUSINESS PARTNERS

#### Material relationships:

A key interface with our customers; they are custodians of our brand and reputation and critical to ensuring our strategy of delivering the best customer experience. They include financial services partnerships, e.g. Visa, M-PESA Global pay, Fuliza and content providers.

#### Means of engagement:

- One-on-one and virtual business meetings
- Training sessions on new products and services
- Market visits

#### Material interests:

- Making it simpler and quicker to deal with us
- Fair treatment
- Involvement of top management

#### How we engaged

- Continuing with market visits to better understand customer needs and issues to enhance our customer experience
- Build Partnerships with Tier 1 contractors and other partners for knowledge enhancement among the women in business (WIB) community
- Continue with strategic partnerships with government to provide digital platforms to Kenyans by enhancing service provisions
- Accelerate the next financial services products in wealth management, insurance and payments.

### MEDIA

#### Material relationships:

Critical role as the contact point with external stakeholders and keeping them informed of the facts, business developments, new products, services and the impact of our business operations.

#### Means of engagement:

- Media releases and product-related publicity
- Roundtables
- Product launches
- Face-to-face and telephonic engagements
- Interviews with the CEO and key executives

#### Material interests:

- Updated on key activities and offerings by the business
- Transparency
- Change communication and new products and services

#### How we engaged

- During FY25, we engaged over 800 media practitioners across the country, ranging from mainstream media to new media and community stations with a focus on shaping the social license to operate
- As part of the Sambaza Furaha Caravan, we hosted six media engagements across the country, specifically in Eldoret, Nyeri, Meru, Bungoma, Kisumu, and Mombasa. Within Nairobi, we hosted three engagements targeting different stakeholders, including an engagement to mark World Radio Day
- Continuous information sharing with local and international media where needed.

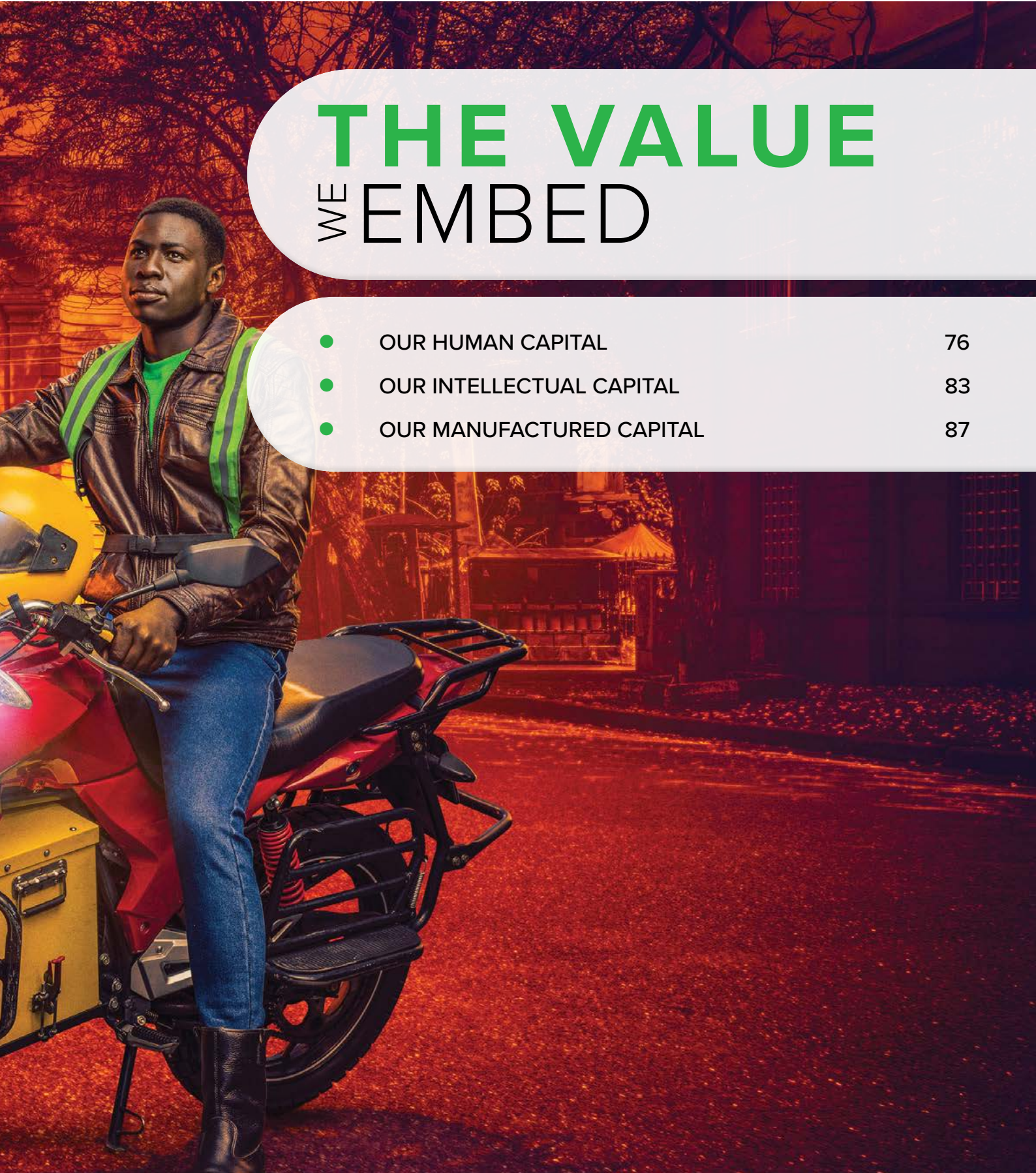


Safaricom @24 celebrations



2025 Investor Forum on 13 February 2025 in Mombasa, Kenya





# THE VALUE WE EMBED

- OUR HUMAN CAPITAL 76
- OUR INTELLECTUAL CAPITAL 83
- OUR MANUFACTURED CAPITAL 87

# THE VALUE WE EMBED

## Our human capital

« The sustainability of our business depends on our human capital. It is the commitment, diligence and talent of our employees who, working together will deliver our strategic aim of becoming Africa’s leading purpose-led technology company by 2030. As such, our human capital also reflects an essential part of our social and relationship capital, by implementing, through the Spirit of Safaricom, our cultural imperative of customer obsession\*.



HUMAN CAPITAL



SOCIAL AND RELATIONSHIP CAPITAL

\*For more on Spirit of Safaricom and customer obsession, see pages 24 and 25 respectively —»

## Our staff complement

	FEMALE		MALE		TOTAL	
	2025	2024	2025	2024	2025	2024
Permanent	2,737	2,723	2,827	2,825	5,564	5,548
Fixed Term Employees + Contractors	–	–	–	–	315	226
Total	2,745	2,735	2,842	2,850	5,879	5,774

\*For our employee breakdown at Safaricom Ethiopia, see page 128 —»



## Our employee philosophy – The spirit of Safaricom

PRINCIPLES	HOW WE REALISE THEM
Talent	Every person is viewed as talent in an environment where they can grow and develop
Capability	We focus on capability not role
Leadership	Top leadership owns the identification, development, growth and retention of talent
Future leaders	Through proper development, top talent, accelerated talent and successors become future leaders
Diversity and inclusion	We view these as both good for our business and the right thing to do
Impact	This means owning things that matter to drive growth, and to deliver for customers, communities, and teams
Facing challenges	Identifying and working through challenges, assessing options and finding simple ways to move forward
Effectiveness	Being exceptionally effective at achieving impact goals and role-modelling Spirit of Safaricom behaviours
People managers	Trust in empowered managers who motivate, engage, and coach their teams is essential for achieving success.
Depth and breadth through critical experiences	We provide mandatory functional, cross-functional and cross-market moves for talent

## Diversity equity and inclusion (DEI)

The year under review saw successes in DEI, driven by collaborative and intentional effort, leadership support and strategic partnerships, and anchored on our four pillars:

- Attraction
- Growth and development
- Retention
- Driving change

We established two DEI focus areas – gender and disability, with targets for both fully achieved:

- Female F+: 45% – (Target: 45%)
- Disability: 3.6% – (Target: 3.5%)

In recognition of our efforts, we received several DEI awards:

- Leading DEI brand in Kenya: *Kantar*
- Most inclusive Corporate Leader: *National Council for Persons with Disabilities (NCPWD)*
- Best PWD Empowerment Programme: *Daima Trust*
- Most Inclusive Employer for Persons with Albinism: *Black Albinism Kenya*
- Best Most Inclusive Listed Company: *Daima Trust (Five years running)*

# THE VALUE WE EMBED (continued)

## Our human capital (continued)

### Embedding our culture

Aligned with our strategic priority to Accelerate Future Fit skills, we worked to strengthen leadership capabilities to drive cross-functional collaboration, and create an environment that:

- Promotes psychological safety and authenticity
- Champions customer obsession
- Sharpens employee listening with visible action plans drawn from insights

We undertook this by instituting activities in three categories:

CATEGORY	WHAT IT MEANS
Mindset	Culture transformation initiatives designed to embed the Spirit of Safaricom and foster a purpose-led, reward-driven culture Integration of this thematic approach into all major company-wide staff campaigns and successfully introducing a staff engagement platform to reinforce a purpose-led reward culture
Skillset	Successful completion of Leadership Lab sessions for Exco and 42 Change Makers Ongoing Exco coaching on culture and change management to embed transformational leadership Conducting an Executive Leadership Team (ELT) workshop on leadership shifts
Toolset	Implementing structured listening mechanisms through the SEMA (Swahili word for Speak out) survey to ensure continuous feedback and action planning Successfully rolling out quarterly and annual Spirit of Vodacom and Safaricom CEO awards, thereby strengthening recognition programmes Exco identifying and communicating to all staff our global focus areas: <ul style="list-style-type: none"> <li>● Customer</li> <li>● Thrive</li> <li>● Reward</li> <li>● Career Progression</li> </ul> Completing 100% of company-wide divisional cascades and action planning. Identifying cluster-specific survey leads to champion SEMA action planning, with ongoing closing/communication of action items

## The challenge we faced in the year

	CAUSE	MITIGATION
Increased pressure on employees' disposable income	Additional salary taxes and government levies	A decision to enhance certain benefits to offer relief and demonstrate the company's ongoing commitment to employee well-being

## Gauging employee satisfaction, engagement and experience

During the year under review, we continued to engage with our employees via:

- Talks with the CEO
- Townhall and virtual sessions
- Cluster-level meetings
- Celebrations and recognitions
- Listening platform surveys, including:
  - Annual and Pulse coaching
  - 'Grow my Impact' feedback

In addition, we consolidated all employee communication and engagement in the 'Together We Shine' campaign, which successfully integrated:

- The employee engagement platform
- Safarilympics, Saf@24, and Sambaza Furaha na Safaricom campaigns
- Driving Organisational Success
- Enhancing customer engagement and impact
- 'Doing Good' campaign to embed ethical practices by driving governance policy awareness, reinforcing the code of conduct, and demystifying the disciplinary process through interactive 'Let's Talk' sessions

In our periodical SEMA survey, we have extracted some key insights regarding our employees' experience in the workplace.

<p><b>Response rate</b></p> <p><b>96%</b> (93% - 2023 Annual Survey)</p>	<p><b>Engagement</b></p> <p><b>82%</b> (83% in 2023)</p>	<p><b>Customer Obsession</b></p> <p><b>87%</b> (80% in 2023)</p>	<p><b>Intentional action planning has yielded improvements.</b></p> <p><b>15/20</b> comparable questions have significantly improved</p>
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## Skills development

In pursuit of realising our talent strategy we embarked on companywide TechCo skills assessment to assess our TechCo skills readiness in comparison with established technology companies.

With a total investment of KShs 332 million, our learning philosophy is undertaken through the 70-20-10 approach, with:

- 70% of learning occurring on the job through challenging experiences, projects and assignments
- 20% occurring socially through coaching and mentoring
- 10% occurring through instructor-led learning. Our key focus has been accelerating future fit tech capabilities



# THE VALUE WE EMBED (continued)

## Our human capital (continued)

### Employee upskilling initiatives

INITIATIVE	WHAT IT IS	OUTCOME
'2+1' TechCo skills acceleration programme	Certification in an Artificial Intelligence Associate course and two additional digital courses relevant to employee areas of expertise.	<ul style="list-style-type: none"> <li>● 99.9% staff got certified in Artificial Intelligence Associate course and two more digital courses.</li> </ul>
Digital Academy Cohort 6	A focus on high demand skills areas – Cloud, Solution Architecture, Internet of Things (IoT), Cyber Security, AI and machine learning (ML)	
Safaricom Grow	A critical enabler in upskilling/reskilling and multiskilling our employees on functional and leadership craft areas	<ul style="list-style-type: none"> <li>● Over 85% of employees' individual development plan realised</li> </ul>
Talent development	Early careers programmes and job rotations	<ul style="list-style-type: none"> <li>● Onboarding of 100 Tech Interns</li> <li>● 49 Internal 'Discover' graduate trainees</li> <li>● 186 employees in internal job rotations</li> </ul>
Personal development budget of up to KShs 5,000	Embedding of a culture of continuous learning and creating a workplace where everyone can grow and thrive.	<ul style="list-style-type: none"> <li>● Take-up of &gt;500 employees</li> </ul>
Comprehensive leadership training programmes	Equipping leaders with the skills and tools they need to guide, inspire, and support the organisation effectively.	<ul style="list-style-type: none"> <li>● &gt;900 leaders trained on Leader Lab practices</li> <li>● &gt;150 senior leaders trained in four expected behavioural shifts</li> </ul>
Amazing Coach programme	Focusing on performance coaching, leading change and building trust	<ul style="list-style-type: none"> <li>● 600 participants</li> </ul>
Talent reviews	Providing each business unit (BU) an opportunity to review and analyse its talent to put together specific action plans to address talent gaps and shortages, and to retain critical talent	<ul style="list-style-type: none"> <li>● 75% successor readiness attained</li> </ul>





## Agile way of working

Our Agile Contribution Model supports our new ways of working. In addition, we embrace agility through our:

- Contribution-based career model
- Performance management model
- Employment contracts
- Remuneration and incentive model

## Measuring our success

All job profiles are linked to specific business KPIs. Each role has a mapped contribution level aligned with Craft, People and Mindset, and Business and Customer. Each employee is assigned objective key results in line with the overall business mission. These are documented and reviewed through:

- Regular weekly retrospect meetings
- Monthly check-ins
- Quarterly business reviews
- 360 Review sessions
- Bi-annual and annual reviews

With our 'Grow My Impact' performance management model now fully adopted, a high-impact performance and learning culture has been unlocked with a shift towards impact and ownership, and feedback and coaching.

During the year under review, we accelerated 360-degree feedback through which over 90% of our employees received regular feedback from their line as well as from managers, peers and key stakeholders.

## Our reward cycle

During the year under review, senior managers were able to make recommendations on the Compensation tool, where previously this was only available to Heads of Departments (HoDs). Reward decisions have thus been brought closer to the people manager making reward conversations easier for both employee and line manager.

The system was further enhanced to allow for multiple pay scales to be added to the system in line with the Safaricom philosophy of paying for the craft.

In addition, overtime hours were streamlined and rules around governance introduced to safeguard the wellbeing of employees.

## Employee health and wellness

Our health and wellbeing programmes have been pivotal in shaping the Safaricom employee value proposition, (EVP) and in securing recognition of Safaricom as top employer.

During the year under review, various initiatives and events were held to support employees, ranging from fun-days at work for employees' children, a blood donor drive and webinars on various topics, to the issuing of HIV-AIDS self-testing kits, the establishment of a hiking club and stewardship of best-in-class medical and life-insurance schemes.

## Employee safety Employee safety initiatives

INITIATIVE	WHAT IT MEANS FOR EMPLOYEES
Uzima App	Higher adoption, improving hazard documentation and response
Employee road safety	Sustained monitoring and mitigation leveraging existing technology and AI
Annual Fleet Summit	Sponsored by Safety Health and Well-being (SHW), held in all regions, with over 670 authorised Safaricom drivers attending
Road safety communication	Daily communication in the staff bulletin was maintained
Vehicle reflective tapes	These were installed on Safaricom fleet vehicles, and enforced across supplier fleets

With the scaled use of the Uzima app during the year, high-risk work activities and driving continued to be monitored and tracked. Themes emerging from the monitoring of unsafe acts and conditions were understood, tracked and communicated to respective clusters. During the year there were four terminations for drunk driving and Absolute Rules violations.



# THE VALUE WE EMBED (continued)

## Our human capital (continued)

### Events for the promotion of safety

INITIATIVE	WHAT IT MEANS FOR EMPLOYEES
Weeklong commemoration of World Day for Safety and Health at Work	Activations and staff sensitisation sessions
Safety expo	Partners showcased safety products and services
Hybrid Safety Webinar	Theme: 'Effects of Climate Change on Occupational Safety and Health', with over 800 attendees
Stop Work Authority programme	Safety webinar with over 800 participants. 50 instances of work stopped due to imminent risks to safety were registered during the year.
External assurance processes	Safaricom recertified for ISO 45001, demonstrating that the management system in place meets international best practice standards
Building of Operational safety and health (OSH) capabilities and heightening OSH awareness	<ul style="list-style-type: none"> <li>● Training for &gt;10,474 attendees (FY2024: 5,087)</li> <li>● 4,266 attendees at safety engagement forums</li> </ul>
Monthly road safety webinars	● 2,971 attendees (FY2024: 2,609)
Other safety sessions	● 1,295 attendees
Daily road safety messaging	<ul style="list-style-type: none"> <li>● 100% presence on Daily Connect</li> <li>● Posters and thematic KAA Chonjo messages</li> </ul>

## Looking ahead

In the short term we will continue to:

- Reignite employee commitment in order to accelerate the delivery of scalable tech solutions.
- Enhance Employee Value Proposition (EVP) to build internal brand trust
- Continued promotion of skills transformation as an enabler becoming a purpose-led TechCo, with a focus on deepening leadership, tech and commercial skills and AI democratisation
- Deliver a fit-for-purpose future operating structure while further embedding Agile practices across the organisation with a focus on advancing to RUN maturity level
- Radically transform our safety control environment towards zero harm across all operations



# Our intellectual capital

## Our technology

PART OF THESE CAPITALS

INFORMED BY THESE STRATEGIC PILLARS

IMPACTING THESE STAKEHOLDERS

SUPPORTING THESE UN SDGS

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

10 REDUCED INEQUALITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

### PERFORMANCE AGAINST OUR TARGETS

ZERO P0\* INCIDENTS

Zero P0 incidents recorded

50% REDUCTION IN P1\*\* INCIDENTS

50% reduction in P1

5G POPULATION COVERAGE TO 30%

1,700 5G sites activated, 30% Population coverage

FIXED NETWORK ROLLOUT TO 147,000

694,289 Homes passed and 506,887 Homes connected

CUMULATIVE FIXED NETWORK ROLLOUT TO 700,000

700,000 cumulative rollout recorded

*\*P0: Network outage affecting critical systems causing major disruptions to millions of users*  
*\*\*P1: Network outage impacting a large number of users. (> 500,000)*

### RISKS AND CHALLENGES WE FACED

CHALLENGE	MITIGATION
Increasing threat of cyber-attacks poses a significant risk to our technology infrastructure	Implemented robust cybersecurity measures, including anonymising customer data and enhancing fraud prevention and detection controls
Geopolitical risk stemming from American companies being prohibited from selling products containing US-made parts to Chinese telecom equipment manufacturers	Chinese telecom manufacturers we work with have launched product lines for equipment without US components/technology. These products have since been deployed in our environment, including servers, database and operating systems

\*For more on risk management, see page 53

# THE VALUE WE EMBED (continued)

## Our intellectual capital (continued)


### Our technology (continued)

#### ENHANCING PRIVACY, DATA PROTECTION AND CYBER-RESILIENCE

INTERNAL	EXTERNAL
<ul style="list-style-type: none"> <li>● Implementation of a comprehensive Cyber Security Policy to safeguard sensitive information</li> <li>● Update to our Data Protection Policy to ensure the confidentiality of personal information</li> <li>● Enhancement of our Laptop Policy to secure portable devices</li> </ul>	<ul style="list-style-type: none"> <li>● Cybersecurity strategies aligned with global best practice from the Cyber Resilience Compass report</li> <li>● Focus on leadership, governance, risk compliance, and robust technical systems to enhance cyber resilience</li> </ul>

#### COLLABORATING WITH OUR STAKEHOLDERS\*

INITIATIVE	WHAT IT MEANS
Decode	<ul style="list-style-type: none"> <li>● Decode serves as a bridge connecting the tech ecosystem, government, and students to various opportunities in technology</li> <li>● The platform is designed to showcase Safaricom as a leading technology company</li> <li>● 5,600 in-person attendees, 45,000 virtual participants</li> </ul>
Engaging with academia	<ul style="list-style-type: none"> <li>● 10 universities engaged</li> <li>● Hosting sessions with STEM students</li> </ul>
Upskilling	<ul style="list-style-type: none"> <li>● More than 98% of the technology staff upskilled in AI/ML, coding and automation</li> </ul>

\*For more on stakeholder management, see page 68 

#### LOOKING AHEAD

TERM	OUR FOCUS AREAS
Short term	<ul style="list-style-type: none"> <li>● Investments to address capacity and optimise network infrastructure</li> <li>● Deploying 1,500 energy modernised sites, with expected OPEX savings and a 20% reduction in carbon footprint</li> <li>● Investing in Limuru Phase II to enhance its data centre capabilities</li> </ul>
Medium	<ul style="list-style-type: none"> <li>● Form partnerships with non-terrestrial network (NTN) providers to expand service offerings and improve network coverage</li> <li>● Invest in enhancing network capacity to guarantee at 15Mbps for 95% of mobile data customers</li> <li>● Conduct a policy review to address existing gaps and ensure compliance with evolving regulatory requirements.</li> <li>● Data privacy concerns will be addressed to mitigate general perceptions and enhance customer trust</li> </ul>
Long	<ul style="list-style-type: none"> <li>● Transition to more advanced and efficient technologies</li> <li>● Continue to assess risks associated with partnerships to ensure network security and resilience</li> </ul>

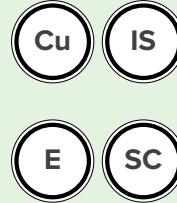
### PART OF THESE CAPITALS



### INFORMED BY THESE STRATEGIC PILLARS



### IMPACTING THESE STAKEHOLDERS



### SUPPORTING THESE UN SDGS



## Our operational overview

With major investment in M-PESA and a billing platform refresh, we modernised and expanded the mobile and fixed network. Capex investment focused on protecting and growing consumer mobile, deepening the adoption of the Enterprise core, future-proofing the Financial Services core business, delivering superior customer experience and reducing the overall cost to serve.

- 300 sites rolled out
- Ongoing investment in Fintech 2.0 to modernise the M-PESA platform to increase capacity and enhance cloud capabilities
- Investment in Enterprise automation systems and AI tools
- Investment in IT infrastructure to support internal and external business needs

- Investment in security to protect existing revenues and against increased cyber-attack risks such as distributed denial of service (DDOS) attacks
- 147,000 homes passed and 107,000 homes connected, with 700,000 homes and business now cumulatively passed
- Investment in End of Life (EOL) energy and cooling equipment both for sites and data centres
- Launch and operationalisation of the Limuru Data Centre through investment in transmission equipment and IT servers
- Increased upgrades to our 4G network driven by continued growth in usage and operationalisation of the 700 MHz spectrum
- Investment in 1,700 5G sites with 800 having been finalised in FY2024

## Our strategic objectives

- Build intelligent open and scalable integration platforms such as Customer Billing System (CBS), a digital platform for Financial Services Wealth Management and Revenue Management
- Build AI-enabled models to support hyper-personalised offering for customers
- Scale and modernise core platform to leverage the AI customer journey and Zero Touch Provisioning (ZTP) operations
- Accelerate 5G rollout and fixed wireless access

## Our digital channels

### OUR OPERATIONAL OVERVIEW

As part of the Channels Division, the Customer Enablement Tribe undertook several specified tasks to:

- Grow APP, web, ZURI (BOT), USSD and monthly-active IVR usage
- Digitise channels organisation
- Implement the 'Single View of Customer' platform

### OUR STRATEGIC OBJECTIVES

Our strategic objectives shifted during the year under review from growing digital channel and self-service usage to digitising more of our trade operations and activities, translated into imperatives to:

- Digitise and tool the partner ecosystem to enable an end-to-end frictionless experience
- Enhance unified Partner Portal reports, performance tracking, Dealer Portal and migration experience as the single point of contact for our partner ecosystem

# THE VALUE WE EMBED (continued)


## Our digital channel (continued)

### OUR KEY INITIATIVES

INITIATIVE	WHAT IT MEANS
Demand deflection	<ul style="list-style-type: none"> <li>● We successfully deployed Zuri Gen Ai with 4 self-services on Safaricom Web to improve accuracy</li> <li>● 85% of daily customer interactions served via our IVR, USSD and ZURI DIY channels</li> </ul>
Partner App	<p>Delivery of 1.5 million new customers monthly via five acquisition modules on the Partner App, including:</p> <ul style="list-style-type: none"> <li>● Deployment of key journeys</li> <li>● Acquisition of new line, fixed wireless access and LNM</li> <li>● SIM swap and know your customer (KYC) update</li> <li>● Reports</li> <li>● FAQ and escalation tabs</li> </ul>
Single view of the customer (SVC)	<ul style="list-style-type: none"> <li>● Rolled out of SVC to frontline users, delivering cumulative 5,000 SIM swaps.</li> <li>● Enabled three AI Models within Single View:                             <ul style="list-style-type: none"> <li>• Next best offer (NBO)</li> <li>• Churn</li> <li>• NPS Predictor</li> </ul> </li> </ul>
Partner Portal	<ul style="list-style-type: none"> <li>● Automation of franchise and M-PESA additional tills</li> <li>● Deployment of eight commercial reports for partners, thereby boosting transparency with them</li> <li>● Deployment of the M-PESA Till Swap/PUK feature, enabling swaps via the portal, and resulting in an 18% reduction in call centre demand</li> <li>● Automation of franchise and M-PESA additional tills</li> </ul>

### RISKS AND CHALLENGES WE FACED\*

RISK/CHALLENGE	MITIGATION
Fraud, with increased instances of fraud attempts identified throughout the year	<ul style="list-style-type: none"> <li>● Enhancing the security of our digital touchpoints and enhanced encryption</li> </ul>

\*For more on risk management, see page 53 

## Our Manufactured Capital

Our manufactured capital is all the hardware, equipment and the sites that house them, that we install and deploy towards serving the people of Kenya and Ethiopia as we act on our commitment to upliftment, diversity, equality and inclusion for all, as we realise our purpose of transforming lives.



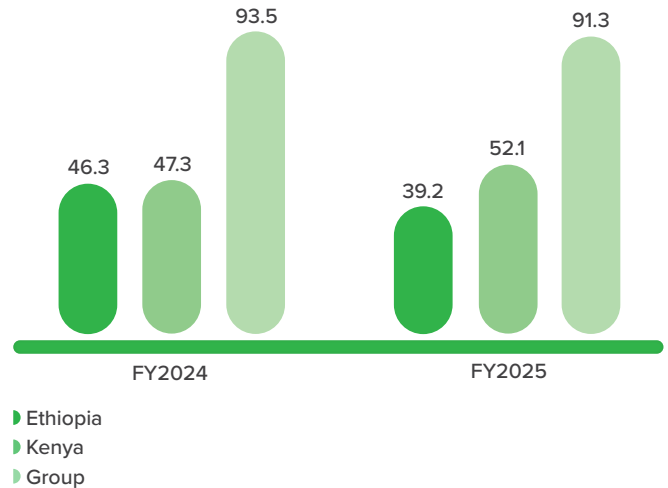
MANUFACTURED CAPITAL

### Our network footprint and sites

- Kenya; 98% 4G coverage, 30% 5G population coverage
- 6,973 2G sites of which 6,970-3G and 6,937 4G
- 1,700 5G sites activated
- 50% is 4G population coverage in Ethiopia and 3,141 sites
- 18,300 km Cumulative fibre-optic footprint 21.4% YoY (2024: 17,000 km)
- 694,289 Homes passed 23.9% YoY



### Capex investment in Kenya and Ethiopia (KShs Bn)



### Building for inclusion

We established a partnership with a consortium of local mobile network operators (MNOs) and international device manufacturers that has the first-of-its-kind smartphone assembly plant in East Africa under State-of-the-art East Africa Device Assembly Kenya Limited, located in Athi River, and launched in October 2023.

#### PRODUCTION CAPACITY

3 million units annually

#### PRODUCTS

- 4G-enabled Neon 5, Smarta and 6½ Ultra
- Additional devices to diversify product range over time

#### BENEFITS

- Job creation
- Affordable smartphones





# THE COMMERCIAL VALUE WE DELIVER

● OUR OPERATING ENVIRONMENT IN KENYA	90
● GROUP PERFORMANCE REVIEW	92
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# THE COMMERCIAL VALUE WE DELIVER

## Our operating environment in Kenya

«  
**The period from April 2024 to March 2025 was marked by gradual economic recovery following earlier disruptions, liquidity pressures, and severe flooding in mid-2024. Despite these challenges, Kenya's economy demonstrated resilience, supported by easing inflation, fiscal consolidation, and a rebound in key sectors.**  
»

The Kenyan economy continued to show resilience despite some recent domestic and global shocks. These included a liquidity crunch, Finance Bill-2024 protests and the ongoing fiscal consolidation efforts to manage the fiscal deficit.

