



Press Release:

EQUITY STAFF WIN BIG AT THE GROUP'S 19TH ANNUAL GENERAL MEETING

Nairobi 28th June 2023 During the 19th Annual General Meeting of the Equity Group Holdings Plc Shareholders, Equity Group staff were granted 5% of the entire shareholding of the Group equivalent to 198 million shares valued at Kshs.10 billion as at today's closing share price through an Employee Share Ownership Scheme (ESOP).

"The recognition and reward to staff by the shareholders follows sustained resilience in creation of shareholders' value over a period of 7 years characterized by a series of challenges including interest capping, the COVID-19 pandemic, the Russia-Ukraine war and the current macro-economic turbulence marked by sticky and stubborn inflation, high interest rates and volatile exchange rates," said Dr. James Mwangi, Equity Group Managing Director and CEO during the Group's Annual General Meeting.

During the period since 2016, Equity management and staff have differentiated themselves by growing the assets of the Group from Kshs. 428.1 billion as of 1st January 2016 to Kshs. 1.537 trillion as of 31st March 2023. During the period, Profit After Tax grew from Kshs. 17.3 billion recorded for the year ended 31st December 2015 to Kshs. 46.1 billion as of 31st December 2022 while shareholders' funds grew to Kshs. 182.2 billion from Kshs. 72.1 billion for the same period.

Over the 7-year period, Equity Group has grown to be a systemic regional financial Group expanding beyond East Africa to Central Africa and becoming amongst the top 3 banks in Kenya, DRC, Uganda, Rwanda, and South Sudan, funding the growth from internally generated funds. The Group has become an award-winning global business emerging as the 4th strongest banking brand on earth, according to Brand Finance.

The Board recognized that to move to the next level of a global organization, Equity Group required global expertise, talent, and skills to drive further regional expansion and diversification while driving and sustaining the strong business outlook.



The Employee Share Ownership Program will; -

- (i) Align the interests of staff to the long-term interests of shareholders by structuring the ESOP as performance share awards with vesting conditions matching shareholder return, to achieve value creation through strong performance, Return on Equity and Assets and competitive dividend payouts;
- (ii) Attract superior talent and global skills from global multinationals that have similar employee total reward and compensation schemes;
- (iii) Drive a strong performance culture and embed performance measurement and a transparent and open reward system to incentivize staff;
- (iv) Be part of attractive variable pay package that would also include immediate cash bonuses and reflect the performance of the Group while complementing the guaranteed monthly salaries.

The Employee Share Ownership Scheme was granted while the shareholders also approved a record dividend payout of Kshs. 15.1 billion at a rate of Kshs. 4 per share, an increase of 33% over the previous year's payout. Additionally, the shareholders approved the setting up of technology and insurance business companies with Equity Group, signifying the bold diversification of the Company.

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