



**PRIVATE & CONFIDENTIAL**

**MINUTES OF THE ANNUAL GENERAL MEETING HELD ON  
26<sup>TH</sup> APRIL 2019 AT 11.00 A.M AT THE CO-OPERATIVE  
BANK LEADERSHIP & MANAGEMENT CENTRE, KAREN - NAIROBI.**

**Board Members Present: -**

1. Mr. M. Malonza, HSC	-	Chairman
2. Mr. P. K. Githendu	-	Vice Chairman
3. Mr. D. Ityeng	-	Ag. Commissioner of Co-ops
4. Mr. G. Mburia	-	Director
5. Mr. B. Simiyu	-	Director
6. Mr. R. Kimanthi	-	Director
7. Mr. D. Muthigani	-	Director
8. Mr. J. Njue	-	Director
9. Mrs. S. Odhiambo	-	Director
10. Mr. J. Sitienei	-	Director
11. Mr. W. Ongoro, HSC	-	Director
12. Mr. F. Ngone	-	Director
13. Mr. G. M'Nairobi	-	Director

**In attendance**

Dr. Gideon Muriuki - CBS	-	GMD& CEO - Co-op Bank Group
Mr. Fredrick Ndegwa	-	Manager - Co-opholdings C. S. Ltd
Mr. Samuel Kibugi	-	Company Secretary

## DELEGATES PRESENT:

### NAIROBI REGION -

1. Abel K. Amuyunzu
2. Albert Mugo
3. Alfred Owuor Ondhedhe
4. Amos Tingos
5. Andrew Maosa
6. Arnold Kimanzi
7. Arthur Amiga
8. Beldina Oguya
9. Ben Simiyu
10. Bethuel Owuor
11. Bob Charles O. Auch
12. Boniface Ayub
13. Calleb O. Owang'
14. Charles Nderitu
15. Christine Manyara Nyangi
16. Christopher Mbugua
17. David Langat
18. David Mategwa
19. David Sumaili
20. Dismus T. Nyarimbasia
21. Dr. Joseph Mwatha
22. Dr. George Makhokha
23. Dr. George Ooko
24. Edwin otieno
25. Elias Ileri
26. Elly Ndwiga
27. Erastus K Too
28. Eunice W Githae
29. Eustace Njeru Kingsley
30. Evans Kegode
31. Festus N. Kihara
32. Florence Nasila
33. Francis Kimanga
34. Francis X.P. Yara
35. George Odiwor Onyango
36. George Oundo Muchere
37. Georgina Anne Nyambura
38. Gerald Kainga
39. Godfrey Mutuma
40. Grace Oyamo
41. Harrison K. Katoni
42. Harun Kipkemei Mosop
43. Irene Odoyo Ochieng
44. Jacqueline Mbwana
45. Jama Galgalo Woche
46. James Nyakundi
47. Jane J. Rwamba
48. Jane Manguye
49. Jane Owuor
50. John Matheka
51. Johnson Nyaigoti
52. Judith Mango
53. Judy Waweru
54. Juliana S. Wambua
55. Juster Njeru
56. Laban Mathu
57. Lilian K Njue
58. Lincoln Mutisya Nyamai
59. Margaret Okello
60. Marilyn Nabake
61. Mathias Ouko O. Odera
62. Meshack Ogola Lando
63. Michael Muriithi Muthigani
64. Mohammed Kipsang
65. Nick Ondego
66. Noah Nanzoi
67. Patrick Chelule
68. Paul Mbuthi
69. Paul Pudo
70. Peter Kimani Runanu
71. Peter O. Bwombuna
72. Peter Wafula Wakwabubi
73. Pheneas Marete
74. Prof. Esther N. Gicheru
75. Protas Mukaba Nzeyi
76. Rebecca J. Kipchumba
77. Redempta M. King'oti
78. Richard Olouch
79. Robert Oganga Obiero
80. Robert Oyando Omenya
81. Rosellyn Mueni Wambua
82. Rosemary Aseka
83. Sammy Nguchitta
84. Samuel Kipruto Kiplagat

85. Samuel Mugo Muriithi
86. Samuel Thirata
87. Sarah Rose Ajwang
88. Stanslaus Gachara
89. Simon G. Kariuki
90. Simon Wasilwa
91. Teresia Muthoni Mutegi
92. Tom Khataro
93. Tom O. Omongo

94. Vincent Chisaka
95. Vitalis Opapo
96. Vitalis P. Lukiri
97. Wiberforce Chebet
98. William Kailo Munyoki

### CENTRAL REGION

1. Alex Karanja
2. Amos Kinyua Ezra
3. Anthony Muriithi
4. Anthony Mwangi Mathia
5. Beatrice W. Wamugunda
6. Bedan Gichuki
7. Benjamin Thuri Macharia
8. Charles Githaka Muchira
9. Charles Mukora
10. Christopher Karanja
11. Christopher Wahome
12. Edward Mbugua Karoga
13. Edward Mwangi Munyoko
14. Francis M Kangethe
15. Francis Nganga
16. Geoffrey G. Gitau
17. Grace Wairimu Ngambi
18. Hiram Mwangi
19. Jacob Koori Nyaga
20. James Kariuki Gachoki
21. James Kariuki Kahiro
22. James Kinyua Karani
23. James Mwangi Kamau
24. James Waithitu Gakinya
25. Jeremiah G. Mbugua
26. Joe Karanja Njoroge
27. John Githinji Nduru
28. James Mwangi Kiiru
29. John Mwangi Mbitu
30. John Irungu Josphat
31. John Karuga Mwangi
32. John Mwangi Kimuku
33. Joseph Gathamba Kibabai

