



## Kenya Listed Companies Corporate Governance Analysis

### Cytonn Corporate Governance Report

*“What is the role of corporate governance in the recent investor losses?”*

8<sup>th</sup> May, 2016



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## **I: Introduction to Cytonn Investments**

# Client Focus Drives the Team



# Introduction to Cytonn Investments

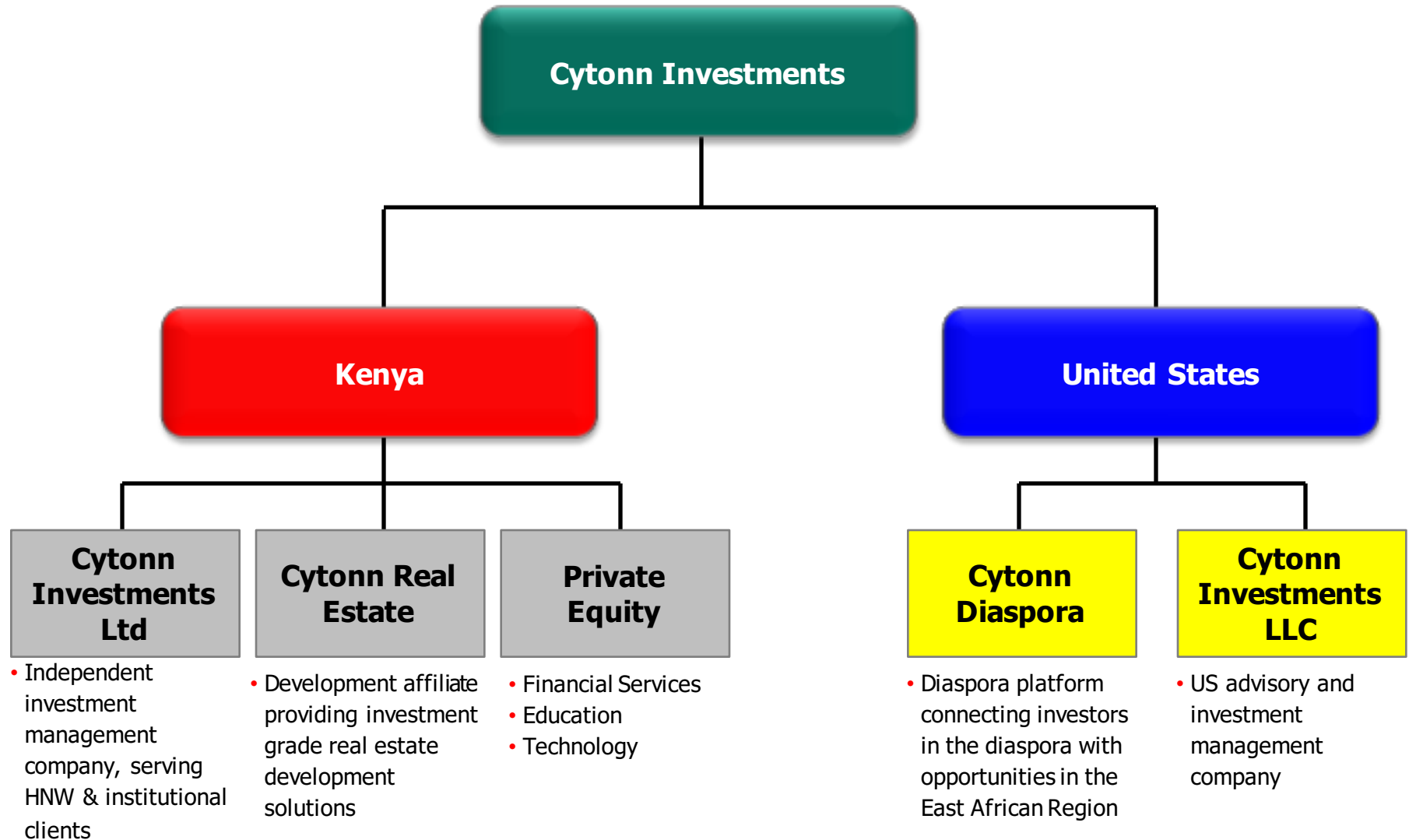
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Cytonn Investments is an independent investments management company

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- Our mission is that ***"we work to deliver innovative & differentiated financial solutions that speak to our clients needs"***
- Cytonn Investments is differentiated in several respects:
  - 1. Independence & Investor Focus:** Cytonn is solely focused on serving the interest of clients, which is best done on an independent investment management platform to minimize conflicts of interest
  - 2. Alternative Investments:** Specialized focus on alternative assets - real estate, private equity, and structured products
  - 3. Partnerships with Global Institutional Investors:** Such as Taaleritehdas of Finland
  - 4. Strong Alignment:** Every staff member participates in ownership. When clients do well, the firm does well; and when the firm does well, staff do well

# Cytonn's Corporate Structure – Kshs 53 Bn Under Mandate





# Board of Directors

The board is comprised of 10 members from diverse backgrounds, each bringing in unique skill-sets



**Prof. Daniel Mugendi,**  
Chairman



**Mike Bristow,**  
Non-executive Director



**Antti – Jussi Ahveninen,**  
Non-executive Director



**James Maina,**  
Non-executive Director



**Nasser Olwero,**  
Non-executive Director



**Kenneth Ndura**  
Non-executive Director



**Madhav Bhalla,**  
Non-executive Director



**Edwin H. Dande,**  
Managing Partner & CEO



**Elizabeth N. Nkukuu,**  
Partner & CIO



**Patricia N. Wanjama,**  
Partner & Head of Legal

# The Management Team

The team brings in diverse global and local experience



**Edwin H. Dande,**  
Managing Partner & CEO



**Elizabeth N. Nkukuu,**  
Partner & CIO



**Patricia N. Wanjama,**  
Partner & Head of Legal



**Maurice Oduor,**  
Finance and  
Investment Manager



**Johnson Denge,**  
Real Estate Services Manager



**Robert M Mwebi,**  
Project Manager



**Martin Gitonga**  
Project Manager



**Shiv Arora,**  
Head of Private Equity  
Real Estate



**Gaurang Chavda,**  
Head of Private Wealth  
Management



**Winfred Ndung'u,**  
Brand & Business  
Administration  
Manager



**Beverlyn Naliaka,**  
PR & Communication



# Cytonn Investment Solutions

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We offer differentiated investment solutions in four main areas

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## High Yield Solutions

- The Team's expertise and market knowledge enable us to offer investors higher yields than the market average
- Regular credit analysis, quick dealing capability and the large banking spread in the market allow the team to capitalize on investment opportunities

## Real Estate Investment Solutions

- Our unique strategic partnerships with Cytonn Real Estate, our development affiliate, enables us to find, evaluate, structure and deliver world class real estate investment products for investors
- Our platform connects global capital seeking attractive return with institutional grade development opportunities in the East African region

## Private Regular Investment Solutions

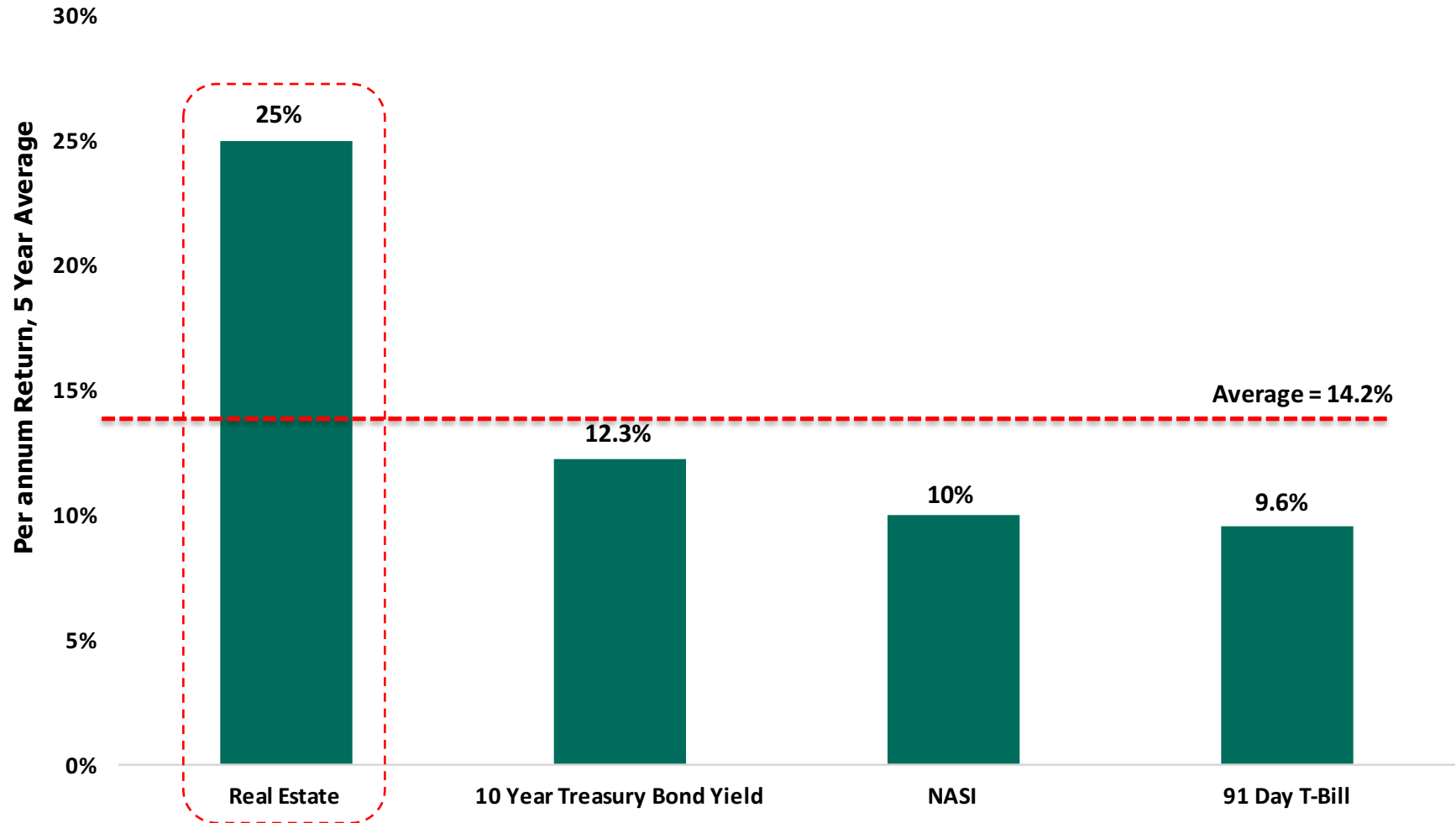
- We understand that investors have varying financial goals. Our highly customized and simple to understand investment products will enable you to achieve your investment objective
- We offer solutions to both local investors, and those in the diaspora interested in the investment opportunities back in Kenya and the region

## Private Equity

- Cytonn seeks to unearth value by identifying potential companies and growing them through capital provision and partnering with their management to drive strategy
- We primarily invest in the Financial Services, Education and Technology sectors

# Cytonn focuses on the highest returning Asset Class

Traditional investments returning 10% compared to 25% for real estate, & projected to continue

