



**Stanbic Uganda Holdings Limited**  
Annual General Meeting  
2nd June 2023



**Questions received and  
responses provided**

## 1. What are we doing to enhance ESG practices in our company?

Effective ESG risk management is critical in achieving our Social, Economic and Environmental (SEE) priorities. In 2022, the business took the significant step to embed the Economic & Social (E&S) risk assessments within our credit processes in line with the Environmental and Social risk policy and standard. Therefore, we introduced the digital E&S risk assessment tool utilised by the business teams to conduct environmental and social due diligence as part of our credit approval processes.

The assessments enable the business to understand the risk level arising from potential clients we finance and, therefore, guide our approach to financing to ensure E&S risks are minimised to reduce indirect impacts. In these assessments, we screen the client for labour issues, negative media and NGO/activist attention, community issues and the client's ability to manage E&S risks. We also screen the risks associated with the transaction due to sector, activities to be done, nature of finance and risks associated with security over assets such as land contamination. For transactions that turn out to be medium or high risk, we carry out enhanced due diligence (EDD) with support from GESR.

## 2. The EACOP project is projected to release 34 million tonnes of CO<sub>2</sub>/year; following Stanbic Uganda's continued involvement in the project, how do you plan to offset these financed emissions?

Our group climate policy sets out our ambition to a **net zero portfolio by 2050** in line with the Paris Agreement and the principle of common but differentiated responsibility for reducing greenhouse gas emissions. Our climate policy is built on the principle of a **Just Energy Transition for Africa** that recognises that while Africa did not contribute to climate change, it is disproportionately impacted by climate change.

Our approach to climate targets and commitments is informed by materiality, and we have taken a **phased approach** to setting sector-based targets. Our climate ambition is being pursued through the following:

- o Targets to reduce the financing of carbon-intensive assets and activities
- o Targets to increase sustainable finance, including renewable energy

- o Exclusions and restrictions on financing specific activities
- o Introduction of new products and services
- o Client engagement
- o Advocacy for a Just Energy Transition for Africa

The Group aims to bank Africa's energy transition and be the market leader in sustainable finance across the continent. Stanbic Uganda Holdings Limited is aligned with the Group Climate policy and approach to a just energy transition.

## 3. Given the concern about sustainability and environmental conservation in the Albertine region and the hesitance of other investors to participate in the region's oil and gas projects, what is Stanbic's take on the withdrawal of major participants in the exploration and extraction of oil?

SUHL's participation in funding the EACOP project remains subject to its credit approval process, which includes considering the findings of the Economic & Social due diligence assessments and meeting the Equator Principles requirements. It is also subject to a full assessment of the EACOP sponsors' climate change strategies and targets. Project Finance deals are subject to a full suite of due diligence assessments to inform decision-making processes, covering legal, technical, security, Market, reserves, environmental & social (E&S) and other considerations and concerns.

Standard Bank Group is committed to maximising opportunities for sustainable and inclusive growth across the continent and managing the risks posed by climate change.

## 4. Why is Stanbic taking more money from loan repayment than the agreed amount and more than 50% of one's salary?

Our personal loans are priced based on the existing prime rate, the usual prime + a certain number. Whenever there are changes to the prime rate, this also affects the running interest rate for loans which can either go upwards or downwards. In the event of changes to the prime rate, we notify our customers of the changes duly.

**5. After one has finished loan repayment, the money is deducted as insurance. Is it remitted back when one has not defaulted?**

The money paid as insurance is not remitted back to the borrower because insurance premiums are for any eventualities concerning the covered risks, e.g., death, permanent disability, fire, job losses, etcetera. The charges levied are usually small amounts concerning the outstanding principal balances; if these risks materialise, the costs involved are enormous and are covered under the principle of numbers. Thus, if one completes their obligation without suffering any impact or loss, they cannot be refunded as the premiums paid are already utilised under the Group belonging principle for the continued insurance cover.

