

SUSTAINABILITY **2023**
ANNUAL REPORT



Report Overview

This is Equity Group’s Annual Sustainability Report which provides non-financial performance disclosures for the reporting period 1st January 2023 to 31st December 2023.

The Group made use of the Global Reporting Initiative (GRI) standards, the Taskforce for Climate Related Financial Disclosure (TCFD) and the Taskforce for Nature Based financial Disclosure (TNFD) recommendations to guide the content presented in this report. This includes the manner of presentation and the level of disclosures provided. This report has not been GRI certified. Where the detail required to align to the GRI and/or TCFD/TNFD reporting requirements are not available at this time, processes are being put in place to allow for reporting in accordance with these requirements. Progress made in reaching these objectives will be outlined in future editions of this report.

Information presented in this report will facilitate disclosures and provide accountability to Equity Group key stakeholders, partners and sources of capital.

The Group applied the principle of materiality in assessing information to be included in the report. The report focuses particularly on those issues, challenges and opportunities that impact materially on Equity Group and its ability to be a sustainable, responsible and ethical business that consistently delivers value addition to shareholders, prospective investors, and key stakeholders. Material matters influence the Group’s strategy and inform the content in this report.

This report covers Equity Group (also referred to as “Equity” or “Group”) which is made up of Equity Group Holdings Plc, its banking subsidiaries (in Kenya, the Democratic Republic of the Congo (DRC), Uganda, Rwanda, South Sudan and Tanzania), our Representative Office in Ethiopia, the Equity Group Foundation (EGF), Equity Investment Bank, Equity Bancassurance Intermediary Limited, Finserve Africa Limited, Finserve Africa Trustees Limited, Equity Life Assurance (Kenya) Limited, and Equity General Insurance Kenya Limited. Equity Group is headquartered in Nairobi, Kenya.

This report has been reviewed and endorsed by the Equity Group Holdings Plc Board of Directors. Any questions and comments which need to be addressed can be sent to Sustainability@equitybank.co.ke.

Reporting Universe

This report should be read in conjunction with the Equity Group Integrated Report and Annual Financial Statements to fully assess the activities being undertaken by the Group.

Icon Guide Key

Equity Group Foundation Pillars



EDUCATION AND LEADERSHIP DEVELOPMENT



FOOD AND AGRICULTURE



ENERGY, ENVIRONMENT AND CLIMATE CHANGE



HEALTH



ENTERPRISE DEVELOPMENT AND FINANCIAL INCLUSION



SOCIAL PROTECTION



INNOVATION AND TECHNOLOGY

Sustainable Development Goals

1 NO POVERTY

2 ZERO HUNGER

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

6 CLEAN WATER AND SANITATION

7 AFFORDABLE AND CLEAN ENERGY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY INNOVATION AND INFRASTRUCTURE

10 REDUCED INEQUALITIES

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

14 LIFE BELOW WATER

15 LIFE ON LAND

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIP FOR THE GOALS

INSIDE OUR REPORT



OUR THEME

Our Sustainability Report theme is “**A sustainable world is a transformed Africa**” pointing to the significant role that global sustainability practices can have on the transformation of Africa.



5 ABOUT EQUITY GROUP



29 MATERIAL TOPICS



37 DEEPENING SUSTAINABILITY LEADERSHIP



45 DEEPENING RESILIENCE FOR SUSTAINABILITY



71 DEEPENING SUSTAINABLE IMPACT



99 COUNTRY SNAPSHOTS



ABOUT EQUITY GROUP

Equity's key purpose is to transform lives, give dignity and expand opportunities for wealth creation. We have pioneered how people access, consume and utilise financial and non-financial resources to transform their lives.

CHAIRMAN'S STATEMENT



We strongly believe that deepening sustainability is not just a moral imperative, but also critical for the long-term health of the Group, as sustainable institutions are better placed to thrive and create value for all stakeholders in the long term.

PROF. ISAAC MACHARIA

CHAIRMAN

EQUITY GROUP HOLDINGS PLC

Welcome to our 2023 Sustainability Report. In this Report we continue with our mission of advancing our sustainability performance through intentional actions to deepen our practices in the areas of risk management, enhanced socio-economic resilience within and outside our organisation and strengthen impact for stakeholders. As a purpose-led institution, we understand the important role we play both in the economy and society as a whole.

Our sustainability approach comprises of three main components. First, the promotion of environmentally friendly business operations, including energy efficiency, water and waste reduction practices in our offices and branches. Second, we commit to the continuous improvement of our business approach and our 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 our long-standing practice of promoting financial inclusion, maintaining stringent ethical standards for all our operations and being a responsible employer.

Third, we recognise that deepening sustainability cannot be achieved by any single institution. 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. This is why we are intentionally pursuing partnerships and collaborations with other stakeholders, including development finance institutions, governments, development partners, industry bodies, commercial entities, and our customers, with the aim of fostering positive collective action. These valuable strategic partnerships with Development Finance Institutions (DFIs) and social institutions have enabled us to deliver a wide variety of social and commercial outcomes.

Above all, as a systemically important integrated financial institution in most of the countries we operate in, we understand the power and influence we are entrusted with in the economic systems and activities we engage in, and we take our responsibility to promote sustainability seriously. 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.

Furthermore, we have adopted international best practices in reporting including the Taskforce for Climate-related Financial Disclosures (TCFD) standards, the Global Reporting Initiative (GRI), the Taskforce for Nature-related Financial Disclosures (TNFD) standards and we are engaging as members in organizations such as the Sustainable Markets Initiatives (SMI), the UN Global Compact, Leaders on Purpose and Building Bridges. Our extensive experience and expertise have become useful sources of information for global institutions and companies as they seek to understand how sustainable social transformation can be achieved. We are proud that our successes are providing insights that can be used to drive the imperatives of sustainable development in Africa and globally.



Equity Group Holdings PLC Chairman Prof. Isaac Macharia waters a tree seedling during the 2023 Sustainability Report Launch at Karura Forest in Nairobi.

GROUP MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER'S STATEMENT



A vital part of our role is to mobilise partners and collaborators to address the pressing issues of nature and climate change. We view our role in this regard as offering thought leadership and encouraging collective action



DR. JAMES MWANGI CBS

GROUP MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER
EQUITY GROUP HOLDINGS PLC

EXECUTIVE CHAIRMAN, EQUITY GROUP FOUNDATION

This is our third sustainability report with the theme “A sustainable world is a transformed Africa”. From the outset, we established an institution intended to drive sustainable progress. Our initial approach to financial inclusion and our track record in promoting meaningful social interventions highlight our commitment to the sustainability of best business practices and positive societal impact. Before the term sustainability was in common use, we already practiced a twin-engine business model that epitomises a purpose-led organisation that aims to create shared value. Building on past lessons, we have been able to position ourselves for the challenges the world is facing, such as increasing climate variability, pressure on nature, inequality and the need to create meaningful livelihoods. Today, our business model encompasses a tri-engine approach with an economic focus, a social focus and a sustainability focus all working as one to achieve positive impact.

In the reporting year, we noted several macro dynamics including inflationary pressures, increases in interest rates, a dynamic regulatory landscape, and the weakening of currencies in our key markets resulting in marked impact on our stakeholders. Our approach is to continue deepening our positive impact to enhance economic, social and sustainable resilience of stakeholders, especially our customers, and to tackle the challenges of current global pressures on local and regional economies.

We have not only applied our efforts to realising social impact, but also have a strong focus on environmental stewardship, promoted through an intentional approach to addressing our own footprint and imparting knowledge to de-risk and empower our broader ecosystem. Showcasing our commitment to nature, in 2023, we opted to be an early adopter of the Taskforce on Nature-related Financial Disclosures (TNFD), an initiative designed to help organizations report and act on evolving nature-related issues with the ultimate aim of supporting a shift in global financial flows away from nature-negative outcomes and toward nature-positive outcomes. We view the current degradation of nature as an existential threat to humanity, necessitating our move to position ourselves as a global Group to champion the protection of nature. We have already made substantive strides in managing climate-related risks across our businesses, including progress in diligently monitoring and tracking the Group's own activities, and our products and services on offer.

The Group's proactive approach to driving positive change in society, continues to attract accolades with Brand Finance ranking us 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.

A vital part of our role is to mobilise partners and collaborators to address the pressing issues of nature and climate change. We view our role in this regard as offering thought leadership and encouraging action, including collective action, especially within the private sector. During the historic Africa Climate Forum in Nairobi, we mobilized the continental private sector around a Private Sector Declaration Framework to support positive climate action.

GROUP MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER'S STATEMENT

In the year, we chose to embark on an employee shared prosperity proposition enabling our people to also benefit from the prosperity derived by the Group. The proposition is designed around an Employee Share Ownership Plan (ESOP) and is aimed at enhancing employee benefits and sense of belonging.

Additionally, to enable us to create greater impact in Rwanda, we acquired Compagnie Générale de Banque (Cogebanque) which forms part of the Group's geographic expansion plan. This acquisition offers the Group the opportunity to increase its reach and scale in the Rwandan market, while delivering broader positive impact for society.

Sustainability plays a central role in the Africa Recovery and Resilience Plan (ARRP), our Group's strategic plan for the transformation of Africa. The Plan provides a clear framework for addressing environmental and social challenges while enhancing economic and sustainable resilience. The Group's focus on sustainability is also evident in our emphasis in 2023 on training and embedding sustainability practices across the Group.

This approach aims to ensure that actions and decisions made within the Group are guided by sustainability principles. We intend to deepen our culture of sustainability among stakeholders, which will ultimately enhance our overall performance. We view this as a journey and not necessarily a destination, in which our sustainability impact will continue to deepen and mature, enabling us over time to showcase more proof points that this approach makes good business sense.

Equity Group Holding PLC Managing Director and CEO Dr. James Mwangi addressing delegates during the 2023 African Climate Summit at KICC in Nairobi.



REPORT HIGHLIGHTS

In this year’s report, we present efforts made to deepen resilience, sustainable business practices, and social impact through our systematic implementation of the Group’s sustainability strategy and how this led to the delivery of our commercial strategy.

SUSTAINABILITY GOVERNANCE

We are very particular about how we govern and manage the sustainability aspects of our business. This includes risk management which seeks to identify, assess, and manage potential Environmental, Social, and Governance (ESG) risks that may impact our business. It also comprises identifying sustainable finance opportunities where we can create a positive impact. Additionally, it informs our approach to the overall management of our operations.

Page 22

PARTICIPATION IN LEADING FORUMS

The Group took on a leadership role in prominent forums centred on sustainability, nature, and climate change such as COP28 and the Africa Climate Summit 2023. Our active participation and leadership in these platforms afforded us the opportunity to share our insights and practices but also enabled us to contribute to the shaping of policies and agendas. Being at the forefront of such discussions, we have been instrumental in spearheading initiatives and influencing the direction of global sustainability efforts.

Page 42

ENHANCING CUSTOMER RESILIENCE

We focus on ensuring that customers are more sustainable and resilient in the face of changing operating and socio-economic conditions. We recognize the role capacity enhancement has in de-risking our portfolio and empowering our customers to make financially informed decisions. The Group has further implemented measures to facilitate the protection of our customers’ businesses from the full effect of interest rate hikes. We are investing time and resources into developing capabilities for technology experts to address technology challenges that adversely impact our customers.

Page 46

MANAGING CLIMATE CHANGE

The Group has made significant strides by developing and launching processes, procedures, and frameworks on climate aspects. Employee training has also been conducted. This has strengthened our capabilities for tracking, analysing, and mitigating potential climate-related risks. We understand that with global warming and environmental changes, there comes a unique set of operational and financial risks, and we are committed to being armed with the right tools to effectively deal with these challenges.

Page 51

OUR PEOPLE

We take pride in being a responsible employer. We respect and value our employees, offering competitive remuneration, providing equitable opportunities for growth and development, and ensuring a safe and healthy working environment. We also prioritise our employees’ well-being, offering wellness programmes and benefits that cater to them and their family’s holistic health. Our policies on diversity and inclusion ensure that we maintain a balanced, respectful, and inclusive workplace. Primarily, we strive to be an employer of choice by creating a superior employee value proposition, proactively tracked through employee satisfaction levels.

Page 73

EQUITY GROUP FOUNDATION

Whether solving for enhanced accessibility to affordable high quality medical care or supporting farmers access to weather information, Equity Group Foundation continues to drive impactful programmes across the region where we operate. The flagship Education and Leadership development programmes now cut across countries and Financial Inclusion and Enterprise Development for Micro, Small and Medium Enterprises (MSMEs) continue to expand across our footprint. Added to this is a new pillar on Technology and Innovation initiatives aimed at driving enhanced business outputs and facilitating enhanced levels of financial resilience.

Page 79

WHO WE ARE

Equity Group Holdings Plc is a non-operating holding company offering integrated financial services through banking, insurance, technology and philanthropy with subsidiaries in Kenya, Rwanda, Tanzania, Uganda, South Sudan and Democratic Republic of Congo and a Commercial Representative Office in Ethiopia. The Group operates non-banking subsidiaries in Kenya that are engaged in providing investment banking, insurance, custodial, payment and telecommunication services. Equity Group Holdings Plc is listed on the Nairobi Securities Exchange and cross listed in the Uganda Securities Exchange and the Rwanda Stock Exchange.

OUR PHILOSOPHIES



PURPOSE

Transforming lives, giving dignity, and expanding opportunities for wealth creation



VISION

To be the champion of the socio-economic prosperity of the people of Africa



MISSION

We offer integrated financial services that socially and economically empower consumers, businesses, and communities



POSITIONING

We provide inclusive financial services that transform livelihoods, give dignity, and expand opportunities



TAGLINE

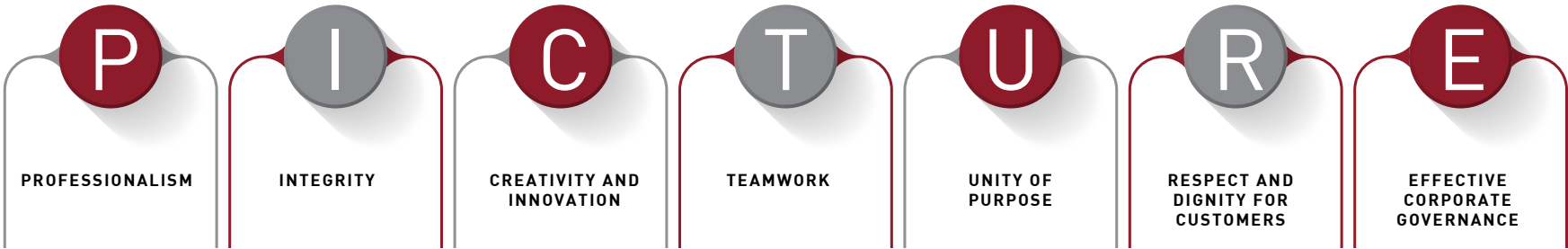
Your Listening, Caring Partner



MOTTO

Growing Together in Trust

OUR CORE VALUES



OUR INSPIRATION

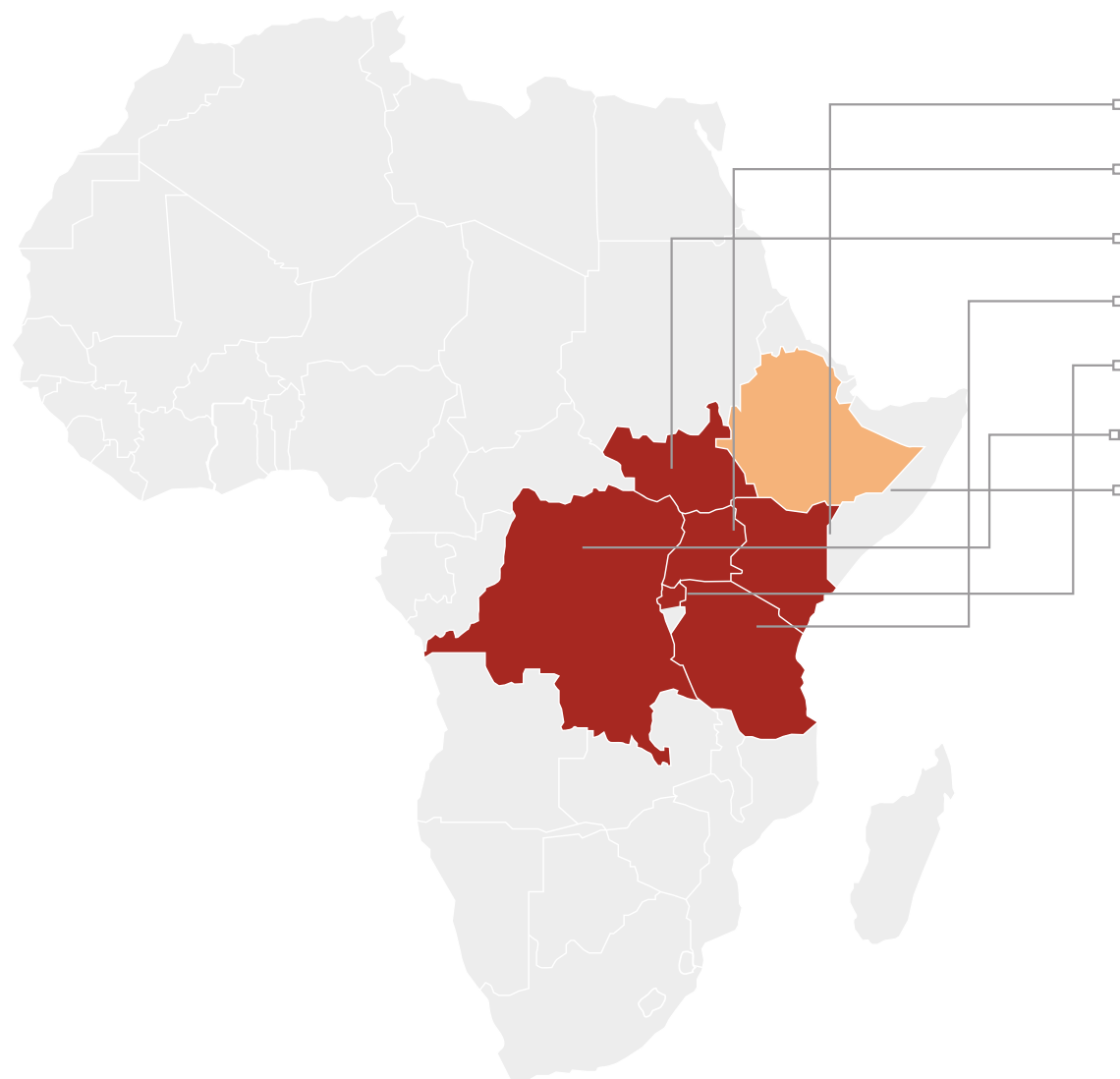
That when years turn our vision dim and grey, we shall still see beauty in the tired wrinkles of our faces and shall take comfort out of the fact and knowledge that when we were given the opportunity, we did all we could to empower our people to exploit opportunities and realise their full potential on the road to economic prosperity.

WHO WE ARE

Our footprint

We operate through physical and digital channels with a branch network across the countries we operate in augmented by agency outlets.

Physical Channels



Distribution of Branches (392)

Country		Capital City	
1. Kenya	195	Nairobi	52
2. Uganda	50	Kampala	23
3. South Sudan	5	Juba	4
4. Tanzania	15	Dar es Salaam	7
5. Rwanda	46	Kigali	29
6. DRC	81	Kinshasa	40
7. Ethiopia (Representative Office)	1	Addis Ababa	1

Agent outlets	Point of sale terminals (POS)	Number of ATMs	Pay with Equity (PWE) Merchants
74,953	37,003	781	1,183,000
2022: 69,909	2022: 34,569	2022: 680	2022: 662,580

Products and services

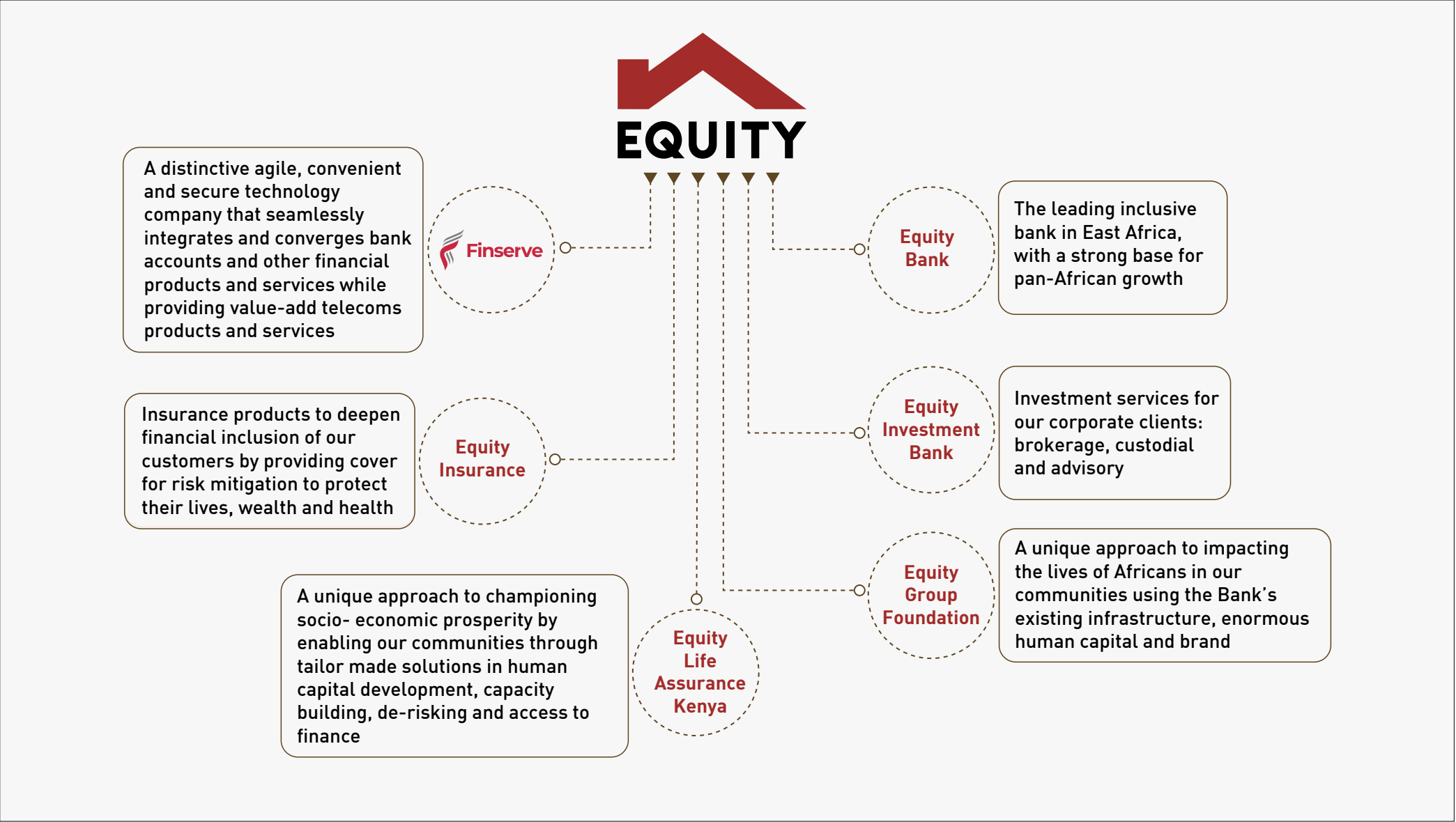
Products	Services
18	16
2022: 18	2022: 16

Digital channels

Channels	Digital products
8	4
2022: 8	2022: 4

EQUITY AT A GLANCE

We offer integrated financial services that socially and economically empower consumers, businesses, and communities



SUSTAINABILITY AT A GLANCE

Established | 1984

Customers
19.6m ↑
2022: 17.7mEmployees
13,102 ↑
2022: 13,065Branches
392 ↑
2022: 358

FINANCIAL HIGHLIGHTS

Total Assets (Shs)
1,821bn ↑
2022: 1,447bnTotal Revenue (Shs)
181.7bn ↑
2022: 145.9bnShareholder' Funds (Shs)
208.1bn ↑
2022: 182.2bn

PEOPLE HIGHLIGHTS

Employee spend (Shs)
32bn ↑
2022: 24.8bnWomen in permanent employment
41.3% ↑
2022: 41%

CUSTOMER HIGHLIGHTS

Customer Satisfaction Score
77%
2022: 77%Loans issued (Shs)
887.4bn ↑
2022: 706.6nDeposits (Shs)
1,358bn ↑
2022: 1.05bn

ENVIRONMENT AND NATURE

Carbon intensity
1.7 tons CO₂e per staff
2022: 1.6 ↑Energy consumption
23,714,401(Kwh)
2022: 22,564,196 ↑Carbon CO₂ Metric Tons
Reduced
513,086
2022: 390,000 ↑Trees planted
25.2m trees
2022: 21.8 ↑

SOCIAL

Social protection (Shs)
138.39bn ↑
(2022: 116.4bn)Equity Afia clinics
98 ↑
(2022: 77)Elimu Scholars
38,000 (cumulative) ↑
(2022: 27,000)Social impact investment (Shs)
101.8bn ↑
(2022: 72.7bn)Patient Visits
2.1m (cumulative) ↑
(2022: 1.299)Wings to Fly scholars
22,009 (cumulative) ↑
(2022: 20,009)

AWARDS AND ACCOLADES

Validation and recognition of the Group's performance in delivering sustainable value and creating impact through our products and services, thought leadership and advocacy continues with key awards issued as follows:

**Banking
500
2024**

Brand Finance®
The Most Valuable and Strongest Banking Brands



Equity Group, East and Central Africa's largest financial services Group, has been named the **2nd most valuable and strongest banking brand in the world and the Most Valuable Brand in Kenya..** This is the Group's third consecutive appearance in the Brand Finance Banking 500 rankings, with an impressive **Brand Strength Index (BSI) score of 92.5 out of 100** and an elite **AAA+ brand strength rating**.

World's strongest banking brands 2024

- Position 2 – in the World
- Position 1 – in Africa
- Brand Strength Index (BSI) score of 92.5 out of 100
- Brand Strength Rating (BSR) of AAA+

10th most valuable banking brand in Africa

- Brand value rose by USD 22 million from last year's brand value of USD 428 million to USD 450 million (Shs 645 billion)

Most valuable brand in Kenya

African Business Leadership Awards

Equity Group Managing Director and Chief Executive Officer, Dr. James Mwangi was recognized and awarded the prestigious Lifetime Achievement Award at the All-Africa Business Leaders Awards held at Sun City, South Africa by the Africa Business News group, the owners of CNBC Africa and Forbes Africa.

The All-Africa Business Leaders Lifetime Achievement award is awarded to individuals who have made a remarkable impact on the industry, country and the continent over a period of a lifetime.

The award was presented to Dr. Mwangi by the Deputy President of South Africa. Dr Mwangi's remarkable leadership has propelled Equity Group to become the largest bank in East and Central Africa, positively impacting communities and driving economic progress.

(Photo Courtesy of MaruAnele Fotografik)



- **Lifetime achievement award 2023**
Dr. James Mwangi

AABLA ALL AFRICA BUSINESS LEADERS AWARDS

AWARDS AND ACCOLADES



Global SME Finance Awards

- 2023 SME Financier of the Year – Africa – Platinum
- 2023 Product Innovation of the Year – Platinum
- 2023 Women Financier of the Year – Honourable Mention
- 2022 Best Financier for Women Entrepreneurs – Platinum
- 2022 SME Financier of the Year- Africa - Silver



Quality Healthcare Awards

- Dr James Mwangi, Group Managing Director and CEO - Healthcare Leadership Award
- Equity Group Foundation - Honorary mention for Excellence in Response to Covid-19



SFI Catalysts Awards

- Best Bank for MSME Financing – Position 1
- Overall Winner – Position 2
- Best Customer Case Study – Commercial – Position 2
- Best Bank Case Study – Bank Operations – Position 3
- Best Bank Case Study – Promoting
- Persons With Disability (PWD) Accessibility – Position 3

CAFI Awards

Equity Bank Kenya has been recognized as the top global performer by the International Finance Corporation (IFC), a member of the World Bank Group, for the 2023 Climate Assessment for Financial Institutions (CAFI) Awards for Climate Reporting.

Equity Bank reported the highest number of transactions for climate-related financing among the 258 participating financial institutions globally. CAFI is a tool developed by the IFC to enable its customers and partners across 210 countries to report on their financing activities for climate-related projects.

Equity Bank Kenya supported a total of 47,593 households and businesses in adopting adaptive and mitigating solutions to address the negative impacts of climate change. The support ranged from climate loan facilities as low as Shs 6,000 for purchasing energy-efficient cookstoves in the retail sector to as high as Shs 8.54 billion to finance renewable energy distribution from renewable sources, including hydro, geothermal and wind. These efforts have resulted in an overall reduction of 39,917.4 tons of CO₂eq annually.

By October 2023, Equity Bank Kenya had disbursed Shs 24.7 billion as follows:

- Climate adaptation and water efficiency – 66%
- Energy efficiency and transport – 28%
- Renewable energy – 6%

A significant proportion of the funding was used to support climate smart agriculture, building resilience for farmers and farming ecosystems, which aligns with the agriculture pillar and leads the social and environmental transformation, another pillar of the Group’s Africa Recovery and Resilience Plan.

