



EQUITY GROUP DIVERSIFIES TO INSURANCE BUSINESS WITH LAUNCH OF EQUITY LIFE ASSURANCE (KENYA) LTD

- *A life insurance license has been issued to Equity Life Assurance (Kenya) Ltd which is fully owned by Equity Group Insurance Holdings Limited (EGIHL), a subsidiary of Equity Group.*
- The insurance business of ELAK will be based on simplicity, openness, transparency and trust.

Nairobi, 10th January 2022: A life insurance license has been issued today to Equity Life Assurance (Kenya) Ltd ('ELAK') which is fully owned by Equity Group Insurance Holdings Limited (EGIHL), a subsidiary of Equity Group. The license will enable ELAK to provide life insurance solutions to an underserved market and contribute towards the vision of Equity Group to transform lives and expand opportunities for wealth creation.

Speaking while receiving the licence from Commissioner of Insurance, Insurance Regulatory Authority Godfrey Kiptum at the IRA headquarters, Ms. Angela Okinda, the Managing Director and Principal Officer of ELAK said, "ELAK will contribute to the trusted Equity brand by providing inclusive, affordable, innovative and accessible insurance products to a majority of Kenyans who are not utilising insurance solutions to secure much needed protection of their lives, health and wealth, or secure their financial futures through savings solutions. Our commitment is to provide consumers with freedom and ease of access to insurance solutions, payment and placement of their insurance coverage, as well as support and advice during the life of the policy. ELAK will also ensure easy access to insurance solutions through multiple distribution channels. ELAK's provision of insurance will be refreshingly different, innovative and very convenient."

Dr. James Mwangi, Equity Group CEO and Managing Director said, "The ELAK licence comes at a very critical time when the economy is recovering from the impact of the COVID-19 pandemic. Our inspiration is to offer insurance to all categories of consumers and make insurance accessible, affordable and inclusive in line with our purpose of transforming lives, giving dignity and expanding opportunities for wealth creation. We realised that the greatest threat to wealth creation is when disaster strikes, and the family and entities have no fall-back plan except removing capital from their businesses to meet such expenses. The insurance business of ELAK will be based on simplicity, openness, transparency and trust."

While handing over the ELAK license, Commissioner of Insurance, Insurance Regulatory Authority Godfrey Kiptum said, "As the regulator, we are delighted to see Equity Group adapt to the changing demands of the market and responding to the needs and aspirations of the customers. The insurance business in Kenya is still heavily driven by the general business class and with the entry of Equity Life Assurance (Kenya) Limited into the sector, this is likely to enhance the value and distribution of life insurance in the country."

The insurance industry in Kenya is characterized by low penetration levels, currently estimated at 2.4%. This has been attributed to a number of factors including poor or limited product portfolio, low or no awareness on available insurance products, low-income levels among the key consuming public, perceived low rate of returns for life insurance policies, cumbersome claim settlement procedures, lack



of trust of insurance players, negative perception of providers/intermediaries and expensive premiums among others.

Also speaking at the event, Insurance Regulatory Authority Chairman Hon. Abdirahin Haithar Abdi, MGH said, “The insurance business relies heavily on trust and Equity has a well-defined history and support from the public which is a key aspect for success in the sector. We congratulate Equity Group for joining the insurance sector as the newest player. Additionally, Kenya is ranked number 3 or 4 with regards to insurance penetration in Africa and many investors have taken an interest in the sector. We are happy to see a local player coming in to contribute to our growth.”

COVID-19 has been the greatest set back to many households in their pursuit for economic independence. Equity Life (ELAK) is pledging to invest heavily on consumer education to equip Kenyans with knowledge to make the right decisions regarding insurance for themselves and their businesses and to embrace insurance as a key component to reliably grow their wealth, health, and livelihoods by protecting it.

Dr. Mwangi further added, “ELAK will optimise on Equity Group’s serial innovation culture to launch inventive and substantial solutions that meet the needs of Kenyans. We will co-create products with Kenyans so that our offerings will be relevant and applicable to their daily lives. Further, we will ensure that the insurance solutions are easily accessible using technology on, thus giving Kenyans the freedom to access, pay and receive the insurance solution of their choice.”