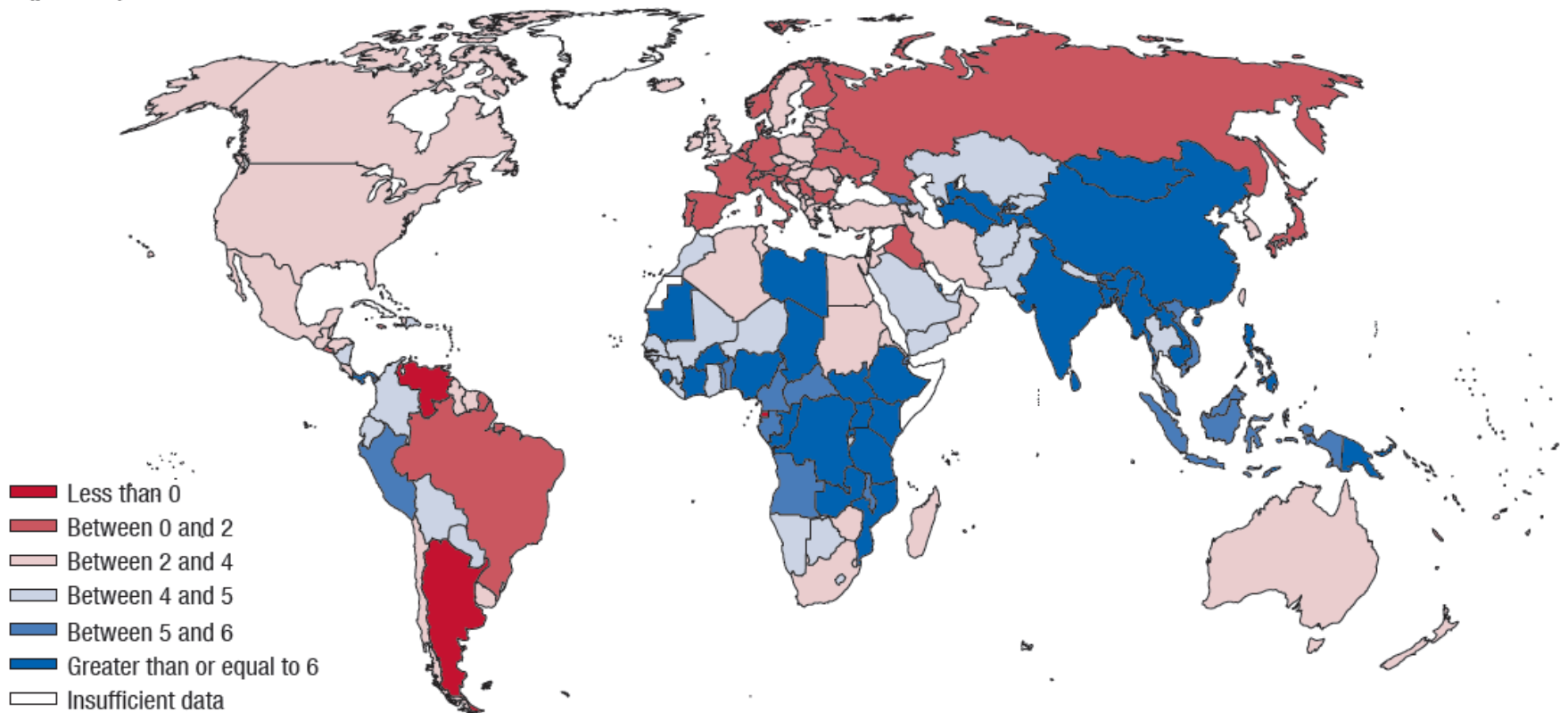


# Global view of economic growth determines regions of focus

There is demand from global capital (light colors) looking for attractive returns (dark colors)

**Figure 2.1. 2015 GDP Growth Forecasts and the Effects of a Plausible Downside Scenario**

**1. 2015 GDP Growth Forecasts<sup>1</sup>**  
(percent)



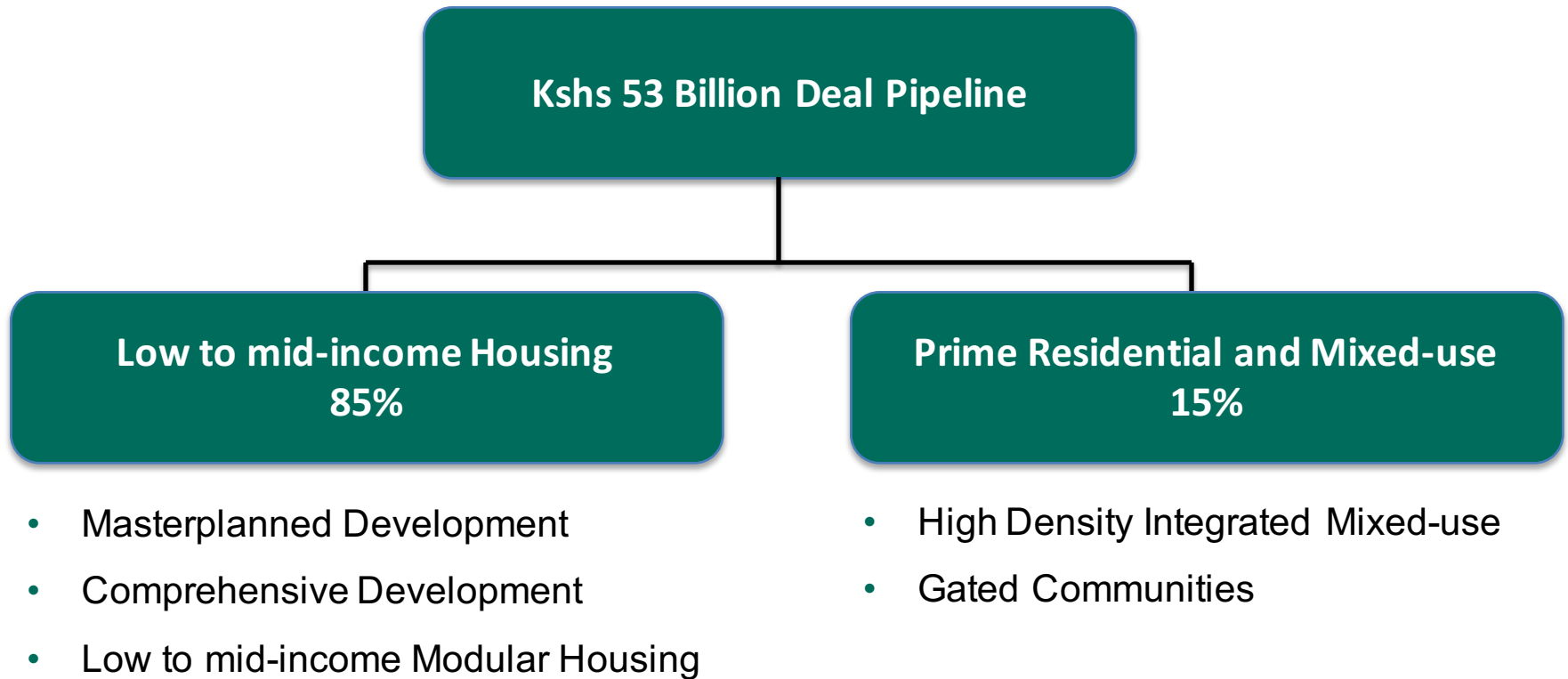
# Key themes driving our property development

A large housing deficit, growth of the middle class and demographic trends are just a few on the factors driving our thematic investments in Real Estate

KEY THEME	REAL ESTATE SECTOR PROVIDING EXPOSURE TO KEY THEME				
	Master Planned Communities	Commercial Office Parks	Commercial Mixed-Use	Suburban Malls	Three Star Hotels
1. Large Housing Deficit	✓		✓		
2. Growth of Middle Class	✓	✓	✓	✓	✓
3. Demographic Trends	✓	✓	✓	✓	✓
4. Improved Infrastructure	✓	✓	✓	✓	✓
5. Political Decentralization	✓	✓	✓	✓	✓
6. Kenya as a Regional Hub	✓	✓	✓	✓	✓

## Deal pipeline overview – 85% to low and mid-income housing

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# Summary of Projects - Kshs 53 bn Deal Pipeline Details

- Set 1:** Real estate projects where the design, concept, agreements and funding are all secured, and have ground broken or in the process of ground breaking
- Set 2:** Real estate projects where the Cytonn Real Estate team is in advanced stages of negotiations with the landowners, and where consultants have been appointed to begin market research and concept design

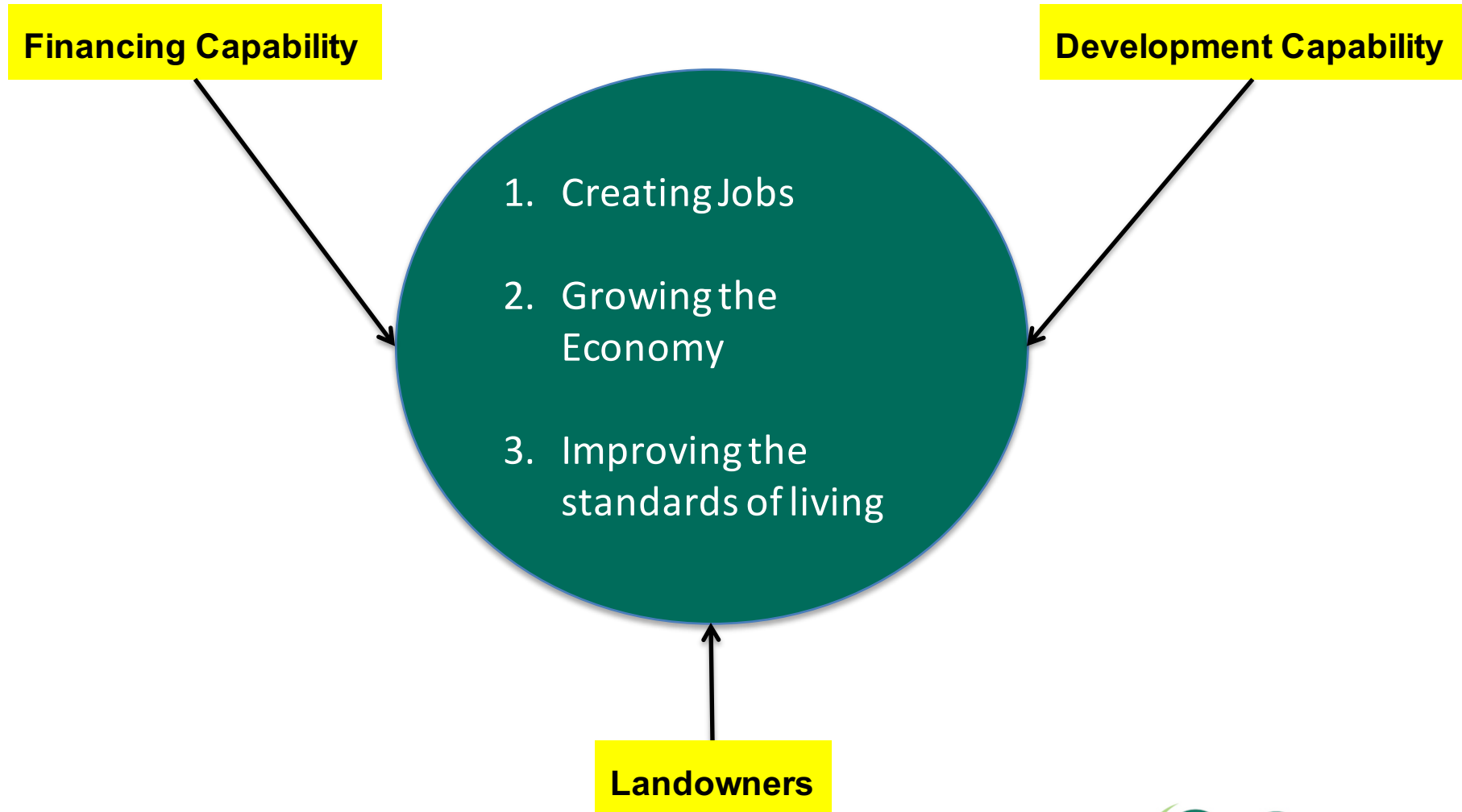
all values in Kshs Millions unless stated

Projects	Concept	Project Size
<b>SET 1</b>		
Amara Ridge	Gated community	625.0
Situ Village	Gated masterplanned community	4,500.0
The Alma	Middle-class residential development	2,744.0
Athi Sharpland	Site & Service Scheme	644.7
The Annex	Middle-Class Residential development	522.9
Rongai Sharpland	Site & Service Scheme	375.5
<b>Sub - Total</b>		<b>9,412.1</b>
<b>SET 2</b>		
Project Mombasa	High density mixed-use development	3,750.0
Kiambu Road	Middle-class gated community	3,832.0
Project Kitale	Masterplanned development	700.0
Project Mavoko	Low to mid income masterplanned city	12,500.0
Project Lukenya	Low to mid income masterplanned city	22,500.0
<b>Sub - Total</b>		<b>43,282.0</b>
<b>TOTAL</b>		<b>52,694.1</b>