**6. Is Stanbic Bank considering reviewing the interest rates to make it affordable to borrowers, especially agricultural loans?**

Stanbic Bank frequently reviews interest rates to ensure they align with market forces. Regarding Agriculture credit facilities, Stanbic is priced lowest in the Market, as shown below.

- o The agriculture facilities under the Agriculture Credit Fund (ACF) are priced as low as 12%
- o 70% of the agriculture portfolio is priced at the Prime lending rate and below.

We encourage you to contact the Bank should you require to negotiate interest rates or for any other financial guidance/assistance.

**7. Can we use our dividend as a security to get loans?**

Currently, the Bank does not offer credit facilities against future/undeclared dividends. However, we would be considerate to lend against cash proceeds from dividends once these cash proceeds have been paid. Please visit any Stanbic Bank branch near you for guidance on our clients' other numerous credit facility offerings.

**8. Why did bank forex loans decrease in 2022 in comparison with 2021?**

The drop in forex credit facilities utilisation from 41% in 2021 to 37% in 2022 is due to various economic reasons, including the Russia & Ukraine war that negatively impacted the trade of Oil & Gas and Commodity prices, specifically wheat.

**9. Can the shareholder get loans against the shares they hold**

Currently, the Bank does not offer credit facilities against shares held. The Bank would be considerate to lend against cash proceeds from dividends once the same has been paid. Please visit the nearest Stanbic Bank branch for guidance on our clients' numerous credit facility offerings.

**10. Can SBU give loans to non-Ugandans, and what kind of loans and conditions are attached to issuing the same?**

Yes, the Bank offers various types of credit facilities to non-Ugandans; the Bank assesses their creditworthiness and extends credit facilities guided by the local regulation and the Bank Credit Policies. Non-Ugandans can access Mortgages, Salary loans and structured business credit facilities. The conditions attached to these facilities vary according to the type of Credit Facility extended. It is key to note that facilities offered have been tested over a long period and have been proven to have a low probability of default.

**11. Are the Loan interest rates for Ordinary customers different from those of shareholders? Any difference in treatment? Thanks.**

The Bank offers competitive interest rates to all customers (shareholders / non-shareholders) tagged on market forces and industry risk.

**12. How would you improve the group business now and the next level of business?**

The company's strategy is based on four pillars: Firstly, continuously improving our client experience through digitisation of our services and understanding our clients better by having more engagements with them; secondly, investing in our employees to ensure they are sufficiently equipped to serve our clients; thirdly, operational efficiency through process automation, and doing business the right way by being regulatorily compliant, and putting the right controls in place to mitigate financial fraud, and lastly, ensuring the sustainability of our business by supporting the communities in which we operate. For more information, refer to the sustainability section of our annual report on page 64.

### **13. What are the steps the Board is taking to improve the value of our shares and, subsequently, the dividends thereof?**

The company's strategy is based on four pillars: Firstly, continuously improving our client experience through digitisation of our services and understanding our clients better by having more engagements with them; secondly, investing in our employees to ensure they are sufficiently equipped to serve our clients; thirdly, operational efficiency through process automation, and doing business the right way by being regulatorily compliant, and putting the right controls in place to mitigate financial fraud, and lastly, ensuring the sustainability of our business by supporting the communities in which we operate. For more information on our sustainability initiatives, refer to the sustainability section of our annual report on page 64.

### **14. There is a lot of writing in the reports; how does one have to understand all the information in there very quickly? Some tips, please**

We recommend that you read the section by section of the report or start by reading the part that interests you the most.

### **15. What are the projected returns for members in the next three years?**

Our target is a Return on Equity of 20% and a 40-50% dividend payout ratio of the profit after tax.

### **16. Why is SUHL stock still listed as SBU on the Uganda stock exchange?**

SBU is a stock code but represents the Company Stanbic Uganda Holdings Limited.

### **17. Why has the price continued to drop, despite reporting better performance? And profits?**

Due to the residual impact of the COVID-19 Pandemic and, most critically, the geopolitical tensions, the global stock exchange market saw a drop in the value of shares. However, with SUHL's dividend payment policy and strategy, the company stock has risen to UGX 26 (as of May 2023), and the stock exchange market is expected to recover.