34. Joseph Kibara Ngari
35. Joseph Mbugua
36. Joseph Ngai Kabugu
37. Josephat Mumira
38. Joyce Wangari Gacuca
39. Julius Mbuthia Kagiri
40. Martha W. Kibia
41. Mary Nyakieni Muthami
42. Michael Kingori Karitu
43. Michael Miano Karogi
44. Misheck Murage Mubia
45. Moses Maina
46. Newton Mwangi Ndiritu
47. Norman Gatuguta Kimani
48. Patrick Kimando Kagwi
49. Paul Kimondo Kariuki
50. Paul Gachuhi Gatheru
51. Paul Mungai Nyanjui
52. Paul Muigai Komu
53. Peter Mathenge Kibugu
54. Peter Oren Murigi
55. Peter Mwangi Mbugua
56. Peterson Muriuki Kigotho
57. Peter Ng'ang'a Kamau
58. Peter Njuki
59. Rowlands Wangire Ndegwa
60. Samuel Kanyago Muita
61. Simon Chege Karanja
62. Simon K. Memia
63. Simon Muchoki Kigo
64. Simon Ndungu Kamau
65. Timothy Macharia Gachaga
66. Titus Wasike

67. Wilfred K. Daniel

68. Wilson Kabachia

## COAST AND NORTH EASTERN REGION -

### North Eastern

1. Bashir Adan Chure
2. Ahmed Muktar Mohammed
3. Gulliyeh Abdullahi
4. Deghow Iman Ibrahim

### Coast

- |                             |                             |
|-----------------------------|-----------------------------|
| 1. Abel Moronga Omimi       | 18. Jeremiah Mwangonda      |
| 2. Amos Okema               | 19. Jonah Mutuku            |
| 3. Asuman Kofa              | 20. Julius Macharia         |
| 4. Anastasia Cheron         | 21. Julius Macharia Mwangi  |
| 5. Andrew Musyoka           | 22. Juma Mwachenda          |
| 6. Bynito Ben               | 23. Kassim Mwabokoko        |
| 7. Charles Iligha           | 24. Ken Sungu               |
| 8. Dalmas Moka Mzae         | 25. Mariam Majaliwa Kasbai  |
| 9. Elina Mwamburi           | 26. Merolyne A. Ochieng     |
| 10. Fatuma Mwakidudu        | 27. Mohammed Abae Anna      |
| 11. Felister Mbaika Mutisya | 28. Nicodemus Sanga Nyamawi |
| 12. Felix Musembi Sammy     | 29. Nyale Mwandonga Muye    |
| 13. Feruz Juma Kaloo        | 30. Patrick Kinama Mchuruzi |
| 14. Furuzi S. Mwakunyua     | 31. Raymond Chadi           |
| 15. George Kinara           | 32. Sabina Wambua           |
| 16. Hamisi Rashid Mwadzumba | 33. Sawa Ngalaa             |
| 17. Jane Bahati Majala      | 34. Yaa Karani Saidia       |

## EASTERN REGION

- |                           |                             |
|---------------------------|-----------------------------|
| 1. Abiud Mugo Eston       | 12. Dr. Muema Kihome        |
| 2. Alexander Manyara      | 13. Duba Galgalo Nduba      |
| 3. Antony Mwanza Wambua   | 14. Elizaphan Gitonga       |
| 4. Augustine NJue Njiru   | 15. Ephantus Majau          |
| 5. Bernard Kireria        | 16. Evans Mbotho Mbugua     |
| 6. Charles Kariuki        | 17. Festus Kathendu         |
| 7. Charles Munyoki Virah  | 18. Francis Miriti          |
| 8. Daniel Kavivia Mulinge | 19. Fredrick Mbaka M'Abores |
| 9. David Muindi Munyambu  | 20. Fredrick Nyaga Njeru    |
| 10. Daniel Mutinda Nzioki | 21. Genson Mbaabu           |
| 11. David Muthusi Mulwa   | 22. Geoffrey Kiruja Mariko  |

23. George M. Musembi
24. Gerald Murungi
25. Gideon Thananga
26. Halima Adan
27. Henry Ireri Njagi
28. James Kieti Nzyoki
29. James Muchangi Njururi
30. James Munyua Musa
31. James Namu Njeru
32. John Ireri Muthara
33. John Micheni Ngaruni
34. John Muriuki Maruku
35. John Njeru Evan
36. Joseph Muli Mbithi
37. Joseph Wambua Musila
38. Josphat Thaine
39. Julius Mjawasi Mwanose
40. Julius Nzyoka
41. Justin Ireri Mungori
42. Kimantiria E.M Njagi
43. Kirima Nturibi
44. Lawrence A. Kamangiri

