



EDUCATION
AWARENESS
& CERTIFICATION.

INVESTOR AWARENESS FORUM

ISSUE #3

In this issue

Let's 'Dosikaa' in the
Capital Markets



How the Capital Markets Continue
to Support Climate Change



Wealth Creation for the Youth
Through the Capital Markets



Opportunities for the Diaspora
in our Capital Markets



Pictorials of Recent Key
Awareness Events



Q&A on Shareholders Rights
and Responsibilities



Chief Executive Officer's Message

Welcome to the third edition of the Investor Awareness Forum which is aimed at providing information and updates from an education awareness perspective on capital markets targeting Local, Diaspora, International and CMA staff. Similar to the previous edition, this issue focuses on providing updates on developments over the last few months as well as investor protection which is one of the key areas of focus for the industry given that an informed investor is a protected investor.

Since the last issue, we are pleased to welcome some key Governance changes at CMA with a new Chairman and independent board members. The newly appointed CMA Board Chairman, Mr. Ugas Sheikh Mohamed, has already hit the ground running towards positioning the Authority to support the National Government's Development Agenda. Other new independent directors include; Prof. Michael Bowen, Mr. Meshack Moses Kiprono, Natalia Aduwo, Elena Pellegrini and Mr. Gibson Kimani Maina.

One of the key initiatives with respect to leveraging technology was industry-wide road shows in support of activating the 'Dosikaa App'. CMA in partnership with the Kenya Association of Stockbrokers and Investment Banks (KASIB), the Nairobi Securities Exchange PLC (NSE) and the Central Depository and Settlement Corporation (CDSC) activated a retail trading app dubbed 'Dosikaa App'. The App which is available on Google Play was geared towards continuously addressing the 'Bottoms up' approach aimed at enabling the grassroot Kenyans to tap into the capital markets while leveraging on technology.

Our awareness programs have continued to receive support from various other key stakeholders in forums on Islamic Finance, Diaspora investments and the youth as examples. We will continue to remain committed in providing pertinent information on capital markets targeting our various constituents through various platforms such as the e-newsletter.

Happy reading!!

FCPA Wyckliffe Shamiah
Chief Executive Officer



Welcome Message

One of the key initiatives that the Authority continues to embark on is the application of more technology in ensuring that all publics have access to the capital markets information. I reiterate the Chief Executives' commitment in disseminating information with a view to increase uptake within the capital markets. Some of the fruits of our labor are already being witnessed as observed by the recent launch of the Capital Markets Students Association at the Masinde Muliro University of Science and Technology in April 2023.

While on technology, with the upcoming external launch of the Capital Markets Mobile App (CMA App) and in addition to our social media campaigns, we envisage an increase in direct access to trading particularly given the prevalence in Kenya. Recent data shows that mobile phone penetration among adults was 98%, with 43% of adults using the internet (96% of them on smartphones rather than computers).

We will continue to focus on innovation such as the concluded FinTok Competition where funds of the declared winners have been wired to intermediaries of their choice to purchase shares and unit trusts. Stay tuned for an upcoming 2nd edition of the Capital Markets Open Day scheduled for May 17, 2023 that is destined to be impactful as observed by the inaugural event held last year.

Enjoy your reading!



Luke Ombara
Director, Policy and Market Development

LET'S 'DOSIKAA' IN THE CAPITAL MARKETS



In the advent of technology and innovations, businesses continue to evolve and new ways of doing things continue to emerge. Innovation and technology are an aspect that continue to evolve globally with changing times. It entails using technology in new ways to create a more efficient organization and improve alignment between technology initiatives and business goals. The adoption of new ways of doing business has

triggered most organizations to retool and reconfigure their work environment, including placing innovation and technology at the forefront. The Authority is therefore committed towards facilitating an environment that embraces technology within the capital markets industry.