### **18. Why do only two subsidiaries have website links on the holding company's website?**

There are three active websites, i.e., Stanbic Bank, SBG Securities Uganda Limited and Flyhub Uganda Limited. Flyhub Uganda Limited's website (<https://flyhub.co.ug/>) has also been linked to the company

website. The websites of Stanbic Properties Limited and Stanbic Business Incubator are still in production and will be linked to the company website after that.

### **19. Hi, I cannot access my stockbroker after they closed shop in Uganda. Kindly assist**

For assistance, please visit Uganda Stock Exchange at Plot 3-5 New Port-Bell Road, UAP Nakawa Business Park, Block A, 4th Floor, P.O. Box 23552, Kampala, Uganda or contact +256-312-370815/7/8 or email [info@use.or.ug](mailto:info@use.or.ug)

### **20. When will online AGMS stop because some of us are left out?**

This year's AGM was held via physical attendance and electronic means on Friday, June 2, 2023.

### **21. What are holdings?**

A holding company is a business entity that owns and controls other companies or assets. S UHL is a holding company with five subsidiaries: Stanbic Bank Uganda, Stanbic Business Incubator, SBG Securities Uganda, Flyhub Uganda Limited and Stanbic Properties Limited.

### **22. Some shareholders, like myself, did not get information about Stanbic Bank's additional shares [102 billion]. Could we explain verbally what this means to the shareholder? I see that shares are now 153bn, up from 51bn in 2021. Then the weighted ordinary shares of the Bank are 56bn, up from 51bn shares in 2021. These varied numbers confused me. Kindly provide a verbal explanation. For SUHL, I see the shares there are 51.1bn. This remains unchanged. I am a confused shareholder here.**

The change in the Bank's share capital has no impact on you as the shareholder of Stanbic Uganda Holdings Limited. Stanbic Bank Uganda is a subsidiary of Stanbic Uganda Holdings Limited; this change only affected the Bank's capital structure as required by the Bank of Uganda and not the Holding Company.

### **23. I only saw the Bank, SBG securities annual reports, and the Group. Does each subsidiary submit its annual report? If yes, where are the ones for the different subsidiaries like Fly Hub and Stanbic Properties?**

The SUHL Annual Report is a consolidated report for all the subsidiaries. (SUHL Annual Report 2022. pdf (stanbic.co.ug))

**24. Please explain the relationship between the five subsidiaries. Is there inter trading between them? For example, does the bank arm rent from the real estate arm? How is the conflict of interest navigated?**

Stanbic Bank Uganda, Stanbic Business Incubator, Flyhub Uganda Limited, Stanbic Properties Limited, and Sbg Securities Uganda Limited are all Stanbic Uganda Holdings Limited subsidiaries. Regarding your example, Stanbic Properties Limited manages all the properties owned by SUHL; therefore, any entities that use these properties are serviced by Stanbic Properties Limited; similarly, another subsidiary, such as Flyhub, which provides technological solutions, offers services to SUHL subsidiaries and other external entities. The regulatory framework of the separate legal entities governs all these activities.

**25. Do you have plans to be listed at the Nairobi Securities Exchange (NSE) or any other bourse apart from the Uganda Securities Exchange (USE)?**

There are currently no plans to roll out share trading on other stock exchanges in East African countries.

**26. How does one get involved in this process to witness an audit of this stature?**

The financial statements of listed companies are audited by certified public accountants licenced by the Institute of Certified Public Accountants of Uganda. The independent external auditors provide reasonable assurance that the company's financial statements provide a true and fair view of the affairs. This mechanism allows financial markets to operate transparently with the trust of all stakeholders. It is key to note that the external auditors are independent of the company.

**27. Why do you keep changing auditors? It's like hiring and firing an employee every year. Isn't it less costly and for continuity to have one for at least three years?**

The Bank of Uganda regulates SUHL's largest subsidiary Stanbic Bank Uganda.