The telecommunications industry sustained strong momentum, with growing demand for mobile services, internet connectivity, and digital financial solutions. According to the latest Communications Authority of Kenya (CA) Q3 FY2025 (January – March) report, the sector recorded continued growth in active subscriptions and data usage, underlining its strategic role in Kenya's economic transformation.

### Economic Growth

According to the Kenya National Bureau of Statistics (KNBS) Economic Survey 2025, real GDP growth moderated to 4.7% in 2024, down from 5.7% in 2023. The slowdown reflected disruptions caused by Finance Bill 2024 protests, liquidity constraints in early 2024, and flood-related damage to agriculture and infrastructure.

However, momentum improved in the first quarter of 2025 (January–March), with provisional estimates indicating GDP growth of 5.0%, supported by strong recovery in agriculture and agro-processing & resilient performance in transport, ICT, and wholesale and retail trade.

### Inflation

During the final months of 2024 there was a significant decrease in inflation, indicating price stabilisation. This was due to favourable conditions in key categories such as housing, water, and fuels.

Inflationary pressures eased significantly over the period, falling from 7.9% in April 2024 to 5.6% in March 2025, approaching the CBK's medium-term target of  $5 \pm 2.5\%$  (source: CBK Monetary Policy Statement, May 2025). The key drivers included stabilisation in food prices following favourable weather, lower fuel and energy costs and fiscal consolidation efforts reducing aggregate demand pressures.

For details of the macro tailwinds and headwinds, regulatory and industry indicators see the Group Chief Financial Officer's Review on page 92. »

### Our competitive landscape Telecommunications Sector

The Kenyan telecommunications sector continued to demonstrate resilience and steady growth over the review period, driven by rising smartphone penetration, sustained demand for digital services, and accelerated rollout of network infrastructure.

According to the Communications Authority of Kenya (CA) Sector Statistics Report Q3 FY2024/25. (January – March 2025):

- Active mobile (SIM) subscriptions grew by 6.7% to 76.2 million translating to a penetration rate of 145.3%. This growth is attributed to the various customer win back campaigns run by the operators during the reference period.
- Mobile phone penetration was 143.0% while that of smartphones and feature phones was 80.8% and 62.2%, supported by multi-SIM ownership and expansion of mobile network infrastructure across the country.
- Smartphone adoption continued to rise, driven by more affordable entry-level handsets and rising demand for data-intensive services such as video streaming, social media, and mobile applications.

The sector remained highly competitive, characterised by aggressive price-based competition on voice and data bundles, increased investment in 4G and 5G networks, strategic partnerships aimed at content streaming, digital payments, and fintech integration.

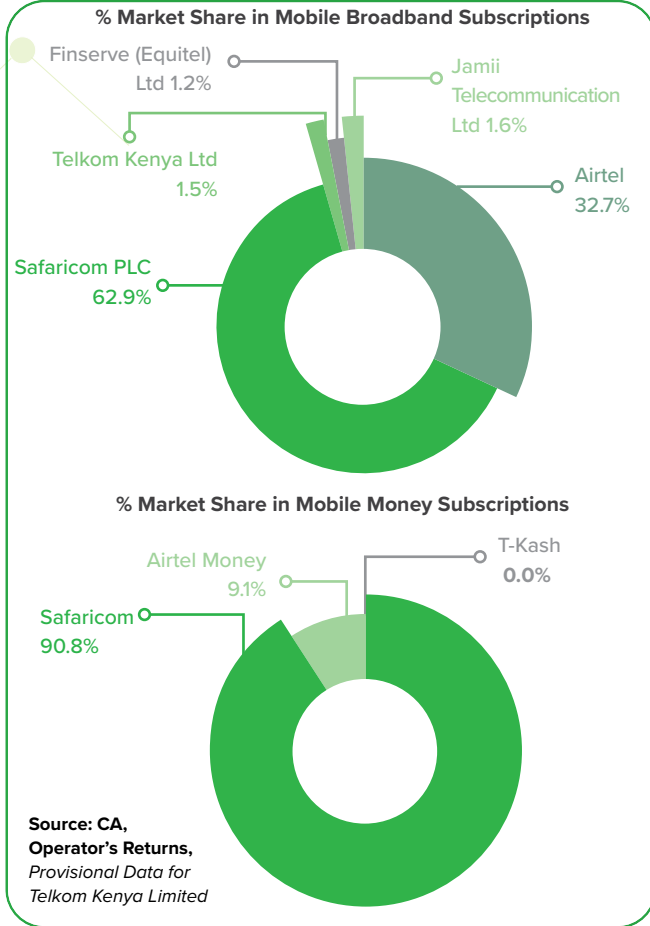
We retained market leadership position with 63.3% market share in overall mobile (SIM) subscriptions as at end of March 2025, network reach, and service innovation, but faced increased demand for more value, affordability of our product offerings amidst the prevailing macro-economic headwinds including constrained disposable incomes facing our customers.

The period also saw further momentum towards 5G rollout, with Safaricom extending its commercial 5G network to more towns and testing new consumer and enterprise use cases, reinforcing our position as a technology leader.

Sources: Communications Authority of Kenya (CA) Sector Statistics Report Q3 FY2024/25 (Jan – March 2025), Central Bank of Kenya Monetary Policy reports



## Customer Market Share



## Financial Services Sector (Mobile Money & Fintech)

Kenya's mobile financial services ecosystem continued to deepen over the period, supporting national goals on financial inclusion and cashless payments. As per the CA Q3 FY2024/25 report (January – March 2025) mobile money subscriptions grew by 7.3% to 45.4 million translating to a penetration rate of 86.6% during the quarter to March 2025. This growth is synonymous to the increase in active mobile (SIM) subscriptions. Mobile money penetration stood at 86.6% as at end of March 2025.

The mobile money landscape became more dynamic, shaped by;

- Increased product diversification, including small-scale lending by various digital lending providers, savings, and insurance services
- New entrants in the market and collaborations between banks and fintech providers contributed to growing financial innovation in the industry.
- Regulatory focus on consumer protection, interoperability, and transaction charges.

Both telecommunications and financial services sectors remain central to Kenya's Vision 2030 and the government's Digital Superhighway initiative (source), aiming to expand broadband connectivity, digital skills, and cashless payments.

## Conclusion

For Safaricom, the competitive landscape in the year was defined by sustained demand for reliable data and digital services, expansion of 5G & fibre infrastructure, deepening financial inclusion through M-PESA innovations, and rising competition, requiring continued product differentiation, pricing innovation, and customer experience leadership.

As Kenya's digital economy matures, Safaricom is well positioned to defend and grow our market leadership through strategic investments, partnerships, and platform expansion.

# THE COMMERCIAL VALUE WE DELIVER (continued)

## Group Performance Review

by the Group Chief Financial Officer, Dilip Pal

«  
**The fiscal year under review has been eventful as the Company marked major growth milestones which were the foundation for the solid performance we attained for the financial year ended 31 March 2025 (FY2025). The Group has demonstrated resilience, even in the face of various external challenges emanating from our operating environment during the year, including economic disruptions, a slowdown in GDP growth, and the impact of foreign exchange regime reforms of the Ethiopian currency. We remain focused on our strategic priorities and are confident in our ability to deliver sustainable growth and value to our stakeholders\*.**  
»

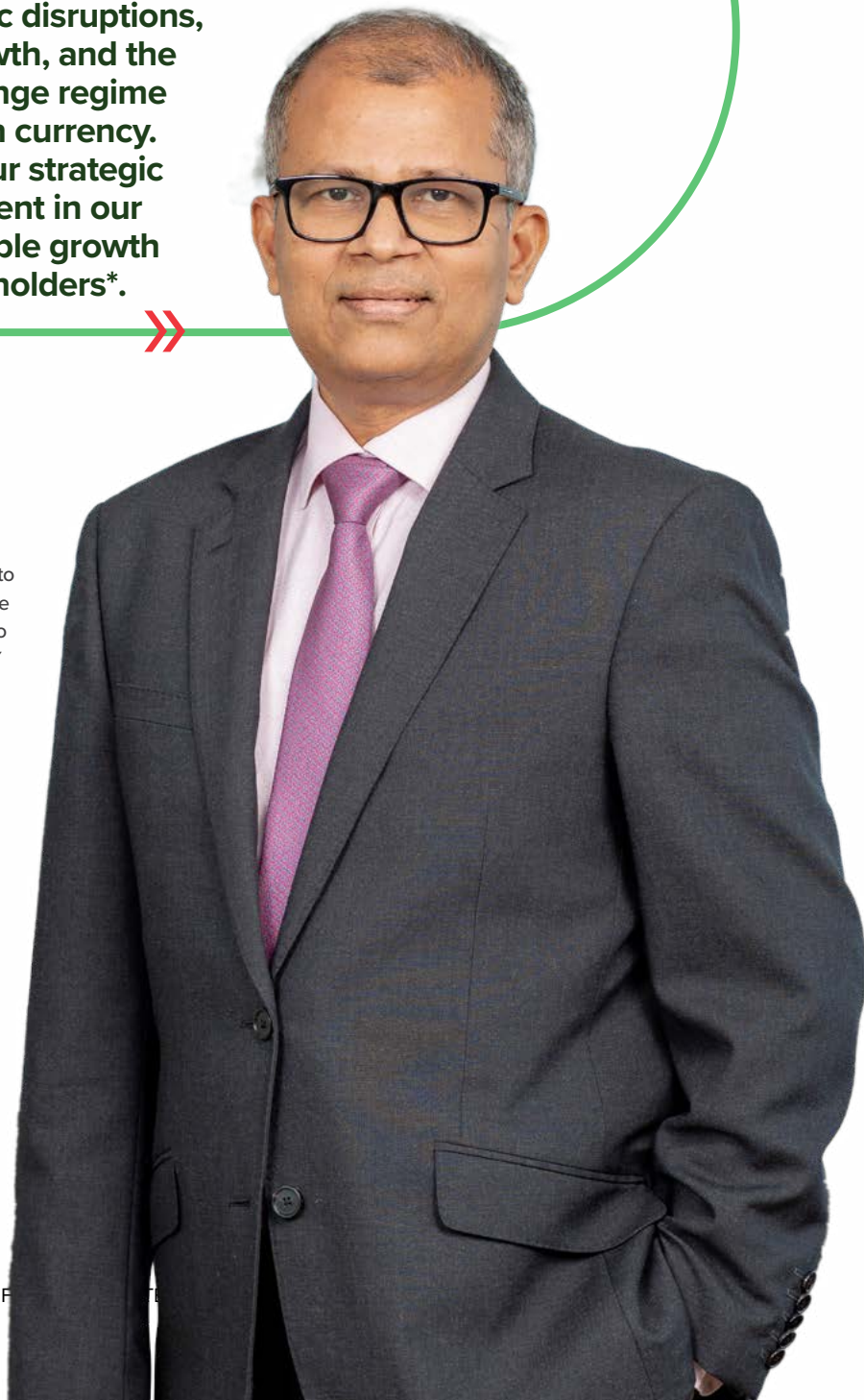
\*For more on our operating environment and stakeholder management, see page 90 and 68 respectively —»

## Outstanding performance for the Group

During the year, our group Service revenue grew 10.8% YoY to KShs 371 billion, mainly supported by growth across most revenue lines. Overall three-month active group customers grew 16.4% to 57.08 million while one-month active customers grew 17.7% YoY to 44.36 million.

Our group net income, excluding minority interest, grew 10.8% YoY to KShs 69 billion despite the forex impact in Ethiopia. We have sustained our investment to support expansion in new growth areas, ensuring long-term growth and stability.

Safaricom Kenya's overall customer market share stood at 62.9% as at March 2025. According to the Q3 (Jan – March 2025) sector statistics report by the Communication Authority of Kenya (CA). As of March 2025, the Ethiopian Birr depreciated against the US dollar by 117.1% YoY, from ETB 57.29 in June 2024 to ETB 125.25. This sharp depreciation followed the forex regime reforms announced in July 2025, which aims to liberalise Ethiopia's foreign exchange market. The impact of currency depreciation is incorporated in the consolidated financial statements.





## Resilient Group performance

KENYA		GROUP REPORTED			GROUP CONSTANT CURRENCY
		H1 FY25	H2 FY25	FY25	
Service revenue	↑ 10.5%	↑ 13.1%	↑ 8.7%	↑ 10.8%	↑ 12.2%
EBIT	↑ 13.0%	↑ 1.8%	↑ 22.8%	↑ 29.5%	↑ 16.9%
Net Income excluding minority interest	↑ 12.7%	↓ -17.7%	↑ 44.6%	↑ 10.8%	↑ 14.2%

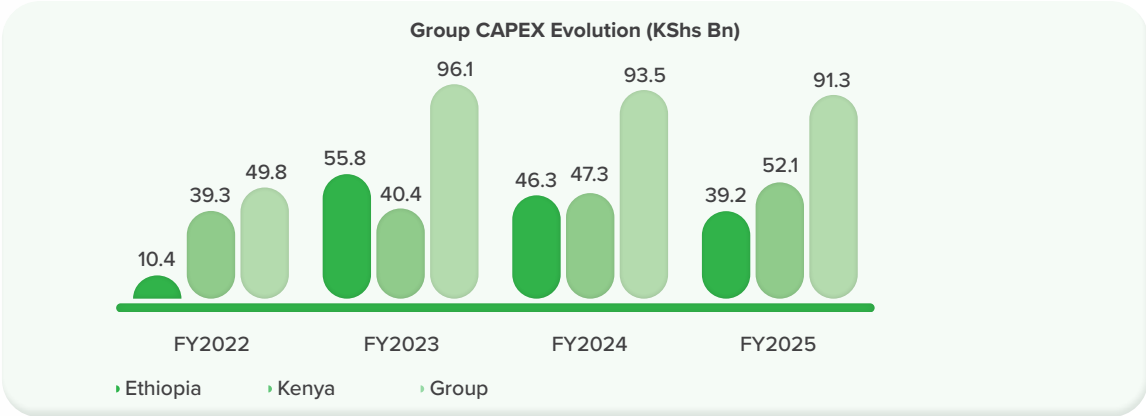
\*Group % YoY constant currency excludes IAS 29 & exchange rate reforms impact

On reported and constant currency bases, the Group reported strong double-digit growth in service revenue, Earnings Before Interest and Taxes (EBIT), and net income excluding minority interest.

The Group's net income, excluding minority interest, improved significantly, growing by 10.8% YoY. It improved from a 17.7% decline in the first half of the year to a strong 44.6% growth in the second half. On a constant currency basis, group EBIT grew 16.9% YoY and net income excluding minority interest grew 14.2% YoY.

We have had a strong financial performance for Kenya with impressive double-digit growth across all financial metrics which supported the excellent Group performance. Our Ethiopia business is gaining scale and this will have an overall positive impact on Group performance.

Group capital expenditure (capex) for the year stood at KShs 91.3 billion (-2.4% YoY) with KShs 39.2 billion (-15.3% YoY) being investment in rolling out operations in Ethiopia.



# THE COMMERCIAL VALUE WE DELIVER (continued)

## Safaricom Kenya Performance Review

### Operating context and key macro factors impacting our performance in Kenya

Kenya's macroeconomic stability remains promising, but pressure on disposable income and competition demanded active focus on delivering value-driven customer propositions. Despite GDP growth, there was a notable increase in fiscal pressure, with high interest rates, shrinking private sector credit growth and generally high nonperforming loans for the financial industry.

The economy is projected to pick up in 2025 and 2026 with a projected growth of 5.4- 5.6%, supported by resilience in key service sectors and agriculture, expected recovery in growth of credit to the private sector, and improved exports. This is according to the Central Bank of Kenya (CBK) Monetary Policy Committee release for April 2025.

The Kenya shilling appreciated by 1.9% as at March 2025 to close at KShs 129.37 against the US dollar, compared to KShs 131.8 recorded in March 2024. During the same period, the shilling appreciated by 13.7% and depreciated 5.9% against the UK pound (GBP) and Euro, respectively. The shilling is expected to remain stable supported by foreign inflows and the global weakening of the US dollar in the aftermath of the 50bps rate cut by the Federal Reserve.

Overall macroeconomic activity has been steady with annual inflation rates holding at 3.0-3.6 percentage points. Inflation for the month of March 2025 stood at 3.6%, down from 5.7% in March 2024, and it remained below the mid-point of the target range of 5±2.5 percentage points. Inflation is expected to remain below the mid-point of the target range in the near term, supported by a low core inflation, lower food inflation, stable energy prices inflation, and continued exchange rate stability.

Regulatory and industry dynamics presented both challenges and opportunities. We continued collaborating with;

- Our regulators, the Central Bank of Kenya (CBK), for financial services
- The Communications Authority of Kenya (CA), for our telecommunications business
- The Capital Markets Authority (CMA) for our money market products under M-PESA

One key change impacting our performance during the year was the CA's reduction of Mobile Termination Rates (MTRs) and Fixed Termination Rates (FTRs) to KShs 0.41 per minute, effective 1 March 2024. This impacted our service revenue by KShs 1.6 billion.

Existing regulatory shifts notwithstanding, we continue to strengthen industry collaborations at regulatory and government levels to ensure that important synergies are derived between us and these key industry stakeholders.



For more on our operating environment, see page 90. 

## Kenya operating environment | Stable macros with some potential risks

### Macro

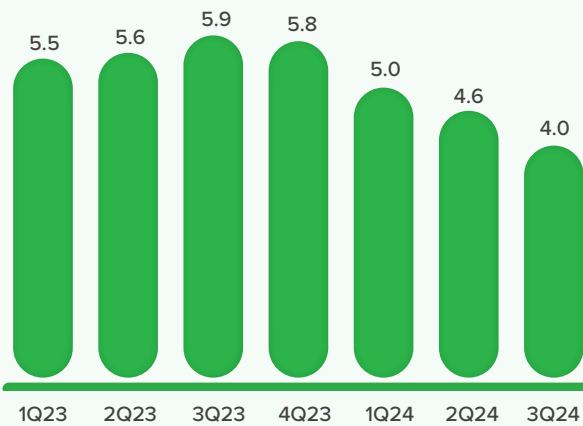
#### Tailwinds

- GDP growth; +4.8% in 2025 International Monetary Fund (IMF)
- Stable inflation rates 3.6% March 2025
- Stable Kenyan Shilling
- Easing monetary policy

#### Headwinds

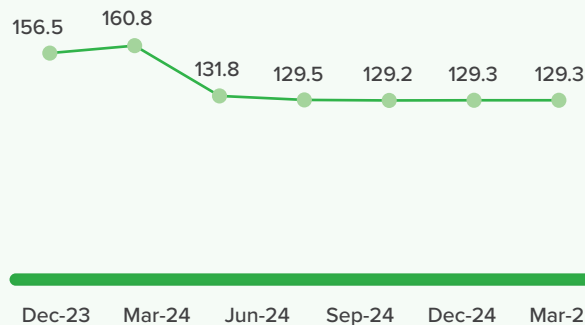
- Increased fiscal pressure
- High interest rates
- Shrinking private sector credit growth, high Non-performing Loans (NPLs)

#### GDP Growth holds with notable slowdown (%)



Source: Kenya National Bureau of Statistics (KNBS)  
Source: Central Bank of Kenya (CBK)

#### Stable Kenya Shilling (USD/KES)



Source: CBK

### Regulatory & industry

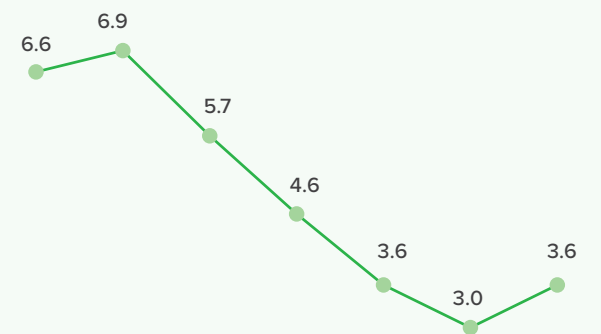
#### Tailwinds

- Great support & collaboration with the regulators; Central Bank of Kenya (CBK), Communications Authority of Kenya (CA) and the Capital Markets Authority (CMA)

#### Headwinds

- Regulatory shifts on horizon mobile termination rates (MTR), Infra sharing, satellite, National payment switch, agent interoperability
- Increased regulatory pressure

#### Stable Inflation Rate (%)



Source: CBK

# THE COMMERCIAL VALUE WE DELIVER (continued)

## Safaricom Kenya Performance Review (continued)

Our Kenyan business recorded strong growth across all business segments

### SAFARICOM KENYA PERFORMANCE

#### Service Revenue

↑ Grew by  
**10.5% YoY**  
to KShs 364,282.7 million

#### Messaging revenue

↑ Grew by  
**1.6% YoY**  
to 12,477.40 million

#### M-PESA revenue

↑ Grew by  
**15.2% YoY**  
to KShs 161,118.6 million

#### Active customers

↑ Grew by  
**7.1% YoY**  
to 37.11 million

#### Voice revenue

↑ Grew by  
**1.6% YoY**  
to KShs 80,784.70 million

#### Mobile data revenue

↑ Grew by  
**15.2% YoY**  
to KShs 72,863.20 million

#### Fixed line and wholesale revenue

↑ Grew by  
**12.9% YoY**  
KShs 17,065.0 million

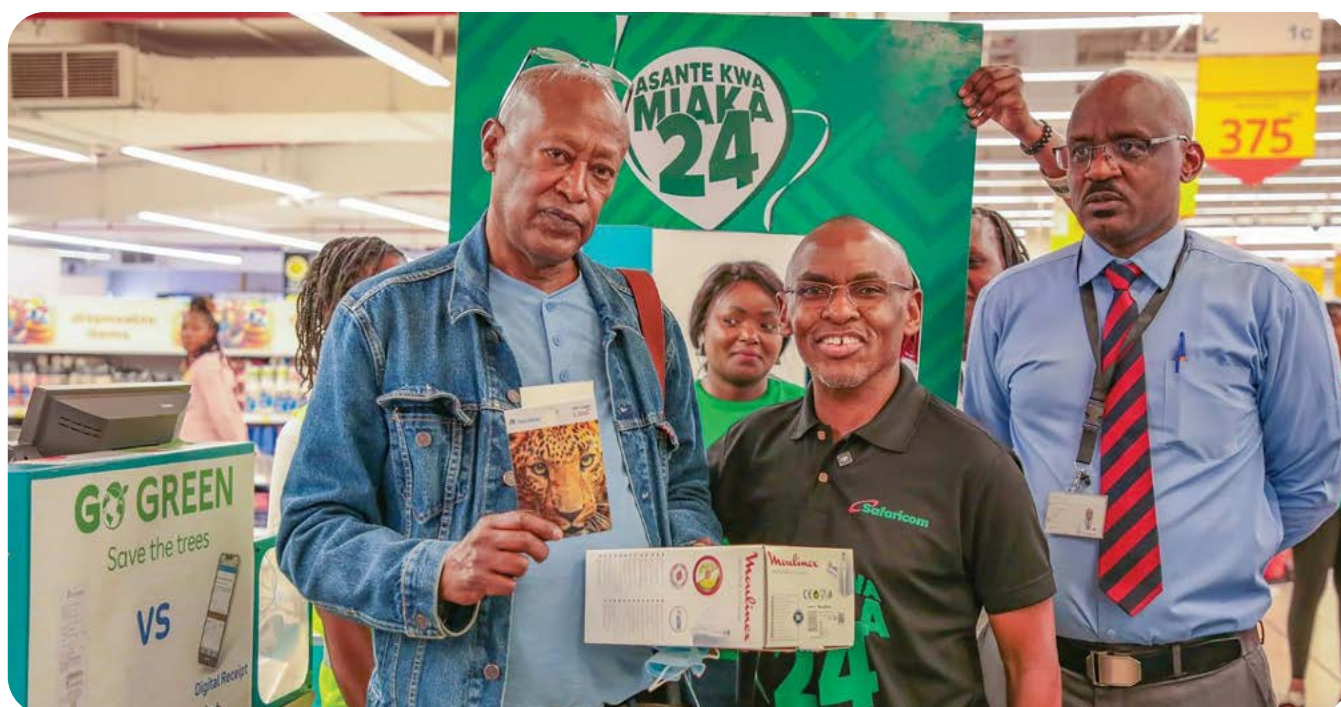
#### Active M-PESA customers

↑ Grew by  
**10.5% YoY**  
to 35.82 million

### Customers

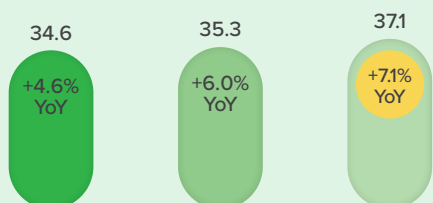
- Our customer base grew significantly across all segments of our business. Overall 30-day active customers grew by 7.1% to 37.1 million, the highest YoY growth in four years.
- One-month active M-PESA customers grew by 3.4 million during the year, a double-digit growth of 10.5% YoY – the highest YoY growth of the last four years and a good recovery from the flat growth trajectory in FY2024.
- Connectivity active customers grew by 7.1% YoY, also the highest YoY growth in the last four years.
- Fixed data customers recorded double-digit growth of 20.5%, with double-digit growth in fixed data customers sustained every year since 2019.

Our exceptional YoY growth across all these categories underscores the unwavering loyalty and trust of our customers.



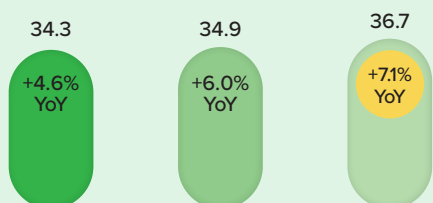
## CUSTOMERS | Growing customer base in all segments

### Total customers (Mn)



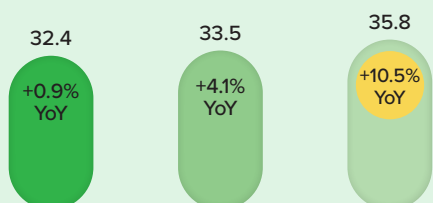
FY24 H1FY25 FY25

### Connectivity customers (Mn)



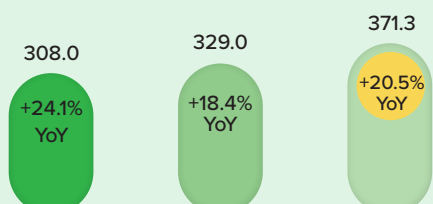
FY24 H1FY25 FY25

### M-PESA customers (Mn)



FY24 H1FY25 FY25

### Fixed data customers '000s



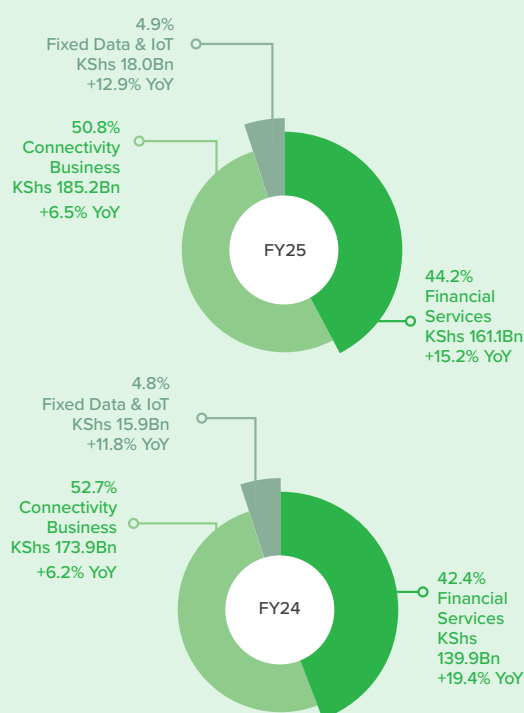
FY24 H1FY25 FY25

## Service revenue

Service revenue in Kenya recorded double-digit growth of 10.5% YoY to KShs 365.9 billion, supported by strong growth in usage and average revenue per user (ARPU). This is the first time we have recorded consecutive double-digit YoY growth in service revenue since 2018, amplifying the success of our strategy towards becoming Africa's purpose-led technology company by 2030.

## SERVICE REVENUE | Strong Growth Supported by M-PESA and Mobile Data

### Contribution to Service Revenue Profile



\*Mobile Termination Rates (MTR) changes from KShs 0.58 to KShs 0.41 effective 1 March 2024.

# THE COMMERCIAL VALUE WE DELIVER (continued)

## Safaricom Kenya Performance Review (continued)

Customer growth contributed 5.7% of the 10.5% service revenue growth, while ARPU supported 4.8%. We recorded growth across all segments of revenue including M-PESA, connectivity and the fixed data.

### ● Connectivity revenue

Connectivity revenue primarily includes voice, mobile data and messaging, and has grown by 6.5% YoY to KShs 185.6 billion, accounting for 34% of the growth in service revenue.