Towards this end, and as part of the government's bottom-up agenda, CMA partnered with Kenya Association of Stockbrokers and Investment Banks (KASIB), the Nairobi Securities Exchange PLC (NSE) and the Central Depository and Settlement Corporation (CDSC) and other players to promote the activation of the 'Dosikaa App'. Dosikaa is a mobile app that is designed to make the Kenyan capital markets accessible to everyone through their hand-held devices. It integrates market intermediaries all into one app. It is a useful tool that makes investing and investment tracking easy regardless of whether you're a beginner or sophisticated investor, anywhere, anytime, right from one's smartphone. With a simple user interface, Dosikaa gives investors the confidence to manage and build their wealth overtime.

With the digital transition, it is important for the industry to provide avenues to grow and manage investments digitally in the financial sector. The App provides real-time updates on the value of the user's portfolio, as well as detailed information on each stock holding. It facilitates users to access the latest financial news and analysis from various trusted sources within the app, helping them to make informed investment decisions. The App allows users to customize their watchlist, portfolio and alerts based on their preferences and investment strategies. Users can set alerts for price changes, news events, and other events that may affect their stock holdings. Additionally, the app provides real-time stock quotes from the exchange. The App has a simple and intuitive interface that is easy to navigate through while still providing world-class security with Anti Money Laundering (AML) provisions. It is fast and easy to use and navigate, from account creation to withdrawal of funds.

In collaboration with the industry stakeholders, CMA alongside NSE, KASIB, CDSC and market intermediaries launched the Dosikaa App activation roadshow on 17 March 2023. The App which is available on Google Play is geared towards continuously addressing the 'Bottom up' approach aimed at enabling the grassroots Kenyans to tap into the capital markets while leveraging technology. The joint team embarked on a road show launch of the Dosikaa App that was flagged off by the CMA Chairman, Mr. Ugas Sheikh Mohamed, alongside respective chairmen and CEOs of the above institutions. This culminated into sensitization forums targeting the 'Boda Boda' operators in Embakasi East, Nairobi County and in Wangige, Kiambu County. A pre-launch sensitization session targeting 'Boda Boda' operators had been conducted on 8 March 2023 in Umoja, Nairobi County.



Group photo of the Chairmen, CEOs and key stakeholders just before the flagging of the road show truck.



Participants keenly following the proceedings.



Group photo of participants during the Dosikaa Pre-launch sensitization forum.



Two Authority staff (from left first row: Lucy Njaramba, Senior Investor Education Officer and on her left Konrad Afande, Manager, Education and Awareness, attending the awareness forum in Nairobi County.

Other initiatives aimed at reaching the potential investors at the grassroots included awareness forums in Uasin Gishu County. The Authority held forums for the Boda boda operators, business community as well as one on one engagements with the public in the county. This was geared towards enhancing financial literacy and in particular ensuring that Kenyans at the County level appreciate the various investment opportunities, and the risks and rewards associated with investment in the capital markets.



From the left: Mr. Nahasion Kemei Chairman Uasin Gishu county Bodaboda Association, Director Luke Ombara, CMA, Ms. Martha Cheruto CEC for Trade, Industrialization, Tourism, Cooperatives and Enterprise Development, Geoffrey Tanui, Chief Officer, Cooperatives and Enterprise Development and Ms. Roselyne Rae Ag. County Co-operative Commissioner.



Director Luke Ombara of CMA addressing the Sacco society leadership, CBOs, and business community at Eldoret Town



Director Luke Ombara, Policy and Regulatory Framework, CMA and Mr. Chebii an officer from the Education, Awareness department ready to make a presentation.



Boda Boda riders attending CMA public awareness Initiative in Uasin Gishu County.



Mr. Konrad Afande, Manager, Education and Awareness having one on one engagements with potential investors during the Uasin Gishu County Engagements



Mr. Zephaniah Chebii, Education and Awareness Officer, with potential investors during the Uasin Gishu county Engagements

HOW THE CAPITAL MARKETS CONTINUE TO SUPPORT CLIMATE CHANGE



Loreen Muchiri

Over the years, scientists have warned about human activities, which are a major contributing factor to the environmental degradation which in turn affects climate change. It is the largest, most pervasive threat to the natural environment that the world has ever experienced. The rising temperatures are fueling environmental degradation, natural disasters, weather extremes, food and water insecurity, economic disruption among others. In the recent past, Kenya has experienced the worst pervasive droughts, floods, livestock diseases and armed conflicts which are wiping out livelihoods, underscoring the need for Kenya to adapt by developing sustainable ways for its citizens. Due to these extreme climatic events, food security becomes problematic.