45. Martin Malila
46. Musyoka Wambua Mbungo
47. Naftali Kihungu Macharia
48. Nathaniel Mwaniki Nyaga
49. Olive Karimi Nyaga
50. Patrick Mbaluka Kilundo
51. Patrick Muinde Isika
52. Patterson Nyaga Njeru
53. Peter Makau Kilewe
54. Peter Njiru Kianga Munyi
55. Peterson Njiru Njeru
56. Robert Njue Ndwiga
57. Rose Nduta Gikimbo
58. Salesio Njiru Njagi
59. Silas Njeru Nyaki
60. Silas Kabisa Wabuge
61. Simon Kiruja
62. Stephen Wambua Muia
63. Thadeus Mutura Jeremy
64. Tiras Nyaga
65. Wifenzio Njeru Njiru

#### NYANZA REGION

1. Darlington O. Mududa
2. David Okeyo Onyango
3. David R. N. Mboga
4. Edwin Kisia
5. Elias Obura Ndege
6. Elias S. Omolo
7. Esther Nyabate Ngare
8. George Ochieng
9. James G. Omwocha
10. James Nyamwaya
11. Joel Otieno
12. Johanes Abindi
13. Johnes M. Nyamatiko
14. Joseph Magak Lwalo
15. Joseph Okun
16. Joshua Osawa
17. Julius Osano Ambaba

18. Kennedy Omari
19. Loi Kirui Muhonja (Mrs.)
20. Lucas Omolo Ochieng
21. Meshack O. Ayieko
22. Norah Kerubo
23. Paul Henry Odhiambo
24. Paul Onyinge
25. Peter Arita Nyachoti
26. Philip Oriaro
27. Phoebe Okoth
28. Richard Manyara
29. Roscheus Onyango Otete
30. Samuel Omwanda
31. Stephen Keuku
32. Tobias O. Gumba
33. Winfred Oduor

## RIFT VALLEY REGION

1. Abraham Yator
2. Bernard Kibet Kirui
3. Charles Nyabero
4. Christopher K. Biwott
5. Cornelius Langat
6. David Rono
7. David K. Rono
8. David Kemboi
9. Francis Komen
10. Harrison Gikonyo Mariku
11. Henry Katuria
12. Isaac Ngetich
13. Isaac Yator
14. Jacob Kirwa
15. James K. Muhandi
16. Jessica C. Siele
17. Joel Tanui
18. John Wainaina
19. Joseph Kimutai Kimetto
20. Julius Kiptoo Rotich
21. Julius Tiony
22. Kennedy Ojwang
23. Kevin Olekachuma
24. Kibet K. Samoei
25. Kibet Samuel Tugong
26. Kiplangat Koech
27. Leonard Chepkwony
28. Mark Kiyeny Cherwon
29. Mathew Ruto
30. Mike L. Kurupan
31. Moffat Muhuri Muya
32. Moses Kemboi Chemongwo
33. Moses Komen Cheptalam
34. Paul Odoyo
35. Paul Rono
36. Paul Sang
37. Philip K Mason
38. Philip T. Saiyua
39. Protus Simiyu
40. Richard Maen Masankira
41. Ruth Limo
42. Salaton Tompo
43. Sally C. Bett
44. Samuel K Rop
45. Samuel S. Salbei
46. Samwel K. Korir
47. Simon Ekitela Ejore
48. Stephen kiprono Koech
49. Wesley K A Too
50. William Kiptum
51. William Keino
52. Wilson Kimeris Nkanae

## WESTERN REGION

1. Amos Mamboleo
2. Aura Omamo
3. Caleb Mahero Obanda
4. Cheshari Masibo
5. David Juma Wafula
6. David Ogeya
7. Fredrick K. Jamoza
8. George Sabwa
9. Henry W. Makokha
10. Hesbon Kundu Wepukhulu
11. James Opicha
12. Joab Maleya Amboga
13. John Wafula
14. Joseph Kiptalam
15. Joseph Mukhekhe Wamalwa
16. Kennedy Keya
17. Michael Wambia
18. Thomas S. Adulla
19. Wenslaus B. Nyikuri

