

A Note From The CEO



Dear Customers,

Greetings in the new year.

2016 was a unique year in many aspects for Consolidated Bank and the wider banking industry. The Banking (Amendment) Bill 2015 has profoundly changed the Kenyan financial services industry. The impact has been immense and I am sure you too have felt it in your daily lives. The new law pegs interest rates for credit and deposit products to the Central Bank Rate. All banks have embraced the interest rate caps and adjusted to the new dispensation.

Beyond interest rates, our Bank also underwent other challenges in 2016, starting with the conversation around recapitalisation that continues with the National Treasury and our other shareholders. The Bank is happy with the direction the discussions are taking and will keep you updated as progress is made. We are confident that a decision will be taken shortly to enable the Bank scale up its operations in terms of products and delivery channels.

Despite the macro challenges in the industry, the Bank made positive strides in the last year. We have been diversifying and growing our revenue streams by offering a tailored mix of products and services. This brings stability to the Bank, while offering you, our valued customer, more services that will assist you to realise your financial dreams. We are particularly proud to inform you

that we shall soon launch our new subsidiary, Consolidated Bank Insurance Agency Limited (CBIAL), which will spearhead our Bancassurance product line. Under CBIAL, we will deepen our partnership with major insurance companies to bring you a wider range of insurance products his will enable you to have your financial and insurance needs conveniently taken care of at your local Consolidated Bank branch. Moving into the future, we will continue working with our insurance partners to offer you unquie products and services that are in-sync with your lifestyle and expectations. Look forward to this new range of products.

I would like to take this opportunity to thank you for banking with Consolidated Bank. As we look bondly at the new year ahead, let me wish you a successful year 2017. We are Better Together.

Focus On An Industry

A report released by World Bank on the Kenya Economic Update has shown that Kenya's economy has been projected to grow at 5.9 per cent in 2016 up from 5.6 percent the previous year

The Kenyan Banking Sector recorded growth in the quarter ended 30th June 2016, compared to the quarter ended 31st March 2016, according to a report from Central Bank of Kenya.



The highlight of the year was the Banking Amendment (2015) Bill that was gazetted as an act of Parliament on 31st August 2016 and came into operation on Wednesday 14th September 2016. The days following its coming into law would see banks begin to re-strategize in order to survive the tide.

Analysts have indicated that banks will have to reduce their reliance on funded income and refocus their energies to non-funded income, mobile and internet banking, mortgages loans and banc-assurance. Embracing technology will also be crucial to aid banks on cutting back on costs.

of staff in order to learn about the bank, get advice on their career pathways and general life skills.



Consolidated Bank – Post budget breakfast brief

Making sense of the figures



On Friday 17 June, customers from our medium to large corporate account docket convened at Serena Hotel for a breakfast presentation on the Budget. They were joined by personnel from the Bank who included Heads of Departments, Relationship and Branch Managers. Mr Nikhil Hira, a partner from our auditors Deloitte and Touché, spoke on the emerging delineation in Africa, with countries in the East African region exhibiting robust growth when compared to the southern neighbors.

Focus On The Bank 2016

Consolidated Bank Junior Achievers

"If your actions inspire others to dream more, learn more, do more and become more, you are a leader." John Quincy Adams

Junior Achievement Kenya and Consolidated Bank partnered for the Junior Achievers Job Shadow Week program. The program gives students from different secondary schools the opportunity to be immersed in a real working environment. It also allows them to interact with people in different professions, which helps guide them as they consider different career options and higher education pathways.

Students from Riaru Springs Girls High School and Olympic High School visited our head office. Each student was given the opportunity to have a personal conversation with a member

At the micro-level, the Government continues to invest heavily in infrastructure projects such as the Standard Gauge Railway, and the larger LAPSET initiative with a longer timeframe. Alongside infrastructure and energy, the Government continues boosting funding for education, healthcare and allocations to counties.

Consolidated Bank continues to support our partners operating in these, and indeed all sectors of the economy. We continue developing products and services that ease their operations, living up to our mantra of being better with our customers.

Interbank sports

Consolidated Bank was again the football champions of the Annual Interbank Sports. The Bank clinched the title for the fourth time and gets to retain the trophy. The 32nd Edition of the Kenya Institute of Bankers (KIB) Interbank Games kicked off on 1st October, 2016 at the Kenya School of Monetary Studies.

The 2016 KIB Games were officially opened by Central Bank Governor, Dr. Patrick Njoroge, who is also the Institute's Patron. Participants competed in 21 disciplines including football, basketball, volleyball, tennis, golf, swimming, athletics, squash, and tug-of-war among others.



Customer Service Week

Consolidated Bank took part in the customer service week. The annual event celebrated in the first week of October, is about organizations and institutions around the world, recognizing the importance of Customer Service Excellence. The theme for the week was **“Listening to our customers”**.



The Bank celebrated the week throughout its branch network. The event begun with cake cutting and the various branches cut cake with their customers. The Bank staff were also donned in thematic brand colors throughout the week in order to communicate their continued dedication to their customers. They went out of their way to serve the customers in unique ways all week long.

The customer service week was also to drive the key message that with Consolidated Bank, we are better together.

Focus on product/service

The Chama movement is taking shape in Kenya, with the groups that are embracing table top banking contributing large sums of money and putting it into various investment projects such as Real estate, Agri-business, Construction and many others.

It is estimated that 3 in every 5 Kenyans are in a Chama, where they pool their resources. The most popular Chama groups are those in the motorcycle sector, women groups among others.

With our Vuna Chama Account, members have access to tiered interest rates on loans, free financial advice and access to investment loans for shares, land, and property.

Below is a testimonial from one of the groups enjoying our Vuna Chama account.



LET'S WORK TOGETHER

The Vuna Chama Account now gives you 7%* interest on your savings account

The more you save, the more you get. Bank with us and receive better benefits for your savings.

WE'RE BETTER TOGETHER

Consolidated Bank
Growing with you

*Terms and conditions apply
Consolidated Bank is regulated by the Central Bank of Kenya

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Leader's Unity Group
Based in Eastlands' area



1. Tell us about your Chama's journey?

The group started in 2009 as a welfare group to help one another in times of misfortune such as sickness or death. It started with seven members, and has now grown to 65 members. Our contributions have also increased from 200/- to 2,500/-. The group has now diversified its investments to include deals in real estate.

2. How did you learn about Consolidated Bank Vuna Chama account?

The group learned about Consolidated Bank from its members many of whom had accounts in the bank. The Umoja branch was also right in the area of operation of the members and hence was an attractive option.

3. How has the Vuna Chama account benefitted your Chama?

The Vuna chama a/c has helped the group members achieve their savings goals and reach their individual investment targets, along with the group's goals.

4. Would you recommend Vuna Chama to another group, if yes why?

The group would recommend the Vuna chama product (and other CBKL products) to others and is currently doing so with its members.

Joining hands together with Consolidated Bank, we are sure our dreams shall come to reality.

In the words of Leader's unity group chairman Mr. Joseph Kimani Mwangi