

CO-OP BANK AGM RATIFIES SH5.9 BILLION DIVIDEND PAYOUT AND THE ACQUISITION OF 90 PER CENT EQUITY STAKE IN JAMII BORA (KINGDOM BANK)

The shareholders of the Co-operative Bank Group at their 12th Annual General Meeting (AGM) held virtually today (22nd October 2020) has ratified a dividend of **Sh1.00 per share**, being the same level of dividend payout as for the previous year 2018.

Following the regulatory guidance by the Capital Markets Authority (CMA), year 2019 dividend amounting to a total cash payment of **Sh 5.9 Billion** was paid out in April this year. The payment represented a most timely injection of liquidity to the shareholders and notably the 15 million-member Co-operative Movement to mitigate the economic ravages of the pandemic.

Co-op Holdings Co-operative Society, the 64.5% strategic shareholder received a dividend of **Kshs 3.79 Billion**.

The bank has maintained a solid dividend track record on the back of sustained profitability over the years. Year 2019 performance was remarkable with the Bank reporting a profit before tax of **Sh 20.7 Billion**, a 14% increase from the **Sh18.2 Billion** in 2018, against a backdrop of a challenging operating environment.

The AGM was also given an update on the Growth Strategies of the Group. The AGM noted the historic challenges occasioned by the Covid-19 pandemic that has brought about unprecedented economic and social disruption globally.

The AGM was appraised that the Group continues to implement proactive enterprise risk management initiatives to ensure uninterrupted business operations. A key activity in this respect entails engaging customers to support them through this period by re-aligning the servicing of facilities, funding and transactional needs. In total, **Kshs. 39.2 Billion** in loans have been restructured as at the close of June this year, to support customers on the Covid-19 pandemic.

The AGM ratified the re-election of Messrs Wilfred Ongoro, Lawrence Karissa and Margaret Karangatha to the Board for another term of three years, and also ratified the election of Mrs. Weda Welton as a director of the Company.

The AGM also ratified the acquisition of 90 per cent shareholding by Co-op Bank in Jamii Bora Bank (now trading as Kingdom Bank).

Accolades

The AGM noted with much appreciation the recent recognition and awards that the bank had received. These include the following;

1. **Overall Winner** of the Kenya Bankers Association (KBA) 2019 Sustainable Finance Catalyst Award.
2. The bank was also named **Best Bank in Sustainable Finance in Kenya** at the June 2019 Energy Management Awards hosted by the Kenya Association of Manufacturers
3. **Overall Winner in Environmental Sustainability Reporting** at the 2019 East African Financial Reporting (FiRe) Awards.

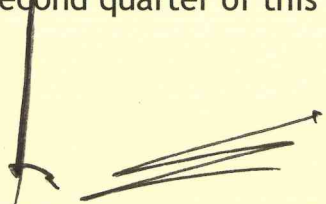
More recently, Co-op Bank has been recognised with more accolades, including;

4. **Best Bank in Kenya** Award, in the African Banking Awards 2020 by EMEA
5. **Energy Manager of the Year in Sub Sahara Africa** award to the bank's Energy Manager Albert Ouma by the global Association of Energy Engineers.
6. Signing up to the **United for Wildlife 2018 Mansion House Declaration**, committing to fight the illegal trafficking in wildlife by way of building illegal wildlife trade into existing financial crime compliance programs.

Future outlook

The AGM was informed that Co-op Bank is well-positioned to ride out the economic slowdown caused by the pandemic. The Group has put in place a proactive mitigation strategy anchored on a strong enterprise risk management framework, to enable uninterrupted access to banking services. The business continues to pursue strategic initiatives that focus on resilience and growth in the 'New Normal' as the Nation focuses on flattening the curve and as vibrancy returns to the Economy.

The Bank has already reported a strong Profit before Tax of **Kshs.9.6 Billion** for the second quarter of this year.

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DR. GIDEON MURIUKI - CBS, MBS
GROUP MANAGING DIRECTOR & CEO

22ND OCTOBER 2020