## BANK STAFF IN ATTENDANCE:

1. Amos Komen
2. Anthony Mburu
3. Anthony Wangari
4. Arthur Muchangi
5. Ben Mutuma
6. Benson Kilonzi
7. Boniface Kioko
8. Caroline Gakema
9. Caroline Kabira
10. Caroline Karimi
11. Charles Thanga
12. Charles Washika
13. Chris Cheruiyot
14. Chris Chege
15. Christopher Ngoro
16. Daniel Kachenya
17. Daniel Wahome
18. Debra Ajwang
19. Dennis Muhindi
20. Douglas Gatimu
21. Edgar Mwandawiro
22. Edward Mutuaruhiu
23. Edwin Karuri
24. Elia Korir
25. Elias Njagi
26. Elissa Otemba
27. Eric Miimo
28. Esther Kariuki
29. Evelyne Chelagat
30. Florence Owuor
31. Fridah Njeru
32. George Ratemo
33. Grace Thuo
34. Jack Kimathi
35. Jackson Muendo
36. James Njore
37. Dr. Jane Kathuku
38. Jane Mburia
39. Jane Muturi
40. Jeremiah Munene
41. Joram Kiuna
42. Joseph Gatuni
43. Josphat Thiaine
44. Joyce Arita
45. Juliana Mruttu
46. Lawrence Karanja
47. Lilian Jumba
48. Lydia Rono
49. Margaret Kabui
50. Margaret Matu
51. Maxwell M. Amos
52. Michael Maviti
53. Moses Kamau
54. Mwangi Wachira
55. Nancy Gathuku
56. Naomi Mwangi
57. Nelson Wambua
58. Ngumo Kahiga
59. Nicholas Ithondeka
60. Nicholas Kamonye
61. Nicholas Shiateya
62. Ndwiga Kamwangi
63. Patrick Nyaga
64. Paul Chianda
65. Paul Karugu
66. Peter Kamau Muraguri
67. Peter Kirugu
68. Peter Njuguna
69. Philip Wanjala
70. Rachel Misoi
71. Redempta Muasa
72. Robert Aloo
73. Robert Cheruiyot
74. Ronald Yegon
75. Sam Birech
76. Samuel Kibugi
77. Silvanus Nono
78. Stacy Wahome
79. Stella Njiru
80. Stephanie Kioko
81. Stephen Kariuki
82. Vincent Marangu
83. William Ndumia
84. Yvonne Njuku

## GUESTS:

- |                         |   |                                    |
|-------------------------|---|------------------------------------|
| 1. Michael Kimoni       | - | Ernest & Young                     |
| 2. John Muchoki         | - | “ “                                |
| 3. Dr. Sifa Chiyoge     | - | Regional Director ICA-Africa       |
| 4. Dr. Stanley Kyelenzi | - | Kwetu Sacco                        |
| 5. Daniel Marube        | - | CAK                                |
| 6. Jane Mugo            | - | Bingwa Sacco                       |
| 7. Douglas Maina        | - | KCCE                               |
| 8. Simon Njoroge Njenga | - | K-Unity                            |
| 9. Najira Omar          | - | Garissa Teachers                   |
| 10. Peter Vuhyah        | - | I&G                                |
| 11. Joseph Bee          | - | Bandari                            |
| 12. Ernest Langat       | - | Imarisha                           |
| 13. Mohammed Adan       | - | Madogo Huduma                      |
| 14. Allan Kawa          | - | Kite Sacco                         |
| 15. Alice Komen         | - | Kenya Highlands                    |
| 16. Rogers Munene       | - | Harambee                           |
| 17. Mary N. Wanga       | - | CIC                                |
| 18. Alfred Jaka         | - | Mombasa Port Sacco                 |
| 19. Dolphine Aremo      | - | County Director of Co-ops, Nairobi |
| 20. Jane Ndirangu       | - | Starehe Sub-County, Nairobi        |
| 21. Mark Gitonga        | - | Yetu Sacco                         |
| 22. Patrick Mwenda      | - | Yetu                               |
| 23. Arnold Munene       | - | Kuscco                             |
| 24. Erick Riungu        | - | KCCE                               |

The Chairman Mr. Macloud Malonza, HSC called the meeting to order at 11.00 a.m. following which he called upon Pastor. Arthur Amiga (Nairobi Region) to lead the Gathering in the opening prayers.

He then introduced the delegates and the Directors based on their respective regions of representation and welcomed invited guests to the meeting. The Chairman then requested Dr. Gideon Muriuki, the Bank Group Managing Director & CEO to introduce the Bank staff present.

Having ascertained that there was the requisite quorum to proceed with the meeting, the Chairman called upon the society Manager, Mr. Fredrick Ndegwa to read the notice for convening the meeting.

### MIN. AGM 1/2019: READING OF THE NOTICE FOR CONVENING THE ANNUAL GENERAL MEETING.

The CEO of the society, Mr. Fredrick Ndegwa read the notice dated 02<sup>rd</sup> April 2019 for convening the AGM thus confirming that the meeting was properly constituted.

The agenda was unanimously adopted.



Proposed by Mr. Tom Nk'hataro - Ardhi Sacco, Nairobi Region  
Seconded by Mr. John Githinji - New Forties Sacco, Central Region

**MIN. AGM 2/2019: CHAIRMAN'S REPORT**

The Society Chairman, Mr. Macloud Malonza addressed the AGM as per the attached speech. His report delved mainly on the various new initiatives being undertaken by the Bank and its performance reports for the year 2018.

(A copy of the Chairman's speech is herewith attached and marked "A")

Upon completion of the representation of his report; The Chairman was assisted by the Bank's Group Managing Director in presenting awards to the Highest Shareholders and Depositors from each of the 8 regions (Former Provinces) of representation.