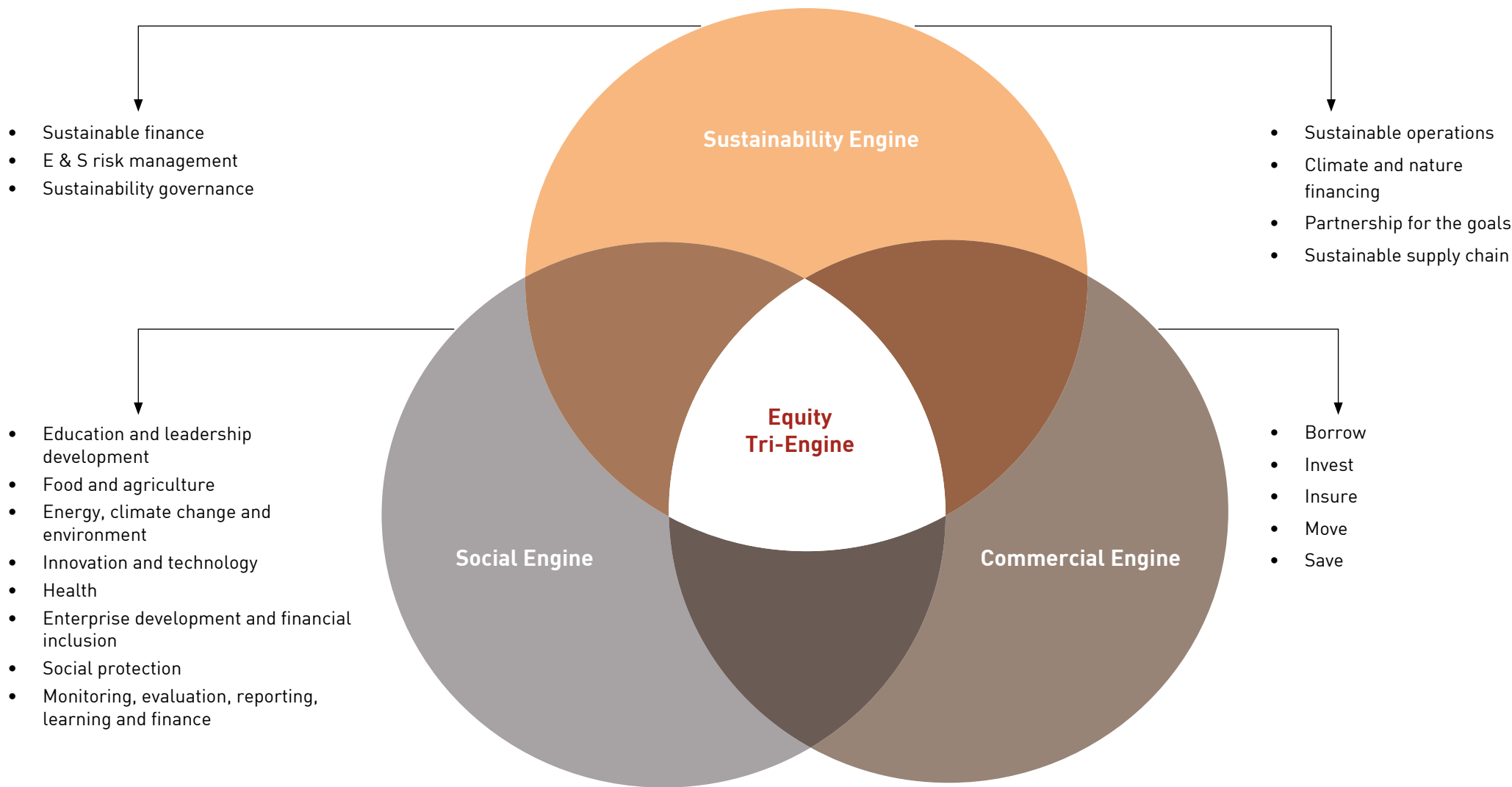


BANKING AWARDS 2023

Bank	Think Business Awards • Best Overall Bank – 12 years running • Best Bank in Tier 1 – 9 years running • Most Customer-Centric Bank • Best Bank in Sustainable CSR – 1st Runners up • Best Bank in ESG Factors
Franchise Segment	• Best Bank in Retail Banking • Bank in Mobile Banking • Best Bank in SME Banking • Best Bank in Agency Banking • Best Commercial Bank in Microfinance • Best Bank in Corporate Banking – 1st Runners up
Product	• Best Bank in Trade Finance • Best Bank in Agriculture and Livestock Financing • Best Bank in Mortgage Finance – 2nd Runners up • Best Bank in Internet Banking • Best Bank in Asset Finance – 1st Runners up • Best Bank in Product Marketing • Best Bank in Product Innovation – 1st Runners up • Special judges Award for Product Innovation (Clean Energy Access at Institutional and Household Level

TRI-ENGINE MODEL

Our tri-engine business model comprises of a commercial arm, a social impact arm and a synergistic focus on sustainability integrating our business approach to the market. The commercial engine focuses on delivering integrated financial services and non-financial products and offering for customers including deposit and credit products, transaction services as well as investment and insurance products and services. Through mutual complementarity, the social engine (through the Equity Group Foundation) uses the Group infrastructure to deliver social impact through seven broad interventions. The sustainability engine is a key enabler that focuses on development of interventions that provide sustainable solutions to transform communities and businesses while delivering on environmental stewardship.



TRI-ENGINE MODEL

The tri-engine model is aimed at maximising self-sustaining impact and optimising the outputs across the Group’s value chain. The value chain is interconnected, well-developed and designed to provide a comprehensive range of financial products and services. The Groups value chain is cascaded through five key steps:



PARTNERSHIPS

Equity works with a wide and diverse set of partners and collaborators in pursuit of its purpose of transforming lives and livelihoods. These partners are both commercial and developmental and offer both financial and non-financial support.

DEVELOPMENT FINANCE PARTNERS

These partners provide financial resources enabling us to on-lend to businesses.



TRI-ENGINE MODEL

SOCIAL PARTNERS

These partners enable us to deliver on our environmental and social programmes by delivering projects that de-risk and empower communities and businesses making them finance ready.



SOCIAL PARTNERS



COMMERCIAL PARTNERS

Provide us with platforms through which customers can conduct transactions



SUSTAINABILITY PARTNERS

Through collaboration with these partners, we provide sustainable solutions that transform communities and businesses while delivering on environmental stewardship



GOVERNANCE AND MANAGEMENT

SUSTAINABILITY OBJECTIVES

The current sustainability context in Africa requires an urgent and innovative response to delivering relevant financial products and solutions. We, therefore, have considered how our work can create the greatest impact through intentional analysis and research on the types of products and services required across our operating environment. The Africa Recovery and Resilience Plan (ARRP) provides a clear mechanism for delivering meaningful change on the continent. We recognize that we are not the only ones working towards Africa’s economic transformation and thus collaborate with different stakeholders to maximise our reach and impact.

The Group’s sustainability objectives aim to integrate and embed sustainability into the business in three major areas.

RISK MANAGEMENT	SUSTAINABLE FINANCE	BUSINESS OPERATIONS
We proactively identify, assess, and prioritise environmental, social, nature and climate risks. This process is ingrained into our strategy development, credit processes and operations. In the lending process, we have developed an Environmental and Social Risk Management (ESRM) procedure. In addition, we incorporated climate risk assessment into the ESRM, enabling us to consider climate risk aspects in our credit process.	We have integrated ESG considerations in products and services, prioritising lending that offers environmental, climate or social benefits. Our sustainable approach provides us with the guidance and framework for delivering suitable credit and investment products with strong sustainability credentials. It also provides us with the mechanisms, metrics and targets for delivering on sustainable finance.	We understand the impact of our operations on the environment, climate and the natural world and are committed to significantly reducing our footprint. Implementing this commitment involves measures that touch on various areas of our operations. Our approach seeks to optimise opportunities to use technology and other environmentally friendly methods, thereby reducing our footprint, enhancing access to services, and improving the employee-customer interface.

We are working through several approaches to deepen our sustainability practices including carbon management, development of products and solutions, customers’ sustainability needs analysis, project origination, staff capacity building, and governance through working groups and committees. While sustainability has been an inherent feature of Equity from its start, in this current phase, we aim to consolidate and enhance our approach to maximizing opportunities and returns for stakeholders and to ensure sound management of sustainability risks.

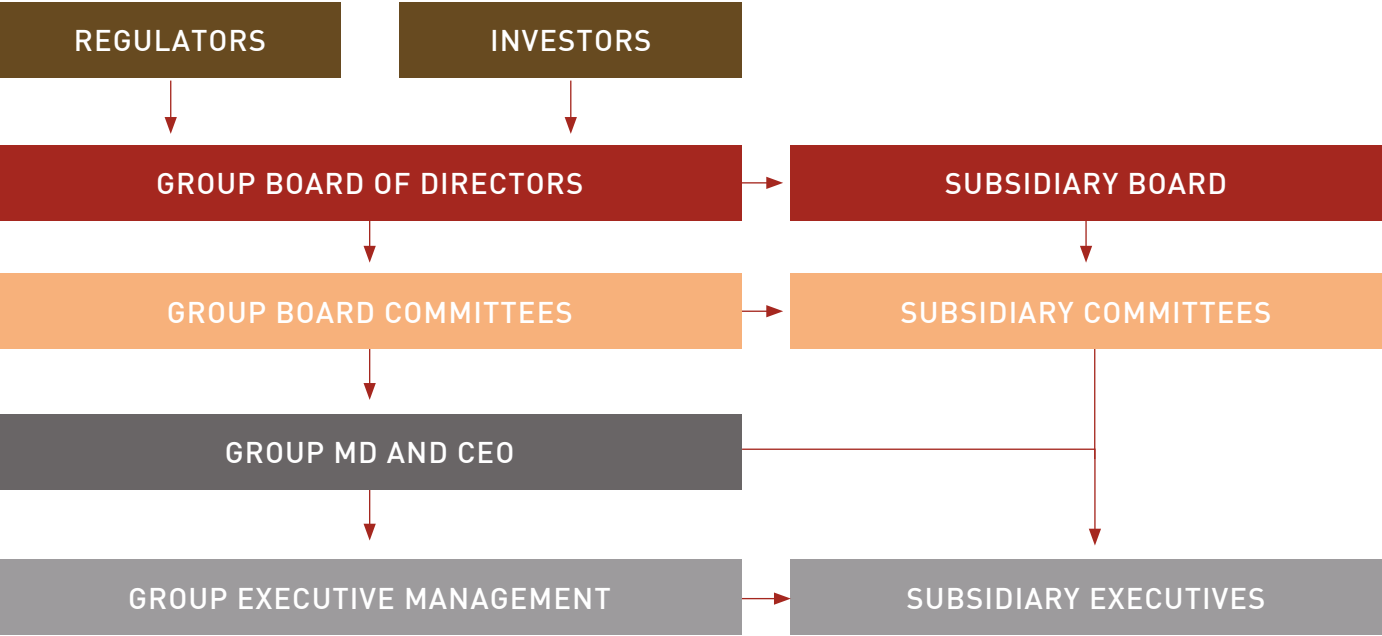
GOVERNANCE AND MANAGEMENT

The Group Board of Directors is the highest governing body providing oversight and leadership to the Group. In addition, each subsidiary of the Group has a Board which in turn provides oversight and leadership to the respective subsidiary in alignment with Group strategy, including any sustainability measures being executed.

The Group Board comprises six committees which support it in discharging its responsibilities, namely:



GOVERNANCE STRUCTURE



GOVERNANCE AND MANAGEMENT

SUSTAINABILITY GOVERNANCE



The Board is responsible for sustainability governance including climate and nature-related risks and opportunities. The Board is responsible for:

- Approving the ESG, Nature and Climate Risk Framework and policies recommended by senior management, having regard for relevant global, regional, and local developments, and agreed goals.
- Ensuring that Directors have an adequate understanding of sustainability and senior management is equipped with appropriate expertise for managing ESG, nature and climate risk.
- Considering sustainability risks and opportunities in a holistic manner and ensuring business decisions are commensurate with the magnitude of these risks.
- Defining and articulating the roles and responsibilities and designating key personnel with specific responsibilities for the implementation of the Group's sustainability and climate-related risk management framework in line with its risk profile.
- Reviewing and approving the Group's overall risk appetite and approving the Risk Appetite Statement (RAS) recommended by senior management. The RAS identifies the strategic goals; risk-taking capacity; and results of any materiality assessment, climate risk stress testing and scenario analysis and nature-based assessments.
- Ensuring that there are appropriate resources, processes, systems, and controls to support the implementation of the Group's strategy and ESG, Nature and Climate Risk Framework.
- Cultivating a risk culture from the top that embeds ESG, nature and climate risk considerations into the business activities and decision-making process.

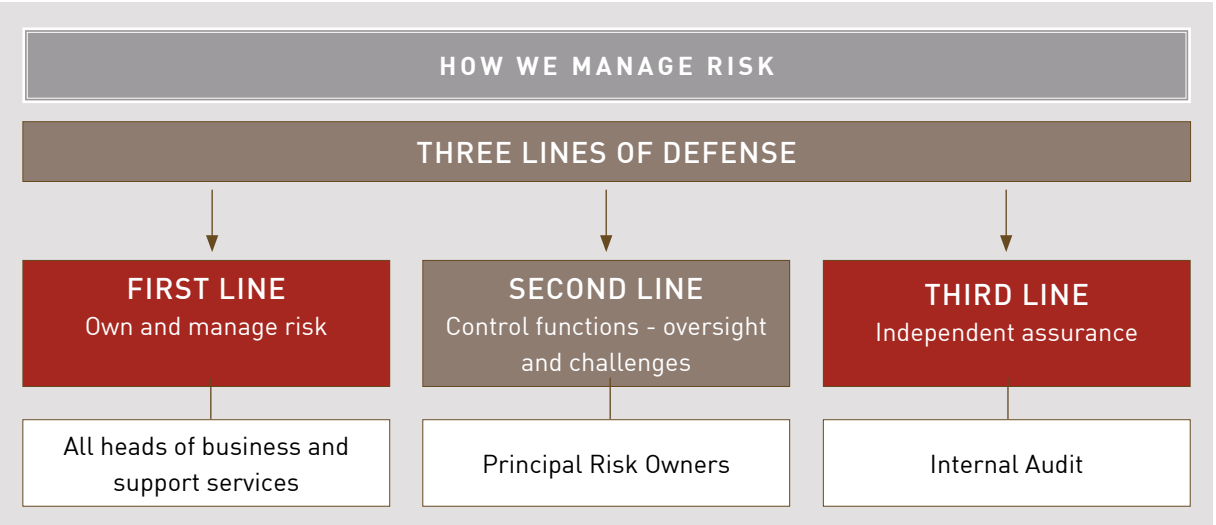
GOVERNANCE AND MANAGEMENT

Responsibilities for sustainability governance are further delegated to three Board committees – The Group Board Sustainability Committee, Group Board Risk Committee, Group Strategy and Investments Committee and Audit Committee.

GROUP BOARD COMMITTEE ROLES IN SUSTAINABILITY OVERSIGHT AND GOVERNANCE			
GROUP BOARD SUSTAINABILITY COMMITTEE	AUDIT COMMITTEE	STRATEGY AND INVESTMENT COMMITTEE	GROUP BOARD RISK COMMITTEE
- Assisting the Board in reviewing the Group’s strategies, policies and performance related to sustainability. - Ensuring alignment with the Group’s strategy and risk management requirements. - Making recommendations to the Board on sustainability related matters.	Providing independent oversight on the effectiveness of the Group’s risk management system which includes ESG and climate-related risk management.	- Considering the various strategic options available to the Group. - Making recommendations to the Board regarding the development of the Group’s long-term strategic plans. - Consideration of risks and opportunities relating to sustainability with a focus on climate-related risks and opportunities.	- Reviewing and assessing the quality, reliability and integrity of risk management. - Ensuring Group risk is effectively managed. Ensuring compliance with statutory and legal requirements and Group’s policies and procedures. - Reviewing on an annual basis the effectiveness of the Group’s risk management practices.

In the course of 2023, the Board Sustainability Committee maintained oversight of strategies, policies and performance related to sustainability in the Group. Specifically, the committee’s oversight covered:

- Training and embedding of sustainability across the Group,
- Risk management including climate and nature-based risk considerations,
- Funding opportunities in the climate space,
- Sustainability risk and commercial opportunities identification,
- Tracking Group’s performance linked to sustainable finance, own operations and strategy implementation.
- Products and solutions development



GOVERNANCE AND MANAGEMENT

Management of sustainability

Management plays a crucial role in delivering the strategic intent of the Group on sustainability. Management has the responsibility of steering the Group on a path to delivering commercial outcomes and environmental and social objectives. Management’s central role in sustainability includes ensuring risks associated with sustainability aspects are managed in line with the Group’s Enterprise-Wide Risk Management Framework (ERMF) and risk appetite. Further, the executive team is tasked with pursuing sustainable finance opportunities and achieving the Group’s operational goals in line with its sustainability and climate agenda.

In 2023, a management level sustainability committee was established with the mandate of providing leadership and guidance with respect to the implementation of the Sustainability Programme including optimisation of the sustainability strategy, policies, opportunities and ensuring implementation of appropriate risk management practices.

The management role is reinforced by the Group Director of Sustainability whose key responsibility is to support the Group in managing ESG and Climate-related risks and opportunities. The Director is charged with facilitating change processes anticipated as the Group cascades its sustainability strategy and achieving the Group’s sustainability objectives.

GROUP NON-FINANCIAL RISK COMMITTEE (GNFRC)	The GNFRFC, at the management level, provides oversight of the Group’s ESG and Climate risk management and disclosure, including the policies and processes to assess, monitor and report such risks.
GROUP SUSTAINABILITY MANAGEMENT COMMITTEE	Governs and directs all subsidiaries of Equity Group in ensuring the defined sustainability strategy is implemented with a specific focus on risk management and commercial opportunities optimisation.
GROUP DIRECTOR OF SUSTAINABILITY	Supporting the senior management in managing the Group’s ESG and Climate risk and opportunities and facilitating change processes that contribute to the Group’s sustainability strategy and performance.



In the course of 2023, the Group achieved several milestones as it sought to deepen sustainability management including:

- Establishment of the Group Sustainability Management Committee.
- Review and update of Environmental and Social (E&S) risk management policies in line with new developments and business direction. This included incorporating vendor E&S risk assessments for the first time in the ESG policy and embedding nature as a key area of risk assessment.
- Customization and adoption of an ESG, Nature and Climate Risk Framework across all subsidiaries
- Solidifying the application and entrenchment of the three lines of defence model in ESG with clear separation of roles defined for reporting and execution.
- Equipping ESG functions in departments and subsidiaries with adequate and skilled resources throughout the year.
- Undertook ESG-linked training and development initiatives across the Group.
- Launched new sustainable finance solutions and propositions.
- Upgraded and enhanced the Environmental and Social Risk Management procedures.
- Approval of a facility under the Africa Rural Climate Adaptation Finance Mechanism (ARCAFIM) to support low-income rural households and small agricultural producers with a focus on women and youth.

GOVERNANCE AND MANAGEMENT

FEEDBACK MECHANISMS

Grievance mechanism

The Group’s grievance mechanism provides a process for stakeholders to express concerns or complaints enabling the resolution of issues raised. The grievance mechanism is embedded in the Group’s ESRM with information communicated through internal trainings and in departmental feedback sessions. Externally, the feedback mechanism has been communicated through Equity’s environmental and social risk management statement found on the Group’s website. The areas covered by the grievance mechanism are indicated in the table below:

Component	Internal grievances	External grievances
Responsible Division for management of grievances	Human Resource Management	Sustainability
Purpose of grievance mechanism	To address concerns raised by our people	To address concerns raised by our external stakeholders
Organisational activities covered by the mechanism	- Corporate ethics - Bribery and corruption - Gender parity - Training and development - Succession planning - Employee wellness - Basic conditions of employment	- Product design - Fair and transparent pricing - Transparency of terms and conditions - Data protection - Cyber security - Customer service - Employee, Agent, Supplier conduct
Intended users	Staff	- Customers - Community members - Suppliers

Whistleblower policy

The Group has a whistleblower policy known as “Equity Speak Up” which enables individuals to discreetly raise concerns about ethical misconduct. The policy allows stakeholders to speak up on impropriety, misconduct or challenges noted based on facts and not speculation. The policy covers a wide array of issues including human rights violations, unethical behaviour, sexual or physical abuse, financial impropriety, corporate governance breaches and unlawful conduct among other reportable issues.



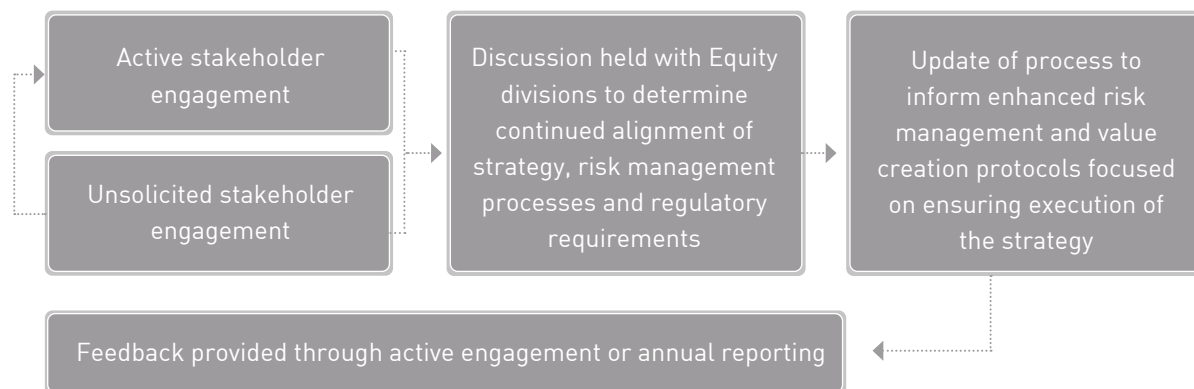


MATERIAL TOPICS

In this section we highlight issues or concerns that can impact the long-term sustainability of the organization. We also define material matters, the process involved and how we manage the topics and our approach.

MATERIAL MATTERS

When determining materiality to the business, the Group considers input from key stakeholders. These inputs inform the Group approach and contributes towards refining the strategy as follows:



Stakeholder engagement

Stakeholders are defined as all parties who have a direct or indirect interest in Equity Group. The Group has mapped stakeholders based on key inputs required to operate and realise related strategic objectives, such as shareholders, investors, employees, and partners. Other stakeholders include segments served such as customers, society, and communities. For more detail on the manner and frequency in which the Group engages with stakeholders please refer to page 50 of the Group's 2023 Integrated Annual Report.

Equity engages regularly with each stakeholder group throughout the year. Material inputs received are discussed at the Board of Directors level through reports compiled by select committees dealing with individual stakeholder group concerns. Outputs of these discussions are used to inform the implementation of improvement measures ensuring the Group continues to be a sustainable financial institution that resonates with its stakeholders. For key material concerns raised by stakeholders during the year and how these were responded to please refer to page 45-49 of the Group's 2023 Integrated Annual Report.

ESG Materiality Assessment

Materiality is based on whether the concern raised can impact the long-term sustainability of the business. Not all stakeholder concerns are deemed material to the Group and do not always carry the same weight with respect to implementation. A sustainable financial institution is envisaged to be able to deliver consistent value to shareholders, and prospective investors, and respond to the needs of key stakeholders. Rating of the material matters allows Equity to assign a priority to each focusing their attention the issues which will drive value including the achievement of their business strategy.



Equity staff actively engage on the Group's 2023 Investor Briefing at Equity Center

ESG MATERIAL MATTERS DEFINED

The 2023 ESG material matters identified and addressed during the year have been summarised. These material matters were addressed through the strategy, employee training and development. This allows Equity to innovate its product offering, and shift its approach to the market, without losing focus on its strategic ambitions. The ESG material matters defined in 2023 are summarised as follows:

Climate risk

Climate risk is a fundamental risk that must be managed across the Group's entire footprint. This risk type can impact all facets of the business, including customers and supply chains. The Group recognizes risks associated with climate change cannot be fully eliminated but aims to drive a strategy and partnerships that allow customers and their supply chains to adapt to and mitigate these impacts. By doing so, Equity reduces the potential risks associated with delivering sustainable products and solutions to market whilst protecting the quality of the loan book.

Investor relations

Ensuring investor confidence in the Group is critical for delivering on the Group's aspirations. Investor confidence is built on the Group's ability to deliver on its strategy, maintain competitive advantage and offer a fair return on investment.

Value to society

The Group places high regard on the value created by its activities for society including but not limited to, financial inclusion, expansion of economic opportunities and being a disruptor, giving people dignity, and transforming lives.

Governance

Ensuring Group stewardship activities are undertaken responsibly, ethically, and with due care in accordance with institutional values and ethos, meeting fiduciary obligations while remaining transparent and accountable.

Customer-centric

Focus on customers ensuring that products, services and channels are convenient and reliable, their best interests are considered including customer protection and that customer engagement is centred on mutual benefit and shared value creation.

Financial Inclusion

Provision of relevant integrated and inclusive financial services including the digitisation of products and services, to ensure they are fit-for-purpose and leverage the social and commercial engines to deliver on the Group's brand promise of "Growing Together in Trust".

Employees

Employees form the backbone of the Group's success. Investing in employees is fundamental to delivering on the Equity employee value proposition and remaining an employer of choice. This is underpinned by adherence to responsible employment practices.

Partnerships

The Group actively seeks aligned strategic partnerships with businesses, private organisations, foundations, governments, and multilaterals to deliver products and services and also to catalyse and maximize the impact on society.

Culture

Dual engine success is predominantly achieved through the Equity culture, which is based on the primacy of social consciousness, high performance, innovation and a willingness to disrupt conventional models and drive operational efficiency.

Diversity, Equity, and Inclusion (DEI)

The Group aims to enhance DEI within its area of influence including its customer base and employees by implementing policies and providing access to products, services and resources.

Supply chain

Equity is implementing measures to de-risk the social, environmental, and governance components within the supply chain while also supporting suppliers through financial and non-financial interventions.

Credit Risk Management

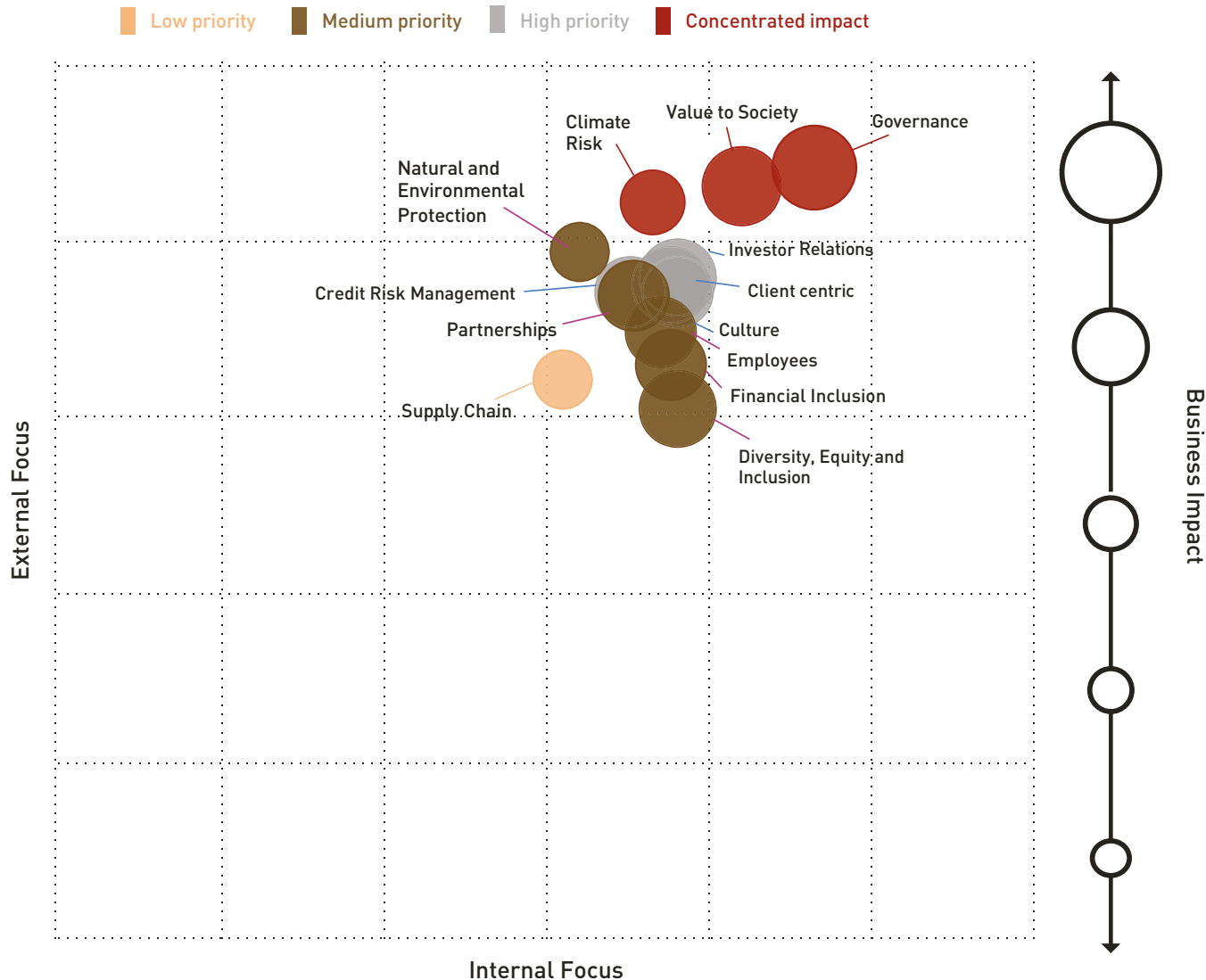
Customer screening is key to ensuring that the Group not only provides customers with credit products that are suitable, but also that credit risk is adequately managed, thus reducing the Group's exposure to Non-Performing Loans.

Natural and Environmental Protection

By delivering on environmental stewardship, Equity not only protects nature and the environment for future generations but also enhances business sustainability through reducing risks and operating costs while also financing projects that have a positive environmental impact.

