

## SAFARICOM PLC

### MINUTES OF THE ANNUAL GENERAL MEETING FOR THE YEAR 2020 HELD ELECTRONICALLY FROM THE MICHAEL JOSEPH CENTER ON THURSDAY, 30 JULY 2020 AT 11:00 A.M.

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**Present:** Mr Nicholas Ng'ang'a - Chairman  
Mr Michael Joseph - Director  
Mr Peter Ndegwa - Chief Executive Officer

And 81,740 members who registered for the electronic meeting and holding 34,809,198,073 ordinary shares (87% of the issued share capital).

**In Attendance:** Mr Sateesh Kamath - Chief Finance Officer  
Mr Peter Ngahu - Representing PricewaterhouseCoopers, External Auditors  
Ms Kathryn Maundu - Company Secretary

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#### **Min 1/2020 NOTICE AND QUORUM**

The Chairman called the meeting to order at 11:00 a.m. and welcomed all the Shareholders and observers to the Company's Annual General Meeting for the year 2020 which was being held virtually.

The Chairman introduced himself, the Directors of the Company who were present and those who were attending the meeting virtually, the representative of the Company's External Auditors and the Company Secretary.

The Secretary confirmed that in accordance with the High Court order dated and delivered on 29<sup>th</sup> April 2020, pursuant to Miscellaneous Application No. E680 of 2020, the Company applied and received the "No Objection" letter from the Capital Markets Authority on 30<sup>th</sup> June 2020 to conduct a virtual annual general meeting. To this end, the Company had met all the required conditions with respect to the convening and conducting of this Annual General Meeting of the Company by electronic means.

The Secretary gave a summary of the attendance at the meeting and confirmed that in accordance with Article 67 of the Company's Articles of Association, the meeting was quorate.

The Chairman then declared the meeting properly convened and constituted.

The Secretary gave the highlights of the Notice convening the meeting, and highlighted the Ordinary business and Special business that would be tabled to the Shareholders for deliberation.

The Chairman explained that the minutes of the previous year's Annual General Meeting held on 30 August 2019 were approved by the Board of Directors' and had been signed by the Chairman for the Company's records.

#### **Min 2/2020 AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2020**

The Chairman highlighted the salient points of the Chairman's Statement for the year ended 31 March 2020. Mr Michael Joseph, the outgoing Chief Executive Officer for the year under review and Mr Peter Ndegwa, the Chief Executive Officer, gave their brief remarks to the Shareholders on the performance and future outlook of the Company.

The Directors' Report was taken as read.

Mr Peter Ngahu read the Auditors' opinion on the Financial Statements.

The Consolidated Financial Statements and Statement of Financial Position for the year ended 31 March 2020 were thereafter tabled.

The Chairman informed the meeting that shareholders were given an opportunity to ask questions and seek clarifications with respect to the Financial statements and the resolutions contained in the notice and agenda of this meeting, prior to the Annual General Meeting (AGM). Responses were provided to all the shareholders who asked questions and sought clarifications prior to the AGM. Over 2,500 questions were responded to. He explained that the responses to the questions raised were classified into thematic areas and had been uploaded on the Company's website.

At this juncture, the Chairman explained to the shareholders that voting on all resolutions put forward to the meeting would be conducted by poll and that the results of the voting would be announced prior to the closure of this meeting. He urged shareholders to vote for the various resolutions as the meeting progressed. A video with the guidelines on how shareholders could cast their votes for the resolutions placed before the AGM and which were summarised in the Notice of this meeting, was played.

The Chairman thereafter, gave an opportunity to shareholders to ask additional questions of which he together with the CEO and the CFO responded to. The questions were from the shareholders who dialed into the meeting as well as those who had asked questions on the livestream. The questions asked were on the Financial Statements and various aspects of the Annual Report and were answered satisfactorily.

On a proposal by Grace Nyarangi Kenyanya, seconded by Assumpta Ndumi Ngombalu, **it was resolved by majority vote**, that the Consolidated Financial Statements and Statement of Financial Position for the financial year ended 31 March 2020, together with the Chairman's Statement, the Directors' and Auditors' Reports thereon be and are hereby adopted.

**MIN 3/2020 DIVIDEND**

On a proposal by Grace Waithira Mburu, seconded by Purity Nyokabi Macharia, **it was resolved by majority vote**, to approve a final dividend of Kshs 1.40 per share for the financial year ended 31 March 2020 payable on or before 31 August 2020 to the Shareholders on the Register of Members as at the close of business on 30 July 2020 as recommended by the Directors.

**MIN 4/2020 DIRECTORS**

It was noted that Ms Rose Ogega was retiring at the meeting in accordance with the provisions of Articles 90 and 91 of the Company's Articles of Association and, being eligible, had offered herself for re-election. Ms Ogega's profile was projected for the shareholders to take note of.

On a proposal by Francis Mbugua Koileken Montet, seconded by Norbert Musyimi Kalata, **it was resolved by majority vote**, that Ms Rose Ogega be and is hereby re-elected as a Director of the Company.