## Cytonn's strategy brings three key pillars together

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## **II. Cytonn's Corporate Governance Report**

# Introduction to Corporate Governance

Corporate governance involves directors, shareholders and managers of organizations

- **“Corporate governance is the application of best management practices, compliance with laws and regulations and adherence to ethical standards for effective management and distribution of wealth and discharge of social responsibility for sustainable development of stakeholders”**
- A good corporate governance structure must encompass the following pillars:

Pillar	Role in Corporate Governance
Integrity and Ethics	<ul style="list-style-type: none"><li>• Integrity should be a fundamental requirement in choosing corporate officers and board members</li><li>• Organizations should develop a code of conduct for their directors and executives that promotes ethical and responsible decision making</li></ul>
Regulatory Independence	<ul style="list-style-type: none"><li>• A good corporate governance structure should encompass independence of the directors to the regulators</li><li>• This will reduce instances of collusion and non-compliance due to connections with the regulators</li></ul>
Disclosure and Transparency	<ul style="list-style-type: none"><li>• All financial and corporate actions should be disclosed to the public and made available for all</li><li>• Proper disclosure stipulates ease of access to this information to the public, and increases transparency, especially in public companies for the investing public</li></ul>
Responsibility and Accountability	<ul style="list-style-type: none"><li>• A good corporate structure should encompass responsibility and accountability for every action undertaken by the directors in relation to the company</li><li>• This will ensure that all decisions are made knowing that the firms resources and reputation are being committed, which will assist in prudent decision making</li></ul>

# Pillars and Principles of Corporate Governance

The four pillars create the principles structure which centers on company leadership, corporate actions and stakeholder protection



PRINCIPLES OF CORPORATE GOVERNANCE			
#	Company Leadership	Corporate Actions	Stakeholder Protection
1	Authority and duties of members	Strategy and values	Accountability to members
2	Leadership and succession planning	Corporate performance & Financial sustainability	Responsibility to stakeholders
3	Appointments to the Board & Committees	Corporate compliance	Social and environmental responsibility
4	Structure and organization	Corporate communication	Complete transparency and accuracy in disclosures
5	Induction, development and strengthening of skills of Board members	Adoption of technology and skills	Effective communication to stakeholders
6	Internal control procedures	Corporate culture	
7	Assessment of Board performance	Management of corporate risk	

# Corporate Governance – Oversight in Kenya

Organisation	Role
<b>Regulatory Bodies</b>	<ul style="list-style-type: none"><li>Regulators, including but not limited to, CBK, CMA, IRA, NSE, RBA and SASRA are all involved in setting out corporate governance guidelines for companies to adhere to</li><li>These regulatory bodies are charged with responsibility of supervising, licensing and monitoring the activities of market intermediaries</li><li>The Capital Markets Authority published the “Code of Corporate Governance Practices” which is based on a ‘comply or explain’ approach to a most recent rules that front an ‘apply or explain’ approach</li><li>The “comply or explain” approach lets individual companies to decide whether to follow set codes or not but the “apply or explain” approach requires companies to actually follow the set out corporate governance codes</li></ul>
<b>Professional Organisations</b>	<ul style="list-style-type: none"><li>The Institute of Certified Public Accountants (ICPAK) continue to play a critical role in enhancing corporate governance disclosure in Kenya. ICPAK is credited for spearheading the adoption of international Accounting and Audit standards in Kenya in 1999</li><li>Other professional associations that has contributed to promote corporate disclosure include The Institute of Certified Public Secretaries of Kenya, Law Society of Kenya, Institute of Directors of Kenya and The Association of Practitioners in Advertising</li></ul>
<b>NGOs</b>	<ul style="list-style-type: none"><li>Non governmental organisations such as Centre for Corporate Governance (COG) have also in their course of executing their mandate agitated for improved disclosure. COG drafted the first sample codes of corporate governance best practices that were adopted in 1999</li></ul>

# Recent Developments in Corporate Governance in Kenya

Investors have incurred losses equating to Kshs. 264.3 bn as a result of isolated corporate governance issues

- Corporate governance in Kenya has been an issue which has led to the loss of investor's wealth in the tune of Kshs. 264 bn. These companies include Chase Bank, CMC, Imperial Bank, Uchumi, Mumias, Kenya Airways, National Bank and TransCentury

*(all values in Kshs bns unless stated)*

Shareholders' Loss Attributed to Poor Corporate Governance				
Firm	Peak Share Price	Current Share Price	No. of Shares	Loss in Value
Kenya Airways	124.0	4.4	1.5	179.5
Imperial Bank				36.0
Mumias	19.0	1.4	1.5	27.0
TransCentury	36.0	4.8	0.3	8.7
Uchumi	23.0	3.8	0.3	5.1
Chase Bank				4.8
National Bank	16.0	9.5	0.3	2.0
CMC				1.2
<b>Total</b>				<b>264.3</b>

- For a market with over 60 listed companies to have significant issues with at least 8 companies equates to about 13% of listed companies with corporate governance issues. That is a worryingly high statistic that should call into question our regulatory frameworks and their effectiveness



# Recent Developments in Corporate Governance in Kenya, continued...

Chase Bank and Imperial Bank were closed and placed under receivership, with poor corporate governance and professional ethics being one of the main reasons

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- **Receivership of Chase Bank:** Chase Bank's recent receivership notice was as a result of unsound and unsafe banking practices, which include, among others, large unsecured loans to directors. Important to note is that Chase Bank is the first bank in Kenya to be closed and re-opened, with KCB Group acting as the receiver manager, a move to restore market confidence
- **Receivership of Imperial Bank & Dubai Bank:** Another case of unsound and unsafe banking practices, which include, among others, fraudulent loans to directors. Since Imperial Bank's closure in October 2015, the bank is yet to re-open, with depositors only having access to a maximum of Kshs. 1 mn of their deposit value
- **Suspension of National Bank CEO:** In a move to strengthen corporate governance in Kenya, National bank suspended the CEO and other top executives due to emergent concerns over the operations at the lender. However, investors are yet to be informed of the situation, which has created a level of uncertainty as they await the results of the ongoing audit process

# Recent Developments in Corporate Governance in Kenya, continued...

Mismanagement of institutions which have large government holding, as well as unsustainable debt levels have led to corporate governance issues and investor losses

- **Mismanagement of Government owned Institutions:** Poor strategies have led to the demise of companies like Mumias, Uchumi and Kenya Airways, with the capital in these entities shrinking by more than 90%, and the companies operating with negative equity positions. There is a need for privatization in these organizations to ensure an efficient turnaround, which is not dependent of a public bailout, as there is the risk of firms having a moral hazard towards operations, knowing they will receive support funding from the Government
- **Unsustainable Debt Levels:** TransCentury has suffered financial strains given high unsustainable debt levels and questionable investment decisions into such like RVR, which have eroded shareholder value, and the inability of the firm to repay bondholders, who may have to convert their positions to equity holdings

# What is the role of corporate governance in the recent investor losses?

Specific	Summary of Issue	Effect on Investors
Poor Corporate Governance and Ethics	<ul style="list-style-type: none"> <li>Over the last year, we have been plagued with isolated cases of poor corporate governance</li> <li>This has been largest in the banking sector, with issues leading to the closure of 3 banks</li> <li>All the cases, including those which have mismanagement of companies, can be related to fraud, lack of board supervision, non-disclosures and no transparency to the investing public</li> <li>Other than disclosures, we have witnessed several cases of restatement of earnings by large financial services firms, bringing into question the quality of earnings and reliability of information</li> <li>In addition, corporate governance issues have centered around CEO's and Directors, who should be at the forefront of protecting shareholder rights</li> </ul>	<ul style="list-style-type: none"> <li>In as much as these cases of corporate governance are not systemic, they have negative effects on investor confidence and market sentiment, especially for banks in Kenya</li> <li>In the banking sector, measures had to be taken by Central Bank of Kenya (CBK) to provide liquidity to smaller banks and restore confidence</li> <li>Restatement of earnings by Chase Bank, National Bank, Britam and Uchumi have led to investors questioning levels of disclosures in firms</li> <li>CMC and Uchumi have been delisted (with Uchumi now trading again) due to poor governance</li> <li>Sophisticated investors are now looking beyond valuation using financial ratios, and questioning the level of governance and professional ethics within any organization</li> </ul>
Due Diligence and Supervision	<ul style="list-style-type: none"> <li>In as much as investor losses are due to poor corporate governance and a lack of professional ethics, questions are raised over the level of supervision by regulatory bodies</li> <li>In the case of Imperial Bank, the decision to accept money for a corporate bond and approve listing by CMA and NSE, only weeks before the bank was closed, raises questions over the diligence of review as investors lost a total of Kshs. 2 bn in the bond issue</li> <li>However, credit must be given to CBK as they closed Chase Bank to avoid any insolvency in the bank, and provided liquidity to smaller banks to support the system</li> </ul>	<ul style="list-style-type: none"> <li>Investors are now looking to conduct independent due diligence at a more detailed level to avoid missing out what has not been captured at supervisory level</li> <li>The market is now looking for increased risk based supervision to protect the interest of investors</li> <li>CBK has already come out in to the market to state that the level of supervision needs to be greater, and the Governor will lead the effort</li> <li>Given CBK has already acknowledged that supervision could be stronger, are IRA and CMA sufficiently covering their sectors under supervision to prevent further investor losses?</li> </ul>

# Case Study - Corporate Governance in South Africa

South Africa has a Social Responsible Index (SRI) launched in 2004 to measure corporate governance

- Corporate governance of the listed companies on the Johannesburg Stock Exchange is measured by the Social Responsible index (SRI), developed to improve the levels of transparency for investors
- This index assesses companies against over 90 indicators based on their environmental, social and governance impact on the economic borrowing from international best practice standards, the country's Company Act of 2009 and the King Code of Corporate Governance of 2010
- Companies are evaluated on four main areas: Environment, Society, Governance and Climate Change with over 60 underlying criteria which are ranked as high, medium or low, with the total used to rank companies on corporate governance performance
- Index constituents are published by the JSE together with the best performers and criteria used as opposed to other indices such as China, Mexico and South Korea that only publish to the members of the index

**Since listing in 2004 with 51 companies, exclusions have occurred, with companies forced to leave the index, owing to violations in terms of poor governance, ethics, unlawful competition and human rights violations, an indication of its efficiency in promoting prudent corporate governance in industry**

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### **III. Cytonn Corporate Governance Index**

# Cytonn Corporate Governance Index (CGI) Report

The CGI ranked the 50 listed companies on the Nairobi Securities Exchange, all of which have a market capitalization of over Kshs. 1 bn, on 24 corporate governance metrics

- The Cytonn Corporate Governance Index (CGI) is a diffusion index consisting of 24 metrics used to rank listed companies on their corporate governance structure
- All companies with a market capitalization of over Kshs 1 bn, which equates to 50 companies on the Nairobi Securities Exchange, were ranked on each of the 24 metrics to arrive at a composite score to provide a deeper understanding of the level of corporate governance in each firm
- The main areas of analysis are in the (i) board composition, (ii) audit functions, (iii) CEO tenure and evaluation, (iv) remuneration, and (v) transparency
- The Kenyan system of corporate governance follows the "Anglo-American Model" of the United States and the United Kingdom which relies on a single tiered Board of Directors. This board is dominated by independent directors appointed by shareholders
- The score is calculated as per the formula below:
  - **Formula =  $(A*1) + (B*0.5) + (C*0)$** 
    - A - % of compliant metrics
    - B - % of partial compliant metrics
    - C - % of non compliant metrics

**The score assumes a diffusion index with 50% as the base. Anything below 50% should be flagged as having serious corporate governance issues while anything above is skewed towards proper governance. However, the variance from 100% gives the risk associated with corporate governance**