ESG MATERIAL MATTERS DEFINED

These material topics identified have been scored and weighted based on their significance to achieving the business strategy and on the importance of these issues to key stakeholders as well as the potential for these risks if not managed correctly to impact the biophysical environment. The prioritisation of these material matters is presented in a double materiality matrix as follows:



The risks rated across all stakeholders and by the business as being able to significantly negatively impact the business in achieving its strategic objectives if not managed adequately include:

- Poor governance
- Not being able to create value to society
- Climate risk

High risk aspects which needed to be closely managed include:

- Not meeting investor requirements or eroding investor relations
- Losing focus on being customer-centric
- Not adequately protecting the environment and nature

Moderate risks to the business strategy not being realised include:

- Inability to realise financial inclusion
- Inability to secure and retain the correct partnerships
- Not protecting and empowering our employees
- Lack of focus on diversity, equity and inclusion
- Not having the right culture to execute the strategy

APPROACH TO MATERIAL MATTERS

	Material Matter	Overview	Our response to these material matters
Concentrated Risks	1. Governance	Governance is critical in the execution of Equity's tri-engine business model, which is underpinned by the social, commercial and sustainability engines. Equity's execution is carried out responsibly, ethically, and with due care in accordance with institutional values and ethos.	• Board oversight • Board committees dealing with various factors (risk, sustainability etc.) • Grievance mechanisms (internal and external) • Whistleblower policy • Stakeholder engagement procedures and broader policy development
	2. Value to Society	The Group places high regard to the impact of the Group's activities within society. The focus is on financial inclusion and expansion of economic opportunities in the market, being a disruptor, whilst keeping the customer at the centre of what Equity does. Protecting members, giving them dignity, and transforming lives is paramount.	• Social impact investments • Deployment of financial services to customers • Public disclosures and reporting • Active stakeholder engagement • Research and development
	3. Climate Risk	Climate risk is a fundamental risk that must be managed across the Group's entire footprint. This risk type can impact all facets of the business, including customers and the supply chain. The Group has assessed its portfolio at risk by reviewing projected shifts in climatic conditions and this has allowed the Group to focus attention on customers mostly exposed to climate risk.	• Climate risk screening in transaction processing during lending • Baseline studies on Equity subsidiaries to determine portfolio risk levels • Internal and external training and capacity building • Introducing customers to strategic partners • Climate-smart agriculture training and support to smallholder farmers • Clean energy initiatives through the EGF • Carbon offsetting activities such as the Equity tree planting programme • Measuring and tracking Equity's carbon emissions • Adopting environmentally friendly initiatives across the Group to reduce the operational carbon footprint

APPROACH TO MATERIAL MATTERS

	Material matter	Overview	Our response to these material matters
High impact risks	1. Investor relations	Without investors, Equity cannot deliver on its strategy of facilitating Africa's recovery and strengthening resilience across the continent.	• Brand building • Reputation management • Transparent and accurate reporting • Delivering on the Equity strategy • Maintaining Equity's competitive advantage • Deliver a fair return on investment for shareholders • Increase market access • Expand the Equity footprint
	2. Customer-centric	Being customer-centric necessitates a focus on the Equity customers' well-being, which includes implementing wealth and lifestyle protection measures. In this regard, the Equity approach is to ensure alignment with the goals of treating customers fairly, engaging them, connecting with them, being reliable, trusted, and authentic while anticipating their current and future needs.	• Implementing Customer Protection Principles when developing products and services • Customer engagement • Streamlining access to products and services • Deploying mobile technology and innovative solutions to improve the customer experience • Conducting customer surveys and development programmes • Implementing internal auditing processes • Partnering with strategic partners and data analytics solutions to track Equity's performance
	3. Nature and environmental protection	By delivering on environmental stewardship, Equity not only protects nature and the environment for future generations but also enhances business sustainability through reducing risks and operating costs while also financing projects that have a positive environmental impact.	• Internal trainings • Incorporation of nature in frameworks, policies and procedures • ESRM assessments incorporate nature consideration • Piloting on key impacted sectors by nature across the Group





Equity Bank Rwanda founding chairperson Evelyn Rutagwenda (2nd right) and Equity Group Managing Director and CEO, Dr. James Mwangi (2nd left) arrive at an event in Kigali following the amalgamation of Cogebanque and Equity Bank Rwanda.

DEEPENING SUSTAINABILITY

LEADERSHIP

In this section we highlight how we have leveraged our credentials to provide leadership on sustainability. Our credibility is vital to providing effective sustainability leadership and stems from a consistent pattern of pursuing transformative change and creating broad-based stakeholder impact. Our track record of successfully delivering on our commitments has bolstered the Group's reputation, giving us the credentials to mobilise stakeholders to address the world's most pressing challenges through thought leadership.

THE AFRICA RECOVERY AND RESILIENCE PLAN (ARRP)

The “Africa Recovery and Resilience Plan” is aimed at catalyzing a demand-driven, synergistic transformation of Africa, underpinned by:

- 1. Capacitating and enhancing the productivity of raw material producers
- 2. Integrating primary producers into more co-ordinated African productive / manufacturing capacities
- 3. Connecting these primary and secondary sectors to global supply chains (and capital markets) that are now more focused on reducing concentration risks with increased focus on accessibility

OVERVIEW OF THE PLAN AND PILLAR PROGRAMMES

The EGH strategic plan has 6 pillars, each comprising programmes which in turn comprise various initiatives that aim to: (i) systematically link, enrich and deepen value chains; and (ii) together provide sequential, holistic and coordinated solutions towards social and economic transformation of Africa.



1

PRIMARY SECTORS

DRIVE HIGHER PRODUCTIVITY AND OUTPUT

- Food and agriculture loan mix of 30%
- Catalyse other natural resource industries



2

MANUFACTURING & LOGISTICS

ENCOURAGE VALUE ADDING ECOSYSTEMS

- Manufacturing loan mix of 15%
- Drive logistical connectivity



3

TRADE & INVESTMENT

STIMULATE AND FACILITATE CONTINENTAL TRADE

- #1 Trade Finance bank
- Trade facilitation, market access initiatives
- Drive global investment



4

MSMEs

CATALYSE ENTREPRENEURSHIP AND CONNECT THEM TO VALUE CHAINS AND TRADE CORRIDORS

- MSMEs loan mix of 65%



5

SOCIAL & ENVIRONMENTAL TRANSFORMATION

CHAMPION SOCIAL & ENVIRONMENTAL TRANSFORMATION

- Financially include 100 million customers
- Support and facilitate green industrialization



6

TECHNOLOGY-ENABLED ECOSYSTEM

ACCELERATE WEALTH TRANSFORMATION THROUGH A DIGITAL ENABLED ECONOMY

- Digitally connect 100 million businesses and consumers

THE AFRICA RECOVERY AND RESILIENCE PLAN (ARRP)

The Plan has given priority to specific considerations to ensure long-term sustainability, including the following factors:

Primary production

Primacy of primary production, appreciating that Africa's competitive advantage is anchored on its vast natural resources including arable land, forests, minerals and its continental coastline and rivers. By sustainably utilising these resources, the continent can achieve its socio-economic objectives.

Technology

Africa will predominantly bypass the age of brick-and-mortar banking, so technology is essential for reaching mass markets and communities across the continent with financial services.

Manufacturing

Value addition within Africa is essential to deliver higher returns from the continent's resources, when engaged in global supply chains. This will enable the continent to attain higher incomes providing the resources required to drive development.

People

Enhancing the sustainable recovery and resilience of the people of Africa will require empowerment, opportunities for wealth creation and protection of lives and livelihoods.

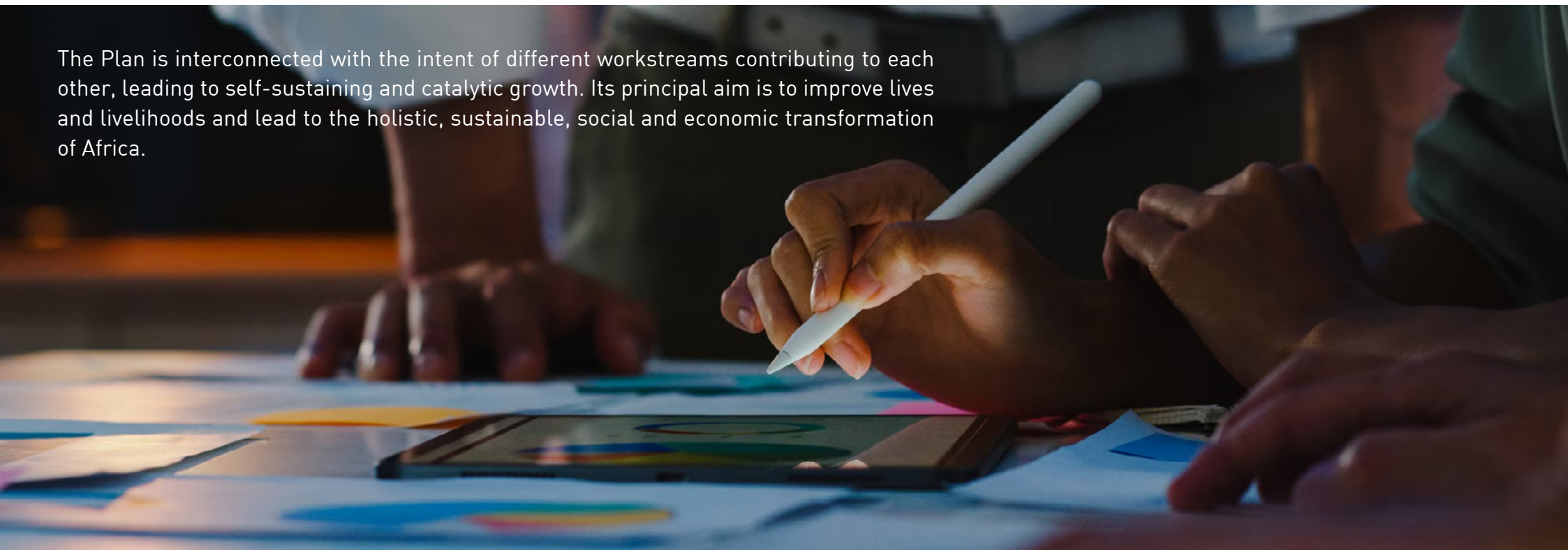
Financial flows

Complementary financial services like trade finance will increasingly facilitate growth on the continent by providing liquidity to critical value chains.

Partnerships

Partnerships and collaborations are essential. Equity views its role as being a facilitator and advocate for Africa, nature and climate. Through these collective engagements, the continent can access knowledge, expertise, resources and networks that are crucial for the advancement of Africa.

The Plan is interconnected with the intent of different workstreams contributing to each other, leading to self-sustaining and catalytic growth. Its principal aim is to improve lives and livelihoods and lead to the holistic, sustainable, social and economic transformation of Africa.



INTEGRATION OF SUSTAINABILITY TO ARRP

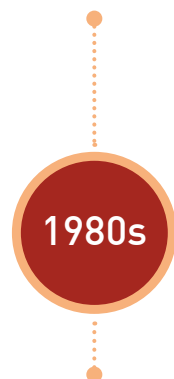
Our sustainability framework has also been integrated into the ARRP ensuring that our sustainability agenda complements and contributes to the overall Group agenda.

ARRP Pillars	Pillar 5:	Sustainability Focus
Pillar 1 (a): Food and Agriculture	Social and Environmental Transformation 1 NO POVERTY 3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION 5 GENDER EQUALITY 6 CLEAN WATER AND SANITATION 7 AFFORDABLE AND CLEAN ENERGY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES 13 CLIMATE ACTION 14 LIFE BELOW WATER 15 LIFE ON LAND 16 PEACE, JUSTICE AND STRONG INSTITUTIONS 17 PARTNERSHIPS FOR THE GOALS	- Food security, smallholder farmers and social impact - Land and water conservation - Regenerative farming and climate change - Energy, storage and value-addition
Pillar 1 (b): Extractives		- Critical minerals for energy transition - Nature and Environmental preservation - Renewable Energy – for critical value addition in mining and surrounding community - Socio-Economic and Human Rights – including artisanal miners - Shared prosperity for supporting community and local and national businesses
Pillar 2: Manufacturing and Logistics		- Energy and Operating Efficiencies - Nature and Environmental preservation (key focus on water, waste management, other resource utilisation) - Labour, working conditions and shared prosperity
Pillar 3: Trade and Investment		- Sustainable supply and value chain - Strategic partnerships to drive sustainability
Pillar 4: MSMEs		- Economic resilience and socio-economic impact - Innovation and sustainability solutions
Pillar 5: Social and Environmental Transformation		- Tri-engine model and key socio-economic programmes (under EGF) - Climate change and nature-based solutions - Women and Youth Focus - Carbon markets and project development - Green industrialization
Pillar 6: Technology-enabled ecosystem		Technology driving sustainability

SUSTAINABILITY JOURNEY

From the onset, Equity has sought to achieve sustainable commercial returns as well as the achievement of key societal objectives. For Equity, key societal objectives have shifted over time, informed by pressing challenges and opportunities identified through a deep understanding of the communities we serve, and our own place on the continent and in the world. This has evolved into the development of interventions that provide sustainable solutions summarised as follows:

Key issue: Access to formal financial services limited due to costs, stringent requirements, and physical distance to be travelled to gain access.



How we resolved: Equity committed to removing financial barriers to enhance financial inclusion, promoting convenience, affordability and offering products that were relevant to customers.

Key issue: Leadership skills enhancement was required to facilitate the development of the continent.



How we resolved: Equity launched the Equity Leaders Programme (ELP) to create a community of transformative leaders who work together across borders and various sectors to drive sustainable economic growth and social progress in Africa.

Key issue: Broad-based integrated interventions were required to address diverse socio-economic challenges.



How we resolved: Equity launched the Equity Group Foundation to implement and scale the social-economic transformation agenda and the flagship “Wings to Fly” programme to support talented children from vulnerable backgrounds.

Key issue: The need to accelerate interventions for society to achieve the SDGs.



How we resolved: Equity developed its first green finance product and launched the “Creating Shared Value Strategy” to provide guidance and direction on achieving commercial success while also creating value for society.

Key issue: Increased concern around climate and nature as major global challenges and opportunities.



How we resolved: Equity is actively involved in several local and global forums and initiatives aimed at mobilising global momentum and resources to address the climate and nature-based impact context with strong advocacy for Africa.

SUSTAINABILITY ENGAGEMENTS

We are committed to providing leadership on our priority issues. We view our role as being both implementation and mobilisation of allies and collaborators to create synergistic partnerships. The challenges the globe faces are too immense for any entity to singularly resolve. We are leveraging our credibility which was built through a track record of challenging and disrupting conventional approaches to the provision of financial services, traditional social development methods and showcasing viable, impactful and sustainable alternatives. We participated in regional and global meetings with the aim of championing urgent action towards the challenges of nature degradation and climate change.

AFRICA CLIMATE SUMMIT

The Group led the private sector in developing the Private Sector Declaration which was read alongside the Nairobi Declaration on Climate Action and acknowledges the key requirement of increasing climate financing for Africa. It also highlighted the important role of leveraging carbon markets, integrating nature-based solutions, driving circularity, and embedding ESG into business.

September 2023

UNITED NATIONS GENERAL ASSEMBLY (UNGA)

The Group continued to provide leadership by rallying Africa private sector players on sustainable development themes. Further, Equity showcased the ARRP and tri-engine model as a clear proof of blended financing deployed towards commercial, social, environmental and sustainability outcomes.

September 2023

TNFD LAUNCH, NEW YORK

The Group signed up as an early adopter for the Taskforce on Nature-related Financial Disclosures (TNFD), positioning Equity among the pioneer institutions in embarking on nature risk and opportunity assessment, integration and disclosures.

September 2023

BUILDING BRIDGES, GENEVA

Building Bridges is a collaborative effort that aims to advance sustainable finance around the globe. The focus in 2023 was on a new global financial architecture. The Group highlighted its track record in delivering through the tri-engine model.

October 2023

SUSTAINABLE MARKETS INITIATIVE, NAIROBI

The Sustainable Markets Initiative (SMI), an initiative of HM King Charles, is a global forum that promotes the transition to a sustainable future by aligning sustainable solutions with funding. The Group CEO was appointed as the co-chair of the Africa Council.

November 2023

CONFERENCE OF PARTIES (COP 28)

Equity participated in critical engagements including being part of the launch of the Africa Green Industrialisation Initiative which aims at increasing and upscaling green industries in Africa. At the same forum, the Group together with the International Fund for Agricultural Development (IFAD) and with support from the Green Climate Fund, launched the Africa Rural Climate Adaptation Finance Mechanism (ARCAFIM) initiative which aims to catalyse private sector adaptation financing for smallholder and rural businesses in Africa.

November – December 2023



Sites of the Dubai Expo City, where the COP28 UAE Conference was held.



DEEPENING RESILIENCE FOR SUSTAINABILITY

In this section, we highlight how over the years, our commercial and social practices have improved resilience for the Group and its stakeholders through non-financial and financial interventions resulting to enhanced sustainability.

RESILIENCE IN VALUE CHAINS

ENHANCING RESILIENCE FOR OUR CUSTOMERS



We take pride in our proactive engagement with customers. In many cases, our customers initial interaction with the Group is through the social development programmes of the Equity Group Foundation. Through empowerment programmes such as training and capacity-building, we equip entrepreneurs with an array of technology tools, business and personal financial management skills. These empowerment initiatives enable them to make informed choices around business and financial management including providing clarity on how to build suitable relationships with financial institutions. Many of these entrepreneurs become active customers who are supported through our various products and services with most scaling to more commercial ventures over time.

Enhancing resilience through wealth protection solutions

Equity Group is committed to driving insurance acceptance and penetration by introducing simple and relevant solutions that harness technology, transform livelihoods, and create opportunities for wealth protection. The Group through Equity Life Assurance Kenya (ELAK) and Equity Group Foundation (EGF) is working closely with SMEs and emerging businesses to develop tailored insurance solutions. These comprehensive insurance solutions offer tailored coverage, including protection against property damage, liability, and business interruption, helping them safeguard their businesses and foster sustainable growth. The Group is set to introduce health and general insurance products by the end of 2024.



A plant operator at Vision One Industries in Nakuru, where tanks and pipes are manufactured.

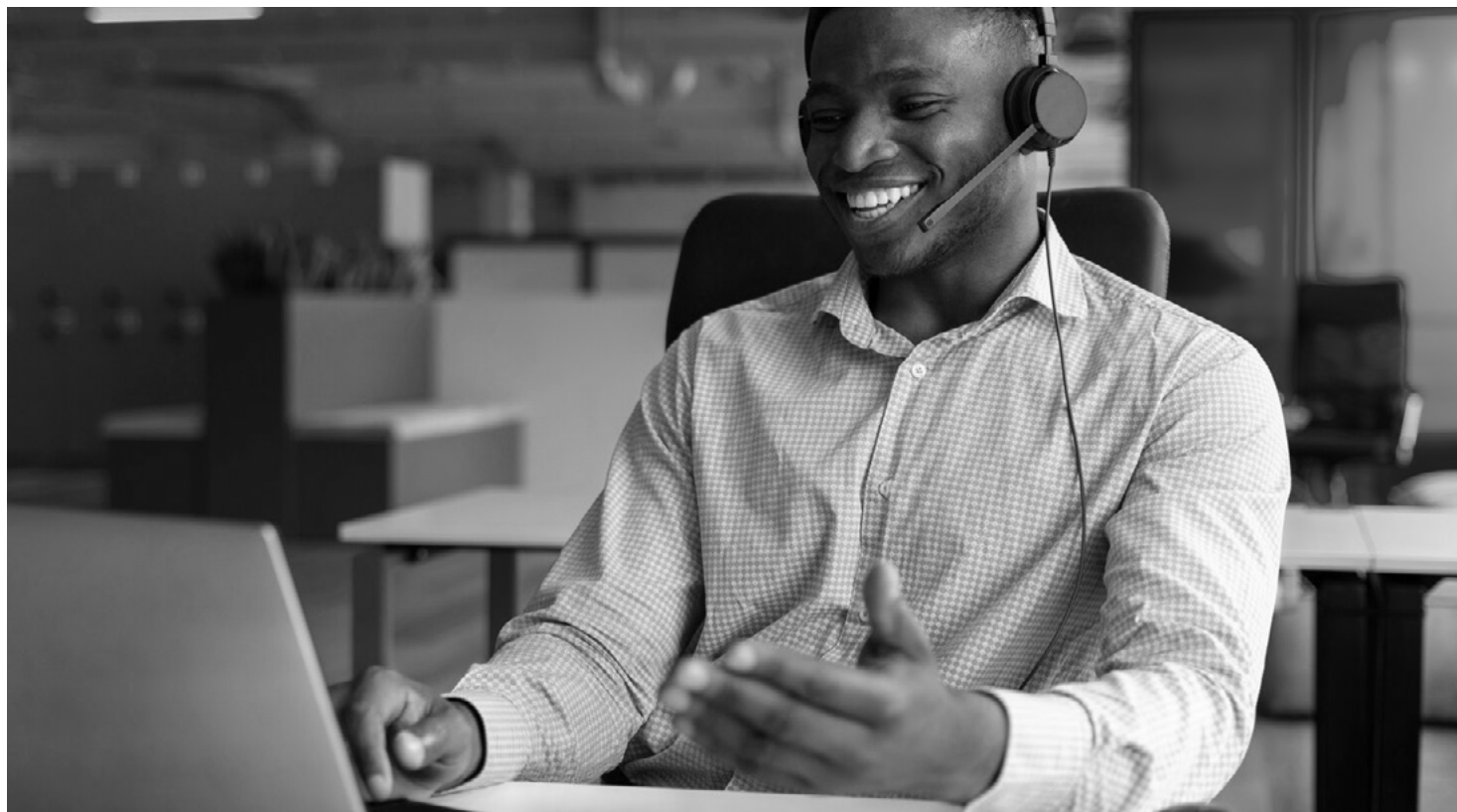
CUSTOMER EXPERIENCE

Equity Group is committed to enhancing customer experience by prioritising personalised services and digital innovation while maintaining high standards of care and quality across the Group and its subsidiaries.

Customer metrics

The Net Promoter Score (NPS) in year 2023 stood at 42% with Rwanda leading with an NPS score of 87%. South Sudan scored 46% followed closely by Kenya at 47% though this was a lower score compared to the previous year, which was occasioned by increases in interest rates, which impacted customers. Customer sentiments were impacted as repayment amounts went up, adversely affecting their businesses. However, the Group cushioned customers from the full effect of interest rate changes. Uganda scored 37% while Tanzania scored 40%. The DRC produced the lowest score though there was an improvement in overall rating by 50% year-on-year. This positive change can be attributed to ongoing efforts to address the post-merger challenges faced by employees and customers. These challenges, stemmed from the integration of EBDRC and BCDC, which required individuals to adapt to different banking practices, but the concerted efforts made in 2023 contributed to an advancement in the subsidiary's score.

In 2023, the average Customer Satisfaction Score (CSAT) score across the Group remained steady at 77% compared to the previous year. The DRC and Uganda reported the lowest scores at 63% and 75% respectively, however, DRC maintained the same score while Uganda recorded a 4% increase which is a positive development. Kenya scored 81% while Rwanda scored 82% which was a 9% decrease and 7% decrease respectively as compared to the previous year. South Sudan recorded the highest CSAT score of 83% which was a 9% increase year-on-year.



Complaints resolution

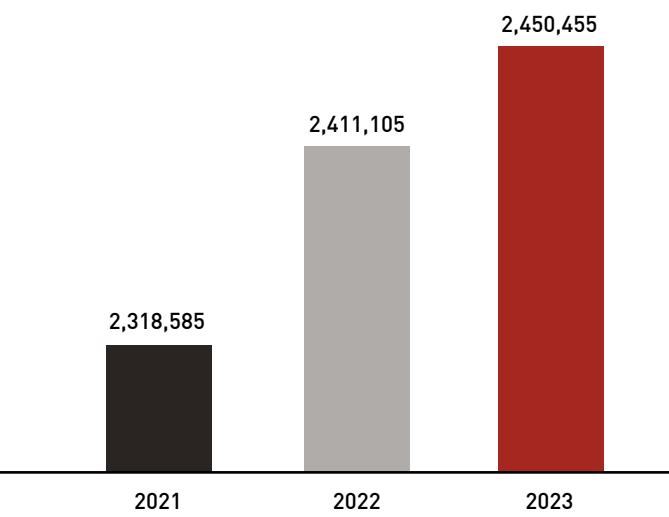
In 2023, Equity continued its efforts to enhance customer service by implementing a complaints and grievances tracking process across its subsidiaries, which was initiated in 2022. The first point of contact complaints resolution rate increased substantially to 82%, demonstrating the Group's commitment to resolving issues at the initial stage of contact. Furthermore, 93% of complaints were resolved within five days, surpassing the target set for timely resolution.

Improving availability

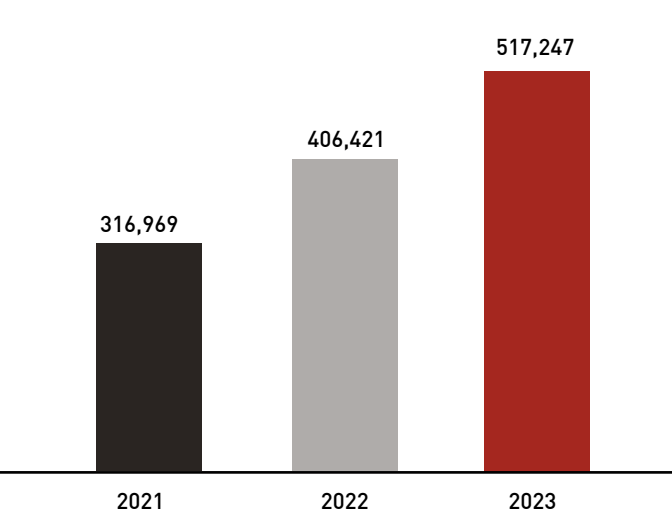
In 2023, Equity Group intensified its efforts to enhance its Contact Centre operations to better meet the needs of customers. Throughout the year, the Group concentrated on minimising waiting times and delivering comprehensive training to employees, ensuring that customers received timely and relevant assistance without experiencing delays. The Group successfully reduced the number of abandoned calls by 34%. There was a significant enhancement of approximately 31% in the average time to resolve queries, reducing it to 2 minutes and 19 seconds (139 seconds) to address the customer's issues during calls.

CUSTOMER EMPOWERMENT

Cumulative number of women and youth empowered with financial skills (Kenya)



Cumulative number of MSMEs trained in entrepreneurship



Equity Group is safeguarding and empowering its customers through various initiatives aimed at enhancing financial literacy and mitigating risks. Through its shared prosperity model, the Group has intensified its social impact investments, particularly targeting women and youth, to equip them with the necessary skills and knowledge to navigate the financial landscape. To date, these efforts have benefited a total of 2,450,455 women and youth entrepreneurs, with 517,247 MSMEs receiving specialised financial training to bolster their entrepreneurship capabilities.

Under the 'Young Africa Works Programme' in collaboration with the Mastercard Foundation, Equity Group has disbursed Shs 275.29 billion to 290,713 MSMEs. This Programme provides financial support and offers a credit guarantee and risk-sharing facility, further strengthening the resilience of these businesses. The Group extended its reach to serve 3.8 million small-scale farmers through capacity-building initiatives and improved access to finance, benefiting 292,362 small and medium-sized agri-businesses.



ENHANCING CUSTOMER EXPERIENCE THROUGH TECHNOLOGY AND INNOVATION

SCHOLARSHIP

We provide scholarships to needy and deserving vulnerable students to study technology-related courses.

EQUITY LEADERS PROGRAMME

Technology students complete their courses and are available to pursue a career and contribute to society.

TECH APPRENTICESHIP

Technology apprenticeship Programme offers ELP tech scholars the opportunity to develop innovative technological solutions.

CUSTOMER

Customer outcomes improved through innovations introduced to resolve tech issues and to produce new technology propositions

The Innovation and Technology Pillar of EGF serves as a centre of technological advancement in Africa, providing a platform where talent and startups not only thrive but also drive digital transformation. In 2023, the Tech Apprenticeship Programme emerged as the flagship initiative for the pillar, offering a rigorous six-month immersive project-based learning experience designed to cultivate a new cadre of tech leaders. In collaboration with EMTECH, a venture founded by an Equity Leaders Programme (ELP) alumnus, the Programme established a centre of excellence dedicated to honing tech skills and fostering digital ground-breaking innovative solutions that drive value to business.

The innovations span across:

Agritech solutions

Enhancing farm productivity and sustainability.

Healthtech platforms

Broadening access to healthcare.

Insuretech systems

Making insurance more accessible and affordable.

SME automation tools

Driving small business growth.

- **115 ELPs were onboarded** into the Tech Apprenticeship Programme between April and September 2023 for deployment into Equity Group.
- **25% of assessed tech talent** passed mid-level technical skills in core banking, quality assurance, front-end and android development.
- **91% of upskilled tech talent** were deployed into the Equity Group across IT operations, Product House, Finserve, and Equity Afia.



The GCEO Dr. James Mwangi (centre), French ambassador Arnaud Suquet and other French delegates visit the scholars at the Tech Apprenticeship Programme at Tatu City.

DEEPENING ENVIRONMENTAL STEWARDSHIP

RESPONSE TO ENVIRONMENTAL PROTECTION AND CLIMATE CHANGE

Equity Group takes a comprehensive approach to incorporate environmental, climate and nature sustainability into its operational and credit processes. The Group finalised risk management procedures in 2022, and in 2023, extensive training was conducted across all subsidiaries. The results of a subsequent survey confirmed the successful integration of sustainability objectives into business processes. As part of its commitment to environmental protection, climate change mitigation and nature preservation, Equity also integrated climate risk management into its risk management processes.

The Group implemented business processes geared towards minimising its carbon footprint, with flagship projects emphasising solar and biogas. Equity's commitment to climate-smart agriculture includes bringing adaptation technologies and practices into agricultural and food value chains, assisting farmers in adapting to climate change through the implementation of climate-smart techniques, and improving household resilience, particularly by maximising water resource efficiency.

Environmental and nature protection remains a priority for Equity, which includes comprehensive restoration and conservation initiatives such as tree planting and rehabilitation of degraded landscapes. Moreover, the Group actively engages in promoting circular economy principles by partnering with companies involved in waste recycling.



CLIMATE STRATEGY

CLIMATE-RELATED RISKS AND OPPORTUNITIES

In line with the approach developed by the Taskforce on Climate-related Financial Disclosures (TCFD), the Group has identified climate-related risks and opportunities over the short, medium and long term. The corporate planning and strategy time horizons used at Equity are:

- **Short term:** Less than 12 months
- **Medium term:** 1 to 5 years
- **Long term:** 5 to 10 years

These time horizons are short compared to climate change analysis which generally covers 30 years. The Group therefore integrates the long-term impact of climate risk under the various scenarios and maps these to the current loan book.