These climatic changes are a burden on Governments, especially in countries with limited resources like Kenya. Indigenous populations, poor and socially marginalized individuals, women and children, and people with disabilities are frequently the most affected. Kenya experienced the worst and longest drought season in late 2022 and early 2023. Over 500,000 people in Kenya's Turkana region faced starvation. Not only was this happening in Turkana, but also in the arid and semi-arid counties. The agricultural sector had been utterly affected and without humanitarian intervention, many lives were lost and livestock also perished leaving the people with nothing to fend for themselves.

Moreover, Nairobi's wastewater management has not kept up with the increasing demands from the growing population and has caused havoc to citizens. We see garbage and dirty water everywhere in the city and even in the outskirts especially in the rivers which are the main sources of water. In addition, due to the increase in population, industries have rapidly grown. With the growth of industries comes pollution which takes on many faces. It has contaminated sources of drinking water and releasing unwanted toxins into the air. It has also led to land degradation which is caused by industrial activities and improper disposal of waste from industries which in turn makes food grown in such areas unsafe for consumption.

The United Nations Climate Change Conference (COP 27) held in Egypt in November 2022, which had global attendance from Governments, regions, businesses as well as investors, addressed issues on reducing emissions, helping countries to prepare for and deal with climate change among others. The framework established by COP 27 is a good place to start for Kenya in terms of institutionalizing and facilitating the flow of climate finance to devolved institutions, as well as strengthening public participation in the management and use of those funds for climate resilient activities.

Kenya's economy is dependent on climate-sensitive sectors, such as agriculture and tourism, whose vulnerability is increased by climate change. To address this, Kenya joined other states in the Paris Agreement which is a legally binding international treaty intended on tackling climate change. It was adopted by 196 Parties at COP 21 in Paris in 2015 and entered into force on 4 November 2016. In 2016, Kenya went ahead and submitted her first Nationally Determined Contributions. The mitigation contribution intended to reduce greenhouse gases (GHG) emission by 30% by 2030. In regards to this, in 2020 Kenya updated the commitment to reduce its GHG emissions to 32% by 2030.

In order to curb GHG emission, green assets are suitable for investments. They contribute to environmental objectives including but not limited to climate change mitigation, adaptation, natural resource conservation, biodiversity conservation among others. These include renewable energy, green buildings, sustainable water and wastewater management, terrestrial and aquatic biodiversity among others. This has a favorable effect on the environment and boosts the economy in a net positive way as they improve the quality of life on our planet and shield us from the negative effects of global warming as a result of environmental degradation.



More specifically, Green Bonds are a tool to mobilise private capital towards financing the transition, tapping into the demand for low-carbon and climate resilient investments. Investors have become increasingly aware of the importance of Environmental, Social and Governance (ESG) issues while making investment decisions. Accountability is at the forefront when it comes to the commitments made by sectors, businesses and institutions. In 2017, Kenya's Green Bond Programme was established to promote financial sector innovation through the development of a domestic Green Bond market. The mandate of the programme is to accelerate the uptake of Green Bonds as a tool for Kenya to tap into international and domestic capital markets to finance green projects and assets.

Moreover, there have been developments such as the African Green Bond Toolkit which was a partnership between FSD Africa and the Climate Bonds Initiative, an international organization working to mobilise global capital markets for climate action. The objective of the Toolkit is to offer advice to the African capital markets on how to issue Green Bonds in accordance with global best practices and standards. Acorn Holdings in Kenya and Access Bank in Nigeria are two successful instances of Green Bond issuances that have been rolled out in Africa that are included in the Toolkit. In addition, NSE together with other stakeholders developed the NSE Listing Rules with provisions for Green Bonds which were later approved by CMA in December 2018 with input from The National Treasury and Planning and other market stakeholders including banks, corporates, investors and transaction advisors. As a result of all the developments, we can see that Kenya has prioritized the mitigation and adaptation of climate change.