The regulator requires the rotation of external auditors every four years in line with regulation (Financial Institutions Regulations 2010) and global corporate governance best practices. This rotation

is to mitigate against the familiarity risk that may arise when an external auditor remains in the office for a prolonged period.

The Bank of Uganda assesses and prequalifies providers of external auditor services to financial institutions annually, which list is published on their website. The approval/ prequalification may be withdrawn at their discretion, requiring a financial institution to change auditors.

**28. In line with the Income Tax Act of Uganda, how are Stanbic Uganda Holdings Limited dividends affected by the taxation policies in that act?**

A withholding tax is applied to the gross dividend with a rate stipulated in the Income Tax Act based on the nature and residence status of the shareholder. If applicable, the rate for non-residents will vary based on existing double taxation agreements with the respective country.

**29. What is the outlook for dividend growth over the medium term?**

As we execute our medium-term strategy, we project profitability to grow. Maximising shareholder value is among our core values; this is achieved by re-investing profits into projects that will generate higher future returns for the shareholder and paying out dividends.

**30. From the Reserves, I can see that it's growing exponentially when perusing the financial report. Is there a way that the same can be used for bonus shares to the shareholder?**

The Basel Standards require financial institutions to keep sufficient reserves to cover financial and non-financial risk exposures. The Central Bank recently raised the minimum capital requirement to UGX 150 Bn, and we were able to comply without making a capital call to the shareholders because of the presence of sufficient reserves. It is for purposes like these that we hold sufficient reserves.

**31. What's your dividend policy? Do you have a dividend reinvestment plan?**

Yes, we do have a dividend policy. Any surplus capital over and above the optimal capital position may be declared dividends. An optimal capital position is achieved after considering the Business growth prospects in the subsidiaries; Current and expected regulatory requirements; Market developments; and sufficient buffers to cover any anticipated business stress events that may adversely impact earnings hence the capital position.

**32. Financial Performance: I would like to inquire about the Bank's financial performance, including revenue growth, profitability, and key financial ratios—any significant developments or challenges impacting the Bank's financial position. Strategic Initiatives: Inquire about the Bank's strategic direction and initiatives and any new products or services being launched, expansion plans, or steps taken to adapt to changing market conditions.**

These have been included in the annual report's Business review and financial statements sections. (SUHL Annual Report 2022.pdf (stanbic.co.ug))

**33. What criteria are in place to select the External Auditors of Stanbic Bank, and are all the necessary requirements met?**

The external auditors must be listed on the Bank of Uganda Prequalified auditors list that is reviewed and published annually on the Bank of Uganda website; we also follow the guidelines and requirements in the Financial Institutions External\_Auditors\_2010 Act.

All the requirements must be met and there must be compliance to the regulatory requirements.

**34. What has necessitated the change of auditors from Pricewatercopperhouse to EY?**

The Bank of Uganda regulates SUHL's largest subsidiary Stanbic Bank Uganda.

The regulator requires the rotation of external auditors every four years in line with regulation (Financial Institutions Regulations 2010) and global corporate governance best practices. This rotation is to mitigate against the familiarity risk that may arise when an external auditor remains in the office for a prolonged period.

The Bank of Uganda assesses and prequalifies providers of external auditor services to financial institutions annually, which list is published on their website. The approval/ prequalification may be withdrawn at their discretion, requiring a financial institution to change auditors.

**35. One of the key audit matters noted in the Annual report, and financial statements is an expected credit loss of 149 billion (page 9). Why is this the case? We thought the economic**

**recovery would reduce this slightly from the 169 billion 2021 figure. It shows a 20 billion decline but is still too high. Is it possible to drive this figure to double-digit billions instead of triple as it is now?**

The expected credit loss reported is a provision held by the Banking subsidiary. The accounting standards require that we hold provisions for performing and non-performing loans, with the non-performing facilities having a higher contribution. The continuous growth of the Bank's loan book means we shall always have a provision expected to increase with the increase in the loan book for performing facilities. The improvement in non-performing facilities does reduce this number. This detail is reflected in Note 19 of the annual report. (SUHL Annual Report 2022.pdf (stanbic.co.ug))

**36. What is the Bank's way forward on the minimum share capital?**

By 31st December 2022, Stanbic Bank Uganda Limited had complied with the new regulation of minimum capital requirement of UGX 150bn; this was achieved by reallocating funds from share premium to share capital through a bonus issue; therefore, no additional action is required from the Bank.