Examples of specific climate-related risks and opportunities potentially arising during this time period are:

Extreme weather events (in particular droughts and floods)

- **Short to Medium term risks and opportunities:** With Equity's specific focus on MSMEs and agriculture, extreme weather events such as droughts could significantly impact not only the goods and services produced by the customers directly impacted e.g. smallholder farmers, but also the entire value chain dependent on these industries. On the other hand, well-distributed periods of above normal rainfall portend opportunities for higher productive and fertile areas to produce more in both livestock and crop production.
- **Extreme adverse weather events** can therefore significantly impact credit risks through the increasing non-performing loans (NPL) of the Bank as well as

opportunities for healthy agriculture production, MSMEs, Manufacturing and Infrastructure sectors which implies better loan performance. For instance, in the year 2023, there was a manifestation of two climate hazards: firstly, drought that led to high inflation driven by high food costs and reduced production which led to low purchasing power witnessed among consumers and secondly, El-Nino, which unlike the historical cases of high negative impact El-Nino, this manifested in above normal rainfall which was fairly distributed in areas with high agricultural production. This enabled the Bank to positively navigate under the El-Nino financial impact in our books.

- **Strategic impact:** The objectives of the ARRP are to increase the loan mix in agriculture to 30% and MSME to 65% and manufacturing by 15%. This has the potential to expose the Group to extreme weather events and therefore the Group is currently looking at other mechanisms to manage this risk and continue the social, economic and environmental transformation objective of the ARRP. These mechanisms include increased focus in encouraging regenerative and other climate-smart agriculture practices, focused funding and product development on climate adaptation and mitigation as well as other risk-sharing mechanisms.

Energy and environmental regulations

- **Medium to long term opportunity:** Increased laws and regulations on energy and the Environment will lead to more companies looking to meet the requirements by using cleaner energy sources and looking for mechanisms to reduce their carbon and environmental footprint.

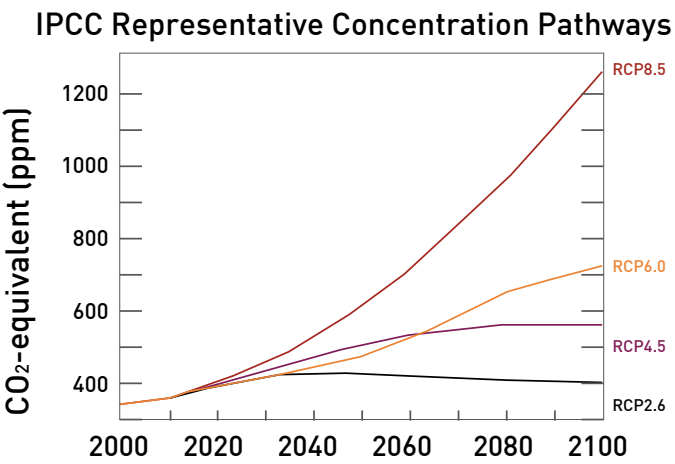
- **Financial impact:** Regulatory requirements will lead to more individuals and corporates making changes to cleaner energy and better environmental practices which portend opportunities for bank partnerships and financing.
- **Strategic impact:** Pillar 5 of the ARRP focuses on social and environmental transformation and therefore Equity has been developing products and crowding in the required funding and supporting mechanisms to support customers in making the required changes to reduce their carbon and environmental footprint for instance in areas such as energy and operating efficiencies, nature and environmental preservation with key focus on water, waste management and other resource utilization.



CLIMATE STRATEGY

CLIMATE-RELATED RISKS AND OPPORTUNITIES

In the previous year, Equity completed a climate-related risk portfolio scan for Kenya which is the largest subsidiary which continues to inform our approach in climate strategy. The portfolio-level analysis included both physical and transitional climate risks. The Kenya portfolio scan was based on IPCC Representative Concentration Pathway (RCP) 8.5, from IPCC CMIP5 and CMIP6 Protocols, which represents a high emissions scenario, in line with current emission trajectories, commonly used in the physical risk analyses. RCP 8.5 expects a 3.8-7.4 degrees Celsius global average temperature warming compared to pre-industrial average by 2100.



Physical risks

These are risks resulting from climate change which are event-driven (acute) or longer-term shifts (chronic) in climate patterns. The physical risk component of the scan for the Kenya Portfolio was based on the risk exposure based on a combined sector and geographically specific physical risk hazards. This provided an analysis per county, per sector for eight physical risks identified as:

- **Acute:** coastal flood, river flood, heat stress, cold stress, wildfire
- **Chronic:** water stress, drought, erosion

The eight identified physical hazards were identified based on available hazard models and are not an exhaustive list. Future physical risk scans may include other hazards such as landslides, extreme weather etc. Sensitivity to the physical risk is scored on a 1-5 scale as follows:

Score	Explanation
1	Not material
2	Mid sensitivity: if hazard materialises, costs are manageable and do not significantly disrupt operation or cause large-scale losses
3	Significant sensitivity: occurrence of hazard will create significant disruption to operations and potentially lead to economic losses
4	Severe sensitivity: materialisation of hazard undermines viability of operations; shutdown of operations
5	Extreme sensitivity: occurrence of the hazard leads to loss of asset

Transition risks

These are risks that result from shifting strategic, economic and societal trends towards a low-carbon future. The severity of a given transition risk depends on the pace of change (i.e. how rapidly a change must be implemented), the speed of onset (i.e. how much time is available to recognize and prepare for change), and the vulnerability of an entity to the risk (i.e. how sensitive an entity is to that risk).

In accordance, with TCFD, the transition risk for the portfolio scan was based on the following sub-categories:

- Policy and Legal
- Technology
- Markets and Reputation

CLIMATE STRATEGY

CLIMATE-RELATED RISKS AND OPPORTUNITIES

Sensitivity to the transitional risk is scored from a 1-5 scale as follows:

Score	Explanation
1	Not material
2	Mid sensitivity: if risk materialises, costs are manageable and do not significantly disrupt operation or cause large-scale economic losses. Exposure is not irrelevant but manageable.
3	Significant sensitivity: occurrence of risk will create significant disruption to operations and potentially lead to economic losses to asset(s). Costs can still be offset but will significantly impair revenue.
4	Severe sensitivity: materialisation of risks questions viability of operations; significant changes required to business operations.
5	Extreme sensitivity: occurrence of the risk is catastrophic for the industry, permanent shutdown of operations. Economic losses so significant that operations cannot be adjusted or continued.

The physical and transition risk portfolio scan provides key analysis on key climate-related risks by sector and also by geography (for physical risks only) which provides key information for both climate-related risk as well as opportunities management.

Embedding our climate approach in strategy

The ARRP provides both a risk and a significant opportunity for Equity with respect to climate change.



CLIMATE STRATEGY

Climate change is cross cutting across the strategic pillars of the ARRP as shown below:

ARRP Pillars	Sustainability
Pillar 1 (a): Food and Agriculture	Approximately 44% of Africa's Greenhouse Gas (GHG) emission mix is from Agriculture. With a keen focus on growing its Food and Agriculture loan mix to 30%, Equity's strategy has been focused on reducing the carbon footprint of this sector through yield enhancement (through climate smart agriculture, mechanization and input financing), environmental management and conservation (tree planting, access to finance for water and irrigation); pre-harvest infrastructure (e.g. irrigation) and reduction in post-harvest losses (infrastructure projects focused on aggregation, storage and processing).
Pillar 1 (b): Extractives	The Group is focusing on significant reserves of green minerals and metals in Africa that can support energy transition (i.e. Copper, cobalt, lithium etc). These operations need investment and value chain transformation.
Pillar 2: Manufacturing and Logistics	- Increased financing directed towards: - upgrades for operating efficiencies which lead to cost reductions for customers, reduction in energy requirements as well as carbon footprint; and - cleaner and renewable energy (from households to large corporates). With approx. 36% of Africa's GHG emission mix being attributed to energy, this is a strategic initiative for climate change mitigation.
Pillar 3: Trade and Investment	Trade and investment to give broader market access and support factor mobility; expanded markets and access to technology, capital and skills will enhance the off take of African products and services. The Trade Missions and engagements Equity has been leading include a specific focus on energy and technology strategic partners and businesses looking to invest or do business with Africa with a keen interest in addressing climate change mitigation and adaptation.
Pillar 4: MSMEs	Connectivity of small businesses into formal primary and secondary sector value chains will enrich and drive more integrated domestic value chains / demand complementarities. Equity continues to have a significant focus on MSMEs and is continually looking at funding and guarantees to continue supporting these businesses to be economically resilient which also translates socio-economic impacts with their operations. Equity is also looking to catalyse innovative and sustainable solutions within this sector.
Pillar 5: Social and Environmental Transformation	Capacity building of value chain stakeholders, especially amongst smallholder farmers, women, youth and MSMEs will drive sustainable productivity gains and improve ease of factor mobility. Climate change and nature-based solutions will also be a key focus point driven by our tri-engine approach.
Pillar 6: Technology-enabled ecosystem	Online businesses will accelerate connectivity and velocity in ecosystems. A number of solutions are currently being explored to support the initiatives under environment and climate change.

Over USD198 million of the Equity Kenya portfolio currently meets Green Financing requirements as evaluated by third-party IFC's Climate Assessment for Financial Institutions (CAFI). These loans touch on climate asset classes ranging from energy efficiency, water efficiency, renewable energy, green building, climate-smart agriculture and green building.

The Group is working to roll out the use of the third-party tools across the subsidiaries to ensure verification is done for all facilities that are climate positive.

CLIMATE STRATEGY

The Group has rolled out initiatives to reduce its operational footprint and manage its carbon footprint, which include:

- Undertaking energy audits across its branches to identify areas of energy waste and rectify the same.
- Carrying out solar feasibility studies in preparation for installation of solar photovoltaic (PV) where it is feasible.
- Replacement of current inefficient air conditioners with efficient ones.
- Installing optimizers on gensets to ensure optimal utilization and minimization of fuel use.
- The Group assesses its GHG emissions by utilizing the GHG protocol standards.
- On Scope 3 emissions engagements are ongoing to collate required Scope 3 data and implement the right models to create a baseline for the financed emissions.

Enhancing strategy resilience to climate change

Assessment of the resilience of the organisation's strategy against climate change has primarily been qualitative to date. Given the focus on climate change as well as broader sustainability themes around the social and environmental components of its tri-engine business model and a deep dive into the ARRP's pillars, Equity has been reviewing the resilience of its strategy. This is also supported through feedback received by international, regional and local external stakeholders.

The most significant risk to Equity's strategy is its focus on agriculture. Agriculture has a marked impact on climate and is also highly vulnerable to climate variations. This risk is being addressed through enhancing the Environmental and Risk Management Due Diligence approach as part of the credit process and the concerted effort to raise climate adaptation and mitigation-focused funds and appropriate risk sharing guarantees to promote climate smart agriculture.

For instance, in year 2023, the Group managed to obtain USD 180 million executing entity status of funds entirely committed to climate change adaptation lending.

Furthermore, Equity commenced internal processes to build a scenario analysis model for climate stress testing. In 2023, two stress tests were undertaken in response to El-Nino and drought climate conditions. From results, both hazards impacted mostly the agriculture sector with drought having a larger impact as it would result in higher costs of food, leading to inflation and lowered purchasing power.

Climate change initiatives in 2023

Climate change remains a major concern for the Group, resulting in the recent enhancement to our climate-related risk and opportunities management, building on the actions taken in prior years. In 2023, we rolled out several climate-related initiatives including:

- A climate strategy was prepared with support from one of our key partners and is being implemented in Kenya.
- Implementation of our climate risk management guidelines in Kenya continued while preparatory steps in readiness for cascading related guidelines in Rwanda were initiated.
- A portfolio-level climate risk scan for Kenya was completed. The results and learnings from this exercise will inform similar scans for the Group's subsidiaries.
- Analysis of portfolio-level climate finance opportunities was undertaken for subsidiaries.
- Adoption of the ESG and Climate Risk Framework took place in 2023 and was rolled out across our subsidiaries.

- We closely monitor our performance on climate-specific metrics, both at our headquarters in Kenya and across our subsidiaries.
- We continued to disburse facilities given an IFC fund specifically linked to climate-focused initiatives and also secured several credit guarantees.
- On the commercial side, there was a heightened focus on screening for climate-related risk factors.
- A key focus was targeting first-line and commercial teams with training that focused on the Environmental and Social Risk Management procedures (ESRM) of the Group, climate financing commercial opportunities and nature and how to undertake biodiversity assessments.

In terms of enhancing the ability to track, monitor and report on sustainability including climate-related aspects four key items that were included in our monitoring and reporting protocols were:

- Completion of the baseline for Scope 1 and Scope 2 emissions.
- Implementation of sustainable operations tracking through the deployment of an online tracking tool.
- Articulation of sustainable finance through tracking key performance indicators at the subsidiary level.
- Adoption of Climate Assessment for Financial Institutions (CAFI) as an independent tool for verifying climate financing provided at Equity Bank Kenya.

CLIMATE STRATEGY

Environmental and Social Risk Management (ESRM) procedures enhancement

A substantial part of the activities undertaken during the year focused on strengthening the Environmental and Social Risk Management (ESRM) procedures that prescribe the risk management process to be followed. The ESRM includes the following key components:

- **Transaction Screening** – ensures the proposed transaction is within the Equity Policy and also determines the approach (with respect to roles and responsibilities and level of assessment) to be followed for the Environmental and Social Risk Due Diligence.
- **Environmental and Social Risk Due Diligence (ESDD)** – involves a systematic identification and assessment of the risk as well as proposed mitigation actions to be agreed upon with the customer.
- **Credit Process** – incorporates the E&S risk assessment into the credit process for decision making and also for contractually agreeing on the required mitigation actions with the customers.
- **Monitoring and Evaluation** – involves the effective management of the risks identified through the ESRM and assessing emerging risks that may affect the customers.

The procedures were enhanced by embedding climate risk into the ESRM to enable the computation of portfolio-level and individual borrower environmental and social risk ratings. Subsidiaries now monitor their climate risk exposure utilising the climate risk rating which was incorporated into the ESRM procedures.

Another enhancement included incorporation of an environmental and social risk rating (ESRR) into the ESRM procedures. ESRR is an assessment of the specific impact of an E&S risk on the Equity Group, considering the existing controls and mitigation, and the likelihood of the risk materialising. This risk rating is then included as part of the credit assessment for a borrowing customer.

One of the Olkaria Geothermal Power plants in Naivasha where clean energy is produced from steam.



CLIMATE STRATEGY

Productive use of energy

Equity is spearheading a transformative shift towards the productive use of clean energy, with a focus of going beyond basic access to electricity to commercial use of energy. The focus areas for scaling up productive energy use include e-mobility, such as electric bicycles and motorbikes, which offer sustainable transportation options. Equity is also promoting solar-powered cooling systems, water pumps, heating, and irrigation solutions.

Commercial & Industrial (C&I) Energy

Equity supports the Commercial and Industrial (C&I) market segment in transitioning to clean energy solutions for lighting, heating, cooling, and production processes. By encouraging cleaner production processes and supply chains, Equity facilitates and finances clean energy transitions for the commercial and industrial sector, while promoting the greening of Micro, Small, and Medium Enterprises (MSMEs).

Energy Analysis

Equity conducts detailed clean energy needs assessments for businesses in the C&I sector. By analysing energy consumption patterns and identifying opportunities for clean energy adoption, the bank tailors solutions to meet the specific needs of each enterprise.



Financing

Equity provides financing solutions tailored to support the adoption of clean energy technologies by C&I businesses. The bank's flexible financing options enable companies to invest in energy-efficient solutions and transition towards sustainable energy practices.



Partnerships

Equity collaborates with credible service providers to ensure the successful implementation of clean energy projects. By partnering with trusted experts in the field, the bank ensures that businesses receive high-quality products, reliable services, and ongoing support throughout their clean energy transition journey.



CLIMATE STRATEGY

Circular Economy

The Group strives to foster a circular economy where waste is viewed as a valuable resource, promoting environmental sustainability, and creating opportunities for economic growth and innovation.

Biodigesters

The Group works with farmers to install biodigesters to manage livestock waste (methane), provide cooking gas and organic fertilizer.



Plastics

Equity supports and empowers SMEs engaged in the collection and recycling of plastic waste.



Briquettes

In line with the Group’s commitment to waste-to-value initiatives, Equity extends support to SMEs involved in converting environmental waste into energy through the production of briquettes.



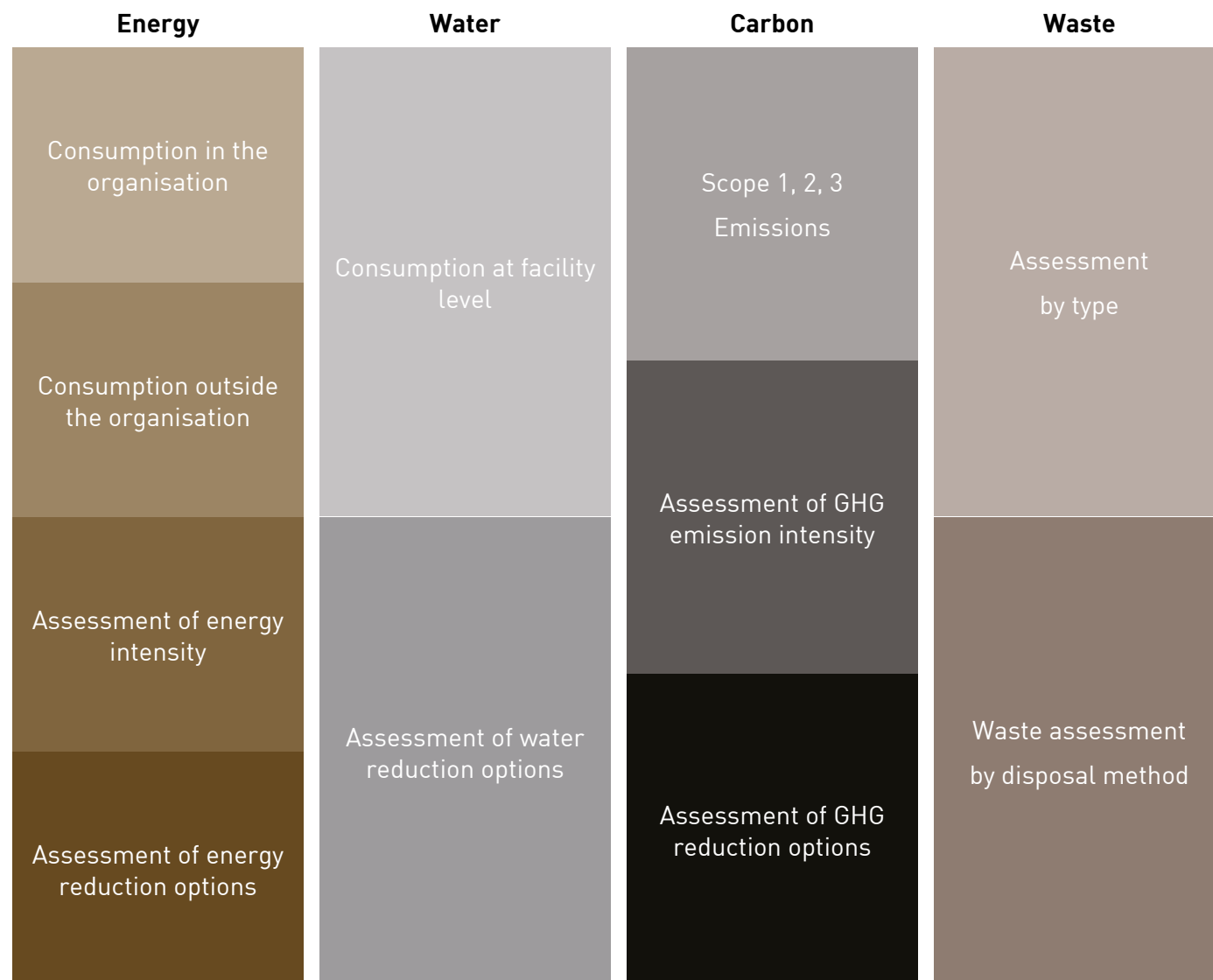
Climate Smart Agriculture

Equity is championing Climate-Smart Agriculture (CSA) initiatives which focus on sustainable farming practices and enhancing resilience in agricultural production and value chains. These efforts are geared towards increasing animal production and crop yields while efficiently reducing input requirements, including water, fertilizer, and energy, as well as greenhouse gas emissions per ton of produce.

METRICS & TARGETS

Reducing our internal operations footprint

Reducing our footprint focuses on four areas:



Resource consumption

For Equity, resource efficiency aims at ensuring the optimal utilisation of resources in a manner that minimises waste and maximises value. In 2022, the Group initiated a data collection exercise that established the baseline for water and electricity consumption.

In 2023, the Group continued its pursuit for resource efficiency with the following actions taken:

- The Group fully established a carbon footprint baseline, which is an important first step in developing climate strategy. This baseline acts as a measurement tool to track our progress in reducing greenhouse gas (GHG) emissions and it is central to our forward-looking plan to actively contribute to the fight against climate change.
- In 2023, we undertook 11 feasibility studies on the prospect of converting our branches to use solar energy. These studies have provided valuable insights and have laid the groundwork for a potential shift to the use of renewable energy sources to supply our operations. We are actively considering the study recommendations and intend to make notable progress on this front in the near future.
- Equity implemented several water-saving initiatives as part of its commitment to reducing water consumption. These include the installation of more efficient plumbing fixtures and smart irrigation for landscaping. These measures not only lower utility costs, but also help in conserving water.
- In an effort to cut down on waste, the Group has also initiated paper-saving measures focused on limiting unnecessary printing.

METRICS & TARGETS

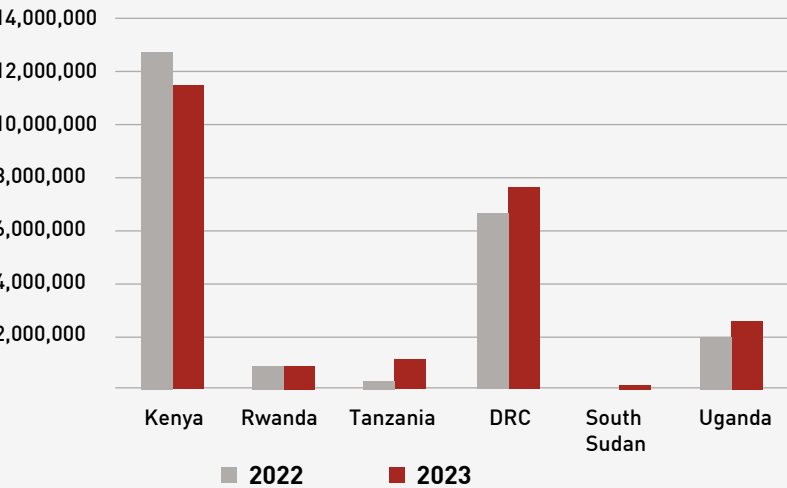
Equity’s strategy and risk management procedures are aligned to managing ESG and climate-related risks. The Group completed the baselining of its carbon footprint which will inform the future steps in setting appropriate metrics and targets. The Group, in collaboration with partners, is exploring the appropriate mechanisms, models and metrics to be used to determine emissions from lending activities (i.e. the impact of customers business), on climate change.

In 2022, Equity Group agreed Sustainable Finance targets to be achieved as a percentage of its 2023 loan portfolio. Equity is currently preparing its Sustainable Finance Framework that will provide the transition plan to allow the Group to put in place the right mechanisms, as well as metrics and targets to further manage climate-related risks, optimize on opportunities and also enhance its disclosure.

The new ESRM procedures rolled out allows Equity to measure the impact of climate-related risk on customer businesses on ongoing basis. Environmental impact and GHG emission tracking from our own operations is provided below.

ENERGY

Grid Based Electricity Consumption KWh



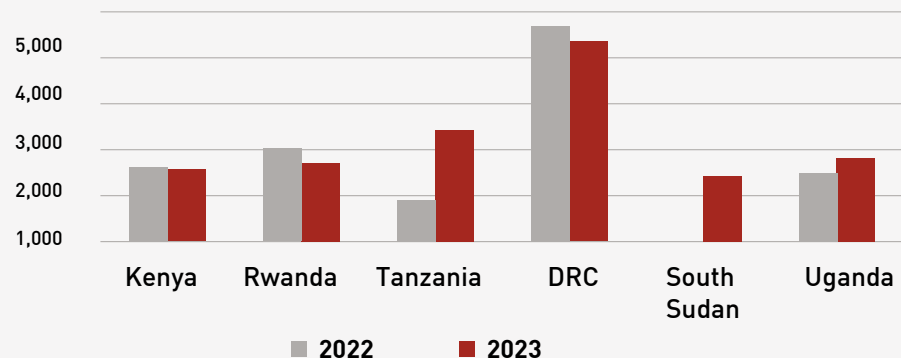
In 2023, Equity Group observed fluctuations in grid-based energy consumption. Some regions experienced slight increase in energy consumption, including Rwanda (by 0.4%) and DRC (by 13.1%). Kenya reduced its energy consumption by 9.7%.

This reduction in the Kenya subsidiary was as a result of improvement initiatives including, installation of LED lights at 53% of the Bank’s branches, replacement of 47 air conditioners with energy efficiency units, and replacement of 63 high fuel consuming generator sets. The Bank has also embarked on conducting energy audits at 10 high energy consuming branches.



METRICS & TARGETS

Electricity use intensity per staff per annum (kWh/staff)

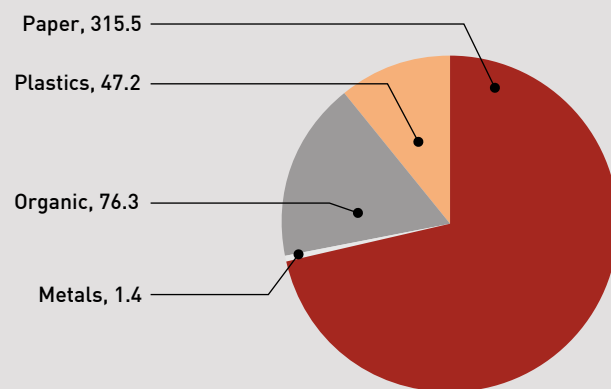


When assessing consumption figures per head count, it is observed that the highest consumption figures are recorded in the DRC at 4,307 kWh per staff. However, there was an improvement of 7% compared to 2022. Rwanda saw the highest reduction in electricity consumption, with usage at 1,679 kWh per staff, 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

Waste generated at Equity Kenya Limited (total weight in tons)



Equity aims to minimise 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, totalling 316 tons. It was noted that the paper waste comprised of 225 tons disposed of by our document's archival unit. Organic waste constituted 76 tons, representing a 17% share, while plastic waste amounted to 47 tons, constituting 11% of the total waste.

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 all business premises and recycling of paper.

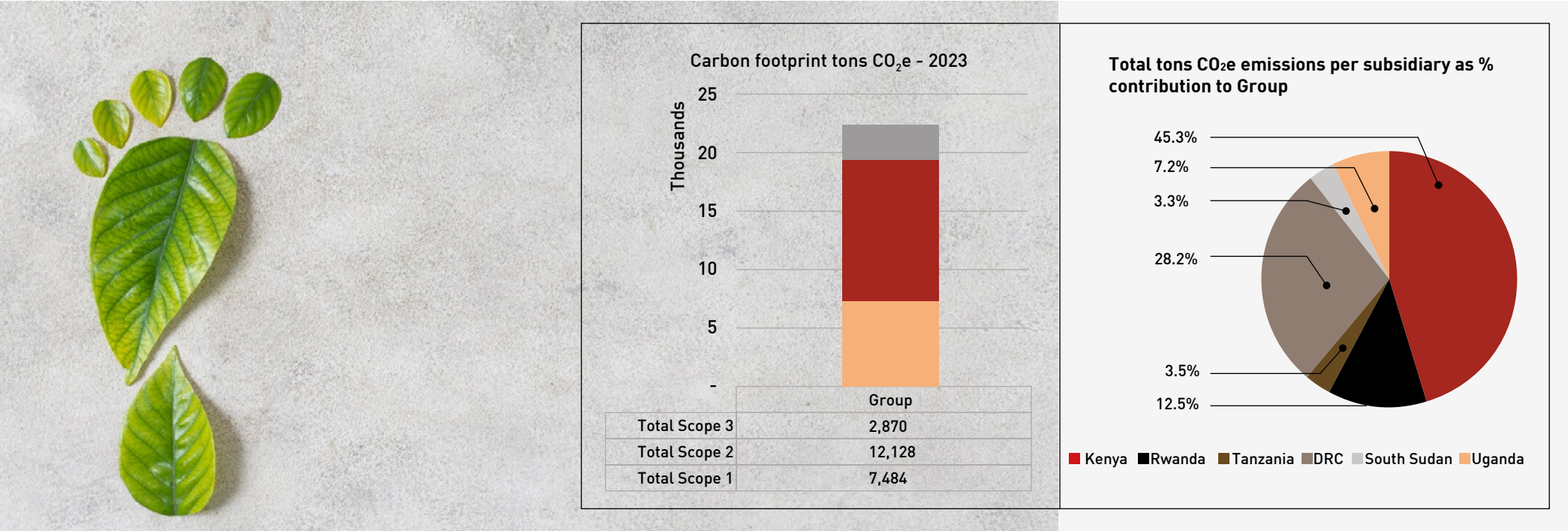


PolyAfric Managing Director, David Mathu (right), takes Equity Group Managing Director and CEO Dr. James Mwangi (centre) and French ambassador Arnaud Suquet (left) and his entourage on a tour of the recycling and plastic manufacturing plant in Dandora, Nairobi.

METRICS & TARGETS

OUR CARBON FOOTPRINT

The total carbon footprint for the Group in year 2023 was 22,482 tons of CO₂ equivalent. This is a 24% carbon emissions reduction compared to the previous year. 53.9% of these emissions are Scope 2 emissions, 33% Scope 1 emissions and 13% Scope 3 emissions. Based on Equity's head count of 13,102 employees, its Carbon Intensity Ratio is 1.7 tCO₂eq per employee.



WATER CONSUMPTION

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



METRICS & TARGETS

Supporting our customers to reduce their environmental and carbon footprint

The Group, through the EGF’s Energy and Environmental Pillar, supports initiatives geared towards climate change mitigation, adaptation, and resilience enhanced among its customers and communities. These efforts aim to address the challenges posed by climate change and strive to facilitate the decarbonization of economies in the region.