CMA has become the regional pacesetter in the adoption of environment-friendly financing options to ensure sustainable development. In conjunction with the financial industry stakeholders, CMA instilled an enabling framework. CMA has two key mandates: market development as well as enforcing regulations. CMA approved the issuance of Kenya's first unlisted Green Bond issued by Acorn Project 2 Limited Liability Partnership in 2019. The Ksh 4.3 billion Climate Bonds Certified issuance has raised funds to provide 5,000 university students with environmentally friendly, affordable housing in Nairobi.

This was a critical step in promoting the development of an effective ecosystem to support the creation of green capital markets in Kenya in line with the 2016 Marrakesh Pledge which CMA was part of. With countries around the world stepping up their efforts to reduce carbon emissions, the market for Green Bonds is booming. Furthermore, by investing in green bonds both the issuers and investors benefit in various ways. The issuers are able to raise and lock-in long-term investments which is in line with the nature of big infrastructure projects. On the other hand, investors directly fund climate change solutions which also help build a sustainable society with minimal risk management. Other than paving new ways to a sustainable world by investing in green assets, the chances of the expansion of access to clean drinking water, healthcare, education and food security in Kenya are increased. The proceeds raised on the capital markets through Green Bonds essentially fund climate adaptation and emissions reduction projects while at the same time promising sustainability and returns to investors.

Moreover in 2022, the Kenya Finance Act Number 22 of 2022 was adopted. The Act has introduced a corporate tax incentive to encourage the use of market-based approaches to low-carbon development for companies operating a carbon market exchange or emission trading system, a first of its kind incentive for Kenya. Carbon exchanges and emission trading systems are components of carbon emission reduction mechanisms that aim to reduce greenhouse gas emissions caused by environmentally harmful activities.

Moreover in 2022, the Kenya Finance Act Number 22 of 2022 was adopted. The Act has introduced a corporate tax incentive to encourage the use of market-based approaches to low-carbon development for companies operating a carbon market exchange or emission trading system, a first of its kind incentive for Kenya. Carbon exchanges and emission trading systems are components of carbon emission reduction mechanisms that aim to reduce greenhouse gas emissions caused by environmentally harmful activities.

Loreen Muchiri is a member of Education, Awareness and Certification Department

WEALTH CREATION FOR THE YOUTH THROUGH THE CAPITAL MARKETS

**Christabel Kariuki**

Every young adult envisions attaining an all-rounded wellness and to have a diverse set of experiences, skills and perspectives that will enable them to engage with the world in a multifaceted way. Navigating through the realities of self-dependence especially in financial planning can seem daunting in the early stages. Financial planning is then a critical skill that all young adults should learn. It can help them traverse the complexities of modern life and achieve financial stability. This involves gaining control over your financial life by identifying and understanding your desired goals, needs, how to budget, save and investing your money. Investing in the capital markets is one of the ways by which young people can start the journey to securing a stable financial freedom.

According to recent data, there are 1.2 billion young people aged 15 to 24 years, accounting for 16 per cent of the global population. By 2030, the target date for the Sustainable Development Goals (SDGs) that make up the 2030 Agenda, the number of youth is projected to have grown by 7 per cent, to nearly 1.3 billion. In 15 countries in sub-Saharan Africa, half the population is under age 18. Here in Kenya, 47% of the population is under 15. They face problems unique to their age group, including over 30% unemployment. They also lack access to finance that works for them: 23% of 18–25-year-olds are excluded from financial services. This is indeed, where financial awareness is critical.

The capital markets industry offers many different options available for young adults looking to invest in the capital markets. These options include stocks, bonds and Collective Investment Schemes as a starter. It is in this regard, that leveraging mobile technology such as the Capital Markets Authority Mobile App as well as the 'Dosikaa App' will no doubt increase financial inclusion and uptake amongst the youth. The Authority continues to play its role given that the youth are potentially long-term customers, demonstrating a high correlation between savings and gross domestic product per capita and secondary school enrolment.

