



EQUITY GROUP HOLDINGS PLC

ENVIRONMENTAL AND SOCIAL RISK MANAGEMENT STATEMENT

APRIL 29, 2019

Equity Group Holdings PLC ("The Group") as a provider of key leading services to various markets recognizes that our business decisions have the potential to impact employees, customers, surrounding communities, and the environment. The Group believes that balancing environmental and human rights with financial priorities is key to sound risk management and corporate responsibility.

The Group's vision is to be the champion of the socio- economic prosperity of the people of Africa. The Group appreciates that sustainability ranks high among the priorities of its activities and that taking environmental and social aspects into account will lead to the long term sustainable development and attainment of the vision.

Protecting the natural system which all life is dependent on while lifting people out of poverty and promoting their rights continue to be a major challenge confronting humanity. The Group therefore appreciates that Environmental and Social risk management policy will shape not only lives today but also those of future generations.

The Group focuses on providing straightforward banking services to enterprises and ordinary people. The Group's aim is to foster widespread participation in the formal financial sector in order to contribute to the establishment of a stable economy. Access to responsible credit helps businesses expand, which in turn drives inclusive economic growth and employment. Providing formal banking services to them in a responsible way is therefore a development priority. Ensuring that the economic development we support is as environmentally and socially-sustainable as possible is a central component of the development mission of the Group.

The Group executes its operations with environmental, social and occupational health and safety (E&S) awareness, with an aim to constantly develop its performance in this area.

Therefore, The Group commits to:

- Financing Clients' activities which are environmentally and socially-sustainable;
- following all legal regulations and obligations and key stakeholders' requirements on environment, operational health and safety, social such as labour and working conditions, ensuring full compliance with them in all its business activities, and seeking to ensure that its clients comply with existing and applicable host country laws and regulations;
- paying special attention to clients' activities that, if financed, would pose reputational or ethical risks to the Group and/or its shareholders;
- not engaging in any activities or relationships where there is clear evidence of human rights violations and damage to the environment;
- paying attention to creating positive impact on community health, safety and security;
- promoting gender equality and poverty reduction through its operations;

- monitoring its environmental and social impact performance periodically and reporting on its performance on a regular basis;
- evaluating loan applications in accordance with its environmental and social risk management system (ESRM) framework, screening, categorizing and managing the Environmental and social risks of each eligible application, as well as monitoring them throughout the term of the loan/facility,
- not providing funding to any activity which does not comply with its Environmental and Social Risk Management Policy or those activities included in its “Prohibited/Discouraged Business/Negative List” as described in the Credit Policy or “Exclusion List” annexed to the Environmental and Social risk management policy,
- sharing its environmental and social performance with its stakeholders publicly through its website.

For any feedback regarding Environmental and Social Risk Management of the Bank, contact us at: sustainability@equitybank.co.ke

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