Clean Energy

Equity Group is committed to supporting households and institutions to transition to cleaner cooking solutions such as Liquified Petroleum Gas (LPG) and improved cookstoves, as well as clean lighting solutions including solar lighting systems, rooftop solar solutions, and productive use of energy (PUE).

Households

Between 70% -75 %

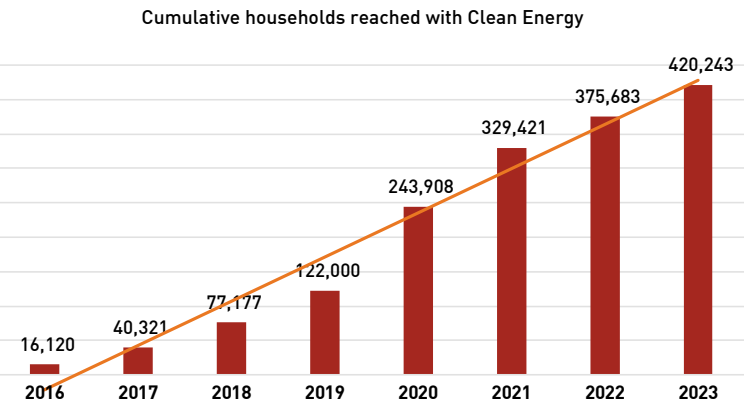
of Kenyans still use fuelwood and/or charcoal as their main/primary source of cooking (KNBS 2023) ¹

420, 243 households reached with clean energy impacting 1.68 million people (11.86% ↑)

Over 539,000 trees saved by transitioning households and schools to clean cooking (43.3% ↑)

Over USD 29.2 million in household savings by switching to cleaner technologies and fuels

513,086 metric tons of CO₂ avoided through clean energy transitions (cumulative)



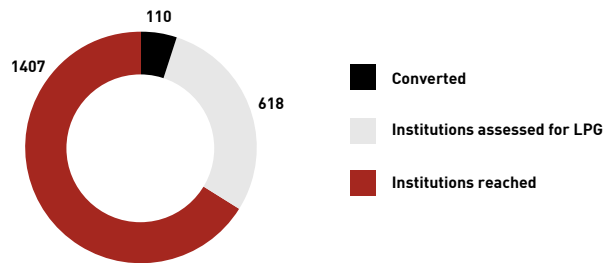
¹ Improving data quality and impacts of biofuels to the economy April 2023, by: Ministry of Energy and Petroleum & Kenya National Bureau of Statistics

Institutions

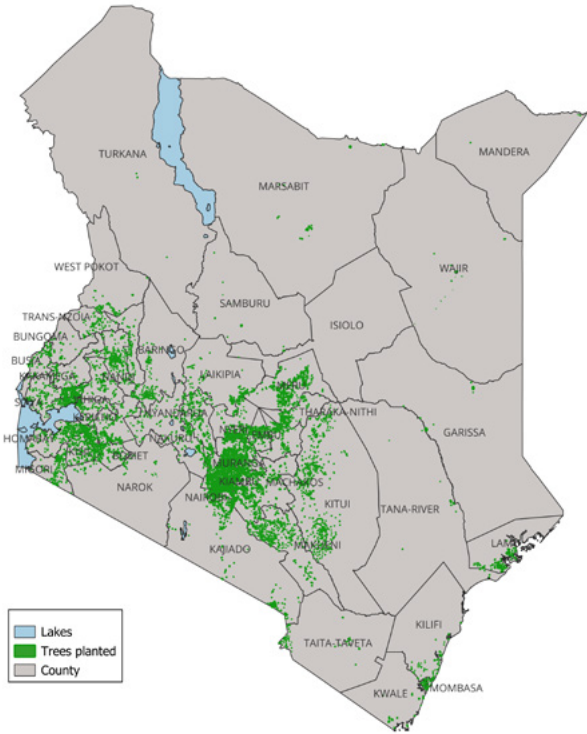
Over 90%

of Kenyan learning institutions use firewood as their primary cooking fuel, cutting down over 10 million trees per year.

Institutions conversion to clean energy



In 2023, Equity partnered with CLEAN AIR (Africa) to address the harmful effects of air pollution on health, the environment and education. The project intends to support the ongoing efforts to transition schools from polluting cooking fuels to cleaner alternatives like LPG. The study aims to engage 400 institutions and has so far engaged over 102 schools for data collection and assessment. The partnership will allow us to measure the health impact of clean cooking transitions which will help shape policy dialogue, flow of investments and scaling up of clean cooking interventions.



25.2 million trees planted in 8,830 locations across Kenya

EMBEDDING NATURE CONSIDERATIONS



The Group's strategy (ARRP), places importance on environmental conservation including nature and biodiversity. This is especially important for the achievement of the Group's targets on agriculture value addition and playing a sustainable catalytic role in the extractive sector. Africa is the source of key mineral and renewable energy resources including low carbon transition minerals.

According to AfDB, the continent is home to 65% of the world's uncultivated arable land, the second longest and second largest rivers (the Nile and the Congo), the second largest tropical forest (the Congo basin), and an estimated 44.8% of the total global technical potential of renewable energy. Through sustainable use of these resources, the continent would be able to unlock the USD 6.2 trillion potential of its natural capital. This would however require leveraging the appropriate climate and nature financing to unlock this potential.

Equity appreciates the crucial role Africa's financial sector plays in attracting investments. The Group has been a key partner in driving transformation of customers livelihoods, de-risking financial flows and championing global policy development. The Group chose to be an early adopter of the Task Force for Nature-related Financial Disclosures (TNFD) which seeks to integrate nature and biodiversity disclosures.

The decision to be an early adopter of TNFD was in recognition of the interconnectedness between nature and climate which are poorly understood.

Equity is committed to taking a vantage point and provide leadership on nature related matters while embedding nature considerations in the Group's operations and across all subsidiaries.

In line with our commitment to the Taskforce on Nature-related Financial Disclosure (TNFD) we commenced work on setting up the right governance by reviewing our ESG policy to incorporate nature risk in addition to climate related risk that was already incorporated.

To further enhance our management and staff capacity, we undertook Board level training in Nature and Biodiversity and further enhanced our staff capacity by training them on nature and bio-diversity risk and opportunities.

As a starting point, the Group collaborated with FSD Africa to undertake a TNFD pilot resulting in several achievements including:

- **Governance:** The Group revised its ESG policy to take cognisance of nature, which means that nature-related aspects will be tracked by the relevant board and management committees from a risk and opportunity perspective. ESG policies at subsidiary level were similarly revised to reflect this change.
- **Risk Management:** The Group evaluated the agriculture and extractive sectors to determine dependencies, risks and opportunities, from a nature perspective. This was enabled by use of Exploring Natural Capital Opportunities, Risks and Exposure (ENCORE) tool, which is a business assessment tool that enables companies to understand how environmental changes might impact their business and the wider economy.

- The assessment covered the subsidiaries in the DRC, Uganda, Kenya and Rwanda. The assessment also covered key risks and mitigation measures including development of the right products and allocation of investment resources to drive nature-positive solutions.
- **Strategy:** The Group collaborated with IFAD in a GCF-backed climate adaptation focussed programme, African Rural Climate Adaptation Finance Mechanism (ARCAFIM) a USD 200M Programme which includes debt and guarantee instrument as well as capacity building as key components of the partnership. The Programme focuses on small-scale food producers and value chain actors to drive climate change adaptation focused interventions.

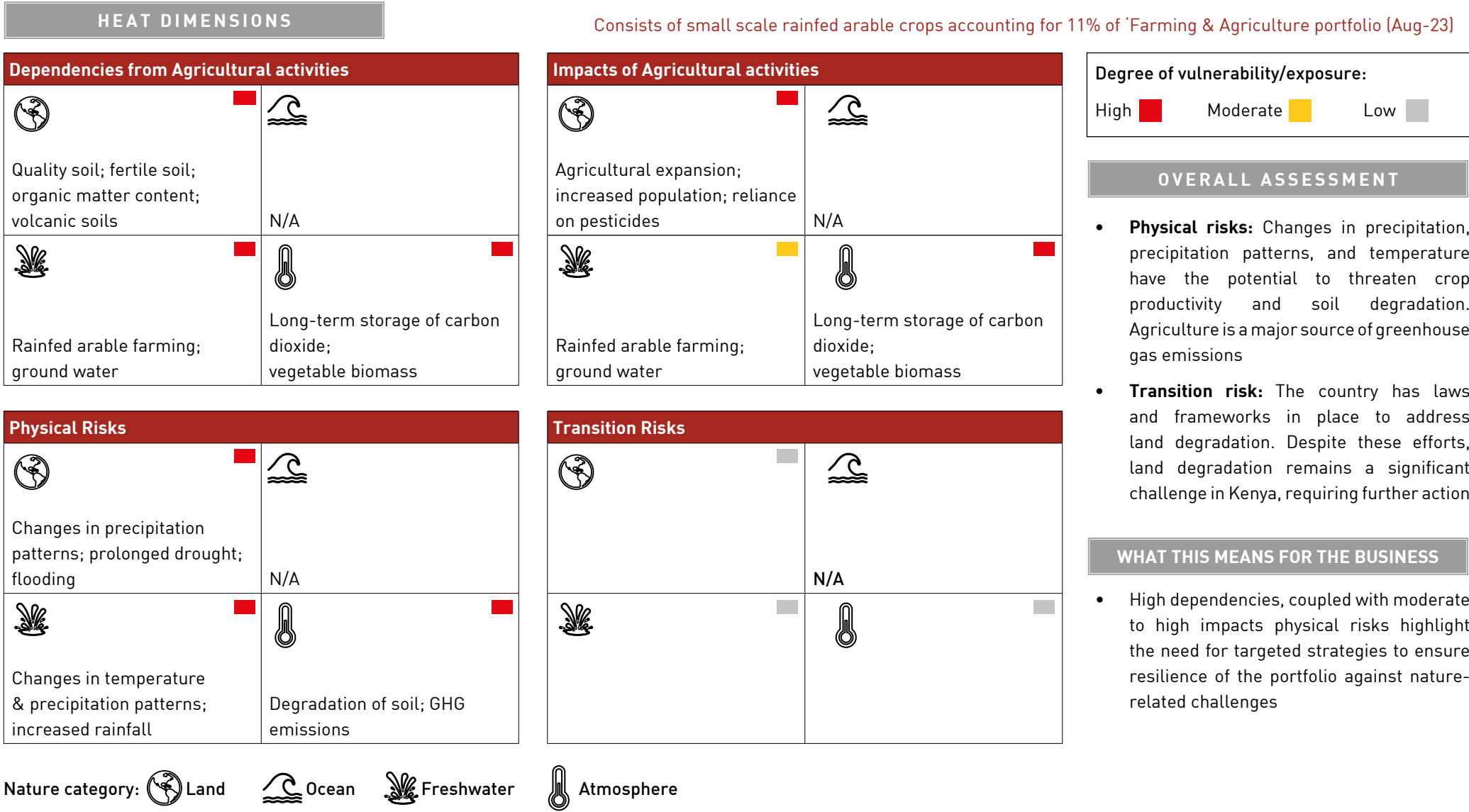
To understand our portfolio's vulnerability and impact on nature and biodiversity a heatmap assessment was undertaken. This focused on our customers in the agriculture and extractives sector. These sectors were singled out as they are considered to be more vulnerable to or have the greatest impact on nature.

These maps serve as a visual tool to illustrate areas of exposure to nature-related risks and opportunities, which highlight various aspects such as the geographical distribution of risks and opportunities, the types of risks (physical, transition, reputational etc.), or the sectors and assets most exposed to these risks.

EMBEDDING NATURE CONSIDERATIONS

A representation of the two sectors as reviewed in our Kenya, Uganda, Rwanda and DRC subsidiaries is shown below.

NATURE RISK HEATMAP INSIGHTS FROM EQUITY’S SUPPORT FOR AGRICULTURAL ACTIVITIES IN KENYA’S RIFT VALLEY



EMBEDDING NATURE CONSIDERATIONS

NATURE RISK HEATMAP INSIGHTS FROM EQUITY’S SUPPORT FOR MINING AND QUARRYING ACTIVITIES IN DRC’S LUALABA AND SOUTH-KIVU REGIONS

HEAT DIMENSIONS

Consists of 1) Extraction and processing of copper and cobalt ore. (Both open pit and underground) and 2) Research, exploration, extraction, processing, marketing and export of gold and gold products

Dependencies from Mining and Quarrying	
Underground minerals; land for mine waste storage, extraction & construction	N/A
Ground water; surface water; rainfall	GHG emissions; heavy metals i.e. mercury & cyanide

Impacts of Mining and Quarrying	
Erosion; distortion of the landscape; soil contamination	Minute quantities of heavy metal or other pollutants
Variations in ground water levels & surface water hydrology; contamination	Increased dust concentration in the ambient air; increased gaseous emissions;

Degree of vulnerability/exposure:

High
Moderate
Low

OVERALL ASSESSMENT

- Physical risks:** The mining project faces numerous physical risks. Groundwater depletion may also occur due to the project’s water pumping requirements. However, there is no reported physical risk to the ocean as the project is far from coastal areas. The project is susceptible to climate change-related risks like floods and heatwaves.
- Transition risk:** The global clean energy transition offers the DRC an opportunity to increase gold production. Gold, cobalt, and lithium are vital for the energy transition and value preservation.

Physical Risks	
Erosion; desertification; Dolines & land subsidence; Landslides; earthquakes	N/A
Destruction of infrastructure; flooding; droughts; heat waves	Extreme temperatures; increased occurrence & severity of drought

Transition Risks	
Regulations; technology; changing consumer demand for green energy; reputation	N/A
Regulatory change; technology; changing consumer demand for green energy; reputation	N/A

WHAT THIS MEANS FOR THE BUSINESS

- The varying degrees of vulnerability highlight the need for a nuanced approach to risk management to ensure resilience of the portfolio against nature-related challenges.

Nature category:
Land
Ocean
Freshwater
Atmosphere

EMBEDDING NATURE CONSIDERATIONS

NATURE RISK HEATMAP INSIGHTS FROM EQUITY'S SUPPORT FOR AGRICULTURAL ACTIVITIES IN UGANDA'S MBARARA REGION

HEAT DIMENSIONS

Dependencies from Agricultural activities

 Surface water sources i.e., lakes, rivers & streams; ground water	 N/A
 Ground water from rainfall, & water flow from natural freshwater sources; wetlands; swamps	 Water & carbon cycle; climate regulation

Impacts of Agricultural activities

 Destruction/degradation of forested land & wetlands; fragmentation; population growth	 Climate change factors i.e., droughts, high temperature, & flooding
 Water pollution; clearance of large tracts of land	 GHG emissions; land use change i.e., deforestation & soil erosion

Consists of large-scale rainfed arable crops

Degree of vulnerability/exposure:

High  Moderate  Low 

OVERALL ASSESSMENT

- **Physical risks:** Primary risk in this location is drought, resulting in low crop yields. Therefore, the physical risk is considered high in this area.
- **Transition risk:** Considered moderate due to the government's implementation of policies to address challenges in the agriculture sector. However, there is a need for substantial investment in technology, particularly for irrigation. Additionally, there are challenges in enforcing relevant laws in the agriculture sector.

Physical Risks

 Large scale crop farming; loss of ecological functions contributing to rise in temperature	 N/A
 Loss of ecological functions i.e., wetlands into crop areas; drying water bodies; increased water stress	 High temperature; drought leading to wildfires

Transition Risks

 Regulatory change; technology; adoption of agroforestry; high-yielding crop varieties	 N/A
 Access to technology	

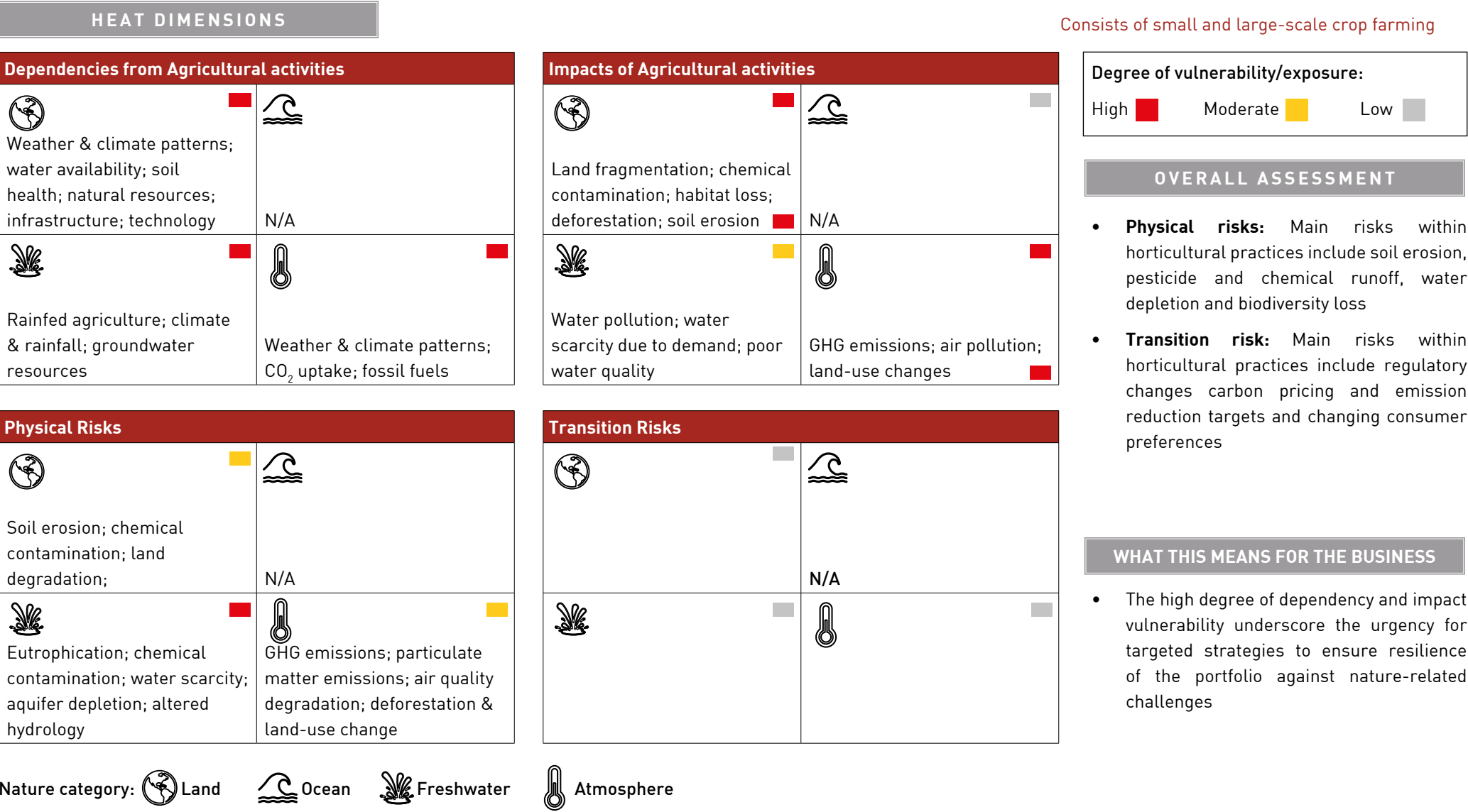
WHAT THIS MEANS FOR THE BUSINESS

- The varying degrees of vulnerability highlight the need for a comprehensive nature risk management strategy.
- Acknowledging moderate transition risks highlights the evolving landscape.

Nature category:  Land  Ocean  Freshwater  Atmosphere

EMBEDDING NATURE CONSIDERATIONS

NATURE RISK HEATMAP INSIGHTS FROM EQUITY’S SUPPORT FOR AGRICULTURAL ACTIVITIES IN RWANDA’S NORTH AND EAST REGIONS



EMBEDDING NATURE CONSIDERATIONS

Water Resource Management

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.



Environmental Conservation: Tree planting

Equity remains steadfast in its pledge to plant 35 million trees, aligning with its commitment to environmental conservation and supporting the Kenya Government's initiative to raise forest cover to 30% by 2032.

25.2 million

trees planted in 8,830 locations across Kenya

USD 4.6 million

committed to Equity tree growing programme



The Mangroves Restoration and Conservation Project aims to safeguard the marine ecosystem, enhance fish stocks by creating improved breeding grounds, mitigate coastal erosion, and address marine litter management



Pivot irrigation of a GoCongo wheat farm near Lubumbashi in the Democratic Republic of Congo, DRC.

DEEPENING SUSTAINABLE IMPACT

Over the years we have grown our investment in people and technology to scale our impact. A key approach here has been expanding our reach and scale through technology and strategic geographic expansions. These enable us to support greater groups of stakeholders efficiently while offering accessible and affordable financial services. Increasingly our social engine – the Equity Group Foundation – is delivering increased impact across our regions of operation and also deepening the outcomes and impacts to stakeholders.

ENHANCING REACH AND SCALE

EXPANDING IMPACT THROUGH STRATEGIC ACQUISITIONS



Equity Bank Rwanda Plc staff led by Managing Director, Hannington Namara (2nd Row 6th Left) and customers during the unveiling of the Equity Kigali Retail Branch (formerly Cogebanque) in Kigali, Rwanda

To further enhance reach and impact, the Group continues to pursue strategic acquisitions. Potential companies that could be incorporated into the Group are determined by our need to scale our reach and capabilities in strategic geographies to realise impact other than through organic growth. An organisations cultural fit also plays a large part in determining if a business can be onboarded to effectively contribute to realising the ARR.

In 2023, the Group acquired Compagnie Générale de Banque (Cogebanque) in Rwanda as part of its strategic geographic expansion plan. The acquisition offers several benefits to the combined entity including:

- **Market position:** The Group has enhanced its market position in Rwanda. The merger allows Equity to become the second largest bank in Rwanda.
- **SME engagement:** Cogebanque has a strong SME base, a business segment in which Equity has extensive expertise and experience. This combined competency will deliver enhanced benefits to SME customers in Rwanda.
- **Branch network:** Equity Bank Rwanda branch network increased by 28 branches after the Group acquired the existing Cogebanque branches enabling access to new customers for the Group.
- **Digital offerings:** The Group will integrate its technological and digital assets to enhance the value offered to customers, strengthening the customer value proposition and positioning for wider scale and reach through technology such as Pay with Equity.
- **Strategic synergy:** The merger streamlined operations, optimise resources, and create synergies. This consolidation aligns with Equity Group's long-term strategy.

Over the next year, the Group will invest in streamlining operations, employee training, systems convergence, and branding.

OUR PEOPLE

Talent Management and Employee Demographics

Equity Group has over the last three years leveraged the top-of-mind awareness of our Global Corporate Brand to strengthen our Employer Brand. We specifically improved our Employer Value Proposition by way of a competitive reward mix (Guaranteed pay and benefits, Annual Performance Bonus and Employee Share Ownership Plan), Learning for Growth Opportunities as well as world-class HR Policies, automated processes and overall employee experience. We are now ably and increasingly attracting best-in-class talent from all over the world.

Total number of staff across subsidiaries

YEAR	TANZANIA	SOUTH SUDAN	CONGO	KENYA	RWANDA	UGANDA
2023	484	122	1,713	7,763	537	1,501
2022	447	127	1,176	8,178	454	1,430
2021	424	121	1,140	6,408	429	1,154
2020	400	96	1,176	5,278	357	1,000

New employee hires across the Group's Subsidiaries

YEAR	TANZANIA	SOUTH SUDAN	CONGO	KENYA	RWANDA	UGANDA
2023	129	6	480	1,123	166	257
2022	76	21	375	2,044	114	478
2021	70	36	70	1,236	104	310
2020	20	12	71	444	31	94

Staff compliment per subsidiary split by gender

COUNTRY	MALE	FEMALE	TOTAL	MALE %	FEMALE %
Kenya	4,178	3,585	7,763	54%	46%
DRC	1,071	642	1,713	63%	37%
Uganda	759	742	1,501	51%	49%
Rwanda	336	201	537	63%	37%
Tanzania	246	238	484	51%	49%
South Sudan	84	38	122	69%	31%

Employment by gender

Current Gender Profile of the Equity Group

41.3%
OF PERMANENT STAFF ARE WOMEN
FROM 41% IN 2022



27%
OF WOMEN IN SENIOR MANAGEMENT
FROM 25% IN 2022



34.8%
OF MANAGEMENT ARE WOMEN
FROM 33.82% IN 2022



OUR PEOPLE

Sustainable Human Capital Strategy

The Equity Group's Human Resources Strategy has four strategic thrusts which will accompany the Group's strategic direction of travel over the next 2 to 3 years. These are;

- Organizing ourselves for growth through a market-focused Target Operating Model and Organization Design.
- Delivering superior sustainable value creation for our stakeholders through a robust Productivity and Performance Management Framework.
- Harnessing a great Employee Experience and through a competitive employee value proposition along the Employee Journey (Employee Lifecycle).
- Building robust talent pipelines for the current and future business through succession planning for key positions and career development pathways for our key talent.

The Equity Group's essence (the belief system and culture) continued to be the core foundation for our Human Resources strategic intent.

To deliver a long-term sustainable talent strategy, we believe that we need to manage a delicate balance of interventions to deliver decent stakeholder-value creation today and future-proof our business against the escalating war for talent as well as the Volatility, Uncertainty, Complexity and Ambiguity (VUCA) headwinds. We are leveraging market talent maps, our Young Bankers, and Equity Leadership Programmes to build the talent pipeline bottom-up while hiring world-class mid-career recruits to deliver against our ambitious growth plans.

The year 2023 continued our focus on sharpening our productivity and performance management approaches as we adopted the balanced score card framework to measuring and reviewing employees' contribution. We now have productivity dashboards for the Group Functions as well subsidiaries teams. This is in line with our commitment to promote a high-performance culture that focuses on delivering value for stakeholders while ensuring the right employee experience.

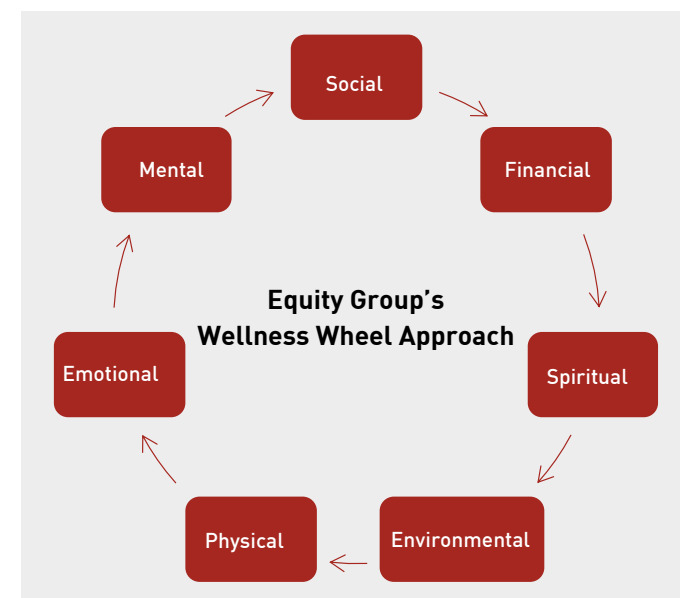
We have focused our attention on building talent pools, succession planning and career development for our key talent. Learning for growth and inculcating a high-performance culture are key to our recipe for success. During the year, we requested all our employees to return to office to align with our customers' needs.

A top priority of the human capital function is to have the right organization and the right talent to deliver the Africa Recovery and Resilience Strategic Plan commitments. This means organizing employees to deliver and particularly to be market focused on how to create sustainable value for our stakeholders. We ensure that our employees have the right skill sets and right toolsets to deliver on their mandates. Back-office functions also need to enable and partner with the market facing teams to win in the marketplace.

We continue to review and enhance our employee value proposition for superior competitiveness in the market and for talent retention as well as engagement.

Employee Wellness

Employee wellness interventions have been embedded in the workplace as well as our employee experience journeys. Wellness is a critical component of the Group's engagement with employees. The Group uses a wholistic Wellness Wheel approach that covers the eight diverse aspects of wellness including physical, intellectual, emotional, social, spiritual,



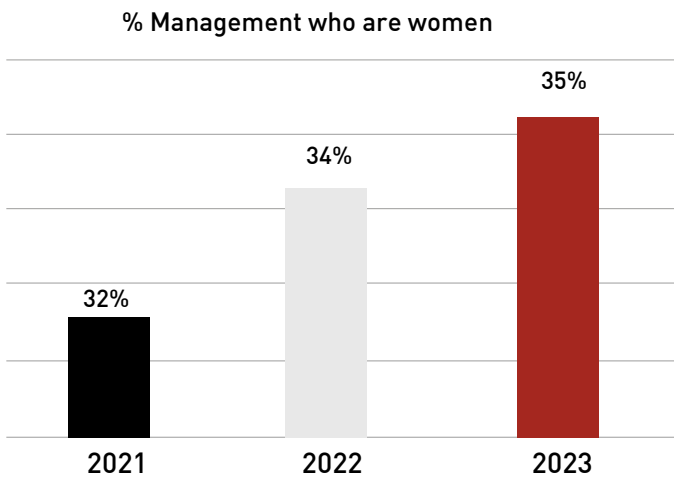
financial, and environmental wellbeing. A robust wellness scheme was developed that provides our employees with access to an offering that encompasses all the said dimensions of wellness. The Group further maintained an internally managed medical scheme with Equity Afia medical facilities designated as the first point of call for outpatient medical services. Equity Afia continues to extend high quality, accessible care at reasonable costs to the employees and their families.

Diversity and inclusion

Equity Group's philosophy Justice, Diversity, Equality, and Inclusion (JEDI) is clearly spelt out in our JEDI HR policy. Equity Group is dedicated to creating and sustaining an environment that attracts and retains the most diverse talent in a manner that increases productivity by fully engaging every employee and earning Equity Group the social license to operate in the communities it serves.

OUR PEOPLE

The policy further provides guidance for the development and implementation of relevant plans, Programmes, and initiatives to recognize and promote employee belongingness across all work areas of the Equity Group and underpins the Group’s essence (Purpose, Vision, Mission and Values). The JEDI policy framework creates a foundation for a robust culture that recognizes and celebrates the diverse composition of the Equity Group workforce, customers, partners, and the communities we serve. We are a movement that champions equality, promotes inclusivity, and advocates for just and fair practices.