The speech was unanimously endorsed by the delegates;

Proposer - Mr. Harrison Gatoni - Jamii Sacco, Nairobi Region  
Secunder - Madam. Mary Muthami - Tetu Dairy, Central Region

**AGM 3/2019: CONFIRMATION OF THE MINUTES THE ANNUAL GENERAL MEETING HELD ON 27<sup>th</sup> APRIL 2018:**

The above minutes having been circulated to the delegates in advance were confirmed as a correct record of the proceedings and were duly signed by the Chairman.

Proposed by: Mr. Francis Yara - Nairobi Region  
Seconded by: Mr. Kennedy Ojwang - Rift Valley Region

**AGM 4/2019: CONSIDERATION AND ADOPTION OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2018 TOGETHER WITH THE DIRECTORS AND AUDITOR'S REPORTS - (WITH THE RECOMMENDED DIVIDENDS PAYMENT)**

The financial reports had been sent to the Delegates earlier for scrutiny and the delegates confirmed having received and read the same. The Society's auditors' Ernest & Young were represented by Mr. Michael Kimoni and Mr. John Muchoki and Mr. Kimoni presented the financial reports as set out in the audited accounts booklet. He read out the report of the independent auditors as required by law.

The delegates approved the accounts together with the recommendations and the reports therein as follows.

a.) Dividends from the Bank at 100% per share of one (1) shilling per value subject to approval by the Bank's Annual General Meeting and the regulatory authority. (Bank's AGM date, 23<sup>rd</sup> May, 2019)

b.) Dividend to Co-opholdings Members at 97.54% per share of one (1) shilling per value after deducting society expenses relating to delegates meetings, board meetings and the Annual Delegates Meeting.

Proposed by: Mr. Caleb Owang - Nairobi Region

Seconded by: Mr. Christopher Biwott - Rift Valley Region

#### **AGM 5/2019: APPOINTMENT OF THE AUDITORS FOR THE NEXT FINANCIAL YEAR - 2019.**

The Chairman informed the meeting that the Board was happy with the work of Messrs. Ernst & Young Certified Public Accountants and that the Auditors had expressed interest to continue.

The meeting unanimously approved the continuation of Messrs. Ernst & Young Certified Public Accountants as the Society's Auditors for the year 2019.

Proposed by: Mrs. Grace Wairimu Ngambi - Central Region

Seconded by: Mrs. Georgina Nyambura Munene - Nairobi Region

#### **AGM 6/2019: ELECTION/CONFIRMATION OF DIRECTORS**

The Chairman called upon the Society's Company Secretary Mr. Samuel Kibugi to present the names of the directors nominated during the respective regional delegates' electoral meetings held in 2018 which were as follows;

#### **DIRECTORS ELECTIONS, 2019**

Pursuant to the Co-opholdings Co-operative Society Limited By Laws, Section 62 (2) (a), election for Directors were conducted at the respective Regional Delegates Electoral Meetings.

Herein below presented are the election results for confirmation by the Annual General Meeting: -

1. At a Central Regional Electoral Meeting held on 09<sup>th</sup> November, 2018 and presided over by Mr. Anthony Mburu as the Returning Officer, duly appointed by the Manager, Co-opholdings, Mr. Patrick Kaguta Githendu was nominated unopposed as director to represent Central Region;

Mr. Patrick Githendu was;  
Proposed by Mr. Christopher Karanja of Metropolitan National Sacco Limited and Seconded Mr. Michael Kingori of Urban Sacco Ltd.

2. At a Coast and North Eastern Electoral Meeting held on 15<sup>th</sup> November, 2018 and presided over by Mr. Samuel Birech as the Returning Officer, duly appointed by the Manager, Co-opholdings, Mr. Richard Kimanthi was nominated unopposed as director to represent Coast & North Eastern Region;

Mr. Richard Kimanthi was;  
Proposed by Mr. Deghow Ibrahim of Masalani livestock C. S. Ltd  
Seconded by Madam. Anastacia Cheronno of Bamburi Wananchi Sacco.

3. At a Nairobi Regional Electoral Meeting held on 21<sup>st</sup> November, 2018 and presided over by Mr. Arthur Muchangi as the Returning Officer, duly appointed by the Manager, Co-opholdings, Mr. Macloud Malonza, HSC and Mr Michael Muriithi Muthigani were nominated unopposed as directors to represent Nairobi Region;

Mr. Macloud Malonza, HSC was;  
Proposed by Madam. Florence Nasila of Mboga na Matunda Sacco.  
Seconded by Mr. Harrison Katoni of Jamii Sacco.

Mr. Michael Muriithi Muthigani was;  
Proposed by Mr. Pheneas Marete of Exams Sacco  
Seconded by Madam, Jane Manguye of NSSF Sacco

The above nominated directors are being presented to this Annual General Meeting for election as Directors of Co-opholdings Co-operative Society Limited.

May I have a proposer and a seconder?

The above nominated directors were presented to the Annual General Meeting for election as Directors and they were unanimously elected.