# Cytonn Corporate Governance Index – Comprehensive Score Ranking\*

KCB group ranks highest with a CGI score of 95.8%

No. Company	Comprehensive Score <sup>(a)</sup>	No. Company	Comprehensive Score <sup>(a)</sup>
1. KCB Group	95.8%	26. CIC	64.6%
2. Safaricom	83.3%	27. EA Cables	62.5%
3. Standard Chartered	83.3%	28. Standard Group	60.4%
4. Kengen	79.2%	29. Sasini	60.4%
5. Jubilee Holdings	77.1%	30. Kakuzi	60.4%
6. East Africa Breweries	77.1%	31. Housing Finance	60.4%
7. Barclays	77.1%	32. TPS East Africa	58.3%
8. BAT Kenya	77.1%	33. Nation Media Group	58.3%
9. DTB Bank	75.0%	34. Kenya Re	58.3%
10. I&M Bank	72.9%	35. CFC Stanbic	56.3%
11. Umeme Ltd	72.9%	36. Trans-Century Ltd	56.3%
12. Equity Group	72.9%	37. B.O.C Kenya	56.3%
13. Pan Africa	70.8%	38. Britam	54.2%
14. Co-operative bank	70.8%	39. Car and General	54.2%
15. NSE	68.8%	40. Mumias Sugar	52.1%
16. Kenya Power & Lighting	68.8%	41. Kenol/Kobil	52.1%
17. National Bank	68.8%	42. East Africa Portland Cement	50.0%
18. Kenya Airways	66.7%	43. Williamson Tea	47.9%
19. Centum	66.7%	44. Carbacid Investments	45.8%
20. Liberty	66.7%	45. WPP Scan Group	45.8%
21. NIC	66.7%	46. Crown Paints	43.8%
22. Unga	66.7%	47. Uchumi	37.5%
23. Bamburi	66.7%	48. Flame Tree Group Holdings	33.3%
24. Total Kenya Ltd	65.2%	49. Limuru Tea	18.8%
25. ARM	64.6%	50. Kenya orchards	10.4%

**(a) The comprehensive score is based on the average weighting between the 24 corporate governance metrics. The higher the score indicated better corporate governance**

# Cytonn Corporate Governance Index – Gender Diversity Ranking

Barclays ranks first on gender diversity with an even gender distribution

No.	Company	Score*	No.	Company	Score*
1.	Barclays	50.0%	26.	CFC	18.0%
2.	Safaricom	44.0%	27.	DTB Bank	18.0%
3.	Mumias Sugar	36.3%	28.	Kenol/Kobil	17.0%
4.	Total Kenya	33.3%	29.	Kenya Airways	16.7%
5.	CIC	33.0%	30.	Williamson Tea	14.3%
6.	Uchumi	30.0%	31.	Housing Finance	14.3%
7.	Liberty	29.0%	32.	EA Cables	14.2%
8.	Kengen	27.3%	33.	Trans-Century Ltd	12.5%
9.	KCB Group	27.3%	34.	I&M Bank	12.5%
10.	Kenya Re	27.0%	35.	Standard Group	12.5%
11.	Nation Media Group	26.7%	36.	Sasini	12.5%
12.	Pan-Africa	25.0%	37.	Britam	12.5%
13.	NSE	25.0%	38.	Umeme	10.0%
14.	Standard Chartered	25.0%	39.	TPS East Africa	10.0%
15.	Unga	25.0%	40.	Jubilee Holdings	9.0%
16.	Centum	22.2%	41.	Co-operative Bank	8.3%
17.	Kenya Power & Lighting	22.2%	42.	ARM	0.0%
18.	BAT Kenya	22.2%	43.	Limuru Tea	0.0%
19.	Equity Group	22.0%	44.	Carbacid Investments	0.0%
20.	B.O.C Kenya	22.0%	45.	East Africa Portland	0.0%
21.	National Bank	22.0%	46.	Kakuzi	0.0%
22.	East Africa Breweries	20.0%	47.	WPP Scan Group	0.0%
23.	Flame Tree	20.0%	48.	Crown Paints	0.0%
24.	Bamburi	20.0%	49.	Car and General	0.0%
25.	NIC	18.2%	50.	Kenya Orchards	0.0%

The percentage composition of women on the board. The higher the score indicates better gender diversity

# Cytonn Corporate Governance Index – Ethnic Diversity Ranking

TransCentury ranks lowest in terms of ethnic diversity, with 87.5% from one ethnicity

No.	Company	Score*	No.	Company	Score*
1.	Kenol/Kobil	17.0%	26.	Carbacid Investments	40.0%
2.	Flame Tree Group	20.0%	27.	Umeme Ltd	40.0%
3.	East Africa Breweries	20.0%	28.	TPS East Africa	40.0%
4.	Mumias Sugar	20.0%	29.	Uchumi	40.0%
5.	Total Kenya	22.0%	30.	Co-operative Bank	41.7%
6.	National Bank	22.0%	31.	Kenya Airways	41.7%
7.	BAT Kenya	22.2%	32.	Housing Finance	42.0%
8.	Pan-Africa	25.0%	33.	Kakuzi	42.8%
9.	Standard Chartered	25.0%	34.	Williamson Tea	43.0%
10.	Standard Group	25.0%	35.	Centum	44.0%
11.	KCB Group	27.0%	36.	B.O.C Kenya	44.0%
12.	Crown Paints	28.6%	37.	I&M Bank	50.0%
13.	Car and General	29.0%	38.	NSE	50.0%
14.	Liberty	29.0%	39.	Sasini	50.0%
15.	Nation Media Group	33.0%	40.	WPP Scan Group	50.0%
16.	Equity Group	33.0%	41.	Bamburi	50.0%
17.	ARM	33.3%	42.	Britam	50.0%
18.	CIC	33.3%	43.	Jubilee Holdings	63.6%
19.	Safaricom	33.3%	44.	NIC	63.6%
20.	Kenya Power & Lighting	33.3%	45.	Limuru Tea	66.0%
21.	Kengen	36.0%	46.	EA Cables	71.4%
22.	Kenya Re	36.3%	47.	DTB Bank	72.7%
23.	CFC	36.4%	48.	East Africa Portland	83.3%
24.	Barclays	37.5%	49.	Trans-Century Ltd	87.5%
25.	Unga	37.5%	50.	Kenya orchards	N/A

The percentage composition of the majority ethnic group. The higher the score indicates lower ethnic diversity

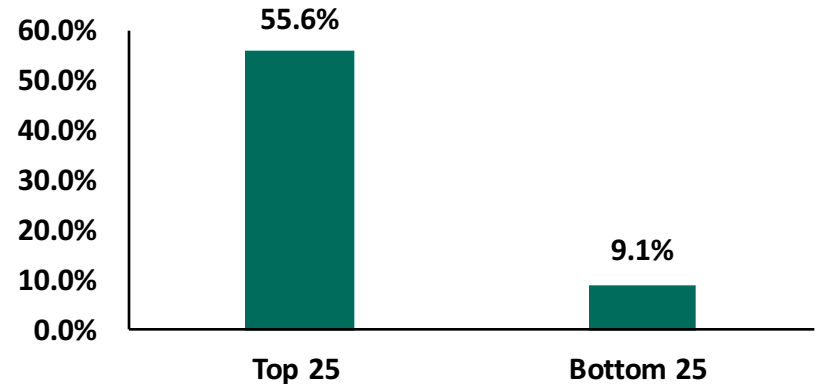
# Cytonn Corporate Governance Index - Conclusion

Corporate governance is directly correlated to stock price performance of listed firms

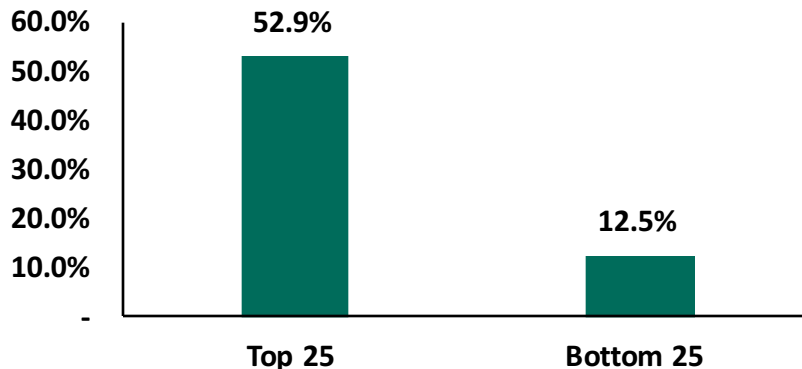
## Key Take-outs

- As shown in the charts, good corporate governance is directly correlated to stock price performance
- Companies with a well diversified board in terms of gender outperformed those with an undiversified board composition highlighting the importance of gender diversity as a corporate governance ranking metric
- The same applies for ethnic diversity where companies that are ethnically diverse also outperformed those that are ethnically biased

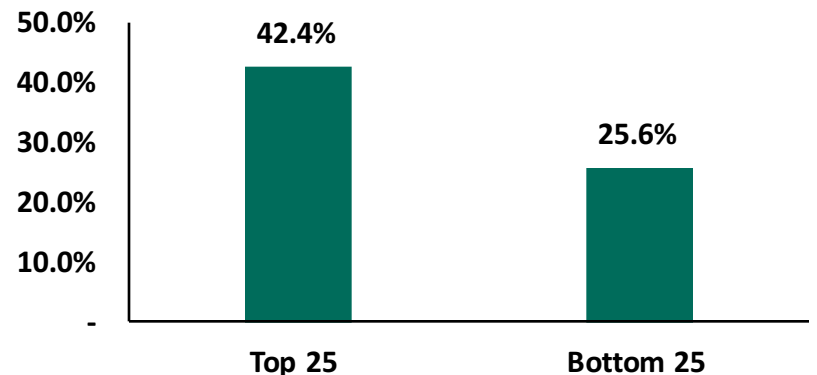
## Comprehensive Ranking 5 Yr. Absolute Return\*



## Ethnic Diversity Ranking 5 Yr. Absolute Return\*



## Gender Diversity Ranking 5 Yr. Absolute Return\*



- We exclude agricultural stocks due to their repricing as real estate firms

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## Appendix

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## A. Metrics Used



# Cytonn Corporate Governance Index - Metrics

No.	Metrics	0	0.5	1
1	<b>Attendance to Meetings</b>	Less than 50% attendance	Between 50% and 75% attendance	Greater than 75% attendance
2	<b>Average Age of Directors</b>	Greater than 60 yrs and less than 40 yrs	50 - 60 yrs	40 - 50 yrs
3	<b>Board Remuneration vs EPS</b>	Negative correlation (Remuneration increase while EPS decline)/Zero correlation	Weak positive correlation	Strong positive correlation/ Remuneration decline while EPS increase
4	<b>Board Size &amp; Evenness</b>	Less than 4 members	12 or more / Even Number	Between 5 - 11 members
5	<b>CEO and Directors Shares (directly and indirectly)</b>	0% or greater than 20% shareholding	Between 11% and 20% shareholding	Between 0% and 10% shareholding
6	<b>Choice of Auditors</b>	No proof of Audits	Non-recognized auditor	Recognized auditors
7	<b>Corporate Social Responsibility</b>	Doesn't Participate	N/A	Actively participates
8	<b>Debt to Capital/Tangible Equity for Banks and Insurance Companies<sup>(a)</sup></b>	Beyond 20% optimal above or below/No debt; >5% deviation from median (14.3%) for banks; >10% deviation from median for insurance companies (21.8%)	10% - 20% above or below optimal; 1% - 5% deviation from median (14.3%) for banks; 5% - 10% deviation from median for insurance companies (21.8%)	10% above or below optimal; 0%-1% deviation from median (14.3%) for banks; 0% - 5% deviation from median for insurance companies (21.8%)

# Cytonn Corporate Governance Index - Metrics

No.	Metrics	0	0.5	1
9	<b>Dividend Policy</b>	No known dividend policy/inconstency with policy	consistent payment	Consistently followed plan
10	<b>Ease of access of Information</b>	Opaque	Disclosures not comprehensive	Sufficient disclosure of information
11	<b>Ethnic Diversity</b>	Greater than 50% from 1 ethnicity	Between 30% and 50% from 1 ethnicity	Less than 30% from 1 ethnicity
12	<b>Evaluation of CEO</b>	Not Conducted	Conducted with negative results/ Conducted with no results disclosure	Conducted with positive results disclosure
13	<b>Free float**</b>	Less than 35%	Between 35% and 50%	Greater than 50%
14	<b>Gender Diversity</b>	0% Diversity	Greater than 0% but less than 33%	33% or greater
15	<b>Global Markets Exposure (studies and work experience) Exclude Africa (include S.A and Egypt)</b>	None	One or Two members	More than Two members
16	<b>Independence of Chair to CEO</b>	Same Individual	Different but related (Either family or have worked together for a significant number of years)	Different & Independent