Succession Planning for key roles and Career Pathways for Key Talent

We have continued to deliberately build succession pipelines for key roles through a good balance of building internal talent pools and attracting mid-career recruits from the market.

Our talent review process is managed through talent committees/councils bottom-up across Subsidiaries and Functions. This allows us to segment our talent pools and identify our Top Talent (High Potential + High Performers). This also allows us to plan to structure their learning and career pathways across job families and subsidiaries.

Learning and Development

We provide learning opportunities for all our employees to equip them for both their personal effectiveness as well as leadership and technical competency enhancement. In the year 2023, we delivered an average of 41 hours of training per employee and our overall full year Group training spend added up to Kes 316 million.

Number of staff trained and number of hours utilised in training

YEAR	NUMBER OF PERMANENT STAFF TRAINED	NUMBER OF CONTRACT STAFF TRAINED	AVERAGE TRAINING HOURS PER FULL TIME EMPLOYEES (FTE)	AVERAGE TRAINING HOURS PER CONTRACT STAFF
2023	6,709	3,619	42	35
2022	6,828	3,740	49	66
2021	7,157	2,285	33	29

Apart from general induction/onboarding training Programmes, we delivered learning interventions in the following key competency areas, amongst others:

- Risk & Compliance
- Operational Effectiveness and Efficiency
- Technical Functional Competencies
- Leadership and People Management Fundamentals
- Productivity and Performance Management
- Wellness and Vitality
- Culture and Diversity
- Mentorship

The EQUIP Programme which aims to develop a strong pipeline of women leaders continued with peer mentorship Programmes including the book club. 766 female employees participated in the third cycle (2023) of the Programme.

The male employees’ mentorship club called the MANDATE is a Programme focused on supporting men to become the best version of themselves. 16 sessions were held with active participation of over 1063 members.

OUR PEOPLE

Organizational Change

In 2023, Equity Group finalized the re-design of our target operating model built around 5 key broad categories of job families, namely;

- 1) **Demand** – these teams develop and grow our customer base, targeting agreed Customer Segments, and linking these to their specific sectors to customize relevant Customer Value Propositions
- 2) **Supply** – these teams are responsible for demand fulfillment, designing and customizing customer solutions, products and experience to specific segments, sectors in the relevant channels.
- 3) **Business Partners** – These teams provide enabler subject matter expertise in the back-office centers of excellence to enable customer value creation along the organization value chain. These include Strategy, Governance, Risk, and other technical subject-matter functions.
- 4) **Subsidiaries/Licenses** – These teams translate business strategy into customer value operationalization through the regulated jurisdiction of operation, including geographies.
- 5) **Shared Capabilities** – These job families offer high volume, repetitive, standardized, and harmonized operational services, leveraging efficient, automated processes and policies to minimize duplication of resources and effort across geographies and licenses.

The above organization design operates in a matrix reporting work way, whereby subsidiary teams report functionally into the Group Functional Leaders and operationally into the Subsidiary Executive Team.

The Group functional leaders provide the subsidiary functional teams with strategic thought-leadership, functional risk oversight, build organization-wide capacity and capabilities, enable best-practice sharing and ensure standardization of policies, processes, and procedures across subsidiaries. The Subsidiary Executive Teams manage the Subsidiary functional teams for the for day-to-day execution and compliance to agreed periodic operating plans.

Enhancing Organizational Design for Productivity and Sustainability.

To further optimize our human resources, the HR teams in collaboration with business leaders at Group and in the subsidiaries conducted a comprehensive study of the Work, Workforce and Workplace to understand how our execution is aligned to our Strategy. This was followed by Group CEO-led organization-wide conversations in focus group to carry out an organization health diagnostic including the core capabilities; Governance, Leadership, Strategy, Structure, Systems and Processes, People, Products and how we create value for our customers. The outcomes of these engagements have led to action plans which are strengthening our market leadership as we create sustainable stakeholder value.

Competency Frameworks

Having finalised the definition of job families which informed the new organization structure, we are now working on building the Equity Group Competency Framework which includes the Functional Technical, Generic and Leadership Competencies. The objective is to empower our teams and individuals to evaluate their skills and competencies proficiency levels in a structured way so as to implement meaningful learning and career pathways.

Performance Management

Equity Group launched an online productivity and performance management tool on the Oracle Enterprise Resources Planning (ERP) with a User-Friendly Interface, pre-defined corporate KPIs, Employee Self-Assessment Capability, real-time Goal Tracking and progress updates and smarter tracking, documentation and reporting.

Employee Share Ownership Plan (ESOP)

In 2023, the Board and Management of Equity Group recommended to the shareholders the need to design a fit-for-purpose ESOP (Employee Share Ownership Plan) which would see all the permanent employees of Equity Group and its subsidiary companies participate in our shared prosperity philosophy, act like owners, and make long-term value creating decisions every day. At the 2023 Annual General Meeting, the shareholders approved the ESOP Design Principles presented to them. Management is currently working on the necessary regulatory approvals before the implementation of the awards to be approved by the Board and shareholders.

Pay Parity

Equity Group is focused on addressing the pay parity gap across all subsidiaries and Group functions. Currently this gap averages 1:1.25, which is an improvement from 1:1.32 from the previous year. Key challenges in addressing this gap includes the number of men in senior positions with longer service than their female colleagues in similar roles. In addition, some countries have more men in the management levels of the organization structure than women. We are taking proactive measures to progressively address this disparity, including gender balanced shortlists at recruitment stage, internal equity salary adjustments during the salary review cycle and hiring more women at senior management levels.

OUR PEOPLE



Edward Muchai, Senior Communications Manager, trains new joiners during a staff induction session. Upon employment at Equity, all staff undergo a mandatory training including hands-on experience across different departments in the branch before being posted to their respective units.

OUR PEOPLE



Equity Bank Rwanda staff make a presentation during a meeting held at the Serena Hotel in Kigali, Rwanda.

EQUITY GROUP FOUNDATION (EGF)

DEEPENING SUSTAINABLE IMPACT

The Equity Group Foundation (EGF) delivers inclusive social and environmental impact programmes that transform lives and livelihoods by addressing challenges faced by communities, businesses, and individuals. The social engine operates seven pillars as noted below:



Education and Leadership Development: Enabling access to secondary and tertiary education.



Food and Agriculture: Facilitating job creation, market access, and expansion of sustainable, nature friendly food production and consumption.



Energy, Environment and Climate Change: Promoting the conservation and smart use of natural resources.



Health: increasing access to health financing and affordable, high-quality, and standardised health services.



Innovation & Technology: Fostering new ideas, innovation and technologies that increase impact and scale our customer engagement base through digital channels.



Enterprise Development and Financial Inclusion: Stimulating job creation, economic growth and financial capability.



Social Protection: reducing social and economic risk and vulnerability through cash transfer programme.



EQUITY GROUP FOUNDATION (EGF)

Deepening impact through education and leadership development

The goal of the Equity Group’s Education and Leadership Development pillar is to continue devel-oping and inspiring a generation of young leaders to support the social transformation and economic growth of their communities, countries and beyond.

WINGS TO FLY

The flagship programme has been in operation since 2009 and supports deserving, high performing students from vulnerable and poor families to undertake secondary, university and vocational education. The programme provides school fees, scholastic materials, mentorship, career guidance, leadership training, medical and psychological support.

The driving force of the programme is to realise:

- Transformative Leadership,
- Values-Based Living,
- Academic excellence,
- A culture of giving back, and
- Gender Sensitisation.



From left to right: Pangani Girls High School Principal, Florence Ngarari, Ag. Sub-County Director of Education, Kamukunji, Clement Osano, Director Quality Assurance and Standards, Lydia Muchemi, Equity Group Foundation Executive Chairman Dr. James Mwangi, KfW Development Bank Senior Portfolio Manager, Benjamin Graedler, Equity Group Director Strategic Human Capital, Dr. Beth Waweru and Equity Group Chief Operating Officer, Samuel Kirubi together with Wings to Fly and Elimu scholars who participated in the 13th Annual Education and Leadership Congress held at Pangani Girls High School. A total of 2,637 scholars participated in the Nairobi Region Congress.

PROGRAMME OUTPUTS	2023	2022
Cumulative Students Supported	22,009	20,009
Completion Rate Achieved	97%	97%
University Admission Realised	82%	82%
	[against the national average of 21%]	
Beneficiaries broken down by Gender	Female 48%	
	Male 52%	
	64% pursuing STEM courses	

EQUITY GROUP FOUNDATION (EGF)

ELIMU SCHOLARSHIP

The Elimu Scholarship is funded by the Ministry of Education with support from the World Bank and is administered by the Equity Group. The Programme supports needy and vulnerable students to acquire decent secondary education.



Members of the Elimu Scholarship Programme Community Scholar Advisory Committee conduct interviews of refugees who applied for the Elimu Scholarship in Kakuma, Turkana County.



Equity Group Managing Director and CEO Dr. James Mwangi (left) in a class with Angelina Jolie Girls Boarding School Grade 8 pupils Anyieth Jok (middle) and Dede Ojullo (right) during a visit of Kakuma Refugee Camp in Turkana.

PROGRAMME OUTPUTS	2023	2022
Students Supported	11,000	9,000
Cumulative Students Supported	38,000	27,000
Beneficiaries Broken Down by Gender	Female 53% Male 47%	Female 55% Male 45%

EQUITY GROUP FOUNDATION (EGF)

EQUITY LEADERS PROGRAMME (ELP)

After acquiring the knowledge what is next for you?

The ELP is a rigorous leadership development Programme for top-performing students with the aim of creating a community of transformative leaders who work together across borders and various sectors to drive sustainable economic growth and social progress in Africa. The Group was pleased with the 2023 increased number of individuals reached under this Programme. Four Equity Group subsidiaries participated in the ELP, with Kenya contributing 498, the DRC 126, Uganda 94 and Rwanda 34 participants respectively.

23,825

EQUITY LEADERS PROGRAMME SCHOLARS



Equity Leaders Programme scholars during a mentorship session in Nairobi, Kenya



Equity Bank Uganda Managing Director Anthony Kituuka shares a joyful selfie moment with Equity Leaders Programme scholars in Kampala, Uganda.

ACTIVITY	2023	2022
University Equity Leaders Programme Scholars	23,825	17,820
Pre-University Internships	8,878	7,842
Global Scholars in 200 universities in 36 countries	891.	761
Beneficiaries Broken Down by Gender	Female 53% Male 47%	Female 55% Male 45%

EQUITY GROUP FOUNDATION (EGF)

CASE STUDIES: EDUCATION AND LEADERSHIP PROGRAMME



Josiah Muriuki

**Wings to Fly Programme
alumnus**

Josiah Muriuki, a Wings to Fly Programme alumnus, is making a difference through his initiative, BETA Mentor Africa. The movement is dedicated to mentoring the next generation in areas such as career development, leadership training, skills enhancement, and international opportunities.

Josiah's own journey began with a Wings to Fly scholarship that enabled him to attend Kianyaga High School before graduating from the University of Nairobi with an undergraduate degree in Industrial Chemistry. He then went on to receive a Mastercard Foundation scholarship to study at the University of Pretoria in South Africa.

Having experienced first-hand the transformative power of education, Josiah is passionate about empowering the next generation to break free from the constraints of poverty and achieve their dreams. "To whom much is given, much is expected," he says. Through BETA Mentor Africa, Josiah is providing young minds with the tools they need to succeed and thrive.



Zawadi Mercyline Charo

**Wings to Fly Programme
scholar**

Hailing from Hola in Tana River County, Zawadi Mercyline Charo, a 19-year-old fifth child in a family of ten, overcame hardships to pursue her education. Despite financial constraints leading her older siblings into early marriages, Zawadi was determined to excel academically. Her resilience paid off when she scored an impressive 370 marks in her KCPE exams.

Her headteacher introduced her to the Wings to Fly scholarship Programme, which she successfully

applied for and was selected as a beneficiary. This marked the beginning of her transformative journey at Makueni Girls High School, where she continued to excel academically and became a school leader.

Zawadi dreams of becoming a gynaecologist and hopes to join Oxford University through ELP. She also aims to empower girls in her community, through fighting against harmful practices like early marriages.

Grateful for the lifechanging opportunity provided by the Wings to Fly Programme, Zawadi is committed to transforming not only her life but also those of other needy children.

Through its unwavering commitment to inclusivity, the Wings to Fly Programme stands as a powerful testament to the importance of equal opportunity for all students, regardless of their socioeconomic or cultural backgrounds

EQUITY GROUP FOUNDATION (EGF)



Commissioning of the Equity Leaders Programme Scholars third cohort in Kampala, Uganda.

EQUITY GROUP FOUNDATION (EGF)

STRENGTHENING IMPACT FOR FOOD SECURITY AND AGRICULTURE

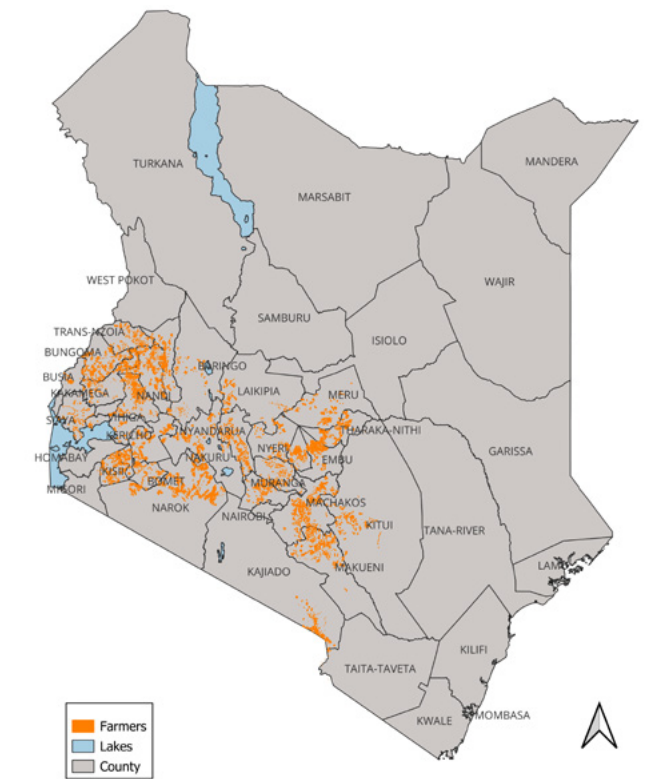
The Food and Agriculture pillar has been working with various agricultural sector players from small holder farmers through to value chain players. The core deliverables for this pillar are to build capacity of smallholder farmers and agricultural SMEs through training. In 2023, this pillar scaled up its Programmes particularly through digitisation and has seen increased numbers of farmers being reached and impacted. The specific 2023 achievements are summarised as follows:

RECEIVED WEATHER MESSAGES
177,800

RECEIVED GOOD AGRICULTURAL PRACTICES (GAP) TIPS
97,729

RECEIVED FINANCIAL EDUCATION (FE) TIPS
80,007

GEO-MAPPED FARMERS AND FARMS
130,505 AND 162,735 RESPECTIVELY



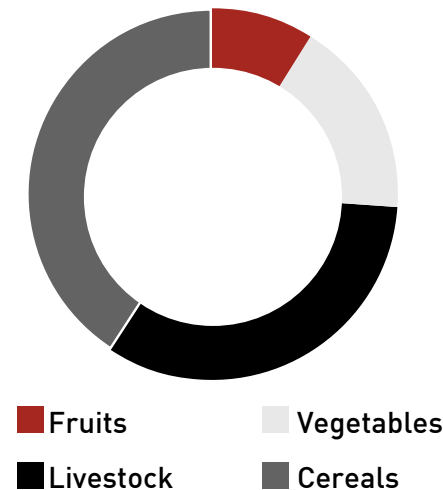
Farms geo mapped and farmers receiving specific weather reports

Financial Access to SME & Rural Population in Agriculture through Technology (FASRAT)

This project is funded by Norad and was initiated in 2018. The project initially targeted 60,000 farmers and 5,000 SMEs. To date, 186,077 farmers and 18,030 Micro-Small and Medium Agricultural Enterprises (MSMAEs) have been trained.

ACTIVITY	CUMULATIVE NUMBER OF BENEFICIARIES 2018-2023
Farmers trained	186,077
MSMAEs trained	18,030

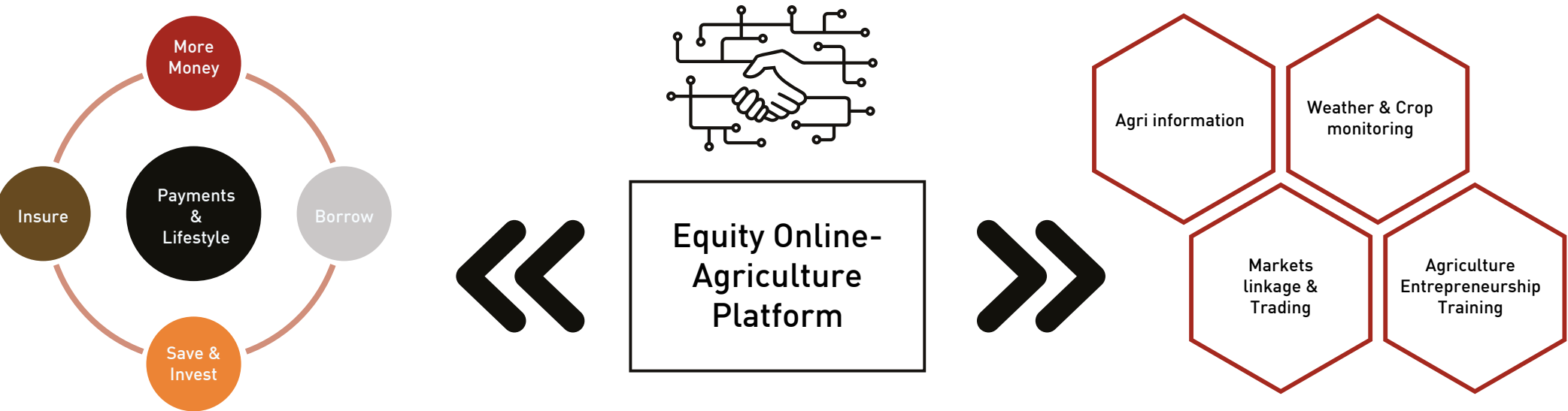
Key value chains



EQUITY GROUP FOUNDATION (EGF)

Equity Online-Agriculture platform ‘EQUIFARM’

EQUIFARM aims to reach 200,000 small scale producers and eventually over two million producers. To date the project has reached 230,000 small scale producers.



Kenya Cereal Enhancement - Climate Resilient Agricultural Livelihoods Window (KCEP – CRAL)

The project is funded by the European Union (EU) and IFAD. Subsidy inputs worth **Shs 2.65 billion** are availed through an E-voucher platform implemented in partnership with the National and County Governments in the western and eastern regions of Kenya. The project has trained over 40,000 farmers and onboarded them to the E-voucher system.

De-Risking, Inclusion and Value Enhancement of pastoral economies in Horn of Africa Project – (DRIVE)

This project was able to support **66,799 beneficiaries** who received payouts amounting to Shs 400.6 million in 2023. The objective of the project is to enhance pastoralists’ access to financial services for drought risk mitigation, include them in livestock value chains, and facilitate livestock trade in the Horn of Africa.

EGF Food and Agriculture targets for the next 24- 36 months

The Group plans to align the pillars’ outputs to the ARRП to achieve scale and sustainability on the implementation of Programmes particularly those focused on climate change. Additionally, there is a key focus on digitisation through EQUIFARM.

EQUITY GROUP FOUNDATION (EGF)

INCREASING IMPACT THROUGH EQUITY AFIA



Equity Afia Homabay clinic

SCHOLARSHIP

We provide scholarships to needy and deserving vulnerable students to study medicine

ELP

Our supported scholars graduate and require meaningful ways to put their skills to use

EQUITY AFIA

Equity Afia offers a ready to plug franchise model that is fully financed giving our scholars a launching pad

EQUITY AFIA

Equity Afia offers affordable, good quality healthcare services accessible to ordinary citizens

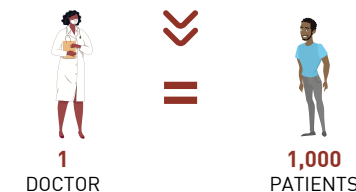
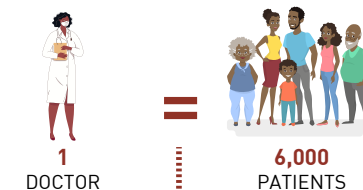
Our work in the health sector

Customer reform: Social marketing campaigns, technology and mobile phone applications are deployed to increase healthcare and health insurance literacy across Kenya.

Insurance Reform: Provider and patient-informed comprehensive health insurance schemes are being developed using capitation payment models for outpatient services and bundled care payment models for inpatient services, to counter the prevailing, unsustainable fee-for-service model.

Provider Reform: Equity is developing a network of 1,000 health franchises over the next 5 years to provide affordable, high quality, and standardized health services across Kenya using a hub-and-spoke model.

COUNTRY'S CURRENT DOCTOR-PATIENT RATIO



W.H.O. RECOMMENDED DOCTOR-PATIENT RATIO

EQUITY GROUP FOUNDATION (EGF)

Established in 2015 under the Health pillar of the EGF, Equity Afia was created in response to the increasing demand for affordable and accessible quality healthcare in Kenya. Equity Afia operates a network of 98 medical outpatient centres, staffed by skilled and experienced doctors who are alumni of the Equity Leaders Programme. The clinics provide comprehensive primary care, extended vaccine coverage, and improved access to specialised medical services. The medical centres are committed to offering affordable medical services and educational programmes to nearby communities, promoting awareness and utilisation of the clinics’ services. Further, Equity collaborates with its partners to provide training for healthcare entrepreneurs. This initiative aims to equip them with essential business skills and resources, enabling them to establish medical facilities in areas that may have otherwise been dismissed as areas for investment.

Equity Afia’s medical model embraces inclusivity to reshape Kenyans’ perspectives on and access to medical treatment. The model offers a range of payment options, including cash, digital payments, NHIF, private insurance cover, micro-medical insurance, and informal health funds, ensuring accessibility for diverse socio-economic groups. Looking ahead, new clinics are scheduled to be launched in the Democratic Republic of Congo (DRC) in 2024, further extending Equity Afia’s reach and impact in the region.

2023	2022
98 cumulative outpatient medical centres	77
2,143,344 cumulative patient visits to Equity Afia medical centres	
843,821 patient visits to Equity Afia clinics in 2023	597,943
36 out of 47 counties in Kenya with Equity Afia presence	



Collins Kiplang’at, a lab technician in Equity Afia Bomet, testing out samples

EQUITY GROUP FOUNDATION (EGF)

CASE STUDY

Transforming Healthcare:

Dr. Elizabeth Gitau's Journey with Equity Afia

Dr. Elizabeth Gitau embodies the transformative power of determination, education, and entrepreneurship in revolutionizing healthcare accessibility, affordability, and quality in Kenya. From her humble beginnings in Njoro, Nakuru County, to her current role as the owner of two Equity Afia medical centres in Upperhill and Makongeni, Dr. Gitau's journey exemplifies resilience and dedication.

After excelling academically and participating in the Equity Leadership Programme, Dr. Gitau pursued a Bachelor of Medicine degree at the University of Nairobi. Her commitment to serving her community led her to intern at the Equity Group Foundation, where she contributed to research on the Equity Afia franchise model. Subsequently, she completed her internship at Murang'a County Hospital and served as a medical officer before transitioning to a role as a senior lecturer at the Kenya Medical Training College.

Driven by a desire to address the challenges facing Kenya's healthcare sector, Dr. Gitau pursued further education, earning an MBA in Healthcare Management from Strathmore Business School with the support of a prestigious DAAD scholarship. Armed with this knowledge and experience, she joined the Equity Afia network as a franchisee, determined to increase access to quality medical services. She has created jobs, provided affordable healthcare services, and honed her resilient spirit, which is brought out by the challenging nature of entrepreneurship.



She was later appointed the Chief Executive Officer of the Kenya Medical Association (KMA), the premier association representing medical doctors, advocating for quality health services in the country. Dr. Gitau remains a vocal leader in the healthcare space, participating in health policy formulation and implementation. She is a current board member at KMA and a sitting council member at the Kenya Medical Practitioners and Dentists Council, the regulator of doctors and health facilities in Kenya.

Empowering Accessibility, Affordability and Quality:

The Equity Afia franchise stands as a beacon of accessible, affordable, and high-quality healthcare. Breaking barriers of background and payment methods, Dr Gitau's clinics ensure that every patient receives top-notch medical care, regardless of their financial status or cultural background.

By revolutionizing pricing structures and leveraging a network of qualified medical professionals across Kenya, Equity Afia has become famous for standardized excellence in healthcare provision.

Collaborative Partnerships for Success:

Collaborating closely with the franchisor, Dr. Gitau harnesses the power of standardized platforms, quality management systems, and streamlined claims processing to optimize clinic operations. Centralized pharmacy procurement initiatives further drive down costs, making medication more affordable for all. This partnership not only enhances clinic efficiency but also ensures that resources are maximized to benefit patients and communities.

Entrepreneurial Growth and Resilience:

Transitioning from a clinical background to entrepreneurship was no small feat for Dr. Gitau. Yet, through perseverance and dedication, she has honed her skills in human resource management, supplier negotiations, marketing strategies, and budgeting. Her journey with Equity Afia is not just about running clinics but also about personal growth, an immersive MBA experience that has fortified her entrepreneurial spirit and resilience.

Dr. Elizabeth Gitau's story is a testament to the transformative impact of Equity Group Foundation and Equity Afia on healthcare accessibility, affordability, and quality in Kenya. Through her unwavering dedication and entrepreneurial spirit, she continues to champion the cause of equitable healthcare provision, leaving an indelible mark on individuals, communities and the nation's health sector as a whole.

EQUITY GROUP FOUNDATION (EGF)

Enterprise Development and Financial Inclusion

Equity Group Foundation (EGF) facilitates job creation and economic growth through the provision of financial literacy education, entrepreneurship education, mentorship and digital literacy education to Micro, Small and Medium sized enterprises (MSMEs). MSMEs create a considerable proportion of the employment for low-income and marginalised groups. To date, Equity has enhanced the financial capability and security of individuals and households by connecting over 2.4 million women and youth to expert financial education training as well as expanding access to financial services.

Young Africa Work Kenya (YAW-K)

The Young Africa Work Kenya (YAW-K) project continues to deepen social impact in the community by laying the foundation for gainful employment through training and funding of entrepreneurs. In the year 2023, the Programme recorded increased number of trainings, mentorship, loan distribution when compared to 2022. Business Development Services (BDS) commenced in financial year 2021 but scaled in year 2023. The Programme is set to run through to 2025 and has shown great results.

SERVICES OFFERED	NUMBERS RECORDED	
	2023	2022
Number of MSMEs Trained since 2011	517,247	406,621
Value of loans disbursed to MSMEs	Shs 275.29 billion (Average loan size Shs 384,069)	Shs 223.11 billion (Average loan size Shs 399,410)
Number of MSMEs Mentored	193,611	93,885
Number of entities provided with on-site BDS support	8,225	-

EQUITY GROUP FOUNDATION (EGF)

CASE STUDY

Enterprise Development and Financial Inclusion

Tamkal Maize Milling Company in the rural heartland of Kapenguria County begun as a humble milling company but has been transformed through 2021-2023. Initially, the founders of the milling company had planned to establish a petrol station on the Kapenguria highway. However, they were also concerned about the losses that farmers in their community faced, notably during 2017 when most of their produce was not bought by the National Cereals and Produce Board (NCPB). Recognising there was an opportunity to support local farmers, the founders embraced the challenge to establish a milling company. They sought guidance from the Equity Kapenguria Branch. The branch manager recognised the strategic nature of their business case, being able to help small-scale farmers find a dependable market for their produce and improve the availability of this staple food crop.

Integration of sustainability into the business

The company aims at sourcing maize that has been grown using organic fertilizer to promote the use of sustainable agricultural practices to reduce the negative environmental impact associated with conventional farming methods. There is a control process that ensures all maize sourced is aflatoxin free. This is a commitment to safety and quality of end-products sold to consumers. The success of the business is due to the owners seeking out appropriate guidance, having a strong vision for the business, being focused on capacity enhancement, strategic partnerships, innovation and integration of sustainability.

Business transformation

Tamkal started with a single milling machine and 10 employees. It has significantly grown into a 28-tonne milling machine and has tripled its workforce. Additionally, the daily production capacity increased from 100 to 400 bags of maize flour. This was achieved after the founders received financing from Equity. The Tamkal founders participated in a training programme on enterprise development and inclusion offered by Equity Bank. They founders were equipped with financial planning, business management and marketing skills that played a pivotal role in the company's rapid growth and success.

Key achievements

- Expanded milling capacity that scaled up operations.
- Use of advanced milling machines and technology.
- Increased employment opportunities for the local community.
- Built a meaningful and long-lasting relationship with Equity Bank.



**100 to 400 bags of
maize flour**

increase in daily
production capacity



A 28-tonne maize milling machine installed at Tamkal



Tamkal workers package maize meal

EQUITY GROUP FOUNDATION (EGF)

PROTECTING LIVELIHOODS THROUGH SOCIAL PROTECTION

Social Protection

Through its Social Protection pillar, Equity Group Foundation seeks to reduce social and economic hardship and alleviate extreme poverty and deprivation through direct cash transfer programmes for East Africa's most vulnerable populations. Cash transfers have proven to be a cost-effective and efficient way to advance the socio-economic status and self-reliance of the most vulnerable. The adoption of cash transfers for the delivery of humanitarian aid fosters financial inclusion and affirms the dignity of recipients as they gain financial independence. Financial inclusion enables beneficiaries to oversee their spending and savings through full-fledged bank accounts (often first-time bank accounts) and biometric smart cards, a model that enhances convenience, security, accessibility, and efficiency as well as accountability. Beneficiaries can access their cash allocations as well as purchase goods and access services using the biometric smart cards.

Beneficiaries are taken through financial literacy training to equip them with the knowledge, skills, and attitudes required for effective financial management i.e., earning, spending, saving, borrowing, and investing. Participants are empowered to make informed financial choices and to access financial services that previously seemed beyond their grasp. These applications help them work towards their financial goals, become more bankable, and ultimately transform their lives.