**Proposed by: Mrs. Rosemary Aseka - Nairobi Region**  
**Seconded by: Mr. Joseph Kibara Ngari - Central Region**

**AGM 7/2019: ANY OTHER BUSINESS FOR WHICH 15 DAYS NOTICE HAD BEEN GIVEN**

There being no other business for which 15 days notice had been given;

The Chairman called upon Mr. Kassim Mwabokoko to pass a vote of thanks.

Mr. Mwabokoko started by thanking the Almighty God for enabling the delegates, guests and staff to hold such a successful AGM. He lauded the entire leadership of Co-opholdings led by the Chairman, Mr. Macloud Malonza. He also appreciated the good work of the Chairman of the Bank, Mr. John Murugu. He noted that the Bank Group MD&CEO Dr. Gideon Muriuki-CBS and his Management team had done a superb job during the year under review. He appreciated the support given to all the delegates throughout the year and urged the leadership to consider an appropriate appreciation for the delegates who have served Co-opholdings continuously for many years (Long service).

The meeting ended with prayers led by Mr. Richard Maen.

**Mr. Macloud Malonza**  
**Chairman,**

**Fredrick Ndegwa**  
**Manager**

Date .....Date .....

**SPEECH DELIVERED BY THE CHAIRMAN OF CO-OPHOLDINGS  
CO-OPERATIVE SOCIETY LIMITED, MR. MACLOUD MALONZA - HSC,  
DURING THE SOCIETY'S FORTY NINETH (49<sup>TH</sup>) ANNUAL GENERAL  
MEETING HELD ON  
26<sup>TH</sup> APRIL, 2019  
AT THE CO-OPERATIVE BANK LEADERSHIP AND MANAGEMENT  
CENTRE, KAREN**

The Group Managing Director & CEO of the Co-operative Bank of Kenya Limited, Dr. Gideon Muriuki - CBS, MBS

The Vice-Chairman - Co-opholdings Co-operative Society Limited, Mr. Patrick K. Githendu

The Ag. Commissioner for Co-operatives, Mr. Didacus O. Ityeng'

Directors of Co-opholdings Co-operative Society Limited

Distinguished leaders of National Co-operative Organisations

Dear Delegates,

Invited Guests,

Ladies and Gentlemen,

I warmly welcome each and every one of you to our Annual General Meeting.

This is a forum that we always look forward to each year, with great expectation; it gives us the opportunity to review and reflect on the past year's events and our Society's progress and financial performance.

Over and above meeting statutory obligations relating to our Society, we treasure this forum as it affords us a platform to engage and exchange constructive ideas and pick key learnings as co-operative leaders drawn from every corner of this great nation.

Dear Delegates, as you all know, our key investment is in the Co-operative Bank of Kenya Limited. Co-opholdings Co-operative Society Limited is the majority and strategic shareholder of the Co-operative Bank of Kenya Limited, - holding 65% of the shareholding. To remind ourselves, this unique structure was implemented in the year 2008 when the bank listed its shares at the Nairobi Securities Exchange, - deliberately to ensure that the Bank retains its co-operative identity. This was a key condition to the listing of the Bank. The co-operative movement felt very strongly that this bank, which they formed from very humble beginnings in 1965, must remain owned and controlled by the movement.

This then informed on the existing structure wherein the co-operative societies based shareholders were all warehoused in a special purpose vehicle, -*Co-opholdings Co-operative Society Limited*.

I thank the Group Managing Director & CEO, Dr. Muriuki for facilitating the detailed Pre AGM delegates forums in each of our 7 Regions wherein there were detailed presentations on our overall strategic focus, progress made in the ongoing "Soaring Eagle" Transformation Project, and notably our specific performance in the year 2018 with the following key highlights; -

1. The Bank sustained its strong performance record and posted a remarkable Profit before tax of Kshs.**18.2 billion** for the year ended 31<sup>st</sup> December 2018 compared to Kshs. 16.4 billion posted in the year 2017 and against a budget of Kshs 17.8 billion; this represents a greatly improved performance of 11%. This is a commendable performance by the Bank in a fairly difficult year. The Bank has maintained a strong brand name in the industry aggressively upholding its image as a professional and highly ethical Bank

This great achievement was attained despite a very challenging economic and political environment in the year.

In addition, Co-operative Bank of South Sudan made a Profit before Tax of South Sudan Pounds (SSP) 897.3 million which was 368% higher than the SSP 192 million posted in 2017

despite the unstable political environment in the country. This performance, however, translated to a minimum monetary loss of Kshs 30.78 million in 2018 attributable to hyperinflation accounting under IAS 29, occasioned by devaluation of the South Sudanese Pound. This translation loss further re-adjusted the Group's Profit before Tax.

2. This good performance represents the tangible benefits arising from the bold **"Soaring Eagle"** Transformation Project that the Bank has been implementing since 2014 supported by Mckinsey with a clear focus on improving operating efficiencies, sales force effectiveness and innovative customer delivery platforms. **Notably, over 90% of the Bank's transactions are now at the alternative channels i.e. Agents, ATM, Mco-op Cash, Internet**
3. The Bank is now one of the largest banks in the region with an Asset Base of over Kshs 413 billion, over 8 million customers across 155 branches countrywide and customer deposits of over Kshs 307 billion.