One of the cultural attribute changes that the Authority is supporting includes the 'instant money' mentality mostly in Africa. The youth should be aware that capital markets is long term and outperforms most other asset classes. With the increase of digital borrowing, according to the 2018 digital credit survey, 35% of Kenyans (roughly six million people), most of them youth, had taken at least one digital loan. The most popular applications used were M-Shwari, KCB-M-Pesa, Fuliza, Tala, Branch and Timiza.

As of now, more than 16 million Kenyans have been blacklisted by the Credit Reference Bureau, meaning they now have limited access to credit. A report by the Central Bank of Kenya indicated lenders' outstanding loans were at KSh3trn and defaults in 2021 were at KSh423bn, up from KSh352.7bn in March 2020. It is worth noting that a growing portion of Kenyan youth are utilizing their limited incomes on sports betting, thus undermining the emergence of a much-needed savings culture which is central to supporting transformational economic growth. With this initiative, the capital markets aim to bridge the gap and on board the youth to save and invest within the capital markets. Let us continue to support the youth towards the realization of wealth creation.

Christabel Kariuki is a member of Policy and Regulatory Framework Department

OPPORTUNITIES FOR THE DIASPORA IN OUR CAPITAL MARKETS**Zephaniah Chebii**

One of the Capital Markets Authority's mandates is to create awareness on the investment opportunities within the capital markets. In addition to various online platforms and webinars, the Authority from time to time has continued to facilitate the market through stakeholder engagements and other initiatives aimed at improving product, fostering innovation as well as accelerating potential investors and make them aware what is happening in the world of capital markets.

As an integral part of the nation's development, capital markets represent a vital part of the financial infrastructure which supports and contributes to the functioning of the economy, and wealth and employment creation. In other words, a well-functioning capital markets contributes to the overall strength of the national economy by opening new investment opportunities to improve the standard of living and quality of life of the people. Over the years, several investors, no matter beginner or experienced, have gained significant profit by planning and investing in capital markets. When an investor makes the right and correct decisions, there are higher chances of making profits from those investments.

It is important to note that Kenya is now earning more foreign exchange from diaspora remittances than each of its major exports – coffee, tea, tourism and horticulture. CMA is committed as a regulator to not only provide information on the various investment opportunities within our capital markets but also by supporting the Government's efforts to increase remittances and support the wellbeing of the Kenyan diaspora. Additionally, CMA has been putting in place a diversity of investment choices to enable the diaspora to invest in the local markets to enhance economic growth.

One of the most significant changes in the remittance market has been the rise of new technologies. These technologies are making it easier and cheaper to send money internationally. For example, mobile money platforms like M-Pesa have revolutionized how people send money in Africa while Nala platform make sending money anywhere in the world easier. With more and more people using mobile devices and online banking, sending money abroad is easier than ever. Equally important, fintech partnerships support diaspora remittances in Africa. Through various initiatives, there are several ongoing innovations to provide innovative solutions that help to reduce costs and improve the speed and efficiency of diaspora remittances.

To further support development, in October last year, the East African Community headquarters set up a diaspora desk tasked with facilitating East Africans living in the diaspora to invest and trade in the region. Recent statistics show that the contribution of East Africans in the diaspora enabled the region's foreign direct investment to grow 35 percent to \$8.2 billion last year. To a large extent this helped the region's economy withstand the devastating economic impact of Covid-19 and the trickle-down effect of the Russia-Ukraine conflict.

There are several developments in the capital markets from which the diaspora can benefit. These include:

- A capital markets mobile A Capital Markets Authority Mobile App that can be downloaded in Google play store and IOS to facilitate market access and information. Also available is the, 'Dosikaa' App, which enables investors to directly trade shares through the market intermediaries linked to the app.
- A robust awareness program in partnership with various stakeholders to further influence knowledge and uptake of the capital markets products and services;
- Promoting capital markets products and services such as REITs, Green Bonds, and Islamic Finance to increase Foreign Direct Investments and to tap into diaspora investments;
- A continued enhancement of Corporate Governance to enhance transparency which is key to the Diaspora in terms of confidence in our market;
- A notable increase in the number of intermediaries offering online platforms across all the financial sectors creates a great opportunity for increased participation by the Diaspora especially given that Kenya has a 91% penetration of mobile subscriptions compared to Africa's 80%. Globally, Kenya has the highest share of internet usage from mobile phones as compared to desktops. Internet access through the mobile phone in the country recently hit 83%, overtaking Nigeria;
- The recent passing on the Privatization Bill 2023 will provide the diaspora with opportunities to invest in some of our key strategic enterprises.