**MIN 5/2020 APPOINTMENT OF MEMBERS OF THE BOARD AUDIT COMMITTEE**

The Chairman informed the Meeting that pursuant to the provisions of Section 769 of the Companies Act 2015, the members of the Board Audit Committee offered themselves for appointment to continue serving as members of the Audit Committee.

On a proposal by Kelvin Mungai Njoki, seconded by Nicholas Mugo Munyi, **it was resolved by majority vote**, that the following Directors, being members of the Board Audit Committee be and are hereby appointed to continue to serve as members of the Committee: Ms Rose Ogega, Dr Bitange Ndemo, Mrs Esther Koimett and Mr Mohamed Joosub.

**MIN 6/2020 DIRECTORS' REMUNERATION AND THE REMUNERATION PAID FOR THE YEAR ENDED 31 MARCH 2020**

On a proposal by Nancy Wairimu Chira and Penninah Wanjiku Waweru, seconded by Janet Njoki Nganga and **resolved by a majority vote**, to approve the Directors' Remuneration Report and the remuneration paid to the Directors for the year ended 31 March 2020.

## MIN 7/2020 AUDITORS

The Chairman informed the meeting that in line with good governance practices, Messrs PricewaterhouseCoopers would retire at the end of this meeting as the Company's Auditors. He explained that following a competitive process, the Board recommended the appointment of Messrs Ernst & Young and, requested authorization for the Directors to fix their remuneration for the ensuing financial year.

On a proposal by Esther Wairimu Wanjohi, seconded by Dickson Robbie Onyango Otieno, **it was resolved by a majority vote** to appoint Messrs Ernst & Young, in office as the Company's Auditors in accordance with the provisions of Section 721 (2) of the Companies Act, 2015. **It was further resolved by a majority vote**, that the Directors be and are hereby authorised to fix the Auditors' remuneration for the ensuing financial year.

There being no other business of which due notice had been given, the Chairman concluded the Ordinary Business of the meeting and introduced the Special Business of the Annual General Meeting.

The Chairman informed the meeting that the Company's current Articles of Association were drafted at a time when a situation such as the COVID-19 pandemic and its impact was not envisaged. Following the various Public Health Regulations and Government directives to restrict movement of persons and public gatherings, it was notable that the Articles of Association did not provide for the holding of virtual general meetings. The Directors viewed this as an opportune time to modernize the Company's Articles of Association and had proposed an amendment to the Articles which was set out in detail in the agenda of the meeting as indicated on page 206 in the Annual report.

## MIN 8/2020 CHANGE TO THE COMPANY'S ARTICLES OF ASSOCIATION

On a proposal by Joseph Mwangi Waiyaki Thuita, seconded by Samuel Gitonga Arithi and **resolved by a majority vote**, to pass the following resolutions as special resolutions, as recommended by the Directors:-

- a) That the Articles of the Company be amended by adding the following sentence as Line 2 of Article 63:-

"The Company may give such notice in writing or by electronic means or by a combination of means permitted by the Statutes."

- b) That the Articles of Association of the Company be amended by inserting the following new Article 64A:

### 64. ATTENDANCE OF A GENERAL MEETING BY ELECTRONIC MEANS

64A.1 In the case of any general meeting, the Board may make arrangements for simultaneous attendance and participation by electronic means allowing persons not present together at the same place to attend, speak and vote at the meeting. The arrangements for simultaneous attendance and participation at any place at which persons are participating, using electronic means may include arrangements for controlling or regulating the level of attendance at any particular venue provided that such arrangements shall operate so that all members and proxies wishing to attend the meeting are able to attend at one or other of the venues, including venues chosen by such persons individually.

64A.2 The members or proxies at the place or places at which persons are participating via electronic means shall be counted in the quorum for, and be entitled to vote at, the general meeting in question, and that meeting shall be duly constituted and its proceedings valid if the Chairman of the meeting is satisfied that adequate facilities are available throughout the meeting to ensure that the members or proxies attending at the place or places at which persons are participating via electronic means are able to:

- a) participate in the business for which the meeting has been convened; and
- b) see and hear all persons who speak (whether through the use of microphones, loud speakers, computer, audio-visual communication equipment or otherwise, whether in use when these Articles are adopted or developed subsequently) in the place at which persons are participating and any other place at which persons are participating via electronic means.

The Chairman thereby concluded the Special Business of the Meeting and requested the Company Secretary to read out the results of each resolution and confirm whether the resolution had been approved. The Company Secretary tabled the results of the voting and the same form part of these minutes. The meeting was informed that the results of the voting would be communicated to the Capital Markets Authority and the Nairobi Securities Exchange within 24 hours and would also be uploaded on the Company's website.

Prior to closure of the meeting, the Chairman took the opportunity to inform shareholders that this was his last AGM as Chairman of Safaricom as he was retiring as a Director in the Company and consequently as Chairman of the Board with effect from 1 August 2020. He thanked all the Shareholders, the Board, Management team at Safaricom and all stakeholders for their support over the years and wished the Company the very best.

**THERE BEING NO FURTHER BUSINESS, THE CHAIRMAN DECLARED THE MEETING CLOSED AT 12:50 P.M.**

Confirmed: \_\_\_\_\_  
Chairman

Date: \_\_\_\_\_