**37. The financial performance noted in 2022 is admirable; according to the story shared for King's College Budo's perimeter wall and others, many non-paying entities like the education sector paid during 2022. Is it possible to estimate this as a proportion of revenue, and do we expect the performance to be maintained because the surge in growth is related to a recovery and debts carried forward from previous years? I'd appreciate further guidance on this and explanations.**

You will recall that a moratorium was extended to schools during the pandemic; following the full economic reopening, we saw several schools and SMEs start settling their loan obligations as economic activity picked up. The improvement in the economic situation affected every customer differently, making it difficult to extract impact to each customer.

The growth in the company's revenue was due to a couple of factors.

1. Increased interest environment, especially on govt securities.

2. Improved business and transactional activities.

All this information can be found in the business review section of the annual report. (SUHL Annual Report 2022.pdf (stanbic.co.ug))

The organisation's performance depends on the economic environment in which it operates and its ability to interpret all factors affecting the company and appropriately respond to them.

### **38. Would like to have a detailed explanation of the financial statements**

The company's financial performance details can be found in the annual report. (SUHL Annual Report 2022.pdf (stanbic.co.ug))

### **39. How does one subscribe to this Board?**

Admittance to the Board is guided by the director skills & experience matrix, which is reviewed annually and informs the search of suitable directors based on the needs of the business and to ensure that there is an appropriate mix of skills and other attributes on the Board

### **40. What are the criteria for selecting the directors of the company?**

The director selection criteria are guided by the director skills & experience matrix, which is reviewed annually and informs the search of suitable directors based on the needs of the business and to ensure an appropriate mix of skills and other attributes on the Board.

### **41. Who represents the Stanbic Uganda Holdings Limited Members among the Directors? How many and how are they selected?**

SUHL members do not have a designated shareholder representative on the Board; however, the Regional Chief Executive, employed by Standard Bank Group, the majority shareholder of SUHL, serves on the Board as Non-Executive Director and oversees the interests of the Group.

### **42. Who determines directors' fees?**

The directors' fees are approved by shareholders at the Annual General Meeting following a recommendation by the Board of Directors. The Board recommendation is guided by the remuneration policy, which is built on the philosophy that remuneration of directors should facilitate the attraction, motivation and retention of high-calibre professionals and should be commensurate to director expertise, required time commitment and

responsibilities while considering the company's long-term success.

### **43. On Non-Executive Director fees: Why does it keep increasing every year? Can't it be constant for at least three years?**

(As of 31st December 2022) The Non-Executive Directors were last increased in 2021 in line with the 2-year practice of maintaining the fees as is. The increments in fees over the years have been inflationary to ensure that Stanbic Uganda remains competitive to attract and retain top talent on the Board.

### **44. Why isn't the current chairman Japheth Katto chairing the meeting, yet he is very present in the meeting?**

Mr Japheth Katto did not chair the meeting because he had recently retired from the Board after nine years of exceptional service to Stanbic Uganda. The Board of Directors, therefore, nominated Mr Robert Busuulwa to preside over the AGM. However, Mr Japheth Katto was allowed to address the shareholders at the end of the meeting.

### **45. I have checked the reports provided for a profile on Mr Magunda Baker, but I couldn't find any. During the meeting, his profile was only flashed on the screen for seconds before being removed. Wouldn't it be good corporate governance to know the person we are voting on the Board and their capabilities in plenty of time?**

The feedback is taken note of and will be taken into consideration. Following the appointment of Mr Baker Magunda as a director and Board Chairman of SUHL at the AGM, a public announcement was published in the Daily Monitor on 8th June 2023, which includes details of Mr Baker Magunda's professional profile.