Associated social benefits include asset protection, health and nutrition support, educational opportunities utilizing technology such as multi-programme and multi-wallet debit cards for refugees, the elderly, orphans and vulnerable children, persons living with severe disabilities, persons living in ASALs and internally displaced persons, etc. The Programmes are delivered through Equity Bank's regional distribution network of 392 branches and 71,498 agents.

Objectives

- Facilitate delivery of social assistance to poor, vulnerable and marginalized populations through innovative and secure technology infrastructure
- Democratize access to financial services
- Use financial and non-financial means to offer pathways out of poverty
- Equip individuals with the knowledge, skills, and attitudes required for effective financial management through capacity building
- Increase resilience of poor households through financial inclusion
- Transition beneficiaries from systemic dependence on humanitarian aid to economic stability and self-reliance
- Foster responsiveness of financial systems to the needs of vulnerable populations

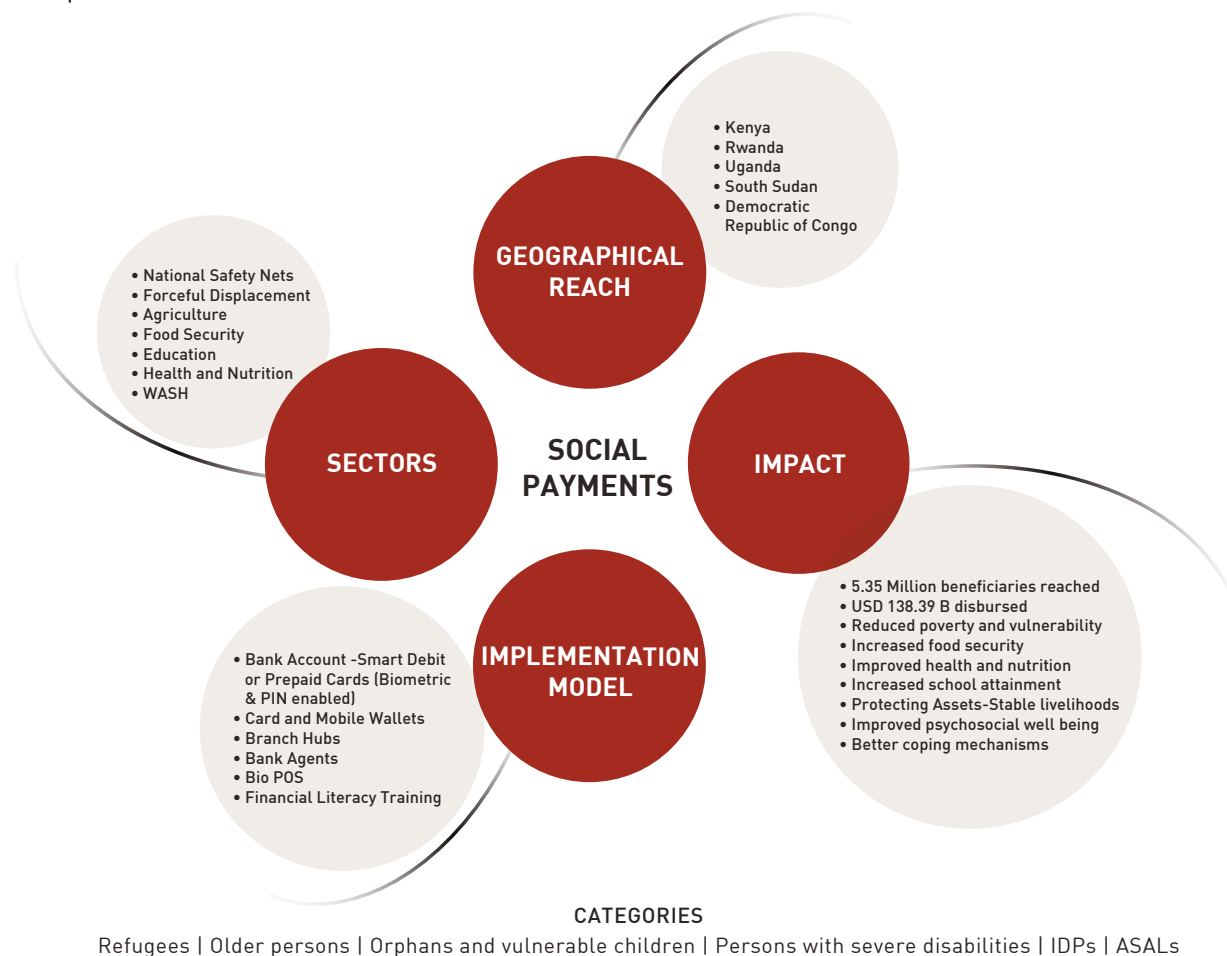
In partnership with Government and Humanitarian and Development agencies including the United Nations, the Foundation transforms lives and livelihoods by providing inclusive financial services to thousands of marginalized and vulnerable households living in Kenya, Uganda, Rwanda, South Sudan, and DRC through strategic initiatives.



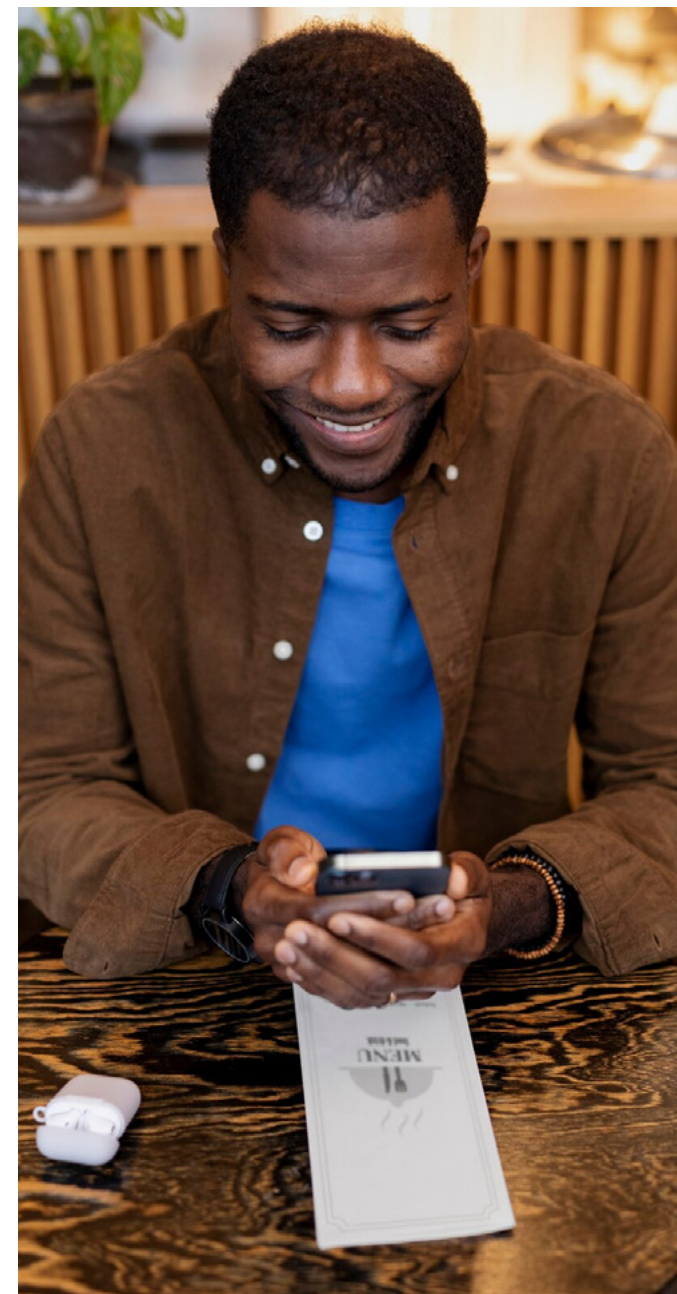
EQUITY GROUP FOUNDATION (EGF)

Registered beneficiaries easily access the funds through agents, mobile banking and merchants' outlets. Digitisation has been critical for the social protection pillar through the implementation of biometric debit cards or mobile wallets that are linked to beneficiary accounts. This model has made it convenient for beneficiaries to access their funding especially in marginalised hard to reach areas.

The social protection function can be summarized as follows:

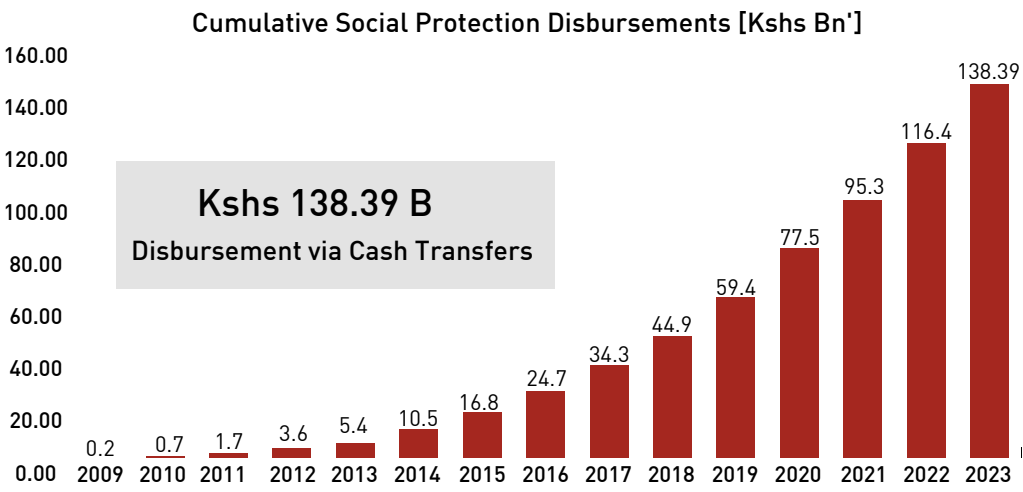
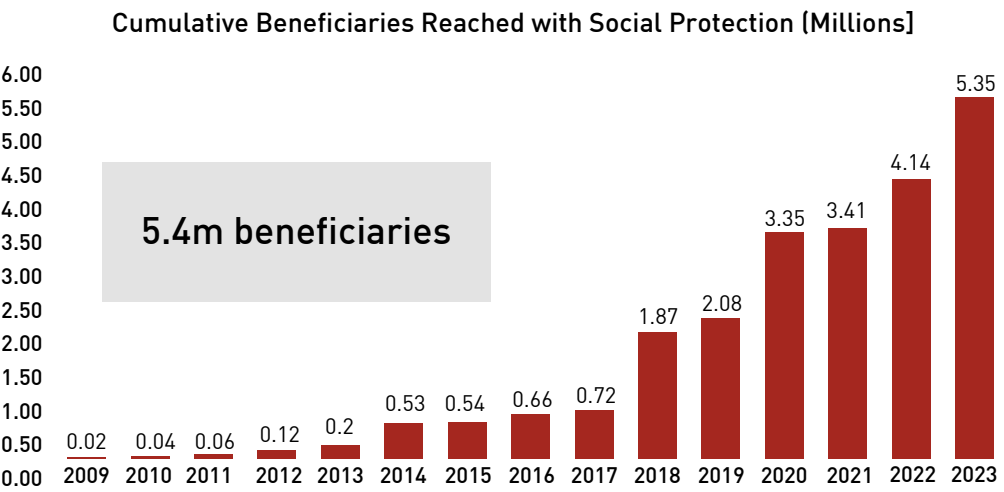


In 2023, the payment frequency was adjusted to monthly instead of the previous every two months, which solved the bottleneck of irregularity of payments witnessed in previous years. The pillar also witnessed increased number of beneficiaries and Programmes across the region.



EQUITY GROUP FOUNDATION (EGF)

Cumulative beneficiaries



Equity Group Managing Director and CEO Dr. James Mwangi addresses pupils and teachers at Angelina Jolie Girls Boarding School in Kakuma.

EQUITY GROUP FOUNDATION (EGF)

2023 social protection achievements

COUNTRY	HOUSEHOLDS REACHED	AMOUNT DISBURSED (USD)	PARTNER/PROGRAMME	CATEGORY
Kenya	1,139,805	115,167,774	- Inua Jamii Hunger Safety Net Programme - United Nations High Commissioner for Refugees - World Food Programme - NICHE - RefuSHE - Save the Children - Handicap	- Older persons, - Orphans and Vulnerable children, - Persons with Severe Disabilities, - Hunger Safety
Uganda	126,215	62,740,979	- Danish Refugee council - Lutheran World Federation - World Food Programme - Save The Children International - Enrolment - World Food Programme - Enrolment - CESVI - Uganda Refugee Stakeholder Coalition - South Sudan Refugee Association (SSURA)	- Refugees, - Lactating mothers.
Rwanda	86,473	13,032,333	- World Food Programme - United Nations High Commissioner for Refugees	Refugees
South Sudan	173,251	10,189,873	- World Food Programme - Outreach Programme - Covid -19 - Health Pool Fund - Lutheran World Federation (LWF) - FINN Church AID - World Vision South Sudan - Plan International - Malaria Consortium - CARE - ICAP - Jonanitha	IDP's Teachers Refugees
DRC	3,450	494,541	INTERSOS Direct cash distribution	Refugees
Total	1,529,194	201,625,500		

EQUITY GROUP FOUNDATION (EGF)



Access instruments

Multi-Partitioned, Multi-Partner Card and Mobile

Card features

- Bio data storage
- Multi wallet capability
- Access through Point of Sale, ATMs, Mobile and Online portals
- Reuse across different partners
- Reuse across different Programmes functions
- EMV compliant

Equity Kakuma Business Growth and Development Manager Daniel Makhulo (Right) explains to UNHCR Deputy High Commissioner Kelly Clements (left) how the Equity Debit card issued to refugees' work. Clements who was accompanied to the branch by Equity Group Foundation Executive Chairman Dr. James Mwangi (2nd Right) and Safaricom Chief Financial Services Officer Esther Masese (2ndLeft). UNHCR has invited Equity Group to be a private sector catalyst for a new refugee integration initiative named "Shirika Plan".

EQUITY GROUP FOUNDATION (EGF)

CASE STUDY: Graduating from social protection to self-reliance

Lngashar Ltilayon Lesurma is a 50-year-old businessman from Merille in Marsabit. A family man and a father of seven children, Lngashar was one of the villagers from Iriri village in Laisamis in Marsabit who was targeted as a Group One beneficiary in the Hunger Safety Net Programme (HSNP1).

His first encounter with formal financial services was through opening a bank account where he would regularly receive a monthly stipend of Shs 2,700 from HSNP. Programme accounts are linked to biometric-enabled debit cards which beneficiaries use to access their social assistance stipends from the nearest agent location. Multiple agents are recruited to enable beneficiaries access stipends conveniently, within a six-kilometre radius.

The Hunger Safety Net Programme is an unconditional Government of Kenya cash transfer Programme implemented by the National Drought Management Authority (NDMA), whose aim is to support food insecure households in Northern Kenya.

At the time of enrolment into the programme, Lngashar was making brooms and selling them locally. The first payment tranche was disbursed in arrears to the tune of Shs 32,000. These funds enabled him to start a small food selling kiosk in the village. The business quickly expanded alongside others, thus creating a multiplier effect that stimulated growth in the local economy as funds began circulating within the community.

In 2018, the Bank in partnership with Financial Sector Deepening (FSD) Kenya and CARE Kenya, initiated an economic empowerment programme targeting HSNP beneficiaries. Lngashar joined the Imani Self-Help Group where he was trained on financial literacy and entrepreneurship. A group lending officer was assigned to follow-up monitoring of the group activities, including savings and issuing of credit facilities.

Lngashar was one of the first beneficiaries to take a loan of Shs 30,000 to expand his business. He opened an additional outlet which is managed by his wife. He repaid his loan within six months. With the increased business proceeds, he built his family a home and educated his two children who were joining secondary school. In 2020, Lngashar approached his group for approval to take an additional loan of Shs 550,000. The loan was to enable him to build five rental units in Merille town. Upon qualifying, he was granted the loan. The additional income from rentals enabled him to repay the loan within two years. He is currently servicing yet another loan which he has used to expand his business by building additional rental units in the same town.





COUNTRY SNAPSHOTS

Equity Bank Kenya	100
EquityBCDC	102
Equity Bank Rwanda	104
Equity Bank Tanzania	106
Equity Bank Uganda	108
Equity Bank South Sudan	110

ESG PERFORMANCE DASHBOARD: EQUITY BANK KENYA LIMITED



Managing Director Statement

We have made significant strides to ensure that customers can access banking services wherever they are. This has been achieved through our strong emphasis on enhancing digital capabilities and digital platforms for mobile devices.

Gerald Warui, Managing Director, Equity Bank of Kenya Limited

HEADCOUNT 7,763 46% are female	NEW HIRES 1,213 2022: 375	STAFF RETENTION 81% 2022: 94%	AVERAGE TRAINING HOURS/EMPLOYEE 64 hrs.
REVENUE (Shs) 93,774m	PBT (Shs) 25,194m	TOTAL ASSETS (Shs) 1,004,244m	
CSAT SCORE 81% 2022: 90%	NUMBER OF BRANCHES 195 2022: 190	NUMBER OF CUSTOMERS 12,906,101 2022: 12.3M	
ENERGY CONSUMPTION 11,502,328 KWh		CARBON FOOTPRINT 10,172 tons CO₂e	

Climate statement: In recent years, the country has experienced the devastating effects caused by climate change. The Bank recognises the interplay of the impacts of climate change on different sectors of the economy and the subsequent direct or indirect effects on business operations. In the reporting year, the Bank continued to implement climate-related risk management guidelines through a board-approved plan. Notably, these guidelines are well aligned with the TCFD pillars of governance, risk management, climate strategy and measurement as highlighted elsewhere in this report.

CASE STUDY: IMPROVING FARMER PRODUCTIVITY AND LIVELIHOODS

MAZAO NA AFYA LIMITED-KENYA

Mazao na Afya Limited

Mazao na Afya Limited, a privately owned company, incorporated on 20th October 2018 is an agro inputs distributor serving farmers through a network of agro-input resellers. To leverage on the vertical integration of the company business model, Mazao Na Afya identified a huge gap in the demand for agrochemicals. To fill the gap in importation, and market expansion, they crafted a solution through Agri Price-Company solely for the importation of agro chemicals.

Promoting Economic Resilience

Mazao na Afya Ltd, financed by Equity Bank, undertook several initiatives to boost agricultural productivity. They imported agrochemicals and acquired 1.9 hectares of agricultural land through Agri Price company. Additionally, with backing from the Bank, they purchased a seed propagation machine and related infrastructure through KL Ventures. Funds were allocated to acquiring distribution vehicles for agrochemicals and seedlings. The seed propagation machine produces 3-3.5 million seedlings daily, aiding Agri Price in cultivating various horticultural produce using customized seeding trays. This comprehensive approach bolsters community resilience to climate change, enhances food security, and improves socioeconomic conditions. Over 9,000 farmers across seven counties have benefited from procuring hybrid seedlings. Moreover, the company extends its reach through five outlet shops, collaborates with over 300 stockists, conducts open-air advisories, and maintains an active presence on its YouTube channel.



No Poverty

- By improving agricultural yields and supporting farmers with essential and high-quality inputs, Mazao Na Afya plays a role in addressing poverty in the agricultural sector. Additionally, the company focuses on empowering farmers, increasing output, and improving quality aligns with the goal of reducing poverty in all its forms by enhancing economic opportunities and livelihoods within the farming community.



Zero Hunger

- By focusing on propagating various crops like tomatoes, watermelons, cabbages, maize, and onions, Mazao Na Afya contributes to ensuring food security and promoting sustainable agriculture.



Climate Action

- The company's focus on adapting to climate change through customized seed propagation tailored to agroecological zones contributes to climate resilience and mitigation efforts.



Life on Land

- By promoting sustainable agriculture practices and enhancing agricultural productivity, Mazao Na Afya plays a role in protecting, restoring, and promoting sustainable use of terrestrial ecosystems.

ESG PERFORMANCE DASHBOARD: EQUITY BCDC S.A



Managing Director Statement

The extractive sector is foundational for the economy. But it also has many social and environmental challenges that cannot be ignored. We have opted to be a catalyst of change through capacity enhancement programmes that focus on artisanal miners, a vulnerable segment of the mining value chain.

Celestin Muntuabu, Managing Director, Equity BCDC S.A

HEADCOUNT 1,713 37% are female	NEW HIRES 480 2022: 375	STAFF RETENTION 90% 2022: 92%	AVERAGE TRAINING HOURS/EMPLOYEE 25 hrs.
REVENUE (Shs) 55,861m	PBT (Shs) 18,638m	TOTAL ASSETS (Shs) 624,108m	
CSAT SCORE 63% 2022: 63%	NUMBER OF BRANCHES 81 2022: 81	NUMBER OF CUSTOMERS 2,054,360 2022: 1.7M	
ENERGY CONSUMPTION 7,378,514 KWh		CARBON FOOTPRINT 6,329 tons CO₂e	

CASE STUDY: ACCESS TO AFFORDABLE AND CLEAN ENERGY

ENERGIE DU NORD KIVU (ENK) - DRC

ENK based in North Kivu (DRC) generates and supplies renewable energy in particular hydroelectricity. Its electricity distribution targets the underserved and remote towns of Beni and Butembo in the East DRC region. The electricity powers local industries, businesses and households as a stable source of affordable energy.

Promoting Economic Resilience

ENK has operated since 2018 securing three 30-year concessions: two in electricity generation and another in distribution. The Company has obtained a loan from Equity Bank to construct two mini hydropower plants of 2.8 MWe and 12 MWe installed capacity to meet power needs of varied consumers: households, businesses and state institutions.



Support Affordable and Clean Energy

- A combined 14.8MWe installed capacity of renewable energy.
- By end of April 2023, ENK had connected to grid about 14,000 households and SMEs. By 2028, the company envisages an uptake of up to 60,000 households or an equivalent.



Support Good Health and Wellbeing of Communities

- About hundred hospitals and health care centres electrified and equipped with essential medical electric equipment: scanners, oxygen production plants, sterilizers, incubators.
- The enhanced healthcare facilities will translate improved delivery of services and saved lives.



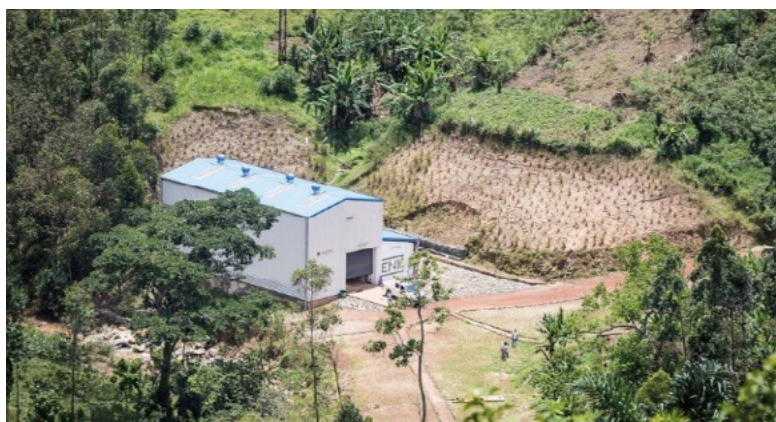
Supporting quality education

- Over 150 schools and universities with electricity connection. Students and pupils have transitioned from studying under inadequate lighting (storm lamps) to optimal lighting conditions.
- Electricity connectivity has enhanced information access through electronic ICT devices and platforms: television, radio, computer, internet
- Electricity has enabled diversification of learning experiences especially use of virtual internet-based platforms.



Support Growth of Sustainable Cities and Communities

- ENK has installed many street lighting enabling safe business environment at night. The lit environments have experienced proliferation of income-generating activities raising living standards and reducing youth idleness. This has brought about economic empowerment and transformation of lives and livelihoods.



ESG PERFORMANCE DASHBOARD: EQUITY BANK RWANDA PLC



Managing Director Statement

Social transformation and environmental protection are vital to our success. These are not nice things to have but prerequisites for achieving our purpose. That is why they are integrated through our policies, procedures and systems.

Hannington Namara, Managing Director, Equity Bank Rwanda PLC

HEADCOUNT 537 37% are female	NEW HIRES 166 2022: 114	STAFF RETENTION 86% 2022: 79%	AVERAGE TRAINING HOURS/EMPLOYEE 24 hrs.
REVENUE (Shs) 9,364m	PBT (Shs) 5,719m	TOTAL ASSETS (Shs) 127,716m	
CSAT SCORE 82% 2022: 89%	NUMBER OF BRANCHES 46 2022: 16	NUMBER OF CUSTOMERS 1,620,327 2022: 1.09M	
ENERGY CONSUMPTION 901,700 KWh		CARBON FOOTPRINT 2,812 tons CO₂e	

Climate statement: The science regarding climate change is well documented and human actions have been identified as the primary cause. This remains a crisis of our time and requires concerted effort to overcome. The Bank began taking efforts to comply with the country regulator’s guidance on climate-related and environmental financial risk management for financial institutions. We note that these principles are aligned with the TCFD standard, which will help address the governance, risk management, strategy, and measurement components that have been articulated in sections of this report.

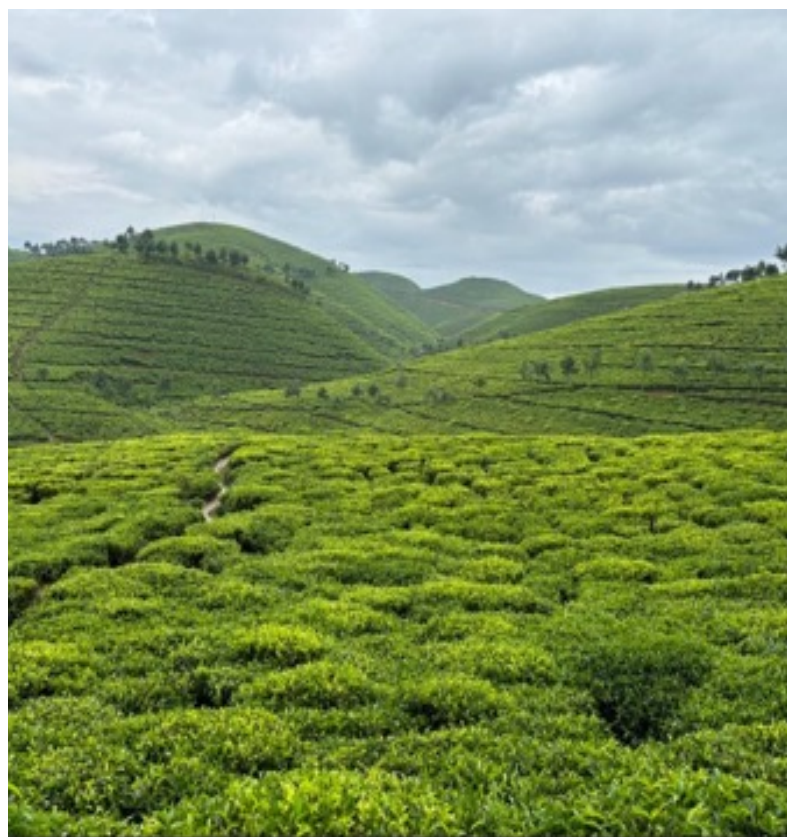
CASE STUDY: ENHANCING RESILIENCE IN THE AGRICULTURE SECTOR

CYATO TEA PLANTATION AND FACTORY-RWANDA

Cyato Tea Plantation is a privately owned company established in 2015 on 1,200 hectares of purely organic tea plantations and operates in five different zones of tea production specifically in the western province of Rwanda in the region of Nyamasheke Districts. The region is endowed with tropical climate and well distributed rainfall. The company is a medium enterprise focusing mainly on the agriculture sector.

Promoting Economic Resilience

Cyato Tea Plantation established a relationship with the Bank in 2017 and has over the years received financing from the Bank to expand tea plantation, and for infrastructure development and equipment acquisition. During Covid 19, the company benefited from a loan moratorium which enable the business to withstand shocks associated with the pandemic.



Women empowerment

- 85% of the workforce comprises of women
- Provides equal opportunities for women's training and leadership roles and indeed the factory manager is a woman



Decent Work & Economic Growth

- Employs residents where 30 staff members are under permanent terms while 750 are casual workers
- Works with small scale local farmers who supply tea including 1 cooperative with 136 members
- Mobilized 50 saving groups among workers to encourage savings and investment



Sustainable cities and communities and promoting good health and well being

- Constructed the road which serves as a shared infrastructure between the factory and the local community
- Paid healthcare for 248 families composed of 1,186 members
- Connected neighbouring communities to the company water supply system
- Supports vulnerable groups such as old women by providing 20 households with milk, or approximately 100 litres per day



Climate Action

- Organic farming- prioritizes use of cow manure and compost produced from wastes generated and uses nil harmful chemicals and fertilizers
- Planted 50,000 macadamia trees as wind breakers and for land conservation
- Company uses biodegradable and recycled material in packing
- Plans production of 300kWh clean energy from solar and hydro

ESG PERFORMANCE DASHBOARD: EQUITY BANK TANZANIA LIMITED



Managing Director Statement

Sustainability has become an integral part of the business landscape and is at the core of our strategy execution. It sets the standards for running our bank operations with careful consideration for society, the environment, and good governance practices. This has paved the way to enhance employee engagement, elevate financial performance, and make positive contributions to our stakeholders. Employee engagement actively seeks opportunities to integrate ESG principles into their decision-making processes, such as choosing sustainable suppliers, minimizing resource consumption, and promoting diversity and inclusion in team dynamics.

Isabela Maganga, Managing Director, Equity Bank Tanzania Limited

HEADCOUNT 484 49% are female	NEW HIRES 129 2022: 76	STAFF RETENTION 82% 2022: 87%	AVERAGE TRAINING HOURS/EMPLOYEE 35 hrs.
REVENUE (Shs) 5,183m	PBT (Shs) 631m	TOTAL ASSETS (Shs) 60,587m	
CSAT SCORE 81% 2022: 80%	NUMBER OF BRANCHES 15 2022: 15	NUMBER OF CUSTOMERS 619,234 2022: 575,862	
ENERGY CONSUMPTION 1,149,762 KWh		CARBON FOOTPRINT 780 tons CO₂e	

Climate statement: Climate change has been recognized as the defining issue of our day, with direct and indirect repercussions on society, the economy, and ecosystems. Following the release of regulatory guidance on climate-related financial risk management, we submitted an implementation plan to the banking regulator, recognizing the guidance’s alignment with the TCFD standard, as highlighted in this report’s governance, risk management, climate strategy, and measurement sections.