#### CONNECTIVITY REVENUE CONTRIBUTION

##### Voice

**43.6%**

KShs 80.8 billion  
+1.6% YoY

##### Mobile data

**39.4%**

KShs 72.9 billion  
+15.2% YoY

##### Messaging

**6.7%**

KShs 12.5 billion  
+1.6% YoY

##### Mobile incoming

**4.2%**

KShs 7.9 billion  
-4.8% YoY

##### Content

**1.3%**

KShs 2.4 billion  
+53.3% YoY

##### Others\*

**4.7%**

KShs 8.8 billion  
-3.6% YoY

Customer Value Management (CVM) initiatives and big data and analytics capabilities have significantly improved our ability to provide targeted offerings to our customers. M-PESA grew 15.2% YoY to KShs 161.1 billion (FY2024: 19.4%) contributing 44.2% of service in FY2025 and 61% of the incremental growth in service revenue.

### ● Voice and messaging

Voice revenue grew 1.6% YoY to KShs 80.78 billion, driven by increased usage and growth in customers. Minutes of use per subscriber grew by 6.0% YoY to 200.89 while one-month active customers rose 6.5% YoY to 30.12 million.

We continue to enhance affordability through our CVM initiatives, with rate per minute declining by 11.4% YoY to KShs 1.11 during the year. This is in line with our strategic shifts in response to the evolving needs of our customers who are seeking more value for the same price points. Messaging revenue rose marginally by 1.6% YoY to KShs 12.48 billion, driven by 16.0% YoY growth in rate per message to KShs 0.31 cents.

Voice and messaging revenue now constitute 25.6% of total service revenue for Kenya.

### ● Mobile data

Mobile data revenue recorded strong double-digit growth of 15.2% YoY to KShs 72.86 billion, driven by increased data usage per chargeable subscriber which grew by 13.9% YoY to 4.22GB. Rate per MB declined further by 3.3% YoY to 6.19 cents, as we continue to enhance affordability.

Mobile Data ARPU grew by 10.1% YoY to KShs 267.11. One-month active customers also increased by 11.2% YoY to 30.69 million, while data subscribers using more than 1GB grew 18.1% YoY to 11.86 million.

We continued to grow mobile data during the year by driving penetration of 4G+ devices to enhance usage for customers who consume less than 1GB, and by partnering with the open market for devices and our dealer network to drive affordable 4G device supply and uptake in the market.

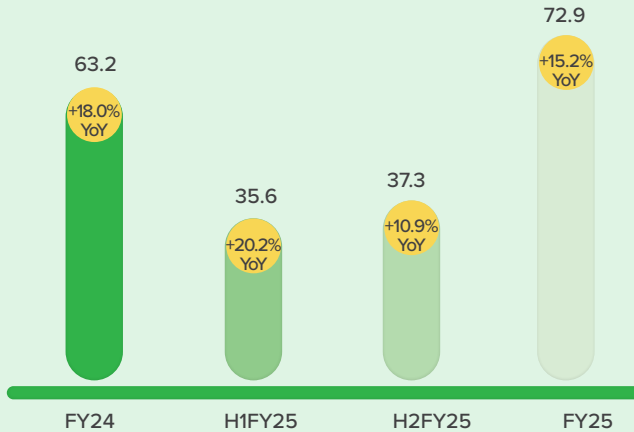
We continue to support customers in acquiring 4G-enabled devices through our affordable device financing offering Lipa Mdogo Mdogo (LMM), having sold about 2.0 million devices to date, with 700,000 sold during the year under review.

The number of smartphones on our network grew by 19.4% YoY to 27.37 million. 4G device numbers rose by 32.4% YoY to 22.31 million, with 49.4% customers using more than 1GB, while 5G devices increased by 57.0% YoY to 1.05 million.

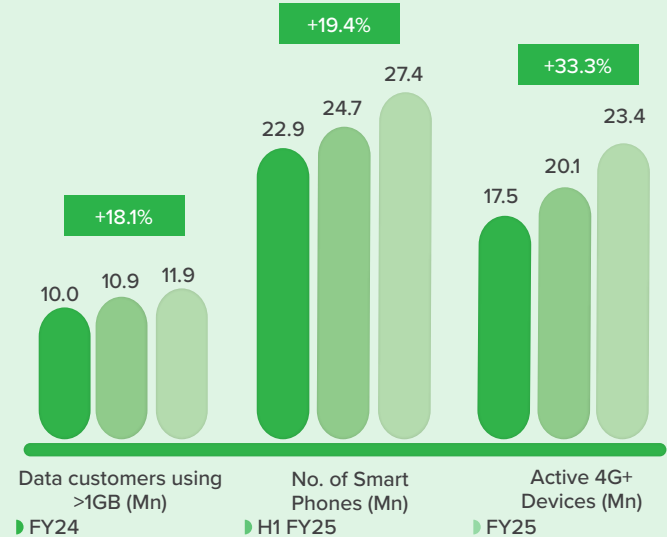
Mobile data now accounts for 20.0% of our service revenue and contributed 27.9% of the growth in service revenue.

## MOBILE DATA | Double-digit growth driven by increased usage

Mobile Data Revenue (KShs Bn)



Customers and 4G+ Devices continue to grow



63%

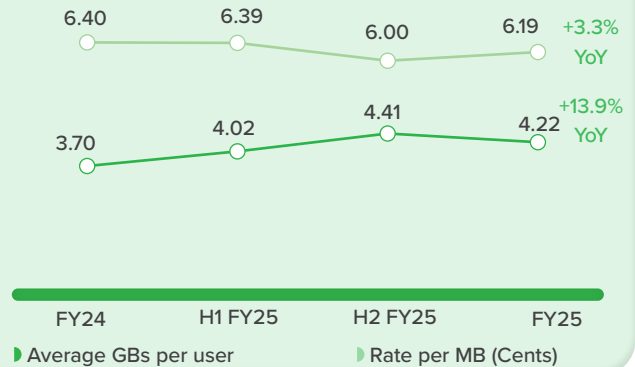
4G+ penetration on overall 30-day base



+20.9%

Integrated bundle revenue contribution

Sustained Usage Growth as Rate Stabilises



### Other Revenue – Other mobile service revenue (SR) and mobile incomming

Other mobile SR which includes SMS wholesale, visitor revenue, Okoa Jahazi (airtime credit), content revenue and internet of things (IoT) among others, grew 5.3% YoY to KShs 7.86 billion, driven by accelerated growth from content revenue which grew 53.3% YoY to KShs 2.42 billion, and IoT revenue which increased 12.0% to KShs 0.94 billion. Content customers increased 26.8% YoY to 3.52 million, while the number of IoT customers grew 8.0% YoY to 1.66 million.

Mobile Incomming declined 4.8% YoY to KShs 7.86 billion, attributed to declining voice incomming.

### M-PESA

M-PESA recently celebrated its 18th anniversary and delivered another year of stellar top line growth. M-PESA revenue grew by 15.2% YoY to KShs 161.1 billion, supported by increased usage

and growth in chargeable transactions per one-month active customers which grew 20.3% YoY to 37.92. M-PESA ARPU rose by 9.4% YoY to KShs 395.22.

The M-PESA revenue profile continues to evolve with increased contributions from new verticals.

**Withdrawal revenue** was the highest revenue contributor five years ago, standing at 38% with KShs 37.2 billion. In FY25, however, the contribution dropped to 23.1%, signalling containment of velocity within the ecosystem.

**Consumer and business payments** were the key drivers of growth for M-PESA revenue, contributing 39.1% and 30.2% of the total revenue respectively. Consumer payments grew 19.7% YoY to 63.0 billion, while business payments increased 27.4% YoY to KShs 48.6 billion.

# THE COMMERCIAL VALUE WE DELIVER (continued)

## Safaricom Kenya Performance Review (continued)

Lipa Na M-PESA active merchants grew 6.8% YoY to 675,860. The business wallet for small businesses, known as Pochi La Biashara in Swahili, also grew significantly over the year with micro-businesses embracing the M-PESA wallet that is dedicated only to businesses, enabling a separation of personal and business funds uses. Pochi tills rose 81.7% YoY to 1.15 million, while merchant overdraft customers stood at 45,150. M-PESA now accounts for 44.2% of service revenue for our Kenyan operations.

Merchant payments for both Lipa na M-PESA (LNM)-formal merchants and Pochi La Biashara informal merchants, made significant progress with a combined merchant base of 1.8 million, representing a growth of 44.2% YoY.

The number of pochi merchants nearly doubled to 1.1 million, while revenue tripled to KShs 2.2 billion. Overall, revenue from merchant payments increased by 20.5% YoY to KShs 9.8 billion.

**Financial services revenue**, mainly comprising credit, wealth and insurance, grew 5.2% YoY to KShs 8.4 billion, supported by recovery in Fuliza whose revenue grew 5.6% YoY to KShs 4.1 billion, from KShs 3.9 billion in the prior year. Fuliza customers grew 12.0% YoY to 7.9 million, while the value of Fuliza transactions grew 17.7% YoY to KShs 1.0 trillion. Fuliza revenue makes up 48% of credit revenue growth and has grown by 5.6% compared to FY2024. We enhanced our credit limits as part of our response to customer needs. This drove higher utilisation, with volume increasing by 24.2% YoY to 4.1 billion and values at KShs 1 trillion.

This is an area with great potential for growth as we work together with our partners to meet the needs of our customers.

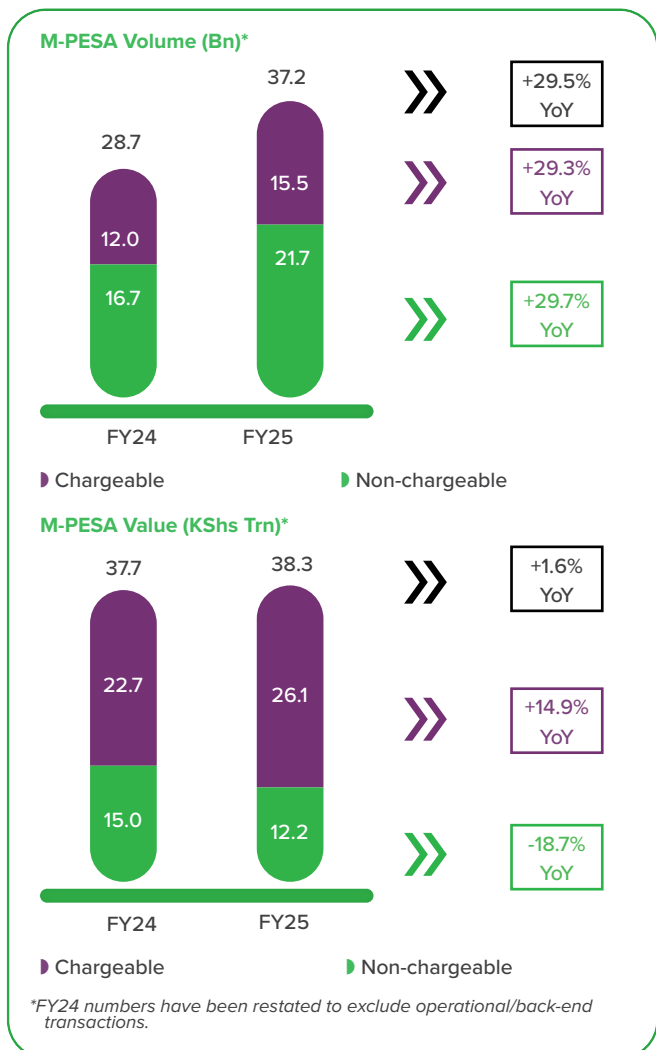
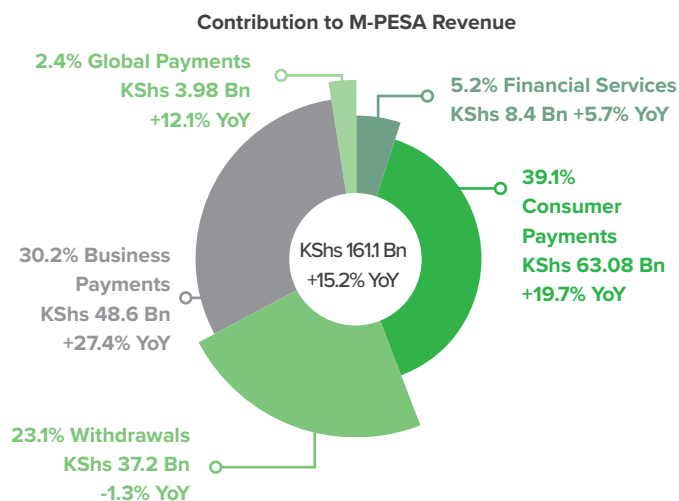
**Global payments** which include international money transfers, Alipay, Virtual Card and Google Play Store revenue streams grew 12.1% YoY to KShs 3.89 billion and accounted for 2.4% of total M-PESA revenue.

One-month active customers grew by 10.5% YoY to 35.82 million, while the M-PESA Agent network continues to expand as numbers rose by 14.1% YoY to 298,890. (See customer graph above.)

We have sustained growth in usage, with chargeable transactions per one-month active customer growing by 20.3% to close at 37.9, while the take rate on chargeable transactions has remained stable YoY at 0.62bps.

### Value and volumes of M-PESA transactions

Total M-PESA transaction value rose 1.6% YoY to KShs 38.29 trillion, while volumes grew by 29.5% YoY to 37.15 billion. Of the total value of M-PESA transactions, chargeable transactions were valued at KShs 26.1 trillion, a growth of 14.9% YoY, while non-chargeable transactions were valued at KShs 12.2 trillion, growing by 31.8%, but declining by 18.7% YoY. The total volume of transactions was 37.2 billion growing 29.5% YoY. Of this 15.5 billion were chargeable, increasing by 29.3% YoY, while 21.7 billion (58.4%) were non-chargeable.





## M-PESA consumer and business apps

Our M-PESA super apps play a pivotal role in facilitating digital transition to support consumer lifestyles and business transactions. The super apps are gaining traction with active customers on the consumer app growing by approximately 30%, and active merchants doubling to reach 301k.

The value transacted on the Consumer App grew by 16.1% YoY to KShs 2.3 trillion with the Business App recording KShs 0.9 trillion in value transacted, a growth of 77.3% YoY. Both apps account for 8.4% of M-PESA's total revenue.

We remain focused on enhancing customer awareness of the app to drive better engagement with enhanced experience.

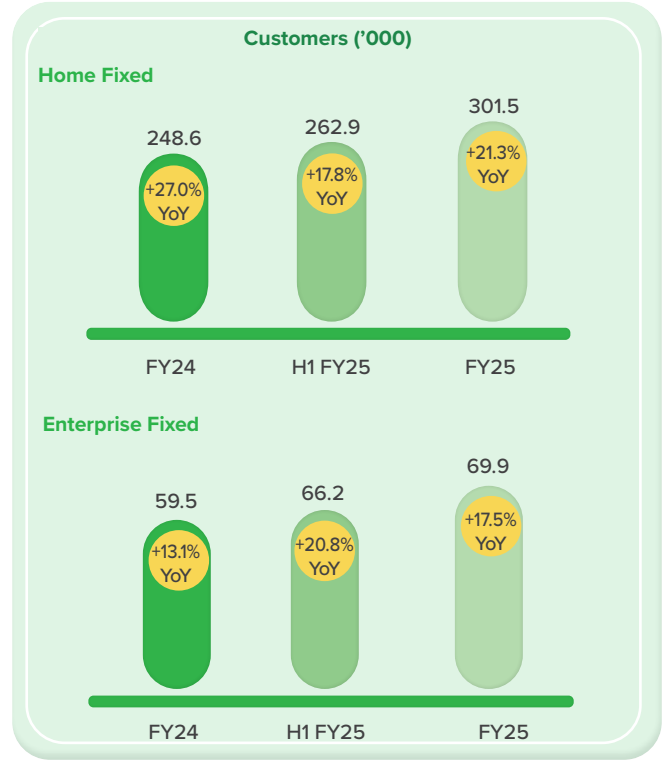
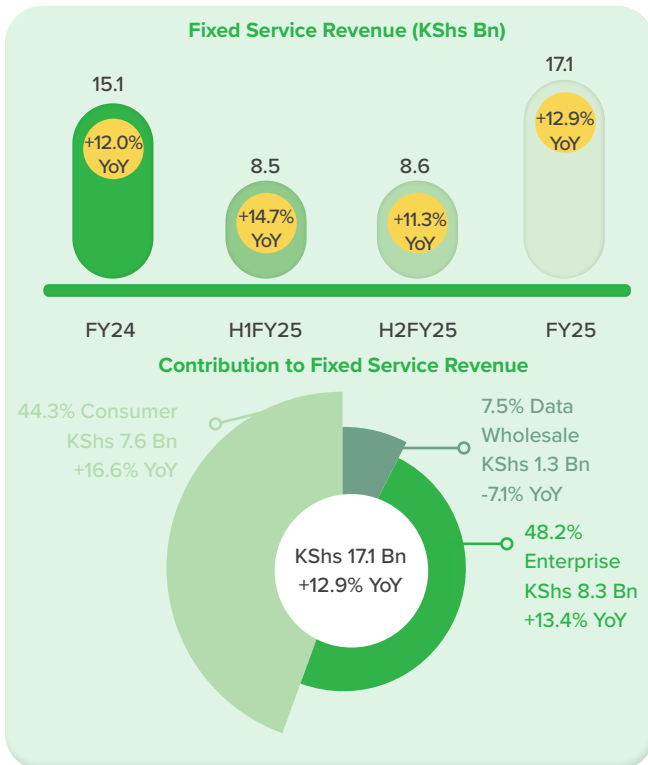
For more on M-PESA@18, see page 116.

### Fixed data

Our fixed business revenue has recorded 12.9% growth YoY, reaching KShs 17.1 billion, mainly attributable to good momentum on customer growth.

The Fixed business experienced double-digit growth across all segments, with the Home segment, which comprises 44.3% of fixed service revenue, recording growth of 16.6%, and the Enterprise segment growing by 13.4%.

Active home customers have increased by 21.3% to 301,500, while Enterprise fixed customer numbers grew 17.5% to 69,900.



## Direct and operating costs

Operating costs grew by 14.4% YoY to KShs 68.1 billion, mainly driven by increased employee costs and network operating costs.

This growth in network operating costs was driven by higher energy consumption due to an increase in sites, with our 5G footprint more than doubling from 800 to 1,700 sites.

Direct costs grew 7.2% YoY to KShs 85.7 billion, driven by increased handset sales from the device financing initiative. Excluding handset costs, direct costs grew modestly by 3.0%.

Our opex intensity remains stable at 17.9%, down from 18.2% in FY2020. Our contribution margin remains healthy at 71.8%.

We continue to look for opportunities to create efficiencies through sustainable initiatives that will lock value into the future as we invest in revenue generation initiatives.

These advancements highlight our commitment to enhancing our

# THE COMMERCIAL VALUE WE DELIVER (continued)

## Safaricom Kenya Performance Review (continued)

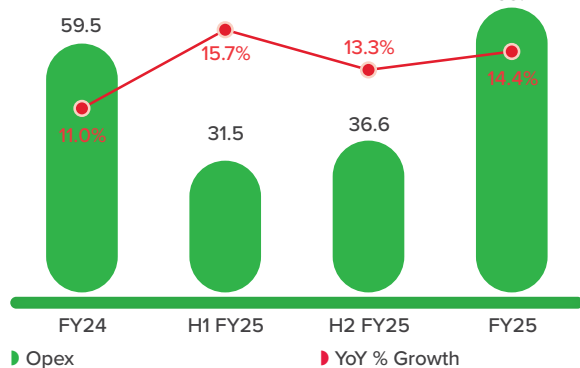
fixed service offers, expanding our customer base, and venturing into promising technological domains.

This is partly due to an additional sustainability linked loan of KShs 15 billion bringing the total to KShs 30 billion, offset by repayments during the year under review.

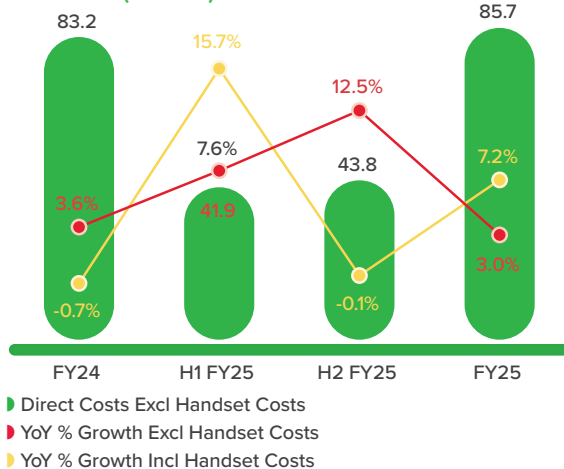
Overall, our net debt-to-EBITDA ratio is healthy at 0.31, with the generating adequate cash flows to support its growth.

### COSTS | Navigating a complex operating environment with addressable opportunities

#### Operating Cost (KShs bn)



#### Direct Cost (KShs bn)



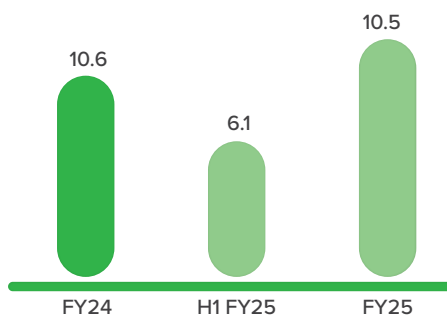
#### Net Debt (KShs Bn)

	FY24	H1 FY25	FY25
Cash and cash equivalents	21.3	23.0	15.9
Short term borrowings	(39.8)	(34.5)	(39.5)
Long term borrowings	(36.1)	(46.2)	(40.5)
Net Debt	(54.6)	(57.7)	(64.5)
Net debt/EBITDA ratio*	0.29	0.28	0.31

Net debt/EBITDA ratio is calculated on annualised EBITDA

We witnessed a 12.5% growth in finance costs mainly due to an increase in interest rates in the market.

#### Interest Cost (KShs Bn)



After three-and-a-half years of commercial operations in Ethiopia, Safaricom Ethiopia contributed 9.3% of the growth in Group service revenue. We have made significant progress in expanding network roll-out, customer acquisition and brand immersion since we launched commercial operations on 29 August 2023.

Our goal of playing a central role in the digitalisation of Ethiopia remains our priority, with both infrastructure and usage demonstrating that we are poised for solid growth. Our 4G population coverage stands at 50%.

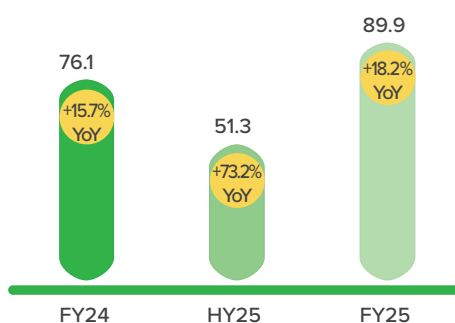
We are greatly encouraged by the commercial momentum that we have seen in Ethiopia, especially in the context of a tough macro environment and currency reforms.

\*For more on our Ethiopia operations, see page 125.

## Debt levels and free cash flow

Free cash flow grew 18.2% YoY to KShs 89.9 billion, with net debt at KShs 64.5 billion.

#### Free cashflow (KShs Bn)



# Safaricom Ethiopia Performance Review

## Operating environment and factors impacting our performance in Ethiopia

Ethiopia has made progress in addressing external imbalances and improving the business climate. These steps boost investor confidence, enhance liquidity, and create value for investors.

We are encouraged by the market adjustments to the foreign exchange reforms and a resilient GDP, supported by economic reforms, stability, and sectoral growth.

For more on Our Operations in Ethiopia, see page 127. [→](#)

## Foreign exchange reforms

On 29 July 2024, the National Bank of Ethiopia (NBE) announced a reform of the foreign exchange regime with immediate effect. The Foreign Exchange Directive No. FXD/01/2024 introduced major policy changes, allowing forex rates to be determined through negotiations between banks and customers. This marked a significant shift from prior practice and aimed to consolidate fragmented forex regulations and liberalise the financial sector.

- The currency reforms resulted in a sharp devaluation of the country's currency in the first weeks. Since then, the National Bank of Ethiopia (NBE) has been monitoring market dynamics to enhance FX liquidity and access. This measure will introduce some predictability and stability in the forex market and boost investor confidence. In addition, the Ethiopia EBITDA breakeven date was adjusted by one year to YR5 (FY2027) due to Birr depreciation.
- As of March 2025, the Ethiopian Birr (ETB) depreciated against the US dollar by 117.1% YoY, from ETB 57.29 as at June 2024 to ETB 125.25. This sharp depreciation followed the forex regime reforms announced in July 2024. The impact of currency depreciation is incorporated in the consolidated financial statements.

See our Annual Financial Statements on page 175. [→](#)

We have taken measures to cushion the short- and medium-term impact of Birr depreciation. These include renegotiating foreign denominated contracts, onboarding ETB-based vendors for civil/power works, reducing expatriate numbers, and an industry-wide adjustment in pricing. These measures will go a long way towards ensuring the future sustainability of Ethiopia's business performance. Sustaining momentum will require navigating macro-economic shifts, political dynamics, and regulatory changes, and we have received great support from the government of Ethiopia since we obtained the licence in July 2021.

## Safaricom Ethiopia key performance highlights

CUSTOMERS		
8.8 million +103.2% YoY 90-day active-total	7.1 million +155.1% YoY 90-day active-data	6.5 GB +53.1% YoY Per mobile data user
M-PESA		
2.4 million +68.7% YoY 90-day active-Customer	30 day active 42k unified merchants	KShs 20.6 billion Value and 164.6 million Volume of transactions
NETWORK		
3,141 Sites	Site split 1,718 own built	50% Population coverage
	1,423 collocated	
PEOPLE		
898 Permanent employment	95% Ethiopian	591 Male
	5% Expats	307 Females

## Sustained customer acquisition momentum

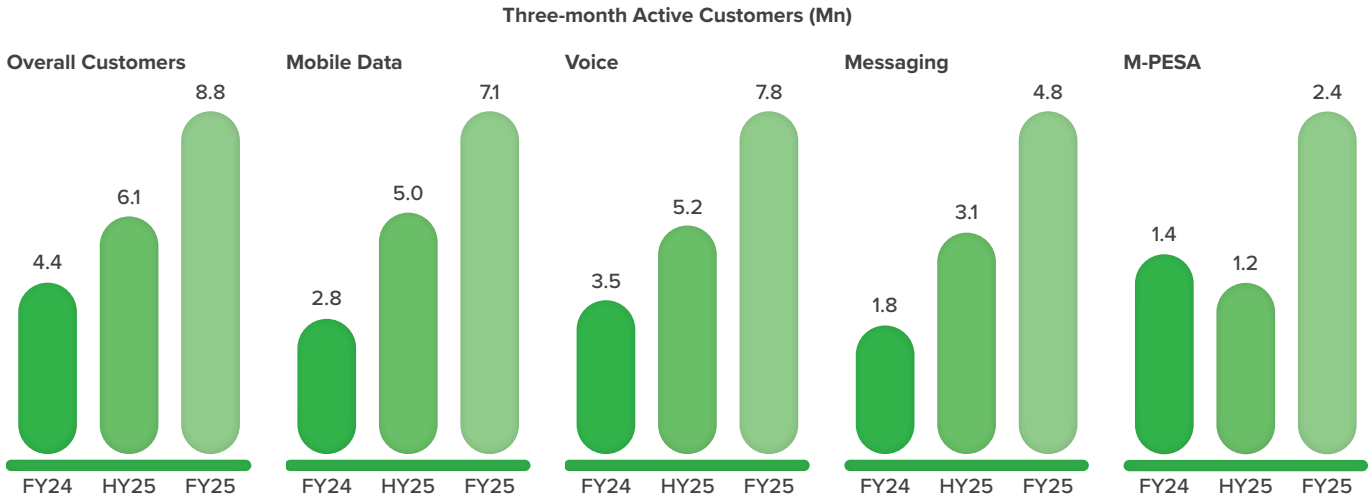
Our 90-day active customers have doubled across all segments, driving usage and consequently, revenue. Ninety-day active customers reached 8.8 million, in line with our guidance of 7-10 million customers. Voice customers more than doubled to 7.8 million. Data customers grew 2.5 times YoY, reaching 7.1 million, and representing a 90% penetration of 90-day active voice customers. M-PESA customers closed at 2.4 million, doubling in the second half of the year. We are encouraged by this progress and are on track to meet

# THE COMMERCIAL VALUE WE DELIVER (continued)

## Safaricom Ethiopia Performance Review (continued)

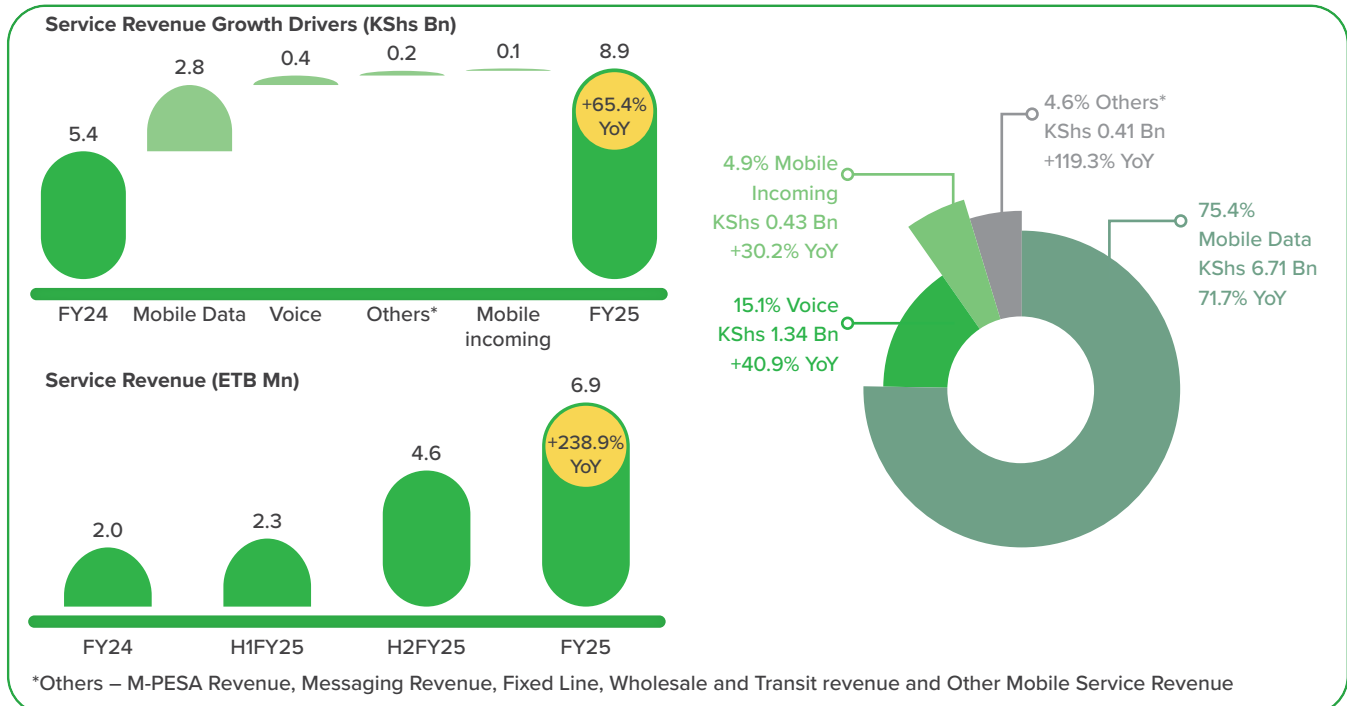
### Sustained customer acquisition momentum (continued)

our commercial scale targets.



