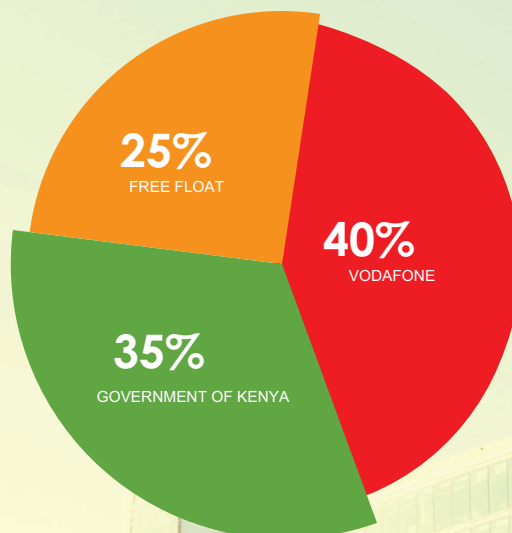


SHAREHOLDERS

WHO ARE OUR SHAREHOLDERS?



WHAT ARE SHAREHOLDERS' NEEDS AND EXPECTATIONS OF US?

Our shareholders expect us to remain a high-performing company that balances delivering consistent and sustainable financial returns against ethical and environmentally responsible operation. As a reflection of this, they expect us to retain our experienced, proven management team and to uphold the very highest standards of corporate governance and practices. In terms of the exchange of information and ideas that also underpins shareholder trust and fosters commitment, they expect:

- Timely and accurate financial information;
- Explanations of our business model and strategy for creating long-term value;
- Updates on management expectations regarding changes in macro and micro environments;
- Updates regarding changes in the competitive and regulatory landscapes;
- Consistent and sustainable financial performance; and
- Experienced management and strong corporate governance practices.

HOW DID WE DELIVER VALUE TO SHAREHOLDERS DURING THE YEAR?

We deliver value to our shareholders through our strong financial performance and through how we engage and communicate with them.

Financial performance

We delivered strong financial performance in the current year, which has resulted in dividend growth and share appreciation:

- Achieving an EBITDA of KSH 71.2bn, up 17% from the prior year
- Achieving a 38% increase in net income (increase to KSH 31.9bn)
- Proposing a dividend per share of KSH 0.64, which is 36% higher than last year
- Increasing our free cash flow by 21% to KSH 27.5bn

This strong financial performance is the result of Safaricom successfully implementing its strategy to grow revenue while controlling costs (please refer to the Annual Report for more details).

Communications to shareholders

We engage with individual investors, fund managers, analysts and other members of the investment community actively. On a regular, ongoing basis, we deliver value to these important stakeholders by ensuring that we are available to them and respond to their telephonic, email and message-based enquiries swiftly. We also publish an annual report to keep investors updated on financial and non-financial performance, and we hold an annual general meeting, which provides a forum for discussion and debate with shareholders.

We also disseminate information about financial results, reports and upcoming events to them via press releases and other communiqués. In addition, we will invite shareholders and other members of the investment community to briefings and workshops as required.

We maintain an up-to-date investor dashboard on the Safaricom website as well, which enables investors to access a wide range of information conveniently and easily, including our investor calendar of events and forms, our current corporate strategy, analyst coverage, fact sheets, share price information, half year and full year results, our reports, along with information regarding our current governance and sustainability objectives and performance.

Along with these standard, ongoing responses, some of the specific ways in which we have delivered value to our shareholders during the reporting period include:

Local and international investor road shows

During the year, we hosted investor road shows to share our interim and full year results. During these roadshows we update shareholders on our strategy and outlook.

Swift dividend payouts

During the year, we began paying shareholders their dividends through our M-PESA platform, which has made it a cheaper and more convenient process for recipients, particularly smaller investors.

FOCUS AREAS FOR THE YEAR AHEAD

In the new financial year, we will continue to grow our revenue and control costs, through the following strategic objectives:

- putting our customers first;
- delivering relevant products; and
- ensuring excellence in operations.

These strategic imperatives will be underpinned by evolving the Best Network in Kenya programme to become Best Network for you, growing our mobile data, delighting our customers, deepening financial inclusion, striving to be the partner of choice, growing our youth appeal and encouraging further innovation.

We will continue the communications and engagement programme established with our investors.

Sustainability is still not viewed as a strategic priority for many of the organisations in our business ecosystem. As we continue to integrate sustainability in our own company, we hope to elevate the importance of integrating sustainability in business practice and investment decisions, for our broader ecosystem.