### **46. Impact of entry of mobile phone co in banking and potential +ve and -ve impact on traditional banking and mitigation measures being undertaken by Stanbic**

Mobile financial services (mobile money) have been in Uganda since 2009. In 2020, regulatory oversight for mobile money services providers was formally moved to the Bank of Uganda following the enactment of the National Payments Systems Act 2020. These services are net positive to the industry and economy as financial services have now been extended closer to the population. We also have

a lot of collaboration between banks and Momo providers in various financial services like lending, savings, and insurance products. Stanbic, too, is benefiting from these partnerships. Additionally, we have developed our own Digital wallet (Flexipay) that combines convenience, simplicity to join and use, and substantial cost savings on services.

**47. What investment opportunities are the leaders undertaking in Uganda's oil and gas sector?**

Uganda's oil and gas sector has witnessed steady growth over the years, mainly under the downstream (marketing and sale of petroleum products), with petroleum supply growing annually at approximately 7%, driven by a growth in demand. Infrastructure (retail stations, white fuel and lubricant depots, and truckers) has been invested in supporting this demand. The Upstream and Midstream subsectors have come online with significant investments expected over the next 3 to 5 years, estimated at \$15 - \$20Bn, owing to the Final Investment Decision in February 2022 and subsequent activities by international oil companies and their contractors.

As a financial institution, we provide financing needs to our downstream clients to ease their working capital needs, e.g., purchase of products (petrol, diesel, LPG), CAPEX funding for retail expansion, invoice financing and Trade finance. On the upstream side, the Bank provides financial support to qualifying clients contracted to undertake various works. Concurrently, our sister company (Stanbic Business Incubator) has also facilitated the training of various local companies, both downstream and upstream.

**48. Given the high profit (in the record) You are generating, does it rhyme with the economic status of Uganda? Especially given that we are still recovering and banks are acquiring many business people's properties. Are lending rates and loan recovery terms generally stringent, or are our business people making mistakes?**

The Bank carefully considers several variables when lending to customers; it is important to advance credit so clients can comfortably afford to pay. The debt recovery efforts focus on rehabilitating the client's business while ensuring that shareholder funds and customer deposits are safeguarded. Most of the stressed credit facilities are due to changes in the economic environment; for example, the Covid-19 lockdown period significantly impacted the education and hospitality sectors, among others, the Russia & Ukraine war negatively impacted Oil and Commodity prices, changing

weather patterns resulted into low maize harvests against high demand in the country and the East African region thus prices reaching a high of UGX 2200 per Kilo of maize grain. The above examples, in one way or the other, stressed several businesses for which the Bank provided various rehabilitation options.

**49. How can Stanbic Bank help us access donations and financing for those who deal with refugee education? Which department is responsible for this?**

Kindly contact the Corporate Social Investment unit/department at Crested Towers (short tower), Plot 17, Hannington Road, P.O Box 7131 Kampala.

**50. Can your medical insurance cover non-Ugandans?**

Yes – though they would have to be residents in Uganda as medical service providers aligned to the policy are all in Uganda.

**51. What is needed when you want to join this policy**

We would need identification of the intended members and payment of the premium. Depending on age and pre-existing conditions, further medical tests may be required. Should this be so, applicants will be informed, and the insurer will bear these tests at a medical provider and time convenient to the applicant.

**52. While searching for third-party motor insurance recently, I found that Liberty was not represented at the points of sale that I visited. This should be an easy insurance business for Liberty to get into, the risk is easy to cost, and I think the profit margins should be attractive. Since Stanbic infrastructure is available for distribution, costs should be competitive, especially if added to the usual filling station outlets commonly used by other motor third-party insurers. I wish to know how much Liberty is involved in the third-party motor insurance in Uganda and encourage them to consider this area a profitable business.**

This is a great suggestion. Thank you. We will work with our family members – Liberty's team – to enhance distribution points for third-party insurance. They already offer third-party insurance through their offices.