### Service revenue

Safaricom Ethiopia generated KShs 8.90 billion during the year under review, excluding IAS 29 impact (KShs 7.55 billion adjusted for IAS 29) in service revenue, supported by accelerated growth in customers which stood at 8.8 million for three-month active customers. One-month active customers more than doubled to 7.25 million from a base of 3.06 million last year. We are encouraged by the accelerated momentum on customer acquisition in Ethiopia.



In local currency terms, service revenue more than tripled to ETB 6.9 billion.



## Voice and messaging

Voice revenue grew by 14.1% YoY to KShs 1.17 billion, driven by increased usage and the growing number of customers as we continue to accelerate rollout and monetise our sites more efficiently. One-month active voice customers more than doubled to 7.82 million while minutes of use per subscriber grew 80.4% YoY to 127.29. Messaging revenue closed the year at KShs 82.0 million, growing 93.9% YoY. One-month active SMS customers more than doubled to 2.98 million, while SMS per subscriber grew 54.0% to 17.9.

## Mobile data

Mobile data continues to account for a significant portion of the business at 75.4% of service revenue in Ethiopia, affirming our commitment to build the best data network in Ethiopia.

Mobile data revenue grew by 35.8% to KShs 5.66 billion, supported by sustained high usage levels, customer growth, an affordable mobile data offering and a stable and reliable 4G network coverage of 50% of the population. One-month active customers more than doubled to 5.28 million during the year. Usage per subscriber remains strong and rose 53.1% to 6.46GB while ARPU stood at KShs 156.29.

## M-PESA

M-PESA revenue closed the year at KShs 12.5 million, with 2.4 million 90-day active customers. We continue to add more use cases with volume and value transacted closing the period at 164.6 million and KShs 20.65 billion respectively.

## Safaricom Ethiopia funding & CAPEX status

The total funding from the consortium at the end of March 2025 stood at USD2.27 billion, an additional USD 410 million having been injected during the year under review. This funding has mostly been through equity, with consortium members' equity funding standing at a total of USD2.1 billion. Safaricom Plc's share at 31 March 2025 was USD1,058 million.

We have invested a total of USD1.2 billion in capex over the past four years, staying within our projected 1.3-billion-dollar cap for the five-year peak investment period.

We continue to assess the funding needs of Safaricom Ethiopia regularly to ensure the business is running smoothly.

### Funding Status

	As at 31 March 2025	As at 31 March 2024
<b>USD million</b>		
Equity	2,048*	1,626
Local currency debt	105	134
Shareholder loan	18	-
IFC debt	100	100
<b>Total funding</b>	<b>2,270</b>	<b>1,860</b>
<b>Deferred vendor payables</b>	<b>194</b>	<b>301</b>

\*Safaricom PLC funding contribution is USD 1,058 million

Shareholders & their respective shareholding of global partnership for Ethiopia B.V (GPE), the investment vehicle to Ethiopia; Safaricom PLC (51.67%). Vodacom Group (5.74%). Sumitomo corporation (25.23%). British international investment (formerly CDC Group PLC) (10,118) and IFC (7.25%)

### 5Yr CAPEX PLAN

USD 1.0 - 1.3 billion

Spend to FY25  
(4yr Capex)

USD 1.2 billion (4Yrs)

## Sustained usage and improved monetisation

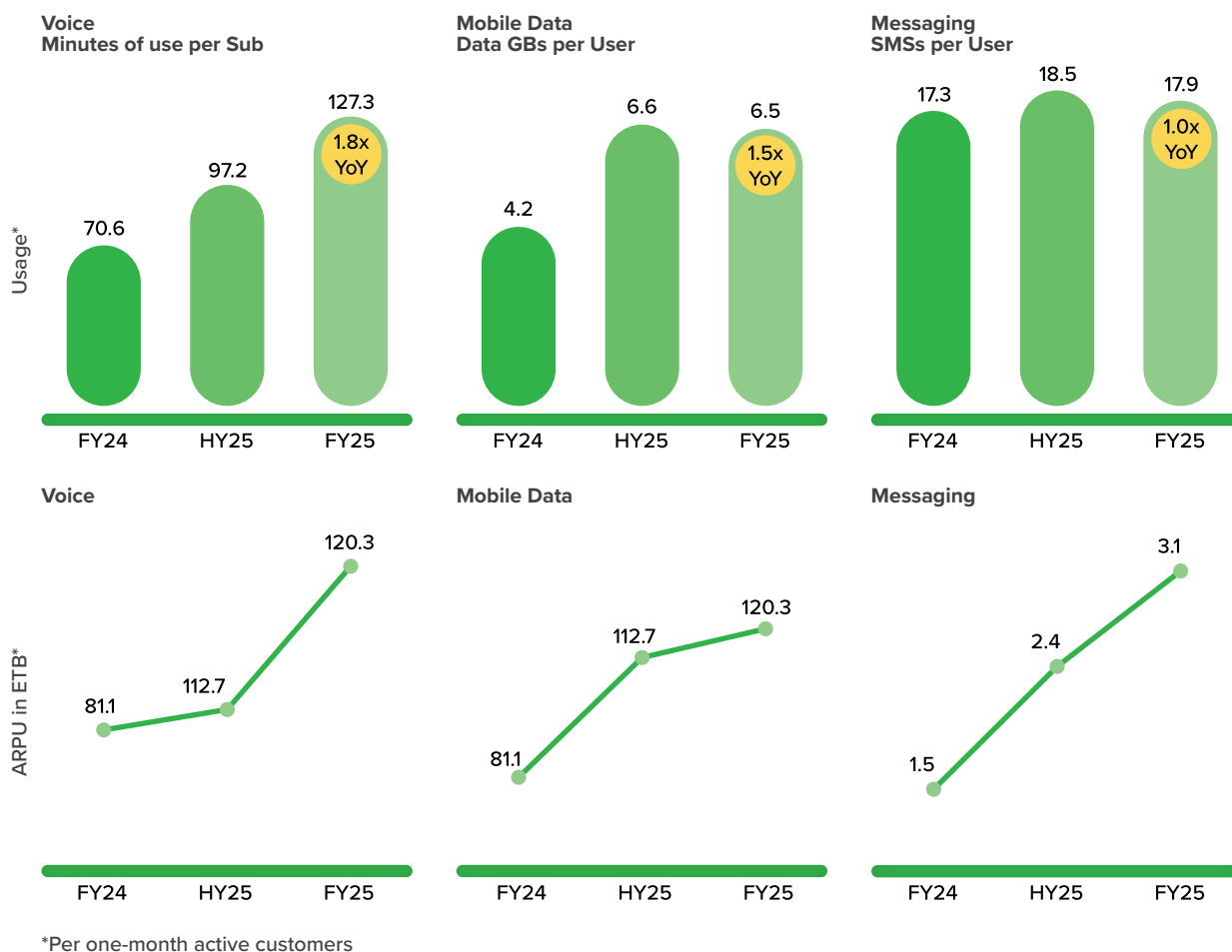
Voice usage grew by 80% to 127.3 minutes per user. Data usage continues to grow, recording an average usage of 6.5GB per chargeable customer per month.

Positive trajectory on ARPUs was recorded, driven by commercial scale and partially by price increases in the second half of the year. Mobile data ARPU doubled YoY to ETB 120.3. Voice ARPU grew by 50% and is starting to grow in line with growth in customers, usage and better monetisation.

# THE COMMERCIAL VALUE WE DELIVER (continued)

## Safaricom Ethiopia Performance Review (continued)

### Usage and ARPU - Encouraging usage as we drive higher penetration



### Improved underlying performance

We have seen sustained commercial momentum despite Birr depreciation impact, with Safaricom Ethiopia showing resilience amidst the highlighted challenges. The underlying performance excluding Birr depreciation, recorded an improved performance YoY in EBITDA, EBIT and net loss excluding minority interest.

	FY25 PERFORMANCE		
	Without Birr depreciation impact	Reported	FY24 Reported
<b>EBITDA</b>	↓ -8.8 billion	↓ -43.0 billion	↓ -21.4 billion
<b>EBIT</b>	↓ -24.9 billion	↓ -61.1 billion	↓ -45.0 billion
<b>Net Income excluding minority interest</b>	↓ -15.5 billion	↓ -36.0 billion	↓ -25.6 billion

**Birr Depreciation Impact at Net income**  
excluding minority interest  
**KShs 20,516.0**

## FY2026 guidance

In FY2026, we expect Group EBIT to be in the range of KShs 144-150 billion, and Group capex to be KShs 72-78 billion. EBIT guidance for Kenya is expected to be between KShs 170 and 173 billion, while we expect Ethiopia EBIT loss to be KShs 26 to 23 billion. Capex guidance for Kenya is expected to be in the range of KShs 54-57 billion, while CAPEX guidance for Ethiopia is expected to be between KShs 18 and 21 billion.

FY26 GUIDANCE			
	KENYA	ETHIOPIA*	GROUP
<b>EBIT</b>	<b>170-173</b>	<b>(26) - (23)</b>	<b>144 - 150</b>
	<b>billion</b>	<b>billion</b>	<b>billion</b>
FY25 Actual	158.1 billion	(61.1) billion	97.1 billion
<b>CAPEX</b>	<b>54 - 57</b>	<b>18 - 21</b>	<b>72 - 78</b>
	<b>billion</b>	<b>billion</b>	<b>billion</b>
FY25 Actual	97.1 billion	39.2 billion	91.3 billion

**\*Ethiopia guidance assumptions**

- Mobile customers target of 15 – 17 million three-month active customers
- 3,800 sites targeted in FY26

## Looking ahead

We continued to pursue our strategic goal for the year under review, which was to scale technology solutions in order to be Africa's leading purpose-led technology company by 2030.

As part of our strategic goals, we have focused on leveraging technology and driving customer innovation to offer relevant products, services and solutions to meet their needs. We remain committed to protecting shareholder value by achieving a strong performance in Kenya and attaining important milestones in Ethiopia.

**Dilip Pal**  
Group Chief Financial Officer

# THE COMMERCIAL VALUE WE DELIVER (continued)

## Five-year Group Financial Highlights

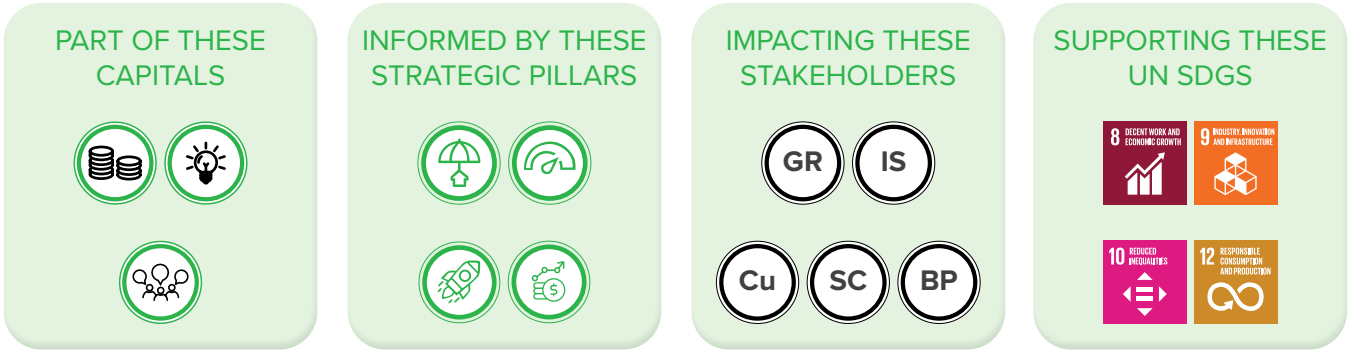
KShs Mns	FY25	FY24	FY23	FY22	FY21
Voice Revenue	81,958.9	80,541.1	81,053.9	83,211.8	82,552.0
Messaging Revenue	12,559.4	12,319.2	11,375.6	10,876.7	13,602.4
Mobile Data Revenue	78,521.4	67,404.3	53,952.4	48,441.0	44,793.2
M-PESA Revenue	161,131.2	140,006.7	117,192.2	107,691.8	82,647.4
Mobile Incoming Revenue	8,136.7	8,567.6	8,109.5	9,848.2	9,470.4
Other Mobile Service Revenue	12,309.1	11,552.0	10,550.8	9,795.3	7,779.2
<b>Mobile Service Revenue</b>	<b>354,616.7</b>	<b>320,390.9</b>	<b>282,234.4</b>	<b>269,864.8</b>	<b>240,844.6</b>
Fixed Line and Wholesale Transit Revenue	16,798.7	14,962.2	13,457.9	11,242.5	9,507.2
<b>Service Revenue</b>	<b>371,415.4</b>	<b>335,353.1</b>	<b>295,692.3</b>	<b>281,107.3</b>	<b>250,351.8</b>
Handset revenue and other revenue	13,018.0	10,540.3	11,449.8	14,334.0	12,316.5
Construction revenue	–	–	–	–	837.7
Other Income	4,255.5	3,553.8	3,762.7	2,636.6	520.5
<b>Total Revenue</b>	<b>388,688.9</b>	<b>349,447.3</b>	<b>310,904.8</b>	<b>298,077.9</b>	<b>264,026.5</b>
Direct Costs	(101,081.3)	(97,046.9)	(92,232.1)	(91,467.8)	(80,015.1)
Expected credit losses (ECL) on financial assets	(11,146.0)	(5,807.4)	(4,725.3)	(2,361.2)	(3,009.7)
Construction costs	–	–	–	–	(837.7)
<b>Contribution margin</b>	<b>276,461.6</b>	<b>246,592.9</b>	<b>213,947.3</b>	<b>204,248.9</b>	<b>180,164.0</b>
Operating costs	(104,310.7)	(83,300.3)	(74,085.0)	(55,187.0)	(46,034.8)
<b>Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)</b>	<b>172,150.9</b>	<b>163,292.6</b>	<b>139,862.4</b>	<b>149,061.9</b>	<b>134,129.2</b>
Depreciation, impairment & amortisation	(68,100.8)	(82,947.8)	(54,865.0)	(39,933.3)	(37,964.3)
<b>Operating profit (EBIT)</b>	<b>104,050.0</b>	<b>80,344.8</b>	<b>84,997.4</b>	<b>109,128.6</b>	<b>96,164.9</b>
Net finance cost	(20,909.4)	(16,641.5)	(7,087.1)	(6,439.2)	(2,022.4)
Share of Associate & Joint Venture loss	(1,177.5)	(1,379.1)	(38.2)	(476.0)	(507.0)
Fair value adjustment to investment properties	25.0	–	90.0	–	–
Hyperinflationary monetary gain	11,222.3	22,363.2	10,383.1	–	–
<b>Profit before income tax</b>	<b>93,210.4</b>	<b>84,687.5</b>	<b>88,345.2</b>	<b>102,213.4</b>	<b>93,635.5</b>
Income tax expense	(47,453.3)	(42,029.0)	(35,862.4)	(34,717.3)	(24,959.3)
<b>Profit after tax</b>	<b>45,757.2</b>	<b>42,658.4</b>	<b>52,482.8</b>	<b>67,496.1</b>	<b>68,676.2</b>
<b>Attributable to:</b>					
Equity holders of the parent	69,798.7	62,991.7	62,268.9	69,648.1	68,676.2
Non-controlling interests	(24,041.5)	(20,333.3)	(9,786.1)	(2,152.0)	–
<b>Profit for the year</b>	<b>45,757.2</b>	<b>42,658.4</b>	<b>52,482.8</b>	<b>67,496.1</b>	<b>68,676.2</b>
Basic and diluted earnings per share (EPS)*	1.74	1.57	1.55	1.74	1.71
<b>Profit for the year</b>	<b>45,757.2</b>	<b>42,658.4</b>	<b>52,482.8</b>	<b>67,496.1</b>	<b>68,676.2</b>
<b>Other comprehensive (loss)/income for the period:</b>					
Exchange differences on translation of foreign operations**	(153,790.2)	(7,278.1)	10,260.0	(9,536.3)	–
<b>Other comprehensive (loss)/income for the year</b>	<b>(153,790.2)</b>	<b>(7,278.1)</b>	<b>62,742.8</b>	<b>(9,536.3)</b>	<b>–</b>
<b>Total comprehensive (loss)/income for the year</b>	<b>(108,033.0)</b>	<b>35,380.3</b>	<b>62,742.8</b>	<b>57,959.8</b>	<b>68,676.2</b>
<b>Attributable to:</b>					
Equity holders of the parent	(9,668.2)	59,230.9	67,984.7	64,335.4	68,676.2
Non-controlling interests	(98,364.8)	(23,850.6)	(5,241.9)	(6,375.6)	–
<b>Total comprehensive (loss)/income for year</b>	<b>(108,033.0)</b>	<b>35,380.3</b>	<b>62,742.8</b>	<b>57,959.8</b>	<b>68,676.2</b>
<b>Free cashflow</b>	<b>31,519.7</b>	<b>19,867.3</b>	<b>23,853.0</b>	<b>63,669.7</b>	<b>64,515.6</b>
<b>Ordinary dividend (paid/proposed) KShs Mn</b>	<b>48,078.5</b>	<b>48,078.5</b>	<b>48,078.4</b>	<b>55,691.0</b>	<b>58,896.2</b>

\* EPS is calculated by dividing the profit attributable to equity holders of the parent excluding hyperinflationary impact, by the weighted average number of ordinary shares issued in the year

\*\* These components of other comprehensive income do not attract any tax



## Our financial services – M-PESA

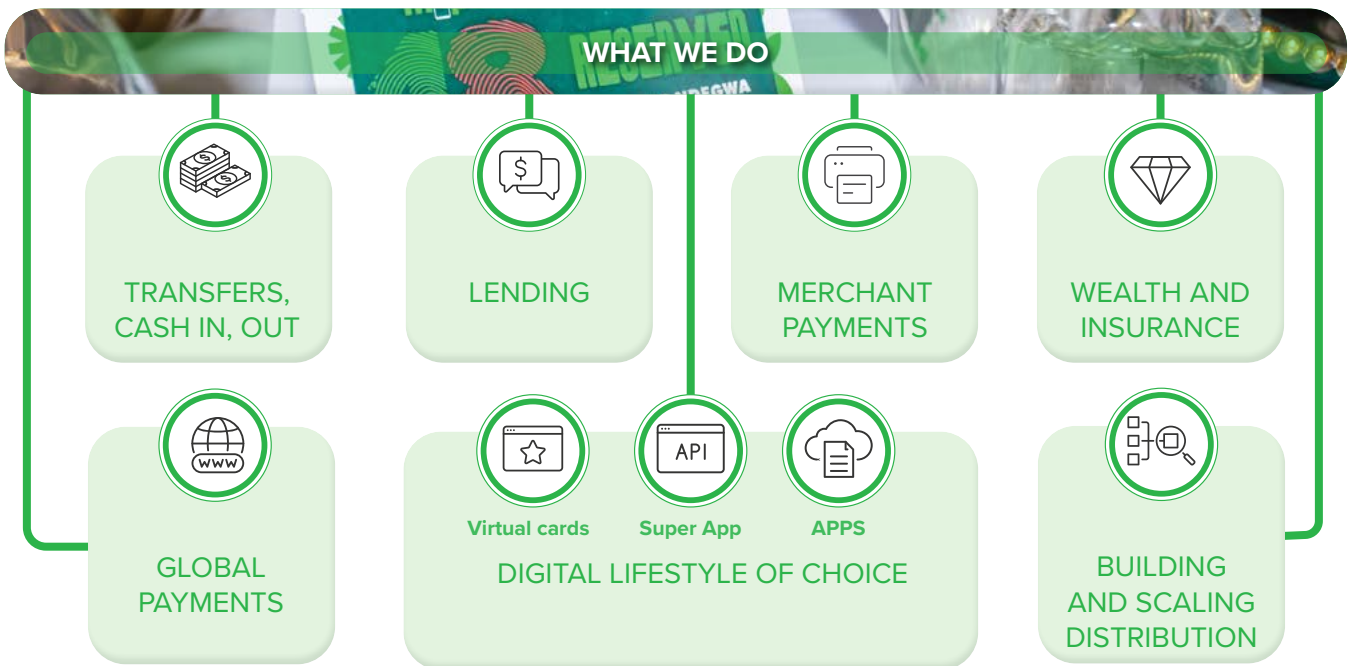


**During the year under review, financial services continued to play a central role in Safaricom’s ambition to deepen financial inclusion and unlock value for individuals and businesses. To that end we focused on expanding access to formal financial services through innovation, partnerships, ecosystem expansion, and customer education.**



Anchored on the always ON, Secure and Reliable M-PESA platforms, the Financial Services business continued to offer core services through payments by facilitating movement of money and enabling businesses to accept money as we continued to support entities in our ecosystem such as banks and insurance companies in their collection of money.

During the year under review, we undertook several initiatives focused on the basics, and solving issues for onboarding journeys for merchant services.



# THE COMMERCIAL VALUE WE DELIVER (continued)

## Our financial services – M-PESA (continued)

### Our focus areas

Focus area	Initiative	Outcomes
Financial inclusion Partners: Agents, Dealers, Banks, Merchants	Enhanced merchant onboarding	Driving scale, speed, and simplicity
	Decoupling bank details	Reduced friction
	Automated onboarding via Partner App	Improved from 52% to >90%
	DIY onboarding success rates	Rose from 6% to 94%
	Manual cases resolution	Within 24 hours
	Kindergarten Programme	Support for new merchants
	Merchant forums	Five hosted, deepening engagement
	Safaricom Grow Caravans	Extended reach, accelerated adoption
	Launched M-RATIBA service/ payment	A feature that allows users to set up recurring, or standing order, payments for various purposes, automating payments.
Agent ecosystem empowerment	<ul style="list-style-type: none"> <li>● By enhancing the commission structure in line with evolution of the wallet size, we re-enforced the loyalty programme</li> <li>● Engaging the developer ecosystem through various forums to educate on various Application Programming Interfaces (APIs) and how the Daraja platform can be used to enhance integrations and connect to Safaricom's Decode platform</li> </ul>	
Wealth Management Partners: Various licensed fund managers	Utilising AI for credit and behavioural scoring	<ul style="list-style-type: none"> <li>● Limit enhancements for &gt;1 million Fuliza, M-Shwari and KCB M-PESA customers</li> <li>● A business credit proof of concept (PoC) focused on small and medium businesses (SMEs) needs</li> <li>● A term loan for Pochi and LNM merchants while supporting Fuliza Biashara partners in managing non-performing loans (NPLs) for overdraft</li> </ul>
	Launch of Ziidi Money Market Fund	<ul style="list-style-type: none"> <li>● A first-of-its-kind money market fund (MMF) with a low barrier to entry of KShs 100, daily interest credit, easy investment and charge-free withdrawals.</li> </ul>
Insurance Partner: Sanlam	Operationalisation the Safaricom Insurance Agency Limited	<ul style="list-style-type: none"> <li>● Since receipt of the license, we have been engaging our various BUs on embedding insurance in our products and services focusing on embedded device insurance with &gt; 400,000 policies sold.</li> </ul>
Financial health	Financial literacy education and online partnerships	<ul style="list-style-type: none"> <li>● Financial literacy education for customers, starting with M-PESA Go for young ones where we partnered with Old Mutual and the Kenya Institute of Curriculum Development (KICD) to launch a financial literacy online toolkit for junior and senior school students.</li> </ul>
Digital lifestyle	M-PESA Super App and mini apps*	<ul style="list-style-type: none"> <li>● Active M-PESA Super App users increased from 3.6 million to 4.7 million, mostly through a digital awareness campaign. The M-PESA Business App also achieved notable growth and performance with users increasing to 301,000 from 142,000 in the prior year, with 50% of that number being agents, and 50% merchants.</li> </ul>



## Our strategic objectives

Our strategic focus for FY25 was aligned with the broader corporate mission to become Africa’s leading purpose-led technology company.

## Our four core strategic objectives\*

STRATEGIC OBJECTIVE...	...COMPRISING
Deepen ecosystem value	Broader product offerings and new use cases such as wealth, credit and insurance services
Drive customer-centric innovation	A focus on financial health, convenience, and trust
Expanding Distribution	Expansion of the agent ecosystem to previously underserved regions
Becoming a digital lifestyle provider	A reliable platform for mobile money services, to enable services on the Super App with various mini apps and access for businesses

\*For more on our strategic approach, see page 48. —●>>

## The trends that shaped our strategic approach

TRENDS...	...AND HOW WE UNDERSTAND THEM
Increased demand for micro-investment and passive saving tools	Noted especially among youth and gig workers with thriving fintechs such as Ndovu, and the timely launch of Ziidi, powered by M-PESA
AI and automation	Crucial enablers for fraud detection and customer support
Growing use of fintech super-apps by competitors	An impetus for us to improve in-app experiences on the M-PESA app
Competitor digital offerings	A stimulus for us to continue to review our customer value propositions and offer customer support

## Our operating context\*

SOCIO-ECONOMIC ASPECT	WHAT IT MEANS
Broader economic environment	Inflation, high interest rates, volatile currency, reduced consumer spending power
Regulatory scrutiny	Increased focus on interoperability for Person to Person (P2P) and merchants, National Switch payment discussion, data protection, consumer transparency
Brand trust and reputation	Critical to continue enhancing customers' trust following the 2024 Finance Bill protests
Consumer pressure	Perception of M-PESA as an expensive platform
Competitive landscape activities	Increased competition in the GSM space and various fintech and payment players growing in the industry
Shift to Digital	Increased smartphone penetration, with a demand for accessible financial solutions

\*For more on our operating environment see page 90. —●>>

# THE COMMERCIAL VALUE WE DELIVER (continued)

## Our financial services – M-PESA (continued)

### Our competitive advantage

#### TECHNOLOGY

<b>Competitive advantage</b> <ul style="list-style-type: none"> <li>Always on 99% uptime</li> <li>Resilient 4,500 of Transactions per Second (TPS)</li> <li>Industry standards - Cyber, card, data privacy</li> </ul>	<b>True North/Size of market</b> <ul style="list-style-type: none"> <li>+99% uptime</li> <li>Micro services-based platforms</li> <li>Higher TPS</li> <li>Streamlined standards</li> </ul>	<b>Unlocking value</b> <ul style="list-style-type: none"> <li>Engine of Progress</li> </ul>
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#### CUSTOMERS

<b>Competitive advantage</b> <ul style="list-style-type: none"> <li>35.82 million one-month active consumers</li> <li>1.8 million Business (1.1Mn Pochi &amp; 676k LNM)</li> </ul>	<b>True North/Size of market</b> <ul style="list-style-type: none"> <li>55 million population in Kenya over 18 forming 56% of the population</li> <li>Target addressable market 7.4 million Businesses</li> </ul>	<b>Unlocking value</b> <ul style="list-style-type: none"> <li>Consumer focused products intuitive Digital Journeys</li> </ul>
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#### CHANNELS

<b>Competitive advantage</b> <ul style="list-style-type: none"> <li>Consumer super App-4.7 million one-month active users</li> <li>Business super App- 301k one-month active businesses</li> </ul>	<b>True North/Size of market</b> <ul style="list-style-type: none"> <li>22.71 million internet users in Kenya (2024)</li> </ul>	<b>Unlocking value</b> <ul style="list-style-type: none"> <li>Digital lifestyle provider of choice</li> </ul>
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#### DISTRIBUTION

<b>Competitive advantage</b> <ul style="list-style-type: none"> <li>298,890 Agents</li> <li>Open API platform-55k integrations</li> </ul>	<b>True North/Size of market</b> <ul style="list-style-type: none"> <li>358k agent network coverage in the country</li> </ul>	<b>Unlocking value</b> <ul style="list-style-type: none"> <li>Ecosystem enabler and builder</li> </ul>
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#### DISTRIBUTION

<b>Competitive advantage</b> <ul style="list-style-type: none"> <li>106k developers</li> </ul>	<b>True North/Size of market</b> <ul style="list-style-type: none"> <li>The gig economy in Kenya employs about 1.2 million workers</li> </ul>	<b>Unlocking value</b> <ul style="list-style-type: none"> <li>Innovative solutions, deeper integrations, developer accreditation</li> </ul>
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## The risks and challenges we faced\*

Risk/Challenge	How we mitigated threats
Fraud and cybersecurity threats	Investments in AI-powered fraud detection and customer awareness campaigns helped reduce incident rates.
Consumer credit delinquency	Adjusting risk-scoring models with AI by considering behavioural aspects of the customers, offering repayment flexibility for products such as LMM, and enhancing financial literacy to promote responsible borrowing.
Consumer push for affordability	Better communication of the M-PESA value propositions to customers, and market research on customer needs by focusing on a segmented approach.
Currency depreciation	Affecting cross-border services, this challenge was managed through revised forex pricing models and partner negotiations.

