



Equity Group Unveils 2023 Sustainability Report: “A Sustainable World Is A Transformed Africa” Showcasing Bold Vision And Impact

- *Equity Group's 2023 Sustainability Report underscores its commitment to advancing sustainability through the enhancement of its strategy from a twin engine to a holistic tri-engine model focusing on Social, Economic, Nature and Environment all driving a sustainable business model. This go-to market approach will see the Group accelerate its actions in key sustainability areas such as Environmental, Social, Climate and Nature risk management, climate finance, socio-economic resilience support, sustainable integrated financial services, and stakeholder impact.*
- *The Group acknowledges the important role that natural capital plays in Africa's economy and has taken a leading role by becoming an early adopter of the Task Force on Nature-related Financial Disclosures (TNFD), leading to the incorporation of nature risk in decision making, undertaking the first nature and biodiversity risk assessment on its mining and agricultural sectors.*
- *The Group's focus on sustainability is demonstrated by its continuous initiatives in social interventions, economic resilience and empowerment efforts which has resulted in the creation of 1,266,182 cumulative jobs under our Young Africa Works Programme amongst other successes. The Group earned recognition by Euromoney as the Best Bank in Corporate Social Responsibility in Africa for 2 years running.*
- *The Group continues to lead the way in combating climate change through climate financing, emerging as the leading financial institution among 258 globally partnering with IFC to have the highest number of climate transactions at 47,000 addressing climate mitigation and adaptation initiatives.*

Nairobi, Kenya, 3rd September 2024: Equity Group unveiled its third annual sustainability report for the year 2023, themed “A sustainable world is a transformed Africa.” The theme points to the significant role that global substantiality practices can have on transformation of the African continent, a challenge that Equity Group has undertaken to lead.

This landmark report exemplifies Equity's unwavering commitment to socio-economic and environmental transformation across its entire business. It showcases Equity's dedication to sustainable business practices and the integration of Environmental, Social, and Governance (ESG) aspirations into our core operations including the integration of the Task Force for Nature Related Finance Disclosures as a new focus beyond climate risk management.

Speaking during the unveiling of the report, Equity Group Managing Director and CEO, Dr. James Mwangi, stated, “Today, our business model encompasses a tri-engine approach with an economic focus, a social focus, and a nature, and environmental focus, all working to achieve positive impact. We have not only applied our efforts to realizing social impact, but also have a strong focus on environmental and nature stewardship, promoted through an intentional approach to addressing our own footprint and imparting knowledge to de-risk and empower our broader ecosystem. Additionally, we understand that a sustainable future requires mindful consideration of our impact on the planet, and this report demonstrates how Equity is leading the charge in this effort.”

Professor Isaac Macharia, Chairman of Equity Group, underscored the importance of this report in providing an unwavering vision to be a catalyst for sustainable, socio-economic prosperity in Africa.



“As a purpose-led institution, we understand the important role we play both in the economy and society. We strongly believe that deepening sustainability is not just a moral imperative, but also critical for the long-term health of the business, as sustainable institutions are better placed to thrive and create value for all stakeholders in the long term,” said Professor Macharia.

He further noted, “Our strategic ambition envisioned in the Group’s *Africa Recovery and Resilience Plan* (ARRP), which aims to achieve long-term transformation of the continent, requires the support and participation of diverse stakeholders. These valuable strategic partnerships with Development Finance Institutions (DFIs), global implementation partners and social institutions have enabled us to deliver a wide variety of social and commercial outcomes with sustainable results.”

The 2023 Sustainability Report epitomizes Equity Group’s proactive approach to driving positive change in society and continues to attract global accolades with Brand Finance ranking the Bank as the Second Strongest Banking Brand in the World and as the Most Valuable Brand in East and Central Africa. In addition, the International Finance Corporation (IFC) ranked the Group as the global leader with the highest number of climate-related transactions among 258 financial institutions worldwide. The Group also earned the recognition of Euromoney as the Best Bank for Corporate Social Responsibility in Africa for 2 years running.

Zainab Bangura, the UN Under-Secretary-General and Director-General of the United Nations Office in Nairobi, commended Equity for exemplifying how businesses can prioritize sustainability while achieving profitability.

“Sustainable development requires an integrated approach that considers both environmental concerns as well as social development. The work you do as Equity makes it clear that the role of the private sector in delivering a more sustainable world is key. You are leading the way in showing the world that profitability and sustainability can co-exist,” she said.

Also speaking during the event, the French Ambassador to Kenya, H.E. Arnaud Suquet, said “For us to achieve a sustainable future, we need to rely on all agents of change. Not only the public sector but also the private sector should be heavily involved.”

