



## **PRESS RELEASE**

### **Equity Opts to support its' customers to keep their lights on by restructuring their loans of up to Ksh. 92Billion for up to Three Years.**

- *Relief aimed at easing customer's burden on their enterprises caused by COVID-19 economic impact*
- *Personalized solution to suit individual customer's circumstances*

**Equity Centre, Nairobi: 21<sup>st</sup> May 2020:** Equity Group has triggered a Business Continuity Plan (BCP) to protect its customers, staff and business. The Group Board has evaluated the economic impact of the business lock down, curfew and breakdown of the global supply chains. The Board has appreciated that 97% of global aviation business is shut down, 87% of hotel business has been lost while in countries like United States of America (USA), 33 million workers have lost their jobs while 30 million workers have lost their jobs in Western Europe. Most factories in the manufacturing sector have shut down adversely affecting global supply chains. Closer home the leadership of Equity Group has recognized that 1.2 million people are reported to have lost their jobs, 30% of tenants have challenges paying their rents for the month of April while the informal sector has stagnated. Power consumption and demand is reported to have fallen by 14% reflecting shut down of factories and manufacturing plants.

In view of the foregoing, the Group has adopted an offensive and defensive approach to protect its customers, staff and business. On the defensive, the Group is taking a personalized approach in restructuring customer loans to help them navigate through the COVID-19 pandemic that has evolved to a socio-economic crisis. The situation has affected large business ecosystems and industries such as travel, tourism, manufacturing, trade and commerce, construction, oil and gas as well agriculture and education.

Equity Group will support its clients and customers to survive, recover and thrive by the end of COVID-19 pandemic. Clients who can demonstrate the impact of Covid-19 on their businesses and soundness of their business model in the new normal will get reprieve of loan rescheduling and refinancing with up to an additional three years of repayment. "We have been on a journey with our customers and wish to go far by walking together with them. We believe that by supporting our existing clients, we shall help them keep their supply chains open and functional while maintaining their employees on their jobs," Said Dr. Mwangi, the Group managing Director & CEO and clarified that the approach has also taken into consideration regulatory and reporting requirements.

The accommodation includes principal and/or interest repayment breaks or reduction of repayment instalments. This gesture is intended to ensure our clients focus on cash preservation to ensure survival of their businesses and enterprises. We know this crisis is not going away anytime soon since the health crisis has not been resolved. "for this reason, we opted to be a patient and listening caring partner", said Dr. Mwangi. Our customers have been loyal and faithful, and we owe them who we are today. Our focus has changed from



financial performance and profitability to survival, sustainability and recoveries of our customers who are the reason we exist,” added Dr. Mwangi.”

On the offensive approach, the Group will work with its customers to expand their opportunities in the health sector by financing them to manufacture health requirements such as face masks and Personal Protective Equipment (PPEs) locally while helping to create regional supply Chains. Equity Group will support food and agriculture to enhance production, processing, distribution and export. The group will support innovation in ICT and other initiatives to digitize the economy. All the offensive initiatives funding is anticipated to create new growth and employment opportunities.

To protect our customers and clients, Equity Group has invested massively to support contactless environment and working from home. Equity’s Points of Sale are now Near Field enabled (NFC) and are tap and go. Equity USSD Eazzy 247 channel has been revamped for ease of use while Equity Eazzy App has been revamped for better experience. Eazzy net, Eazzy Bizz and Eazzy Forex have been reviewed to ease customer’s journeys to enable Equity banking experience to be “what you do” other than “where you go”.

“Equity Group will play to its capital strength, balance sheet agility and liquidity to support a long-term view and walk with our customers throughout the crisis. We want to give every client a chance to turn the crisis into an opportunity to thrive.” Said Dr Mwangi. He also appealed to customers to exercise caution in their decisions in order to preserve their business capital during this period of uncertainty, saying that businesses will have to take hard but critical decisions in order to sail through the crisis. In addition, he challenged the entrepreneurs to be innovative in looking for the opportunities that the crisis presents to re-imagine their business models and operating strategies especially adoption of digital technologies.

“We have been persuaded to think anew and act anew and hope that our initiative will provide stability, a steady hand and hope for our clients and customers for the road ahead and dial their fear down so that together we can save jobs, survive, preserve agility, flexibility and capacity to bounce back not only to survive and recover but to recover and succeed”. In addition, Dr. Mwangi said that in addition to working with its customers, the Group has forged alliances with Kenya Association of Manufactures (KAM), Kenya National Chamber of Commerce and Industries (KNCCI) as well as the Kenya Micro and Small Enterprises Authority (MSEA). The alliance, with support of Mastercard Foundation is aimed at synergizing and working together to mitigate the adverse effects of the current economic slowdown through capacity and resilience building to preserve and create 5 million jobs.

Dr Mwangi concluded by reminding customers to continue being vigilant by adhering to the Ministry of Health guidelines on health and safety standards during this period.

(End)



### About Equity Bank's Integrated COVID-19 response measures

Equity Group like any other responsible corporate responded to the uncertainty of Novel Corona Virus Covid-19 with instincts of uncertainty. It triggered its Business Continuity Plan to protect its customers, staff and business. It initiated a two team approach with half of staff working from home while the other half remained in the office. It involved its associate Equity Afiya medical doctors to train its staff on what Covid-19 was and how to keep safe while distributing a million leaflets on frequently asked questions on Covid-19 to its customers. Medical staff were deployed in branches to screen staff and customers as they entered the banking premises. The Group through the Foundation mobilized KShs.1.1 billion (USD 11Million) to provide private protective equipment to medical staff and those attending Corona Virus patients in public hospitals designated to deal with Covid-19 patients.

Two months into the Covid-19 health crisis, Equity Group has determined that this was more than a health crisis and has quickly mutated and become an economic and social crisis. Equity has decided, its customers first. To help the customers comply with the health recommendation of the Ministry of Health and Mitigate the risk of contracting Covid-19 the Group has maintained business continuity policies that ensure half of the staff remain and work from the office and half work from home. Those working from the office are screened at the entry and must sanitize after every transaction and must wear masks all the time. Customers are screened at the door and can only be allowed to enter the banking premises and be served if wearing a mask.

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