\*For more on risk management see page 53.

## The opportunities we identified

Opportunity	What it means
AI-Powered Personalisation	Leveraging AI and data analytics to deliver more tailored financial products across customer segments
Wealth products and embedded insurance	Focus on scaling various wealth products and use cases for embedded insurance
Digitisation of government services	Growing demand for secure payment channels, positioning M-PESA as a key enabler
Regional integration through M-PESA	Opportunities to scale interoperable services and partner products across borders
Buy-now-pay-later (BNPL) and embedded credit models	Partnering with merchants and service providers to offer BNPL or instalment-based credit options
Digital financial literacy	Creating a financially healthy population by partnering with like-minded organisations
Smartphone 4G/5G penetration	Support for this growth through the provision of credit facility for device financing
SME needs for working capital	Provision of various funding opportunities and value-added services for SMEs

# THE COMMERCIAL VALUE WE DELIVER (continued)

## Our financial services – M-PESA (continued)

### Strategic partnerships

During the year under review, we continued to focus on existing partners while entering into new partnerships with:

- **Fund Managers SIB and ALA Capital** to launch Ziidi
- **Old Mutual**, to foster financial literacy
- **Sanlam** for insurance offers
- **Terra Pay, Thunes and Visa** to enhance global payments in Ethiopia
- **Tappi**, a digital commerce software as a service (SaaS) startup, to enhance the online presence and visibility of Kenyan SMEs with solutions through the **M-PESA For Business** app, and **Pezesha Partnership** on SME scoring

### Our targeted campaigns

During the year under review, we undertook several targeted campaigns to empower customers and promote financial health.

Campaigns...	...and their aims
Ziidi	Introduce customers to wealth creation through low-barrier money market investments
Digital Remittance Awareness	Educate customers on safe, fast, and cost-effective ways to receive money
M-PESA GO Awareness	Educate and provide teens and guardians with tools for budgeting, saving, and spending responsibly
Digital Campaigns for the Mini Apps	Discount awareness
M-PESA @18 Campaign	Celebrate 18 years of transforming lives, via: <ul style="list-style-type: none"> <li>● Breakfast Celebration and Ziidi Launch</li> <li>● @18 18 and Over concert</li> <li>● Captains of Industry Partners Dinner</li> </ul>
Jiulize Campaign	Safe and Secure awareness during the Sambaza Furaha Christmas campaign
Opposite the editorial pages (OpEds)	Various op-eds on: <ul style="list-style-type: none"> <li>● Financial health in digital and physical publications</li> <li>● Financial health and wellness</li> <li>● The importance of financial literacy in sports as part of the @18 campaign</li> </ul>

In addition, insights from customer feedback and platform usage informed enhancements in product design — particularly highlighting the need for transparent pricing, tailored reminders, and responsible lending practices.

### Looking ahead

As we transition to our Vision 2030 strategy, a key focus will be on financial services and M-PESA to achieve:

- Super app acceleration that is intuitive and AI-driven
- Innovative payment use cases
- Growth beyond payments to credit/ savings/ insurance
- Further enablement of enterprise and the public sector

### Sponsorships

We maintained our contribution towards enhancing brand equity through sponsorships during the year under review. These included:

- **NBA Junior Basketball games** – M-PESA Go and NBA partnered to provide basketball development and financial literacy programming to more than 10,000 boys and girls in Nairobi, Mombasa, Eldoret, and Kisumu, including a clinic for 100 local coaches and four regional youth tournaments.
- **Kenya Rugby Union** – A sponsorship intended to:
  - Empower players to succeed globally, grow the fan base and develop a financial future beyond their careers
  - Develop and support the growth of rugby in Kenya, focusing on both elite players and grassroots initiatives



## Positioning M-PESA as a lifestyle and business platform of choice

	CONSUMER APP	BUSINESS APP
<b>Downloads</b>	13.7 million	1.3 million
<b>Active</b>	Customers: 4.7 million: >29.5% YoY	Merchants: 301,000 >111.5% YoY
<b>Transaction value</b>	KShs 2.3 trillion >16.1% YoY	KShs 896.28 billion >77.3% YoY

## Looking ahead

Term	Focus Areas
Short-term	<ul style="list-style-type: none"> <li>● Improving Financial Services ecosystem for merchants, developers, and agents</li> <li>● Stabilising new offerings</li> <li>● Increasing platform security and improving customer experience</li> <li>● Growing savings, micro-insurance, and SME products, including expansion of credit, wealth, and insurance solutions</li> <li>● Leveraging AI and data analytics</li> </ul>
Medium-term	<ul style="list-style-type: none"> <li>● Consolidating gains in merchant acceleration</li> <li>● Value-added offerings and strategic partnerships</li> <li>● Deepening digital lifestyle capabilities with Super App, Fintech 2.0, Daraja 3.0</li> <li>● Commercial intensity and engagements, particularly among SMEs</li> </ul>
Long-term	<ul style="list-style-type: none"> <li>● Intelligent, fully integrated digital lifestyle experience</li> <li>● Supporting credit, savings, investment, and insurance</li> <li>● Purpose-led innovation, enhancing livelihoods and inclusive economic growth</li> <li>● Loyalty programmes</li> <li>● AI-powered lifecycle management and hyper-personalisation</li> <li>● 4G/5G device and Super App adoption</li> <li>● Support for the Financial Services ecosystem, and innovative pricing models</li> </ul>

# THE COMMERCIAL VALUE WE DELIVER (continued)

## M-PESA @18 | Revolutionising Kenya's Financial Landscape

LAUNCHED IN MARCH 2007

**+35 million**  
customers

**+200**  
International Money  
Transfers (IMT) Corridors

Supporting  
**55k** integrations,  
+100 developers

Capacity to support  
**4,500**  
transactions per sec

Driven formal financial inclusion to  
**84.8%**  
in 2024 from 19% in 2006

**>8%**  
contribution to GDP growth in  
Kenya as of 2024

**+1 million**  
sustained jobs through the  
Eco-system; dealers, agents,  
developers



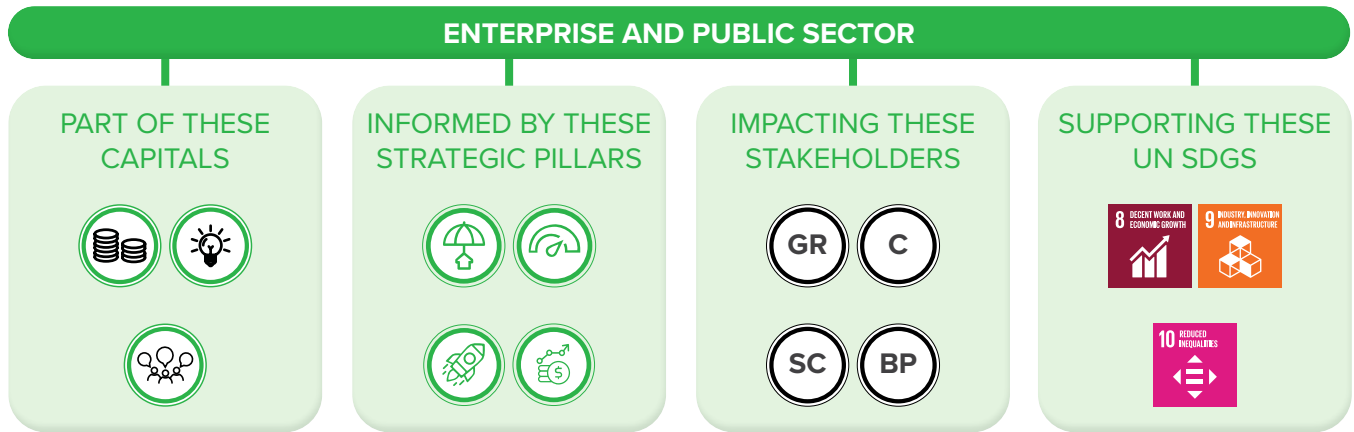
From empowering MSMEs with Pochi la Biashara, to helping farmers access credit and fertiliser subsidies, M-PESA has become an integral part of Kenyan financial inclusion. In March 2024, we marked the 18<sup>th</sup> anniversary of M-PESA, celebrating and solidifying its role in economic empowerment in our society. These achievements reflect our commitment to innovation and societal progress and constitute proof that purpose-driven solutions create lasting change.





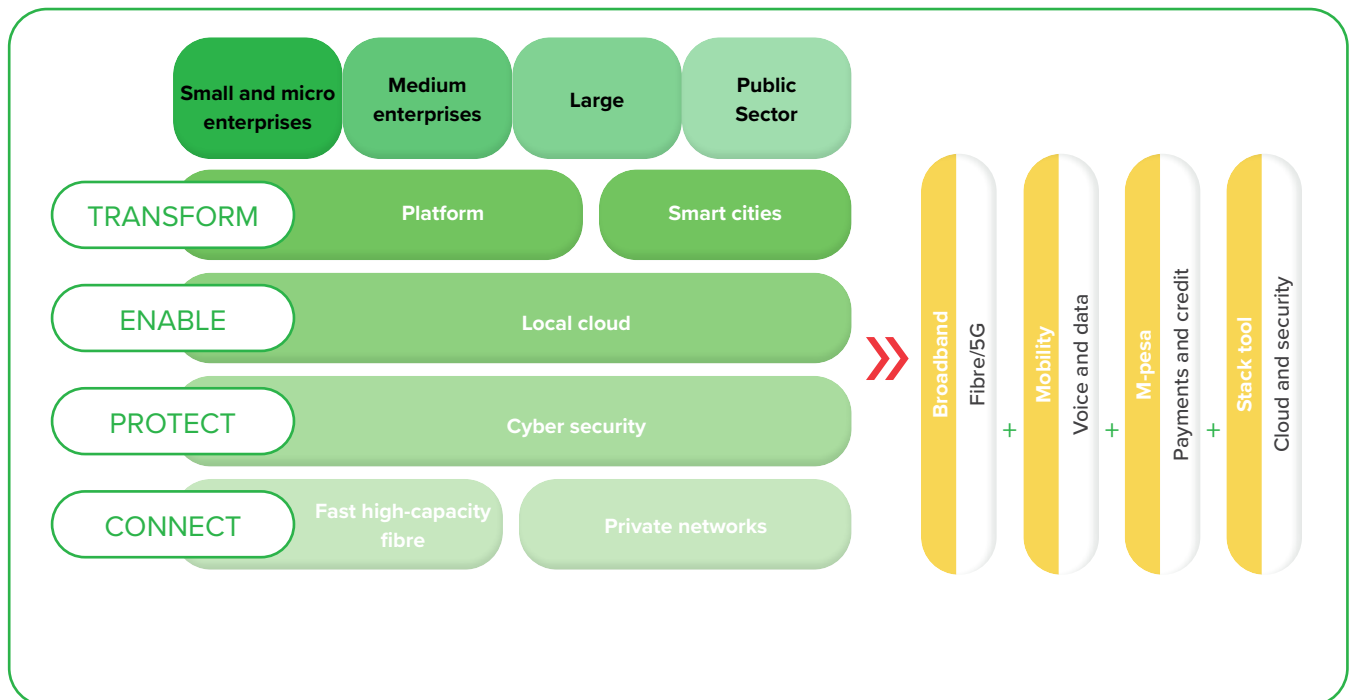
# THE COMMERCIAL VALUE WE DELIVER (continued)

## Our enterprise and public sector services



## Our growth strategy

Our strategy is premised on moving customers up the value chain





## Our digital platforms

RATIONALE		
<b>Micro and small enterprises</b> Right digital solutions for every budget	<b>Medium enterprises</b> 3% Digitisation of the universe (10m users)	<b>Country government</b> Drive revenue collection efficiency
IMPACT		
<b>Micro and small enterprises</b> 60%+ of SME base in 5 years	<b>Medium enterprises</b> 60% of saccos (savings and credit cooperatives)	<b>Country government</b> 50% of counties in Kenya
SOLUTION		
<b>Micro and small enterprises</b> Digital marketplace	<b>Medium enterprises</b> MySacco	<b>Country government</b> Revenue management system



SACCOs are **Savings and Credit Cooperative Organisations** and we offer them a cloud based, multi-tenant platform that enables multiple SACCOs in Kenya to efficiently manage their operations and serve their members



# THE COMMERCIAL VALUE WE DELIVER (continued)

## Our enterprise and public sector services (continued)

During the year under review, we focused on advancing digital transformation initiatives for both national and county governments in Kenya. Our activities included forming strategic partnerships, identifying opportunities for digitisation, and recommending suitable technological solutions to enhance public sector efficiency.

### Our key initiatives

Key initiatives involved promoting and overseeing the design, acceptance, and execution of innovative digital programmes, such as integrated county revenue management systems and other e-government services. These efforts aimed to streamline government operations and improve service delivery to citizens in Kenya.



#### HEALTH

19 million Taifa Care registrations.



#### AGRICULTURE

14 million + bags of fertiliser disbursed for agricultural initiative.



#### GOVERNMENT REVENUE

Five digital solutions for tax collection.



#### FINANCIAL INCLUSION

65 billion disbursed through Hustler Fund.



#### SOCIAL PROTECTION

1.7 million beneficiaries for Inua Jamii programme for social support.

### Our operating context

We operate in a dynamic and evolving context. The Kenyan government is actively pursuing digitisation initiatives to enhance efficiency and service delivery at national and county level. During the year under review, we saw a strong emphasis on integrating technology into public services, driven by:

- The need to improve transparency
- Increase revenue generation
- Accountability
- Good governance
- Citizen engagement

During the year under review, we focused on identifying opportunities for digital transformation, recommending suitable technological solutions, and forming strategic partnerships to support these initiatives. These factors collectively shaped our strategic priorities and activities.

For more on our operating environment, see page 90.

### Our strategic objectives

Our strategic objectives during the year under review were aimed at modernising public sector operations and enhancing the overall quality of public services in Kenya, including:

- **Enhancing Digital Transformation:** Accelerating the adoption of digital technologies within the public sector to improve efficiency and service delivery.
- **Building Strategic Partnerships:** Collaborating with national and county governments to identify and implement innovative technological solutions.
- **Promoting e-Government Services:** Developing and deploying integrated systems for revenue management, data processing, and citizen engagement.
- **Ensuring cybersecurity:** Strengthening cybersecurity measures to protect sensitive data and maintain public trust.
- **Supporting sustainable development:** Aligning digital transformation initiatives with relevant UN SDGs to promote economic stability, social equity, and environmental sustainability.



## Our key projects

The projects and collaborations we undertook during the year under review were crucial in advancing the country’s digital transformation agenda and improving overall public sector service delivery in Kenya.

PROJECT	WHAT IT IS
Hustler Fund	A public-private partnership to provide affordable credit to small businesses and individuals
Women Enterprise Fund	Aimed at empowering women entrepreneurs with access to affordable loans
E-Wallet Fertiliser Subsidy	Support for farmers by providing subsidies through a digital platform
MyCounty App	Streamlining revenue collection and management at county level
Digital Health Solutions	Implementing telemedicine and digital health records to improve healthcare delivery

Our key stakeholders in these endeavours included:

- **National and county governments:** Collaborating to identify needs and implement solutions.
- **Financial institutions:** Partnering to facilitate financial services.
- **Local communities, citizens and SMEs:** Beneficiaries and active participants in the implementation and utilisation of these projects.

For more on our stakeholder management, see page 68. — >>>



# THE COMMERCIAL VALUE WE DELIVER (continued)

## Our enterprise and public sector services (continued)

### The health initiatives we undertook

Initiative	What we accomplished
Devices and connectivity	We provided affordable devices to community health promoters to improve and support primary healthcare.
Digital health records	We introduced digital health records systems, enabling healthcare facilities to manage patient information more efficiently and securely.
AI-powered health solutions	AI technologies were utilised for predictive analytics in healthcare, helping to identify disease patterns and optimise treatment plans.
Mobile health applications	We developed mobile applications to provide health information, appointment scheduling, and medication reminders, enhancing patient engagement and care management.

### How we performed

We made significant progress in realising our strategic objectives during the year under review.

Initiative	What we achieved
MyCounty App	Implemented for county revenue collection
Fertiliser subsidy system	Rolled out to 45 counties
Digital health solutions	Provided devices for access
Strategic partnerships	Strengthened strategic partnerships with national and county governments
E-government services	Made important advancements in promoting these services, thereby contributing to transparency and citizen engagement
Cybersecurity	Invested in robust measures to protect sensitive data
UN SDGs	Aligned initiatives supporting economic stability, social equity, and environmental sustainability

### Transformational campaigns

In collaboration with the Government of Kenya, we launched several impactful campaigns and initiatives focused on innovations and public sector transformation. These campaigns were aimed at leveraging cutting-edge technologies to improve efficiency, transparency, and citizen engagement in the public sector. Key stakeholders included national and county governments, local communities, and various technology partners.

Initiatives	What they encompassed
AI-driven public services	Implemented AI technologies to enhance public service delivery, including predictive analytics for healthcare and automated systems for revenue management.
Digital inclusion campaigns	Efforts were made to bridge the digital divide by providing access to digital tools and training for underserved communities.
Smart agriculture initiatives and E-Wallet fertiliser subsidy	AI and IoT technologies were used to support farmers with real-time data on weather patterns, soil health, and crop management. E-Voucher systems were deployed to support farmers by providing subsidies through a digital platform.
E-Government services	Expansion of e-government platforms to facilitate easier access to public services, such as online tax filing and digital identity verification.

We continued to play a pivotal role in building public digital infrastructure in Kenya during the year. Our performance was marked by successful project implementations, strong partnerships, and a commitment to sustainable development, positioning Safaricom as a key player in Kenya's digital transformation journey.



## The risks and challenges we faced

During the year under review, we faced several risks and challenges.

Risk/Challenge	Mitigation
Regulatory compliance, with potential financial implications and reputational risks	Maintaining proactive and constructive relationships with regulatory authorities
Cybersecurity threats	Investing in robust cybersecurity measures
Technological integration	Partnering with experienced service providers, thorough testing and validation
Financial risks	Implementing cost-effective solutions, seeking strategic partnerships
Public adoption	Conducting extensive awareness campaigns, and providing training to enhance digital literacy

For more on risk management, see page 53.

## Looking ahead

Our goal in the short, medium and long term is to highlight Safaricom’s commitment to supporting the digitisation of Kenya through innovative solutions and strategic partnerships.

Term	Goals	Key Initiatives	Focus
Short term	Enhance digital infrastructure and services	<ul style="list-style-type: none"> <li>Expanding e-government platforms</li> <li>Implementing AI-driven solutions</li> <li>Improving cybersecurity measures</li> </ul>	Immediate improvements in service delivery and operational efficiency
Medium term	Deepen involvement in public sector digital transformation	<ul style="list-style-type: none"> <li>Scaling successful projects</li> <li>Introducing new technologies</li> <li>Further integration of AI and IoT</li> <li>Enhancing digital health solutions</li> <li>Supporting smart agriculture initiatives</li> </ul>	Build a more resilient and inclusive digital ecosystem, align with SDGs and economic stability
Long term	Fully digitised public sector with advanced technological capabilities	<ul style="list-style-type: none"> <li>Strategic investments in infrastructure, education, healthcare</li> </ul>	Leverage technology to drive economic competitiveness, improve governance, and foster international cooperation



A young boy is standing in a park at night, illuminated by warm streetlights. He is wearing a white t-shirt with a graphic and blue shorts, and is holding a video game controller. In the background, there are yellow metal railings and a swing set. The overall scene is a mix of warm and cool tones.

# OUR OPERATIONS IN ETHIOPIA

- STRATEGICALLY MATCHING THE WAY WE WORK  
WITH THE REALITIES OF WHERE WE WORK

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# OUR OPERATIONS IN ETHIOPIA

Our business in Ethiopia is a greenfield operation which now serves 9 million customers, and in the next five years we will continue to evolve it through our innovative delivery models.

## Ethiopia demographics

Second-most populated country in Africa with **125 million people**, **90% living on 35% of the geography** (densely populated)

**One federal government and 12 regional governments** with high level of regional empowerment and decision making

**Very diverse population:** Above 80 ethnic groups and languages

**Capital city accounting for less than 5% of the total population. 26 other major cities**

**We have adapted to a regional approach** just like other big successful companies in Ethiopia

## Unique market dynamics

Having come into the market with a fully-fledged offering, which includes M-PESA, the challenge remains for us to grow our mobile money uptake at the same time as we grow our voice and data base, without having that base as an already existing foundation for our financial services platform.

Similarly, with constraints on putting fibre into the ground, we are not investing strongly in FTTH or FTTB, but rather focusing on a microwave point-to-point solution which we call air fibre to address the fixed home and business market.

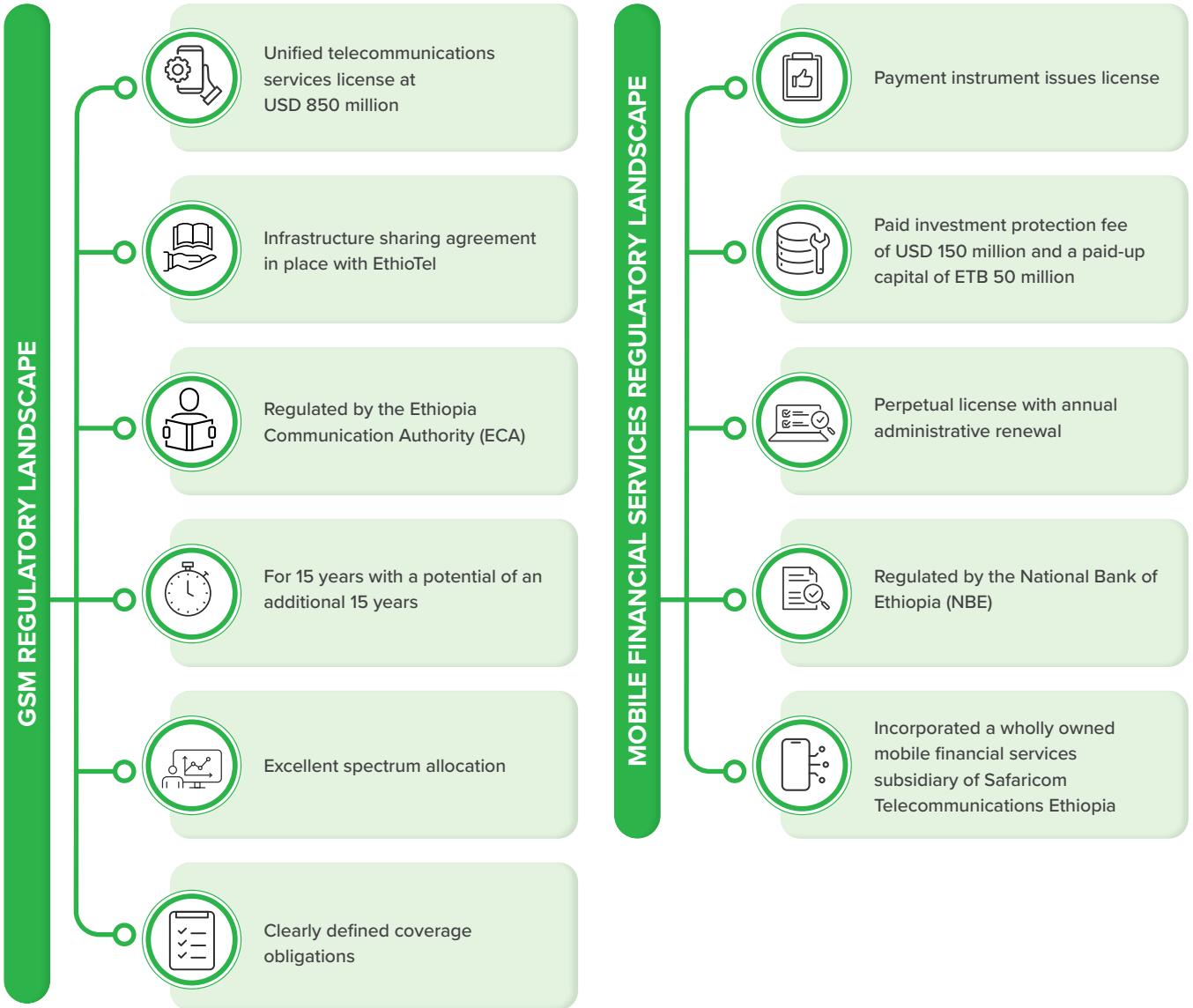
For more on our operating environment in Ethiopia, see page 127. —●>>





## How we are positioned within a dual regulatory landscape

In Ethiopia, we are governed by two regulatory frameworks – GSM and Mobile Financial Services.



# OUR OPERATIONS IN ETHIOPIA (continued)

## Strategically matching the way we work with the realities of where we work

We understand that strategically, beyond mobile data, we need to be a fully-fledged telco which has voice, SMS and mobile money revenues in addition to corporate customers.

- **Ethiopia is a federal state comprising 12 regional states, and two chartered cities, totaling 14 administrative divisions.** We have thus put in place commercial, technical vertical and external affairs regulatory stakeholder engagement verticals in order to engage effectively with these regional governments.
- **Ethiopia is the second most populated country in Africa** with 125 million people, of whom 90% are living on 35% of the geography, and where 2.5 million Ethiopians turn 18 years old every year. We therefore view the reality of a large, diverse and young demographic as underpinning our strategic approach, as we position our brand to appeal to a youthful market with a population in which:
  - 40% are older than 15 years old
  - 30% are younger than 30 years old
  - 30% are between 15 and 30 years old

## Performance against our strategic goals\*

The year under review saw our Ethiopian business delivering very good results despite operating in an environment marked by significant currency reforms.