Equity Group’s sustainability approach comprises of three main components. First, the promotion of environmentally friendly business operations, including energy and resource efficiency, water and waste reduction practices in its offices and branches. Second, a commitment to the continuous improvement of its business approach and market offerings to ensure they reflect best practices for Environmental, Social, and Governance (ESG) criteria. This includes offering sustainable finance, credit and investment products as well as continuing its long-standing practice of promoting financial inclusion, maintaining stringent ethical standards for all its operations and being a responsible employer. Third, is the recognition that deepening sustainability cannot be achieved by any single institution. The Group’s strategic ambition envisioned in the Group’s *Africa Recovery and Resilience Plan* (ARRP), which aims to achieve long-term transformation of the continent, requires the support and participation of diverse stakeholders and partners.

During the report’s launch, Wanjira Mathai, Managing Director of the Africa Division, World Resources Institute, urged participants to focus on the present and future of the continent.



“We must begin to think of a shift in narrative, instead of only envisioning the Africa of tomorrow, we must also concentrate on the Africa of today. We should recognize the abundance we currently possess and challenge ourselves, both as a continent and as individual nations, to achieve far more than our current reality.”

Baraka Moruri, the Little Mr. Environment Kenya 2023 said, “I started my journey a few years ago and so far I have been able to plant 7,900 trees. The support I have received from my school and my society is pushing me forward. Let's just not plant trees, let's also nurture them until they are able to stand by themselves.”

The 2023 sustainability report unpacks how Equity is walking the talk within its business operations across the seven markets it runs offices in; Kenya, Uganda, Tanzania, South Sudan, Rwanda, DRC and in Ethiopia where it operates a representative office as it aims to deepen environmental stewardship.

Energy: In 2023, Equity Group observed fluctuations in grid-based energy consumption. Some regions experienced a slight increase in energy consumption, including Rwanda (by 0.4%) and DRC (by 13.1%). Kenya reduced its energy consumption by 9.7%. On energy intensity per staff, it is observed that the highest consumption figures are recorded in the DRC at 4,307 kWh per staff. However, there was an improvement of energy intensity by 7% compared to 2022. Rwanda saw the highest energy intensity at 1,679 kWh per staff, representing a decrease of 15%. Following Rwanda and DRC, Kenya recorded electricity consumption at 1,482 kWh per staff, indicating a reduction of 6% compared to 2022.

Waste: Equity aims to minimize overall waste generated and eliminate waste sent to landfills from all subsidiaries and subsequently branches across the region. In 2023, the Group tracked waste generated in Kenya identifying various waste streams including glass, paper, metals, organic matter, plastics, medical waste, and e-waste. Paper waste accounted for 72% of the total waste generated, totaling 316 tons. In Kenya generated wastepaper continues to be recycled through support of a circularity approach with our suppliers.

Some of the initiatives that were implemented to reduce waste generated include reduction in printing through digitization, engaging of e-waste recyclers, roll out of reverse osmosis water points across business premises and usage of glass water bottles in place of single use plastic bottles in operational activities where reverse osmosis has not been deployed.

Water Consumption: In the year 2023, the total water consumption in the Group totaled 57,235 cubic meters. The Group continues to monitor and improve related data collection regarding this metric. The Group is also implementing systems to reduce water use across its operations, reflecting its commitment to sustainable water management.

Our People: Equity Group recognizes the important role that its staff play in its success. To this end the Group established an Employee Share Ownership Programme with 198,614,463 ordinary shares at Kshs. 0.5 each, which amounts to 5% of the share capital of the Company, which was approved by the shareholders, driving a strong sense of ownership. The capabilities of staff to tackle modern financial challenges is important. To address this the Group spent over Kshs. 316.5m on employee training.

The report further showcases Equity Group's steadfast commitment to its social engine 'program pillars.'



Education and Leadership Development: Equity Group Foundation seeks to break the cycle of poverty and develop the next generation of leaders through increased access to secondary and tertiary education. The *Wings to Fly* and *Elimu* scholarship programs have seen 60,009 brilliant scholars receive comprehensive high school scholarships, while the Equity Leaders Program (ELP) has supported 23,825 University scholars and alumni of the program. The program has seen 891 scholars attend global universities, including 199 who have attended the Ivy League universities.

Health: In its flagship Health program, Equity Group Foundation has increased access to comprehensive health financing and private sector-led, affordable, high-quality, and standardized health services. At the end of 2023, Equity Afya had launched a total of 98 outpatient medical centers in Kenya and so far, it has been able to manage over 2.1m patient visits. Equity Afya continues in its expansion strategy, with ongoing rollout in DRC, and continues to avail quality, affordable health services across the franchise network.