# Cytonn Corporate Governance Index - Metrics

No.	Metrics	0	0.5	1
17	Internal Audit Function	Lacks this function	Less than 75% independent members	75% or greater independent members
18	Loans to directors vs shareholding	Loans greater than Shareholding	Loans greater than 50% of the Shareholding	Loans less than 50% of shareholding
19	Proportion of Non-Executive	No member	Less than 50%	50% and Greater
20	Release results on time	Beyond 120 days	90 days $\leq x \leq$ 120 days	Within 90 days
21	Rotation of Auditors	No Rotation	Greater than 5 yrs	Less than 5 yrs
22	Shareholder Composition	Shareholding with controlling government stake of over 20%	Diverse Shareholding	Sophisticated Institutional Investors / Renown parent company holding
23	Staggered Members for board	Non-existent	Staggered, period greater than 5yrs	Well staggered (between 1 - 5 yrs)
24	Tenure of the CEO	No term limits and election	Defined tenure greater than 7 years	Defined tenure of about 3 to 7 years

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## **B. Metrics Used – Company Specific Scores**

# Metrics for ARM,BAT, B.O.C, Bamburi and Barclays

					ARM	BAT	B.O.C	Bamburi	Barclays
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
1	Board Size & Evenness	Less than 4 members	12 or more / Even Number	Between 5 - 11 members	1	1	1	0.5	0.5
2	Gender Diversity	0% Diversity	Greater than 0% but less than 33%	33% or greater	0	0.5	0.5	0.5	1
3	Average Age of Directors	Greater than 60 yrs and less than 40 yrs	50 - 60 yrs	40 - 50 yrs	0	0.5	0.5	0.5	0.5
4	Ethnic Diversity	Greater than 50% from 1 ethnicity	Between 30% and 50% from 1 ethnicity	Less than 30% from 1 ethnicity	0.5	1	0.5	0.5	0.5
5	Global Markets Exposure (studies and work experience) Exclude Africa (include S.A and Egypt)	None	One or Two members	More than Two members	1	1	1	1	1
6	Proportion of Non-Executive	No member	Less than 50%	50% and Greater	0.5	1	1	1	1
7	Attendance to Meetings	Less than 50% attendance	between 50% and 75% attendance	Greater than 75% attendance	1	1	0	1	0.5
8	Independence of Chair to CEO	Same Individual	Different but related (Either family or have worked together for a significant number of years)	Different & Independent	1	1	1	1	1
9	Tenure of the CEO	No term limits and election	Defined tenure greater than 7 years	Defined tenure of about 3 to 7 years	0	0	0	0	1
10	Staggered Members for board	Non-existent	Staggered, period greater than 5yrs	Well staggered (between 1 - 5 yrs)	1	1	0	0	1
11	CEO and Directors Shares (directly and indirectly)	0% or greater than 20% shareholding	Between 11% and 20% shareholding	Between 0% and 10% shareholding	0.5	1	1	0	1
12	Shareholder Composition	Shareholding with controlling government stake of over 20%	Diverse Shareholding	Sophisticated Institutional Investors / Renown parent company holding	0.5	1	1	0.5	1

# Metrics for ARM,BAT, B.O.C, Bamburi and Barclays, continued...

					ARM	BAT	B.O.C	Bamburi	Barclays
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
13	Free float**	Less than 35%	Between 35% and 50%	Greater than 50%	0.5	0	0	0	0
14	Board Remuneration vs EPS	Negative correlation (Remuneration increase while EPS decline)/Zero correlation	Weak positive correlation	Strong positive correlation/ Remuneration decline while EPS increase	0.5	1	1	1	1
15	Choice of Auditors	No proof of Audits	Non-recognized auditor	Recognized auditors	1	1	1	1	1
16	Rotation of Auditors	No Rotation	Greater than 5 yrs	Less than 5 yrs	1	1	0	1	0
17	Evaluation of CEO	Not Conducted	Conducted with negative results/ Conducted with no results disclosure	Conducted with positive results disclosure	0	0.5	0	1	0.5
18	Internal Audit Function	Lacks this function	Less than 75% independent members	75% or greater independent members	1	1	0.5	1	1
19	Loans to directors vs shareholding	Loans greater than Shareholding	Loans greater than 50% of the Shareholding	Loans less than 50% of shareholding	1	1	1	1	1
20	Release results on time	Beyond 120 days	90 days $\leq x \leq$ 120 days	Within 90 days	1	1	1	1	1
21	Dividend Policy	No known dividend policy/inconstancy with policy	consistent payment	Consistently followed plan	0.5	0.5	0.5	0.5	0.5
22	Debt to Capital/Tangible Equity for Banks and Insurance Companies <sup>(a)</sup>	Beyond 20% optimal above or below/No debt; >5% deviation from median (14.3%) for banks; >10% deviation from median for insurance companies (21.8%)	10% - 20% above or below optimal; 1% - 5% deviation from median (14.3%) for banks; 5% - 10% deviation from median for insurance companies (21.8%)	10% above or below optimal; 0%-1% deviation from median (14.3%) for banks; 0% - 5% deviation from median for insurance companies (21.8%)	0	1	0	0	0.5
23	Ease of accessof Information	Opaque	Disclosures not comprehensive	Sufficient disclosure of information	1	0.5	1	1	1
24	Corporate Social Responsibility	Doesn't Participate	-	Actively participates	1	0	0	1	1
<b>Comprehensive Score</b>					<b>64.6%</b>	<b>77.1%</b>	<b>56.3%</b>	<b>66.7%</b>	<b>77.1%</b>

# Metrics for Britam, Car and General, Carbacid, Centum and CfC

					Britam	Car and General	Carbacid	Centum	CfC
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
1	Board Size & Evenness	Less than 4 members	12 or more / Even Number	Between 5 - 11 members	0.5	1	1	1	1
2	Gender Diversity	0% Diversity	Greater than 0% but less than 33%	33% or greater	0.5	0	0	0.5	0.5
3	Average Age of Directors	Greater than 60 yrs and less than 40 yrs	50 - 60 yrs	40 - 50 yrs	0	0	0	0.5	0.5
4	Ethnic Diversity	Greater than 50% from 1 ethnicity	Between 30% and 50% from 1 ethnicity	Less than 30% from 1 ethnicity	0	1	0.5	0	0.5
5	Global Markets Exposure (studies and work experience) Exclude Africa (include S.A and Egypt)	None	One or Two members	More than Two members	0	0	0.5	1	1
6	Proportion of Non-Executive	No member	Less than 50%	50% and Greater	1	1	1	1	1
7	Attendance to Meetings	Less than 50% attendance	between 50% and 75% attendance	Greater than 75% attendance	1	0	0	0.5	0
8	Independence of Chair to CEO	Same Individual	Different but related (Either family or have worked together for a significant number of years)	Different & Independent	1	1	0	1	1
9	Tenure of the CEO	No term limits and election	Defined tenure greater than 7 years	Defined tenure of about 3 to 7 years	0	0	0	0	0
10	Staggered Members for board	Non-existent	Staggered, period greater than 5yrs	Well staggered (between 1 - 5 yrs)	0	1	1	1	0.5
11	CEO and Directors Shares (directly and indirectly)	0% or greater than 20% shareholding	Between 11% and 20% shareholding	Between 0% and 10% shareholding	0	1	0	0	0
12	Shareholder Composition	Shareholding with controlling government stake of over 20%	Diverse Shareholding	Sophisticated Institutional Investors / Renown parent company holding	0.5	0.5	0.5	0.5	1

# Metrics for Britam, Car and General, Carbacid, Centum and CfC, continued...

					Britam	Car and General	Carbacid	Centum	CfC
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
13	Free float**	Less than 35%	Between 35% and 50%	Greater than 50%	0	0	0.5	0.5	0
14	Board Remuneration vs EPS	Negative correlation (Remuneration increase while EPS decline)/Zero correlation	Weak positive correlation	Strong positive correlation/ Remuneration decline while EPS increase	0.5	0	0	1	0
15	Choice of Auditors	No proof of Audits	Non-recognized auditor	Recognized auditors	1	1	1	1	1
16	Rotation of Auditors	No Rotation	Greater than 5 yrs	Less than 5 yrs	1	0	0	0	0
17	Evaluation of CEO	Not Conducted	Conducted with negative results/ Conducted with no results disclosure	Conducted with positive results disclosure	0	0	0	0.5	1
18	Internal Audit Function	Lacks this function	Less than 75% independent members	75% or greater independent members	1	1	1	1	0.5
19	Loans to directors vs shareholding	Loans greater than Shareholding	Loans greater than 50% of the Shareholding	Loans less than 50% of shareholding	1	1	1	1	0
20	Release results on time	Beyond 120 days	90 days $\leq x \leq 120$ days	Within 90 days	0.5	1	1	1	1
21	Dividend Policy	No known dividend policy/inconsistency with policy	consistent payment	Consistently followed plan	0.5	0.5	0	1	0
22	Debt to Capital/Tangible Equity for Banks and Insurance Companies <sup>(a)</sup>	Beyond 20% optimal above or below/No debt; >5% deviation from median (14.3%) for banks; >10% deviation from median for insurance companies (21.8%)	10% - 20% above or below optimal; 1% - 5% deviation from median (14.3%) for banks; 5% - 10% deviation from median for insurance companies (21.8%)	10% above or below optimal; 0%-1% deviation from median (14.3%) for banks; 0% - 5% deviation from median for insurance companies (21.8%)	1	0.5	0	0	1
23	Ease of access of Information	Opaque	Disclosures not comprehensive	Sufficient disclosure of information	1	0.5	1	1	1
24	Corporate Social Responsibility	Doesn't Participate	-	Actively participates	1	1	1	1	1
	<b>Comprehensive Score</b>				<b>54.2%</b>	<b>54.2%</b>	<b>45.8%</b>	<b>66.7%</b>	<b>56.3%</b>



# Metrics for CIC, Co-op, Crown, DTB & EA Cables

					CIC	Co-op	Crown Paints	DTB	EA Cables
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
1	Board Size & Evenness	Less than 4 members	12 or more / Even Number	Between 5 - 11 members	0.5	0.5	1	1	1
2	Gender Diversity	0% Diversity	Greater than 0% but less than 33%	33% or greater	1	0.5	0	0.5	0.5
3	Average Age of Directors	Greater than 60 yrs and less than 40 yrs	50 - 60 yrs	40 - 50 yrs	0.5	0.5	0	0.5	0.5
4	Ethnic Diversity	Greater than 50% from 1 ethnicity	Between 30% and 50% from 1 ethnicity	Less than 30% from 1 ethnicity	0.5	0.5	1	0	0
5	Global Markets Exposure (studies and work experience) Exclude Africa (include S.A and Egypt)	None	One or Two members	More than Two members	0.5	0.5	0	1	1
6	Proportion of Non-Executive	No member	Less than 50%	50% and Greater	1	1	1	1	1
7	Attendance to Meetings	Less than 50% attendance	between 50% and 75% attendance	Greater than 75% attendance	0	1	0	1	1
8	Independence of Chair to CEO	Same Individual	Different but related (Either family or have worked together for a significant number of years)	Different & Independent	1	1	1	1	1
9	Tenure of the CEO	No term limits and election	Defined tenure greater than 7 years	Defined tenure of about 3 to 7 years	0	0	0	0	0
10	Staggered Members for board	Non-existent	Staggered, period greater than 5yrs	Well staggered (between 1 - 5 yrs)	0.5	1	0	0.5	1
11	CEO and Directors Shares (directly and indirectly)	0% or greater than 20% shareholding	Between 11% and 20% shareholding	Between 0% and 10% shareholding	1	1	0	1	1
12	Shareholder Composition	Shareholding with controlling government stake of over 20%	Diverse Shareholding	Sophisticated Institutional Investors / Renown parent company holding	0.5	0.5	0.5	1	0.5