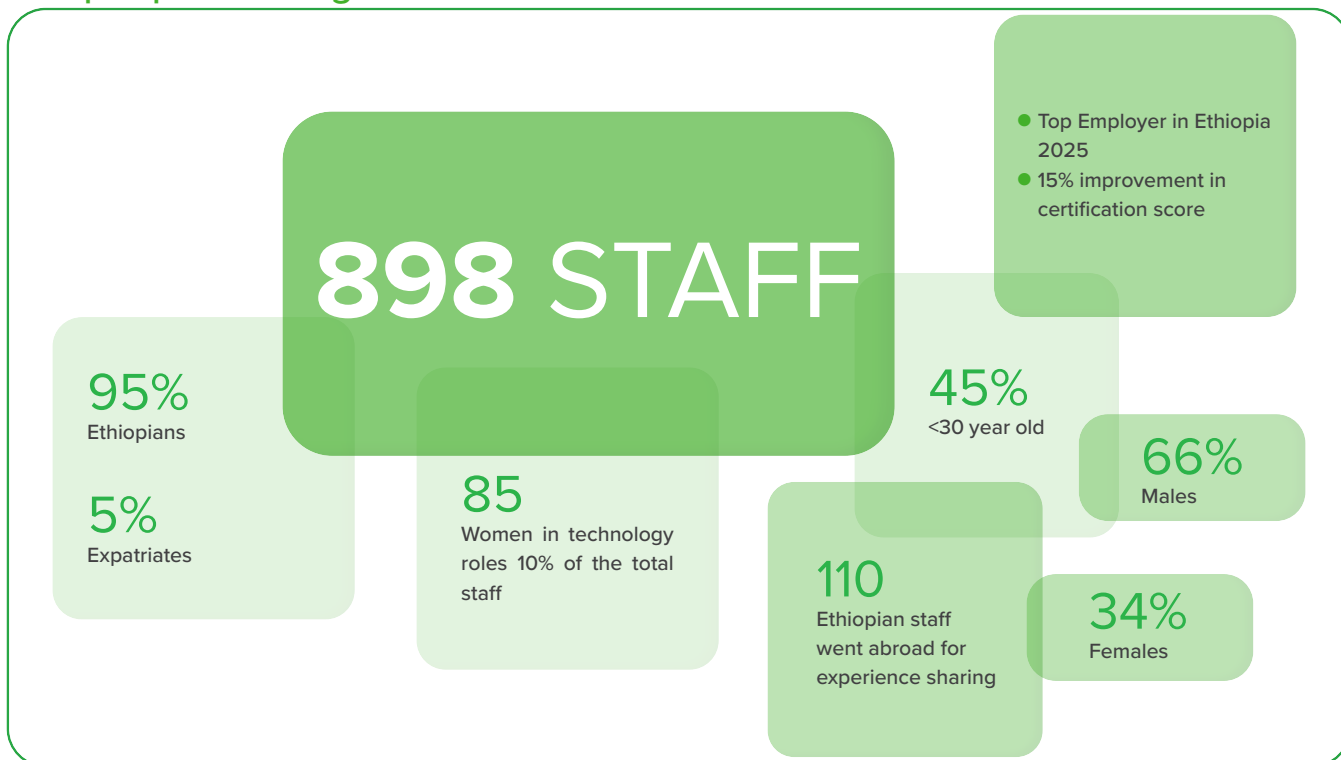
Our achievements include:

- Growing customer base in all market segments
- Encouraging commercial momentum with acceleration in customer acquisition
- Well defined customer segmentation to drive relevant offerings
- Community impact acceleration as we integrate into the fabric of society
- Marked major milestones as we position our transformational impact in the country
- 50% of the population now covered by 4G

With our network expanding, coverage increasing, and a strategy aimed at the younger market segments, we have also significantly increased the number of Ethiopians in our workforce while making strides in gender parity.

\* For details of our performance in Ethiopia, see page 128. —●>>

## Our people and organisation\*



\*For more on HR, see page 76. —●>>



## Minimising costs

Within an unstable currency environment, and in the context of the significant devaluation during the year under review, we pursued a strategy of de-dollarisation and cost-saving.

For more on Managing the Ethiopian Birr depreciation, see page 103.

- Empowering local communities and SMEs
- Economic empowerment
  - Financial inclusion for small farm owners
  - Health
  - Women's economic empowerment
  - Digital marketplace with 10,000 students

## Contributing to Ethiopia's digital future

As part of our social and relationship capital in Ethiopia, we are committed to pursuing positive, proactive and meaningful engagement with the people and communities among which we operate. We see this engagement as involving:

- Education
  - Donating laptops and routers to identified high schools in various city regions and administrations
  - Fostering a digital talent marketplace
  - Building capacity for institutions
- Partnerships
  - Collaboration with government

## Looking ahead

In the short term, our aim is to reach the critical mass necessary to break even. We will then be in a position to plan for the next three to five years on the finer details of how to build on that position of strength to reach our medium-term goal of 30%-40% market share.

This will entail coverage of 80%-90% of the population, and an offering all those services that are fully competitive.

In the long term our aim is to grow by 3 million customers a year.

# OUR WAY FORWARD







# THE SOCIAL

VALUE

# WE CONTRIBUTE



OUR SOCIAL AND RELATIONSHIP CAPITAL

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# THE SOCIAL VALUE WE CONTRIBUTE

## Our social and relationship capital

At Safaricom, we acknowledge our obligations as a responsible corporate citizen, to help foster and enhance inclusivity and betterment in society, by creating and supporting opportunities for upliftment through education, wellbeing through health and agricultural initiatives, and economic independence through nurturing financial literacy and technical capacity. In doing so, we strive to align our efforts with the aims and values of the relevant UN SDGs that we embrace.

### The mobile industry and the UN SDGs – the global context

In its 2024 Mobile Industry Impact Report: Sustainable Development Goals\*, GSMA determined that in 2023, globally the mobile industry achieved 58% of its potential contribution to the SDGs – up from 31% in 2015 – with the highest impact on SDG 9: Industry, Innovation and Infrastructure. The report also notes that by the end of 2023, just 4% of the world's population was living in areas without mobile broadband coverage, while 57% – 4.6 billion people – were using mobile internet.

Moreover, the report indicates, 3 billion people used mobile financial services in 2023. This underscores the impact on multiple SDGs, including SDG 1: No Poverty and SDG 8: Decent Work and Economic Growth.

The report suggests, however, that despite the significant impact of the mobile technology on the SDGs, there is still more work to be done to maximise the industry's contribution ahead of the 2030 deadline.

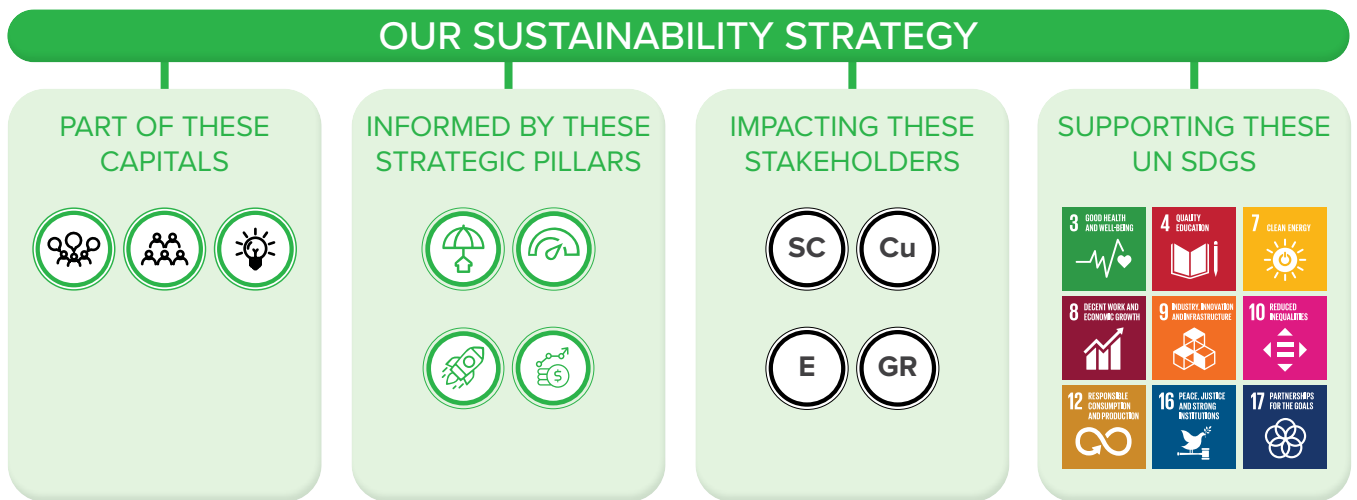
[\\*https://www.gsma.com/solutions-and-impact/connectivity-for-good/external-affairs/2024-mobile-industry-impact-report-sustainable-development-goals/](https://www.gsma.com/solutions-and-impact/connectivity-for-good/external-affairs/2024-mobile-industry-impact-report-sustainable-development-goals/)





## A snapshot of our sustainability achievements

Category	Achievements		
Environment	<b>840,600</b> trees planted	<b>192,734kg</b> e-waste collected	<b>98%</b> Waste recycled
Digital Inclusion	<b>1.3 million</b> devices	<b>127</b> schools connected to internet	<b>5,392</b> Children treated on Daktari Smart
DEI	<b>44.6%</b> Women leaders	<b>KShs 5.5 billion</b> spend on Special Interest Groups (SIG)	<b>3.5%</b> Persons with disabilities (PWD) employment
Community Impact	<b>4.9 million</b> people reached	<b>28</b> Medical camps, serving 80,291 people	<b>75%</b> Skilled deliveries in Narok



We believe that our purpose of Transforming Lives provides us with both the philosophy and strategic basis to innovatively maximise our efforts to making a meaningful, lasting and positive impact on the peoples whose lives are touched by what we do.

During the year under review, in line with the Company's Vision 2030 strategy, we reviewed the intersection of the ideals of our environmental, social and governance (ESG) commitment with our purpose of Transforming Lives. This enabled us to refresh and condense these into the two pillars of Planet and People, enabled by doing the right thing.

# THE SOCIAL VALUE WE CONTRIBUTE (continued)

## Our social and relationship capital (continued)

### Cementing our role in societal transformation

**OUR STRATEGY IS ANCHORED IN PURPOSE AND AIMS TO CEMENT SAFARICOM'S ROLE AS A CATALYST OF SOCIETAL TRANSFORMATION**

Our principles



#### PURPOSE BEFORE PROFIT

#### SDGS AS A FRAMEWORK

#### REPUTATION BEFORE REVENUE



##### Planet

Catalysing a net positive future

- Climate action
- Circular Economy
- Conservation and restoration of biodiversity and ecosystems



**5,000**

Sites on sale

**5 million+**

trees grown

**9%**

Green energy powering network

**100,000**

total carbon dioxide (tCO<sub>2</sub>)  
Sequestered



##### People

Investing in/transfoming society

- Digital inclusion
- Financial inclusion and health
- Diversity equity and inclusion in ecosystem
- Sustainable community investments



**50 million+**

Live connected to 4G+

**20%**

MSME credit gap closed

**70 million+**

People financially included

**50:50**

gender representation at  
all levels



## Strategic thought leadership

During the year under review we continued our involvement in strategic thought leadership through several events and forums.

### Events, forums and sessions

EVENT/FORUM	WHAT IT ENTAILS	IMPACT/GOAL
Kenya 2 Equal initiative	A programme dedicated to closing the gender gap and promoting equal opportunities for women in the labour market	Funded by the Bill and Melinda Gates Foundation, the programme aims to support organisations in making measurable commitments to address gender gaps in their operations and will be implemented over the next three years.
Africa CEO Forum - Kigali	<p>Bringing together leaders from across the continent, highlighting the private sector's pivotal role in driving sustainable development</p> <p><i>Highlights, with Safaricom being:</i></p> <ul style="list-style-type: none"> <li>● Signatory to the Gender Statement</li> <li>● Participant in the Global Africa Business Initiative (GABI) conversations</li> <li>● Participant in the ABLC CEO Roundtable, a high-level session bringing together CEOs, business executives, government representatives, and development finance institutions (DFIs)</li> <li>● Participant in the Inclusion and Empowerment session hosted by Amahoro Coalition and Mastercard Foundation, where Safaricom's Sustainability Linked Loan (SLL) was acknowledged</li> </ul>	To reinforce the role of public-private collaboration in promoting resilient and prosperous communities across Africa, and the role of the private sector in driving meaningful change, fostering innovation, and ensuring that Africa's private sector remains at the forefront of global sustainable development.
United Nations General Assembly (UNGA) and Unstoppable Africa	<p>The global effort to accelerate progress towards the 17 SDGs</p> <p>Our CEO led Safaricom representatives who took part in various events across the week, through:</p> <ul style="list-style-type: none"> <li>● Leading discussions in strategic thematic roundtables as panelists</li> <li>● Hosting a side event</li> <li>● Bilateral meetings to explore partnerships</li> </ul>	<p>To explore:</p> <ul style="list-style-type: none"> <li>● The role of technology and digital transformation in advancing progress, improving access to services, sustainability</li> <li>● Climate change, blended finance and overall funding for the SDGs</li> <li>● The role of partnerships in accelerating progress to ensure no one is left behind</li> </ul>
COP 29	<p>The 29th Global Climate Summit in November 2024 in Baku, Azerbaijan</p> <p>Safaricom was involved in the research of the 2024 Voluntary Climate Report, launched on the COP 29 sidelines. This is an initiative by the Africa Business Leaders Coalition (ABLC), with Safaricom a founding member.</p>	To bring the world together to agree on actions to address climate crisis, such as limiting the global temperature rise to 1.5°C, helping communities adapt to the effects of climate change, and achieving net zero emissions by 2050.

# THE SOCIAL VALUE WE CONTRIBUTE (continued)

## Our social and relationship capital (continued)

### Strategic thought leadership (continued)

EVENT/FORUM	WHAT IT ENTAILS	IMPACT/GOAL
Sustainable Business Report and Technology for Development Strategy launch	<p>In October, we launched our 13th Sustainable Business Report, themed 'Accelerating Digital Inclusion', and the Technology for Development Strategy Report at the Africa Shared Value and ESG summit themed 'Empowering Africa's Future'.</p> <p><i>Report highlights:</i></p> <ul style="list-style-type: none"> <li>● The total value Safaricom created for Kenyan society in FY2024 was KShs 983 billion, approximately 16 times greater than the financial profit we made during the year, while reaching over 8 million Kenyans through community initiatives.</li> </ul>	To bring participants together from across Africa to chart a path towards Africa's future business growth and societal well-being as interconnected goals.

## Catalysing a net positive future for the planet

Through our commitment to energy usage and efficiency, climate change strategy, waste reduction, and biodiversity preservation, we are helping to drive positive change by taking significant steps towards a greener future.

We continue to partner with the Kenya Forest Service (KFS) and local communities to deliver our goal of planting 5 million trees.

During the year under review, we have:

- Planted **840,600** trees in degraded forests in 8 counties, restoring **694.25ha** across the country
- Engaged **4,048** Community Association members
- Set a target of **5 million trees** planted by the end of FY2030

### Investing in, and transforming, society

We have prioritised several key aspects focusing on 'People', towards our goal of transforming society.

To this end, our targets include:

- Achieving gender parity in our overall workforce and at senior leadership
- A responsible and sustainable supply chain
- Fair pay and living wages within our ecosystem
- Sustainable community investments through our Foundations in areas of health, education, economic empowerment, livelihoods and environment
- A zero-harm work environment for our staff and business partners
- Leveraging our technologies and partnerships to provide access to healthcare, education and affordable 4G devices

We recognise that digital inclusion is a critical foundation for shared economic and social progress, and it is important that no community is excluded from digital tools and technologies. We continue to leverage on a multi-stakeholder approach to co-create sustainable products and establish shared value strategic partners within the key areas of:

- Health
- Education
- Humanitarian aid
- Agriculture and essential services





## Our main areas of focus

INITIATIVE	PARTNERSHIP	WHAT IT MEANS	IMPACT
Empowering education	UNICEF	Internet school programmes, GIGA	127 schools connected, 73,000 learners, 1,440 teachers empowered
Daktari Smart Telemedicine Programme	Gertrude's Children's Hospital Foundation	Paediatric care for underserved children	8,500 children in 6 counties, 5,392 children treated, 20,488 total beneficiaries
Care Now Pay Later	Zuri Health	Addresses financial barriers to healthcare access	Launched on 5 December on the M-PESA Business App, uptake monitored quarterly
Bonga for Life campaign	UNHCR	Encouraged customers to donate Bonga points	25 million Bonga points donated, benefiting 250,000 households, impacting over 1 million lives
Global Refugee Forum pledges	UNHCR	Support for education and Water, Sanitation & Hygiene (WASH) programme in Dadaab	KShs 300,000 for education, KES 1 million for WASH, impacting over 100,000 households

## Diversity, equity and inclusion (DEI)

INITIATIVE	OUTCOME/ACHIEVEMENT
Employment	Safaricom won the Most Inclusive Corporate Leadership Award during the 20 Years of Disability Inclusion celebrations organised by the Government of Kenya and NCPWD. The award recognised Safaricom's efforts to create an inclusive workplace and promote DEI.
DEI	Partnered with Moringa School, to start a Reskilling Program for people with disabilities, focusing on digital skills. The first group, who completed a Software Engineering course, were placed at Safaricom. Due to the programme's success, we've doubled the number of students in the second group and expanded the course offerings.
Supply chain	In FY2025, a spend of KShs 5.9 billion, 4.31% of the total spend of KShs 137.8 billion.

## Safaricom and M-PESA Foundations Sustainable community investments

Since April 2024, the Safaricom and M-PESA Foundations have significantly expanded their community impact, reaching 4,465,247 people across Kenya. These efforts span critical areas such as health, economic empowerment, education, environmental conservation, water accessibility, and humanitarian relief.

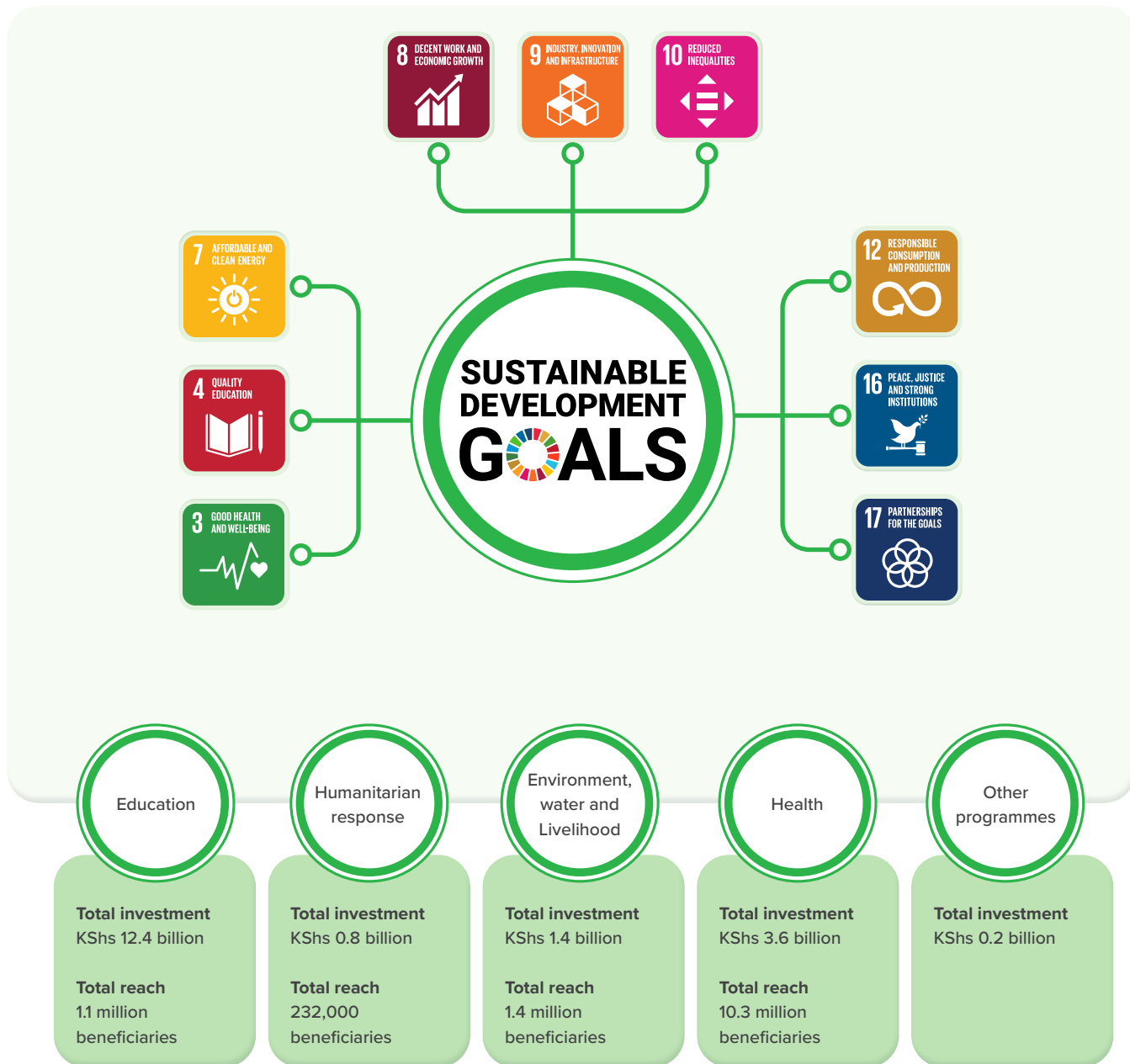
During the year under review, the Foundations initiated implementations for 389 projects funded through distinct streams. These implementations include:

- 31 strategic regional projects tailored to address regional priorities
- 45 community-driven initiatives under the Pamoja framework
- 313 grassroots projects as part of the Ndoto Zetu Phase VI campaign

Collectively, these projects have contributed to improving access to essential services, creating sustainable livelihoods, and fostering resilience in underserved communities.

# THE SOCIAL VALUE WE CONTRIBUTE (continued)

## Our social and relationship capital (continued)



## Safaricom and M-PESA Foundation initiatives in the year

FOCUS AREA	SPEND (KSHS)	INITIATIVE	WHAT IT IS	AIMS/ACHIEVEMENTS
Education	3,413,585,236	Wezesha Vijana TVET Programme	Implemented in Marsabit, Isiolo, and Nairobi counties in partnership with Catholic Relief Services (CRS), enhancing access to quality, equitable, and inclusive skills development for Kenyan youth.	<ul style="list-style-type: none"> <li>330 students enrolled across 11 TVET institutions in its first year</li> <li>300 vulnerable youth in its second year with a focus on achieving 50% female participation and 5% PWDs</li> </ul>
		Wezesha TVET Scholarship Programme	Launched in collaboration with the University of Embu, providing scholarships to 1,300 youths.	<p>Aims to enroll</p> <ul style="list-style-type: none"> <li>400 vulnerable youth from 10 counties by May 2025</li> <li>1,030 youth by mid-2025</li> </ul>
		Digital Skills Programme	<p>Launched in partnership with the Ministry of Education, to enhance digital education for teacher trainees.</p> <p>In collaboration with the Kenya Institute of Curriculum Development (KICD), Teachers Service Commission (TSC), and the Centre for Mathematics, Science and Technology Education in Africa (CEMASTEA), it is set to expand further.</p>	<ul style="list-style-type: none"> <li>Renovate 35 ICT laboratories and equip 35,000 trainee teachers</li> <li>Successfully refurbished ICT labs in eight teacher training colleges, directly benefiting 14,408 people</li> <li>8 colleges slated for ICT infrastructure upgrades in the next phase</li> </ul>
		M-PESA Foundation Academy	Providing quality education to talented yet disadvantaged children from across all 47 counties, with a mission to nurture leaders, innovators, and critical thinkers.	<ul style="list-style-type: none"> <li>464 students on campus</li> <li>577 alumni from five cohorts pursued tertiary education globally, with:                             <ul style="list-style-type: none"> <li>439 in local institutions</li> <li>138 internationally, including 4 in Australia, 2 in Grenada, 9 in Switzerland, 80 in the UK, and 43 in the USA</li> </ul> </li> </ul>
		Citizens of the Future	Dedicated to transforming educational infrastructure across Kenya.	<ul style="list-style-type: none"> <li>Commitment of &gt;KShs 2.02 billion</li> </ul>
		Kilimanjaro Blind Trust	Advanced by Safaricom Foundation, providing 200 visually impaired learners with access to quality inclusive education and innovative digital assistive technologies.	<ul style="list-style-type: none"> <li>6<sup>th</sup> cohort completed employability training in November 2024</li> <li>Placement underway for internships,</li> <li>7<sup>th</sup> cohort set to begin training</li> </ul>

# THE SOCIAL VALUE WE CONTRIBUTE (continued)

## Our social and relationship capital (continued)

### Safaricom and M-PESA Foundation initiatives in the year (continued)

FOCUS AREA	SPEND (KSHS)	INITIATIVE	WHAT IT IS	AIMS/ACHIEVEMENTS
Health	1,615,743,640	Uzazi Salama strategic programme	In Narok County, and now in its second year, with the goal of reducing maternal, neonatal, child, and non-communicable disease morbidities and mortalities	<ul style="list-style-type: none"> <li>● Skilled delivery rate of 75%</li> <li>● 84% attendance for the first antenatal clinic (ANC)</li> <li>● 96.5%-Narok and 53.7%-Kilifi skilled deliveries</li> </ul>
			Expanded to Isiolo County through co-funding with the Conrad Hilton Foundation, aiming at contributing to improved health outcomes and well-being of newborns and children between 0-3, mothers, adolescents, and young people in 2025.	
		Uzazi Salama strategic programme	M-PESA Foundation, in partnership with AMREF implemented a programme to benefit ~ 524,449 people through targeted interventions in Magarini and Kilifi South sub-counties	<ul style="list-style-type: none"> <li>● Since launch:</li> <li>● 917 skilled deliveries</li> <li>● 6,247 first ANC visits</li> </ul>
		Daktari Smart Telemedicine Programme	With the goal of reaching 23,041 children, the programme has improved healthcare access across Homa Bay, Baringo, Lamu, Samburu, and Narok counties.	<ul style="list-style-type: none"> <li>● 14,165 telemedicine sessions during in FY2025 – 62% of total sessions since inception.</li> <li>● 22,818 (99%) beneficiaries since inception</li> </ul>
		M-PESA Foundation Medical Camps	Established in partnership with Zuri Health, Lions Eye, to address healthcare inequalities by delivering essential medical services to underserved communities, it entered Phase 2 in April 2024	<ul style="list-style-type: none"> <li>● 23 medical camps in 21 counties</li> <li>● 82,945 clients reached by March 2025</li> </ul>
		Kakamega Forest sustainable management, preservation, and protection	Driving environmental conservation efforts in the Kakamega Forest in collaboration with Rhino Ark, through a KShs60 million initiative	<ul style="list-style-type: none"> <li>● Phase 2 fence commenced in June 2024</li> <li>● 10.2km built and powered by end of November 2024.</li> <li>● All works undertaken in Vihiga County</li> <li>● Cumulative 25.2km of the estimated final 120km built</li> </ul>
		Flood victim aid	KShs 30 million allocated by M-PESA Foundation to support 15,000 people affected by devastating floods in Tana River, Nairobi, Nyandarua, and Kisumu counties	<ul style="list-style-type: none"> <li>● &gt; 3,500 households received tailored assistance, including clean water, hygiene kits, and temporary shelter supplies</li> </ul>



FOCUS AREA	SPEND (KSHS)	INITIATIVE	WHAT IT IS	AIMS/ACHIEVEMENTS
Economic empowerment	66 million	M-PESA Foundation's Training Women on Business Skills and Microfinance project	12-month programme, funded with KShs 6 million to equip 150 women with business and microfinance skills, increase their business income by 300%, and create a sustainable alumni support network	<ul style="list-style-type: none"> <li>153 women reached</li> <li>276.7% average income increase</li> <li>13 support groups formed</li> <li>Valuable business skills, particularly in bookkeeping, gained</li> </ul>
		The Safaricom Foundation's Wezeshu Agribusiness Programme	Launched in November 2024 with a funding of KES 60 million, and implemented in partnership with the Lake Basin Authority and USTADI (swahili word for skill) NGO.	<ul style="list-style-type: none"> <li>The programme aims to empower up to 5,000 vulnerable youth with agribusiness training and skills</li> </ul>







# HOW WE SAFEGUARD VALUE

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# HOW WE SAFEGUARD VALUE

## 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, the Chief Executive Officer.



**ADIL ARSHED KHAWAJA (MGH)**

**CHAIRMAN**

Nationality: Kenyan  
Appointed: 22 December 2022



**DR. PETER NDEGWA (CBS)**

**GROUP CHIEF EXECUTIVE OFFICER**

Nationality: Kenyan  
Appointed: 1 April 2020



**DILIP PAL**

**ALTERNATE DIRECTOR TO CEO**

Nationality: Indian  
Appointed: 1 November 2020



**MOHAMED SHAMEEL AZIZ JOOSUB**

**NON-EXECUTIVE DIRECTOR**

Nationality: South African  
Appointed: 31 August 2017  
Committees: ●●●



**RAISIBE MORATHI**

**NON-EXECUTIVE DIRECTOR**

Nationality: South African  
Appointed: 1 November 2020  
Committees: ●●●



**MURIELLE LORILLOUX**

**NON-EXECUTIVE DIRECTOR**

Nationality: French  
Appointed: 23 August 2023  
Committees: ●



**DR. (ENG.) JOHN KIPNGETICH MOSONIK**

**NON-EXECUTIVE DIRECTOR**  
Nationality: Kenyan  
Appointed: 23 August 2023  
Committees: ●●●



**MR. JAMES LUDLOW**

**NON-EXECUTIVE DIRECTOR**  
Nationality: British  
Appointed: 28 August 2024  
Committees: ●●●



**MR. EDWARD OKARO**

**INDEPENDENT NON-EXECUTIVE DIRECTOR**  
Nationality: Kenyan  
Appointed: 15 January 2025  
Committees: ●●●



**MS. RITA KAVASHE**

**INDEPENDENT NON-EXECUTIVE DIRECTOR**  
Nationality: Kenyan  
Appointed: 4 April 2025



**MR. JAMES WAMBUGU**

**INDEPENDENT NON-EXECUTIVE DIRECTOR**  
Nationality: Kenyan  
Appointed: 4 April 2025



**MR. LAWRENCE KIBET EBS**

**ALTERNATE DIRECTOR TO THE CABINET SECRETARY NATIONAL TREASURY AND ECONOMIC PLANNING**  
Nationality: Kenyan  
Appointed: 4 April 2025



**MS. LINDA MESA WAMBANI**

**ACTING COMPANY SECRETARY**  
Nationality: Kenyan  
Appointed: 1 October 2023

- Audit Committee: ●
- Risk and ESG Committee: ●
- Nomination Committee: ●
- Human Resource Committee: ●
- Innovations and Investment Committee: ●
- Chair of the Committee: ©

# HOW WE SAFEGUARD VALUE (continued)

## Who governs us (continued)



ADIL ARSHED KHAWAJA (MGH)

### CHAIRMAN

Adil is a highly distinguished Advocate of the High Court of Kenya with over 30 years' work experience in the legal profession ranging from dispute resolution to commercial and real estate. He is recognised as a leading name in the Kenyan legal profession and has been globally recognised in various practice groups as one of the most sought-after lawyers in Kenya.