Food and Agriculture: Equity Group Foundation helps create jobs, improve market access, and expand agricultural production by working in partnership with small and medium-sized farmers to increase their production capabilities, business acumen, and access to technology and financial services. In the agriculture sector, EGF under its Food and Agriculture pillar has impacted over 3.8 million small scale farmers and supported over 292,362 MSMEs in the agriculture sector. It has delivered these efforts through technology, training of over 186,077 farmers and over 18,030 Micro-Small and Medium Agriculture Enterprises, access to markets and access to finance.

Enterprise Development and Financial inclusion: Equity Group Foundation stimulates job creation and economic growth by providing Micro, Small and Medium Enterprises [MSMEs] with advice, mentorship, and entrepreneurship training. In 2023, Equity Group Foundation trained over 2.4 million youth and women in Financial Education; 517,2467 MSMEs trained in entrepreneurship with over Kshs. 275.3B disbursed to trained youth, women and MSMEs.

Energy, Climate Change and Environment: Equity Group promotes the conservation and smart use of natural resources by expanding forest cover, improving water security, and promoting the use of renewable energy and energy-efficient technologies. The Group continues to contribute to combating climate change through nature conservation and promoting renewable energy. Through the Equity Group Foundation over 25.2 million trees have been planted and over 420,243 clean energy products distributed to institutions and households. This has saved over 539,000 trees. The Group has been able to disburse over Kshs. 24Bn towards climate finance covering energy efficiency, renewable energy, climate smart agriculture

The Group further recognizes that water is not only essential for life but also serves as a fundamental resource for various socioeconomic activities. Access to clean water is crucial for health, sanitation, agriculture, and economic productivity. Through our initiatives, over 105 million litres of water storage have been installed, profoundly impacting the lives of more than 20,000 households.

Financial Inclusion: Equity Group maintains its focus on providing inclusive Financial Services that transform livelihoods, give dignity, and expand opportunities. To ensure we achieve this, the Group leveraged technology to see over Kshs. 11.72bn transactions done digitally, Kshs. 240.7bn transactions under mobile banking and internet banking, 28.17bn transactions under agency. This has seen a last mile financial reach to customers who would otherwise remain underbanked.



Social Protection: Equity Group Foundation is committed to reducing social and economic risk and vulnerability, and to alleviating extreme poverty and deprivation through cash transfer programmes. The Group has reached 5.4 million individuals with social assistance programs including cash transfers, fee waivers, subsidies and social pensions delivered to vulnerable and marginalized populations. Cumulatively, Kshs. 138.39 billion has been disbursed via cash transfers under these programs. Capacity building has been availed as a pathway to transition beneficiary cohorts into economic stability and self-reliance.

The comprehensive report encompasses the entirety of Equity Group, comprising Equity Group Holdings Plc, alongside its esteemed banking subsidiaries in Kenya, the Democratic Republic of the Congo (DRC), Uganda, Rwanda, South Sudan, and Tanzania. Additionally, it includes the Representative Office in Ethiopia, the Equity Group Foundation (EGF), and the subsidiaries Equity Investment Bank, Equity Bancassurance Intermediary Limited, Finserve Africa Limited, Finserve Africa Trustees Limited, Equity Life Assurance (Kenya) Limited, and Equity Group Insurance Holdings Limited.

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About Equity Group Holdings Plc

Equity Group Holdings Plc. is a Pan-African financial services holding company listed at the Nairobi Securities Exchange, Uganda Securities Exchange, and Rwanda Stock Exchange. The Group has banking subsidiaries in Kenya, DRC, Rwanda, Uganda, Tanzania, South Sudan, and a Commercial Representative Office in Ethiopia. It has other subsidiaries in investment banking, insurance, telecom, fintech and social impact investments. Equity Group is the largest integrated financial services firm in the region with a market capitalization of USD 1.38 Billion.

The Group has an asset base of USD 13.51 Billion, customer base of 20.7 million supported by a footprint of 403 branches, 84,398 Agents, over 1.1 million Pay with Equity (PWE) merchants, 37,755 Point-of-Sale (POS) Merchants, 873 ATMs and an extensive adoption of digital banking channel. The Group's strong brand recognition, solid liquidity buffers and resilient funding profile, established domestic franchise and extensive adoption of digital and alternative distribution channels have earned it the honor of being the Second Strongest Financial Brand on Earth in 2024 by Brand Finance.

For more information log on to: <https://equitygroupholdings.com>

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