# Metrics for CIC, Co-op, Crown, DTB & EA Cables, continued...

					CIC	Co-op	Crown Paints	DTB	EA Cables
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
13	Free float**	Less than 35%	Between 35% and 50%	Greater than 50%	0	0	0	0.5	0
14	Board Remuneration vs EPS	Negative correlation (Remuneration increase while EPS decline)/Zero correlation	Weak positive correlation	Strong positive correlation/ Remuneration decline while EPS increase	0	1	0.5	1	0
15	Choice of Auditors	No proof of Audits	Non-recognized auditor	Recognized auditors	1	1	1	1	1
16	Rotation of Auditors	No Rotation	Greater than 5 yrs	Less than 5 yrs	1	0.5	0	0	0
17	Evaluation of CEO	Not Conducted	Conducted with negative results/ Conducted with no results disclosure	Conducted with positive results disclosure	0	0.5	0	1	0
18	Internal Audit Function	Lacks this function	Less than 75% independent members	75% or greater independent members	1	1	0.5	1	1
19	Loans to directors vs shareholding	Loans greater than Shareholding	Loans greater than 50% of the Shareholding	Loans less than 50% of shareholding	1	1	1	1	1
20	Release results on time	Beyond 120 days	90 days $\leq x \leq$ 120 days	Within 90 days	1	1	1	1	1
21	Dividend Policy	No known dividend policy/inconsistency with policy	consistent payment	Consistently followed plan	1	0	0.5	0.5	0.5
22	Debt to Capital/Tangible Equity for Banks and Insurance Companies <sup>(a)</sup>	Beyond 20% optimal above or below/No debt; >5% deviation from median (14.3%) for banks; >10% deviation from median for insurance companies (21.8%)	10% - 20% above or below optimal; 1% - 5% deviation from median (14.3%) for banks; 5% - 10% deviation from median for insurance companies (21.8%)	10% above or below optimal; 0%-1% deviation from median (14.3%) for banks; 0% - 5% deviation from median for insurance companies (21.8%)	0.5	1	0	0.5	0
23	Ease of access of Information	Opaque	Disclosures not comprehensive	Sufficient disclosure of information	1	1	0.5	1	1
24	Corporate Social Responsibility	Doesn't Participate	-	Actively participates	1	1	1	1	1
	Comprehensive Score				64.6%	70.8%	43.8%	75.0%	62.5%

# Metrics for EABL, EAPC, Equity, Flame Tree & HF Group

					EABL	EAPC	Equity	Flame Tree	HF Group
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
1	Board Size & Evenness	Less than 4 members	12 or more / Even Number	Between 5 - 11 members	0.5	0.5	1	1	1
2	Gender Diversity	0% Diversity	Greater than 0% but less than 33%	33% or greater	0.5	0	0.5	0.5	0.5
3	Average Age of Directors	Greater than 60 yrs and less than 40 yrs	50 - 60 yrs	40 - 50 yrs	0.5	0	0	0	0.5
4	Ethnic Diversity	Greater than 50% from 1 ethnicity	Between 30% and 50% from 1 ethnicity	Less than 30% from 1 ethnicity	1	0.5	0.5	1	0.5
5	Global Markets Exposure (studies and work experience) Exclude Africa (include S.A and Egypt)	None	One or Two members	More than Two members	1	0	1	1	1
6	Proportion of Non-Executive	No member	Less than 50%	50% and Greater	1	1	1	0.5	1
7	Attendance to Meetings	Less than 50% attendance	between 50% and 75% attendance	Greater than 75% attendance	0.5	0.5	1	0	1
8	Independence of Chair to CEO	Same Individual	Different but related (Either family or have worked together for a significant number of years)	Different & Independent	1	1	1	1	1
9	Tenure of the CEO	No term limits and election	Defined tenure greater than 7 years	Defined tenure of about 3 to 7 years	0	0	0	0	0
10	Staggered Members for board	Non-existent	Staggered, period greater than 5yrs	Well staggered (between 1 - 5 yrs)	1	1	1	0	1
11	CEO and Directors Shares (directly and indirectly)	0% or greater than 20% shareholding	Between 11% and 20% shareholding	Between 0% and 10% shareholding	1	0	1	0	0
12	Shareholder Composition	Shareholding with controlling government stake of over 20%	Diverse Shareholding	Sophisticated Institutional Investors / Renown parent company holding	1	0	1	0	1

# Metrics for EABL, EAPC, Equity, Flame Tree & HF Group, continued...

					EABL	EAPC	Equity	Flame Tree	HF Group
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
13	Free float**	Less than 35%	Between 35% and 50%	Greater than 50%	0.5	0	1	0	0.5
14	Board Remuneration vs EPS	Negative correlation (Remuneration increase while EPS decline)/Zero correlation	Weak positive correlation	Strong positive correlation/Remuneration decline while EPS increase	1	0.5	0	0	0
15	Choice of Auditors	No proof of Audits	Non-recognized auditor	Recognized auditors	1	1	1	0.5	1
16	Rotation of Auditors	No Rotation	Greater than 5 yrs	Less than 5 yrs	1	0	0	0	0
17	Evaluation of CEO	Not Conducted	Conducted with negative results/ Conducted with no results disclosure	Conducted with positive results disclosure	0.5	0.5	0.5	0.5	0.5
18	Internal Audit Function	Lacks this function	Less than 75% independent members	75% or greater independent members	1	1	1	0.5	0
19	Loans to directors vs shareholding	Loans greater than Shareholding	Loans greater than 50% of the Shareholding	Loans less than 50% of shareholding	1	1	1	0	0
20	Release results on time	Beyond 120 days	90 days $\leq x \leq$ 120 days	Within 90 days	1	1	1	1	1
21	Dividend Policy	No known dividend policy/inconsistency with policy	consistent payment	Consistently followed plan	0.5	0	0.5	0	0.5
22	Debt to Capital/Tangible Equity for Banks and Insurance Companies <sup>(a)</sup>	Beyond 20% optimal above or below/No debt; >5% deviation from median (14.3%) for banks; >10% deviation from median for insurance companies (21.8%)	10% - 20% above or below optimal; 1% - 5% deviation from median (14.3%) for banks; 5% - 10% deviation from median for insurance companies (21.8%)	10% above or below optimal; 0%-1% deviation from median (14.3%) for banks; 0% - 5% deviation from median for insurance companies (21.8%)	0	1	0.5	0	0.5
23	Ease of accessof Information	Opaque	Disclosures not comprehensive	Sufficient disclosure of information	1	0.5	1	0.5	1
24	Corporate Social Responsibility	Doesn't Participate	-	Actively participates	1	1	1	0	1
	<b>Comprehensive Score</b>				<b>77.1%</b>	<b>50.0%</b>	<b>72.9%</b>	<b>33.3%</b>	<b>60.4%</b>

# Metrics for I&M, Jubilee, Kakuzi, KCB Group & KenGen

					I&M	Jubilee	Kakuzi	KCB	KenGen
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
1	Board Size & Evenness	Less than 4 members	12 or more / Even Number	Between 5 - 11 members	0.5	1	1	1	1
2	Gender Diversity	0% Diversity	Greater than 0% but less than 33%	33% or greater	0.5	0.5	0	0.5	0.5
3	Average Age of Directors	Greater than 60 yrs and less than 40 yrs	50 - 60 yrs	40 - 50 yrs	0.5	0.5	0	0.5	0.5
4	Ethnic Diversity	Greater than 50% from 1 ethnicity	Between 30% and 50% from 1 ethnicity	Less than 30% from 1 ethnicity	0.5	0	0.5	1	0.5
5	Global Markets Exposure (studies and work experience) Exclude Africa (include S.A and Egypt)	None	One or Two members	More than Two members	1	1	1	1	1
6	Proportion of Non-Executive	No member	Less than 50%	50% and Greater	1	1	1	1	1
7	Attendance to Meetings	Less than 50% attendance	between 50% and 75% attendance	Greater than 75% attendance	1	1	0	1	1
8	Independence of Chair to CEO	Same Individual	Different but related (Either family or have worked together for a significant number of years)	Different & Independent	1	1	1	1	1
9	Tenure of the CEO	No term limits and election	Defined tenure greater than 7 years	Defined tenure of about 3 to 7 years	0	0	0	1	1
10	Staggered Members for board	Non-existent	Staggered, period greater than 5yrs	Well staggered (between 1 - 5 yrs)	0	1	1	1	1
11	CEO and Directors Shares (directly and indirectly)	0% or greater than 20% shareholding	Between 11% and 20% shareholding	Between 0% and 10% shareholding	1	1	1	1	1
12	Shareholder Composition	Shareholding with controlling government stake of over 20%	Diverse Shareholding	Sophisticated Insituational Investors / Renown parent company holding	1	1	0.5	1	0

# Metrics for I&M, Jubilee, Kakuzi, KCB Group & KenGen, continued...

					I&M	Jubilee	Kakuzi	KCB	KenGen
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
13	Free float**	Less than 35%	Between 35% and 50%	Greater than 50%	0	0.5	0	1	0
14	Board Remuneration vs EPS	Negative correlation (Remuneration increase while EPS decline)/Zero correlation	Weak positive correlation	Strong positive correlation/ Remuneration decline while EPS increase	1	0.5	1	1	1
15	Choice of Auditors	No proof of Audits	Non-recognized auditor	Recognized auditors	1	1	1	1	1
16	Rotation of Auditors	No Rotation	Greater than 5 yrs	Less than 5 yrs	1	1	0	1	1
17	Evaluation of CEO	Not Conducted	Conducted with negative results/ Conducted with no results disclosure	Conducted with positive results disclosure	0.5	0	0	1	1
18	Internal Audit Function	Lacks this function	Less than 75% independent members	75% or greater independent members	1	1	1	1	1
19	Loans to directors vs shareholding	Loans greater than Shareholding	Loans greater than 50% of the Shareholding	Loans less than 50% of shareholding	1	1	1	1	1
20	Release results on time	Beyond 120 days	90 days $\leq x \leq$ 120 days	Within 90 days	1	1	1	1	1
21	Dividend Policy	No known dividend policy/inconsistency with policy	consistent payment	Consistently followed plan	0.5	0.5	0.5	1	0.5
22	Debt to Capital/Tangible Equity for Banks and Insurance Companies <sup>(a)</sup>	Beyond 20% optimal above or below/No debt; >5% deviation from median (14.3%) for banks; >10% deviation from median for insurance companies (21.8%)	10% - 20% above or below optimal; 1% - 5% deviation from median (14.3%) for banks; 5% - 10% deviation from median for insurance companies (21.8%)	10% above or below optimal; 0%-1% deviation from median (14.3%) for banks; 0% - 5% deviation from median for insurance companies (21.8%)	0.5	1	0	1	0
23	Ease of access of Information	Opaque	Disclosures not comprehensive	Sufficient disclosure of information	1	1	1	1	1
24	Corporate Social Responsibility	Doesn't Participate	-	Actively participates	1	1	1	1	1
	Comprehensive Score				72.9%	77.1%	60.4%	95.8%	79.2%

# Metrics for Kenol/Kobil, KQ, Orchards, Kenya Power & Kenya Re

					Kenol/Kobil	KQ	Kenya Orchards	Kenya Power	Kenya-Re
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
1	Board Size & Evenness	Less than 4 members	12 or more / Even Number	Between 5 - 11 members	0.5	0.5	0	1	1
2	Gender Diversity	0% Diversity	Greater than 0% but less than 33%	33% or greater	0.5	0.5	0	0.5	0.5
3	Average Age of Directors	Greater than 60 yrs and less than 40 yrs	50 - 60 yrs	40 - 50 yrs	0	0.5	0	0.5	0
4	Ethnic Diversity	Greater than 50% from 1 ethnicity	Between 30% and 50% from 1 ethnicity	Less than 30% from 1 ethnicity	1	0.5	0	0.5	0.5
5	Global Markets Exposure (studies and work experience) Exclude Africa (include S.A and Egypt)	None	One or Two members	More than Two members	1	1	0	0.5	1
6	Proportion of Non-Executive	No member	Less than 50%	50% and Greater	1	1	0	1	1
7	Attendance to Meetings	Less than 50% attendance	between 50% and 75% attendance	Greater than 75% attendance	0	0	0	1	0
8	Independence of Chair to CEO	Same Individual	Different but related (Either family or have worked together for a significant number of years)	Different & Independent	1	1	1	1	1
9	Tenure of the CEO	No term limits and election	Defined tenure greater than 7 years	Defined tenure of about 3 to 7 years	0	0	0	0	0
10	Staggered Members for board	Non-existent	Staggered, period greater than 5yrs	Well staggered (between 1 - 5 yrs)	0	1	0	1	0
11	CEO and Directors Shares (directly and indirectly)	0% or greater than 20% shareholding	Between 11% and 20% shareholding	Between 0% and 10% shareholding	0	1	0	1	1
12	Shareholder Composition	Shareholding with controlling government stake of over 20%	Diverse Shareholding	Sophisticated Institutional Investors / Renown parent company holding	0.5	0.5	0	0	0