In recognition of his positive contribution to the sustainability of the environment of the country, Adil was recently awarded the Moran of the Order of the Burning Spear (MBS) by the President of the Republic of Kenya.

Adil currently serves as the Managing Partner at Dentons Hamilton Harrison & Mathews, the oldest law firm in Kenya, established in 1902 with a reputation as an innovative, experienced, responsive, and highly skilled firm.

Adil holds board positions in various companies across various markets. He currently serves on various boards which include Rhino Ark Charitable Trust, Al Futtaim Automotive-CMC Motors Group Limited and Atua Enkop Africa Limited.

He previously served as a director of KCB Bank Group from 2012 and was elected the first chairman of KCB Bank Kenya Limited from 2016 until 2020 when his tenure ended. He has also served as a director in the board of Kenya Power and Lighting Company.

Outside his professional capacity, Adil is active in the wildlife and environmental conservation space. He has been a member of the Nairobi Arboretum Conservancy Community Forest Association, a trustee of Care for the Wild and an advisor for Friends of Conservation. He is a former trustee of the Kenya Wildlife Service and a board member of the National Environment Council.

His love for the law and environmental conservation led him to be appointed by the Government of Kenya as a member of the Taskforce to inquire into Forest Resource Management and Logging activities in Kenya. An avid enthusiast of four-wheel driving he has combined his love for the thrill with conservation and has been a participant in the Rhino Charge for nearly 20 years and amongst the top fund raisers for the Rhino Ark, where he has been a trustee since 2018.

### GROUP CHIEF EXECUTIVE OFFICER AND EXECUTIVE DIRECTOR

Peter joined Safaricom on 1 April 2020 and is the Safaricom Plc Group CEO. 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.

He holds a Masters in Business Administration from the London Business School and a Bachelor of Commerce degree from the University of Nairobi. He is also a Certified Public Accountant and a member of the Institute of Certified Public Accountants of Kenya (ICPAK).

In his previous 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 Chief Executive Officer (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 CEO in several markets within the Diageo Group, Peter demonstrated the ability to transform businesses and organisations to deliver superior

results. With his principle of customer first, he has a real passion for delivering value to customers, investing in talent, and getting things done.

Peter served for eight years across a range of senior Executive Director roles at East Africa Breweries Limited (a Diageo subsidiary) based in Nairobi. He served as the Group Chief Financial Officer (CFO), Group Strategy 105 Director, Sales Director, and as an Executive Director on the East African Breweries Limited (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 started his career at PwC, the global consulting firm, where he worked for 11 years. Peter draws his inspiration in particular 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 his parents.



DR. PETER NDEGWA (CBS)



**DILIP PAL**

#### **GROUP CHIEF FINANCIAL OFFICER AND ALTERNATE DIRECTOR TO THE CEO**

Dilip joined Safaricom PLC as the Group Chief Financial Officer in November 2020. He is a seasoned finance executive with over 32 years of experience across telecommunications, financial services, fast-moving consumer goods (FMCG), and engineering sectors. His career spans international and multicultural environments, where he has consistently demonstrated a strong track record in building high-performing teams, driving business turnarounds, enhancing performance, and leading simplification and digitisation initiatives.

He holds a master's degree in commerce from Calcutta University and a bachelor's degree in 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.

Prior to joining Safaricom, Dilip served as CFO at DTAC Thailand, a Telenor Group company, where he led financial transformation efforts. Before that, he was CFO at Grameenphone Bangladesh, and held senior finance roles at Vodafone India in Mumbai, eventually rising to the position of EVP Finance. His earlier career includes leadership roles at Hutchinson Essar, Hindustan Coca-Cola Beverages, and Tata Tinplate.

Dilip has also served on the boards of several organizations, including Carousell (Singapore), Tele Assets (Thailand), Accenture Bangladesh (a joint venture between Accenture and Telenor), Indus Towers (a joint venture with Bharti Airtel and Idea), and Vodafone Essar Spacetel Ltd (a Vodafone India subsidiary).

#### **NON-EXECUTIVE DIRECTOR**

Shameel is the CEO of Vodacom Group since September 2012. He is the former CEO of Vodafone Spain. He was previously the Managing Director of Vodacom South Africa from March 2005 to March 2011 prior to taking up the position of CEO, Vodafone Spain. Prior to that, he was the Managing Director of Vodacom Service Provider Company from

September 2000 to February 2005, and Managing Director of Vodacom Equipment Company from 1998. 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.



**MOHAMED SHAMEEL AZIZ JOOSUB**

# HOW WE SAFEGUARD VALUE (continued)

## Who governs us (continued)



**MS. RAISIBE MORATHI**

### NON-EXECUTIVE DIRECTOR

Raisibe was appointed as the Chief Financial Officer and Executive Director of Vodacom group with effect from 1 November 2020. She joined Vodacom from Nedbank Group where she had been the Group Chief Financial Officer since September 2009.

She has a cumulative 30 years' experience in Financial Services and ICT sectors in various large corporates in South Africa, including Nedbank Group, Sanlam Group and the Industrial Development Corporation. She serves on various Vodacom related Boards and has extensive experience in audit

committees, having served both as a member and as the chairperson. Raisibe is also a sponsor of Vodacom's Women's Network Forum, demonstrating her commitment to the development of women and young people.

Raisibe is a Chartered Accountant (SA) and has also completed an Advanced Management Programme (AMP) with INSEAD (France). She also holds a Higher Diploma in Taxation (Wits University) and is currently pursuing a Masters in Philosophy (Corporate Strategy) from GIBS University of Pretoria.

### NON-EXECUTIVE DIRECTOR

Murielle was appointed as a Non-Executive Director on the Board, with effect from 23rd August 2023.

Murielle is currently the Chief Strategy and Commercial Officer of Vodacom Group and a member of the Executive Committee. Prior to this, she worked for Vodafone Group in the United Kingdom as an Executive Business Director for Europe Cluster markets and Vodafone Business International from July 2021 to 31 March 2023.

She has previously held the positions of CEO and President of the board of Vodafone Romania (2017-2021) and Managing Director

of Vodacom DRC (2014-2017). Prior to this, Murielle held various senior management roles with Orascom Telecom Algeria, Wana Corporate and Capgemini.

Murielle has over 25 years' experience in general management, commercial (Business to Customer (B2C) and Business to Business (B2B)), strategy and consulting experience in telecommunications across African and European markets. She holds a master's degree in Economics (Management and Marketing) from the Paris Nanterre University and a Master's Degree in Business Management and Strategy from the ESCP Business School. She also participated in the MBA exchange programme with the University of Texas at Austin.



**MS. MURIELLE LORILLOUX**

### NON-EXECUTIVE DIRECTOR

James was appointed as a Non-executive Director on the board with effect from 23 August 2023.

John is an astute technocrat with executive experience in both public and private sector administration spanning 35 years. He has a rich career profile stretching across industries from Engineering practice in the Telecom sector to serving as a Principal Secretary in the State Department for Infrastructure and the Chief Administrative Secretary in the Ministry of Petroleum and Mining.

He holds a Doctoral Degree in Business Administration (DBA) – Strategic Leadership from Northcentral University (USA) and a PhD in Business Administration (Strategic Management) from Moi University, Kenya. He also holds Postgraduate Degrees in Digital Transformation, Strategic Focus, Finance and Business Administration from renowned international universities, and a Bachelor's Degree in Electrical Engineering/Telecommunication from the University of Nairobi. He is a Fellow of the Institute of Engineers of Kenya (FIEK) and a registered member of the Engineers Board of Kenya (EBK).



**DR. (ENG.) JOHN KIPNGETICH MOSONIK**



**MR. JAMES LUDLOW**

#### **NON-EXECUTIVE DIRECTOR**

James was appointed as a Non-Executive Director on the board with effect from 28 August 2024. He is currently the Group Reward and Policy Director-Human Resources at Vodafone Group Services Limited and is responsible for the strategic design, planning, management, and communication of the company's short term and long-term incentive

reward plans. He also provides remuneration and governance advice to all Vodafone group entities.

James holds a Bachelor of Science (Hons) in Pure Mathematics from the University of Wales, Swansea and is a member of the Institute of Chartered Accountants, England and Wales ACCA.

#### **INDEPENDENT NON-EXECUTIVE DIRECTOR**

Edward was appointed as an Independent Non-Executive Director of the Board on 31st January 2025.

Edward is an audit professional with over 30 years' experience in financial management, audit and strategic risk management. He previously worked with Ernst & Young for 26 years rising to the position of Director and subsequently Partner in Ernst & Young Africa Risk Services. Edward holds a Master's

degree in Business Administration from the Manchester Business School, and a Bachelor of Commerce degree from the University of Nairobi.

He is a Fellow Certified Public Accountant (FCPA) from the Institute of Certified Public Accountants of Kenya (ICPAK) and a Member of the South African Institute of Chartered Accountants (SAICA).



**MR. EDWARD OKARO**

#### **INDEPENDENT NON-EXECUTIVE DIRECTOR**

Rita was appointed as Independent Non-Executive Director of the board on 4 April 2025.

Rita is the Managing Director of Isuzu East Africa Ltd, where she has worked for 27 years. She holds a Bachelor's in Education from Moi University, and a Master's Degree in Business Administration (MBA) from the University of Nairobi. She is also an Executive Coach certified by the Academy of Executive Coaches (AOEC) UK.

Rita's career in Isuzu East Africa Limited (formerly General Motors or GM) began in 1995 in its East African operations where she has worked for the last 27 years. She became the company's first Kenyan Managing Director in 2011 and successfully transitioned the company to Isuzu East Africa in 2017.

Prior to her current position, Rita held several key roles in Sales and Marketing organisations both in Kenya and South Africa, and participated in GM sponsored leadership programmes including the Harvard Business School Leadership Program.



**MS. RITA KAVASHE**

# HOW WE SAFEGUARD VALUE (continued)

## Who governs us (continued)



**MR. JAMES WAMBUGU**

### INDEPENDENT NON-EXECUTIVE DIRECTOR

James was appointed as an independent non-executive director of the Board on 4 April 2025.

James is a seasoned business professional in the fields of Audit, Transaction Structuring and support, Innovation, Healthcare and Risk Management.

He has previously served as the Group Managing Director, General Insurance, UAP Old Mutual Group in charge of the business in East Africa. Prior to taking over as the Managing Director in 2010, James joined UAP in July 2003 where he was involved in the development of the Company's quality and business management systems, business expansion, brand and strategy development and execution. He oversaw a period of innovation at UAP until 2015 when he took

over the role of Group Managing Director, General Insurance. James previously worked for PricewaterhouseCoopers (PWC) in Kenya and the UK, Lonrho Africa PLC, and Africa Lakes Corporation PLC.

He holds a Master's degree in Business Administration (Finance Option) and a Bachelor of Commerce (Accounting) from the University of Nairobi. James also holds a Diploma in Risk Management from the Institute of Risk Management (UK) and a Diploma in Advanced Management Program (AMP) from Strathmore University Business School (SBS)-Nairobi and the IESE Business School (Barcelona, Spain). He is a Certified Public Accountant and a Member of the Institute of Certified Public Accountants of Kenya (ICPAK) and the Institute of Risk Management (IRM) UK.

### NON-EXECUTIVE DIRECTOR

Lawrence was appointed as a non-executive director of the board on 4 April 2025 in the capacity of alternate director to the Cabinet Secretary, National Treasury and Economic Planning..

Lawrence is currently the Director General, Public Investments and Portfolio Management at the National Treasury. He is a seasoned professional with strong and successful experience in General Management, Commercial and Business Strategy, Accounting and Finance Management, Corporate

Governance, Capital Raising, Commercial Law Practice, Project Management, and Innovation Management.

He holds two bachelor's degrees, Commerce (Finance Option) and Law (LLB), a Master's in Business Administration (MBA) from the University of Nairobi. Lawrence is a Member of the Institute of Certified Public Accountants of Kenya (ICPAK), the Institute of Certified Public Secretaries of Kenya (ICPSK), the Law Society of Kenya (LSK) and the Investor Relations Society (UK).



**MR. LAWRENCE KIBET (EBS)**



**MS. LINDA MESA WAMBANI**

### ACTING COMPANY SECRETARY

Linda is a qualified advocate with over 21 years' experience. She holds a dual role as the Ag Company Secretary and Senior Legal Counsel for Technology. Ms Wambani is a seasoned governance expert and lawyer with experience in telecommunications media and telecoms. Prior to joining Safaricom Plc, Linda worked at Dentons Hamilton Harrison & Mathews as a commercial and litigation lawyer.

Linda is a Certified Public Secretary and holds a Bachelor of Laws Degree from the University of Nairobi, a Master of Business Administration in Strategic Management from the United States

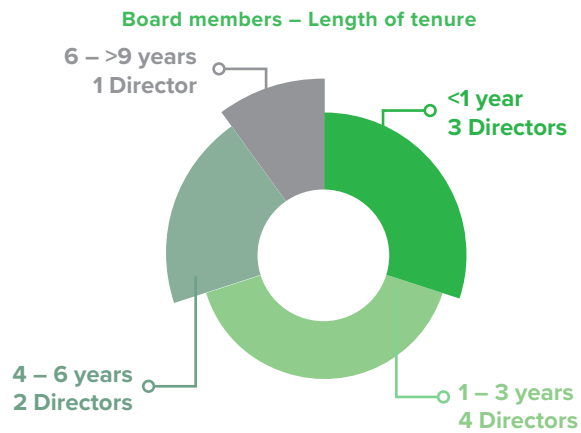
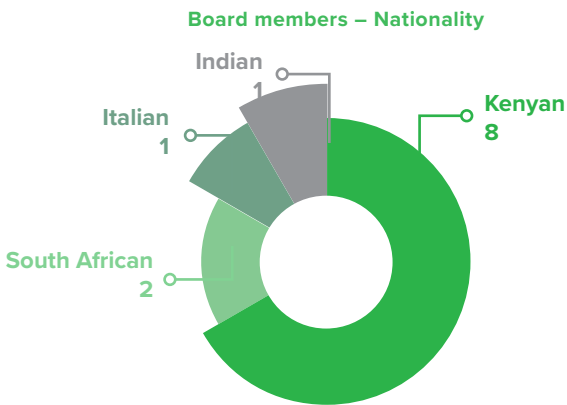
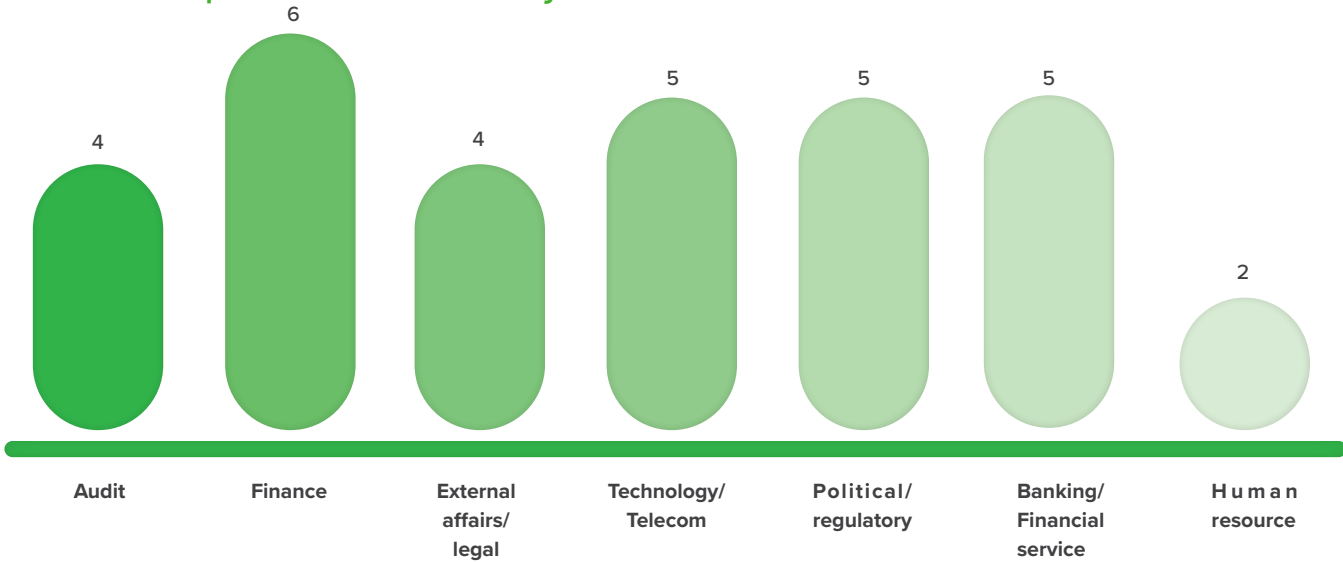
International University (USIU) and a Master of Laws Degree in Commercial Law from the University of Nairobi. She is a Notary Public and Commissioner for Oaths. Linda is also a member of the Institute of Certified Public Secretaries of Kenya, the Women on Boards Network and the Law Society of Kenya.

In 2022 Ms Wambani received a commendation from the Institute of Certified Public Secretaries of Kenya for her significant contribution to the growth and development of the certified public secretaries profession in Kenya.



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, the Chief Executive Officer

### Skills and expertise and diversity of the non-executive directors



# HOW WE SAFEGUARD VALUE (continued)

## Safaricom Kenya – Who leads us



**DR. PETER NDEGWA (CBS)**

**GROUP CHIEF  
EXECUTIVE OFFICER**



**DILIP PAL**

**GROUP CHIEF  
FINANCIAL OFFICER**



**FRED W. WAITHAKA**

**ACTING CHIEF CORPORATE  
AFFAIRS OFFICER**



**FAWZIA ALI-KIMANTHI**

**CHIEF CONSUMER  
BUSINESS OFFICER**



**FLORENCE NYOKABI**

**CHIEF HUMAN  
RESOURCES OFFICER**



**NICHOLAS MULILA**

**CHIEF CORPORATE  
SECURITY OFFICER**



**CYNTHIA KARURI-KROPAC**

**CHIEF ENTERPRISE  
BUSINESS OFFICER**



**MICHAEL MUTIGA**

**CHIEF BUSINESS DEVELOPMENT  
& STRATEGY OFFICER**



**ESTHER MASESE WAITITU**

**CHIEF FINANCIAL  
SERVICES OFFICER**



**JAMES MAITAI**

**GROUP CHIEF TECHNOLOGY  
AND INFORMATION OFFICER**



**MARTIN CHERE**

**ACTING CHIEF  
CHANNELS OFFICER**

For detailed biographies for senior management, please see the company's website at: <https://www.safaricom.co.ke/about/who-we-are/leadership/senior-management>



# Safaricom Ethiopia – Who leads us



**WIM VANHELLEPUTTE**

**CHIEF EXECUTIVE OFFICER**



**JACQUES MARAIS**

**CHIEF FINANCIAL OFFICER**



**ANDUALEM ADMASSIE (PHD)**

**CHIEF EXTERNAL AFFAIRS OFFICER**



**KATSUYA KASHIKI**

**CHIEF STRATEGY OFFICER**



**AATIF JAMAL**

**ACTING CHIEF TECHNOLOGY & INFORMATION OFFICER**



**GETACHEW MENGESTE**

**CHIEF LEGAL, REGULATORY AND CORPORATE OFFICER**



**AMIT CHANDIRAMANI**

**CHIEF SALES AND DISTRIBUTION OFFICER**



**DAVID UMOH**

**CHIEF CONSUMER BUSINESS UNIT OFFICER**



**KEN KABERIA**

**CHIEF RISK AND COMPLIANCE OFFICER**



**ELSA MUZOLLINI**

**CHIEF DIGITAL FINANCIAL SERVICES OFFICER**



**TSEDALE TEFAYE**

**CHIEF HUMAN RESOURCE OFFICER**



**ARJUN DHILLON**

**CHIEF ENTERPRISE BUSINESS OFFICER**

For detailed biographies for our leadership, please see the company's website at: <https://www.safaricom.et/en/about/our-leadership>

# HOW WE SAFEGUARD VALUE (continued)

## Corporate governance report Our Corporate Governance Statement

Safaricom PLC, through its Board of Directors is committed to implementing and adhering to good corporate governance and best practice. The Board considers that good governance, achieved through an ethical culture, competitive performance, effective control, and legitimacy, can create sustainable value, and enhance long-term equity performance.

The Board applies good governance practices to promote strategic decision making for the organisation to balance short, medium, and long-term outcomes to reconcile interests of its stakeholders and the society to create sustainable shared value. To that end, sound governance practices, based on accountability, transparency, ethical management, and fairness, are entrenched across the business.

### Statement of Responsibilities

The Companies Act, 2015 requires Directors to act in good faith, to promote the success of the Company for the benefit of its stakeholders and to avoid conflict between their personal interests and those of the Company, always acting in the best interest of the Company. Directors must have due regard to the long-term consequences of their decisions, the legitimate interests of employees, the need to foster effective business relationships with suppliers, customers and various stakeholders, the impact of the Company's operations on the community and the environment, and the desire to maintain a reputation for high standards of business conduct.

The Board of Directors of Safaricom are responsible for the governance of the Company. To this end, the Board is committed to ensuring that the Company complies with the laws, regulations, and standards applicable to it. The Directors are responsible for putting in place governance structures and systems that support the practice of good governance. The Board ensures that high standards and practices in Corporate Governance and more specifically the principles, practices and recommendations set out under the *Code of Corporate Governance Practices for Issuers of Securities to the Public, 2015* ("the CMA Code"), as well as the Companies Act, 2015 ("the Act") are adhered to. Safaricom continues to endeavour to comply with the provisions of the CMA 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. Safaricom remains 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, as a law-abiding corporate citizen, Safaricom abides by the tenets of the Constitution of Kenya and all other laws.

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 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.

### Leadership and responsibilities

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 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.

Throughout the year ended 31 March 2025 and to the date of this document, the Company endeavoured to comply with the Capital Markets Authority (CMA) Code of Corporate Governance Practices for Issuers of Securities to the Public 2015 (the 'Code'). The Board considers that this Annual Report and notably this section, provides the information that shareholders need to evaluate how the Company has applied the principles in the Code. In addition to complying with the Code, the Company has embedded internal rules of engagement to support corporate governance.

### The role of the Board

The Board serves as the focal point and custodian of corporate governance in the Company. The Board is collectively responsible for the Company's vision, strategic direction, its values, and governance and is accountable to the Company's shareholders for the performance of the business. The Board is expected to provide effective leadership to the Company towards the following matters:

- 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 behavior and compliance with the laws and regulations

The key responsibilities of the Board include:

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

As at the financial year end of 31 March 2025, the Board operated through five principal Board Committees, to which it had delegated certain responsibilities; these committees are: the Board Audit Committee, The Board Risk, Environment and Social Governance Committee, the Board Human Resources Committee and the Board Nominations Committee. The Board also had one standing committee, the Board Innovation and Investments 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.

The Board devotes considerable attention to corporate governance matters relating to the Company's internal controls and compliance activities. It receives updates from the respective Chairpersons of each committee at the subsequent Board meeting.

## Separation of powers and duties of the Chairman and the Chief Executive Officer (CEO)

The Chairperson and the Chief Executive Officer 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 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 on the developments in the Company
- 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.

# HOW WE SAFEGUARD VALUE (continued)

## Corporate governance report (continued)

### Separation of powers and duties of the Chairman and the Chief Executive Officer (CEO) (continued)

#### The Senior Leadership Team

The Leadership Team led by the CEO is responsible for the day-to-day management of the Company and its operating subsidiaries. In so doing, it oversees the implementation of the strategy and policies set by the Board. Profiles of the Senior Leadership Team are set out from page 156 of this Annual Report.

The key responsibilities of the Senior Leadership Team include:

- Developing the Company's business strategy for review and approval by the Board
- Managing business functions and ensuring that functional strategies are effective and aligned with the Company's priorities and objectives
- Monitoring the Company's operating performance
- Reviewing functional budgets and activities and ensuring that they are adequate to achieve their targets
- Developing guidelines for the Company's functional business units
- Overseeing the management and development of talent within the Company
- Ensuring that collective effort and resources are balanced, effective and properly focused
- Making recommendations on matters reserved for Board approval

#### 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

- Keeping formal records of Board discussions and following up on the timely execution of agreed actions

#### Board size

The Board determines its size and composition, subject to the Company's Articles of Association, Board Charter, relevant policies, applicable law, and best practices. The Company's Articles of Association provides for a maximum of 11 directors. As at the date of this Annual Report the Board comprised of eleven (11) Directors, ten (10) being non-executive directors and one (1) is an executive director (the CEO). Of the ten non-executive directors, three (3) are independent as defined in the Code. The Board is of the view that its current size is sufficient and enables it to deliver on its mandate.

#### Board Appointment

In line with the Company's Articles of Association, and their current shareholding, two (2) of the Non-Executive Directors are appointed by Government of Kenya and three (3) of the 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.

As part of its mandate, the Board Nominations Committee (BN Committee) is responsible for the selection and appointment of board directors. Prior to any appointment, the BN Committee develops suitable selection criteria for potential candidates, screens and interviews them before they are formally appointed. The Committee is permitted by its terms of reference to engage the services of a qualified external consultant to identify prospective candidates for the role of independent director.

In between AGMs, in the event of any vacancy, the Board may appoint a director to serve until the next AGM. Any such appointment of independent director(s) 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.

The Articles of Association also provide that at every AGM, and as may be applicable, at least one-third of the independent directors must retire from the Board and where eligible, stand for re-election.

#### Non-Executive Directors

As at 31 March 2025 and as at the date of this Annual Report, the Board had ten (10) Non-Executive Directors. 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.

## Independent Directors and independence

As at the date of this Annual Report, three (3) of the Non-Executive Directors were Independent as defined in the Code and accordingly most of the Board was constituted of Executive Directors. The Company has committed to appoint a fourth independent Non- Executive Director and is in the process of recruitment.

## The composition of the Board

The Directors who served during the year to 31 March 2025, and the board changes that took place in the year under review, and up to the date of this report, are set out below:-

	Nationality	Date of appointment as a director	Date of ceasing to be a director
Adil Khawaja (MGH)	Kenyan	22 December 2022	–
Dr. Peter Ndegwa (CBS)	Kenyan	1 April 2020	–
Mohamed Shameel Joosub	South African	31 August 2017	–
Rose Ogega	Kenyan	12 February 2019	29 November 2024
Francesco Bianco	Italian	20 March 2020	1 August 2024
Raisibe Morathi	South African	1 November 2020	–
Winnie Ouko	Kenyan	10 February 2021	4 April 2025
Dr. Karen Kandie	Kenyan	24 February 2023	4 April 2025
Ory Okolloh	Kenyan	24 February 2023	24 July 2024
Jame Ludlow	British	28 August 2024	–
Dr.(Eng) John Mosenik	Kenyan	23 August 2023	–
Murielle Lorilloux	French	23 August 2023	–
Edward Omolo Okaro	South African	31 January 2025	–
Lawrence Kibet	Kenyan	4 April 2025	–
Rita Kavashe	Kenyan	4 April 2025	–
James Wambugu	Kenyan	4 April 2025	–

## 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.

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 Work Plan is designed to enable the Board to drive the Company's strategy forward. The Board work plan for the year 2025 was approved by the Board at its meeting held on 5<sup>th</sup> November 2024.

The notice, agenda and comprehensive board papers are prepared and circulated to all directors with due notice in line with the Board Charter, 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.

Directors are entitled to request for additional information where they consider further information is necessary to support informed decision-making.

# HOW WE SAFEGUARD VALUE (continued)

## Corporate governance report (continued)

### Separation of powers and duties of the Chairman and the Chief Executive Officer (CEO) (continued)

#### Board operations (continued)

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.