CASE STUDY: ENHANCING ACCESS TO WATER

AMINA MATOPE-TANZANIA

Amina Matope is a seasoned private water vendor who operates from Machinjioni Street, located in Mianzini Ward at Temeke District in the Eastern region of Tanzania. Temeke region has a tropical wet and dry or savanna climate and the district's yearly temperature is 27°C which is 2.87% higher than Tanzania's averages. Amina has been running this business independently for nearly eight years and was compelled to start the venture by challenges she faced in accessing clean tap water. Her neighbours also shared similar struggles.

Promoting Economic Resilience

Amina Matope initially connected to a private water distributor using her own savings of Tsh 1M (USD 450) for household consumption and nearby sales. She later constructed a water kiosk to support her growing business, with a monthly bill of Tsh 300,000 (USD 145). Seeking expansion, Amina explored financing options and found the WATSAN solution from Equity Bank Tanzania, focusing on water and sanitation improvement. This innovative financing allowed her to expand her operations significantly. Amina has since borrowed from the bank five times, using loans for purchasing storage tanks, pipes, sinking a borehole, and installing a water tank, demonstrating the effectiveness of such financing alternatives in supporting entrepreneurs and communities.



Clean Water and Sanitation

- Amina invested her business revenue in a state-of-the-art prepaid water meter from SONAK Company Limited, valued at Tsh 2M (USD 450). This solar-powered meter, linked by the Bank, ensures uninterrupted functionality even during power outages. Operating on a coin-insertion system, it dispenses 20L of water for Tsh 100, tailored to customer demand. Generating a daily income of at least Tsh 50,000, this investment offers steady returns and provides customers with convenient, round-the-clock access to water. Amina's forward-thinking strategy demonstrates how strategic investments can yield both financial returns and enhanced customer satisfaction.



Sustainable Cities and Communities

- Amina's business initially served around 150 households but faced increasing demand and limited water supply. Seeking expansion, she secured a loan of Tsh 7M (USD 3,250) in June 2023, enabling her to complete a concrete-raised tank, construct an iron raiser tank, and purchase storage tanks. This expansion allowed the business to serve an additional 150 households and accommodate walk-in customers, benefiting around 750 people. The initiative notably reduces the burden, particularly for women, of searching for water over long distances.



Climate Action & Affordable and Clean Energy

- Amina's business is connected by electricity mainly for pumping water to the storage tanks which avoids not only use of expensive fuel generators but also limits emissions of greenhouse gases in the atmosphere.

ESG PERFORMANCE DASHBOARD: EQUITY BANK UGANDA LIMITED



Managing Director Statement

We have several strategies including commercial and social approaches aimed at creating impact for society and preserving the natural environment. We appreciate the need for partnerships and engage widely to enable us to have adequate scale and capacity to create change.

Anthony Kituuka, Managing Director, Equity Bank Uganda Limited

HEADCOUNT 1,501 49% are female	NEW HIRES 257 2022: 478	STAFF RETENTION 86% 2022: 86%	AVERAGE TRAINING HOURS/EMPLOYEE 37 hrs.
REVENUE (Shs) 15,766m	PBT (Shs) 1,295m	TOTAL ASSETS (Shs) 156,584m	
CSAT SCORE 75% 2022: 66%	NUMBER OF BRANCHES 50 2022: 49	NUMBER OF CUSTOMERS 2,105,855 2022: 1.8m	
ENERGY CONSUMPTION 2,615,595 KWh		CARBON FOOTPRINT 1,617 tons CO₂e	

CASE STUDY: BRIQUETTES AND ENERGY SAVING STOVES

ABOUT ALLAN MWESIGYE'S PROJECT

Allan Mwesigye is a 32 year old resident of Gita-Nabutaka Village in Wakiso District, Uganda. Allan has ventured into making briquettes and energy saving stoves. Having worked at a brooder and witnessed heavy consumption of charcoal to keep chicks warm, he researched on making briquettes which were less costly and friendly to the environment. He experimented with charcoal residue then carefully transited to plant material. A former boda-boda colleague passed by and invited him to a financial literacy training by Equity Bank which he attended.

Promoting Economic Resilience

During the financial literacy training, he learnt of the Youth loan products by Equity Bank and Mastercard Foundation and immediately approached Equity Kasangati branch. He secured financing to build a small solar dryer and increase raw materials which increased his production. Thereafter, he took two subsequent loans to set up a business structure, build a house for his family and installed energy saving stoves.



- The installation of small solar dryer to increase briquette production.
- The financing enabled ramp up production:
 1. For briquettes: from 400 a week to 1,000 a day.
 2. For energy saving stoves: from 200 pieces to 2,000 pieces per month



- Supplying the market with briquettes and energy saving stoves as a replacement of charcoal.
- Allan has also trained 15 youth in the making of briquettes and 5 youth in making of energy saving stoves.



- Initially had two casual employees working on need basis but upon financing and business enhancement, hired an additional two with a one permanent employee earning Ush 150,000 salary plus commission.
- Hired 3 casual laborers who earn Ush 2,000 per completed energy saving stove completed.

ESG PERFORMANCE DASHBOARD: EQUITY BANK SOUTH SUDAN LIMITED



Managing Director Statement

Our context remains one of great social need. As a result, financial inclusion is a critical imperative for addressing the acute challenges present in South Sudan. Our role is therefore essentially one of empowering citizens through the provision of financial and non-financial services.

Addis Ababa Othow, Managing Director, Equity Bank South Sudan Limited

HEADCOUNT 122 31% are female	NEW HIRES 6 2022: 21	STAFF RETENTION 93% 2022: 91%	AVERAGE TRAINING HOURS/EMPLOYEE 29 hrs.
REVENUE (Shs) 3,918m	PBT (Shs) 3,009m	TOTAL ASSETS (Shs) 22,391m	
CSAT SCORE 82.5% 2022: 74%	NUMBER OF BRANCHES 5 2022: 5	NUMBER OF CUSTOMERS 190,349 2022: 180,578	
ENERGY CONSUMPTION 166,502 KWh		CARBON FOOTPRINT 750 tons CO₂e	

CASE STUDY: SOCIAL PROTECTION INITIATIVE IN SOUTH SUDAN

SOCIAL PROTECTION

As an institution offering integrated financial services, the Bank worked with several UN agencies and other key developments partners to facilitate delivery of cash-based assistance to marginalized and vulnerable households to enable them access necessities such as food, shelter, education, and health care. The aim of the bank was to avail to players in the humanitarian and development sector delivery channels and a platform to perform their work efficiently and effectively, leveraging group capability such as technology, geographical footprint and last mile infrastructure to support cash transfer programmes execution.

Promoting Economic Resilience

Some of the key projects were directed towards facilitating payment of incentives to children, teachers and community health workers. The Bank worked to deliver payment of incentives in a number of key projects below:

	• Delivery of cash-based incentives to eligible primary and secondary school teachers at state and national level under the Education Teacher's Incentive (ETI).	
	• Payment of Community Mobilisers that implement community engagement and communication programmes throughout South Sudan. There are currently 3,000 Community Mobilisers throughout the country in all ten states plus three administrative areas.	
	• Delivery of cash-based incentives to 1,626 young mothers in Northern Bhar Ghazal State. The objective of the incentive payment is to ensure that all children under six years old in the state receive support which is crucial for their development and well-being. • Payment to approximately 1,500 Community Health Workers in selected states who deliver health services to communities. • Payment for the operational cost of digital health projects such as advocacy and consultative meetings, as well as supervisors, travel, and incentives costs for project teams. • Payment for monitoring, supervision, training, and operational costs for nationwide and sub-national integrated health interventions in ten states and three administrative areas, consisting of 80 counties.	



CHECKLISTS TABLES

GRI Checklist	114
TCFD Checklist	119
TNFD Checklist	121
Group's Alignment to Global Sustainable Development Goals	123

GRI CONTENT INDEX

Statement of use: Equity Bank 2022

GRI 1 used: GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION
GRI 2: General Disclosures 2021	2-1 Organizational details	Pg. 11-13
	2-2 Entities included in the organization's sustainability reporting	Pg. 2
	2-3 Reporting period, frequency and contact point	Pg. 2
	2-4 Restatements of information	Not applicable
	2-5 External assurance	Pg. 2
	2-6 Activities, value chain and other business relationships	Pg. 11-13
	2-7 Employees	Pg. 14, 73
	2-8 Workers who are not employees	Not Reported
	2-9 Governance structure and composition	Pg. 22-27
	2-10 Nomination and selection of the highest governance body	Integrated annual report Pg. 92, 100
	2-11 Chair of the highest governance body	Integrated annual report Pg. 94
	2-12 Role of the highest governance body in overseeing the management of impacts	Pg. 22-25
	2-13 Delegation of responsibility for managing impacts	Not reported
	2-14 Role of the highest governance body in sustainability reporting	Pg. 22-25
	2-15 Conflicts of interest	Integrated annual report Pg. 96
	2-16 Communication of critical concerns	Not reported
	2-17 Collective knowledge of the highest governance body	Integrated annual report Pg. 32
	2-18 Evaluation of the performance of the highest governance body	Integrated annual report Pg. 94
	2-19 Remuneration policies	Integrated annual report Pg. 97, 115 - 118
	2-20 Process to determine remuneration	Integrated annual report Pg. 115 - 118
	2-21 Annual total compensation ratio	Not reported
	2-22 Statement on sustainable development strategy	Pg. 17-18
	2-23 Policy commitments	Integrated annual report Pg. 51- 54, 97
	2-24 Embedding policy commitments	Integrated annual report Pg. 51 -54
	2-25 Processes to remediate negative impacts	Pg. 27
	2-26 Mechanisms for seeking advice and raising concerns	Pg. 27
	2-27 Compliance with laws and regulations	Not Reported
	2-28 Membership associations	Pg. 8, 64, Integrated annual report Pg. 14
	2-29 Approach to stakeholder engagement	Integrated annual report Pg. 50, 90
	2-30 Collective bargaining agreements	Not reported

GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	LOCATION
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Pg. 30
	3-2 List of material topics	Pg. 31
	3-3 Management of material topics	Pg. 33-34
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Pg. 100-111, Integrated annual report Pg. 16, 42-44, 56
	201-2 Financial implications and other risks and opportunities due to climate change	Pg. 50-63
	201-3 Defined benefit plan obligations and other retirement plans	Not reported
	201-4 Financial assistance received from government	Not applicable
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Not reported
	202-2 Proportion of senior management hired from the local community	Not reported
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Not reported
	203-2 Significant indirect economic impacts	Pg. 79-97, Integrated Annual Report Pg. 70-74, 80-82
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Not reported
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Not reported
	205-2 Communication and training about anti-corruption policies and procedures	Not reported
	205-3 Confirmed incidents of corruption and actions taken	Not reported
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Not reported
GRI 207: Tax 2019	207-1 Approach to tax	Integrated Annual Report Pg. 89 - 90
	207-2 Tax governance, control, and risk management	Integrated Annual Report Pg. 89 - 90
	207-3 Stakeholder engagement and management of concerns related to tax	Integrated Annual Report Pg. 89 - 90
	207-4 Country-by-country reporting	Not Reported
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Not applicable
	301-2 Recycled input materials used	Not applicable
	301-3 Reclaimed products and their packaging materials	Not applicable
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Pg. 14,57- 61
	302-2 Energy consumption outside of the organization	Not applicable
	302-3 Energy intensity	Pg. 61
	302-4 Reduction of energy consumption	Pg. 60
	302-5 Reductions in energy requirements of products and services	Not Reported

GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	LOCATION
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Pg. 62
	303-2 Management of water discharge-related impacts	Not applicable
	303-3 Water withdrawal	Not applicable
	303-4 Water discharge	Not applicable
	303-5 Water consumption	Pg. 14,62
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not applicable
	304-2 Significant impacts of activities, products and services on biodiversity	Not applicable
	304-3 Habitats protected or restored	Not applicable
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not applicable
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Pg. 62
	305-2 Energy indirect (Scope 2) GHG emissions	Pg. 62
	305-3 Other indirect (Scope 3) GHG emissions	Pg. 62
	305-4 GHG emissions intensity	Pg. 62
	305-5 Reduction of GHG emissions	Pg. 62
	305-6 Emissions of ozone-depleting substances (ODS)	Not applicable
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Not applicable
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Not applicable
	306-2 Management of significant waste-related impacts	Not reported
	306-3 Waste generated	Pg. 61
	306-4 Waste diverted from disposal	Pg. 61
	306-5 Waste directed to disposal	Pg. 61
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Not reported
	308-2 Negative environmental impacts in the supply chain and actions taken	Not reported
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Pg. 73
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Pg. 74-75
	401-3 Parental leave	Pg. 74
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Not reported

GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	LOCATION
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Pg. 74
	403-2 Hazard identification, risk assessment, and incident investigation	Not applicable
	403-3 Occupational health services	Not applicable
	403-4 Worker participation, consultation, and communication on occupational health and safety	Not reported
	403-5 Worker training on occupational health and safety	Pg. 75
	403-6 Promotion of worker health	Pg. 74, 75
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Pg. 74
	403-8 Workers covered by an occupational health and safety management system	Pg. 72
	403-9 Work-related injuries	Not reported
	403-10 Work-related ill health	Not reported
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Pg. 75
	404-2 Programmes for upgrading employee skills and transition assistance Programmes	Pg. 75
	404-3 Percentage of employees receiving regular performance and career development reviews	Not reported
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Pg. 74-75
	405-2 Ratio of basic salary and remuneration of women to men	Pg. 76
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Not reported
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not reported
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Not applicable
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Not applicable
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Not applicable
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Not applicable
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development Programmes	Not reported
	413-2 Operations with significant actual and potential negative impacts on local communities	Not reported

GRI CONTENT INDEX

GRI STANDARD	DISCLOSURE	LOCATION
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Not applicable
	414-2 Negative social impacts in the supply chain and actions taken	Not applicable
GRI 415: Public Policy 2016	415-1 Political contributions	Not applicable
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Pg. 47-49
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Pg. 47-49
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Not reported
	417-2 Incidents of non-compliance concerning product and service information and labeling	Not reported
	417-3 Incidents of non-compliance concerning marketing communications	Not reported
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Pg. 47

TCFD CHECKLIST

TCFD DISCLOSURE		REPORT SECTION	PAGE NUMBER
Governance	Describe the Board's oversight of climate related risks and opportunities	Board oversight around ESG and climate related risks and opportunities	Pg. 22-27
	Describe management's role in assessing and managing climate related risks and opportunities	Management role around ESG and climate related risks and opportunities	Pg. 26
Strategy	Describe climate related risks and opportunities the organisation has identified over the short, medium and long term	Our response to environmental protection and climate change: • Understanding the climate related risks and opportunities from lending operations • Climate related risks and opportunities	Pg. 50
	Describe the impact of climate related risks and opportunities on the organisation's businesses, strategy and financial planning.	Our response to environmental protection and climate change: • Understanding the climate related risks and opportunities from lending operations • Supporting our customer to reduce their environmental and carbon footprint • Sustainable product development - Climate smart agriculture - Green buildings - Circular economy	Pg. 50-52
	Describe the resilience of the organization's strategy, taking into consideration different climate related scenarios, including the 2°C or lower scenario.	Our response to environmental protection and climate change: • Understanding the climate related risks and opportunities from lending operations	Pg. 54 -55
Risk Management	Describe the organizations processes for identifying and assessing climate-related risks.	Our response to environmental protection and climate change: • Understanding the climate related risks and opportunities from lending operations	Pg. 50-52
	Describe the organizations processes for managing climate and related risks	Our response to environmental protection and climate change: • Environmental and social risk management • Screening for climate risks unpacked	Pg. 56
	Describe how processes for identifying, assessing and managing climate-related risks are integrate into the organizations overall risk management.	Our response to environmental protection and climate change: • Environmental and social risk management	Pg. 53

TCFD CHECKLIST

TCFD DISCLOSURE		REPORT SECTION	PAGE NUMBER
Metrics and Targets	Disclose the metrics used by the organization to assess climate related risks and opportunities in line with its strategy and risk management process.	Our response to environmental protection and climate change: • Supporting our customers to reduce their environmental and carbon footprint • Sustainable product design	Pg. 59-63
	Disclose Scope 1, Scope 2 and if appropriate, Scope 3 greenhouse gas emissions, and the related risks.	Our response to environmental protection and climate change: • Reducing our environmental and carbon footprint - Our carbon footprint - Offsetting our carbon emissions	Pg. 62
	Describe the targets used by the organization to manage climate related risks and opportunities and performance against targets.	Our response to environmental protection and climate change: • Reducing our environmental and carbon footprint - Climate related metrics and targets	Pg. 59-63

TNFD CHECKLIST

TNFD DISCLOSURE		REPORT SECTION	PAGE NUMBER
Governance	Describe the board's oversight of nature-related dependencies, impacts, risks and opportunities	Sustainability Governance	Pg. 22-27
	Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities.	Management of sustainability	Pg. 26
	Describe the organisation's human rights policies and engagement activities, and oversight by the board and management, with respect to Indigenous Peoples, Local Communities, affected and other stakeholders, in the organisation's assessment of, and response to, nature-related dependencies, impacts, risks and opportunities.	Not reported	Not reported
Strategy	Describe the nature-related dependencies, impacts, risks and opportunities the organisation has identified over the short, medium and long term.	Not reported	Not reported
	Describe the effect nature-related dependencies, impacts, risks and opportunities have had on the organisation's business model, value chain, strategy and financial planning, as well as any transition plans or analysis in place.	Embedding Nature Considerations	Pg. 64-69
	Describe the resilience of the organisation's strategy to nature-related risks and opportunities, taking into consideration different scenarios.	Not reported	Not reported
	Disclose the locations of assets and/or activities in the organisation's direct operations and, where possible, upstream and downstream value chain(s) that meet the criteria for priority locations.	Embedding Nature Considerations	Pg. 64-69

TNFD CHECKLIST

TNFD DISCLOSURE		REPORT SECTION	PAGE NUMBER
Risk Management	Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its direct operations.	Embedding Nature Considerations	Pg. 64
	Describe the organisation's processes for identifying, assessing and prioritising nature-related dependencies, impacts, risks and opportunities in its upstream and downstream value chain(s).	Embedding Nature Considerations	Pg. 64-69
	Describe the organisation's processes for monitoring nature-related dependencies, impacts, risks and opportunities.	Embedding Nature Considerations	Pg. 64
Metrics and Targets	Describe how processes for identifying, assessing, prioritising and monitoring nature-related risks are integrated into and inform the organisation's overall risk management processes.	Embedding Nature Considerations	Pg. 64-69
	Disclose the metrics used by the organisation to assess and manage dependencies and impacts on nature.	Embedding Nature Considerations	Pg. 64-69
	Describe the targets and goals used by the organisation to manage nature-related dependencies, impacts, risks and opportunities and its performance against these.	Not reported	Not reported

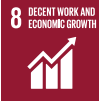
GROUP'S ALIGNMENT TO GLOBAL SUSTAINABLE DEVELOPMENT GOALS

UNSDG	SDG Target Alignment with Equity Strategy	Our strategic approach
 1 NO POVERTY	Target 1.4 - equal rights to economic resources, access to financial services, including microfinance. Target 1.5 - build resilience of the poor and those in vulnerable situations, reduce exposure and vulnerability to economic, social, and environmental shocks and disasters.	- Financial services and non-financial means to alleviate poverty through the democratisation of access. - Enhance access through the promotion of non-legacy banking facilities. - Partnership with government to promote financial inclusion initiatives. - Supporting broad-band internet access through Equitel MVNO for mobile.
 2 ZERO HUNGER	Target 2.3 - Double agricultural productivity and incomes of small-scale food producers through secure and equal access to knowledge, financial services, markets, and opportunities. Target 2.4 - Ensure sustainable food production systems and implement resilient agricultural practices that increase productivity and production. Target 2a - Increase investment, including through enhanced international cooperation.	- Value-Chain Agriculture Financing Model developed. - Partnered with the Government of Kenya and IFAD to provide agricultural subsidies through the Kenya Cereals Enhancement Programme. - Developed innovations in crop and index-linked livestock insurance
 3 GOOD HEALTH AND WELL-BEING	Target 3.8 - Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality, and affordable essential medicines and vaccines. Target 3c - Increase health financing and the recruitment, development, training, and retention of the health workforce.	- Implementation by Equity Afia as a sustainable, integrated healthcare model that oversees a network of clinician entrepreneurs to provide standardised, quality healthcare throughout Kenya and the region in which the Group operates. - Improving access to high quality and standardised health care to employees, their families and customers. - Provide access to medical insurance products. - Enhancing quality of life and contributing to a healthier future.

GROUP'S ALIGNMENT TO GLOBAL SUSTAINABLE DEVELOPMENT GOALS

UNSDG	SDG Target Alignment with Equity Strategy	Our strategic approach
	Target 4.4 - Increase the number of youth and adults who have relevant skills, for employment, decent jobs, and entrepreneurship. Target 4.5 - Eliminate gender disparities in education and ensure equal access to the vulnerable, including persons with disabilities, indigenous peoples, and children in vulnerable situations. Target 4.7 - Ensure learners acquire knowledge and skills needed to promote sustainable development.	- Assisting scholars and students annually to complete secondary and tertiary education. - Upskilling employees to reposition themselves for the 4th industrial revolution. - Upskilling employees to realise the Group's corporate strategy. - Training provided to all suppliers to enhance their levels of sustainability, through increased financial literacy, entrepreneurial skills, and exposure to ICT skills. - Continue to provide MSMEs with advice, mentorship, and entrepreneurship training. - Making opportunities for technical skills training in TVET institutions available for youth. - Complementary financial, entrepreneurial, and in relevant cases, agribusiness training provided. - Equipping youth with skills that enhance employability, such as life-skills, agribusiness, financial and entrepreneurship education to support and encourage adoption of multiple career pathways. - Working with partners on training farmers in climate-smart agriculture to reduce destruction.
	Target 5.1 - End all forms of discrimination against all women and girls everywhere. Target 5.5 - Ensure women's full and effective participation and equal opportunities for leadership. Target 5a - Undertake reforms to give women equal rights to economic resources, financial services. Target 5b - Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women.	- Empowering women and girls to help drive economic growth and development. - Fanikisha (Promoting women in business) initiative to be rolled out. A women suite of six loan products on both group and individual lending methodologies is to be provided with the aim of empowering women, increasing the number of women at decision making levels, increase capacity to take on new and more challenging roles, creation of role models which other women can benchmark themselves. - Diversity and inclusion policy in place to ensure 50/50 gender split across all levels of the organisation. - Focus on ensuring representation of female owned businesses in the supply chain. - Making use of digital solutions to enhance access to financial solutions by women across the Group's footprint.

GROUP'S ALIGNMENT TO GLOBAL SUSTAINABLE DEVELOPMENT GOALS

UNSDG	SDG Target Alignment with Equity Strategy	Our strategic approach
	Target 6.3 - Improve water quality and substantially increasing recycling and safe reuse. Target 6.4 - Increase water-use efficiency and supply of freshwater to address water scarcity.	- Financing water and sanitation infrastructure, including water storage, bio-gas digesters, and modern toilets. - Supporting productive uses of energy (PUE) in areas such as water pumping for drip irrigation and cattle drinking. - Working with partners on training farmers in climate-smart agriculture.
	Target 7.1 Ensure universal access to affordable, reliable, and modern energy services.	- Provide financing for energy-saving products. - Promotion of solar irrigation pumps, biogas, solar water heating, energy efficiency retrofits, clean biomass fuel, and water purifiers. - Entering into an Emission Reduction Purchase Agreement (ERPA). - Partnering with development organisations for a results-based financing Programme (RBF) targeted at the clean energy agenda. - Supporting productive uses of energy (PUE) in areas such as, aeration for aquacultures, refrigeration, and poultry lighting - Involvement in pest control and electric fencing.
	Target 8.5 - Achieve full and productive employment and decent work for all and equal pay for work of equal value. Target 8.7 - Take measures to eradicate forced and child labour, end modern slavery and human trafficking. Target 8.8 - Protect labour rights and promote safe and secure working environments. Target 8.10 - Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance, and financial services. Target 8a - Increase Aid for Trade support for developing countries.	- Monitor gender parity in the workforce, to address discriminatory practices in place. - The Group's ESMS, human rights policy, and health and safety policy addresses all aspects cited under the ILO conventions. Also addressed are the aspects of modern slavery and human trafficking. The ESMS and supporting policies clearly articulates the risks associated with not managing these aspects correctly, assigns roles and responsibilities, as well as monitoring and reporting protocols. - An entrepreneurship Programme is in place to support job-creation and economic growth for women, youth and MSMSs. - Knowledge sharing taking place through collaboration with the regulators and central banks in the countries of operation to strengthen capacity and promote good governance within the sector. - Promote regional trade through bespoke solutions to empower MSMEs and rural communities.

GROUP'S ALIGNMENT TO GLOBAL SUSTAINABLE DEVELOPMENT GOALS

UNSDG	SDG Target Alignment with Equity Strategy	Our strategic approach
	Target 9.3 - Increase access of small-scale industrial and other enterprises, to financial services, including affordable credit, and their integration into value chains and markets.	- Developing the use of breakthrough technology and innovation to become the region's leading digital bank. - Leveraging these digital solutions to enhance financial inclusion of marginalised groups.
	Target 10.6 - Ensure enhanced representation and voice for developing countries in decision-making in global international economic and financial institutions to deliver more effective, credible, accountable, and legitimate institutions. Target 10c - Reduce to less than 3 per cent the transaction costs of migrant remittances and eliminate remittance corridors with costs higher than 5 per cent.	- Making use of the Equity brand and regional presence to elevate the cause of the African Continent on the global stage. - Continue to enhance the Group's ability to provide services and solutions to facilitating remittances in a convenient and affordable manner.
	Target 11c - Support countries through financial and technical assistance, in building sustainable and resilient buildings utilizing local materials.	- Working with government to improve living conditions through the provision of microfinance loans for sustainable mortgages/real estate sector. - Supporting the provision of prepaid card solutions for urban mass transport.
	Target 13a - Assist developed-countries to mobilizing jointly USD100 billion annually to address the needs of developing countries to mitigate and implement a fully operationalize Green Climate Fund through its capitalization.	- Research undertaken to develop green and carbon bonds in collaboration with international partnerships. - Provide funding for climate change adaptation and mitigation initiatives.
	Target 14.1 - Prevent and reduce marine pollution from land-based activities, including marine debris and nutrient pollution	Promotion of sustainable farming practices to reduce loss of topsoil and pesticide and herbicide runoff into rivers, estuaries, and the ocean.
	Target 15.1 - Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services. Target 15.2 - Promote the implementation of sustainable management of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation.	- Working with partners on innovative solutions to support communities. - Participation in the "Save the Mau Water Tower initiative" aimed at the restoration and conservation of this natural habitat. - Investing in the development of seedlings and the planting of trees targeting the planting of 35 million trees across Kenya.

GROUP'S ALIGNMENT TO GLOBAL SUSTAINABLE DEVELOPMENT GOALS

UNSDG	SDG Target Alignment with Equity Strategy	Our strategic approach
	Target 16.4 - Reduce illicit financial flows, strengthen the recovery, and return of stolen assets and combat all forms of organized crime. Target 16.5 - Reduce corruption and bribery. Target 16.6 - Develop effective, accountable, and transparent institutions. Target 16.7 - Ensure responsive, inclusive, participatory, and representative decision-making at all levels. Target 16.8 - Broaden and strengthen participation the institutions of global governance.	- Economic and social Programmes anchored on the Creating Shared Value (CSV) model, to ensure distribution of opportunities to minimise conflict. - Tracking cyber security protocols and implementing improvement measures to protect shareholder and customers. - Enhancing training and awareness raising round criminal behaviour.
	Target 17.3 - Mobilize additional financial resources for developing countries from multiple sources. Target 17.11 - Increase the exports of developing countries, with a view to doubling the least developed countries' share of global exports.	- Diversification of funding streams. - Ongoing investor roadshows to promote CVS model and onboard new funding sources. - Focused on supporting customers to access export markets, through capacitation, networking, and movement of capital.

LOOKING FORWARD



LOOKING FORWARD

Sustainability is a critical imperative for Equity Group supported from the top leadership and cascaded through the organisation. Embedding of ESG factors in the operational and lending practices of the Group will continue as the organisation seeks to mature its sustainability practice. This will require continued initiatives at Group and subsidiary level including enhanced capacity within the sustainability teams.

Improving our environmental impacts will remain a key objective with emphasis on energy, water, waste and operational processes. In this regard, the Group aims at pursuing increased solar energy usage having conducted feasibility studies in 2023 and developed a roadmap for implementation of this agenda. Additionally, sustainable procurement practices will be enhanced as we embark on vendor E&S risk assessments.

Improving outcomes for our people will remain essential for attracting and retaining key talent. Our Human Resource Strategy provides a clear guideline on actions intended to ensure we are an employer of choice. We intend to launch our shared prosperity proposition for employees through the Employee Share Ownership Plan (ESOP) in 2024.

Capacity building for employees of all cadre will remain a key factor in developing a culture that is sensitive to sustainability. This will be augmented with development of specialised tools for management of sustainability and climate risks across the Group. We intend to enhance our ability to address emerging sustainability risks and opportunities in line with global and regional developments through robust systems and processes, continuing our investments in sustainability governance and management.

The Group will continue strengthening and aligning sustainability governance to emerging regulatory and global developments such as IFRS Sustainability Disclosure Standards in its future reporting.

Furthermore, EGF will continue to play a key role in delivering Programmes to improve lives and livelihoods. This will include scaling up on all Programmes with new innovations expected from the Tech and Innovation Hub. It is anticipated that these innovations will be availed outside the Group as commercial propositions to support businesses and individuals. Equity Afia will continue its growth with efforts to reach all counties in Kenya and also spread to other countries in which we operate.

As sustainability is a key facet of the ARRP, our emphasis will remain on driving sustainable livelihoods so as to achieve the socio-economic transformation of Africa. We remain committed to approaches that improve the livelihoods of current generations without compromising the ability of future generations to enjoy similar benefits.

2023 SUSTAINABILITY ANNUAL REPORT



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