# Metrics for Kenol/Kobil, KQ, Orchards, Kenya Power & Kenya Re, continued...

					Kenol/Kobil	KQ	Kenya Orchards	Kenya Power	Kenya-Re
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
13	Free float**	Less than 35%	Between 35% and 50%	Greater than 50%	0	0	0	0	0
14	Board Remuneration vs EPS	Negative correlation (Remuneration increase while EPS decline)/Zero correlation	Weak positive correlation	Strong positive correlation/ Remuneration decline while EPS increase	1	0.5	0	1	1
15	Choice of Auditors	No proof of Audits	Non-recognized auditor	Recognized auditors	1	1	0.5	1	1
16	Rotation of Auditors	No Rotation	Greater than 5 yrs	Less than 5 yrs	0	1	0	1	0
17	Evaluation of CEO	Not Conducted	Conducted with negative results/ Conducted with no results disclosure	Conducted with positive results disclosure	0	0.5	0	0.5	0.5
18	Internal Audit Function	Lacks this function	Less than 75% independent members	75% or greater independent members	0.5	1	0	1	1
19	Loans to directors vs shareholding	Loans greater than Shareholding	Loans greater than 50% of the Shareholding	Loans less than 50% of shareholding	1	1	0	1	1
20	Release results on time	Beyond 120 days	90 days $\leq x \leq$ 120 days	Within 90 days	1	1	1	1	1
21	Dividend Policy	No known dividend policy/inconstancy with policy	consistent payment	Consistently followed plan	0	0.5	0	0	0.5
22	Debt to Capital/Tangible Equity for Banks and Insurance Companies <sup>(a)</sup>	Beyond 20% optimal above or below/No debt; >5% deviation from median (14.3%) for banks; >10% deviation from median for insurance companies (21.8%)	10% - 20% above or below optimal; 1% - 5% deviation from median (14.3%) for banks; 5% - 10% deviation from median for insurance companies (21.8%)	10% above or below optimal; 0%-1% deviation from median (14.3%) for banks; 0% - 5% deviation from median for insurance companies (21.8%)	1	0	0	0	0
23	Ease of access of Information	Opaque	Disclosures not comprehensive	Sufficient disclosure of information	0.5	1	0	1	1
24	Corporate Social Responsibility	Doesn't Participate	-	Actively participates	1	1	0	1	1
	<b>Comprehensive Score</b>				<b>52.1%</b>	<b>66.7%</b>	<b>10.4%</b>	<b>68.8%</b>	<b>58.3%</b>



# Metrics for Liberty, Limuru Tea, Mumias, Nation Media & NBK

					Liberty	Limuru Tea	Mumias	NMG	NBK
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
1	Board Size & Evenness	Less than 4 members	12 or more / Even Number	Between 5 - 11 members	1	0	1	0.5	1
2	Gender Diversity	0% Diversity	Greater than 0% but less than 33%	33% or greater	0.5	0	1	0.5	0.5
3	Average Age of Directors	Greater than 60 yrs and less than 40 yrs	50 - 60 yrs	40 - 50 yrs	0	0	0	0.5	0.5
4	Ethnic Diversity	Greater than 50% from 1 ethnicity	Between 30% and 50% from 1 ethnicity	Less than 30% from 1 ethnicity	1	0.5	1	0.5	1
5	Global Markets Exposure (studies and work experience) Exclude Africa (include S.A and Egypt)	None	One or Two members	More than Two members	1	0	1	1	1
6	Proportion of Non-Executive	No member	Less than 50%	50% and Greater	1	0	1	1	1
7	Attendance to Meetings	Less than 50% attendance	between 50% and 75% attendance	Greater than 75% attendance	1	0	0	0	1
8	Independence of Chair to CEO	Same Individual	Different but related (Either family or have worked together for a significant number of years)	Different & Independent	1	0	1	1	1
9	Tenure of the CEO	No term limits and election	Defined tenure greater than 7 years	Defined tenure of about 3 to 7 years	0	0	0	0	0
10	Staggered Members for board	Non-existent	Staggered, period greater than 5yrs	Well staggered (between 1 - 5 yrs)	1	0	0	1	1
11	CEO and Directors Shares (directly and indirectly)	0% or greater than 20% shareholding	Between 11% and 20% shareholding	Between 0% and 10% shareholding	0	0	1	1	1
12	Shareholder Composition	Shareholding with controlling government stake of over 20%	Diverse Shareholding	Sophisticated Institutional Investors / Renown parent company holding	1	1	0	1	0.5

# Metrics for Liberty, Limuru Tea, Mumias, Nation Media & NBK, continued...

					Liberty	Limuru Tea	Mumias	NMG	NBK
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
13	Free float**	Less than 35%	Between 35% and 50%	Greater than 50%	0	0	1	0.5	0
14	Board Remuneration vs EPS	Negative correlation (Remuneration increase while EPS decline)/Zero correlation	Weak positive correlation	Strong positive correlation/ Remuneration decline while EPS increase	0	0	0	1	0
15	Choice of Auditors	No proof of Audits	Non-recognized auditor	Recognized auditors	1	1	0.5	1	1
16	Rotation of Auditors	No Rotation	Greater than 5 yrs	Less than 5 yrs	0.5	0	0.5	0	1
17	Evaluation of CEO	Not Conducted	Conducted with negative results/ Conducted with no results disclosure	Conducted with positive results disclosure	0	0	0	0	0.5
18	Internal Audit Function	Lacks this function	Less than 75% independent members	75% or greater independent members	1	0	1	1	1
19	Loans to directors vs shareholding	Loans greater than Shareholding	Loans greater than 50% of the Shareholding	Loans less than 50% of shareholding	1	1	0	0	0
20	Release results on time	Beyond 120 days	90 days $\leq x \leq 120$ days	Within 90 days	1	1	1	1	1
21	Dividend Policy	No known dividend policy/inconstancy with policy	consistent payment	Consistently followed plan	0.5	0	0	0.5	0.5
22	Debt to Capital/Tangible Equity for Banks and Insurance Companies <sup>(a)</sup>	Beyond 20% optimal above or below/No debt; >5% deviation from median (14.3%) for banks; >10% deviation from median for insurance companies (21.8%)	10% - 20% above or below optimal; 1% - 5% deviation from median (14.3%) for banks; 5% - 10% deviation from median for insurance companies (21.8%)	10% above or below optimal; 0%-1% deviation from median (14.3%) for banks; 0% - 5% deviation from median for insurance companies (21.8%)	0.5	0	0	0	0
23	Ease of access of Information	Opaque	Disclosures not comprehensive	Sufficient disclosure of information	1	0	0.5	0	1
24	Corporate Social Responsibility	Doesn't Participate	-	Actively participates	1	0	1	1	1
	<b>Comprehensive Score</b>				<b>66.7%</b>	<b>18.8%</b>	<b>52.1%</b>	<b>58.3%</b>	<b>68.8%</b>

# Metrics for NIC, NSE, Pan-Africa, Safaricom, Sasini

					NIC	NSE	Pan-africa	Safaricom	Sasini
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
1	Board Size & Evenness	Less than 4 members	12 or more / Even Number	Between 5 - 11 members	1	0.5	0.5	1	0.5
2	Gender Diversity	0% Diversity	Greater than 0% but less than 33%	33% or greater	0.5	0.5	0.5	1	0.5
3	Average Age of Directors	Greater than 60 yrs and less than 40 yrs	50 - 60 yrs	40 - 50 yrs	0.5	0	0.5	0.5	0
4	Ethnic Diversity	Greater than 50% from 1 ethnicity	Between 30% and 50% from 1 ethnicity	Less than 30% from 1 ethnicity	0	0.5	1	0.5	0
5	Global Markets Exposure (studies and work experience) Exclude Africa (include S.A and Egypt)	None	One or Two members	More than Two members	1	1	1	1	1
6	Proportion of Non-Executive	No member	Less than 50%	50% and Greater	1	1	1	1	1
7	Attendance to Meetings	Less than 50% attendance	between 50% and 75% attendance	Greater than 75% attendance	0	1	1	1	1
8	Independence of Chair to CEO	Same Individual	Different but related (Either family or have worked together for a significant number of years)	Different & Independent	1	1	1	1	1
9	Tenure of the CEO	No term limits and election	Defined tenure greater than 7 years	Defined tenure of about 3 to 7 years	0	0.5	0	1	0
10	Staggered Members for board	Non-existent	Staggered, period greater than 5yrs	Well staggered (between 1 - 5 yrs)	1	1	1	1	1
11	CEO and Directors Shares (directly and indirectly)	0% or greater than 20% shareholding	Between 11% and 20% shareholding	Between 0% and 10% shareholding	0.5	1	0.5	1	1
12	Shareholder Composition	Shareholding with controlling government stake of over 20%	Diverse Shareholding	Sophisticated Institutional Investors / Renown parent company holding	0.5	0.5	1	1	0.5

# Metrics for NIC, NSE, Pan-Africa, Safaricom, Sasini, continued...

					NIC	NSE	Pan-africa	Safaricom	Sasini
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
13	Free float**	Less than 35%	Between 35% and 50%	Greater than 50%	1	1	0	0	0
14	Board Remuneration vs EPS	Negative correlation (Remuneration increase while EPS decline)/Zero correlation	Weak positive correlation	Strong positive correlation/ Remuneration decline while EPS increase	0	0	0	1	0.5
15	Choice of Auditors	No proof of Audits	Non-recognized auditor	Recognized auditors	1	1	1	1	1
16	Rotation of Auditors	No Rotation	Greater than 5 yrs	Less than 5 yrs	1	1	1	0.5	1
17	Evaluation of CEO	Not Conducted	Conducted with negative results/ Conducted with no results disclosure	Conducted with positive results disclosure	0	0	0.5	1	0
18	Internal Audit Function	Lacks this function	Less than 75% independent members	75% or greater independent members	1	1	1	0.5	1
19	Loans to directors vs shareholding	Loans greater than Shareholding	Loans greater than 50% of the Shareholding	Loans less than 50% of shareholding	0.5	1	1	1	1
20	Release results on time	Beyond 120 days	90 days $\leq x \leq$ 120 days	Within 90 days	1	1	1	1	1
21	Dividend Policy	No known dividend policy/inconstancy with policy	consistent payment	Consistently followed plan	0.5	0	0	1	0.5
22	Debt to Capital/Tangible Equity for Banks and Insurance Companies <sup>(a)</sup>	Beyond 20% optimal above or below/No debt; >5% deviation from median (14.3%) for banks; >10% deviation from median for insurance companies (21.8%)	10% - 20% above or below optimal; 1% - 5% deviation from median (14.3%) for banks; 5% - 10% deviation from median for insurance companies (21.8%)	10% above or below optimal; 0%-1% deviation from median (14.3%) for banks; 0% - 5% deviation from median for insurance companies (21.8%)	1	0	0.5	0	0
23	Ease of accessof Information	Opaque	Disclosures not comprehensive	Sufficient disclosure of information	1	1	1	1	0
24	Corporate Social Responsibility	Doesn't Participate	-	Actively participates	1	1	1	1	1
	Comprehensive Score				66.7%	68.8%	70.8%	83.3%	60.4%