Within the capital spectrum, CMA has been exploring specific investment options for diaspora investors that include Diaspora Infrastructure Bonds, Diaspora Investment Fund and Securitization of Diaspora Remittances. In this regard, CMA will continue to work with strategic partners with a view to actualize various investment opportunities.

Zephaniah Chebii is an officer at the Education, Awareness and Certification Department

PICTORIALS OF RECENT KEY AWARENESS EVENTS



The Authority CEO, FCPA Wyckliffe Shamiah, addressing Kabarak University Students during the visit to CMA.



Mr Zephaniah Chebii, Education and Awareness Officer making a presentation to the students.



CMA CEO hosted a delegation from Financial Sector Deepening (FSD) Africa led by Director, Capital Markets Dr. Evans Osano, to discuss the partnership between the two organizations as FSD Africa celebrated its 10th Anniversary. #partnerships

PICTORIALS OF RECENT KEY AWARENESS EVENTS



The first Capital Markets Association in a University was launched on April 5th, 2023 at the Masinde Muliro University! The Authority was represented by Konrad Afande. This was an idea born out of the 2018 Capital Markets University Challenge. The University leadership has been very keen on having the students form the Association in an effort to enhance investor education and awareness among the youth in universities.



CMA Board Chairman, Mr. Ugas Mohamed, makes remarks during a bell ringing ceremony to mark the listing of Laptrust Imara-REIT, an event hosted at the Nairobi Securities Exchange.



Green Bond assessment sessions in Taita Taveta county being conducted by Nairobi Securities Exchange, CMA, Financial Sector Deepening Kenya (FSDK), Augusto Credit Rating and Adaptation (ADA) Consortium. CMA was represented by Kamunyu Njoroge and Viola Kilel.



PUBLISHED ARTICLES ON TOPICAL CAPITAL MARKETS ISSUES

The Authority developed six (6) articles which were featured on Africa Daily National e-paper. The topics for the published articles can be accessed through the following links:

| Title | Link |
|--|---|
| a) How CMA is leveraging on innovation and technology | https://nation.africa/kenya/brand-book/how-cma-is-leveraging-on-innovation-and-technology-4094194 |
| b) Why you should invest in Collective Investment Schemes | https://www.businessdailyafrica.com/bd/sponsored/why-you-should-invest-in-collective-investment-schemes-4092722 |
| c) How investors are protected in Kenya's capital markets | https://www.businessdailyafrica.com/bd/sponsored/how-investors-are-protected-in-kenya-capital-markets-4097486 |
| d) Role of capital markets in supporting sustainable investments | https://www.businessdailyafrica.com/bd/sponsored/role-of-capital-markets-in-supporting-sustainable-investments-4096578 |
| e) The need to reshape youth's perception of the capital markets | https://nation.africa/kenya/brand-book/youths-and-capital-markets-4097512 |
| f) Why the capital markets are ideal for retirees. | https://nation.africa/kenya/brand-book/why-the-capital-markets-are-ideal-for-retirees-4101374 |

QUESTION AND ANSWER ON SHAREHOLDER RIGHTS AND RESPONSIBILITIES WITH LUCY NJARAMBA



WHO IS A SHAREHOLDER?

This is the name given to anyone who owns 'shares' in a company limited by shares. A shareholder can be a person, company, or organization that holds stock(s) in a given company.

WHO CAN BE A SHAREHOLDER?

Any person or corporate body (company, firm, organization etc.) can be a shareholder of a company limited by shares.

WHAT ARE THE TYPES OF SHAREHOLDERS?