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 2024 to 31 March 2025

	ADIL KHAWAJA (C)	PETER NDEGWA	SHAMEEL JOOSUB	ROSE OGEA	FRANCESCO BIANCO	RAISIBE MORATHI	WINNIE OUKO	DR. KAREN KANDIE	ORY OKOLLOH	DR.(ENG) JOHN MOSONIK	MURIELLE LORILLOUX	JAMES LUDLOW	EDWARD OKARO
7th May 2024	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	-	-
22 July 2024 (Board Evaluation Session)	✓	✓	✓	✓	Apology	✓	✓	✓	✓	✓	✓	-	-
24 July 2024	✓	✓	✓	✓	Apology	✓	✓	✓	Apology	✓	✓	-	-
25 July 2024 (AGM)	✓	✓	✓	✓	Apology	✓	✓	✓	Apology	Apology	✓	-	-
30 September 2024 (Special Session)	✓	✓	✓	✓	-	✓	✓	✓	-	✓	✓	By invitation	-
29 October 2024 (Special Session)	✓	✓	✓	✓	-	✓	✓	✓	-	✓	✓	By invitation	-
5th November 2024	✓	✓	✓	✓	-	✓	✓	✓	-	✓	✓	By invitation	-
29th November 2024 (Special Session)	✓	✓	✓	Apology	-	✓	✓	✓	-	✓	✓	By invitation	-
15 January 2025 (Special Session)	✓	✓	✓	-	-	✓	✓	✓	-	✓	✓	By invitation	-
12 February 2025	✓	✓	✓	-	-	✓	✓	✓	-	✓	✓	✓	By invitation

- Ory Okolloh ceased to be a director with effect from 24 July 2024
- Francesco Bianco ceased to be a director with effect from 1 August 2024
- James Ludlow was appointed as a director with effect from 28 August 2024
- Rose Ogega ceased to be a director with effect from 29 November 2024
- Edward Okaro was appointed as a director with effect from 31st January 2025



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

- Approved the audited financial statements for the year ended 31 March 2025 as well as the guidance, press release and commentary
- Discussed and resolved to make a recommendation to the shareholders on the approval of the final dividend for the year ended 31 March 2025
- The Board further considered and approved the unaudited half year financial statements for the period to 30 September 2024
- Approved the interim dividend for the year ended 31 March 2025 and made a recommendation to the shareholders on the approval of the final dividend for the year under review
- Approved the Audit fees for the external auditor
- Reviewed and agreed the Company's strategy and ensured that the necessary financial and human resources were in place to meet agreed objectives
- The strategic initiatives and financial plans for the year under review and specifically discussed the funding for Ethiopia
- Approved the FY25 budget, Long Range Plan and monitored performance against the approved budget of the Company
- Monitored the political, regulatory and market development trends
- Discussed and improved the Board's understanding of key risks facing the business in Ethiopia including from a political and economic perspective
- Discussed the risks and mitigations thereof that the business was exposed to including cybersecurity threats, changing regulations and reputational risks
- Reviewed and monitored material litigation cases and their liability and reputational risks
- Received a report on the Board Evaluation
- Received regular reports from the deliberations of the Audit Committee, the Human Resources Committee, the Risk, Environmental, Social and Governance Committee, the Innovations and Investment Committee and the Nominations Committee

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

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.

Safaricom seeks to have a Board that has the right mix of individuals with relevant attributes, skills, knowledge, and experience and who jointly have the overall collective competence to deal with current and emerging issues and effectively guide Management in ensuring the highest performance for the Company. The Non-Executive Directors are expected to have a clear understanding of the strategy of the Company as well as knowledge of the industry in which the Company operates. The aggregate mix of skills and experience of the Directors seeks to challenge Management, ensure robust and constructive debate,

augment and challenges the strategic thinking of the executives thereby adding value to the Company. 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 legal and governance, business management, telecommunications, finance, electrical engineering, IT, mobile money, corporate communications, economics, marketing, project management, risk management and human resources. Short biographies of the Directors, including details of their nationalities, relevant skills, and experience, are set out on pages 146–150.

### 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 or Committee 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. Various conflicts of interest on related party transactions were reported by the affected Directors in the year under review.

### Director induction

On joining the Board, all new Directors receive a detailed induction. The induction programme is initiated by the Chairman of the Board and progressed by the Chief Executive Officer, members of the Senior Leadership Team and the Company Secretary.

The induction programme includes a series of meetings with other Directors, the Chief Executive Officer, and senior executives to enable new Directors to familiarise themselves with the business. This provides an overview of 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. All new directors appointed to the Board have undergone a Board Induction Process.

# HOW WE SAFEGUARD VALUE (continued)

## Corporate governance report (continued)

### Separation of powers and duties of the Chairman and the Chief Executive Officer (CEO) (continued)

#### Board operations (continued)

##### Training and development

All Directors are expected to maintain the skills required to carry out their obligations. Board members undergo regular training and education to enable them to fulfill 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. These are facilitated by experts in the fields relevant to the Company's operations as well as the Management team.

During the financial year under review, the Directors engaged in facilitator-led and online training from credible sources. Topics discussed included: Anti Money Laundering, Countering the Financing of Terrorism (CFT), Countering the Proliferation of Terrorism (CPT) and Artificial Intelligence. To better understand the business, in the year under review, the Board also held deep dive sessions on the continuity and resiliency plan for M-PESA and held strategy sessions with the senior leadership team. A two-day investor relations day was held in Mombasa on 13 to 14 February 2025 where the Board engaged with investors. This was also an opportunity for the Board of Directors to engage out of the boardroom and build on stakeholder relationships.

The 2024 Annual General Meeting of the Company was held on 25 July 2024 provided an opportunity for shareholders to participate, ask questions and share their concerns. The robust engagement of shareholders can be evidenced by the questions and responses during the AGM. <https://www.safaricom.co.ke/images/Downloads/2024-Shareholder-Thematc-Questions-and-Answers.pdf>

In the year under review, each of the Directors who served for the full year was able to secure at least twelve (12) hours of training as prescribed by the CMA Code of Corporate Governance Practices for Issuers of Securities to the Public 2015.

##### Access to independent advice

Pursuant to the Stewardship Code for Institutional Investors the Company undertook the following:

1. Held investor briefings during the year to appraise institutional investors of the Company's performance and respond to questions and comments
2. Engaged institutional investors through its robust and active Investor Relations function such as investor roadshows and forums and via the Company website
3. Made sufficient disclosures about the Company's performance and sustainability performance through its Annual Report, website, social media, AGM and other forums
4. Facilitated effective voting by poll during the Company's 2024 AGM

5. Coordinated with Image Registrars, the Company's Registrars to facilitate efficient flow of information and voting instructions

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.

To assist the Directors to discharge their duties and responsibilities and to enable them to take informed decisions, the Directors are entitled to obtain independent legal, accounting, or other professional advice at the Company's expense. The Board may conduct or direct any investigation to fulfill its responsibilities and can retain, at the Company's expense, any legal, accounting, or other services that it considers necessary from time to time to fulfill its duties.

This is provided for in the Board Charter, the Terms of Reference of each Committee, and the letter of appointment for each Director.

##### Governance Audit

The CMA Code provides that issuers of securities to the public are required to undertake periodic governance audits. Following extensive stakeholder consultation to consider the frequency, cycle, cost and scope of governance audits, the Capital Markets Authority (CMA) advised all issuers of a revision in the cycle of governance audits to at least once every two years with the option of CMA increasing or decreasing this frequency on a risk-based approach.

The Company is currently undertaking a governance audit with Dorion Associates LLP an independent governance auditor. The Company will implement the recommendations of the governance audit with quarterly updates to the Board.

##### 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 31st March 2024 with the objective of ascertaining the level of adherence to applicable laws, regulations, and standards to deliver long term value to stakeholders. The findings from the audit confirmed that the Company was generally in compliance with the applicable laws and regulations.



### Board Evaluation

In line with the provisions of the Code of Corporate Governance Practices for Issuers of Securities to the Public, 2015, the Board undertook an independent annual evaluation of the performance of the Board for the financial year ended 31 March 2025. This was aimed at enabling the Board, the Committees, and their respective members to gauge their performance and identify areas of improvement. The Board Evaluation was done on 22 July 2024 for the FY 24/25 year. The report is currently under review by the Board.

### Corporate Governance Assessment Report

During the year 2024, the Capital Markets Authority assessed the status of implementation of the CMA Code by the Company for the year ended 31 March 2024. The assessment was based on a review of the following areas: commitment to good corporate governance (leadership rating of 90%); board operations and control (leadership rating of 75%); rights of shareholders (leadership rating of 73%); stakeholder relations (leadership rating of 80%); ethics and social responsibility (leadership rating of 96%); accountability, risk management and internal control (leadership rating of 90%); transparency and disclosure (good rating of 94%). The overall rating awarded to the Company was a leadership rating of 85% – a testament to the Board’s commitment to sound corporate governance practices.

The Company continues to implement the recommendations received from the Capital Markets Authority to improve its level of implementation of the recommendations under the Capital Markets Authority Code.

### 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. This statement will be dependent on the shareholding disclosure above.

The breakdown of the Directors’ personal shareholding in the company as at 31 March 2025 is as follows:

Name of Director	2025	2024
Dr. Peter Ndegwa	8,740,477	6,208,543
Dilip Pal	2,220,207	1,342,105
Winnie Ouko	101,831	101,831
Rose Ogega	2,000	2,000

# HOW WE SAFEGUARD VALUE (continued)

## Corporate governance report (continued)

### Board committees membership and meeting attendance

#### Board committees

The Board has delegated authority to various Board committees to be able to undertake its mandate effectively and efficiently. During the year under review, the Board had five committees: Audit Committee, Risk Environmental and Social Governance Committee, Human Resources Committee, Innovation and Investments Committee and Nominations Committee. Each committee has formal and approved terms of reference that sets out the roles and responsibilities and the procedural rules that apply to the committee.

Each Committee periodically reviews its terms of reference to ensure that 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.

During the year, the board was in transition as of 31 March 2025 and was hiring new board members.

### Audit Committee

#### Membership

As at 31 March 2025, the Audit Committee consisted of two (2) Independent Directors. The committee continued to report to the Board after every committee meeting. The Committee was chaired by an Independent Non-Executive Director with at least one (1) committee member holding a professional qualification in audit or accounting and in good standing with the relevant professional body.

#### Members as at 31 March 2025

1. Winnie Ouko (Chairperson)
2. Edward Okaro (By Invitation)
3. Raisibe Morathi
4. Dr Karen Kandie

**Secretary of the Committee:** Linda Wambani-Anene

#### Permanent invitees:

5. Dr Peter Ndegwa (CBS) (Chief Executive Officer)
6. Dilip Pal (Group Chief Financial Officer)
7. Nicholas Mulila (Chief Corporate Security Officer)
8. Denish Osodo (Director, Internal Audit)
9. Ernst & Young (External Auditor)

### Functions of the Audit Committee

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

The role and responsibilities of the Audit Committee include:

- Monitoring the integrity of the financial statements, including the review of significant financial reporting judgements
- Providing advice to the Board on whether the Annual Report is fair, balanced, and understandable and the appropriateness of the long-term viability statement
- Reviewing and monitoring the external auditor's independence and objectivity and the effectiveness of the external audit
- Reviewing the system of internal financial control and compliance
- Monitoring the activities and review the effectiveness of the Internal Audit function

## The attendance of the Board Audit Committee meetings for 2024/2025

	ROSE OGEGA	WINNIE OUKO	ORY OKOLLOH	RAISIBE MORATHI	DR. KAREN KANDIE	EDWARD OKARO
26 April 2024	✓	✓	✓	Apology	✓	–
16 July 2024	✓	✓	✓	✓	✓	–
31 October 2024	✓	✓	–	✓	✓	–
8 February 2025	–	✓	–	✓	✓	By invitation

- Ory Okolloh ceased to be a member of the Committee with effect from 24 July 2024.
- Rose Ogega ceased to be a member of the Committee with effect from 29 November 2024.
- Edward Okaro became a member of the Committee with effect from 15 January 2025.

### Key Audit Committee activities

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

- Reviewed the half year results and full year results, audited accounts, and related reports thereof
- Reviewed the interim and final dividend recommendations
- Reviewed the External Auditors Management Letter
- Reviewed the External Auditors' Interim Findings Report
- Discussed and approved the External Audit Service Plan for the year ending 31 March 2025
- Discussed and made recommendation to the Board on the approval of the external auditor's fees
- Conducted a review of the external auditor's effectiveness and independence and made recommendation for the re-appointment of the External Auditor
- Reviewed and approved the Internal Audit plan for the year ended 31 March 2025
- Reviewed the Internal Audit Reports in every quarter and status against the approved internal audit plan
- Undertook an assessment of the Internal Audit Function and received the Feedback of the evaluation
- Reviewed the provisions of the Internal Audit Charter and approved the same
- Discussed the Related Party Transactions and made recommendations to the Board
- Reviewed and approved the Committee's work plan for implementation
- Reviewed the Terms of Reference of the Committee

- 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.

### External auditor

Messrs. Ernst & Young are the Company's external auditor. The Audit 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. In line with the Company's Policy and the Central Bank of Kenya Prudential Guidelines, the Board Audit Committee is currently in the process of rotating the lead audit partner. During the year under review, as guided by the External Auditor Management Policy (EAMP), the Committee and Management had undertaken an appraisal of the external auditor's performance based on their quality-of-service delivery, auditor independence among other aspects. Based on the evaluation results, the Committee was satisfied with the performance of the Company's external auditor and this position was endorsed by the Board.

# HOW WE SAFEGUARD VALUE (continued)

## Corporate governance report (continued)

### Risk, Environmental, Social and Governance Committee

#### Membership

As at 31 March 2025, the Risk Environmental, Social and Governance Committee consisted of three Non-Executive Directors. The Committee continued to report to the Board after every committee meeting.

#### Members as at 31 March 2025

1. Dr. Karen Kandie (Chairperson)
2. James Ludlow (By invitation)
3. Raisibe Morathi

**Secretary of the Committee:** Linda Wambani-Anene

#### Permanent invitees:

1. Dr Peter Ndegwa (CBS) (Chief Executive Officer)
2. Dilip Pal (Group Chief Financial Officer)
3. Nicholas Mulila (Chief Corporate Security Officer)
4. Karen Basiye (Director, Sustainable Business and Social Impact)

### Functions of the Risk, Environmental, Social and Governance Committee

The Risk, Environmental, Social and Governance Committee meets at least four times a year to discuss risk, environmental, social and governance matters. To fulfill its oversight responsibility, the committee receives reports from Management.

The role and responsibilities of the Risk, Environmental, Social and Governance Committee include:

- Reviewing and assessing the Company's risk management programmes (Enterprise Risk, Cyber Security, Privacy, Physical Security, AML, Business Assurance, Ethics and Compliance) and the adequacy of the overall control environment including regularly reviewing the nature and extent of the Company's risk appetite as well as monitoring the significant risks that the Company is willing to take in achieving its strategic directives
- Ensuring that the annual report includes appropriate reporting on risk management, including an explanation of how principal risks have been managed or mitigated
- Evaluating the Company's procedures to safeguard assets, prevent fraud, detect fraud, and bribery incidents
- Reviewing quarterly reports on the Company's Anti Money Laundering programs, systems, and controls
- Assessing the adequacy of Cybersecurity and Privacy programmes and controls, including investments and budget allocations, to address emerging risks, threats, and vulnerabilities appropriately
- Providing oversight, guidance, and strategic direction on Technology and IT governance to ensure that Technology/ IT risks are properly managed, and IT systems and processes support the organisation's objectives while mitigating potential risks
- Reviewing reports and updates on cyber security threats landscape, breaches, privacy incidents, and responses to ensure appropriate actions are taken to mitigate against cyber and privacy threats
- Reviewing and monitoring the effectiveness of the company's resilience and business continuity arrangements and the testing of these from time to time



## The attendance of the Board Risk, Environmental, Social and Governance Committee meetings for 2024/2025

A summary of the attendance of the Members of the Risk, Environmental, Social and Governance Committee is shown below:

	JAMES LUDLOW	FRANCESCO BIANCO	ORY OKOLLOH	RAISIBE MORATHI	DR. KAREN KANDIE	ROSE OGEGA
25 April 2024	-	✓	Apology	✓	✓	✓
12 July 2024	-	Apology	✓	✓	✓	✓
15 October 2024	By invitation	-	-	✓	✓	✓
23 January 2025	By invitation	-	-	✓	✓	-

- Ory Okolloh ceased to be a member of the Committee with effect from 24 July 2024.
- Francesco Bianco ceased to be a member of the Committee with effect from 1 August 2024.
- Rose Ogega ceased to be a member of the Committee with effect from 29 November 2024.
- James Ludlow joined the Committee with effect from 28 August 2024.

### Key Risk, Environmental, Social and Governance Committee activities

- Reviewed the content of various Policy documents including AML/CFT/CPL Policy
- Discussed in detail the Business Risk Updates including changes in the heat map
- Discussed various reports at the quarterly meetings that covered: Cyber Security Management Updates, AML/CFT programme Updates, Data Privacy programme updates and Business Ethics and Compliance Updates
- Discussed significant litigations cases and liability thereof
- Reviewed the Conflict of Interest Policy, Data Disposal and Retention Policy and Stakeholder Relations Policy

### 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 Risk, Environmental, Social and Governance 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.

- 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.
- Safaricom PLC Enterprise Risk Management Framework is aligned to ISO 31000 International Risk Management Standard and the Committee of Sponsoring Organizations (COSO) framework to ensure the best practices in the governance of risk. The risk management process adopts both a bottom up and top down approach to identify and escalate risks across all levels of the organisation.
- The Board, with advice from its Risk, Environmental, Social and Governance 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.

# HOW WE SAFEGUARD VALUE (continued)

## Corporate governance report (continued)

### Human Resources Committee

#### Membership

As at 31 March 2025, the Human Resources Committee consisted of two Independent Directors. The Committee continued to report to the Board after every Committee meeting. The Committee was chaired by an Independent Non-Executive Director.

#### Members as at 31 March 2025

1. Winnie Ouko (Chairperson)
2. Edward Okaro (By invitation)
3. Dr. (Eng) John Mosonik
4. Shameel Joosub
5. James Ludlow (By invitation)

**Secretary of the Committee:** Linda Wambani-Anene

#### Permanent invitees:

1. Dr Peter Ndegwa (CBS) (Chief Executive Officer)
2. Florence Nyokabi (Chief Human Resources Officer)

#### Functions of the Human Resources Committee

The Human Resources Committee meets at least four times a year.

The purpose of the Committee is to assist the Board:

- Review and recommend to the Board for approval, the Company's Human Resources policies and manuals with respect to various matters including performance management, compensation and benefits, delegation of authority and learning and development and ensure that they comply with the relevant legislations and standards
- Review organisational culture which shall be clearly articulated and in line with the Company's strategies
- Review appropriate staffing policies for the Chief Executive Officer, Senior Management and other employees of the Company
- Oversee the development and implementation of key human resource strategies that ensure employees remain motivated and promote retention of talent
- Ensure that the Performance Management Policy is implemented throughout the Company, and that all staff are included in the system of performance review
- Ensure management continuity through annual review and approval of a succession plan for the CEO and review of the CEO's plans on capacity building for Senior management
- Ensure that the CEO has put into place and is monitoring succession planning systems and policies for senior management, including processes to identify, develop and retain the talent of key senior managers while maintaining an appropriate balance of skills and experience and to ensure that this is reviewed periodically
- Periodically review and discuss key strategic staffing issues with Management as and when necessary
- Review the content and implementation of the action plans resulting from the annual Staff Survey including any Pulse surveys thereof
- Review the recommendations from Management on health, retirement and other related employee benefit programmes
- Review, advise, and recommend for the approval of the Board, a remuneration policy and framework for the remuneration of the Non-executive Directors and CEO of the Company and its subsidiaries
- Review, advise and recommend for the approval of the Board, an overall remuneration policy, performance management policies and rewards structure for Senior management in the Company and those of the Company's subsidiaries
- Discuss and agree upon measurable performance goals/ key performance indicators (KPIs) that will be used to assess the CEO for the financial year and ensure that due consultations are held with the relevant stakeholders prior to finalisation of the KPIs and that the Board approves the KPIs

## The attendance of the Human Resources Committee Meetings for 2024/2025

A summary of the Human Resources Committee members attendance is shown below:

	SHAMEEL JOOSUB	WINNIE OUKO	ROSE OGEGA	DR. (ENG) JOHN MOSONIK	ORY OKOLLOH	FRANCESCO BIANCO	JAMES LUDLOW	EDWARD OKARO
29 April 2024	✓	✓	Apology	✓	✓	✓	-	-
3 May 2024 (Special Session)	✓	✓	Apology	✓	✓	✓	-	-
4 September 2024	✓	✓	✓	✓	-	-	By invitation	-
29 October 2024	✓	✓	✓	✓	-	-	By invitation	-
3 February 2025	✓	✓	-	✓	-	-	By invitation	By invitation

- Ory Okolloh ceased to be a member of the Committee with effect from 24 July 2024.
- Francesco Bianco ceased to be a member of the Committee with effect from 1 August 2024.
- Rose Ogega ceased to be a member of the Committee with effect from 29 November 2024.
- James Ludlow joined the Committee with effect from 28 August 2024.
- Edward Okaro joined the Committee with effect from 15 January 2025.

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

- Reviewed the performance of the Chief Executive Officer and his remuneration thereof as well as the targets for 2024/2025.
- Discussed and made recommendation to the Board on Employee Compensation and Bonus Review for the year 2024/2025 as well as changes to the bonus framework.
- Discussed and approved the Share Grants Proposal for 2024/2025.
- Reviewed the succession planning for the Senior Leadership Team (SLT).
- Reviewed the results of the interim employee opinion survey.
- Undertook an assessment of the independence of the Independent Directors in line with the provisions of the Code.
- Discussed various HR Thematic Areas including succession planning for the SLT, Culture and Talent: Diversity and retention.
- Reviewed and approved the Committee's work plan for implementation.

# HOW WE SAFEGUARD VALUE (continued)

## Corporate governance report (continued)

### Nominations Committee

#### Membership

As at 31 March 2025, the Nominations Committee consisted of two Non-Executive Directors. The Committee continued to report to the Board after every Committee meeting. The Committee was chaired by two Independent Non-Executive directors.

#### Members as at 31 March 2025

1. Winnie Ouko (Chairperson)
2. Shameel Joosub
3. Dr. (Eng.) John Mosonik
4. Edward Okaro (By invitation)
5. James Ludlow (By invitation)

**Secretary of the Committee:** Linda Wambani-Anene

#### Permanent invitees:

1. Peter Ndegwa (Chief Executive Officer)
2. Florence Nyokabi (Chief Human Resources Officer)

### Functions of the Nominations Committee

The Nominations 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.
- 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 Committee meeting members attendance is shown below:

### The attendance of the Nominations Committee Meetings for 2024/2025

	SHAMEEL JOOSUB	WINNIE OUKO	DR. (ENG.) JOHN MOSONIK	ORY OKOLLOH	FRANCESCO BIANCO	JAMES LUDLOW
16 July 2024	✓	✓	✓	✓	Apology	–
22 October 2024	✓	✓	✓	–	–	–
15 January 2025	✓	✓	✓	–	–	By invitation

- Ory Okolloh ceased to be a member of the Committee with effect from 24 July 2024.
- Francesco Bianco ceased to be a member of the Committee with effect from 1 August 2024.
- James Ludlow joined the Committee with effect from 15 January 2025.

## Key discussions by the Nominations Committee

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

- Led the process for identifying and nominating for approval by the Board of Independent Directors
- Discussed the skills matrix for current directors and the talent pool development for the Board
- Received updates on the implementation of the recommendations from the Board evaluation reports
- Reviewed and made recommendation to the Board on the composition of the Board Committees
- Reviewed and approved the Committee's work plan for implementation

## Special Committees

The Board is authorised by the Company's Articles of Association to form standing or special committees to deal with specific matters. The Board retains oversight authority over such committees. The Board Innovation and Investments Committee was formed as a standing committee which reviews key projects and investments for the Company.

As at 31 March 2025, the Investment Committee was chaired by a Non-Executive Director. The Committee continued to report to the Board after every Committee meeting.

## Innovation and Investments Committee

### Members as at 31 March 2025

1. Dr. (Eng.) John Mosonik (Chairman)
2. Shameel Joosub
3. Raisibe Morathi
4. Murielle Lorilloux

**Secretary of the Committee:** Linda Wambani-Anene

### Permanent invitees:

1. Peter Ndegwa (Chief Executive Officer)
2. Dilip Pal (Group Chief Financial Office)
3. Michael Mutiga (Chief Business Development and Strategy Officer)

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

## The attendance of the Investment Committee Meetings for 2024/2025

	SHAMEEL JOOSUB	ORY OKOLLOH	RAISIBE MORATHI	MURIELLE LORILLOUX	DR. (ENG) JOHN MOSONIK
2 May 2024	✓	✓	✓	By invitation	✓
27 May 2024 (Special Session)	✓	✓	✓	By invitation	✓
4 July 2024	✓	✓	Apology	✓	✓
17 October 2024	✓	–	✓	✓	✓
28 January 2025	✓	–	Apology	✓	✓

- Ory Okolloh ceased to be a member of the Committee with effect from 24 July 2024.

# HOW WE SAFEGUARD VALUE (continued)

## Corporate governance report (continued)

### Subsequent events

On 15 January 2025, the Board approved the reconstitution of its committee structure and membership. This is to ensure increased focus on the implementation of the mandate of each committee for the benefit of the Company as a whole, to create efficiencies in the reporting structure to the Board and allow for broader participation from all Directors.

The committees and their memberships as at 31 March 2025 was as follows.

In line with best practice, the Chairman of the Board is not a member of any of the committees. The Chief Executive Officer is a permanent invitee to all the Committees.

	Audit Committee	Risk and ESG Committee	Nominations Committee	Human Resources Committee	Innovations and Investment Committee
Shameel Joosub			✓	✓	✓
Raisibe Morathi	✓	✓			✓
James Ludlow		✓	✓	✓	
Dr Karen Kandie	✓	✓			
Edward Okaro	✓		✓	✓	
Winnie Ouko	✓		✓	✓	
John Mosonik			✓	✓	✓
Murielle Lorilloux					✓

## 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.

### 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 summary of the governance documents and their key provisions are listed below:

### Non-Executive Directors 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. 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

Safaricom has 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 behavior 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 whistleblowing 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 Whistleblowing policy has been uploaded on the Company's website.

### 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 that 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 money 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.

# HOW WE SAFEGUARD VALUE (continued)

## Corporate governance report (continued)

### Governance policies (continued)

#### 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.


#### Stakeholder Relations policy

This Policy outlines a framework that guides Safaricom on its interactions with its different stakeholder groups to address their interests and expectations to drive Safaricom's reputation, cultivate long and healthy relationships built on trust and improve the quality of its engagements.

#### Data Retention and Disposal Policy

This Policy ensures that data and information required for business use is processed appropriately having regard to the sensitivity and confidentiality of the material. That data and information is retrievable and easily traced within stipulated timelines whenever required, not retained for longer than is required by Safaricom business or Kenyan law, disposed of securely to ensure that copyrights are not breached and to prevent them from unauthorised access, adequately protected, maintained and discarded at the proper time and in a secure manner if no longer needed by Safaricom or of no value.

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.

All governance policies are available on the company's website at: [www.safaricom.co.ke](http://www.safaricom.co.ke) > about > who-we-are > our-governance-policies — 

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

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 webpage [<https://www.safaricom.co.ke/investor-relations>] dedicated to the information requirements of the shareholders, institutional investors and investment analysts
- Investor briefing sessions are held immediately after the announcement of interim and full year results and additionally during the year to appraise institutional investors of the Company's performance and respond to questions and comments
- 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 and enables effective voting by poll as was done during the Company's 2024 Annual General Meeting
- Safaricom Plc Board in collaboration with the board of its subsidiary Safaricom Telecommunication Ethiopia hosted a two-day investor day in Mombasa on 13 and 14 February 2025

The Company's Annual General Meeting (AGM) is an opportunity for shareholder engagement where the Chairman and the Chief Executive Officer explain the Company's full year performance and receive questions from shareholders.

# Directors' remuneration report for the year ended 31 March 2025

The Chairpersons of the Audit, Risk, Environmental Social and Governance Committee, Human Resources Nominations, and Innovation and Investment 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 macro and regulatory environment, devaluation of the Ethiopian currency, performance, GSM business, the competitive landscape and market share, and the latest developments in industry regulation.

## 1.1 Introduction

The key objective of the Board Nominations Committee (BNC) 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 page 167. 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, which are both available on the Company's website.

## 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. 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 twelve 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:

- a. Ensuring our remuneration policy, and the way it is implemented, drives the behaviors that support our strategy and business objectives.
- b. Maintaining a "pay for performance" approach to remuneration which ensures our incentive plans only deliver significant rewards when they are justified by business performance.
- c. 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
- d. 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:

- a. Annual retainer fee for the Chairman and other non-executive directors, which is paid on a quarterly basis.
- b. Sitting allowances for Board and Board Committee meetings.
- c. Expenses incurred with respect to travel, accommodation, pre-approved consultancy fees or other expenses incurred because 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 2025. The current compensation structure was determined following a benchmarking exercise with comparable entities that was undertaken in 2024 by PricewaterhouseCoopers (PwC) and which was discussed substantively by the Human Resources Committee on 3 February 2025. The Board approved the revised compensation package for the Non-Executive Directors on 12 February 2025.

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.