The year 2018 was a year characterized by a tough economic environment but our strategic focus provided the required resilience. Our balance sheet grew by a commendable 7%. With the increased momentum in the **"Soaring Eagle Transformation Agenda"**, revamped ICT infrastructure, and the strategy set for competing in a changed environment, the Group will continue scaling new heights.

4. The **"Soaring Eagle"** Transformation Agenda has been riding on the following key pillars; -
  - **Branch Transformation: Customer Experience & Retail Sales Force Effectiveness.**
  - **MSME Transformation.**
  - **Sales Force Effectiveness.**
  - **Shared Services & Digitization 'The Digital Bank'.**
  - **NPL Management & Credit processes.**
  - **Cost Management.**
  - **Data Analytics.**

- **Staff Productivity**

There has indeed been incredible transformation in the overall cost efficiencies, customer service and overall operational efficiencies in the Bank.

5. In 2018, the Bank entered into a Leasing business joint venture with Super Group of South Africa. The Joint Venture has been registered as Co-op Bank Fleet Africa Leasing Limited. The joint venture will take advantage of key strengths by the two partners and focus on the emerging opportunities in leasing business with the bank providing An 8 million customer base and Super Group providing proven products, technology and the expertise on running a scalable leasing business. Co-op Bank Fleet Africa Leasing Limited did a business turnover of Kshs. 900 Million drawdown in 2018.
6. The Bank particularly received key accolades, notably the following; -
  - **Banker Africa, East Africa Awards 2018; -**
    - ✓ Best Retail Bank - Kenya
    - ✓ Best SME Bank - Kenya
    - ✓ Best Investment Institution - Kenya
  - **Africa Banking Awards, 2018**
    - ✓ Best Bank in Kenya
    - ✓ Best product launch- MCo-op Cash v4.0 update
7. The remarkable growth of the Bank would not have been possible without your support as the strategic shareholder and core customer segment and the exemplary leadership provided by the Board of Directors and the delegates of the Bank; the Transformation Journey of the Bank from an institution with major governance issues and a huge over Kshs 2.3 Billion loss in year 2001 and an Asset base of 22.3 Billion to now one of the largest banks in the Region with an Asset Base of over Kshs 413 Billion has been nothing short of a miracle.



I also sincerely highly commend the Board of Directors and the Management of the Bank under the leadership of Dr. Muriuki for this great performance.

8. Arising out of this performance, the Board of Directors of the Bank will be recommending to the Annual General Meeting of the Bank, which will be held on 23<sup>rd</sup> May 2019 at the Bomas of Kenya, the payment of a dividend of Kshs 1/= per every ordinary share held subject to approval by the Capital Markets Authority.

**This is a great milestone for the Bank and the Co-operative Movement as it is a return of Shilling for Shilling invested in the Bank!! This is a growth of 25% from a dividend of Kshs 0.80 in 2017.**

Dear Delegates, in tandem with the strong growth, the bank has continued to give back to society, - with a key focus on the co-operative movement.

The Bank's primary Corporate Social Responsibility activity is through Co-op Consultancy and Insurance Agency, - a wholly owned subsidiary established primarily for capacity building in the co-operative movement. In the year 2018, Coop Consultancy signed up a total of 126 cooperative mandates cumulatively now over 2,000 mandates over the years. The Company, which has 19 dedicated consultants, carried out some of the following assignments for various cooperatives.

**a) Development of Growth Strategies through Strategic and Business Plans;**

Coop Consultancy worked with several cooperatives in reviewing or developing their strategic plans aimed at helping them plan for their future growth. Examples of such cooperatives are Safaricom Sacco, Mentor Sacco, Elimu Sacco among others

**b) Improvement of Agricultural Cooperatives**

Coop Consultancy in the year 2018 trained several dairy cooperatives on governance and financial management with an aim of ensuring they are sustainable over the long term. These cooperatives were then linked to the Bank to enable them access easier credit facilities to help them better meet their farmer payment needs on time.

**c) Growth and Sustainability Cooperatives;**

Coop Consultancy also helped review several cooperatives with a view of improving their sustainability in the long run. Some of these include Metropolitan National Sacco and Kenya Midland Sacco.

**d) Enhancement of Technological Capability for Cooperatives;**

The year 2018 experienced several cases of system hacking in the systems of cooperatives. These incidents not only jeopardize Society resources, they also work at eroding member confidence in these institutions. Coop Consultancy on its part worked with several cooperatives to improve their information security to safeguard member data and resources through system audits, software implementation projects and trainings. Some of the cooperatives so supported include: Daima Sacco, Jogoo Sacco, Comoco Sacco and Skyline Sacco.

**e) Development of Staff and Board Capacities;**

Coop Consultancy worked with several cooperatives to enhance staff and board capacity to better manage and grow their cooperatives either through training or development of performance management systems. Some of these Cooperatives include Dhabiti Sacco, Kipsigis Edis Sacco, Groots Sacco, Wakenya Pamoja Sacco and Ollin Sacco among others.