For further assistance, Kindly visit Liberty Uganda at Madhvani Building, 3rd Floor Plot 99 - 101, Buganda Road, Kampala, Uganda. You can also contact 0312) 246 500 or email info@liberty.co.ug

### **53. You didn't issue dividends for 2020. Banks like Baroda asked for permission from BOU, and they accepted. What happened to SUHL?**

When we were publishing our financial statements for the year 2021, we had not received approval to pay our 2020 dividends; therefore, 2020 dividends were added back (reclassified) to capital.

### **54. How many times are dividends paid to shareholders in the year?**

Dividends are usually paid once a year as the final dividend for a given year; however, in 2022, SUHL paid a dividend of UGX 100 billion comprised of a 2021 final dividend of UGX 50 billion and a 2022 interim dividend of UGX 50 billion, which followed the receipt of the required regulatory approvals and was the first post-pandemic dividend payout by a regulated financial institution in Uganda.

### **55. Why is it that you do not provide timely updates on dividends via email? What was the dividend for the last financial year**

Information about dividends is usually announced at the Annual General Meeting and in the post-AGM notice circulated through the newspapers. To receive information related to your shares, please ensure that your email details are up to date with our Share Registrars C&R as per the details below: Custody & Registrar Services (Uganda) Limited  
shareholder@candrgroup.co.ug  
4th Floor, Diamond Trust Centre  
+256 414237504.

### **56. How soon can one increase the number of shares to improve their dividends?**

Shareholder can increase their shares by instructing a licensed stockbroker to purchase additional shares from the Market.

### **57. When will dividends be paid**

A final dividend of UGX. 3.61 per ordinary share will be paid on or about July 25th, 2023, to shareholders whose names appear in the share register at the close of business on July 4th, 2023.

### **58. How can I access a statement of my dividend payment from 2007 to 2023?**

To access a statement of your dividends, kindly contact our Share Registrars C&R as per the details below:

Custody & Registrar Services (Uganda) Limited  
4th Floor, Diamond Trust Centre  
shareholder@candrgroup.co.ug  
+256 414237504.

### **59. How do I sell my shares?**

Shareholders can sell their shares by instructing a licensed stockbroker to offer them to the Market.

### **60. What is the Dividend amount in Kenyan shillings?**

The dividend was declared in Uganda shillings, being UGX 3.61 per ordinary share, totalling UGX 185 billion. If you are to be paid in Kenya shillings, the conversation rate will be declared on the payment date on or about July 25th, 2023.

### **61. How many times are dividends paid in a financial year?**

Dividends are usually paid once a year as the final dividend for a given year; however, in 2022. SUHL paid a dividend of UGX 100 billion comprised of a 2021 final dividend of UGX 50 billion and a 2022 interim dividend of UGX 50 billion, which followed the receipt of the required regulatory approvals and was the first post-pandemic dividend payout by a regulated financial institution in Uganda.

### **62. The declared dividends are too low compared to the retained earnings, so there was no declared dividend in the recent past. What is the justification for this low dividend?**

We assess our capital requirements annually, and any capital over and above what is required to support business growth and meet regulatory requirements is paid back to shareholders as dividends.

### **63. What was the dividend payout as a percentage of PAT for the year ended 2021?**

The dividend payout ratio for 2021 was 19%

**64. UGX has no cents. How do you justify 61 cents**

3.61 is the dividend per share ratio used to calculate the Dividend payout based on the number of shares. The final dividend amount does not have decimal places.

**65. Are the dividends going to be calculated as per the topped-up shares?**

Dividends will be computed based on a shareholder's Stanbic Uganda Holdings Limited shares.

**66. The dividend payout ratio in FY2022 was 65.7%. Will these dividend payout levels be sustained in FY2023 in the medium term? What is Management's thinking regarding dividend payouts in the future?**

We assess our capital requirements annually, and any capital over and above what is required to support business growth and meet regulatory requirements is paid back to shareholders as dividends.



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