The types of shareholders are:

- Common/Ordinary shareholders - are those that own a company's ordinary shares. They are the more prevalent type of stockholders and they have the right to vote on matters concerning the company.
- Preferred shareholders - they own a share of the company's preference shares and have no voting rights, or any say in the way the company is managed. Instead, they are entitled to a fixed amount of annual dividend, which they will receive even before the common shareholders are paid their part.

WHAT ARE THE RIGHTS OF A SHAREHOLDER?

The law provides a shareholder with several basic rights. The rights depend largely on provisions of the Companies Act, 2015 and the company's Memorandum and Articles of Association. These are the first documents which a shareholder should consult when determining his/her rights in a company. The Code of Corporate Governance for Issuers of Securities, 2015 provides for the rights and responsibilities of directors and shareholders. The following are the general rights of a shareholder:

- The right to receive a copy of audited financial statements, annual report and half-yearly results through your suitable channel of communication.
- The right to receive relevant information including the date, location and Agenda of AGM: This must be circulated to you at least 21 calendar days before the AGM.
- The right to transfer ownership: A shareholder has the right to a secure method of transfer and registration of ownership of his/her shares including the right to trade his/her securities on an approved exchange.
- The right to receive information about the company.
- Right to receive fair consideration and prompt response from the company if any issues with your account arise and to be apprised of other avenues if unable to resolve.
- Right to consult a financial advisor, lawyer or tax advisor on any issue relating to the company.
- Entitlement: Right to distributed profit in the form of dividend, bonus shares, script dividend and rights issue as applicable and in the proportion of shares you hold, subject to the Companies Act, Code of Corporate Governance, the Articles of Association and the company's policies.
- Right to express an opinion on the company's performance.
- Right to take legal action restraining/barring/blocking the management from implementing any action, plan or decision that you feel is not in the best interest of the company.

- Opportunity to inspect accounts, Corporate Books and Records: Right to seek clarity on matters regarding accounts presented at Annual General Meeting (AGM) like annual reports, as well as to attend the offices of the issuer to view relevant documents.
- Right to take to court any director or officer of the company who has participated in violations.
- Right to exert pressure on the directors to be more transparent and accountable.
- Right to raise any issues of any breach of duty by a director.
- Right to share in the proceeds recovered when the company liquidates its assets, subject to the law on liquidation and winding up.
- Right to raise issues relating to procedural and legal requirements of general meetings.
- Right to request for an Extraordinary General Meeting as provided for under the Companies Act, 2015.

WHAT ARE THE RESPONSIBILITIES OF A SHAREHOLDER?

The following are the general responsibilities of a shareholder:

- Responsibility to understand that all investments involve risk; it is advisable to ensure you assess all conceivable risks and make informed investment decisions.
- Even though shareholders delegate direct responsibility for the administration of the company to the Board of Directors, they can oversee their investments and indirectly influence corporate decisions by engaging in active dialogues with the directors and corporate management. Shareholders can engage corporate management on a broad array of issues using an array of avenues to express concerns regarding their investments. It is therefore your responsibility to seek information from the company and take note of various areas.
- Responsibility to attend or appoint a proxy and if need be, speak on any matters that remain unclear at the meeting.
- Responsibility to raise issues related to the strategic and financial management of the company, the future direction of the company, its goals and objectives and its diversification and expansionary policy, if relevant.
- Responsibility to ascertain the corporate governance policies and practices of the company.

UPCOMING EVENTS



Dosikaa App Joint Industry Activations

County Engagements Targeting the Boda Boda and Business Community



Pooled Funds Industry Forum Targeting the Youth

Infomercials on social media





Contact Us

CAPITAL MARKETS AUTHORITY
Embankment Plaza, 3rd Floor, Upper Hill,
Longonot Road, Off Kilimanjaro Avenue
P.O. Box 74800-00200, Nairobi, Kenya
Tel: +254 20 2264900/ 2710789/ 2710775/ 2221910
Fax: +254 20 2228254
Email: corporate@cma.or.ke
Website: www.cma.or.ke



Capital Markets Authority - Kenya