**f) Growth of small cooperatives;**

Coop Consultancy is also keen on development of the Cooperative movement through growth of small cooperatives that may not have a large financial capacity to compete with the large cooperatives but have potential to grow and become tomorrow's giant cooperatives. Examples of such cooperatives include Braemag Sacco, Lengo Sacco, Hardware Sacco, and ABC Empowerment Sacco

**g) Co-operative Leaders Training;**

The Bank has also continued to support the movement with short-term training programs for both Board Members and staff; in year 2018 over 3,200 co-operative leaders were trained on various programs notably on corporate governance, financial management, compliance and supervisory skills.

I must also proudly highlight the school fees bursary programme under the Co-operative Bank Foundation, which is fully funded by the Bank. Since the establishment of the programme in the year 2007, over 7,000 needy and bright students from across every region in the country have had opportunity to access secondary school education.

The scope of the programme has been extended over the years to cover the following: -

- Schools fees for 4 years of Secondary education.
- Fees for university education for the top 4 students per region.
- Internships for the beneficiaries of the university programme.
- Youth empowerment.
- Mentorship and community service programme.

Dear Delegates, I wish to thank you most sincerely for supporting the establishment of this programme, - which provides a lifeline to bright and needy students to access education. It is indeed a great

legacy for us to be able to positively impact the future generation through this programme.

On the national front, the Bank continued to partner with Her Excellency Mrs. Margaret Kenyatta in the Beyond Zero campaign and donated Kshs 20 million to this noble cause.

Dear Delegates, on behalf of the Board of Directors, I sincerely express our deep appreciation to His Excellency the President for facilitating the Stabex write off, - of Kshs 1.7 billion. The revolving fund is now available for on lending to the coffee co-operatives societies; - and will play an enormous role in supporting the revival of the critical coffee sub sector of our economy. The Bank has continued to support KCCE in its initiatives to ensure that the small scale coffee farmer get a fair value of his coffee.

On behalf of the Board of Directors, I also most sincerely thank His Excellency the President for decorating some key leaders in the Co-operative Movement last year; our Group Managing Director & CEO was notably decorated with a distinctive medal of First Class Order of Chief of the Burning Spear (CBS).

Dear Delegates, the Bank supports fully the policy direction shown by the Government to remove interest rates capping; it is long overdue. We look forward to the future with great optimism. Thank you for your continued partnership and we invite you to invest more into the great future of the Bank.

Dear Delegate, the Bank has continued to partner and support the various Government Initiatives geared towards improving the livelihoods of all Kenyans, notably the Bank has supported the Affordable Housing Pillar under President's Big 4 Agenda by making a seed capital contribution of Kshs 200 million for and on behalf of the Co-operative movement in the Country to the Kenya Mortgage Refinancing Corporation, which entity will support the construction of affordable housing units.

As I conclude, let me sincerely thank the Board of Directors and you the delegates for this great responsibility you have bestowed on me as the Chairman of Co-opholdings Co-operative Society Limited even

as we seek to scale to greater heights indeed as the "Kingdom Bank" through which God will continue to bless the people of Kenya.

Dear delegates, at this juncture, I invite the Group Managing Director & CEO, Dr. Muriuki to join me in the presentation of the awards.

The Manager Co-opholdings will name the awardees;

a) The Chairman's Cup.

The cup is awarded to the Society with the highest shareholding in Co-opholdings. The award goes to Harambee Sacco Society Limited.

b) Shareholding in Co-opholdings per Region.

The following individual cups are in recognition of the Societies with the highest shareholding per region.

- |    |                    |   |                                |
|----|--------------------|---|--------------------------------|
| 1. | Nairobi Region     | - | Harambee Sacco Society Limited |
| 2. | Central Region     | - | K-Unity Sacco Society Limited  |
| 3. | Coast Region       | - | Bandari Sacco Society Limited  |
| 4. | Eastern Region     | - | Kwetu Sacco Society Limited    |
| 5. | Nyanza Region      | - | Kite Sacco Society Limited.    |
| 6. | Rift Valley Region | - | Imarisha Sacco Society Limited |
| 7. | Western Region     | - | Invest and Grow Sacco          |

Society Limited.

8. North Eastern Region - Garissa Teachers Sacco Society Limited

c) Highest Deposits in the Co-operative Bank per Region

The following individual cups are in recognition of the Societies with the highest deposits per region.

1. Nairobi Region - Stima Sacco Society Limited.
2. Central Region - Bingwa Sacco Society Limited.
3. Coast Region - Mombasa Port Sacco Society Limited.
4. Eastern Region - Yetu Sacco Society Limited.
5. Nyanza Region - Gusii Mwalimu Sacco Society Limited.
6. Rift Valley Region - Kenya Highlands Sacco Society Limited.
7. Western Region - Invest and Grow Sacco Society Limited.
8. North Eastern Region - Madogo Huduma Sacco Limited.

Thank you and may God bless you all.

**MR. MACLOUD MALONZA - HSC  
CHAIRMAN**