# Metrics for StanChart, Standard Group, Serena, Total and Transcentury

					SCBK	Standard	TPS EA	Total Kenya	Trans-Century
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
1	Board Size & Evenness	Less than 4 members	12 or more / Even Number	Between 5 - 11 members	0.5	0.5	0.5	0.5	0.5
2	Gender Diversity	0% Diversity	Greater than 0% but less than 33%	33% or greater	0.5	0.5	0.5	1	0.5
3	Average Age of Directors	Greater than 60 yrs and less than 40 yrs	50 - 60 yrs	40 - 50 yrs	0.5	0	0	0.5	0
4	Ethnic Diversity	Greater than 50% from 1 ethnicity	Between 30% and 50% from 1 ethnicity	Less than 30% from 1 ethnicity	1	1	0.5	1	0
5	Global Markets Exposure (studies and work experience) Exclude Africa (include S.A and Egypt)	None	One or Two members	More than Two members	1	1	1	1	1
6	Proportion of Non-Executive	No member	Less than 50%	50% and Greater	1	1	1	1	1
7	Attendance to Meetings	Less than 50% attendance	between 50% and 75% attendance	Greater than 75% attendance	1	1	0.5	0	1
8	Independence of Chair to CEO	Same Individual	Different but related (Either family or have worked together for a significant number of years)	Different & Independent	1	1	1	1	1
9	Tenure of the CEO	No term limits and election	Defined tenure greater than 7 years	Defined tenure of about 3 to 7 years	1	0	0	0	0
10	Staggered Members for board	Non-existent	Staggered, period greater than 5yrs	Well staggered (between 1 - 5 yrs)	1	0	0	1	1
11	CEO and Directors Shares (directly and indirectly)	0% or greater than 20% shareholding	Between 11% and 20% shareholding	Between 0% and 10% shareholding	1	0	1	0	0
12	Shareholder Composition	Shareholding with controlling government stake of over 20%	Diverse Shareholding	Sophisticated Institutional Investors / Renown parent company holding	1	1	1	1	0.5

# Metrics for Stanchart, Standard, Serena, Total and TransCentury continued...

					SCBK	Standard	TPS EA	Total Kenya	Trans-Century
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
13	Free float**	Less than 35%	Between 35% and 50%	Greater than 50%	0	0	0	0	0.5
14	Board Remuneration vs EPS	Negative correlation (Remuneration increase while EPS decline)/Zero correlation	Weak positive correlation	Strong positive correlation/Remuneration decline while EPS increase	1	0.5	0	1	0
15	Choice of Auditors	No proof of Audits	Non-recognized auditor	Recognized auditors	1	1	1	1	1
16	Rotation of Auditors	No Rotation	Greater than 5 yrs	Less than 5 yrs	0	1	0	0	0
17	Evaluation of CEO	Not Conducted	Conducted with negative results/ Conducted with no results disclosure	Conducted with positive results disclosure	1	0	0.5	0	0
18	Internal Audit Function	Lacks this function	Less than 75% independent members	75% or greater independent members	1	1	1	0.5	1
19	Loans to directors vs shareholding	Loans greater than Shareholding	Loans greater than 50% of the Shareholding	Loans less than 50% of shareholding	1	0	1	1	1
20	Release results on time	Beyond 120 days	90 days $\leq x \leq$ 120 days	Within 90 days	1	1	1	1	1
21	Dividend Policy	No known dividend policy/inconsistency with policy	consistent payment	Consistently followed plan	1	0.5	0.5	0.5	0
22	Debt to Capital/Tangible Equity for Banks and Insurance Companies <sup>(a)</sup>	Beyond 20% optimal above or below/No debt; >5% deviation from median (14.3%) for banks; >10% deviation from median for insurance companies (21.8%)	10% - 20% above or below optimal; 1% - 5% deviation from median (14.3%) for banks; 5% - 10% deviation from median for insurance companies (21.8%)	10% above or below optimal; 0%-1% deviation from median (14.3%) for banks; 0% - 5% deviation from median for insurance companies (21.8%)	0.5	1	0.5	0.5	0.5
23	Ease of access of Information	Opaque	Disclosures not comprehensive	Sufficient disclosure of information	1	0.5	0.5	1	1
24	Corporate Social Responsibility	Doesn't Participate	-	Actively participates	1	1	1	1	1
<b>Comprehensive Score</b>					<b>83.3%</b>	<b>60.4%</b>	<b>58.3%</b>	<b>65.2%</b>	<b>56.3%</b>

# Metrics for Unga, Uchumi, Umeme, Williamson and Scangroup

					Unga	Uchumi	Umeme	Williamson	WPP Scan
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
1	Board Size & Evenness	Less than 4 members	12 or more / Even Number	Between 5 - 11 members	0.5	0.5	0.5	1	0.5
2	Gender Diversity	0% Diversity	Greater than 0% but less than 33%	33% or greater	0.5	0.5	0.5	0.5	0
3	Average Age of Directors	Greater than 60 yrs and less than 40 yrs	50 - 60 yrs	40 - 50 yrs	0.5	0	0	0	0.5
4	Ethnic Diversity	Greater than 50% from 1 ethnicity	Between 30% and 50% from 1 ethnicity	Less than 30% from 1 ethnicity	0	0.5	0.5	0.5	0.5
5	Global Markets Exposure (studies and work experience) Exclude Africa (include S.A and Egypt)	None	One or Two members	More than Two members	1	0	1	0	1
6	Proportion of Non-Executive	No member	Less than 50%	50% and Greater	1	1	1	1	1
7	Attendance to Meetings	Less than 50% attendance	between 50% and 75% attendance	Greater than 75% attendance	0	0	1	0	0
8	Independence of Chair to CEO	Same Individual	Different but related (Either family or have worked together for a significant number of years)	Different & Independent	1	1	1	1	1
9	Tenure of the CEO	No term limits and election	Defined tenure greater than 7 years	Defined tenure of about 3 to 7 years	0	0	0	0	0
10	Staggered Members for board	Non-existent	Staggered, period greater than 5yrs	Well staggered (between 1 - 5 yrs)	1	0	1	1	0
11	CEO and Directors Shares (directly and indirectly)	0% or greater than 20% shareholding	Between 11% and 20% shareholding	Between 0% and 10% shareholding	1	0	1	1	0.5
12	Shareholder Composition	Shareholding with controlling government stake of over 20%	Diverse Shareholding	Sophisticated Institutional Investors / Renown parent company holding	0.5	0	1	0.5	0.5

# Metrics for Unga, Uchumi, Umeme, Williamson and Scangroup continued...

					Unga	Uchumi	Umeme	Williamson	WPP Scan
No.	Metrics	0	0.5	1	Score	Score	Score	Score	Score
13	Free float**	Less than 35%	Between 35% and 50%	Greater than 50%	0	1	0.5	0	0
14	Board Remuneration vs EPS	Negative correlation (Remuneration increase while EPS decline)/Zero correlation	Weak positive correlation	Strong positive correlation/ Remuneration decline while EPS increase	1	0	0	0	0.5
15	Choice of Auditors	No proof of Audits	Non-recognized auditor	Recognized auditors	1	1	1	1	1
16	Rotation of Auditors	No Rotation	Greater than 5 yrs	Less than 5 yrs	1	0	0.5	0	0
17	Evaluation of CEO	Not Conducted	Conducted with negative results/ Conducted with no results disclosure	Conducted with positive results disclosure	0.5	0	0.5	0	0
18	Internal Audit Function	Lacks this function	Less than 75% independent members	75% or greater independent members	1	0	1	1	1
19	Loans to directors vs shareholding	Loans greater than Shareholding	Loans greater than 50% of the Shareholding	Loans less than 50% of shareholding	1	0	1	1	1
20	Release results on time	Beyond 120 days	90 days $\leq x \leq$ 120 days	Within 90 days	1	1	1	1	1
21	Dividend Policy	No known dividend policy/inconstency with policy	consistent payment	Consistently followed plan	0.5	0	0.5	0.5	0.5
22	Debt to Capital/Tangible Equity for Banks and Insurance Companies <sup>(a)</sup>	Beyond 20% optimal above or below/No debt; >5% deviation from median (14.3%) for banks; >10% deviation from median for insurance companies (21.8%)	10% - 20% above or below optimal; 1% - 5% deviation from median (14.3%) for banks; 5% - 10% deviation from median for insurance companies (21.8%)	10% above or below optimal; 0%-1% deviation from median (14.3%) for banks; 0% - 5% deviation from median for insurance companies (21.8%)	0	1	1	0	0
23	Ease of access of Information	Opaque	Disclosures not comprehensive	Sufficient disclosure of information	1	0.5	1	0.5	0.5
24	Corporate Social Responsibility	Doesn't Participate	-	Actively participates	1	1	1	0	0
	<b>Comprehensive Score</b>				<b>66.7%</b>	<b>37.5%</b>	<b>72.9%</b>	<b>47.9%</b>	<b>45.8%</b>



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## **C. Investments & Research Team**

# Investment & Research Team

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Cytonn's investment team bring with them vast experience in investment management

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**Elizabeth N. Nkukuu, CFA**

*Partner, Chief Investment Officer*

Elizabeth serves as the Chief Investment Officer of Cytonn Investments Management Limited. She has over 10 years of experience in Investment Management. Before Joining Cytonn, Elizabeth was a Senior Portfolio Manager at Britam Asset Managers having come from Genesis Investments as an Investment Manager. Elizabeth started her career as an Investment analyst in PineBridge Investments. Elizabeth has a Master's of Business Administration (MBA) Degree (Finance) from the University of Nairobi. In addition to being a Chartered Financial Analyst (CFA), she is also a CPA (K).



**Maurice Oduor**

*Head of Investments, Public Markets*

Maurice serves as an Investment Manager at Cytonn Investments Management Limited. He has over six years experience in investment industry having worked with two strong brands in Kenya. Before joining Cytonn Investments, Maurice served as Assistant Portfolio Manager at Britam Asset Managers Ltd focusing on portfolio management and clients relationship management. Maurice started his career at Genesis Kenya Investment Management Ltd as an investment Assistant with specialization in Fixed income analysis, investment dealing and portfolio management duties. He holds a Bachelor of Business Administration (Finance option) from Maseno University and is currently a Chartered Financial Analyst (CFA) level III candidate.



**Shiv A. Arora**

*Head of Private Equity, Real Estate*

Shiv serves as Head Private Equity, Real Estate at Cytonn Investments Management Limited. His experience within the financial services industry ranges from wealth management with Merrill Lynch Dubai to Citibank Kenya. Most recently, Shiv served as an Investment Analyst for Britam Asset Managers, focused largely on the Private Market segment, with a key focus on Real Estate. Shiv holds a BSc. Hons in Economics from the University of Warwick and is a candidate in the CFA Programme.

# Investment & Research Team, continued...

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## Cytonn's investment team bring with them vast experience in investment management

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**Duncan Lumwamu, BSc.**

*Senior Investment Analyst*

Duncan serves as a Senior Investment Analyst at Cytonn Investments Management Limited. He has over four years of experience in Investment Research and Investment management. His experience ranges from research on local, regional and global equities, deal structuring and portfolio management. Before joining Cytonn Investments, Duncan held the position of Head of Research at Dyer and Blair Investment Bank and ABC Capital. Duncan started his career at Britam Asset Managers as an Investment analyst. He holds a Bachelor of Science in Statistics degree from the University of Nairobi and he is a candidate in the CFA Programme.



**Caleb M. Mugendi**

*Investment Analyst*

Caleb serves as an Investment Analyst at Cytonn Investments Management Limited. He is a graduate of the Cytonn Young Leaders Program, a prestigious hands-on training on finance and investment management. His experience ranges from specialization in fixed income analysis, currencies and the financial services industry, having focused largely on the banking sector. He holds a Bachelor of Economics from Kenyatta University and is currently a Chartered Financial Analyst (CFA) level II candidate.



**John Ndua**

*Investment Analyst*

John serves as an Investment Analyst at Cytonn Investments Management Limited. He is a graduate of the Cytonn Young Leaders Program, a prestigious and hands on financial and investments training program. His experience widely ranges from equities, fixed income analysis and financial modelling having focused largely on the financial services sector. He holds a Bachelors of Science Degree in Actuarial Science from the Jomo Kenyatta University of Agriculture and Technology. He is currently an actuarial candidate currently holding a Certificate in Financial Mathematics from The Institute and Faculty of Actuaries.

# Q&A

**In case of any queries or clarifications on this Report, kindly contact the  
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